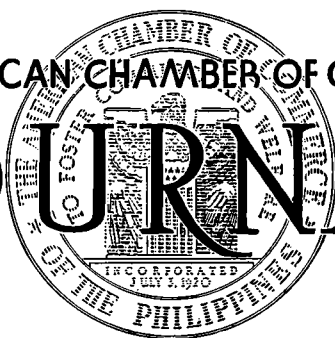


THE AMERICAN CHAMBER OF COMMERCE

JOURNAL



Editorials

"... to promote the general welfare"

President Magsaysay's initial address on the State of the Nation, delivered on the opening day (January 25) of the First Session of the Third Congress of the Republic of the Philippines, is of such importance that it is reprinted in full in this issue of the *Journal*. It is true that it was printed in full in all of the Manila dailies, but the *Journal* has a good many readers, especially abroad, who do not read these newspapers, and it will no doubt be convenient to all to have the address available in such a monthly periodical as this which is generally preserved for reference.

Since the address appears in full, no effort will be made here to summarize it,—which effort, at best, would be inadequate and fail to give the strong effect of the original.

The address was delivered in a low and even, almost monotonous tone of voice, without special emphasis at any point, and this added to the seriousness of the impression created in those who heard it delivered.

The President's exposition of the state of the nation was in fact such that any suggestion of the rhetorical would have falsified the burden of the address which is that the Government is confronted by "problems of the first magnitude." This is neither an over- nor an under-statement, but literally true. The President must have felt that the new Congress, filled with the high spirits of an overwhelmingly victorious Party, should have the grave realities of the situation officially brought before it in a manner correspondingly grave.

The effect must have been what the President desired, for while he was enthusiastically applauded as he entered the session hall and was applauded again after his address, the address itself was not once so interrupted. It was heard in the same serious manner in which it was delivered.

Grave though the address is, and gravely as it was delivered, it is not somber, and is marked by pronouncements of great determination and strength.

Almost immediately he asked, "What do our people want?" and he gave this answer:

"When our people cast their ballots in the recent election, they voted primarily for a great, sweeping change. They voted to throw out dishonesty, inefficiency, and waste. And they voted for a government that would act boldly and effectively to banish insecurity and fear, poverty and want. We promised all these things. The people voted for them. Now we must keep faith."

"Our first step," he then said, "must be to take an inventory of the nation, to define our problems, and to set our goals."

The entire address is devoted to this inventory, to those problems, and to those goals. And in closing, he said:

"Perhaps you will say that the people are asking for a miracle. But they, too, performed no less than a miracle when in one great irresistible movement they dared every peril to preserve the right to have a government of their choice. Thus they proved to the whole world, to our friends and enemies, that Democracy has come of age in our land, that it has become truly and actively a part of the Filipino way of life. We have pledged to enrich that life. We can do it. We must do it. With the aid of Divine Providence, we shall begin and continue the work until we shall have fulfilled the great promise that gave our people strength to prove themselves worthy of their heritage of freedom."

In President Eisenhower's State of the Union address, delivered some weeks previously in Washington, he must have principally had in mind this coming of age of Democracy in the Philippines when he said:

"In South Asia, profound changes are taking place in free nations which are demonstrating their ability to progress through democratic methods. They provide an inspiring contrast to the dictatorial methods and backward course of events in communist China. In these continuing efforts, the free peoples of South Asia can be assured of the support of the United States."

In the foregoing, brief editorial, reference to those parts of the President's "State of the Nation" address of particular interest to Business was avoided in view of the general nature of the comment intended.

Although Business is directly concerned with the progress and welfare of the nation as a whole and in the satisfactory solution of all of the problems

which confront the Government, including those concerning the national security, land-ownership and tenantry, the barrios, foreign policy, government finance, morality in the civil service, etc., there are a few specific statements made in the address which are well worth bringing out and which, we may safely say, have been received by Business with satisfaction.

Among these are the following:

With reference to the Philippine-American trade relationship:

"Most vital to our internal growth and development... is our trade relationship with the United States. Our Government has asked for a re-examination of the Bell Trade Act... We are confident that the Government and people of the United States will not look upon our proposals with indifference."

With reference to the promotion of foreign trade:

"New emphasis will be placed on the promotion of foreign trade as one of our primary objectives. Our foreign service will everywhere have the new mission of contributing directly to the economic stability and expanding trade of our people."

With reference to private capital:

"Private capital, from sources both at home and abroad, will be preferred to direct government financing whenever possible."

With reference to foreign capital:

"We also welcome foreign capital, assuring it fair treatment. In the past it was perhaps discouraged by the uncertainty of our attitude, and I propose that we mark out clearly a stable basis on which foreign investors can put their capital to work in this country."

With reference to the government-owned corporations:

"The Government will henceforth confine itself to these phases of development where its participation is absolutely essential to the public welfare."

With respect to the government economic controls:

"My Administration is pledged to the eventual elimination of controls. I propose to effect this gradually... Meanwhile... controls will be administered honestly, fairly, and efficiently. We will not permit any government official or employee to utilize them for private gain."

With respect to tax collection:

"The honest, realistic, and really economical way to run this Government is to collect the present taxes efficiently, intensively. We must go after tax evaders without favoritism."

