

## ‘The Americans Are Bound To Continue With This Retaliation’

*Aquilino “Nene” Q. Pimentel is a leading opposition Senator in the Philippines, having served as both Majority Leader and Minority Leader of that institution. He is currently in the forefront of efforts to bring about an investigation of alleged fraud in the May 10 Presidential election. He began his political career as Mayor of Cagayan de Oro City in the southern Province of Mindanao, and served in the 1980s as the government negotiator in peace talks with the separatist Muslim (Moro) organizations in Mindanao. He was first elected to the Senate in 1987, and was re-elected this year to a new six-year term.*



*Senator Pimentel was interviewed by telephone on Aug. 7 by Michael Billington.*

**EIR:** I was very pleasantly surprised, when Philippine President Gloria Macapagal-Arroyo made her decision to pull the Philippine troops out of Iraq. This was something I didn’t expect.

**Pimentel:** Neither did I. It is getting massive and widespread support. Gloria was in a bind. If she did not pull out the troops, and had Angelo dela Cruz [the Filipino driver kidnapped in Iraq and threatened with beheading] been executed, then there would have been a huge backlash in the country, against her government, especially in light of the fact that her electoral mandate is in question. Therefore, it would have been fairly easy for those who oppose Gloria locally to whip up national sentiment against her. It would have really complicated matters for Gloria. It was a matter of self interest, also, on her part.

**EIR:** I know you are promoting efforts to investigate fraud in the May 10 election which re-elected President Macapagal-Arroyo. Do you think that the fight over the electoral process has been pushed into the background, as a result of the broad support for her action on Iraq?

**Pimentel:** To some extent, you might say that, because, at the very least, the nation seems to have rallied around Mrs.

Arroyo on that particular decision.

**EIR:** On the war itself, what is your perception of how the Filipino people view the war, in light of all the revelations that the war was fought on false premises, and with the Abu Ghraib torture, and so forth. How has this affected the people there?

**Pimentel:** It is obvious that the Filipino people do not approve of this unjust war, especially, as you said, in light of subsequent developments, where the United States and Great Britain have befuddled the issue of the search for weapons of mass destruction, and subsequently focussed just on the so-called “regime change,” which is a very dangerous development in international relations. Apparently, the capacity of one nation to topple the regime of another would be the sole guide of whether or not a regime that apparently, from externalities, seems to have the support of its own people, would now be toppled by an expeditionary force coming from outside. In my mind, there are *several* implications here that do not auger well for the upholding of the rule of law internationally, and of course, of the human rights of the people who are being targetted for a regime change.

You know, we are not only talking about the American casualties. What about the Iraqi casualties, the innocent women and children of Iraq, who had to be sacrificed on the alter of this “regime-change” policy that Mr. Bush seems to be espousing for the world to follow?

**EIR:** Mr. LaRouche made the point, in a paper he has just released, that this war had nothing to do with international terrorism, which has already been proven. More important, he points out, there is really no such thing as “international terrorism”; there is only irregular warfare, or asymmetric warfare. What our country has done, by starting this war, has vastly increased the incidents of irregular warfare.

**Pimentel:** Yes, Mr. LaRouche could very well be right in that observation, especially because there doesn’t seem to be any organized international terrorist force. Perhaps the word “international” in that respect would simply apply to the fact that Osama bin Laden was operating outside of Saudi Arabia, where he comes from. To say that there is an international terrorist organization of some kind, I think

would be stretching the meaning of the word “international terrorism.”

However, I’d like to add that in Indonesia, for example, there is a proven cell of Jemaah Islamiah, which is trying to penetrate some countries abutting Indonesia, like us, for example, in the Philippines. We understand that some of their operatives of Jemaah Islamiah have been coming here, in touch with the so-called Moro Islamic Liberation Front. But, of course, all this information, I must add, is coming from the discredited intelligence services of the Armed Forces of the Philippines and the National Police. All these statements have to be taken with a grain of salt.

