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President Marcos and foreign investors: the proper time to discuss business possibilities.

What brought about the startling flow of foreign capital into the Philippines?

The answer is a combination of numerous positive factors arising from the administration's unwavering efforts to restructure Philippine society in all spheres — political, social and economic. These wide-ranging reforms have generated a conducive atmosphere for both local and foreign businessmen. The signs of a much improved climate for investment are evident throughout the land.

Political conditions in the country have been stabilized. Peace and order conditions have improved to a considerable extent. And mainly through self-imposed financial restraints, the Philippines was able to increase its international reserves, from \$137 million on February 20, 1970 to its present \$366 million, an increase of \$229 million. Because of the substan-

tial improvement of its international reserve position, the country will be upgraded from the third to second credit tranche position, a significant improvement in international credit standing.

Apart from law and order and the other stabilizing factors now obtaining in the country, the President has adopted a series of measures which paved the way for the influx of investors, namely:

- Institution of money reforms with the amendment of the Central Bank Act and the General Banking Act.

- A decree titled "Business Incentives and Reforms," which amended the Investment Incentives Act and the Export Incentives Act.

- A decree promoting oil exploration and providing for service contracts on a production-sharing basis.

- A decree allowing Filipino citizens and Filipino-owned corporations to enter into service contracts with foreign persons or corporations for the exploration, development, exploitation and utilization of lands of the public domain.

- Reduction of the tax on interest on foreign loans to a uniform 15 percent, thus liberalizing credit facilities and accelerating economic growth. Before, the old rate was 25 percent in the case of individual borrowers and 35 percent in the case of corporations.

- Admission as non-immigrants of foreign nationals and their spouses

and unmarried children under 21 years of age as part of the incentives being granted to those who would participate in the development of the Export Processing Zone Authority.

- Admission of officers of foreign investment houses, foreign investors and stockbrokers as special non-immigrants without the need of visas for a stay of 72 hours, provided they or the firms they represent can afford to invest at least \$100,000.

- Waiver of visas for the entry of Chinese investors and stockbrokers with an initial stay of 72 hours, which may be extended by the Commission on Immigration and Deportation in "extremely meritorious cases."

- Liberalization of Central Bank regulations on new foreign investments and repatriation of investment withdrawals, as well as lifting of limitations on remittances of profits and dividends. Foreign investments as of March 15, 1973, arising from direct inward remittances in cash or in kind, as well as those generated out of the reinvestment of peso earnings from original investments, are assured of repatriation in varying degrees depending on whether the enterprise invested in is export-oriented, registered with the Board of Investments and other factors.

- Reduction of the commission charged by stockbrokers. No stockbroker using the facilities of any stock exchange shall charge, collect or re-

ceive a commission of more than one percent of the value of each transaction.

Because of the incentives offered to local and foreign investors, the Securities and Exchange Commission has reported that 1,439 corporations with P360,191,103 in subscribed capital, of which P134,371,420 is paid up, had registered during the first six months of martial law.

The initial areas of foreign investment interests were in garments and knitwear for exports, automotive components manufacturing, oil exploration, the development of export products and minerals. Many of the earlier visits of investors have resulted in joint ventures between foreign and local firms.

The gesture of two foreign-lending institutions has also served to heighten the flow of investments into the Philippines. Executives of the Export-Import Bank of New York and of the Bank of America have offered loans to the Philippines, after seeing for themselves the conditions prevailing in the country. It is to be expected that with these prestigious financial institutions showing the way, others will follow. And they have.

What does this all amount to? The Far Eastern Economic Review has read it as "a vote of confidence" for the President, for the reforms now being implemented in the entire country.

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The boundaries of an archipelago

"An archipelagic state, whose component islands and other natural features form an intrinsic geographical, economic and political entity . . . may draw straight baselines connecting the outermost points of the outermost islands and drying reefs to determine its territorial sea."

For the third time in two decades, the Philippines reiterated this doctrine before a world forum which is in the process of drawing up rules to govern the territorial seas. Non-resolution of this nagging territorial-seas issue has, more than once, strained relations between countries over conflicting interpretation of the sea limit. For instance, it has given rise to the so-called "shrimp war" between Peru and the United States, "incursions" of Soviet fishing vessels into US territorial seas and apprehension of vessels near the shores of countries jealous of their territorial waters. The Philippines, in particular, has delayed ratification of its proposed Treaty of Amity, Commerce and Navigation with Japan partly because the text interpreted the waters between islands as open seas.

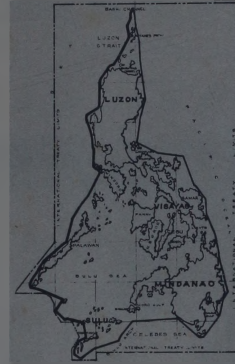
As in the 1958 and 1960 sessions of the United Nations Committee on the Peaceful Uses of the Seabed and the Ocean Beyond the Limits of National Jurisdiction, the Philippines maintains that "the baselines from which the territorial seas in an archipelago are to be determined consist of straight lines adjoining appropriate points of the outermost islands of the archipelago to enclose the entire archipelago."

Heading the campaign to sustain this official Philippine stand at the United Nations preliminary conference in New York in preparation for the Seabed Conference slated in Chile in 1974 is former Senator Arturo M. Tolentino, ambassador-at-large. Assisting him are Solicitor General Estelito Mendoza, Undersecretary of Foreign Affairs Jose D. Ingles, Ambassador Alejandro Yango, assistant secretary for UN affairs, and representatives from the National Science Development Board, the Bureau of Coast and Geodetic Survey and the Fisheries Commission.

The issue has assumed added significance in the wake of evidence of the presence of oil under some sections of the Philippine territorial seas. Any adverse decision will cause irreparable loss to the country, particularly with regard to its development program and security. How can the Philippines, for instance, defend its shores if such bodies of water as the Cagayan de Sulu Sea or the Mindanao Sea are declared as part of international waters?

In the United Nations last week, the Philippines, together with Fiji, Mauritius, and Indonesia, formally presented the archipelagic doctrine before the 91-nation UN seabed committee for inclusion in the projected convention on the law of the sea in Chile in 1974. The theory, according to Mr. Tolentino, was being introduced in the hope that this time, it will finally be adopted by the international body as the legal order to govern the passage, shipping, fishing and other activities within the island groups in the future.

The second principle advanced by



Mr. Tolentino is that waters within these baselines, regardless of depth or distance from the coast, the seabed and the super-adjacent airspace, with all their resources, are subject to the full sovereignty of the archipelagic state.

Mr. Tolentino said the third principle is the agreement on innocent passage of the archipelagic island group, subject to national legislation with due regard to the existing rules of international law and with the archipelagic state specifying the sealanes to be used.

He said: "An archipelago must be basically considered as an integral geographical entity, strengthened by political and economic unity, and in some cases, sustained through the years by historical continuity from which it derives its identity. Thus an archipelago may have some or all of these factors but the fundamental consideration is that they must have always been identified as distinct entities.

"This essential element of unity cannot be overstated as the basis of the desire of an archipelagic state to preserve its identity as one state and one nation. Otherwise, the archipelago may be splintered into as many islands as compose it with the consequent fragmentation of the nation and the state itself."

The Philippine position is anchored on solid grounds. For one, its new Constitution defines the national territory as encompassing all the islands and waters embraced by the archipelago, and all other territories belonging to the Philippines by historic right or legal title, including the territorial sea, the air space, the subsoil, the sea-bed, the insular shelves, and other submarine areas over which the Philippines has sovereignty or jurisdiction. The waters around, between, and connecting the islands of the archipelago—irrespective of their breadth and dimensions—form part of the internal waters of the Philippines.

This stand is embodied not only in the 1935 and the new Constitution, but also in a law defining the baselines

of the Philippine archipelago under Republic Act 3046, as an Act 5446). The baselines are interm from the baselines sea of the Philippine

Solicitor General Mendoza emphasized this concept implies full sovereign rights over waters, primarily between the islands which compose the archipelago. By the application of this concept, the identity of the Philippines as one state is preserved and not splintered into 7,000 islands, Mr. Mendoza asserted.

While big maritime powers like the United States, Japan and Great Britain are opposed to the archipelago doctrine, other states like Indonesia, Fiji, Ecuador and Norway support this theory advanced by the Philippines. The validity of the method of the straight-line baselines in delimiting their respective territorial waters has been adopted by Denmark, Sweden, Yugoslavia, Saudi Arabia and Cuba.

Mr. Mendoza observed that traditional alignments in the UN corridors are not easily apparent, as far as the law of the sea is concerned. In this particular issue, he said, it may be difficult to speak of old friends, only of common situations.

The Philippines, like any archipelagic-state, is jealous of its territorial boundaries, for the purpose of protecting its fishing rights, its fisheries resources, enforcing its revenue and anti-smuggling laws, and for its defense and security.

Especially at this time, when there are positive signs of oil within its offshore and continental shelves, the Philippines is concerned in protecting its national patrimony. After all, as the International Court of Justice ruled on the Anglo-Norwegian Fisheries case, "there is one consideration not to be overlooked, the scope of which extends beyond purely geographical factors: that of certain economic interests peculiar to a region, the reality and importance of which are already evidenced by a long usage."

The UN Conference of the Sea in 1958 recognized the sovereign right of the coastal state over the continental shelf for the purpose of exploring it and exploiting the natural resources. In the Philippines, under the Petroleum Act of 1949, all natural deposits or occurrences of petroleum or natural gas on the continental shelf "seaward from the shores of the Philippines belong to the State, inalienably and imprescriptively."

Former Senator Tolentino advanced the proposition that both political and economic considerations are the dominant factors in determining the extent of the territorial sea. The territorial sea, he said, is not a mere juristic concept; it is vitally linked with the political and economic security of the coastal state. Thus, the coastal state asserts and exercises sovereignty and jurisdiction over certain areas of the sea adjoining its land territory.

Mr. Tolentino pointed out that any proposal that would reduce or limit the extent of the territorial waters over which the state now actually asserts and exercises sovereignty would amount to an impairment of the ter-

then one sovereign to an territorial legal and

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ers-irre, ective of the distances between such islands.

The Philippine Constitutional Convention went further to elaborate on the stand on the territorial limits of the Philippines when it drafted and approved the article on the national territory, providing for the inclusion of Batanes Island which were erroneously excluded in the Treaty of Paris.

The protection and strengthening of the Philippine claim on Sabah, Freedland, the Spratley Islands and the Marianas group, including Guam.

It was the view of the Constitutional Convention that the archipelago doctrine is an exception to the three-mile limit or the marine league from the low-water mark (the theory adopted by the Dutch publicist Cornelius Van Bylleschok in line with the effective range of the shore batteries centuries ago) or the 12-mile rule as advocated by the big powers.

As early as 1955, the Philippine government had asserted the straight-baselines method in a note verbally transmitted to the UN Secretary General.

It is about time that the age-old traditions on the law of the seas be discarded, to conform with the modern methods of use, exploitation and conservation of the marine resources of various states and to prevent poaching on the fishing grounds and trespassing of the territorial waters of small countries.

The International Court of Justice itself paved the way for a reexamination of the traditional concepts on the delimitation of the territorial seas and a closer look on the present archipelago doctrine which the Philippines is espousing in the international forum.

VOLUNTEERS

Money is not everything

Early last month, 12 Dutch and nine Japanese technicians started a two-year work stint in various government offices under a rare kind of contract; no mention is made of monetary remuneration. In place of the usual compensation clause, the agreement contains two strikingly simple "guarantees": 1) safety for their persons and personal effects; and 2) enough work to keep them busy for the duration of their stay.

They were not the first ones to work here under such a contract, but in a country where technical talent is at a premium, the terms seem unheard of and, indeed, can cause no little amount of mystification. What, for instance, can they expect to subsist on while working here? They do have something to fall back on. Depending on his place of assignment, a technician gets from \$80 to \$150 (P540 to P2,000) as monthly allowance from his own government. Back home, a comparable job would command a monthly salary of at least \$350 (P2,370).

Not all things, however, can be reduced to that popular common denominator—money. At least not for these young men, for they are volun-

teers. In its essence, volunteer service retains some romantic undertones: a selfless giving without thought of what one would be receiving in return. As one appreciative Philippine official puts it, "Volunteer service is lay missionary work minus the promise of heaven." Admittedly, adventure provides an added motivation for some of them; for others, it is the prospect of knowing better another country and her people; but for most, it is living out the credo that "a man's greatest reward is his sense of accomplishment."

And accomplishments they already have in great variety. In barely six years since the arrival of their first team in the country, members of the Japan Overseas Corporation Volunteers (JOCV) can point to several successful projects where their services proved invaluable. Among them: the Guimaras (Iloilo) mango plantation which produces export-quality mangoes in commercial quantities and the fish sausage plant in Mercedes, Camarines Norte, the product of which is now the subject of a market feasibility study.

On the other hand, representatives of the Organization of Netherlands Volunteers (ONV), working under the auspices of Bishop Cornelius de Witt in the southern province of Antique, helped organize cooperatives for small-scale, self-help community projects like fishing and cattle raising. In another project that has drawn national attention, some Dutch volunteers collaborated with the Philippine Printing Technical Foundation in setting up a general printing course in offset press, plate-making, binding and related skills—perhaps, the only course of its kind in the country today.



Foreign volunteers: a chance to work with the people.

It would take a long list to enumerate all the projects initiated or assigned by these volunteers. Working in various parts of the country today are 106 volunteers from the JOCV, 41 from the ONV, 6 from Britain's Volunteer Service Overseas (VSO) and 5 from the Stanford University-based Volunteers in Asia (VIA). They cover a broad range of technical specializations: from irrigation to artificial insemination, from fish culture to sericulture (raising of silkworms for the production of raw milk), to ceramics, electronics, cooperatives and even landscaping.

Working on projects like these gratis et amore is, without doubt, praiseworthy. But it has often been a cause of understandable concern that foreign technical aid tends to create a dependent attitude on the part of the people of the recipient country. On this score, the agreements entered into by the Philippine government and foreign volunteer organizations (or their governments) usually contain a proviso that Filipino counterparts be assigned to the volunteers. The intent is clear: to enable Filipinos to learn the rudiments, if not the refinements, of their technical know-how so that no gaps are left when the volunteers leave.

The intensification of foreign volunteer programs here almost coincided with the phasing out of certain forms of foreign technical assistance and the first moves toward redirecting Philippine education along the lines of technical and vocational training. For these reasons, the role of volunteers in helping develop much-needed, middle-level manpower gains added significance. Their working here could not

have been more timely.

But their role could have been understated, as the dearth in publicity seems to indicate. To some extent, this low profile could have resulted from the self-effacing nature of most volunteers themselves as well as their organizations, thus their reluctance to play the celebrity game.

If these foreign volunteer organizations have shied away from the limelight, so has the agency that plays a key role in the whole scheme. But then matchmakers are quite well-known for remaining unknown. The Philippine National Volunteer Service (PNVSC) is no exception.

The PNVSC was created on December 17, 1964 as the national liaison with foreign volunteer organizations. It found itself hamstrung at the start by the absence of a permanent staff and lack of authority to implement its policies and programs. Executive Order No. 105 issued by President Marcos on December 11, 1967 sought to correct that inadequacy by establishing a secretariat, charged with the actual implementation of the committee's functions. The same order expanded the committee membership to include representatives from the better-known local volunteer organizations.

The committee at present is chaired by the secretary of the Department of Local Government and Community Development (DLGCD). Other than the DLGCD secretary and the PNVSC executive secretary, the committee is composed of one representative each from the following departments: Foreign Affairs, Labor, Health, Education and Culture, Agri-

culture and Natural Resources, Public Works, Transportation and Communications, and National Defense. Also represented are the Philippine Rural Reconstruction Movement, Operation Brotherhood International, Medical Aid for Rural Indigent Areas, Work-A-Year, and the School Volunteer Program of the Philippines.

"Every day is a busy day for the PNVSC," says Executive Secretary Elizabeth Z. Barbero. The task revolves mainly around its clearing-house function. "We receive numerous requests for volunteers from both government and private agencies," she says as she explains the process of foreign volunteer recruitment. "We have to carefully evaluate the project proposals and then make the requisite representation with the foreign organization concerned."

In the course of negotiations, the foreign volunteer organization may seek an on-the-spot survey of the proposed project. The PNVSC makes the necessary arrangements, sometimes including accommodations for the survey party. Once the project is approved and volunteers are sent here, the PNVSC conducts an in-country program—a four-week crash course in English, Philippine history, political science, sociology and economics, plus other subjects designed to familiarize them with local conditions.

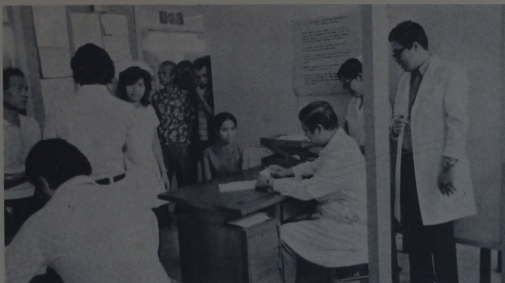
The PNVSC receives periodic progress reports from volunteers already in the field. Complaints of volunteers are also couched through it. Curiously, the most common complaint is that the volunteers do not have much to do. A likely solution in cases like this is immediate transfer to another place of assignment.

Giving ample support to the PNVSC are the country representatives of the two largest volunteer organizations operating here—Ichiro Toyoshima, for big JOCV, and Johannes J. Liethoff, for the ONV.

Obviously, even such a good thing as foreign volunteer service will come to an end. The PNVSC prepares for such an eventuality by helping develop domestic volunteer organizations. In the main, its contribution consists of technical support in the form of briefings, orientation courses and seminars for youth volunteers. Two organizations which have received such support are the Democratic Youth Movement and the Far Eastern University Students Volunteer Organization. In coordination with the defunct PACD (which has been absorbed by the Department of Local Government and Community Development), the PNVSC has organized and supervised the work of the Volunteers for the Improvement of the Philippines (VIP), made up of college students who had dropped out for financial reasons. As a form of encouragement, VIP members get some financial assistance to enable them to continue their studies.

Another incentive for local volunteers in PNVSC-assisted projects is the prospect of being chosen to serve in foreign countries under the United Nations Volunteer Program. To date, the PNVSC has arranged the trip of 10 Filipino youths to the Yemen, the United Arab Republic, Iran, Jamaica and Liberia.

The inducements are far from substantial, but it is perhaps a measure of the appeal of volunteer service itself that several volunteer programs are going on in the country today.



Medicare: a boon for the needy and the low-wage earner

The Medicare way

Hospitalization in the Philippines had for so long been an expensive affair that it became quite difficult to tell which people dreaded more — the onset of a disease or the prospect of seeing a pile of hospital bills. It used to be said, in fact, that only the rich could afford the luxury of getting sick. The advent of Medicare may well hasten a revision of that saying to include the needy and the low-wage earner.

Low-income people, who almost always ended up in the charity wards of government and private hospitals when they got sick, can now go to any accredited hospital without having to worry how to settle the bills later on. Adequate medical attention is assured them by a new government institution — the Medical Care Commission, or Medicare for short.

When the commission started operations last year and began collecting monthly fees from government and private employees, many greeted it with skepticism. Calling it an unnecessary, additional burden on the low-income group, some people went so far as to urge the now defunct Congress to repeal the law (Republic Act 1611) creating Medicare.

This skepticism has since been replaced by the gratitude of some 65,000 who availed themselves of free medical services last year. The number is expected to increase several times over this year with the expansion of Medicare coverage and as more and more people become aware of its benefits.

This concept of free medical service differs from that of the usual relief services in which the recipient gets some form of aid for nothing. More than once, the latter has been blamed for fostering an attitude of dependence, of mendacity even. By contrast, Medicare involves, if not hinges on, the participation of a responsible citizenry who, after all, provide the vital ingredient in the building up of a dynamic and progressive society.

Contributions are minimal and based on each one's earning capacity, but because of the pooling of resources, each contribution goes a long way in assuring medical attention for every ailing wage earner or his dependents.

For a contribution of as low as P0.30 (less than the price of a pack of cigarette) a month, beneficiaries receive P12 each daily for room and board in the hospital of their choice. They are also entitled to a maximum of P640

for 45 days' hospitalization a year, P150 for medicine, laboratory examination and operating room fee (if surgery is required), a surgical fee of P50 for a minor operation, P150 for a medium operation, P350 for a major surgery and P100 for physicians' fees (at P5 a day if the doctor is a general practitioner and P10 a day for a specialist). Except for the 45-day maximum limit on confinement a year, all other benefits may be availed of again within the year if the person treated later seeks confinement for a different ailment.

Only recently, Medicare extended its services not only to the some 4 million members of the Government Service Insurance System (GSIS) and the Social Security System (SSS) but also to their dependents. The only condition in that confinement will not exceed the 45-day limit allotted to each family.

Plans are to expand these services to other areas, including resident aliens with a minimum contribution of P0.50 a month and a maximum P5 a month, depending upon their annual income.

