

The Business View

A monthly review of facts, trends, forecasts, by Manila businessmen

The Government

From Official Sources

DECEMBER 1—President Elpidio Quirino receives United States Vice-President Alben Barkley, who arrived in Manila with his wife for a one-day informal visit. Later in the day, the President entertains Vice-President and Mrs. Barkley at luncheon, and in a short speech Mr. Barkley congratulates the President on the conduct of the last elections and on the progress being made in economic, agricultural and industrial development.

The Department of Foreign Affairs announces that the President has approved the creation of a Division of Economic Affairs within the Department which is to be headed by Caesar Z. Lanuza.

Dec. 4—Mt. Hibok-Hibok, on Camiguin Island, just north of Misamis Oriental, Mindanao, erupts without warning at 7:15 in the morning and later telegraphic reports tell of the devastation of some nine or ten square kilometers by lava and ashes and the death of several hundred people. The President directs that immediate aid be extended by various government departments, the army, and the Red Cross.

The Cabinet decides that the Government will reiterate the request for the repeal of the United States excise tax on coconut oil. It is also decided to make ₱600,000, to be taken from the surplus funds of the Philippine Charity Sweepstakes Office, available for the rehabilitation of the Philippine General Hospital, the action being taken on an appeal of Director A. B. M. Sison.

Dec. 5—Malacañan releases messages from Brig.-Gen. Ernest Moore of the U. S. Army (Clark Field) and from Rear Admiral Richard Cruzen, U. S. Navy (at Sangley Point, Cavite), offering help in providing and sending supplies to Camiguin, with return messages of thanks from the President.

Dec. 6—Explosions of the Hibok-Hibok crater continue and it is reported that 5 barrios have been completely destroyed and 16 others rendered uninhabitable.

The President meets with members of the Radio Control Board who call on him in connection with the government program of distributing receiving sets to outlying barrios in the provinces, and they report that dissidents in various places are stealing the sets. The President inquires concerning the supervision of radio broadcasts, warning against the infiltration of the broadcasting stations by subversives.

The President issues Administrative Order No. 170 creating the Priority Assistance Committee, to be composed of a representative each from the Central Bank, the Department of Foreign Affairs, and the Philippine Council for United States Aid, to coordinate the preparation of all requests for priority assistance on orders for commodities in short supply in the United States.

Dec. 7—The President orders immediate release of ₱10,000 for the local purchase of relief supplies by government relief workers on Camiguin. He issues Executive Order No. 486 ordering the collection and compiling of historical and cultural data by town, city, and provincial officials in an effort to replace records lost in the destruction of Manila.

Chairman Alfredo Montelibano of the Import Control Board calls on the President in regard to the implementation of the law providing that 50% of imports be reserved for Filipino importers.

Dec. 8—Messages of sympathy begin to be received at Malacañan from foreign governments in connection with the Camiguin disaster, including messages, during the next few days, from the Spanish, Indian, Italian, Indonesian, Korean, Chinese (Nationalist), Australian.

Dec. 10—Malacañan releases the text of a telegram received from President Harry S. Truman, under date of December 9, as follows:

"My dear Mr. President: In these days when the liberties of all free men are faced with the most serious challenge in history, the American people have been immeasurably heartened in watching the Filipino people practice the ways of democracy. The recent elections have been a convincing demonstration that, given the opportunity, all men would choose to run their own affairs in their own way in the light of their experience and traditions. Your determination that the Filipino people should have this opportunity and your support of the Secretary, Maguaysay, in implementing this policy should win the admiration of free men everywhere. This growth of democracy in the Philippines is additional indication of the great and honorable traditions of Philippine-American friendship."

(Continued on page 30)

Banking and Finance

By G. R. HUTCHISON

Manager, Port Area Branch
National City Bank of New York

COMPARATIVE statement of condition of the Central Bank:

	As of Dec. 31 1949	As of Sept. 28 1951	As of Oct. 31 1951	As of Nov. 29 1951
(In thousands of Pesos)				
ASSETS				
International Reserve....	₱460,689	₱522,467	₱510,391	₱494,090
Contribution to International Monetary Fund.....	30,000	30,000	30,000	30,000
Account to Secure Coinage.....	113,306	107,570	107,570	107,570
Loans and Advances.....	77,047	25,168	47,171	44,171
Domestic Securities.....	92,197	231,193	230,846	233,844
Trust Account—Securities Stabilization Fund.....	—	6,848	6,848	6,848
Other Assets.....	20,390	82,812	91,410	98,961
	<u>₱793,629</u>	<u>₱1,006,058</u>	<u>₱1,024,236</u>	<u>₱1,015,384</u>
LIABILITIES				
Currency—Notes.....	₱555,576	₱579,305	₱580,017	₱573,249
Coins.....	74,384	93,460	93,310	93,257
Demand Deposits—Pesos.....	117,682	231,225	244,705	238,199

"A government extends its authority over economic affairs, public decisions on specific questions become enormously important to individuals and groups. The persons who make or affect those decisions are exposed to great temptations, whether in the form of money, votes, political preferment, threats, personal obligations or attachments, or any other form of pressure. Inside knowledge of coming decisions may enable officials to enrich themselves by speculation or by selling such information to others. 'All power tends to corrupt; absolute power corrupts absolutely.' Those words were written more than half a century ago, but they have taken on new significance with recent tendencies in government."—From the November *Guaranty Survey*.