**EIR:** You’re from Mindanao. How would you characterize the efforts of the Philippine forces to deal with both the indigenous Abu Sayaaf gangs, and the possibility of these Jemaah Islamiah forces being in Mindanao?

**Pimentel:** As far as the Abu Sayaaf group is concerned, I am not too sure that there has been a determined effort to wipe them out. I say that because Edwin Angeles, one of the leaders of the Abu Sayaaf, prior to his execution by illegal means some time ago—who saw me when he was still alive in 1995—told me that he was one of those who had organized the Abu Sayaaf here in the Philippines, under some kind of permission by *some*, by *some* officers of the Armed Forces of this country, operating outside of the regular loop of command. He told me that they were getting some sort of honoraria for their operations. But this was in 1995, at a time when the Government was trying to pit them against the regular Moro rebels.

Subsequently, it seems that the Abu Sayaaf became an uncontrollable Frankenstein, you might say. Now, the military is running after the Abu Sayaaf, but even then I am a little bit surprised that the Armed Forces has been predicting victory in raids against the Abu Sayaaf, in terms of reports of the number of Abu Sayaaf killed—but the Abu Sayaaf is still there, so that should raise a lot of question marks.

**EIR:** One question that has not been answered—and the 9/11 Commission report that was released here recently, and is now being widely discussed, doesn’t really address it—is where the Osama bin Laden networks came from. Of course, it is well known that he was one of many people recruited by U.S. and British intelligence to fight the Russians in Afghanistan. And I believe that some of the rebels in the Philippines also had been part of the U.S./British organized effort in Afghanistan, before they went back to Mindanao.

**Pimentel:** That is correct; that is what the Abu Sayaaf people have been saying. They were trained to fight the Russian occupation in Afghanistan, trained by Pakistani officers, and it was there that they got the idea to organize their own force here, once they got back. The question of *how* the Abu Sayaaf came to be formed has to be associated with

clandestine operations of the CIA.

**EIR:** The fact that Gloria *did* make this decision to remove the troops from Iraq, has brought up a question over what the U.S. is going to do. You have taken a strong position, warning that there are going to be retaliatory moves, economic, and perhaps, others. What is your sense of that now?

**Pimentel:** I think that the Americans are bound to continue with this retaliation. Number one, only one or two days ago, they officially dropped the Philippines from the “coalition of the willing,” and I think the hardening of positions relative to releasing promised aid, economic as well as military, to the country, will probably follow.

**EIR:** I understand that there was a \$30 million program in Mindanao, which was withdrawn even before Gloria pulled out of Iraq.

**Pimentel:** That’s right.

**EIR:** And that there is another \$20 million food aid program that is now being stalled. Where does that stand?

**Pimentel:** As far as the \$30 million aid for Mindanao is concerned, that was returned to the U.S. Treasury by the U.S. Government. Maybe it’s also our fault, as we have not been able to comply with their desire that there be some kind of a signed peace agreement between the Moro rebels and the Philippines Government, before that money would be released. The food aid, which falls under the PL-480 food assistance program. I think that’s one assistance program that will be no longer forthcoming, or at least will be frozen for some time.

Mike, since you are in Washington, D.C., I’d like to ask you to find out what happened to the bill that promised to grant benefits to the Filipino war veterans who fought American wars. This has been promised to them since the Japanese War, the Korean War, the Vietnam War—but has not been released. So, considering what Gloria has done, the pullout of the troops, this bill might again be one of the victims in our relationship with the U.S.

**EIR:** When Philippine Foreign Secretary Delia Albert was here a few months ago, there was a reception, and many Filipino vets were there, and very proud of the fact that this bill was finally moving forward. Now, I think you are right, that the bill may be a victim.

**Pimentel:** And there’s also another one, the Bells of Balangiga. These were war trophies taken by the Wyoming Regiment from the town of Balangiga in Eastern Samar, at the onset of the Philippine-American war in 1901. We are demanding that these bells be returned, for as ecclesiastical property, they are outside of the purview of war trophies.