Their contributions, which will be handled by a proposed community mutual health fund, will be matched either in cash or their equivalent in terms of services by the national government.

The GSIS and SSS members currently covered by Medicare contribute a minimum of P0.30 a month and a maximum of P3.75 applied on a graduated scale based on annual income.

But regardless of how much one contributes to the Medicare fund, he will get the same services and benefits as those who pay more.

Eventually, Medicare hopes to cover even those who are not members of the GSIS or SSS.

Dr. Pacifico Marcos, the 54-year-old chairman of the commission, has revealed plans for the construction in the next two years of 81 hospitals with 10-15 bed capacities throughout the country. These hospitals, he said will serve as community health and hospital centers to serve people of extreme poverty who cannot contribute to the community health fund.

The centers will be operated jointly by Medicare, which will provide the

equipment and personnel, the Department of Health which will provide part of the personnel and medicine, and the community which will shoulder the operational expenses, including the salaries of additional personnel not paid by Medicare.

In addition, Medicare has devised a system to cope with the shortage of doctors in the rural areas. Today more than 3,000 doctors, 85 percent of the membership of the Philippine Medical Association, are concentrated in the greater Manila area and other urban areas while only 35 percent are in the rural areas where 70 percent of the 38 million Filipinos reside.

To encourage doctors to go to remote areas, Medicare is working on a plan to set up a scholarship system funded by private individuals or foundations with priorities, initially, to be given to medical students who stopped schooling because of lack of financial support. Later, a nationwide scholarship system will be formed to encourage bright and promising students in the rural areas to take up the medical profession.

Awardees shall be entitled to free tuition and other school expenses, including a monthly allowance of P200 each, to be shouldered by their respective sponsors through Medicare. They shall be so supported up to the medical board examination. All that will be expected from the scholars in return is for them "to serve in the rural community assigned to them following their full accreditation as physicians for two years at reasonable salaries."

Dr. Marcos said Medicare would also encourage doctor-less communities to set up a system of primary medical scholarships either through local organizations or through request for the Medicare to fund sponsors.

Reviewing Medicare's activities last year, Dr. Marcos said "1972 was a turbulent year for us due to the fact that the Medicare program was initially implemented during that time and powerful forces trying to blunt it in ineffectivity." But he said, "in spite of the barriers put on its way, the Medicare commission faithfully and diligently did its duty." He added that "changing the peoples' attitude (toward Medicare) was our greatest feat."

FAMILY PLANNING

Instrument of economic growth

A Filipino is born every thirty seconds. This is the urgent signal being made by an electronic clock at the Rizal Park to dramatize the country's rapid population growth of 3.5 percent annually. At 4:43 p.m. on March 3, a few days after its installation, the clock ticked a total of 40,082,156 Filipinos, an eerie reminder to the country — ranked by a United Nations survey as the seventh largest in Asia and the 15th most populous in the world.

The present runaway count has far outpaced the country's 1.5 million population in the 1800's and, if not contained within manageable levels, would run true to the Malthusian prophecy that poverty, misery, and suffering would become inevitable.

Aware of this situation, the ad-

ministration has embarked on a national program of family planning involving both the public and private sectors. Although there have been attempts to spread the family planning concept in the country, it was not until 1969, when President Marcos through an executive order created a Commission on Population, that a concerted effort was made to check population growth and dovetail it with socio-economic policies.

The adoption of family planning as part of the administration's policy did not, however, alter the emphasis of the campaign on "motivation." Procreation continues to be a purely affair between husband and wife. The state does not intervene in the couple's decision to the number of children they should have. The decision of "acceptors" to use the pill, the condom, the foam or the rhythm method is still that of the spouses. The task of the "motivators," the people involved in the family planning campaign, is merely to educate and open the eyes of the couple to the necessity of checking population

growth.

To make the government's effort in family planning more effective, the President issued Decree No. 79 last year amending a Population Act passed by the defunct Congress in 1971. As a corollary step to the nationwide campaign being waged by the Population Commission and a dozen or so private organizations on family planning, the President directed the integration of subjects on family welfare and responsible parenthood into the curricula of schools offering medicine, nursing, midwifery, social work and allied professions. Students taking up these courses are required to have sufficient knowledge of family planning for them to qualify for licensing examinations. A complementary project in the Department of Education has given population-education training to 187,000 grade school teachers, 15,000 secondary school teachers, and 360 teacher-training instructors.

The efforts exerted by the Philippine government in meeting squarely the population problem have caught

the attention of experts from the United Nations.

Sam Keeny, resident representative of the Population Council, cited the Philippines as an exception to other Asian nations which are confronted with the problem of how to get heads of state to speak out firmly, explicitly and persistently on the importance of a population program.

The population expert noted that when President Marcos adopted family planning and birth control as part of his socio-economic policy, he was fully aware that galloping population growth cannot be arrested by mere lip service nor rhetoric at the top.

Mr. Keeny also cited as a "welcome" development the sponsorship by the First Lady, Mrs. Imelda R. Marcos, of the P8 million Population Center Foundation now being constructed at the South Superhighway, 14 kilometers south of Manila, which will be a collaborating center for private public agencies in carrying out an effective family planning program.

Cavite revisited

There is more to Cavite than meets the cynic's eye.

In terms of tourist attractions, Cavite offers everything from historical sites to beach resorts. The visitor with an eye for history can drive to Bacoor, which was Fr. Mariano Gomez's parish for 48 years. Past Bacoor is Kawit, where you can see Gen. Emilio Aguinaldo's abode all intact — the baroque balcony, the Gothic roof and the now eerie living room where the General's heroic exploits first saw the light of day.

Other towns have their own distinguishing traits.

Rosario has the cleanest school building in the province; Tanza has a neat concentration of hardware stores; Trece Martires, a newly created city and now capital of the province, is really a sleepy village: few tricycles, not a single theatre and on Saturdays and Sundays, a place devoid of people except those napping in 20 or so residential houses.

If you go for the breeze, you can bank in the high bright sun of Novleta where a row of beach resorts (Josephine, Lido, Villamar, etc.) proliferates. You can savor Cavite's typical countryside lure in Indang where the verdant surroundings remind you of lush Hawaiian forests. Tagaytay City, Cavite's answer to Benguet's Baguio City, remains a must in both the local and foreign tourist's itinerary.

Cavite boasts of cultural and social activities the whole year round. Cavite City, the former capital of the province, has its Artists Guild that turns out a yearly supply of participants in stage plays and choir concerts. It conducts an annual search for the "Mutya ng Cavite," an undertaking sponsored by local civic organizations. Once or twice a year, a boat race, complete with fidgety beauty queens, unfolds in Lido Beach Resort, called the "Regata de los Pescadores" (literally, regatta of the fishermen), this boat show can compare with fashionable boat races abroad.

If most of the nice things about Cavite had eluded the tourist's eye, lay the blame on politics and crime which were the main items newspapers in the old society normally brought.

Cavite City (population: 79,146) has shed its hugely ominous airs, one finds out the second time one gets to see the place.

It has acquired Manila's disciplined look. The city traffic, though not as complicated as Manila's, now follows a systematic pattern. Pedestrians cross on well-marked lanes; no one may cross a street (no matter how narrow or secluded) without the appropriate signs. Jeepneys no longer zigzag like children chasing an errant ball; yellow dots have divided the streets into two-way thoroughfares.

Policemen have stopped acting like part-time bullies; off Burgos street, one bumps into the once leering face of a policeman who gave one directions, with all too apparent distaste, the first time one visited the place. One misses his grunts and snarls.

The sidewalks sport a less critical look. Julian Felipe Boulevard (named for the composer of the national anthem) is now devoid of characters who, in the past, did not look too kindly on the stares of strangers.

Over at the local PC camp, Provincial Commander Manuel Gil notes the remarkable decline of criminality in the province. Once stubborn politicians have learned to show up in conferences — sans their private armies.

Mayor Eduardo de Guzman has just returned from a speaking engagement when I catch up with him in his office at the city hall. He wears a Banlon shirt, looking approachable like many town executives I know. His office is devoid of cushion chairs. Instead, we sit on wooden chairs with rattan trimmings. Outside, the shrill cries of school children are heard. The present city hall, the mayor tells me, is ac-

tually a school building. They are holding office in the campus.

Sporting a heavy brown tan only a man of the sea could have acquired, the mayor talks about post-martial law Cavite with relief.

"Martial law has brought about changes here which were simply impossible when we first thought of this," Mayor de Guzman begins the conversation. "Now, Cavite is perhaps one of the most peaceful provinces in the country."

The mayor cites the firearms ban, which was never successfully implemented before Proclamation 1081. He had spearheaded a drive against loose firearms, but its effects were hardly felt. "We were able to confiscate firearms but we knew there were more on the loose. With Proclamation 1081, the drive against loose firearms is now a success."

A year ago, in Pagoda Kitchen Restaurant, a man who reportedly owned a gambling joint in Cavite City, aimed a .38 caliber gun on De Guzman, then the city vice-mayor. De-Guzman was, like most of the local officials of that time, helpless.

Actually, he was luckier than some — like his predecessor, then Mayor Manuel Rojas, who died in an ambush also last year. Things are different today. Officials and citizens alike feel much safer in the streets or in their homes. Mrs. Placida Villanueva Rojas, the mayor's widow, herself seems to have recovered from the tragedy that befell her family. Although the hearing on her husband's slaying is still going on, she is relieved to find that some of the men believed "morally" responsible for the crime had been immobilized with the proclamation of martial law. "I like the atmosphere in Cavite City," she says. No more guns and all that. The local police are now efficient. I hope it goes on that way for long.

The incumbent mayor continues: "Sanitation also has greatly improved. We used to see residents throwing their garbage anywhere they liked. It was disgusting. You won't see them do that anymore. Same with the local Green Revolution movement. In my office, I required all my employes

to plant even on pots. Here in the city hall, we cleared the front lawn of weeds and planted it to vegetables. We don't have problems with vegetables now. Our problem is how to find a market for them.

"Dynamite fishing used to be another problem before martial law. The practice has abruptly stopped and so has gambling."

The crackdown on "notoriously undesirable" officials and employes initiated by President Marcos has seeped down to the local government. The mayor gives this rundown:

"By the end of 1972, 11 policemen and one sergeant had been dismissed. Six policemen had been forced to resign. One lieutenant had to leave the service for taking a prisoner out of the city jail without the proper permission. This, in spite of the fact that he had 25 years of service behind him. I recently dismissed a market inspector for not issuing a receipt for a 20-centavo market collection. A district engineer, who had served for 13 years, I also dismissed for surreptitiously selling used iron bars."

How were the local citizen assemblies carried out?

"At the very start, I really had the problem of organizing them. For one, we don't have barriers here in Cavite City. What I did was to divide the city into four districts. I appointed one leader in each.

"The positive response was overwhelming. We reached out even those who could not attend the assemblies because of the nature of their occupations. To solve this handicap, we arranged for a house-to-house voting. We distributed questionnaires to those who couldn't attend the assemblies and let them vote in writing.

"All those weeks from our active engagement to another, I lost my voice. Some local officials, however, are still reluctant to cooperate with the New Order. Right now, I have headaches on some members of the city council. Take the appropriation for the health centers operated by the city government. Hangan ngayon, wala ni isang pera para sa mga centers. And we have eight centers to take care of. They are still playing politics."

Despite the odds, and considering the gains made thus far, Mayor de Guzman looks forward to a brighter future for the city.

In peace and order, the mayor says, the record speaks for itself. From August to November of last year, the police blotter listed only 28 cases. There was a decrease of about 100 cases compared to the previous record.

The gradual rise in the city income is another factor. For the year 1972, market stall collections, ticket receipts and checkpoint collections accounted for an increase of no less than P20,473. The mayor attributes this to the strict enforcement of the market code. On another aspect, the city assessor, in a report submitted last January 4, noted that in spite of the withdrawal of the US naval station from Sangley Point, the city had improved its realty assessment position. From P43,809,875 in 1971, assessed valuation increased to P45,865,985 in 1972, with an increase of P2,056,110. This gave the city an additional income of P20,561.10.

For these positive trends and many more, the mayor has the reason to be optimistic.

PABLO A. TARIMAN



Municipal building of Indang: a symbol of local autonomy in Cavite.

Homecoming

Every year, thousands of Filipinos leave the country to seek their fortune abroad. Some of them, after a few years, come home quite well off or disillusioned, but definitely wiser. A few unlucky ones return in coffins.

Three such Filipinos came back recently to two contrasting receptions. It was a joyful one for Candido Badua, 49, and Arturo Balagot, 47, both former prisoners of war. It was a silent but equally emotion-soaked homecoming for the third—Lucia Navarette, a 24-year-old nurse slain by a still unidentified man in Houston, Texas.

Badua and Balagot left for South Vietnam in 1967 to work as radio technicians for the Voice of America. They fell into Vietcong hands a year later and promptly slipped into obscurity, leaving their worried families guessing about their fates.

Last March 5, the two men came back after five years of captivity in the jungles of South Vietnam. No less than President Marcos and the First Lady, Mrs. Imelda R. Marcos, were on hand to welcome them at Clark Air Force Base, where they landed together with the latest batch of American POWs.

"This is an unbelievable moment," said Badua, recovering from the initial pleasant shock of homecoming. "I am glad I am still alive and able to see my family again."

Balagot was not as inclined to talk, but it was evident he too was more than happy to be back.

At the V. Luna Memorial Hospital where they were taken for a checkup, Badua was found suffering from a skin disease and lung infection. Balagot looked pale, was slightly feverish and now and then coughed.

They were captured by the Vietcong during the "Tet" offensive in Hue on January 31 and February 2, 1968, respectively. The first time other Filipinos learned about them



Reception at Clark, MIA: a moment of joy, a time of grief.

was when the wire services carried reports of their capture. Their names were not to surface in the news again until early this year, when the Vietnamese ceasefire went into effect and arrangements began for the release of prisoners of war.

Badua said he and Balagot were kept in separate prison camps. They did not see each other again until sometime in 1970. Badua said he and the other prisoners in his group were moved frequently from one spot to another in the jungles, but were not forced to work by their captors. "There are no other Filipino prisoners there," he said.

The President thanked the US military and civilian authorities for extending to the two Filipinos the same facilities given to the released Americans. He said the families of the two men had requested him to express their gratitude and their

sentiment, "which is the sentiment of the entire Filipino people who rejoice for the safe return of their two countrymen."

Not as lucky to come home safe and alive was Lucia Navarette, of barrio Ligas, Bacoor, Cavite, who went to the United States in 1971 to work at the M.D. Anderson Medical Center in Houston, Texas, under the Exchange Visitors Program.

She was walking home with her roommate, Divina Estores, also from the Philippines, after the day's work, February 17 when an unidentified man pointed a gun at Miss Navarette and dragged her away. Two days later, some 25 kilometers from where she was abducted Miss Navarette's body was found. She had been raped and beaten to death.

Even in death, the deceptively fragile Filipina, whom relatives and

friends described as a girl determined to succeed, left a story of indomitable courage to her shocked countrymen. "It was one hell of a struggle," said the medical officer who conducted the autopsy. "Her fists were clenched in death and two of her fingers were broken. There were slivers of skin under the fingernails, probably gouged from the face of the killer." Other marks showed the nurse used her wrists and forearms to shield herself from the killer's blows.

In contrast with the Clark reception for Badua and Balagot, a grieving crowd of 300 met the grey metal coffin bearing Miss Navarette's body at the Manila International Airport last February 25. From that crowd filtered out stories that threw further light on Miss Navarette's character: birthday cards, holiday presents, and, occasionally, a sum of money for her folks back home.

PRISONERS OF WAR

A period of adjustment

"I haven't done anything."

This was the baffled—and baffling—remark of Army Sgt. Ken Wallingford when his mother, in an understandably exuberant mood, declared at a welcome ceremony in San Antonio, Texas: "I'm so proud of you!"

Sgt. Wallingford was one of the scores of American prisoners of war who appeared bewildered by the rousing receptions accorded them, first, when they arrived at Clark Air Force Base in Pampanga and later, when they returned to the United States.

The reaction such as his, worries a team of doctors and psychiatrists who had spent years to help prepare for a smooth reentry of POWs to a normal life "back home." Their arrival is just the first step in a long readjustment period they face after months or years of privation at the Hanoi "Hillbys" and various Vietcong prison camps in South Vietnam. And the readjustment they will undergo is more than just physical.

The transition plans, based on experience gained from studies of former prisoners of war, called for a low-key reception at Clark, seclusion in the base hospital for physical and medical checkups, controlled intake of food, prohibition against interviews about prison life, assignment of trained valet-confidants to each prisoner, long-distance calls to their wives or relatives and shopping at the base commissary for things they had missed during their confinement.

The reception at Clark last month was anything but low key. Most of the preparations were cast overboard in the ensuing surge of emotion for the first batch of 116 prisoners. They were cheered, embraced or otherwise gaped at as though they had just returned from another planet. All the while, an army of reporters, photographers and TV cameramen (the event was transmitted live to the US via satellite) strained to catch a stray word or record a revealing gesture or movement. The POWs found themselves in practically the same situation

in the weeks that followed their return to the United States. They were dined, wined, and generally pampered. Not a few got offers of marriage, lifetime passes for sports events, free vacation trips, and even cars and TV sets.

If many of the POWs like Sgt. Wallingford did not relish their being projected into the limelight, neither did the relatives and widows of more than 40,000 Americans who died in Vietnam. Many wondered aloud why the living were given such rousing welcome while their dead kin elicited only expressions of regrets and pension checks for those left behind.

Already, in some parts of the US, communities are debating the wisdom of laying out elaborate receptions for their homecoming sons. Some towns, in fact, have abandoned plans for such type of welcome. "We just want Lt. Comdr. Spencer to feel at home," said Sam Buck, a banker in Earham. "If he doesn't want a lot of ceremony, then we'll cancel it all."

Some interpret the emotional outpourings for the POWs not so much as a show of concern for their well-being as to have something of a national celebration to mark the end of a bitter word that had for years kept the American nation divided.

For the POWs' own sake, doctors and groups of former prisoners will hope that the series of receptions will stop. They are only too aware of the effects that such lavish gestures might have on the returnees, particularly those finding difficulty in readjusting to their old lifestyles.

Doctors warn that greater difficulties lie ahead for the former prisoners. POWs of past wars have had histories of recurring illnesses caused by exposure, inadequate food, lack of medical attention and loss of freedom in prison camps. A number have become victims of depression and slow reflexes.

While the prisoners released from Hanoi appeared in high spirits and needed only minor readjustments, many of those released from Vietcong camps seemed badly in need of medical and psychiatric assistance. When the former Vietcong captives arrived in Clark, some of them did not even bother to salute their flag or acknowledge the cheers of the thousands who greeted them.

Perhaps, it wasn't out of sheer indifference. It was more likely, as the doctors predicted, that these POWs wanted nothing better than to be left alone until they had regained their bearings.

THE ASIAN FORUM

Solving problems the Asian way

When the Philippines first proposed the creation of an Asian Forum, the response it elicited from some Asian and world leaders could hardly be called enthusiastic. Not a few considered it foolhardy, if not an impossible task, to bring together Asian nations with conflicting ideological, political, and economic interests and expect them to find solutions to problems confronting the region.

Unfazed by this initial reaction, President Marcos last month instructed Secretary of Foreign Affairs Carlos P. Romulo to present the proposal anew at the ministerial conference of the five-nation Association of Southeast Asian Nations (ASEAN) in Kuala Lumpur. The conference, called to assess the agreement ending the Vietnam war and its implications for Southeast Asia, finally became convinced of the need for a regional forum and gave its nod to the proposal.

Reporting on the Kuala Lumpur meeting, Secretary Romulo said the ASEAN members "recognized the desirability of convening a conference of all Southeast Asian nations to serve as an Asian Forum at an appropriate time in the future." He said the foreign ministers agreed that the Forum was the best venue for achieving Asian solutions to Asian problems.

The ASEAN ministers, representing Singapore, Malaysia, the Philippines, Indonesia and Thailand, are scheduled to meet again next month, in Bangkok, to finalize the details of the proposed Forum.

The Forum is envisioned to include not only the five ASEAN members, but other countries in the region as well. Already, invitations have been extended to Burma and South Vietnam, both non-ASEAN members. A big question is whether North Vietnam, the Vietcong, the Khmer rebels and the other protagonists in the Indochinese theater will accept similar invitations. Returning from the Paris peace conference recently, Indonesian Foreign Minister Adam Malik was quoted as saying that the United States and North Vietnam did not



Foreign ministers of Asean nations: unity in diversity

favor an ASEAN plan, taken up in Kuala Lumpur, for a regional committee to coordinate aid for the rehabilitation of Indochina. Mr. Malik declined to speculate, though, on whether Hanoi would attend the proposed Forum, if invited.

Other leaders are nevertheless optimistic that the Forum idea will succeed, considering the spirit of negotiations brought on by the cessation of hostilities in Vietnam.

