

In connection with the exposures in Manila, there has been talk, defensive talk, of the shocking Teapot-Dome scandal in Washington during the Harding Administration. But let it not be overlooked how the people reacted in that matter and what measures the Government took. The criminals went to prison, rich and highly placed as they were, and some say that Harding wished to die, and died, because of what had happened.

In any government there are always individuals who would take criminal advantage of their power if they had opportunity. That is to be expected. That is one reason why we have auditing and investigating bodies, prosecutors, judges, police, and prison-wardens. No people can rightly be blamed for the discovery of criminals in high official positions, but they are to blame if they keep them there.

Some Filipinos have said that the country is disgraced before the world, but a clean-up, the more complete, the better, would do more to impress other nations with the reality of Philippine competence in the ways of democratic government than has the past dubious party "unity" which, it has been plain for some time, enabled a clique of malefactors to maintain themselves in positions of power and honor.

The real test will come when it is seen whether masses of voters too easily misled or bought out-right, will still rally to them and keep them in power.

In a letter which some time ago the Chamber of Commerce of the Philippines sent to Secretary of Commerce and Industry Cornelio Balmaceda (the letter was signed by President Gil J. Puyat) protesting against the undue competition offered by the People's Homesite Corporation to private concrete-block manufacturers, — which letter no doubt had its weight in finally deciding the Government to call a halt to this competition, we have noted with satisfaction one sentence which read:

"It has been the consistent policy of the Chamber to oppose, as a general proposition, government in business, and countenance government investments in business only to pioneer in such lines where private capital is indifferent until such time as private capital is ready to take over, and where private enterprise cannot supply the demand or it indulges in practices detrimental to the welfare of the general public."

This statement outlines what we believe is a very sound policy. However, it also appears to us that the total record of the Philippine Chamber does not bear out that it has consistently opposed government in business, even as a general proposition.

The Chamber has, indeed, done much to encourage government interference and government competition with private business here, apparently in the belief that this interference and competition would affect foreign-owned business enterprises only or chiefly, and would in the end be to the advantage of Filipino-owned private business enterprise.

We have always believed that Filipino business, as time went on, would come to realize the fact that whatever is harmful to foreign business is also harmful to Filipino business, as well as to the people of the Philippines as a whole.

There is much to be said for cooperation between business and government and much can be achieved by such cooperation. But neither government nor business should lose sight of the fact that under the forms and processes of our capitalistic democracy,

government and business, respectively, must function as checks upon each other.

There is a natural tendency of government everywhere to become dictatorial and totalitarian, and this tendency is checked only by the people as a whole and their various other social institutions, among which industry and business are probably the strongest.

If business had its own way entirely, we would develop what has come to be known as fascism. If government had its way entirely, we would have totalitarianism, and the one is as bad as the other, with free private enterprise and all other freedoms ultimately suppressed under both.

Of late years, government here has gone much too far in the totalitarian direction in its interference with and control over the economic life of the people, and if the Philippine Chamber comes to realize this, a very important gain will have been made toward offsetting this very alarming trend, — alarming economically, politically, and culturally.

The American Chamber of Commerce has stood virtually alone in its opposition to this trend. It heartily welcomes any sign of conversion on the part of the Philippine Chamber to what should be its general function in assisting in the maintaining of a dynamic and progressive balance between the various social forces in this country.

When one of the highest officials of the Department of Justice, — God save the mark, officially urges a course of action upon the Government on the basis of a line of reasoning which would not have occurred even to an eighteenth century Borneo pirate, isn't it time we stop and consider? The more so as this course of action would seem to be in line with a decision of the highest court of justice of the land?

There must be no confusion here between the course proposed and the exercise of the power of eminent domain, one of the most majestic of all governmental powers and never used by any civilized government except under circumstances of great public necessity and then only with the greatest restraint. The power has been defined as —

"that superior dominion of the sovereign power over property within the state which authorizes it to appropriate all or any part of a property to a necessary public use, reasonable compensation being made."

No, this course urged upon the Government is one of outright confiscation, as of stolen goods, under the warrant of a decision of the Supreme Court of the Philippines, the notorious "Krivenko Case" decision, which purported to be an interpretation of the Constitution with respect to landownership and denied to aliens to right to hold any land whatever.

* Read It And Weep!
Suits Against Alien Landholders To Recover Property Urged On President

Solicitor General Felix Bautista Angelo urged the President yesterday to authorize his office to institute court action against alien-owned properties acquired in violation of the Constitution as interpreted by the supreme court in the celebrated Krivenko case.

The solicitor general told the President in a letter that "two alternative court actions are open to the government with respect to the land transferred to aliens in violation of the Constitution and existing law," namely:

1. Action for reversion and forfeiture or escheat to the state; and
 2. Action for the annulment of the prohibited transfers.
- The solicitor general urged the chief executive to define the government's policy in this regard. He pointed out that "further delay in instituting court proceedings is inadvisable."

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