**EIR:** It’s like the Elgin marbles!

**Pimentel:** Yes, I said that in a speech I delivered in the Senate, I mentioned that! But the Bells of Balangiga are still a subject of negotiations. At the last visit of Gloria to Washington, D.C., in May 2003, Bush specifically promised that he would do something about it.

**EIR:** Where are they now?

**Pimentel:** There are two bells: one is in Wyoming, in a military camp there, and one is in Camp Red Cloud, in Korea, where a Wyoming Regiment has been assigned, as part of the U.S. contingent there.

**EIR:** Well, if it's Wyoming, you could always write to Dick Cheney, who is from Wyoming. I'm sure he'd be delighted to help!

**Pimentel:** [laughing] Yes, I forgot all about that!

**EIR:** He'll probably tell you what he told Senator Leahy in the U.S. Senate. [laughter]

Let me ask you something else on this retaliation question. I wrote an article on the terrible economic crisis in the Philippines, just before Gloria pulled out of Iraq, and after her re-election, she immediately announced that the country is essentially bankrupt, and cannot even pay the debt service, which, of course, is true. It was my sense that the U.S. had already made a decision, that they were going to do what they did to Argentina, and basically say, "We're not going to help you; go ahead and starve." I think that was one of the reasons why the \$30 million in Mindanao was dropped, and I'm afraid that this will be even further aggravated by the Iraq pullout. What is your sense?

**Pimentel:** I wouldn't be surprised. The country is really in bad shape. As a matter of fact, I can add, that there were proposals emanating from some allies of the President in the Congress, who said that the internal revenue share of local government should be withheld. But I said that that could not be done, *unless* they officially declare that there is an unmanageable public deficit—which is, in effect, an admission of bankruptcy. I think they realized that I was right, and they said no, they couldn't do that. So they are still scrounging around for money to release to the local government units, whose shares are mandated by law for delivery by the central government.



*Philippines President Gloria Macapagal-Arroyo is getting "massive and widespread support" for her decision to defy the Bush-Cheney Administration and withdraw Philippine troops from Iraq.*

And so, yes, there is not a good economic situation in this country. Only the agricultural sector, fisheries, and sugar, have made a rebound in the recent months, but the overall economic picture is not good.

**EIR:** It appears that the debt can not be paid, no matter what is done in terms of austerity measures. Mr. LaRouche has said many times that this huge debt is largely illegitimate, created by the devaluation of the currency, forced upon the country by speculators, and the downgrading of the value of agricultural and other exports, through the globalization process. Is there any discussion of taking measures like those in Argentina, where they declared a moratorium on the debt payment, or what they did in Malaysia, where they imposed currency controls to curb the speculation?

**Pimentel:** I have been advocating the adoption, at the very least, of the Malaysian formula. But our managers here, who are mostly beholden to the World Bank and the IMF, do not seem to see any way, other than to keep on trying to pay the debt, especially the foreign debt of this country—which, incidentally, is taking 40% of the budget of the country, just to service the interest payments!

So what you are saying is correct. There has to be a more drastic solution, but we are not able to push anything of that kind in this country, while it is in the grip of those who are

beholden to the international financing organizations.

**EIR:** Do you have any sense that the phase shift marked by the pullout from Iraq will spill over to some people who think as you've just described, giving them courage to stand up against the IMF policy?

**Pimentel:** It is the economic fight that is really crucial in this country, but I am not so sure that many politicians would risk being perceived opposing the policies that have been in place in this country, imposed for so long by no less than the World Bank and the IMF. If there are any such politicians here, they would be marginalized by the overwhelming sentiment just to go along with the prescription of the World Bank and the IMF.

**EIR:** I think we are now facing an unavoidable collapse of the bubble economy in the U.S. To what extent is the Philippines ready for this economic crisis, and do you think that when it hits full steam, it might push some people to take more serious measures?