The idea of an Asian Forum was first broached by President Marcos at a time when world leaders were desperately searching for a solution to the Vietnam war. In the early sixties, then Indonesian President Sukarno also proposed the "musjawarah" (consultation) system of settling local disputes. Such proposals, no doubt, stemmed from a realization that it was better to solve conflicts at the conference table than in the battlefield. And, as the ASEAN meeting in Kuala Lumpur acknowledged, "the peace and stability of the area and their well-being are the primary responsibility of all Southeast Asian countries."

Thus, the Kuala Lumpur meeting proposed that neighboring countries in the region should participate in whatever way possible toward the rehabilitation and reconstruction of Vietnam and the rest of Indochina. A sub-committee met in Baguio City last month to draft the guidelines for such assistance. While the ASEAN members, as Mr. Malik realistically pointed out, "cannot hope to extend material help to Indochina because of our deficiencies and insufficient resources," the organization as a whole appears determined to extend at least technical aid and similar types of assistance to Indochina.

It seems equally determined to set up the Asian Forum as soon as prac-

ticable. The idea is to establish closer cooperation between countries of the region in the social, economic, and cultural fields. Apart from this objective, the initial Forum may also discuss the possibility of forming a security alliance to fill the vacuum should the US decide to withdraw completely from the area. Other possible topics are the proposal to neutralize the area under big-power guarantees and an invitation to North Vietnam, South Vietnam, Cambodia, Laos, and Burma to join the ASEAN.

While the ASEAN ministers were deliberating in Kuala Lumpur, Australia was spearheading a move to change, if not altogether scuttle, the seven-year-old Asian-Pacific Council (ASPAC), composed of Japan, Australia, New Zealand, South Korea, South Vietnam, Taiwan, the Philippines, Malaysia, and Thailand. Australian Prime Minister Gough Whitlam, during a recent visit to Indonesia, was reported to have sounded out President Suharto on a proposal to create a new non-political, non-military organization. There is a possibility that such organization would later be merged with the ASEAN because of a similarity in their objectives.

Regardless of the final outcome, these developments strongly illustrate the fact that Asians are now keenly aware of the need to form a more closely knit organization, both to preserve the peace and achieve economic stability in the region.

Existing alliances, which, rightly or wrongly, have been closely identified with the Western powers, have proved largely unsuccessful in attaining these goals.

It is now widely acknowledged, for instance, that the 18-year-old Southeast Asian Treaty Organization (SEATO), made up of the Philippines, Thailand, Australia, New Zealand, the

United States, Great Britain, France, and Pakistan has not lived up to expectations. Pakistan, in fact, has formally withdrawn from the alliance. France has reduced its role to that of an observer. And there are indications that Australia and New Zealand may also quit the organization. The reason for its continued existence, along with a plan to transform it into a purely economic alliance, is expected to come up for scrutiny when the SEATO ministers meet this year.

The ASPAC, organized in 1966 mainly for socio-economic purposes, likewise has proved ineffective because the nature of its membership has created suspicion among neutral or pro-Peking countries that it is primarily an anti-communist alliance.

That point was underlined when Malaysia announced its withdrawal from the council last March 12, just before the ASPAC meeting scheduled in Bangkok. "There is no point in belonging to an organization which has done nothing," the Malaysian foreign ministry was reported to have said. An Associated Press report said Malaysian officials also believe that ASPAC "will slowly disintegrate and disappear." For instance, they cited the fact that three members—Australia, Japan, and New Zealand—now have diplomatic relations with China and would probably be wary about attending the ASPAC meetings together with Taiwan. Malaysia itself is expected to establish diplomatic ties with North Vietnam "very soon."

The lessons learned from the experience of the two alliances could prove invaluable to the Asian Forum. And given the prospects of a wider membership and of being truly Asian in character, the Forum might yet succeed where the other regional organizations failed.

ALBERTO M. ALFARO

PHILCAG, PHILCON

End of a decade of humanitarian work

SAIGON — The 15th and last team of the Philippine Contingent to Vietnam (Philcon V) has bowed out of the longest war in modern times, ending nearly a decade of humanitarian mission in South Vietnam.

The 51-man team of doctors, dentists, nurses and medical technicians under Col. Jose Marcos left for Manila late February in compliance with the terms of the Paris ceasefire agreement calling for the withdrawal of all foreign troops.

Except for the brevity (two months) of its stint here, the last Philcon team experienced most everything that its predecessors did. It tried to alleviate human suffering due to war and was itself often under fire.

Technically, the war was supposed to have stopped January 28, but ceasefire violations take place daily — not the major, pitched battles of the past months but small harassing actions especially in the provinces where Philcon teams had been posted: Tay Ninh, Hau Nghia, Dinh Tuong, and Binh Duong.

When the ceasefire was only hours old, for instance, the team in Tay Ninh was evacuated to Saigon because of the intensity of the fighting. It returned a couple of days later. The team in Hau Nghia also had to withdraw to Saigon early February, so tenuous was the situation there. The team in Dinh Tuong, which we visited February 13, experienced nightly shelling from mortars.

Since August 16, 1964 when the first Philcon team came to Vietnam, up to December 1972, records compiled at the Philippine Embassy here show that, together with the medical and surgical components of the two Philippine Civic Action Groups (Philcag), the Filipino medical teams had treated a total of 1,022,950 medical cases, 185,769 surgical cases, and 348,126 dental cases. They conducted a total of 52,543 X-ray examinations and 931 laboratory tests.

In terms of human lives saved and manpower brought back to effectiveness, Philcon's contribution was one of the Allies' best. Certainly, they did not win the war, but in the dark days of 1964 when the enemy was very strong and moral in the country was not so high, the efforts of the teams' psywar-civic action officers contributed a lot to South Vietnam's efforts to unite its people.

A total of 270 officers, 239 enlisted men and six civilian volunteers served in Vietnam under Philcon's flag. While they served, they learned, and they all returned home wiser about this kind of war and about international cooperation and brotherhood.

The Philippines, despite its own problems and limitations, has demonstrated once more its dedication to the democratic ideal, its loyalty to its allies and its love for the people of a neighboring Asian country.

As early as 1952, years before the American military escalation and long

before the other allies decided to assist in Vietnam, the Philippines was already preparing to send assistance to Vietnam.

But the plan did not immediately materialize.

After the coup that toppled President Ngo Dinh Diem, General Duong Van Minh, then chairman of the Military Revolutionary Council and chief of state, and General Tran Van Don, then minister of defense and chairman of the joint chiefs of staff, indicated the desire of the government of Vietnam to send a military mission to the Philippines to explain the situation here and ask for Philippine aid.

Eventually, a mission was formed



Filipino doctor and Vietnamese patient: a gesture of humanitarianism.

to make a formal request. General Tran Thien Khien, now Prime Minister, and at the time minister of national defense and commander in chief of the South Vietnamese armed forces, left for Manila on June 24, 1964 with then Lt. Col. Tran Van Minh, now lieutenant general commanding the Vietnam Air Force.

The Khien mission was warmly received in Manila, including by then Senate President and now President Marcos, who immediately promised cooperation.

Philippine response to the request was quick. On July 7, or nine days after the departure of the Khien mission, President Macapagal convened the National Security Council for advice. The Council favorably endorsed the request for medical teams and psywar-civic action teams, but had to skip the request for aircraft maintenance teams because these were in short supply.

The President then requested Congress for authority and funds and this the Congress gave by unanimous vote. Republic Act 4162 appropriated P1 million to cover assistance work for one year.

The AFP quickly implemented the Act, and Philcon I, as the first group was known, left for Saigon on August 16, 1964. It was composed of 16 psywar-civic action advisers, two surgical teams of six men each, one civilian volunteer medical team of four and two civilian civic action officers.

The contingent, although small, was made up of specialists. Events later were to prove that the combination of

psywar-civic action and medical service beautifully complemented each other in the campaign to win the countryside.

Philcon I arrived just in time for the implementation of the "Hop Tac" (oil spot) and "Pica" pacification operations which started September 1.

The psywar-civic action officers were assigned singly in the related units. Each adviser was on his own, and in view of the shortage of logistics at that time, each officer had to improvise, beg or borrow or modify his plans.

The surgical teams were assigned to operate the surgical suite in the Tay Ninh provincial hospital where there were many civilian casualties.

The civilian volunteer medical team was assigned to Kontum provincial hospital to reinforce the efforts to win over the Montagnards. Kontum, since the days of the French, was very important. It was the key to the strategic Highway 19 of which the Communists had always dreamed of taking over to divide South Vietnam into two at the 14th parallel.

The psywar-civic action teams were

the first teams.

Philcon II faced even greater work as the war was on the upswing and civilian casualties were mounting. Psywar-civic action officers were also giving particular attention to Hau Nghia province.

Philcon III arrived on August 23, 1965 to replace Philcon I. It was composed of 15 psywar-civic action officers, one surgical team of six men and two rural health teams — a new type of medical unit designed to provide mobile medical service and limited surgical services in the field. Each rural health team had six members — two doctors, two nurses, and two technicians.

The Philcon supervisor had conceived of this type of team after the experience in Operations Brotherhood ten years earlier had shown that a mobile clinic moving from one hamlet to another instead of waiting in a fixed clinic could go a long way in showing the government's concern for its people.

In a province where there are no provincial hospital, like in Hau Nghia, and in areas where there were many refugee centers the rural health team was the answer. Combined with the efforts of the psywar-civic action teams, their work was so effective that the Vietcong singled them out for "special treatment." Several times, the team was the object of VC attacks.

Philcon IV, consisting of seven doctors, six nurses and seven enlisted men, arrived on April 26, 1966 to relieve Philcon III.

The war was still escalating. US President Johnson appealed for the expanded involvement of the Allies and the Philippines was soon plunged into one of the most controversial issues of that time: to send or not to send additional aid to Vietnam.

Proposed was the sending of one engineer construction battalion to be used in a civic action program in the province of Tay Ninh, accompanied by a battalion for security. In May 1966 the Philippine Congress approved the proposal, and Philcag, as the new contingent was known, started to arrive in Vietnam. Philcon IV was absorbed by Philcag on October 1, 1966 and so were the succeeding seven contingents of Philcon until Philcag was withdrawn in 1969.

Under Philcag, the activities of the medical and surgical teams were subordinated to that of the civic action battalion. All civic action was concentrated by Philcag in one area. The surgical teams continued to man the provincial surgical suites and one rural health team was retained to serve Hau Nghia province.

During the enemy Tet offensive in 1968, the medical-surgical teams had their hands full. The ladies' quarters of the team in My Tho was completely wrecked by enemy shells. Fortunately no one was hurt.

When Philcag finally left for the Philippines in December 1969, President Marcos retained the medical teams, thus reviving Philcon as an independent unit.

Since then, five teams have come, and the last has just left Vietnam.

If the Philippines is to continue this effort which manifestly had served as a medium for Philippine-Vietnamese cooperation, any new mission that comes will have to be civilian in nature to conform to the new spirit brought about by the Paris ceasefire agreement. DAVID V. BAQUIRIN

"We are deeply committed to freedom, to which we have pledged not only our fortunes and our lives, but the most precious of all things, our honor."

With these words, President Marcos allayed the misgivings of skeptics here and abroad regarding recent developments in the Philippines.

Providing the occasion for the President's reaffirmation of his commitment to freedom was the recent visit here of US Vice President Spiro T. Agnew, the first high-ranking foreign dignitary to come to the Philippines since the proclamation of martial law. It was Mr. Agnew's last stop in an eight-nation Southeast Asian journey to explain America's post-Vietnam war posture and to assure her allies of her intent to honor all bilateral commitments.

"No matter how short your stay may be here," the President told Mr. Agnew in a luncheon at Malacañang, "I know that you can feel the new strong fresh wind that blows over the Philippines, a wind of hope and of resolution. That we shall attain the simple things that have been in the books but have never been felt by us and these are equal opportunity, justice, dignity for every individual, the simple things known to every American but which every Filipino has aspired for. We dream of these and if in the immediate moment we sacrifice some of our freedoms... please be assured this shall be temporary and we shall seek normalcy as fast and as quietly as we can, as security and the safety of our Republic will allow."

It was Mr. Agnew's second visit to the Philippines. The first was in 1969 when he attended the second inaugural of President Marcos. On his second trip, he saw for himself the dramatic changes that had been ef-

THE AGNEW VISIT

Watching with interest

fects in Philippine society, as well as in the rest of Southeast Asia.

"I see (a) turning toward an inner self-reliance," Mr. Agnew said. "I see the development of resiliency. I see the effort being made toward realization of the aspirations of the people, recognizing that if people are to be able to resist the forces of insurrection and rebellion they must not only be proud of their country, they must have a stake in their country. And to that end, Mr. President, we are watching with interest the programs that you have announced here in the Philippines."

The US vice president also praised Philippine efforts in fostering regional cooperation. He said: "Let us hope that the attitudes of regional cooperation into which you have contributed so much of your aggressive leadership in the ASEAN nations will continue and be augmented and burgeon into the kind of mutually protective and self-assisting force that will indeed make Southeast Asia a community of secure, free nations where the people have the right of self-determination."

Apart from the statements exchanged at the Malacañang reception, the two leaders held talks behind closed doors. The President briefed Mr. Agnew on the situation that led to martial law and the reforms instituted during the last six months.

The President also cited several is-



US Vice President Agnew and President Marcos: a bond of cooperation.

ssues concerning relations between the Philippines and the United States.

One such issue is the Laurel-Langley agreement which is due to expire next year. The agreement gives Philippine exports preferential tariff rates and allows American citizens to engage in public utilities as well as exploit natural resources of the Philippines. Nationalistic elements had described this as a lopsided accord in favor of the United States.

Likewise, the President mentioned the need for a renegotiation of the Philippine-US military bases agreement which had been a burning issue since the mid-50's.

Another issue concerns the long-delayed air treaty between the two countries. The negotiations, which started as early as 1965, have not gone beyond that stage because of US reluctance to grant reciprocal landing rights to Philippine air carriers.

But both leaders expressed the hope that, despite these irritants, the close relations between the two countries would continue. "Mr. President," Mr. Agnew said, "without any question the Philippines and the United States have a friendship that will endure. Working together let us hope that we can cooperate in the future of this part of the world."

AFTER VIETNAM

Era of negotiation

Most everyone in the world these days is in a talking mood. Negotiations, not armed confrontations, have become the new strategy for peace among big and small nations. On any given day, in various parts of the world, at least a dozen separate conferences are being held to tackle practically the whole gamut of human concern—from such highly delicate issues as mutual reduction of forces in Europe to seemingly trivial ones like what to do about whales and seals.

How did it all start? With the possible exception of Paris peace negotiations, which, although ultimately successful, proved a long-drawn-out affair, it was the historic trips of US President Nixon to Peking and Moscow last year and his meetings with leaders of the two other superpowers that seemed to have broken the ice and brought on a greater earnestness, if not cordiality, around the world's negotiating tables.

Those trips could even be assumed to have helped, to no little extent, in bringing the Paris peace talks to a successful conclusion. Soon after the summit talks in Peking and Moscow, the pieces of the Indochinese jigsaw puzzle began to fall into place, culminating in the Vietnam peace agreement. Unless something crops up to unscramble it again, the problem that has defied solution for over a decade,

divided America and prompted the decision of an American President not to run again for public office, and cost more than a million lives, may yet remain permanently solved.

As the world emerges from an era of brinkmanship, missile-rattling and often bloody confrontation to the era of negotiation, the months ahead will confront the world's diplomats with even bigger challenges at the negotiating table.

The challenges are as varied and as complex as the fast-changing complexion of what had become a multipolar world. Many problems are knotty and defy easy solutions, but even partial answers will go a long way toward easing tensions and achieving the goal of peaceful coexistence and cooperation.

The Paris talks that led to the Vietnam ceasefire did not end there. Since the signing of the complicated peace agreement last January, the parties in the Indochina conflict had been holding further meetings to untangle the remaining problems affecting Vietnam and the rest of Indochina. Last month, a separate peace agreement was forged among warring factions in Laos, the second country in the Indochinese trilogy. Efforts toward the same objective are being exerted in Cambodia.

In Paris, representatives of 12 nations and the United Nations have

signed an agreement guaranteeing the hard-won peace in Vietnam. This was done in the hope of preventing the ceasefire from exploding again into all-out war. In South Vietnam itself, representatives of the administration of President Nguyen Van Thieu are meeting with Vietcong delegates on a possible political settlement in that country.

The US, for its part, is holding talks with Hanoi officials on the matter of rehabilitation. As part of the ceasefire agreement, the US will give some \$7.5 billion for the reconstruction of both North and South Vietnam.

Other conferences are being conducted in other world capitals, some of them by regional alliances, to assess the situation in Southeast Asia and draw up plans for the future. Among the conferences scheduled are those of the Association of Southeast Asian Nations (ASEAN) in Bangkok, the Southeast Asia Treaty Organization (SEATO), and the Asian-Pacific Council (ASPAC). The last one faces an uncertain future because of the loss of interest, if not the planned withdrawal, of at least three members.

On another plane, Russia and the United States met again in Geneva to resume their Strategic Arms Limitation Talks (SALT), a follow-up to last year's agreement on the limitation of nuclear weapons.

The North Atlantic Treaty Organization (NATO) and the Soviet Union met recently to discuss the proposed Mutual and Balanced Force Reductions (MBFR) in Central Europe.

And the groundwork is being laid for a conference on European cooperation and security, which will run parallel to the MBFR talks.

In yet another part of the world, efforts of the United States and Russia to bring the Israelis and Arabs together may bear fruit. After Vietnam, the need for a settlement of the Middle East problem occupies high priority on the world agenda.

Equally important conferences on other world issues are going on or are on the drawing boards.

The conference on the future of the world's seabeds opened this month at the United Nations headquarters in New York. The Philippines, together with other archipelago-states, are fighting hard to retain sovereignty over the seas around and between their islands.

Other meetings include bilateral or multilateral negotiations on such subjects as the environment, ocean pollution, exchange of meteorological knowledge, rules against air piracy, war on narcotics, enforcement of copyrights, international fishing grounds, and conservation of wild life.

Finally, there are the on-going or proposed conferences on economic and related matters: the current monetary crisis that resulted in the devaluation of the dollar and the floating of certain currencies; economic aid to developing nations; and the tapping of sources of energy and other natural resources to make life more comfortable and manageable for a fast-growing world population.

It has been six months since the start of a vigorous program of renewal and reform in the Philippines, and the rest of the world, after its initial reaction of surprise, is now viewing the changes in a more kindly light. For several months now, a massive influx of tourists and investors has been noted. Their coming here cannot but be suggestive of a recognition of the political, social and economic stability that the country has achieved.

In the not-too-distant past, foreigners shied away from the Philippines, discouraged by many negative factors that no doubt made them conclude this was not the place to venture in. The situation was not helped any by the unsavory publicity in the media and the pronouncements of those who did nothing but foment despair and deflect the bearings of a nation struggling valiantly to move forward.

Now, the picture has changed. A timely and decisive action to "save the Republic and reform society" on the part of the President has brought about profound changes that could not be attained for decades under the old social and political framework. Lawlessness has been effectively curbed, graft and corruption eliminated, a new sense of order and discipline now permeates the nation and, above all, the government has succeeded in giving direction and meaning to the movement of the Philippines as a young, developing country.

For their part, the Filipino people have responded admirably well to the challenge posed by the leadership to recast their outlook and their attitudes and to take part actively in the overall task of shaping their country's future. The result is manifested not only in the refreshing physical changes in the cities and the villages, but in the moral transformation that now sets the quality of public and private life.

The Administration's determination to effect reforms, with the all-out support of the people, has enabled the country to surge forward and start attaining the goals the country has set for itself.

Aware of the wholesome and invigorating atmosphere now prevailing in the country, tourists have been arriving in droves, eager to see for themselves the changes since the historic proclamation of September 21, 1972. They do not leave dissatisfied. They receive the amenities of a people tra-

Carpet for tourist and investor



ditionally known for their warmth and hospitality. They also manage to see the natural jewels dotting the hills, lakes, and valleys of the archipelago, things they had only read about but never had a chance to see in the past.

Other visitors, of course, have preferred to train their sights on more than just the tourists spots and decided to give a closer look to the economy, the one vital indicator of a nation's solidity. They have not been disappointed, either. Encouraged by the stabilizing measures adopted by the government and the incentives offered to them, both local and

foreign entrepreneurs are investing or about to invest sizeable capital to help propel the wheels of business and industry.

Apart from social and political stability, the Philippines offers a combination of vast natural resources, a profitable domestic market, and a trained and inexpensive labor force—a combination that, in terms of attraction for the investor, probably cannot be matched elsewhere in Southeast Asia. Under fair and equitable terms, the foreign investor is welcome to explore the business and industrial opportunities in the country, help in its growth—and can expect reasonable returns for his effort, time, and money.