The Government . . .

(Continued from page 13)

Dec. 11—The President tells the Cabinet he will fly to Cagayan de Oro on the 13th and proceed from there to Camiguin to inspect the evacuation and relief work there and to look into the possibility of a permanent evacuation and the resettlement of the people on public lands in Mindanao. Hundreds have already been ferried to the mainland by planes and ships including a Japanese ship, the S.S. *Anes Maru*. Camiguin Island is some 100 square miles in area and the population numbered around 50,000.

Dec. 12—President Quirino releases his reply to President Truman:

"Dear Mr. President: The Filipino people join me in tendering their deepest appreciation for your message of December 9 on the growth of democracy in

the Philippines. Your telegram strengthens our confidence to sustain, as we are determined to do, our democratic institutions in order to survive the peril that threatens freedom everywhere. Please be assured that we shall cherish your solicitous interest in this regard as a true measure of the friendship and material loyalty that will always bind our two peoples."

Reported that the typhoon "Amy" was the worst to hit Cebu in 60 years, taking at least a score of lives and destroying 70% of the houses built of light materials and unroofing 30% of even the strong-material houses. Samar is reported also to have been hard-hit, with 95% of the population of Guianan homeless. The President issues a proclamation proclaiming the existence of a public calamity in Camiguin as a result of the volcanic eruptions there, and in the provinces of Samar, Leyte, Cebu, Iloilo, Antique, Capiz, Negros Occidental and

Oriental, Bohol, Romblon, and Masbate because of the typhoon "Amy"; the proclamation declares Act No. 4164, which severely penalizes hoarding and profiteering, in full effect.

The President addresses the opening plenary session of the Educators' Congress, held in celebration of the 50th anniversary of the public school system.

Dec. 13—The President postpones his flight to Mindanao until the weather clears but orders the immediate release of ₱10,000 worth of building materials for the construction of temporary shelters on Camiguin to house the thousands of people driven from their homes. Further reports are received of the damage done by the typhoon to crops, dwellings, and public buildings.

Announced that at yesterday's Cabinet meeting, the President instructed Secretary of Public Works Sotero Baluyot to start the restoration work on the former prison cell of Jose Rizal in Fort Santiago immediately, ordering the release of ₱30,000 for the purpose. Rizal Day, the 30th, will be observed in nation-wide programs which will stress that Rizal was the Philippines' highest embodiment of love of country.

Dec. 14—The President calls a special meeting of the Cabinet to read the reports of Secretary of Health Dr. Juan Salcedo and Social Welfare Commissioner Asuncion Perez on the extent of the destruction and loss of lives as a result of the Hibok-Hibok eruption and the two typhoons, "Wanda" and "Amy", Secretary Salcedo stating that some ₱393,000 will be needed for the immediate relief of the sufferers; some 8,000 people have now been evacuated from Camiguin to Bohol and Cebu. The President states he will leave for the south on Monday, the 17th. A report by Sugar Administrator Vicente G. Bunuan on the matter of the authority given Filadelfo Rojas to sell 30,000 tons of sugar to Japan, which has been protested against by the sugar industry, is referred to the Secretary of Justice for an opinion.

The President spends almost 2 hours at the side of Speaker Eugenio Perez whose operation for the removal of kidney-stones was suspended because of his heart condition.

Dec. 15—The Council of State at a meeting takes steps to make available approximately ₱1,000,000 to meet the needs of disaster victims. The Price Stabilization Corporation (PRISCO) has set aside ₱250,000 worth of foodstuffs and other supplies to be sold at cost to the sufferers. On Camiguin some 266 bodies have been officially recorded as recovered, with some 800 more missing and presumed dead. Some 26,000 have been driven from their homes. Typhoon "Amy" reported so far to have caused the deaths of over 600 people in the Visayas.

Dec. 17—The President observes Camiguin from the air, then flies to Cagayan, from where he takes the presidential yacht Apo to Camiguin island. He is accompanied by a number of officials, including Secretary of National Defense Ramon Magaysay, Secretary of Public Works Baluyot, Administrator of Economic Coordination Salvador Araneta, Social Welfare Administrator Asuncion A. Perez, Philcusa Chairman Jose Yulo, and several members of his own family.

Dec. 18—The President and his party inspect the Maria Cristina Falls hydroelectric and fertilizer plants which are about 30% completed. He then proceeds to Dansalan and later reboards the Apo and heads for Tubod from where he will visit Capatagan to inspect the EDCOR project there, after which he will return to Ozamis City.

Dec. 19—The President visits the Koronadal and Ala Valley settlement projects, makes a brief stop at Davao City, then proceeds to Del Monte, where he spends the night.