**Pimentel:** There is no question that any adverse developments in the U.S. economy will have repercussions worldwide, and I would say probably *more so* in the Philippines. Since, basically, our economy is tied up with Washington's policies—if the currency goes down, naturally it will cause devastation to this country. Which is one reason why we should go back to the gold standard.

I am not an economist, but I can see the difficulty of letting just the U.S. dollar be the measure of the value of all currencies in the world. It's part of the imperial plan of domination of the rest of the world.

**EIR:** This began in 1971, when Nixon pulled the dollar off of gold, and ended the Bretton Woods agreement. Mr. LaRouche's proposal is for a new Bretton Woods system, with fixed exchange rates, to write off much of the current illegitimate debt, and begin a process of investment in infrastructure projects on a global scale, to re-start the economy, as we did after World War II.

**Pimentel:** As a matter of fact, this is a Catholic country, a Christian country, and so the Papal announcements—which are similar to those of Mr. LaRouche, you know, in the matter of debt—could very well trigger off some adverse reactions to the policies of the IMF and the World Bank in the Philippines, when the circumstances arise, like what you foresee as a collapse of the U.S. economy. Of course people will begin to see what we need to do to save ourselves.

**EIR:** I know there is opposition in the Congress to Gloria's efforts to impose more taxes.

**Pimentel:** As the Minority Leader, we in the opposition have come to an agreement, that, as a general proposition, we will fight against the imposition of new taxes, and would rather ask the government to go into a more determined effort to

collect existing taxes. We believe that if the 73% of the individual income taxes, which have not been collected, 39% of corporate taxes, which have not been collected, and 49% of VAT, which also have not been collected—the collection of these taxes would suffice to cover our own deficit, of about P200 billion. Also, we are in favor of raising the liquor and cigarette taxes.

**EIR:** Are there Government senators who will oppose the taxes?

**Pimentel:** I have heard that three or four senators from the Arroyo Administration say that they also oppose the imposition of new taxes.

**EIR:** And the effort to withhold the money that goes to the regions has already been retracted?

**Pimentel:** The President—I think because of the adverse political repercussions if that became policy—has come out saying that she is against the withholding of the shares of the local government units.

**EIR:** This was also a major fight in Argentina. The IMF demanded that the regions turn over more of their income to pay the debt. . . . And many of them refused. This was one of the things that set the IMF on a warpath against President Kirchner's government. We have organized international support for President Kirchner, for his courage in fighting the IMF, just as we did for Dr. Mahathir when he imposed currency controls against the speculators. I think that the Philippine government, including Gloria, should consider these cases very closely.

**Pimentel:** I am very interested in that. I still believe that we can do Malaysia's stand here, because I think, somehow, Mahathir was able to pull it through. I don't see why we can not.

**EIR:** In all cases, it's a question of the general welfare of the population on the one side, and the debt on the other, and it reaches a point where you can't meet both.

**Pimentel:** Let me just say this. In my first time as a Senator, I was invited to go to the U.S., and had a chance to see the Executive Director of the IMF at that time, Michel Camdessus. I had a long talk with him, about an hour, in his office. I told him, "Mr. Camdessus, I want to tell you this—I don't think the creditor countries should insist on being paid in full, at specific dates, because if you do that, I'm not sure we can deliver the basic services demanded by our people, and we'll have a revolution in our hands."

Camdessus told me, "You can have that raised by your debt negotiators." So when I got back to Manila I went to see the President, then Cory Aquino, and told her about it. She called her trade secretary, Jose Conception, to do something about it. Unfortunately, that was the last thing I've heard out

of these two. Jose never got back to me, and nothing was ever said on that score again. That's the trouble we have in this country.

**EIR:** When Mr. LaRouche heard of President Arroyo's call for a Charter change, and a Constitutional Convention, he responded that this is not really about the Philippines, but is an attack on the American system—not the system being followed by this Administration, certainly, but the Constitutional system that has uniquely survived all these years. It comes at a time when the checks and balances in the American system are proving to work, in that they have begun to expose and stop the attempt to impose a dictatorship by this Administration. The danger in the Philippines would be that a reversion now to a Parliamentary system would facilitate that kind of action.