The incentives are many and varied. The investor, for instance, can pioneer in industrial ventures or engage in the manufacture of goods for export. He can also go into petroleum exploration, the prospects of which are stirring up great interest here and abroad. These and other opportunities, embodied in newly promulgated decrees and related measures, are comparable to, if not more advantageous than those offered by other developing countries.

The promotion of tourism likewise occupies top billing in government efforts to attract foreigners to Philippine shores. To develop this once-neglected phase of industry, the President has approved an integrated program on tourism and foreign trade, mapped out by the Department of Trade and Tourism and geared to harmonize with the overall development program drawn up by the National Economic and Development Authority. Simultaneous with the adoption of this program is the creation of a single tourism body—the Philippine Tourism Commission—to solidify the efforts of both the government and the private sector in carrying out tourism plans.

With these positive steps, the Philippine government is confident that the stage has been set for a more vigorous activity in two significant fields—tourism and investment.

The response from both tourist and investor has been highly encouraging. And it is convincingly shown by the marked increase in their arrivals the past few weeks and months.

THE PRESIDENT SPEAKS

'Kamagong' concept

(Excerpts from the speech of President Marcos delivered at the 76th foundation anniversary of the Philippine Army at Fort Bonifacio on March 22.)

Today, 180 days after I commanded the Armed Forces of the Philippines to help build a New Society

ly, I am convinced more than ever that the military one of the potent forces for peace and development in our society. We have all seen what the army can do to prepare the ground for solid and rapid economic growth. The commitment and the devotion of the army to the goals of the New Society stem, I think, from its unquenchable idealism.

But just as we are well on our way towards achieving our objectives, our efforts are threatened by the divisive work of rebels in Mindanao. While this problem in the South need not set back our timetable for development, it should serve to remind us that we must remain always vigilant and alert because the enemies of the state are bent on destroying everything that we have built or seek to build. They continuously subvert our way of life, create disunity among our people and openly defy government authority by attacking not only government forces but also civilians.

I am, however, confident that very soon we will be able to eliminate the threat in Mindanao and restore complete normalcy in the area. I am equally confident that the army is now prepared to protect the country against similar threats in the future.

But more than anything else, what makes me confident that we can win any armed conflict is the fact that our citizen army now is stronger than it has ever been before. With the implementation by the Philippine Army of the Kamagong concept and the formation of the Kamagong Battalions, we are creating a strike force that draws its strength from the will and energy of the people.

The Kamagong concept may well provide us with the structure for organizing the Citizen Army that is envisioned in our new constitution. While we are just starting to test the validity of the concept with the recent employment of some Kamagong Battalions in Mindanao, I do not have the slightest doubts as to the outcome of this test.

The employment of our 20-year-old trainees, side by side with our regular soldier in actual mil-

itary operations, is the heart of the Kamagong concept. It offers the reservist the opportunity to apply the skills he has acquired during his basic military instruction, in actual field maneuvers, thus giving him the field and combat experience that would make him a valuable member of the reserve force. At the same time, the regular service is benefited, and this more than compensates for what the government has spent in training him.

In terms of military preparedness, the organization of Kamagong units gives the army greater capability to meet emergencies. Also, in complementing the Kamagong concept, we in effect harness the idealism of the youth in the service of the country and people, and in the process, we answer the clamor of the young people to be given a chance to participate more actively in nation-building.

To achieve more effectively the goals of the Kamagong Concept, I am amending by Presidential Decree Republic Act 4091, otherwise known as The Trainee Utilization Law:

A. A trainee, upon completion of his basic military instruction, may be drafted into selective emergency service for a specified period of time.

B. The draftee shall be employed in the same manner as any regular enlisted personnel and shall be entitled to the same pay and allowances a private receives.

C. A draftee who completes the prescribed tour of service shall be entitled to one-month separation gratuity and shall be given preferential employment in the government service commensurate with his training, experience and educational qualifications.

These changes and the continuing assessment, and revision—if necessary—of our national defense policies and objectives, enhance effectiveness and the responsiveness and readiness of our entire military establishment. It shall be our aim to seek every means to improve continually our defense posture. It is the only way by which we can guarantee permanent peace and freedom for our people.

"The welfare of the people is the sole purpose of all the governments on earth. The people are all in all: blood and life, wealth and strength—everything is for the people." — Andres Bonifacio

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PERSPECTIVES

The real exploitation

By BLAS F. OPLE
Secretary of Labor

"Unemployment is the real exploitation."—
President Ferdinand E. Marcos.

The exercise of self-determination is in the main determination of priorities. Thus, where a nation's integrity or survival is at stake, those measures required to defend such integrity must command the highest priority.

From this point of view, the basic difference between martial law and the period before it is that today the government can determine its priorities and allocate resources to them. Before September 21, 1972, the chaos of private interests and rivalries built into our political system prevented a setting of priorities except by lip service. Therefore, every administration began by avowing the highest priority for development and employment and soon it found itself mired in a chronic political and administrative stalemate. The real priorities were dictated not by the urgencies of public interest but by private greed and political exigencies.

Because of this, the Filipinos' genuine potential for rapid economic growth was aborted. Beginning as an independent nation in 1946 with better potentials than some of its neighbors, the Philippines lagged behind Hong Kong, Taiwan, Korea and Singapore. Today the country is determined to make up for lost time. The priorities are being re-ordered. And President Marcos has elevated employment to the highest level of priority, defining it as the central goal of Philippine economic policy.

Whereas the professions of government in the past with regard to employment were never taken seriously, today the employment priority is reshaping the economic and social policies of the government. The National Economic and Development Authority is rewriting the economic plan to reflect this priority. The labor laws are being reviewed and codified to make them instruments of development and employment as well as instruments of protection for the workers.

The Board of Investments has recast its criteria for preferred areas of investment by rewarding projects with high labor intensity. The Department of



Public Works together with the Department of Labor is launching soon massive labor-intensive projects, utilizing "work brigades," which will also open up virgin lands for cultivation by the landless.

The Department of Education, again with the Department of Labor, is transforming vocational training by upgrading its quality and making it accessible to the out-of-school youth throughout the country through a system of regional training centers, financed by the World Bank. A system of public employment exchanges to match men and jobs, and to serve as a forecasting center for manpower needs, is also being established by the Department of Labor.

A National Manpower Plan which will mark out the manpower needs and priorities of the nation for the present and for the future, with guideposts for indicated adjustments in the educational system, is in preparation by the National Manpower and Youth Council. At the same time the Department of Education is steadily pushing through its program of realigning educational courses with the demands of the nation's economic and social development. In the future, there will be more technical and professional courses, and fewer of the business, teacher-training and liberal arts courses which have more limited employment potentials.

Land reform on the other hand will speedily promote the fuller utilization of labor on the farms, and therefore correct a major source of underemployment. The expansion of agricultural extension work, combined with the determined thrust in irrigation, will make possible double-cropping, which is the real answer to unemployment and underemployment in the farm areas. At the same time, off-season inactivity can be replaced by lucrative employment in labor-intensive cottage industries, which are being promoted by a set of policies utilizing credit incentives, technical assistance and tax and minimum wage exemptions.

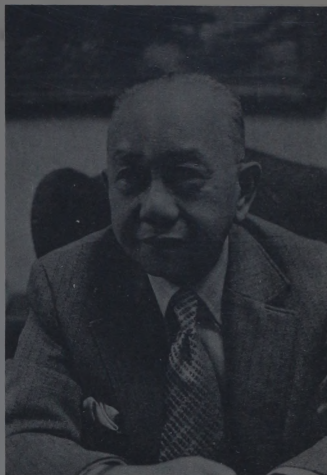
Realizing the crucial role of entrepreneurship in sparking economic growth and employment creation, the National Manpower and Youth Council is planning to initiate the training of entrepreneurs on a massive scale. Thus, unemployed graduates of business, engineering, teacher training and liberal arts courses can be inducted to become self-employed entrepreneurs, utilizing assistance from government lending institutions, and transform themselves from job seekers to job creators. Such a scheme can bring about an optimum kind of development which combines growth with employment.

That is really the point. More and more, governments have realized that economic growth by itself will not provide employment automatically. Where economic growth is forced by means of reliance on high technology and highly capital-intensive techniques, this can actually result in the displacement of labor, and will aggravate rather than relieve unemployment. The point was very well illustrated by Robert McNamara, president of the World Bank, when he said recently that economic growth in developing countries, during the first Development Decade (1960-1970) completely bypassed the bottom forty percent of the population. He was referring obviously to those chronically jobless and the underemployed.

Therefore to combat unemployment effectively, a society must utilize highly purposive and completely coordinated if not integrated measures and policies to which the highest priority and adequate resources are to be allocated. This means putting the employment goal in the very forefront of the economic plan. This means mobilizing all the available resources of the government, including all departments and agencies, in support of the employment priority.

For the first time, this is now being done under the leadership of the President and Commander-in-Chief. The nation as a whole is mobilizing for development and employment, for growth with social justice.

And we know that employment as a goal will be pursued with the same tenacity and dedication that has already transformed the country in terms of peace and order and a new climate of social discipline. The right priorities are being set, and that is how we are ordering our own future as a nation, a destiny better and nobler than what we have known before.



Ours to create

By CARLOS P. ROMULO
Secretary of Foreign Affairs

These critical years we face important foreign policy problems. They come to the surface with renewed intensity with the establishment of the New Society with its watchwords of national dignity and self-reliance. A time of new beginnings, the New Society instills in us a fresh political will to achieve the aims of a foreign policy that shall above all gain for us the respect of the world community. And this means merely that we should aim to be the sole judge of our national interest and to aim further that the national interest shall be the paramount consideration in our posture in world affairs.

The New Society already has gained a great deal of respect. A domestic order based on a new political stability has inspired confidence, especially in the foreign business and financial circles, proving perhaps that the best incentive for foreign capital is not swollen profits but political stability.

In the best sense of the word, the image of the Philippines in the outside world has improved markedly, for we are no longer regarded as a nation of gun-wielders, or as a nation addicted to violence.

The reorganization of the administrative structure of the Government ensures that the endemic graft and corruption, once regarded as an in-eradicable legacy of the past and a hang-over of colonial mentality, can be, and shall be, eradicated.

Above all, the agricultural and educational reforms set in motion by the New Society are an effort to prove that we are at long last ready to join the world of the twentieth century with its emphasis on the elimination of the colonial structure of our society, the recognition of the dignity of the common man, and the establishment of a democracy based on forms compatible with our indigenous cultural values.

We enter a fresh era. The past is irrevocable but the present is ours to create. This is the meaning of the New Society.

The peso embattled no more

Floating, shrinking, sinking. These were among the adjectives used to describe the embattled Philippine peso three years ago. The economy was then in the grip of a crisis, the foreign exchange deficit amounted to \$69 million and the International Monetary Fund categorized it as a third credit tranche, meaning a bad debtor.

Today, three years after the Central Bank adopted the floating rate of exchange, the crisis has somewhat eased up, enough to make CB officials declare that "due to substantial strengthening in the country's external financial position, the Philippines must repay certain IMF obligations in a repurchase obligation with the Fund, which will upgrade the country from the third to the second credit tranche position. This will enhance the country's standing with the Fund as well as other international creditors."

However, shortly after the CB submitted its report to President Marcos, the United States again devalued the dollar by 10 percent, causing losses to the Philippines and other countries whose currencies are pegged to the US dollar.

The Central Bank says the Philippines will incur losses through service of external debts to the tune of \$11 million this year, \$2.7 million in 1974, \$5.4 million in 1975 and negligible losses thereafter. The difference is the result of the staggered system of payment for loans abroad.

But they are optimistic that these and other losses from the dollar devaluation will be offset by some \$10 million in foreign currency assets and gold holdings in the US totalling \$70.76 million. Government officials are also expecting an increase in tourism and export volumes to Japan and European countries.

In its report to the President, CB Governor Gregorio Lirio predicted an overall surplus in foreign exchange transactions this year. He reports that "January 1973 resulted in overall surplus of \$34 million compared with the \$29 million deficit in January 1972. Exports were up by 29 percent; invisibles, including tourism, by 28

percent. Imports and other disbursements, in contrast, were down.

"For the whole year 1973, exports are expected to surpass 1972 levels by at least 5 percent barring extraordinary adverse developments locally and internationally. Imports are expected to increase by 10 percent On the overall, despite the price situation, a foreign exchange surplus is foreseen for 1973."

In the case of the country's international reserves, Mr. Lirio notes that this stood at \$137 million when the floating rate system was adopted on Feb. 20, 1970. By Feb. 7, 1973, it had risen to \$359 million, registering an increase of \$222 million.

This improvement in the international reserves was reflected in the marked increase in CB reserves from \$121 million to \$624 million. But the rise in CB reserves was partly offset by the reversal in the net foreign exchange position of commercial banks from a positive \$16 million to a negative \$265 million as \$264 million worth of foreign currency deposits was transferred to the CB. The foreign currency deposit system, started in Sept. 1970, amounted to \$386 million as of Feb. 7, 1973.

These developments, the CB says, upped the CB working fund from a

measly \$1 million in 1970 to \$409 million last month. "Moreover, about \$160 million in standby credits from foreign commercial banks will be available, which are in addition to the \$10 million SDR's not yet utilized due to our ability to operate within our current foreign exchange earnings since November of last year."

When the floating rate was implemented, the interbank peso-dollar rate stood at P6.528 to \$1 from the pre-floating rate of P8.949. It dipped slightly in May 1970 after passage by the defunct Congress of the export tax, rose to P6.435 per US dollar by the end of September 1970 and remained on that level until July 1971. When the foreign exchange trading center was reactivated in August 1971, in which the CB intervened on the supply side on a limited scale, the exchange rate improved slightly to P6.424 and P6.412 in August and September. It fluctuated narrowly around P6.433 from October to December 1971, stabilizing at P6.435 until March 1972.

When the Smithsonian Agreement was forged in December, 1971, after the first devaluation of the dollar, greater flexibility was introduced in the exchange rate. In April 1972, the interbank rate depreciated from P6.435 to P6.582, but rose to P6.7814 by October, 1972. This rate remained virtually unchanged at P6.7806 from November, 1972 to January 1973, but moved down slight-

ly to P6.7775 by Feb. 7, 1973.

The new devaluation of the dollar, in the view of some private fiscal experts, may or may not seriously affect the interbank exchange rates as regards the peso. If it remains at present levels, the Philippines will not experience any losses in the service of loans from the United States. However, losses will be felt in the payment of loans from Japan (\$436 million) and Germany (\$145.4 million). Because of the revaluation of the Japanese yen and the German mark upwards, the country will have to shell out more dollars to repay these loans.

Government trade experts see a shift in export volume to Japan and Europe where the price of Philippine products, often quoted in dollars, will be cheaper. On the other hand, the country may also import more from the United States, where prices remain the same than Japan and European countries.

Everybody is agreed that the biggest positive effect of the dollar devaluation on the Philippines will be in the field of tourism. American tourists, for instance, are expected to shy away from Japan and Europe, where they will be getting less for their dollars. The Japanese and European tourists will also find it less expensive to visit the Philippines. The Japanese traveler, for instance, now needs only 270 instead of 330 yen to buy a dollar, while the German traveler will need 2.80 marks for one dollar instead of 3.10 marks previously.

In the view of monetary officials, the effects of the dollar devaluation on domestically produced goods will be minimal during the next few months. A slight increase, though, may be registered in the prices of goods processed from imported raw materials such as flour, steel, textile and some food items.

The dollar devaluation also has revived a question that has been asked more than once in some circles in the Philippines. While the peso has been allowed to float, its fate remains pegged to that of the dollar because dollars make up most of the country's international reserves. The question is whether the Philippines should continue to peg its currency to the dollar or adopt a multiple reserve to include such other currencies as the yen and the mark.



The new Central Bank building: symbol of monetary stability.

PHILIPPINE EXPORTS

The upward swing

Philippine exports, which started registering marked increases in the last quarter of 1972, are continuing their upward swing this year.

For the month of February, exports totalled \$120,791,088.75 - higher by \$12,330,383.70 than the \$108,460,705.05 of the previous month.

According to Customs Commissioner Rolando Geolina, the export value receipts for February also registered a 22.4 percent increase over the receipts for the same period last year.

Only last month, the Department of Trade and Tourism reported that the country's principal exports in 1972 made remarkable increases, some of them by as much as 177.42 percent.

Exports suffered a setback during the early part of that year, but this was offset by the gains made in the last months of 1972. The gains were attributed to the favorable conditions brought about by the sweeping reforms that came with Proclamation 1081.

The top 10 export products mainly accounted for the increase in the country's total export receipts for 1972 from P5.7 billion to P6.2 billion.

Of the exports for February this year, provincial exports topped the loadings with \$103,485,063.48; followed by Manila with \$12,546,800.75 and by the BOI-certified export with \$4,759,224.70.

Compared to February 1972 export values, provincial exports for Feb-

ruary 1973 increased by 21 percent, Manila exports by 7 percent and BOI-certified exports by a whopping 530 percent.

Sugar, because of the country's quota in the United States, was the No. 1 export in February with an export value of \$24,160,230.37. Following were logs with \$16,865,573.06; minerals, \$13,716,220.66; copra, \$13,364,635; bananas, \$7,029,398.08; coconut oil, \$6,125,209.22; pineapples, \$5,491,106.30; molasses, \$2,439,847.17; native crafts, \$1,509,657.77; and abaca, \$1,107,273.90.

The export picture continues to brighten in March. The country shipped last week to the USSR 18,000 long tons of copra valued at \$4.5 million. This comprised the biggest export to Soviet Russia since the Philippines started commercial and industrial relations with communist and socialist countries. The first shipment of

copra to the Soviet Union consisted of only 5,000 metric tons valued at \$732,500.

Valued at \$24,403,397, the Philippine exports so far to communist and socialist countries have surpassed total imports of \$20,116,105.26.

Several government agencies assisted in the speedy shipment of the commodities. Among these were the Department of Trade and Tourism, which had the final say in the exportation, the Department of Foreign Affairs, the Central Bank, and the Bureau of Customs.

A local import-export firm, Gran-export Corp., handled the exportation through Tradax Internacional S.A. Panama, of Tradax Geneva, SA, 8 Avenue Calas, Geneva, Switzerland.

Aside from copra, other Philippine exports to communist and socialist countries consist of Portland cement, plywood and veneer, crude coconut oil in bulk, desiccated coconut, copra and woodenware.

The Stock market boom

"Stock brokers these days," reported Business Day's Alfio Locsin recently, "have plenty of time on their hands to discuss the weather . . . what with interest in stocks quite minimal and very selective."

The assessment, made in late January, was not entirely inaccurate. A few weeks later, however, the stock market slowly eased out of the pit, sputtered for a while, gradually gathered speed and finally raced to a full-blown boom—all in the span of one month. Nowadays, stock brokers hardly have time to glance at their watches, such is the frenetic pace of trading in the country's two stock exchanges (Manila and Makati).

And interest in stocks is anything but minimal: big-time investors, traders, brokers, gamblers, housewives and just about everybody else are excited over the day-to-day happenings at the stock market. The business section of newspapers, it seems, is fast replacing the comics page in popularity. One lethargic class in a downtown business school suddenly asked at the moment a student asked his professor "what the fuss is all about."

What it is all about centers on that memorable Monday, the 26th of February. That day, 2.6 billion shares of stocks worth slightly over P100 million changed hands, almost doubling the record of P51.2 million set only on the Friday of the week before. (Until then the record stood at P30 million, established in 1969). In the process, stock prices skyrocketed by an average of 30 percent above that of the previous Friday's close, bringing the mining index 570.8 points up to 789.84; oils to 5,529, up by 1,246; and the usually stable commercial-industrial index to 43.91, gaining 3.9 points. In the day's honor roll were such "reliable buys" as Atlas (price increase: 18%), Marcopper (22%), Philex (23%), Marinduque (29%), Lepanto (32%) and Meralco (a C-I issue), which soared by 36 percent. At the small board, the more promising speculative issues like Triton, Oriental, Jnico and American Asiatic were among the big gainers.

Brokers and traders before had always regarded a P100 million turnover for a day like a pie in the sky—something to just dream about, not even wish for. When the pie, therefore, came crashing down, they were hard put to find an explanation. Among the more frequently mentioned reasons were the discovery of high-gas pressure somewhere in the Sulu Sea indicating the presence of oil, and the announcement of a plan of two Hongkong investors to pump into the market a cool HK\$500 million (roughly P700 million) "within the next few days." In combination, these two, in the view of some, may have lured speculative local money into the market. The price spiral of Pioneer, POD-CO and Triton (the companies which reported the Sulu Sea find) seems to bear out that contention.

But market analysts do not share the view that it was all a speculative spree. Many believe that it was based

on sounder foundations, that the boom was caused by several factors already ready obtaining before February. According to a high-ranking official of the Makati Stock Exchange, the boom was, in fact, long in the making.