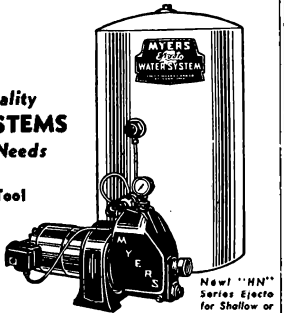
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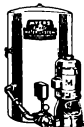
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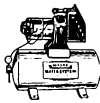


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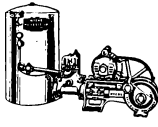
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Dec. 21—The President reviews some 5,000 troops, representing all services, at Camp Murphy, on the occasion of the commemoration of the Armed Forces' 15th anniversary.

The President orders the immediate suspension of three more Negro Occidental municipal mayors, two chiefs of police, and a number of policemen who are charged with the torture and subsequent murder of Moises Padilla. A total of 27 men have so far been so charged, including the suspended Governor Rafael Lacson.

The Department of Foreign Affairs calls attention to a previous press release to the effect that the Department is ascertaining the character and extent of Philippine pre-war public and private claims against the German Government and German nationals for possible presentation to an international body which may be set up in the future; claims arising out of, during, or after the war are not included.

Dec. 22—Executive Secretary Marciano Roque hands Social Welfare Administrator Asuncion Perez a ₱150,000 check for aid to the Hibok-Hibok and typhoon sufferers, released from the funds of the Charity Sweepstakes.

Announced that Malacañan has rejected the recommendation of the Manila Electric Company that the Valuation Committee be sent to the United States at the Company's expense, in connection with the preparation of a report on the rates being charged for electric service. Under-Secretary of Justice Ceferino de los Reyes states that the most expeditious procedure would be to require the Company to bring the books, now in the possession of Gilbert Associates, Inc., to Manila. The Valuation Committee was created by order of the Public Service Commission to ascertain the value of the properties of the Company; the members are Pedro V. Aguilar of the General Auditing Office, Pedro S. Talavera of the Public Service Commission, and H. B. Reyes, Vice-President of MERALCO.

Dec. 28—The President approves the arrangement, negotiated by the Central Bank with the U.S. Reconstruction Finance Corporation, for a 10-year extension of the \$60,000,000 loan of the Corporation to the Philippine Government in 1947, authorized by Congress in 1946. Under the present terms the loan is payable in 20 equal installments, paid semi-annually; the first installment amounting to ₱3,000,000 plus interest of 2% is due on January 1, 1952.

The Cabinet approves the extension of an invitation to the ECAFE to transfer its regional office from Bangkok, Siam, to Manila. The ECAFE will hold its next plenary session in Rangoon, Burma, on January 28, 1952, and will then consider the proposal. The 8th session of the ECAFE will be held in Rangoon from January 11 to February 9, and a Philippine delegation, headed by Secretary of Commerce Cornelio Balmaceda, will attend it.

Dec. 29—The President visits Speaker Perez for over an hour before the latter boards a Philippine Air Lines plane to the United States where he will undergo surgical treatment at Johns Hopkins hospital. Baltimore.

Announced that in a conference with the President, attended by sugar millers and planters, it was agreed that "C" sugar (excess production of the regular quota of individual planters or millers over and above their total United States export quota and domestic quota) may be exported to countries other than the United States on license of the Sugar Quota Administration.

A resolution adopted by the Occidental Negro Lawyers Civic Club is received at Malacañan approving

"the stay of a task force of the Philippine Army in this province until complete restoration of democratic processes shall have been effectively attained."

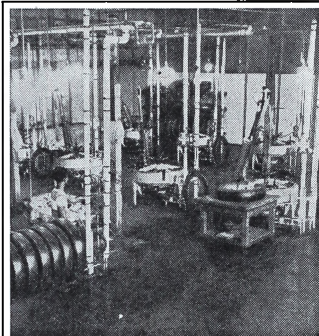
A gift shipment of 70,000 dolls is received from the Friends of the Philippines Society in Japan, according to an announcement of the Department of Foreign Affairs; the dolls were made by Japanese school children and will be distributed by Malacañan to school children and charity organizations here.

Dec. 31—The President receives Mayor-elect Arsenio H. Lacson, who, as the first elective mayor of Manila, takes office tomorrow, and it is announced that the Pres-

ident has designated Col. Dionisio Ojeda, former commanding officer of the 10th Battalion Combat Team in Korea, as chief of police of Manila.

The President receives donations in the amount of over ₱56,000 worth of relief goods (rice, milk, food, clothing, and medicine) for the sufferers from the Hibok-Hibok eruption and the typhoon "Amy". The relief project was sponsored by the Philippine Chinese General Chamber of Commerce and other Chinese associations. The President expresses his gratification.

The President extends the traditional executive clemency to 24 prisoners who are granted conditional pardon, on recommendation of the Board of Pardons and Parole.



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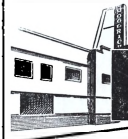
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