**Pimentel:** That is a good insight, because, obviously, under the Parliamentary system, a device can be adopted whereby the Parliament can overrule the decisions of the Supreme Court—especially in economic measures. What I am beginning to feel in my own country, is that unelected people, who are echoing the sentiments of investors, are trying to undermine the protections of the people under the Constitution. This attitude takes many forms, especially in the right of labor to air their grievances, to insist that the so-called “contractual only” should not be allowed to go against what is already guaranteed by our own Constitution—the protection of labor.

I do not know if you are aware of the fact that labor contracting means that every six months, an employee is terminated, so that he or she does not enjoy security of tenure, and therefore, he or she, in the process also loses the benefits that our laws guarantee the employee. For example, Medicare, Social Security benefits, etc. So this is becoming a national reality in this country.

**EIR:** The other issue that disturbs me about the Charter change is that, although it has been watered down over the years, the existing constitution still has some strong provisions to protect Philippine business and industry from foreign takeover and ownership. If there is a Charter change, that would be the first thing that would get dropped. Is that your sense?

**Pimentel:** Well, I told House Speaker Jose de Venecia, “Jose, if we are going to change the Constitution, we had better spell out beforehand just exactly which provisions we want changed.”

Yes, you are right, among other things, people are apprehensive that the nationalistic provisions of the Constitution would be diluted in a convention, or in any change of the constitution.

**EIR:** One of the things we're trying to do in the U.S. is, not only to warn the population of the economic collapse, but also to inspire them with the kind of great development projects

that we had under Franklin Roosevelt. As you know, LaRouche has promoted around the world the idea of great projects—the Eurasian Land-Bridge, the Kra Canal. There are huge projects in the Philippines that have gone to waste for the last 20 years. Mindanao is a special case of the fact that without development, you can't really have peace. Do you see any perspective for a regional or international project for the infrastructural development of Mindanao, and the Philippines generally?

**Pimentel:** Definitely. For example: even the idea alone of a truly national railroad system is something that will enable this country to boom as it has never done before. Simply providing for a Mindanao-wide railroad network, connecting several provinces and cities to one another, will thereby propel a more intensive economic interaction, an intercourse between and among the local government units of Mindanao, which for a long time have been more Manila-oriented in terms of economic interaction.

For example, I am from Cagayan de Oro, and if I want to go to Davao [two cities in Mindanao—ed.], I would have to fly north, even to Manila, and *then* fly to back to Davao—and we are all in Mindanao! Fantastic, believe me. This is just one example.

**EIR:** You played a leading role in ending the presence of U.S. bases in the Philippines in the early 1990s.

**Pimentel:** That's correct. I voted for the removal of the bases.

**EIR:** Mr. LaRouche has argued that the attempt to keep a permanent presence of the U.S. military in Mindanao under the guise of training, is ultimately aimed either at getting a permanent base, despite their denials of that, or to get a de facto permanent base by having a permanently revolving presence, and that this is part of the general neo-conservative policy of trying to surround and threaten China, to use the Philippines as one of their bases in that effort. Can you comment on that?

**Pimentel:** Mike, I said so in my speech opposing the Visiting Forces Agreement [which allowed the presence of U.S. troops on Philippine soil as “trainers” in battlefield situations—ed.]. The whole nation is now a projection area of the United States, for the projection of American military presence in this part of the world. They don't need the formality of a base, of military bases of their own in this country. I have also warned of the indiscriminate holding of military exercises *anywhere* in the country, but especially in areas where Muslim rebels have some presence, because, in the midst of our negotiations for the peace settlement of the Moro rebellion in Mindanao, that could trigger—the holding of joint military exercises under the Visiting Forces Agreement—accidentally, or even by design, that could trigger an all-out war. That would, of course, set back our desire for peace in Mindanao. Basically, that is my attitude towards it all.