Almost ironically, one factor cited as reason for the boom had its beginnings in a national disaster. With the economy still floundering in the wake of the July-August floods last year, the government loosened its reins on financial institutions so as to make credit easier for rehabilitation. Coupled with government spending for development, this introduced liquidity into the economy.

Then, with martial law, came a re-direction of official policy along more responsive lines, specifically the adoption of a policy of investment attraction. The tax amnesty, for instance, enabled hidden wealth to surface honorably. The door was also thrown open to foreign investment, through such measures as the amendment of the Petroleum Act of 1949, which

now allows "service contracts" for oil exploration and the lifting of the visa requirement for foreign traders and investors for a limited period (subsequently modified to give them permanent non-immigrant status). Even closer to the point was the presidential decree which reduced the tax on stock transactions from 2 percent to 1/4 of 1 percent.

Finally, there was peace and order, a virtual sine qua non as far as the investment climate is concerned.

All these factors telescope into what one economist calls "a confluence of conditions conducive to investment."

Developments on the foreign front also helped spur the boom. The dollar devaluation and a crisis spawned by miners' strike in Chile boosted the prices of copper and gold. Nearer home, the Hongkong and Singapore currency markets had become "overheated" and a spill-over into the Manila market was held almost inevitable. In fact, it was already beginning

to trickle in.

So, the boom. But, is a bust not in the offing? Not so, experts believe. Although the stock market seems to be coasting along, carried by the momentum of the February 26 skyrocket, it is only the purely speculative money that has bailed out of the market. The market is still in orbit, constantly breaking each week the P50 million monthly average of 1972. What seems to be keeping it up there is institutional money laid on the undervalued blue chips, which are still priced low at a 5 or 6 to 1 price-earnings ratio. With the intensification of drilling operations being undertaken by local and foreign combines, oil issues are likely to hold firm too.

In the meantime, nobody is seriously complaining—except the stock brokers. They are suing for time. "To pore over piles of paper and put order into portfolios," they say. And the Securities and Exchange Commission will perhaps oblige by giving them a Wednesday recess, as it did in 1969.

THE EXPORT PROCESSING ZONE

A haven for investors

Bataan, the scene of historic military battles three decades ago, is today on the forefront of another battle, this time against economic stagnation. Facing Mariveles Bay is a 1,600-hectare area designated as the Bataan Export Processing Zone. Now starting to rise in this area is a modern industrial complex expected to stimulate foreign commerce, help ease domestic unemployment, and speed up the country's economic growth.

The immediate objective is to encourage both foreign and local investors to set up within the zone industries that will process or manufacture goods destined primarily for the export market.

The attractions include tax-free and duty-free importation of capital equipment, spare parts, and raw materials; assistance in securing financing; assistance from the Central Bank or its authorized banks in obtaining foreign exchange; exemption from export tax; low-cost housing for workers and employees; assistance in manpower training and development of skills needed in the zone enterprises.

Additional incentives are the admission of fully-owned or controlled foreign enterprises and permission to employ foreign nationals, subject to certain conditions.

Thus far, 102 individual industrial sites are being prepared, work on five factory buildings is going full blast, and machinery for the first export-processing firm is being assembled. With this machinery, the first export shipment from the zone is expected to be made by the end of April.

Administering the project is the Export Processing Zone Authority (EPZA), a state corporation created under Presidential Decree No. 66.

The EPZA's forerunner was the Foreign Trade Zone Authority (FTZA), established under Republic Act 5490 and which administered the project when it opened in 1963. Defects in the old law, however, hampered operations right from the start. As a result, only an insignificant portion of the program could be carried

during the first three years of its existence. A revised charter for the trade zone was passed by the House but was frozen in the Senate during the last session of the defunct Congress.

EPZA Chairman-Administrator Teodoro Q. Pena says the defects have been remedied by Decree No. 66, which gave the zone authority all the capabilities and flexibilities required of a corporate structure. In place of the old annual budget of P250,000, the EPZA is now capitalized at P200 million with authority to borrow P300 million locally and \$100 million abroad.

President Marcos has said that the development of export industries will occupy top priority in the nation's economic program for the next decade and that the export processing zone will be a major contribution toward the accomplishment of this objective. The project, therefore, "will receive the fullest backing and support of the government," he added.

In a recent surprise visit to the zone, the President said the EPZA was not created to make money for the government, but to increase production, create jobs, earn dollars for the country, and give the common man a chance to earn a fairer share of the country's wealth.

"Get more factories going as quickly as you can—whatever it takes. Put together a better package of incentives. Use your borrowing authority. But get those factories going," the President told the EPZA officials.

The zone is only the first of a series of similar projects to be established in key points all over the country. Local and foreign firms may locate their manufacturing operations in the zone, avail themselves of the many benefits thereat, and use it as a base for supplying world markets with their products.

Within a few years, the export processing zone is expected to generate the direct employment of at least 40,000 workers. The 40,000 jobs are certain to have a multiplier effect,

generating 85,000 indirect jobs in the form of ancillary services required by a dynamic and gainfully employed labor force. With an average family size of five, the 125,000 direct and indirect workers can mean a community of 600,000 who have to be fed, clothed, sheltered, entertained, kept in good health, educated and provided with all the amenities and conveniences of modern living.

To provide skilled manpower to zone enterprises, the EPZA entered into an agreement with the National Manpower and Youth Council for the establishment of one of the country's proposed ten regional manpower training centers in the Mariveles zone. Training programs have been started in the zone. With an allocation of P26,000, the two government agencies and a shoe-making firm conducted a ten-week training course, which turned out some 200 graduates in upper-shoe-making trades. This was followed by a course for construction skills, and 120 trainees enrolled for training in masonry, carpentry, wiring, plumbing, tin-smithing and painting.

The Authority has a big task ahead to help carry out the policy of encouraging and promoting foreign commerce.

But Administrator Pena is optimistic about the possibilities of the Bataan experiment. He cites the following favorable factors:

- The Philippines is strategically located in Asia and the Pacific.
- Martial law has resulted in a moratorium on politics and the concentration of efforts in reforms and developmental activities.
- An international currency fluctuation has helped improve the Philippines export position.
- A new era of peace in Asia and the increasing demand for food, clothing, shelter and ancillary goods in the region.
- Availability of relatively low-cost labor that is educated, dexterous and flexible.
- The generous amount of incentives open to investors.
- Given these factors, and run by an agency free from the pressures of an old political order, the export-processing zone can be expected to attain the goals assigned to it in the country's overall program for development.

COTTAGE INDUSTRIES

New room at the top

Cottage industries are enjoying a boom these days. The growth has been so spectacular that, from virtually nothing in 1962, exports from cottage industries have jumped to No. 6 among the country's major export products. Annual sales now exceed P250 million (about \$37 million).

This can only mean two things: more dollars for the country and more jobs for thousands of Filipinos, long beset by an endemic unemployment and underemployment problem.

What brought about this boom? One factor is the respect that Philippine handicrafts have been gaining abroad. Another is the fact that Filipinos are discarding their propensity for foreign-made goods and are turning more and more to home-made ones, both out of a growing pride in their own products and the realization that, in terms of quality, Philippine-made items can compare favorably with their "stateside" counterparts.

Today, both local and foreign buyers are competing with each other in purchasing finely crafted furniture, carpets, capiz lamps, wall decor, woodcarvings and other articles born out of Filipino ingenuity and art. It is estimated that as much volume as that sent abroad, if not more, is being sold in local supermarkets, gift shops and even "sari-sari" stores.

These products are being turned out by more than 40,000 small and medium-scale enterprises now registered with the National Cottage Industries Development Authority (NACIDA), the government agency set up in 1962 to develop, stimulate, regulate and expand what used to be a chancy economic venture in some cramped household or tree-shaded yard.



Handicraft products on display: both for local and foreign markets.

"We will continue to expect a consistent rise in these exports," says Mario Reyes, the NACIDA's 36-year-old administrator.

He explains it thus: "Cottage wares, although they proliferate in other countries, compete almost insignificantly with their own kind because of their novelty, which is the touchstone of our stage in craftsmanship."

That novelty has been paying off handsomely for Philippine products. Between 1962 and 1969, Mr. Reyes said, there was a staggering average increase of 1,020 percent in the exports

of six major cottage industries, namely: woodcraft, food preservation, matweaving, shellcraft, bamboo and rattanrafts, and fibercraft. In woodcraft alone, exports rose by 2,000 percent; food preservation, also 2,000 percent; matweaving, 1,000 percent; shellcraft, 500 percent; bamboo and rattanrafts, 350 percent; and fibercraft, 300 percent.

Three years after NACIDA's creation, cottage-industry exports brought in the dollar equivalent of P29,879,918. In 1966, exports increased by P4 million and in 1969, by

about North Vietnam although unconfirmed reports indicate that the country would tend to stimulate her southern neighbor.

However, as reported by Emilio Cordova Jr., the Philippine labor attache for Indochina and Thailand, the prospects for Filipino labor in the area remain bright. He points out to the Nomura Economic Research Institute report, which places the reconstruction needs of both North and South Vietnam at between 12 and 15 billion US dollars, over the next ten years.

The bulk of that will not be in cash but in technical help and materials.

A strong point for Filipino labor in the coming reconstruction work in Indochina is its large, by Asian standards, pool of trained technicians familiar with Western-type equipment and work procedures all available at comparatively, by Western standards, lower cost.

While Western aid to Indochina would necessarily take many forms, one major preoccupation will be the rehabilitation of damaged infrastructure in all aspects of government services—health, transportation, education, public works, commerce and trade.

Cordova reports that Cambodia alone needs over 2,000 technicians and over 6,000 skilled workers in its proposed industrialization program—in the electrification, mining and construction fields.

South Vietnam will have to rebuild at least 2,000 bridges, repair gaps in

its rail lines, rebuild schools and hospitals and repair almost 2,000 miles of primary two-lane roads.

To assure Filipino participation in this massive reconstruction work, according to Cordova, it is imperative that representations on a government-to-government level be made with the countries known to take part in the projected reconstruction program.

This would indicate labor agreements with the United States, Japan, West Germany, the United Kingdom, France, Australia, the Republic of Korea and the other Asian nations which have indicated their readiness to help in Indochina's reconstruction.

Conferences on the ministerial level among the nations in regional alliances would likewise be in order.

Of necessity, top-level representations have to be made with the aid recipient countries not only with regard to the utilization of Filipino labor but the availability of Philippine materials and products.

On this score, what can be readily said is that while Filipino labor is competitive, Philippine products are comparatively uncompetitive.

Filipino labor deployment in Indochina in the past decade undoubtedly earned a sizeable chunk of foreign exchange, but whether or not this has contributed much to the national income, is deserving of more study.

P21 million. By 1970, cottage-industry exports had reached P182,266,000. Statistics for the first 10 months of 1972 showed a total export of P200,428,660.

With this rate of increase, cottage-industry exports can be expected in a few years' time to come to within "striking distance" of the country's five other leading export products. These are sugar, P1.38 billion; logs and lumber, P1.3 billion; copper concentrates, P966 million; copra, P679 million; and coconut oil, P643 million.

Apart from the increasing desirability of Philippine-made handicrafts both at home and abroad, the rapid growth of cottage industries is also due to the incentives granted to small-time producers with capitalization of P15,000 or less. These incentives include tax exemptions for sales of up to P200,000; tax exemptions for importation of equipment, accessibility to government credit and loan facilities, technical assistance through manpower training, and aid in the procurement of raw materials, marketing and promotion.

NACIDA has also entered into direct trading with producers to eliminate middlemen and thus reduce market costs. Under this system, NACIDA consigns or directly exports the products of small-time producers with only a minimum markup of 5 percent.

Other producers have started their own export trade by simply contacting outlets abroad through the help of government agencies. Under this arrangement, they say they find it much easier to export than to find a local market for their products.

To ensure that only good-quality handicrafts are sent abroad, the NACIDA set up an office at the Bureau of Customs to check outgoing products. Officials are aware that a few pieces of low-quality goods can wreak havoc on the industry overnight. NACIDA also established a technological and development center in Manila, the nation's shoe-making capital, to improve techniques in the manufacture of cottage products.

The expansion of cottage industries will not only help solve the unemployment and underemployment problem, but even help hasten the industrialization of the country. Mr. Reyes points out, for instance, that the amazing growth of Japan's electronics industry—to an extent where it outpaced similar industries in other countries—was due mainly to its reliance on small and medium-scale cottage industries to supply the electronic components.

To achieve the same success, however, Reyes proposes the abandonment of the old concepts in cottage industries, which in the past resulted in widely scattered efforts and, ultimately, in substantial contributions to national development.

From the initial, but already astounding success thus far made, there is every reason to believe that cottage industries can be made to play a bigger role in the country's economic growth.

The hundreds of success stories, like that of the Tesoros who, after a modest start, made millions in the export of handicrafts, provide the best proof that Filipinos, given the necessary incentives, can work in partnership with the government to realize the dream of industrialization and economic self-sufficiency.

PHILIPPINE LABOR

Bright prospects in Indochina

SAIGON—Filipino labor, both skilled and semi-skilled, made its mark in Indochina in the decade before the ceasefire. It slackened considerably with the phasing out of foreign troops, but with the massive reconstruction and rehabilitation plan for the whole region over the next decade, it stands an excellent chance of repeating what is considered a generally creditable performance.

Numbering about 8,000 in the late 1960s, Filipino laborers today in the region barely total 2,500—about 700 each in South Vietnam and Laos, about 200 in Cambodia, and 976 in Thailand.

Thailand is included in this account for reasons of proximity and the fact that American organizations displaced from Indochina by the provisions of the Paris ceasefire agreement have moved to that country and have expressed preference for Filipino labor.

Labor policies in Thailand and South Vietnam are necessarily restrictive especially in the case of the latter because of its own problem of relocating a substantial portion of its 1.1-million-armed forces into peacetime jobs. Those in Laos and Cambodia are more lenient; not much is known

OIL

A matter of time

Four oil strikes in Sulu, Mindanao proper, Cebu and Northern Luzon and the discovery of the highest gas pressure ever encountered in local exploration for crude oil augur well for the renewed government efforts to hasten the discovery of the elusive "black gold" in the Philippines.

The series of oil strikes is a fitting climax to the rationalized oil search program recently implemented by the government through a Presidential Decree providing for incentives and government support for indigenous oil exploration.

Government experts are now conducting tests at the four sites where oil has been discovered. It was pointed out that the outcome of the tests and analyses of the samples will provide data that will guide any future program of exploration and development.

Excitement swept through the stock markets when news of the oil discoveries was announced. Speculative oil issues registered price increases of 3 to 4 points over their stock market price both in the Manila and the Makati Stock Exchanges.

The Philippine oil strikes came on the heels of a series of oil strikes off the east coast of Sabah. The oil and gas deposits discovered by Esso in Sabah adjoin Philippine overseas territory and are only 17 kilometers south of the Philippine border and southwest of the Turtle Islands.

Secretary Arturo Tanco, Jr. of the Department of Agriculture and Natural Resources in a report to the President said that the offshore oil discovery was of special interest to the Philippines for two reasons:

- Its proximity to the present exploration sites at Sulu Sea; and
- Its reported gravity of 42 degrees American Petroleum Institute (API) standard, which makes it



Oil exploration and development: a partnership of Filipino and alien consortia.

in this respect characteristically close to Philippine crudes discovered in Cebu and Luzon.

The specific gravity of oil discovered in Cebu was placed by the Bureau of Mines at around 40 degrees (API) while oil found at the Bondoc Peninsula, Quezon province, is close to 40 degrees (API).

Esso's Nympe Nord No. 1 offshore well near Sabah, according to reports, is yielding some 500 barrels of oil and 3.9 million cubic feet of gas per day at approximately 6,000 ft. depth.

Sabah Oil Petroleum, one of the subsidiaries of the Royal Dutch Shell Group, also announced oil strikes in two wells in the same area. The first well, some 35 miles offshore northwest of Kota Kinabalu, has produced some 1,800 barrels a day. The second well is still undergoing production tests.

Although very little activity in oil exploration was conducted in the Philippines during Spanish times, oil was known to be present in the Philippines even then. Two wells, 800 and 1,300 feet deep, were drilled by Smith Bell and Co., in 1896. The two wells, located in Cebu, still yield about two barrels each of oil per day.

In 1938 the government through President Manuel L. Quezon in collaboration with the private sector hired the services of Grant W. Corby with a group of geologists to survey the Philippines for oil possibilities. The war, however, temporarily closed an era of unsteady oil exploration in 1941.

To attract foreign investments to come into the Philippines to assist in the oil exploration efforts the Petroleum Law was passed by Congress in 1949.

With the new law, oil exploration activity picked up considerably with the coming of several foreign oil companies. A total of 27 locally registered oil companies with a large foreign participation and with a total of P192 million starting capital operated from 1949 to 1968.

Offshore concessions in the Visayan shelf, Lingayen, Aparri and southern Palawan-NE Borneo shelf as well as onshore concessions were awarded to American Asiatic Oil Corporation, Mobil and Visayan Exploration, White Eagle, Amoreas and others.

The lack of commercial discovery and the depletion of financial resour-

ces of the local oil companies in the Philippines due to the approaching expiration of the Laurel-Langley Agreement resulted in the reduction of local oil exploration in a mere trickle.

World-wide offshore discoveries in 1969 heralded a new phase in oil exploration with emphasis on offshore areas. The Philippines started the staking of several offshore oil concessions in the Borneo-Palawan continental shelf.

The first nine concessions were filed by Philex Mining, Sabena Mining and Baguio Gold Mining Co., in offshore Borneo. Additional concessions were filed by the same three companies over the Cuyo shelf and the northeastern Palawan in 1970. Philippine Overseas Drilling and Oil Development Corporation also applied for oil exploration concessions on northwestern Palawan.

Several other applications were approved for oil exploration in the Cebu and Mindanao offshore areas.

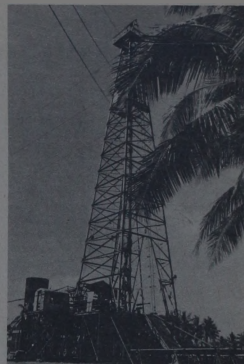
Since 1949, when oil exploration started, until the declaration of martial law, it is estimated that more than P1 billion in risk capital had been invested in the Philippines.

A new era in oil exploration began when President Marcos through an amendatory decree spelled out the rules and regulations covering the exploration and production of crude oil in the Philippines. The decree paved way for the coming of foreign investment and foreign technology.

Presidential Decree No. 37, which amends Presidential Decree No. 8, authorizes the government to directly undertake petroleum exploration subject to existing private rights.

According to the decree the government may also indirectly undertake under service contracts. These contracts may cover free areas, national reserve areas or petroleum reservations whether onshore or offshore. In every case, however, the contractor must be technically competent and financially capable as determined by the Petroleum Board to undertake the operations required in the contract.

Just before 1972 ended the first service contract was signed between the Philippine government and a consortium of two foreign and two local oil exploration companies. The President, who witnessed the signing of the contract, said the event "marks a milestone in our efforts to explore oil and develop the natural resources of



the country. The President also said he was elated by the signing of the contract, which had been delayed by the inability of Congress to act on a deal designed to speed up oil exploration in the country, thus, compelling him to issue Presidential Decree No. 8 after the proclamation of martial law.

The two foreign companies composing the consortium are Chevron Overseas Petroleum Inc. and Texaco International Petroleum. The two local companies are Astros Mineral and Oil Corp. and Abstract Mining and Industrial Corp.

The consortium will explore for oil in an offshore concession located in southern Palawan and the Sulu Sea.

Under the contract the consortium will bring in \$8 million in new investments and undertake drilling operations for five years. The contract is good for seven years, renewable for another three years. If the oil discovery is considered of commercial quantity, the contract may be renewed for 25 years renewable for another 15 years.

The government will get 40 percent of whatever production is realized under the contract.

Chevron Oil Co., in an announcement after the contract signing, said that it would undertake the seismic work and would drill at least one well during 1973.

Eastern European oil exploration companies have also signified their intention to join the oil exploration program being undertaken by the government.

Offers had been received from Russia, to drill oil in the Philippines with their own equipment and technical experts and leave once oil is discovered.

These offers from the Socialist bloc nations are under serious study by Filipino economic planners.

Three more independent foreign firms have also offered to invest in oil exploration under the service contract system decreed by President Marcos. The proposal of the three companies — Broken Hill Pty. Ltd. of Australia, Marathon Oil and Union Oil, both of the United States — is still being discussed by the Petroleum Board.

With the renewed interest in oil possibilities in the Philippines, self-sufficiency in crude oil to serve the steadily increasing needs of industries and the citizens may not be far off. ALVIN CAPINO

Quest for oil under the sea.

Self-sufficiency in fishery products

The Philippines has a total marine area of about 1.7 million square kilometers and yet, the supply of fish is insufficient to meet the demand for domestic consumption. The result is a continuous importation of fish products. In 1971 alone, the country imported 60 million kilograms of canned fish costing P143 million.