On labor unions:

"We will encourage free unionism under responsible, enlightened leadership truly dedicated to the welfare of the laboring masses. But I warn those unscrupulous individuals who would use the labor movement to exploit the workers that their activities will not go unpunished. We will be equally hard with interference by management in labor union activities."

These excerpts from the address outline a general government economic policy which Business is glad to support.

In an earlier issue of this *Journal*, attention was called to the fact that the then President-elect, Ramon

The Trend to Youth in the Government

Magsaysay, was politically an entirely post-war personality, differing in several significant respects from his predecessors, and that he was, first of all, younger, this appearing to personify a turn of the Philippine electorate to younger leadership.

This same turn is noticeable in the elections to the House of Representatives. According to an article in the Sunday magazine of the *Manila Chronicle* of January 10, of the 102 seats in the House, 46 have new occupants and their ages range from 27 to 38 years. Of the 69 Nacionalista Party members, 33 are new-comers; of the 35 Liberal Party members, 8; and of the other 5 of the 46, 4 are Democrats and 1 is listed as Independent.¹

The new men, however, are not all without experience in political or public life. According to the *Chronicle* writer, 4 were former provincial governors and several

others occupied various provincial and municipal positions; others included held various posts in the civil service or are lawyers, law-professors, teachers, and one, described as a farmer and fisherman, demonstrated an earlier leadership in farmers' and fishermen's organizations.

On the opening day of the first session of the Third Congress of the Philippines (January 25), Jose B. Laurel, Jr., oldest son of Senator Jose P. Laurel, was elected Speaker. The younger Laurel was first elected to the House in 1941, at the age of 28, and today he is 40 and, therefore, also comparatively youthful. Former Speaker Eugenio Perez is 57.

The Senate, naturally, is a body of older men, not only because the Constitution requires that senators be at least 35 years of age, as against representatives' 25, but because most of the hold-over senators are men who have served in that body for many years and all the newly elected or re-elected senators are old-timers, too, although three of them were not heretofore members of the Senate.²

The trend to youth is noticeable, also, in President Magsaysay's appointments, although this does not hold true of all of the Cabinet appointments so far made. Vice-President Carlos P. Garcia, concurrently Secretary of Foreign Affairs, is 58; Jaime Hernandez, Secretary of Finance, is 61; Pedro Tuason, Secretary of Justice, is 69; Salvador Araneta, Secretary of Agriculture and Natural Resources, is 52; Oscar Ledesma, Secretary of Commerce, is 52. But Budget Commissioner Dominador Aytona is only 36; Commissioner Pacita Madrigal Warns, of the Social Welfare Administration, is 35; Leon Ma. Guerrero, Under-Secretary of Foreign Affairs, is 39; Jose M. Crisol, Director of the NEI (National Bureau of Investigation) is 35; Manuel P. Manahan, Chief of the President's Complaints and Action Commission, is 36; Salvador T. Villa, Acting Manager of the Manila Railroad Company, is 38; J. V. Cruz, Press Secretary, is 28; and Fred Ruiz Castro, who holds the important position of Executive Secretary, is 38.

The Philippines is, of course, not unused to young men in high office. Sergio Osmeña was only 29 years old when he became the first Speaker of the Philippine Assembly in 1907, and Manuel L. Quezon was 38 years old when he became the first President of the Senate in 1916. Most of the members of the Philippine Assembly and, later, of the Senate, were young men in those days, but they aged in office. However, even when Mr. Quezon became President of the Commonwealth in 1935, most of the members of his Cabinet were men still in their forties. But today, most of the illustrious men of the first generation of Filipino statesmen are dead, and those in their prime during the days of the Commonwealth and who still survive are in their sixties.

A major difficulty which faced President Osmeña, and, after him President Roxas and President Quirino, was the lack of young men of known ability to appoint to important posts,—and there was, of course, also the natural desire of men in positions of power to hold on to them. As a consequence, high positions were rotated among a comparatively small group of officials. Some men, not so well known, rose to positions of responsibility after the war, but they were still more or less identified with the old groups and a number of them proved themselves unfit in character as well as ability.

The people have now plainly indicated that they want new blood in their government and President Magsaysay, in his own appointments, is obviously trying to

¹The 24-member Senate is composed of 12 Nacionalistas, of whom 8 are hold-overs: Briones, Delgado, Laurel, Locsin, Puyat, Primicias, Rodriguez, and Recto; and 4 elected or re-elected at the last elections: Cea, Cuenco, Mabanag, and Pelaez; 6 Democrats, of whom 4 are hold-overs: Abada, Cabili, Montano, and Sumulong; and 2 elected or re-elected at the last elections: Lopez and Kington; 4 Liberals, all hold-overs: Magalona, Paredes, Peralta, and Zulueta; and 1 representing the Citizens Party, Taheda. The Senate is one member short because of the election of Senator Carlos P. Garcia as Vice President. Of the new members in the Senate, Cea and Pelaez were formerly representatives and Kington, not before a member of Congress, was Secretary of National Defense.

²According to their "statements of candidacy" of the 102 members of the House of Representatives, Third Congress, 57 were Nacionalistas, 7 were identified with the Nacionalista-Democratic Coalition, 3 were Democrats, 34 were Liberals, and 1 was Independent.