Confronted by this problem, President Marcos issued Decree No. 43, providing steps for the accelerated development of the country's fishery industry. Salient points of the decree, as explained by Assistant Secretary Rolando S. Estrella of the Department of Agriculture and Natural Resources, include bigger capitalization for the industry through the opening of more credit facilities, manpower training, and intensification of research.

All government-lending institutions, under the presidential decree, are directed to give priority to fishing projects in the granting of loans. The Central Bank has been called upon to facilitate the granting of concessionary and preferential rediscount treatment rates of interest to loans involving the

industry.

On the international level, financing of fishing projects got a shot in the arm with the granting of a \$50 million loan to the Development Bank of the Philippines, which will allocate the amount to small and medium-scale ventures in the fishing industry. Also, an \$18.5 million project financed by the World Bank is being worked out and expected to be implemented late this year.

Over a four-year investment period, the government will provide credit facilities to finance the construction of fishing vessels, purchase of fish carriers and equipment, the establishment of ice-making facilities and slipways and the improvement of fish ponds all over the country.

To ensure the training of manpower for the industry, the Bureau of Fisheries was given P5 million for educational and training purposes. The curriculum of fishery schools will be revised to require the students to undergo on-the-job-training at sea or at the fishponds for one semester.

The Philippine Committee on Agri-

cultural Research has been formed to centralize and coordinate research in the agricultural field, including fishing. In the past, research in fisheries has been fragmented and disorganized.

Business prospects in the industry are also provided for in the decree. For a period of from 15 to 25 years, a corporation is allowed to lease 500 hectares of land for fishpond development, and 1,000 hectares if it engages in canning, whether for domestic consumption or for export. Another incentive is the lifting of the franchise requirement for the establishment of ice and cold storage facilities.

According to Director Felix R. Gonzales of the Bureau of Fisheries, the administration has embarked on a four-year expanded fish production program from 1971 to 1974. The overall objective of this program is to so accelerate the pace of fish production as to meet the domestic demand for fish and to develop an export market for the country's fishery products.

For this year, the target goal for fish products is 83,000 metric tons. Of this amount, 20 percent is expected to come from freshwater fisheries, 28 percent from brackish-water fisheries, 15 percent from municipal fishing and the remaining 37 percent from the catch of commercial fishing vessels.

The Bureau of Fisheries has lined up several projects to bolster the fish production program. These are the Eucheuma (seaweed) culture, the fish-

pen culture, the fish-estate concept, the settling of "Otoshi-ami" nets in strategic areas, the incorporation of fishery cooperatives and the development of oyster culture in western Pangasinan.

Eucheuma is commercially important and is in high demand among industrial users. From this algae is taken or extracted "carrageenin," a valuable substance used in producing ice cream, peanut butter, paints, cosmetics, textiles, and rubber products.

The fish-pen culture is an intensive method of catching fish in lakes and inland seas. This involves the setting up of an enclosure made of bamboo matting or nylon nets. One hectare of this enclosure can produce as much as 60,000 bangus.

The fish-net concept calls for the development of modern fishing villages in strategic places in the country. Basic infrastructures such as water and flood control systems, basic transportation system, housing units, schools and health centers will be set up in the proposed project areas. Within these areas will be constructed economic-sized fishponds. Fishermen will be encouraged to form cooperatives to assure them of financing and marketing facilities.

"Otoshi-ami" nets are large trawls weighing 20 tons each and are proposed to replace the "baklad" or fish corrals. These nets could withstand typhoons as they are set in deeper waters where big fish like tuna are available. LUIS F. VENERACION

Happy days for the consumer

To the layman, there can be no better indicator of good or bad times than the prices of goods he usually buys at the corner store or the nearest market. These days, he has reasons to be happy. He no longer has to dig deep into his pocket to get the things he and his family need.

A substantial drop in price levels has been noted in Greater Manila, which in the past suffered acute shortages artificially caused by hoarders, profiteers and other price manipulators.

The reductions have been such that, in many cases, prices are actually lower than the ceilings set by the Price Control Council, according to a survey conducted by the Bureau of Commerce.

For instance, certain rice varieties like intan, C-4 and BE-3 are available

for as low as P2.60, lower than the PCC ceiling of P3. A kilo of sugar sells at five centavos below the maximum allowable price. The same is true for meat and fish. A kilo of first-class beef can be had at P8.50 as against the ceiling of P9 and fresh bangus at P4.50 as against P5. A pint of edible oil costs five centavos less than that allowed by PCC.

Non-perishable goods like construction materials are also cheaper these days. One example is a 70-pound roll of barbed wire, which sells at P55. The PCC ceiling is P62.

The arrest of the rise of prices is dramatically reflected in the consumer price index in Manila, which, according to Central Bank figures, soared by 14.6 percent in 1971 and dropped to 10.2 percent by December, 1972.

The sharp decline was particularly noted during the three months following the proclamation of martial law. In October, prices dipped by 3 percent (over September); in November, 1.3 percent; and in December, 8 percent.

For the most essential commodity — food items — the decrease in price is particularly heartening. The latest count in January showed a 10.8 percent decrease since September.

Stabilization of prices was effected not just in Greater Manila, but in all other parts of the country, according to the Department of Trade and Tourism.

Several factors brought about by martial law finally pulled down the prices to more reasonable levels.

One was the strict implementation of the Price Control Law (Republic Act No. 6361), which makes it a "national policy to prevent monopoly, hoarding, injurious speculation, manipulation and profiteering with respect to the supply, distribution and marketing of prime commodities." Violators were dealt with swiftly and accordingly. Unscrupulous traders were detained and their establishments ordered closed. Hoarded stocks, which accounted for the strange shortages before, eventually surfaced and prices began their descent.

Improved peace and order conditions made for easier distribution of goods, further cutting down costs.

The Green Revolution project of the First Lady, Mrs. Imelda R. Marcos, also produced dramatic results in the cities and the countryside, bringing about savings in the budgets of millions of housewives. In Greater Manila, there were instances when truckloads of greens from the provinces had to be returned because of a glut in the market.

Another significant factor was the government move to control the profits of public-utility companies by lowering or stabilizing the rates of electricity, telephone, and transportation. This substantially reduced production costs and, ultimately, the prices of consumer goods.

In a move to strengthen price stabilization efforts, the agencies involved in the implementation of the Price Control Law forged a "memorandum of understanding" aimed at integrating their activities. The memorandum was reached between the national Price Control Council, the military represented by the United Intelligence Group (UIG) and the Metrocom, and the PCC chapters in Greater Manila.

The national PCC exercises general supervision and control in the enforcement of laws and regulations on price control.

The price body also maintains stand-by enforcement teams to attend to complaints from the public and initiate prosecution of violators.

Operatives from the UIG are working closely with the PCC stand-by teams and Metrocom troopers with the local PCC enforcement teams.

The PCC chapters are to recommend the deputation of competent officials and citizens as price control officers who will compose the enforcement teams in their respective areas.

Each chapter maintains an office to receive complaints, effect immediate appropriate action and follow up such action as the need arises.

Each also submits to the PCC periodic reports of its activities and accomplishments, including the number of complaints received, cases filed with the fiscal's office and their status.



A metropolitan area grocery store: controlled, low prices.

Dividends at the science fairs

Wine out of camias leaves. Garlic to preserve meat and fish dishes. A multipurpose bicycle for pumping water, for sawing wood, and for keeping the body trim. Plastic, varnish, explosives, adhesives, and nail polish out of resin extracted from aptong leaves.

These are but a few of the hundreds of inventions and discoveries by young Filipinos spawned by the science fairs conducted annually throughout the country under the auspices of the Science Foundation of the Philippines (SFP).

Their discoveries are not yet being commercially produced, but the young scientists hope that their creations eventually will save money for the country by supplanting expensive imported devices with inexpensive native ones.

Already, some of the more notable projects displayed in the science fairs are being patented or have been sent to the Philippine Inventors Commission for further studies.

"Since most discoveries and inventions started from curiosity, we intend to make full use of the natural talents of our youth by motivating them to worthwhile activities," Dr. Juan Salcedo, the 66-year-old president of the Foundation, told *The Republic* recently.

Such activities include membership in science clubs and participation in science quizzes, seminars on scientific journalism for young people, youth science camps, science talent search contests, and the science fairs, which are conducted on the provincial, regional, and national levels.

Himself a scientist of note credited with fortifying milled rice with vitamin B1 to prevent beri-beri, Dr. Salcedo underlined the role of science in the development of the country's natural resources and, ultimately, in hastening national growth.

Since scientists cannot be produced

overnight, the annual science fairs and the more than 1,000 science clubs throughout the country were conceived to serve as "nurseries for the development of the Philippines' scientific leadership."

The science fairs were started on a limited scale in the mid-sixties by the Bureau of Public Schools. The

Foundation, which was created by the government to serve as an advisory body to the National Science Development Board, took over the sponsorship of the fairs in 1970 and expanded the activity to cover the entire nation.

"The present crop of high school students, through a science-oriented education, will ensure the supply of

adequate scientific and technological manpower for the country's needs," Dr. Salcedo said.

The science fairs and science clubs not only provide motivation to the youth but also draw the attention of the community and, consequently, its involvement and support.

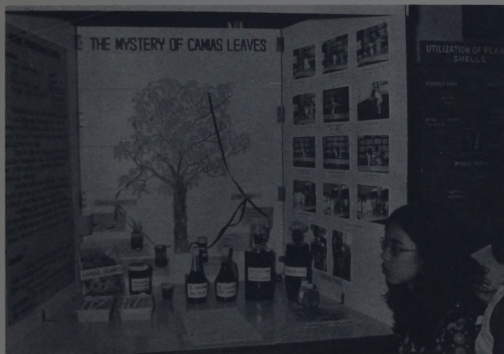
Community involvement is reflected in the enthusiastic support given by various sectors in whatever site a science fair is held and the thousands of viewers flocking to the exhibits. A student's entry becomes not just his own, but that of his school, town, or province.

Last year, the SFP sponsored 11 regional fairs—in Baguio, Lucena, Iloilo, Cabbalagan, Dipolog, Pasay, Tarlac, Iriga, Dumaguete, Ozamiz, and Surigao. Figures for another year (1971) showed that a total of 299 schools participated in the regional fairs, fielding 370 investigatory projects in four categories: biology, physics, chemistry, and mathematics. Forty of these projects made it to the national science fair. This year, the national fair was held in Cagayan de Oro City, March 5-9 and showcased 44 of the year's outstanding discoveries.

One of the discoveries arising from the investigatory projects is that by a 15-year-old student of Basilan City High School in Mindanao showing that *Darna trima*, a coconut pest, could be controlled naturally by abetting the breeding of its insect predators. This could be achieved by growing flowering cover plants between coconut trees. Teen-aged scientist Dennis Grino says his finding will save farmers a lot of money which they usually spend for chemical sprays.

Other projects include an investigation into the hitherto unknown uses of the banana, production of tiles and wallboards from refuse, and countless mechanical devices that can prove extremely useful in the home, in the factory, and in the farm.

Achievements like these, says Dr. Salcedo, serve not only to encourage other scientifically inclined youths to cultivate their potentials but also to open the eyes of the Filipino to the fact that, in his quest for development, he can profit immensely from his own ingenuity and the wealth of locally available materials.



Science for schools: motivating the youth for the future.

Show window for local inventions

Dr. Felizardo explained.

The P7.5 million museum (excluding exhibits and laboratory equipment) is expected to promote science consciousness among the people by familiarizing them with the various principles and processes of science and technology and their application to everyday life. It will also serve as a show window of the country's progress in the fields of science and technology.

With a floor area of 10,000 square meters, the museum building will house galleries for the displays and working models, separate rooms for lecture, demonstration, reading, and printing, a film theater, a library, a feasibility studies laboratory, a gadget

shop, a science clubs den, a cafeteria, and even a radio room and studio.

As originally proposed by Dr. Felizardo and accepted by the board of trustees of the SFP, the museum will have two identical towers, one for scientific displays and the other for technological displays.

There will be galleries to accommodate 1,175 display units representing 47 sub-branches of science in one tower and an equal number of display units for 47 sub-branches of technology in the other tower.

The science tower will deal with the pure and basic sciences like biological and physical sciences. The technology tower will deal with the applied

sciences and industrial processes.

To better prepare the Foundation for the management and operation of the museum, Jaime F. Paras, an architect and administrative assistant of SFP President Juan Salcedo, Jr., was sent to London, Paris and Munich last month to study and observe modern museology.

Construction work will start in August this year, and the museum is expected to be completed by April, 1975.

It is envisioned to become a center of SFP-coordinated programs such as the organization and revitalization of youth science clubs, training of science club advisers, holding of scientific film forums, and training of high school students in science journalism and technical writing.

The SFP—in cooperation with school and college authorities, will conduct guided tours to give students a chance to see and operate the scientific and technological exhibits and models in the museum.

THE UNITED DAILY NEWS

Bridging the gap

There is more than just a grain of truth in the message of a poster: "People are lonely because they build walls — not bridges."

Take the case of the local Chinese. Ever since one cares to remember, they have always been in the Philippines. Time, however, has not battered down the Great Walls they seem to have brought with them and which even to this day separates them from the mainstream of Philippine society. For centuries, they have kept to an exclusive enclave, rarely coming out to mix with Filipinos except to trade. On the other hand, Filipinos have also maintained a wall of detachment, distrust and even disdain between the Chinese and themselves.

But the walls may yet crumble. Under the new Philippine Constitution, for instance, a Filipina who marries a Chinese — or, for that matter, any foreign — national retains her citizenship and by jus sanguinis their children will henceforth be considered natural-born Filipinos. For another, the ban on exclusive foreign schools which would affect the Chinese more than any other foreign community is so designed as to help in their assimilation.

It is also to tear down the barriers of isolation that the United Daily News was conceived. Born out of the

merger of two, now-defunct Chinese dailies — the Kong Li Po News and the Great China Press — it has for a major objective the promotion of closer Filipino-Chinese relations. "It is going to lead its Chinese readers to be law-abiding residents and eventually to be integrated into the Filipino way of life," says Ralph Nubla, the Filipino corporate chairman of the board.

For a start, the United Daily News published Chinese translations of Presidential decrees, orders and letters of instruction. Following the pattern set by other dailies, it stresses the positive in its news reports — a reflection of the mood of reconciliation that now marks the relations between what was once "Asia's angriest press" and the Administration. In fact, Nubla says, "It is both our commitment and our policy to support the New Society."

Understandably, news items that are of direct concern to the local Chinese community are played up more prominently in the United Daily News than in other newspapers. Otherwise, in terms of content, the news that it carries is no different from that in other dailies. Similarly, space is provided for movies, entertainment and human-interest stories. But in place of the comics page found in most other dailies, it digs deep into the rich Chinese cul-



tural heritage of myths and ancient romances for regular features.

As if to underscore its objective, the paper itself is a product of Filipino-Chinese cooperation: Filipinos and Chinese write, edit and print it. It even lays rightful claim to being the first daily owned and published by a Filipino corporation that caters to the local Chinese community and which contains an English section. Editor-in-Chief Chua Kee explains: "There are readers who know both English and Chinese. There are also those who only know one or the other language. United Daily News serves them all."

This unique arrangement somehow adds up to a peculiar package: "PM Views," for example, is all that one who cannot read its Chinese text gets to understand of Primitivo Mijares' Daily Express column on its front page. The bilingual reader, though, has the option of either the Chinese or English text to fill him in on business, foreign and other news developments.

Says one of its editors: "For our Chinese readers who are limping their way to learning English, we provide the crutches." Chua adds that the English pages are being read too by Filipino employes of Chinese firms and household in Chinese families.

Page for page, the United Daily News (at an average of 12 pages an issue) is perhaps the most expensive local daily. Yet, even at 35 centavos (in Greater Manila), some 16,000 copies find their way into the hands of Chinese, Filipinos of Chinese descent and, occasionally, a natural-born Filipino.

This circulation figure is 16.7 percent of the 96,000 or so Chinese registered with the then Bureau of Immigration (now the Commission on Immigration and Deportation) as of 1971. It is just a drop in the bucket, though, when one considers the entire Chinese-speaking community, estimated at half a million. This includes those who have become naturalized Filipinos or are of Chinese descent, but who, with some exceptions, still have to be fully assimilated into the mainstream of Filipino life.

The homogeneity of this group serves to underline the difficult task that the United Daily News has set for itself. Like one big family, the local Chinese community is bound by deep, ingrained customs and traditions. It may therefore take the proverbial patience, perseverance and strength of an ox to move them out of the walls they had built around themselves. Fittingly enough, in the Chinese calendar, this is the "Year of the Ox."

JORGE V. ARUTA

THE COMMUNITY PRESS

Alive and still kicking

If one may single out a recent seminar of community journalists to gauge the status of the community press under the new order, there is no reason to be pessimistic.

Unlike many of its counterparts in the metropolitan press, a wide segment of the community press is still alive, willing to meet the challenge posed by Proclamation 1081.

As of this writing, some 45 community newspapers have received permit to operate from the Mass Media Council and are now enjoying a level of readership that has helped sustain them before martial law. Although many factors have to be considered to get a clearer view of what's going on in the community press all over the country, a look into the papers that have resumed publication reveals that all is quite well.

"We have not really stopped operating," says Diogenes Fallarme, editor of the weekly Sierra Madre Post in Isabela. "We were almost immediately given permit to resume publication and everything is back to normal."

The Sierra Madre Post, now on its third year of operation, has a circulation ranging from 1,000 to 1,500. Its editor says the paper did not encounter difficulties coping with the new guidelines. "Although we were taken by surprise, we immediately accepted martial law as something needed."

Fallarme considers his paper con-

servative and does not miss the "freedom" suspended after martial law. "I never went with the sort of commitment many papers espoused before martial law. I know my paper is conservative, but at least I am sure it is respected. Under the new order, I am concerned about the new responsibility. I welcome it. In fact, I find it a big challenge. If the community press can widen its roles, it can help itself rise to a very responsible level."

Gabriel Visaya, editor of the Cagayan Mail, feels that nothing has changed in the role played by community journalists — or the responsibility ones among them, anyway. Cagayan Mail comes out weekly and claims a circulation of 2,000. Asked about the future of the community press under the new order, Visaya answered: "I think it has a bright future."

Bright the future may be, but one still cannot be overly optimistic. Much of the community press, as everyone knows, comes to life because the men (overworked, underfed, understaffed) believe it should. If some papers have continued to exist, it is because the more responsible community journalists have done their bit.

For decades now, one stultifying factor in the growth of community newspapers has been the matter of finances. It isn't enough, it seems, that

an editor is his own reporter, copywriter, and proofreader. Quite often, he also attends to subscription and circulation problems, not to mention the printing bills the paper cannot pay on its own income. It is this predicament that often forces some community editors to find "other ways." "Other ways," of course, means compromising themselves with local politicians and businessmen, and heaven knows how a paper reads when publicity hounds and secret financiers come into the picture.

Commenting on the problems of the community press before Proclamation 1081, a metropolitan journal predicted: "Community journalism faces slow death. High costs, low revenues, danger to life and limb and getting too close to politics and politicians are the factors contributing to the sad fate of the provincial press."

A report on the state of the pre-martial law community press by Eduardo Sanchez, director of the Philippine Press Institute, stated:

"It is impossible to compile a complete list of community newspapers because of the transitory nature of many of them. But a rough quantification would place the situation this way: there are 35 community newspapers which are financially stable, regularly published, editorially independent and professionally competent in some cases . . .

"On top of this, there are anywhere from 60 to 100 community newspapers which come out every election year to either help the candidacy of some people or to take advantage of the political ads that come with the campaign. These . . . papers have an average circulation of about 3,000

copies although one of them has a circulation of 17,000."

Despite their comparatively small circulation, community newspapers reach far-flung places. Sanchez's report continued: "The community newspapers supplement the dailies reaching the provinces. Although their circulation is small, the community newspapers offer better penetration in areas outside Metropolitan Manila where about 60 percent of the circulation of the Manila-based dailies are sold."

Sanchez cited the fact that in Jolo, the combined circulation of the Manila-based dailies was only 500 while the local community newspaper had a circulation of more than 2,000 copies.

Facts and figures vary from one community to another. In terms of popularity, some community newspapers deserve the reputation they have built through the years. Baguio Midland Courier, despite the journalistic lapses community journalism is heir to, manages to live up to an acceptable standard (fairly good editorials, wider news coverage and good proofreading).

Regardless of the matter of technical proficiency, some community newspapers, and journalists, have met far grimmer fates than a rap on the knuckles for their crusading efforts.

One courageous community journalist named Ermin Garcia (Dagupan's Sunday Punch) paid with his life for not coming to terms with certain local powers-that-be.

Such were the moral and physical risks many community journalists found themselves in. In some cases, they turned out to be more determined crusaders than their metropol-

(From page 18)

itan counterparts.

What is in store for community journalism under the new order?

The picture has somewhat changed in the same manner that the metropolitan press has.

Scanning samples of post-martial law community papers, one notices, as one does in the metropolitan press, the demise of the local society page. One also notices a format that puts the accent on what is often referred to as positive reporting. The quality and content of some articles indicate that local writers, given further professional guidance, may yet emerge as first-rate developmental journalists. In many cases, though, reporting tends to be dull on account of the uniform treatment of news stories. While there are guidelines for the media to follow, there must be a way of writing about the various aspects of community life in a lively and interesting manner.

Several papers do retain some of the more commendable qualities they had before.

The Sunday Punch has maintained its original crusading image, this time concentrating on the "enemies of change." The Naga Times is still the better edited among the Bicol papers and can compare favorably with the Sunday Punch in layouting.

In Cebu, the local papers — namely the Cebu Advocate, the Cebu Times, and the Republic News — show the same writing enthusiasm of the small-town journalists. Davao City's Mindanao Times tries to cover as many provinces in Mindanao but really ends up announcing plans and projects of a locality.

In Tarlac, two papers (The Monitor and the Luzon Star) balance between the news from Camp Makabulos, the Constabulary headquarters in that province, and the local civic clubs. The columnists have re-appeared and, with the political pyrotechnics now non-existent in the place, have turned

writing on less spicy though more viable domestic subjects (boyhood memories, why the streets of Tarlac are named after so-and-so). Armando Matias, editor of the Monitor, has his version of Jean Edades's "How's Your English" and adds the qualifier "Information Editor eligible" below his by-line. One finds Mr. Matias's technical motives commendable, but as one browses over the other paper, the Luzon Star, one realizes, remembering Mr. Matias's samples of murdered grammar, that Jean Edades's Tarlac counterpart is putting one over the other paper in a petty sort of way.

A fairly common, noticeable feature of both pre- and post-martial law papers is that they have all but sacrificed wider coverage for the sake of the revenue-rising court notices. Anywhere from 70 to 90 percent of the pages of today's community newspapers are occupied by such notices.

It is fairly obvious that the community press still suffers from a number of old, recurrent ills. To be sure, some of the hazards that community journalists faced have disappeared since the institution of reforms now reaching into every facet of Philippine society. They no longer have to contend, for instance, with the old pernicious political alignments and the criminal and other malevolent forces that often placed a sword of Damocles over their heads. Today, they face new challenges, new responsibilities.

PABLO A. TARIMAN

Quiet on the campus

People had begun to sing the dirge for student activism when reports about its resurgence hit the headlines once again. "Universities watched," bannered one morning daily. "Crack-down on activism in campuses," said a one-column, below-the-fold story in another.

A concerned Education and Culture Secretary Juan Manuel sent Undersec-

retary Narciso Albaracin to Dumaguete for a look-see at developments in Silliman University, where much of the renewed activism was noted. Mr. Manuel later ordered the weeding out of faculty members abetting student activism and warned that a repetition of such incidents as were reported in Silliman would be dealt with more severely.

For all its attendant publicity, what happened at Silliman was not the first discordant note from the activist camp. But it was not typical of the country's campuses, either. Since classes resumed in October, majority of the student population had settled down to what they had gone to school for in the first place — more religiosity this time and without the distraction provided by that unlovely omnipresence of pre-martial law days: the placards and the graffiti. "Generally the campus scene is now serene," says one education official.

A tour of school campuses confirms that assessment. Gone are the red banners and the posters, the manifestoes and the microphones, the teach-ins and the discussion groups. No more boycotts and demonstrations to upturn carefully planned academic calendars. Gone too are some of the more vocal radicals. Order has returned to

what once was a chaotic campus life; a calm and subdued atmosphere envelops the nation's educational institutions. Most students now tackle their academics in dead earnest, and teachers are responding with equal determination via more readings, more term papers and more quizzes. This turn of events is being hailed by educators and parents alike.

The prevailing mood does have some variations from school to school. At the University of the East where activism did not gain a very firm foothold, students take to developments on the national scene in much the same manner as the majority of the Filipino people — that is to say, with relief coupled with a new-found feeling of confidence and serenity.

"They like it this way," says Jesus Espiritu, UE's vice president for student affairs. "They can come to their

reforms: an end to politics, an end to official corruption and the beginning of a bright future for our farmers through land reform." But, he adds, they seem to find difficulty ridding themselves of their doubts.

It would be naive to think that the voices of doubt and cynicism have been totally stilled at this stage of the reform movement in the country. No less than the President took note of this when, in late January, he underlined the need for more effective supervision of schools, especially those where subversive forces had begun their insidious work again. A couple of weeks earlier, the President, assessing the first 100 days of martial law, warned of a reversion, a sliding back, into the undesirable and unconstructive activities of the past.

It cannot be said, therefore, that the government is unaware of what is going on in the campuses. It has al-



A university campus scene: peace at last.

classes without fear of being mugged or robbed. There are no more demonstrations, which (had) often led to the suspension of classes." As to why radicalism never took root in the country's biggest (in terms of enrollment) university, he has this explanation: "Our students come from middle- and lower-income families. They are therefore in a hurry to get their degrees and help their parents." Unlike some schools which cater to the children of the rich, he says, most UE students cannot afford a year's delay in their studies.

On the other side of the spectrum, students at the University of the Philippines seem to suffer a slight mental discomfort whenever they are confronted with the new restrictions around campus. Oscar Yabes, editor of the Philippine Collegian, official student organ of the UP, perhaps encapsulates this mood when he says: "Things are not normal yet. You cannot change the UP psyche overnight." Says Dean Armando Malay of the UP Office of Student Affairs: "Student activism is not dead. Neither is it dying. It is merely quiescent." Another educator puts it this way: "In their heart of hearts, even the radicals will admit to seeing some of their own imprints in the President's program of

ways kept a finger on the pulse of the student sector, ever sensitive to the faintest stirrings among students. And it has not been lacking, either, in the understanding of the Filipino youth's psychology.

That so far no school has been closed since the resumption of classes in October is perhaps a tribute to — or a reflection of — that discernment. It may also reflect the fact that the doubters are but a small minority of the country's vast student population, who make up a substantial portion of our young society.

Be that as it may, the majority — like the majority of the Filipino nation — have welcomed the reforms instituted the past six months. And with every announcement of a new reform measure, the government continues to gain their confidence, erasing whatever vestiges of doubt may exist in their minds. In their heart of hearts, to repeat what one educator said, they know that the changes now sweeping the cities and the countryside were the very ones they had sought, had demonstrated for, during those turbulent days preceding the historic last quarter of 1972.

It is the mood of this vast number that prevails in Philippine campuses today.

THE RECORDING INDUSTRY

The return of the native

A rather tame description fits Philippine tin pan alley: the fragile discs that rasped in RCA victrolas in the early 1900's have spun out for the coming of the long playing albums with perfectly controlled sounds; the teeny-boppers that swooned for the combs have grown to a generation of slight screaming listeners. Singers have changed from the suave, svelte balladeers to the grating, long-haired bearded soul heroes but who are today well-dressed and clean shaven. Top tunes have switched from ballads to jazz, to rock, to pop, to blues, to soul and are still transforming. Something new is trending into Philippine tin pan alley—local music is clearly floating in the air.

There is an expected boom in local compositions. Album releases of the young superstars are now mostly Filipino songs. And while only 30 percent was left for local ditties in the past with the bigger percentage for foreign songs, Tagalog songs have increased to 50 percent of the total compositions recorded. The record industry looks forward to success.

Success in tin pan alley is measured by sales. In the Philippines, a record can sell as many as 50,000 copies. Some records have been sold more than that number. But these are sporadic and not enough to boost the industry, which is still caught in a complicated network that has hampered its growth. It is still battling for recognition. It still suffers from wrong ex-

fers and licenses. Some companies could hardly resist the temptation to lower prices because of the lack of ground rates. And, says one industry source, "since the Philippines is not covered by the Universal Copyright Convention which automatically copyrights a composition coming from abroad, there is no restriction on the part of a local producer to copy and release his version of records released by the licensee."

A major problem faced by all recording companies lies in what is termed in record circles as "piracy." The piracy menace was at its height two years ago. It got to a point where three big recording companies were prompted to voice out their protest in the form of newspaper advertisements. As explained by Luis M. Trinidad, overall coordinating officer of

the discs are naturally cheaper. There were long-playing albums that sold at P8 wholesale and P10 retail which pushed into pathetic corners the legitimately manufactured ones selling at P12 and P15 wholesale; P15 and P18 retail.

Pirated records first appeared in the country in 1960 during the hottest selling years of Elvis Presley, Harry Belafonte, Neil Sedaka, The Trio Los Fanchos, Doris Day, Paul Anka and Tony Bennett. A foreign national, the record manufacturer held responsible for the crime, was later convicted and deported.

A flood of pirated records swept the country anew in 1962 when discs manufactured in Taiwan seeped in. The prices became even more ludicrous. They went down to as low as P5 to P7 for long-playing albums. Although these were confiscated and the agents arrested, pirated records were not to completely vanish from record bars. Up to 1971 when the top tunes were of Tom Jones, Engelbert Humperdinck, the Begees, several popular favorites were in the market for the pirates: Mantovani, Ray Conniff, Sergio Mendez, Andy Williams, The Cascades, the Beatles, the Lettermen and the soundtrack from the movie, "Love Story." Recently, they have dwindled to almost zero.

An even more serious problem which the record industry was confronted with until some months ago was the "payola." This practice had something to do with the exposure of a particular song. A producer would pay a disc jockey some amount for a record to be given more spinning time than the rest. The tune usually catches the attention of the public. This illegal practice is responsible for the dubious popularity of mediocre compositions and talents. Genuine composers and good artists who had nobody to plug for them were thus brushed off; or else they shied away because of frustration. Several record companies have been trying their best to counteract "payola." Aside from making their own promotions, they are organizing more and more tours to provide greater exposure for their recording stars.

Although most of the problems discussed have been resolved with the advent of Proclamation 1081, the growth of the record industry still ultimately lies on the support of the public. As it is directing present efforts to the general move towards evolving a truly Filipino music, art and culture, the signs clearly point to an imminent boom. A significant factor, too, is the increased exposure given to locally composed songs.

The record companies look forward to a revival of those days at the turn of the century when the "piece de resistance" of most singing stars in the country were Filipino songs.

Recording was introduced in the Philippines in 1913. The first manufacturer of Philippine records was Ibeck and Co. with offices at Plaza Sta. Cruz. The pioneer recording stars were Atang de la Rama, Vicente Ocampo, Pilar del Castillo, Jovita Fuentes, Diana Toy, Eny Gonzales, Socorro Vasquez, Rosa Jose. They were the most popular artists during that time. They were singing kundimans and balltaws. The foreign top tunes were of Eddie Cantor, Enrico Caruso, Harry Richman, Al Jolson and Russ Columbo. The discs which came out in singles, were brittle and broke easily.

A host of Filipino distributors known as licensees followed the initiative of Ibeck and Co. They reproduced "from master stamps or mother plates from the US and paid royalties to RCA distributor in the Philippines like Filipino Record Corporation and Columbia (now CBS)."

Record manufacturing in those early days, according to Trinidad was difficult and time consuming. There were no tapes yet, and the recordings were done at the broadcast stations. These were made directly from master disks and cut on the spot. It took as many as five times before a perfect one would come out. From the master disks was produced a master stamper.

Today, record making is very much simplified. Electronic gadgets have made the process less complicated and very much cheaper. The use of tapes has eased most of the technical problems. In the Philippines, a new manufacturing company is even moving away from tapes. Cinema Audio, Inc., managed by a former movie star, Jose Mari Gonzales, has its studios replete with sophisticated control and sound systems. The records thus produced can compete with foreign made discs, according to Jose Mari.

The record industry in the Philippines may be said to have reached a peak between 1957 and 1965—the years of rock and roll and the Beat.

Added to the first companies that started in the earlier period, 1913, like Mareco, Bataan (now defunct) and Nico, were new ones: Vicor, Dyna, Alpha, Mico, Filipinas, Zodiac, D'Swan, Jonal, Wheelers, Grandeur.

Jukeboxes arrived with crowns for jukebox kings. The increased popularity of television in the early 1960's saw the emergence of the Elvis Presleys of the Philippines, the Johnny Mathises, the Perry Comans, the Platters, the Dave Clarks, the Nat King Cole. Later, the multiplying number of TV programs helped spawn a new breed of recording artists—the young superstars. Meanwhile, earlier recording stars, became regular guests and contributed to the revival of old ballads and new local compositions: Merce Molina, Carmen Patena, Sylvia la Torre, Helen Gamboa, Carmen Soriano, some of them having their own programs. Pilita Corrales and a few others gained foreign acclaim. More stars were giving concerts and touring Asia and other parts of the world.

Songs composed and sang by Filipinos are now recorded abroad. The first was "A Million Thanks to You" sang by Pilita Corrales, followed by "Dahil sa Iyo." At the recently concluded 2nd Tokyo Music Festival, "My Daughter," a song composed by George Canseco, was rated one of the semi-finalists, chosen from several hundred songs from all over the world.

All over the country today, there is a revival of native songs. A pioneer in this field is Mareco. Other companies that have followed suit, Vicor Music Corporation has launched its Plaka Filipino records and has been reported to be gaining favorable acceptance by the public. Alpha Recording System's best sellers include Tagalog songs of Nora Aunor, Ric Manrique and Victor Wood. A unique album release done by a blind pianist Ato, is another all-Filipino new favorite.

By these indications, the recording industry in the Philippines can really look forward to brighter days. ALEGRIA A. ALBANO



Carmelita Alburo: a talent for singing.

postures of right music. One basic problem that poses a barrier to the progress of the recording industry is the nature of record producers in the country. According to somebody quite familiar with the workings of the industry, there are two types. One is the foreign licensee releasing foreign labels and at the same time producing original compositions. The other is the producer releasing original compositions and versions of records brought out to market by the foreign licensees. The arrangement inevitably results in stiff competition. In fact, four years ago, a "record war broke out" between deal-

one recording company—Mareco—the pirate has a simple modus operandi: "He takes a wait-and-see-what's-selling stance then picks up the popular hit. He buys an LP from a record dealer and dubs this on disk (master). From the master, the pirate proceeds to have a stamper made, either from abroad or locally. With the stamper, he can press as many records as there is demand for them." The targets for piracy are usually the best selling albums, not necessarily the new hits because the former do not need any promotion.

Because everything used in the manufacture of pirated records is fake,

PAINTINGS

CARLOS V. FRANCISCO

RP's greatest mural painter

A painter who lived in comparative seclusion in his native town lived to find himself hailed as a national artist. After his death at the age of 57 four years ago — on March 31, 1969, to be exact — it seemed only a matter of time for his achievement to receive well-deserved official recognition.

Carlos V. Francisco, who had no higher ambition than to portray on canvas the life of simple folk in the little town of Angono, Rizal, became almost in spite of himself his country's greatest mural painter.

The City of Manila is the proud possessor of his grandest work, the saga of the Philippines from the perspective of the metropolis, which grew from a barangay by the river Pasig into a Malayan kingdom before the Western tide of exploration and conquest reached these shores.

It was not for nothing that the eulogies at the artist's funeral praised him as a nationalist as well as a man of art. For his murals were the counterpart in art of the histories of the Philippines written through Filipino eyes by historians like Teodoro A. Agoncillo.

The first such mural by Francisco was painted for an exposition held on the Luneta. In retrospect it can be seen for what it was — a rehearsal, so



Kaingin: prize-winning work of Carlos V. Francisco.

to speak, for greater works to come. An indication of the official neglect of the arts at the time is the fact that this mural was later cut up to facilitate its storage and then left to the mercy of the elements. Nothing has been heard

of it since and it is presumed to have perished.

From that lost painting, however, Francisco's career as virtually our official muralist started. Commissions for public buildings as well as private

residences kept the artist busy. Material remuneration was still meager even by standards current at the time. But Francisco was made, and his fame rose beyond the highest expectations of the former magazine illustrator whose heart was really in easel paintings and occasional murals depicting barrio life, specifically the barrio life in his native Angono, as it had not been depicted before.

The easel paintings of Francisco tend to be overshadowed by his bigger works. Yet they show the artist's talent, his personality and lyric passion better than anything else.

It was one of these paintings which raised him from comparative obscurity to fame when, in 1948, it was awarded first prize in the first annual exhibition of the Art Association of the Philippines. Demetrio Diego and Vicente Manansala, who also had first attracted notice as illustrators, won the second and third prizes, respectively.

This prize-winning work, variously titled 'Kaingin' and 'Pastoral' among other names by reviewers, starts the regular art feature of THE REPUBLIC. It is the same subject that an Amorsolo or a Castaneda might have painted. But whereas traditionalists would have emphasized pictorial realism, Francisco has sacrificed it to dynamic composition and solidity of forms.

It was an art learned with much groping from Cezanne, through imperfect color prints and with early guidance from Victorio C. Edades, pioneer of contemporary Philippine painting. Botong — as Francisco is affectionately called — had never seen and was never to see Cezanne in the original, but he understood and his intelligence and dedication supplied the rest. With this foundation he went on to create on his own and to become one of our most original artists.

E. AGUILAR CRUZ



Manila City Hall mural: history depicted in oil by Francisco.

FILMS

Obtuse triangle

SUNDAY BLOODY SUNDAY
Directed by John Schlesinger
Screenplay by Penelope Gilliat

Traditionally, if two men and a woman figure in a love triangle, we assume it's the woman being shared. Not so in Sunday Bloody Sunday, a film that defiantly shatters such romantic manner of thinking. In this case, it is the young man that's the hypotenuse—or the side common to the other two.

The story seems simple enough. Daniel Hirsch (Peter Finch), a prosperous middle-aged Jewish doctor, and Alex Greville (Glenda Jackson), a divorcee in her thirties, share a common interest: Bob Elkin (Murray Head), young sculptor dabbling in kinetic art. The young man is happy enough to be shared. His lovers don't like the situation, but being mature, try to make the best of it without making undue demands. Later, he

leaves them to go to America. They are crushed, but we know they will survive.

Penelope Gilliat's script advances the plot through a series of scenes designed to reveal the characters not through actions but through dialogue which in itself is more expository than dramatic. Their words ring true because no emotions are repressed and nothing is concealed; nerves are bared at their rawest. Tension is created not by any explicit conflict among the characters, but from within them.

Finch, playing Hirsch, once more displays his talent for precise, coherent, and credible acting. There is nothing in him that is effeminate, affected, or guilty—homosexual stereotypes that would have bogged down a less competent actor. He seems simply to have accepted his homosexuality the way a man would have accepted a preference for tennis to golf. This acceptance is without passions or regrets, and is exactly what arouses our sympathy. He is all too human and vulnerable. The scenes wherein he ministers to his patients, comforting them in their moments of doubt and depression are the most effective, giving him the dignity and identity that make him respectable in our eyes. It is the most important role in the story, and the most interesting.

If Finch has the best scenes, the

picture remains Jackson's by sheer force of her performance. For, if Hirsch does not seem exciting, the woman, Alex, is Jackson played with vibrance and vitality, suppressed passions and anger. Her scenes are always tense and alive, vivid with explosive jealousy, frenzy and doubt. She gives us a disturbing picture of today's tormented, confused woman who struggles to avoid any compromise in her life. She doesn't want to settle for the domestic life her mother managed with; she doesn't want to share her lover; she doesn't like her job. Unfortunately, this lack of willingness to compromise does not propel her to do anything about her life, so wrapped up is she in the idea of sharing some blissful moment with her lover.

Murray Head playing the role of Elkin, the coveted young man, is the weakest point of the movie. He seems too shallow and selfish to arouse any sympathy. The passion of two intelligent people for him is irreconcilable with his colorless personality. He seems uncommitted to either and escapes to one or the other at the slightest sign of any emotional conflict or hassle. His person seems best explained by one of his lines: "Don't push it. Please don't push it." This is said when Alex mentions the doctor. The ultimate squaring of the trian-

gle is left to Peter Finch who, in a soliloquy of sorts in the end, summarizes the bleak desolation of the abandoned lovers' landscapes in the end, and how eventually, in real life, "there is no whole thing."

For those who didn't quite catch what he was saying, here is the monologue, in which the doctor, wounded by his loss, turns patient and looks to us to heal him:

"When you're at school and want to quit, people say you're going to hate being out in the world. Well, I didn't believe them and I was right. When I was a kid and couldn't wait to be grown up and they said childhood was the best time of my life and it wasn't. Now I want my company and people say, what's half a loaf, you're well shot of him; and I say, I know that, I miss him that's all. They say he'd never have made me happy and I say, I'm an happy apart from missing him. You might throw me a pill or two for my cough. (pause)

"All my life I've been looking for someone courageous and resourceful, not like myself, and he's not it. (pause)

"But something, we were something. You've no right to call me to account. (pause)

"I've only come about my cough." ZENAIDA SEVA ONG

BOOKS

Point of reference

THE NEW CONSTITUTION: CRISIS & REFORMS
By Antonio R. Tupaz

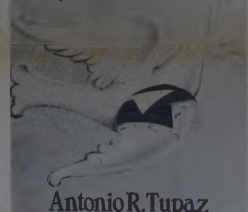
Published by the Superior Management & Investment Corporation

This 375-page book is the first to be published on the new Constitution since its approval by the delegates to the 1971 charter meet in November 1972 and its ratification by the Filipino people, through the citizens assemblies, in January 1973.

What makes the book authoritative on the events and issues that went into the framing of the charter is the fact that the author was a member of the Constitutional Convention, an active participant in its deliberations, and co-chairman of the 16-man special ad hoc committee of the steering council that prepared the official working draft of the new Constitution.

The author devotes the first chapter to a discussion of the "Marcos Doctrine: Constitutional Authoritarianism," giving the reader a background on the rationale for the proclamation of martial law and the institution of the new society by President Marcos. Martial law, Philippine style, the author emphasizes, is basically the prosecution of reforms and because of its adherence to non-violence and the constitutional process, it is even more difficult to execute than its stringent form tried in some other countries. The new Constitution, the author says, is the "final legal completion of the Marcos doctrine and the New Society." In effect, it also provides the "legal framework for the philosophy

The NEW CONSTITUTION: CRISIS & REFORMS



Antonio R. Tupaz

and goals" of the reform movement now going on in the Philippines.

Woven into the different chapters are the major problems of Philippine society to which the framers of the new charter anchored the reform measures that went into the provisions of the Constitution.

Of importance to the researcher is a whole chapter analyzing the various committee reports which became the basis of the contents of the new charter.

The first-hand accounts contained in the book can prove significant in the interpretation of the various provisions embodied in the Constitution, giving the reader a clear perspective of the controversial and polemical discussions in the convention hall and in the committee meetings.

The book can serve as a starting point for those who may later write about the trials and tribulations that attended the birth of the new charter. As Diosdado Macapagal, president of the Constitutional Convention, noted in the foreword: "For researchers, chroniclers, and historians, this work will be a valuable point of reference whose utility will be enhanced and completed by reading the subsequent up-dating volumes by the same author."

DANCE

Folkloric charm

KISLAP '73

Direction & Choreography
By Leonor Orosa-Goquino

That Leonor Orosa Goquino stands unchanged when it comes to interpreting Philippine life, legend, and lore in dance was affirmed once more after a viewing of Kislap '73, the 12th anniversary presentation of the Filipinescas Society, Inc. Through tastefully theatricalized translation of village and ritual dances, ancient tribal tales, and festivals, she gave new life and meaning to cherished historical, cultural, and literary traditions.

Her choreography of the "Legend of Creation" was exquisite in its virtuosity of movements: the quarrelling sea and sky, the bird, the islands, the first man and woman all coalesced into a symphony of undulations with the most sensuous grace.

With clever innovations and spirited improvisations, "Tribal Story" and "Morolandia" were saved from being banal renditions of the familiar Mountain Province and Muslim folk dances. In "Tribal Story," the male dancers displayed muscular and rhythmic prowess in fabulous acrobatics and ceremonial leaps accompanied by haunting chants; in "Morolandia," the women glided with elegance of steps and teased the males with flexible hips and flirtatious eyes, their hand batting overhead with a plastic gear that seemed like a hundred butterflies fluttering.

While the "Morolandia" suite captivated with its usual staleness and color, the desired effect, however, seemed to have been marred by the

lack of tonal ranges in the gongs that accompanied it. Also, the Christianization scene with its play on velvet candles seemed to have relied more on such visual gimmicks instead of the purer art of dance and movements.

In the second portion, "Cuadros Filipinos," excellence suffered some confusion. The flagellation scene was memorable enough in its agonizing writhing, wrestling, and thrashing about, the movements conveying suffering and penitence, if not the fanatic's zeal. The cockfight, a classic of over 15 years, had retained its original charm. However, the Maria Clara Asalto scene (another Goquino classic of almost 20 years) seemed to have grown bland and tasteless with age. It lacked incisiveness and theatrical tension, sometimes descending to pure kitsch.

This weakness extended to the harvest suite of the last part. Despite some absolutely beautiful movements, some dances seemed unresolved and unfinished, terminated before they reached their depth of adventurousness. Some steps were repetitive and tedious, prolonging the dance unnecessarily. It was not until the number of the tilking birds (tinkling with the difference that the dancers are costumed as yellow birds) that this portion gained back its originally intended momentum.

Aside from such lapses in direction and dramatic timing that tarnished an otherwise glittering performance, Kislap '73 was a heady experience in viewing a people's myths and legends embodied in a rich palette of movements and dances. ZSO

Aphrodisiac (?) restaurant

If your bible is the *L'Esquisse Gastronomique* and your favorite bedtime reading matter is *Brillat-Savarin's Physiology of Taste*, then *Mariposa de Vida* is the restaurant you've been looking for. For, while curiosity and concupiscence may be your initial reason for patronizing it, having heard of its aphrodisiac offerings, it is its excellent cuisine and varied menu that eventually can turn you into a regular diner.

But there is truth, perhaps, to their claims of serving aphrodisiac food, for

isn't the right diet supposed to be the key to the feeling of well-being that improves one's virility? So, as long as you don't expect to come snorting out of the place like a libidinous bull after one meal, expect some very pleasant surprises for your palate.

Sunlight streaming through the stained-glass doors designed to simulate the richly colored wings of a butterfly makes the cream and orange interiors of *Mariposa de Vida* cozier than it already is. The shells and cara-

paces of turtles, oysters, swordfish, and reptiles line the walls. At the end of the room are four aquariums where snakes, prawns, crabs, and fish swim, waiting to be chosen and cooked according to the diner's preference.

The aphrodisiac concept is a brainchild of Ruby Tiong Tan whose Indonesian friend interested in exotic cooking taught her most of the kitchen lore that went into the planning of the menu. Running the place with her is her business partner, Lally Laurel-Trinidad.

The menu is divided into 13 parts. Under hors d'oeuvres fall quite familiar fare, what one would usually meet in any first-class restaurant: assorted canapés, sardines, shrimps, ham cones, eggs à la Russe, and the like. Skipping these, you may decide to have instead their aphrodisiac appetizers, a choice of chicken or duck balut. Yes, you may have known about the aphrodisiac qualities of chicken embryo all along, but where can you buy them, especially if you live in a place where no balut vendor passes?

Under the soup section are again the classic soups one may have tasted or seen in French, Spanish, or Chinese restaurants, but this time all under one roof and cooked without the slightest trace of monosodium glutamate: *Bouillabaisse*, *Sopa de Ajos*, French onion soup with cheese, bird's nest soup, to mention a few.

The choice of the main course becomes difficult, what with a multitude of tempting dishes. Identified properly under the classification of Protein are imported grilled steaks served in the classic manner and styles, also fowl, frog's legs, kidneys, and callos; a section on Iron lists seven ways of cooking calf's liver, a lengua dish, and chicken liver. For calcium-rich dishes, there is seafood: shrimps, scallops, crabs, oysters, abalone, shark's fins, fish—mostly steamed to preserve

their taste and nutritional values. The sauce that goes with each dish is well worth the meal. Braised mango bean sprouts, steamed peas, green salads, and other separate vegetable dishes are listed under Vitamins and Minerals.

For the specialties of the house, the reason you will want to go there instead of any other place, there is a separate listing for food that is supposed to aid virility and fertility: *Valentino Beef*, *Pochon de Casanova Monca* (monkey), *King of Siam* hare, *Seseto de Rubrosa Cochon*, *Clopa-patra Vuity*, *Kama Sutra Cochon*, *Dou Jan Chevre*, *Jezebel Vuity*, *Desiree Pochon*, and *Pochon de Amor*. And for food that will make you feel anything is possible because they're supposed to give you strength, stamina, not to mention improving your blood circulation, choose any of these: *Atlas Chicken Viva*, *Hercules Pigeon*, *King Solomon Quails*, *Samson Duck*, *Khan Warriors Black Chinese Chicken* stuffed with bird's nest, *Speed of Mercury Chicken* (chicken claws), *King Arthur Fish Lips* with chicken clack, *Bonaparte Tendon*, and *Geronimo Ox Tail* with *Tendon*.

Billed as their star aphrodisiac feature is the *Round Robin*, a concentrate of the juice of one kilo of beef skillfully extracted into a bowl.

For the staunch believer in cooking by steaming, there are almost two dozen choices: chicken, shrimps, ox tail, liver, gizzards, shark's fins, tripe, crabs, duck, and vegetables. All are served with siopao dough or steamed unpolished rice.

Game and seafood come from all over the Philippines to assure the prime choice for each meal served in the restaurant. For those who want to come on the day when what they want is available, the schedule: Monday—rabbit; Tuesday—monkey; Wednesday—frog's legs; Thursday—wild bird; Friday—wild boar or deer; Saturday—snake.



Sea-snakes: an appetizer or aphrodisiac?

INTRAMUROS

The city that was

A three-man Spanish technical mission, composed of Juan Maria San Juan Garcia, Jose de la Mata Gorrostiza, and Carlos Picardo Castello, visited the Philippines recently to help draw up plans for the development of Intramuros as a major tourist attraction. For three centuries, *Intramuros*, also sometimes called the *Walled City*, served as the hub of political and social life during the Spanish regime in the Philippines. A joint project of the Philippine and Spanish governments under a cultural agreement signed a few years ago, the development plan calls for the construction of a miniature *Intramuros* within the ruins of the old city. Spain has pledged a P10-million loan for the project. How did the original *Intramuros* look like?

In 1574, barely three years after Miguel Lopez de Legaspi had razed what was then called *Maynilad*, King Philip II of Spain decreed it the capital city of the Philippines. Shortly after, the friars came. They brought with them the beatitudes and the cross and taught the people to look forward to the heavenly rewards of

meekness and obedience.

Then, there slowly rose out of the rubble, port facilities to accommodate the galleon trade, huge churches, imposing monuments, concrete buildings, religious schools, cobblestone streets, all designed after those in the great cities of Spain.

At the same time, massive walls were built. Constructed around an area of approximately 120 hectares, the walls protected the city against marauders who came from the China Sea and the distant South.

"*Entra los Moros!*" was always the urgent cry of sentinels guarding the parapets every time they sighted an alien ship—and this went on for a considerable length of time until the cry became a legend and a name. Thus, according to some historians, the original core city became known as "*Intramuros*."

The old city had six gates: *Almacenes*, *Santo Domingo*, *Parian*, *Santa Lucia*, *Puerta Real* and *Postigo*. The city within the walls was the seat of government and where most of the aristocratic Spaniards lived.

Inside the walls, the Spaniards tried hard to make it as much like Spain as possible. Public offices were solidly constructed. Cathedrals and churches of massive proportions were built so that one could see them ten miles away. Streets were paved with granite (*pedra de China*) brought by the Chinese traders and lighted with gas lamps ordered from Rome. Houses were built one story above the ground and were constructed with stone of great thickness. They were vaulted with ornate iron clasps.

The governor's house was so huge that a village could fit into its site. The square in front was lined with shade trees and furnished with lamps of Romanesque origins.

No one dared walk the cobblestone streets, for here, everyone had one or two horse-drawn carriages for promenading around. The governor's carriage was drawn by six horses and was preceded by several liveried men on horseback.

The homes inside the city were well furnished with mirrors, handsome paintings, globe lamps, crystal chandeliers, writing desks and such other household effects that could shame a noble Basque at that time.

There were few big social affairs, but evening parties were not rare. Among the younger set, there was singing and carousing around the piano, but the elders usually kept themselves away as a matter of dis-

tinction.

There were siestas in the afternoon, and at three o'clock, chocolate and chorros for every one. Life was good and beautiful, for how could one have felt otherwise—protected by those looming, impenetrable walls?

This life-style went on for generations and seemed to be without end until British guns thundered in Manila Bay. The British occupation temporarily displaced the city residents, but soon after the last of the British soldiers had gone, *Intramuros* was rebuilt and the Spaniards added more walls as an elaborate system of outer defenses.

Then came the Revolution, and subsequently, the Americans. The glory of Spain remained in the domes and spires that dominated the skyline of Manila, but *Intramuros*, for all its architectural and Roman splendor, was dying. *Intramuros*, by the way it looked even before the last World War, was not what it used to be.

The end of the war finally left the famed *Walled City* in shambles. Slabs of concrete lay pell-mell everywhere, and only the ruins of a once glorious city stood to tell the story of a long-gone era. Parts of the destroyed walls have since been rebuilt. Today, near or right beside the walls stand buildings of all shapes and sizes, housing people engrossed in the demands of modern-day life and only occasionally reflecting, perhaps, on a pile of rubble redolent with history.

Another step toward ecumenism

For four days last week, the Most Reverend Arthur Michael Ramsey, the 100th Archbishop of Canterbury and Primate of all England, was in Manila to promote ecumenism. The visiting dignitary is the spiritual head of about 60 million members of the Anglican Communion all over the world and the former head of the World Council of Churches. This sojourn was his first pastoral visit to the members of the Philippine Episcopal Church and the Philippine Independent Church. The PIC, which was founded by the late Isabelo de los Reyes and Gregorio Aglipay, is in full communion with the Church of England in accordance with a Concordat reached ten years ago.

The sojourn of the Anglican prelate was the second time for a religious world leader of his stature to visit the Philippines, the first being the historic pilgrimage of Pope Paul VI two years ago. A tight schedule in Manila included a call on both government and Church dignitaries, which brought into focus the efforts being exerted by the world's Christian spiritual leaders towards fostering closer and more harmonious relations among the churches which may eventually lead to the reunification of Christianity under one fold.

The Manila visit, which was part of an extensive tour of the Far East countries—India, Malaysia, South Korea, Singapore, Hong Kong and Japan—symbolizes the fast-spreading spirit of ecumenism that the Anglican Primate has been promoting through the years. "I have been playing a part in the ecumenical movement for as long as I can remember," the bulky archbishop said.

PEOPLE

Journalists, naturally, would much prefer to write the news, on occasion, without half trying and without meaning to, to make it. And who would not, especially if she is one of the most engaging and powerful figures in journalism in her country? Such a one is Mrs. Katharine Meyer Graham, president of the Washington Post Co.,

Accompanied by British Ambassador James Turpin in a courtesy call at Malacañang, the 69-year-old archbishop, thanked President Marcos for the great interest shown by the Filipino people in his visit despite the fact that the Philippines is a predominantly Catholic country. The First Lady, Mrs. Imelda R. Marcos, assured Dr. and Mrs. Ramsey, that their visit was welcomed by everyone.

The President told the Archbishop of Canterbury that the churches have played a most encouraging role in helping bring about the regeneration and reformation which the government is bringing about in the Philippines. The country, the President said, is "seeking a change of the heart and spirit," and that the churches are best qualified to bring about that change.

"Christianity is so strong and the Church is important to the life of the people," the Archbishop agreed.

A lively exchange of impressions transpired in the meeting between the Anglican Primate and Rufino Cardinal Santos, Archbishop of Manila, at the latter's Mandaluyong residence.

Archbishop Ramsey asked the Cardinal: "Are the people here overwhelmingly Christian? And can we call them practising Christian?"

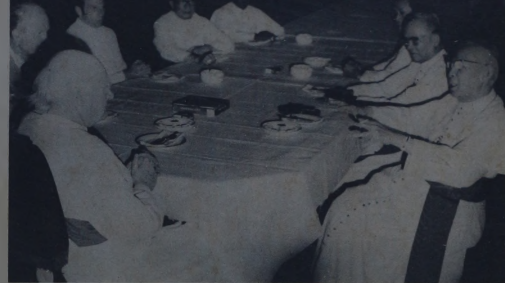
The answer of the Filipino Cardinal: "Yes, 95 percent, Your Grace," citing a survey in 1967 which showed that 57.5 percent of the Christian population attend Sunday Mass or services.

The midmorning talk between the two religious leaders centered mostly on ecumenism.

"Are relations growing between the

which owns the Washington Post, Newsweek, and a string of radio and television stations in the United States. Mrs. Graham, together with top executives and editors of Newsweek, was in town for two days last week, for a first-hand view of Philippine conditions and for a meeting with President Marcos and other government officials. Mrs. Graham's party was met at the airport by the First Lady, Mrs. Imelda R. Marcos. Later they were honored at a dinner in Malacañang. During an exchange of toasts, the President, explaining "martial law, Philippine style," said Filipinos would continue doing what they thought best for their country. Mrs. Graham replied that US media, in reporting and interpreting events in the Philippines, were striving to consider the Filipino point of view.

For generations, the textbooks he edited served as the main academic fare of thousands of Filipino school children. He also had a string of "firsts" to his credit: first Filipino superintendent of schools, first director of public schools, first secretary of education, first resident commissioner in Washington. He later tried his hand at politics and rose to become Senate president pro tempore. On top of these, he is widely regarded as one of the pillars of the Philippine independence movement. Last March 14, just nine days before his 84th birthday, a visibly moved Camilo Osias stood at Malacañang's reception hall to receive from President Marcos the



Archbishop Ramsey with Catholic church hierarchy: ecumenism in a new vein.

Catholic church and other churches here?" the Anglican head asked.

Cardinal Santos answered: "Everything is still under study. But we are proceeding toward cooperation and improving relations with other churches in uplifting social conditions."

The visiting dignitary's itinerary included a call on Manila Mayor Ramon D. Bagatsing and Quezon City Mayor Norberto Amoranto. He officiated at the ecumenical service held at the Cathedral of the Holy Child on Taft Avenue—the national cathedral of the Philippine Independent Church. He also preached at the Cathedral of Saint Mary and Saint John in Quezon City. At the Saint Andrew's Theological Seminary, he met with the bishops of the Philippine Independent Church and the Philippine Episcopal Church.

The archbishop is a member of the

Ancient Order of Sikatuna, with the rank of datu, for his "long and substantive service to the nation, particularly his lasting contribution to the educational system." In conferring the award on Osias, the President said: "We recognize him because we seek to retrace our ancient roots as a people in Asia and to set up a tradition, culture and history which people must respect and be proud of." On hand to witness the ceremony were the First Lady, Mrs. Imelda R. Marcos, and members of the Osias family.

Several years ago, she said: "I was thinking of becoming a lawyer. I always wanted to be in public service but not as a politician." She did get involved in public service but of an entirely different form. Last week, Cecile Guidote, along with another Filipino and three other Asians, was honored at the Ramon Magsaysay Award ceremonies, delayed by over six months in deference to the victims of the disastrous floods in 1972. Miss Guidote was cited for public service, particularly for her efforts in helping develop a distinct Filipino theater. She shared the award with fellow countryman Gilopez Kabayao, a violinist engaged in an equally commendable mission: bringing music to the Philippines' rural countryside. Mr. Kabayao was represented in the ceremonies by his mother, Mrs. Marcela Kabayao. Recipient of the other awards were: Dr. Goh Keng Swee, defense minister of Singapore, for government service; Hans Weitenberg of Indonesia, for

British House of Lords by virtue of his office. As a prime mover of growing ecumenism, he saw Pope Paul VI at the Sistine chapel in Rome a few years ago, which resulted in the formation of the Catholic-Anglican Commission for Organic Unity whose main function is to thresh out matter of mutual concern of the two churches. Last year, this body fashioned out an accord on the Holy Eucharist—its most significant achievement to date. In 1968, the Anglican prelate set a precedent by delivering a sermon before a multi-denominational congregation at the Roman Catholic Cathedral in Westminster, London.

And ecumenism again is the underlying reason behind his current Asian tour. As he envisions it, his trip can be considered a success if it somewhat enhances "the continuing good relationship between Christian churches and tolerance among the races."

community leadership; and Yasuji Hanamori, publisher of a consumers' magazine in Japan, for journalism, literature, and creative communication arts. While in Manila, Dr. Goh received another award: the Ancient Order of Sikatuna, with the rank of datu, conferred on him by President Marcos at a ceremony in Malacañang.

The first time Kasuko Okoda was in the Philippines was in 1971, as a member of a student tour group. She did not expect to be back, but last week Miss Okoda was to receive the prize she won in the "Win an Island" contest conducted by Philippine tourism officials. Miss Okoda, 21-year-old economics student at Tokyo's Kasei University, said she was impressed with the changes in the country since her first visit. Her prize: "possession" of Jomalig, a resort-island of immaculately clean beaches and swaying palms east of the Luzon mainland. Which meant, the use of a cottage and other facilities at Jomalig, plus "all the rights and privileges attendant thereto," for five years starting from the day she sets foot on the island. A bonus was a two-week, all-expenses-paid vacation in the Philippines for five persons, or five trips for one. She chose the former, and she brought along her parents, her brother, and bosom friend Noriko. How did she win it? By thinking up a name for Jomalig. The name she chose was "Miwatu-ku," which meant Enchanting Isle.



Mrs. Marcos and Mrs. Graham (left)