

Can the Philippines Be Saved?

by Mike Billington

Jan. 25—“There is a pervasive feeling of helplessness among our population as a series of price increases are being announced in nearly all sectors—i.e., food, transportation, electricity, tollways, water, fuel, and medicine.” Thus begins a memo from Antonio “Butch” Valdes, leader of the Philippines LaRouche Society (PLS) in Manila, reporting on the recent founding of a new national organization called Save the Nation, or SANA, which means “hope” in Tagalog. The Philippines, like every nation on Earth, is being hit with the full impact of hyperinflation, driven by the past three years of money printing in the U.S. and Europe to bail out the trillions of dollars in worthless gambling debts, known as derivatives, held by the major Western financial institutions.

The Philippines, however, unlike the other nations of Southeast Asia, was already at a point of social and economic breakdown, brought on by 25 years of leaderless submission to dictates from precisely these international financial institutions.

Before 1986, the Philippines was emerging as one of the rare success stories among former colonies, transforming itself into a modern nation-state, with self-sufficiency in agriculture, nuclear-power-driven industrialization, and the development of education and health care capable of transforming a poverty-stricken population. Most of that potential had been guided by Ferdinand Marcos, who served as President from 1965, until he was overthrown in a military coup in 1986, orchestrated from Washington by Secretary of State George Shultz and his Deputy Paul Wolfowitz—one of the early cases of “regime change” run by the neoconservative imperial interests in London and their allies in the U.S.

The destitution of the Philippines today must be viewed primarily as the *intentional result* of that coup. The country was an early trial-run of what became known as the “color revolutions” in the past decade—popular demonstrations against “authoritarian governments,” openly sponsored and financed by London and

Washington, with the support of the Western press whores, who serve as a cover for “regime change” dictated from abroad. The “crime” for which Marcos was overthrown was not the corruption and human rights offenses which filled the world’s headlines, but the crime of freeing his nation through development, from the control of the London-centered financial oligarchy.

SANA: Food, Nuclear Power, Debt Moratorium

The Declaration of the Save the Nation movement (see <http://savethenation.com.ph>) calls for “Three Urgent Steps”: a new Green Revolution to restore food self-sufficiency; the restoration of the Bataan nuclear plant, and the rapid construction of other nuclear power facilities; and a moratorium on the usurious and illegitimate foreign debt of the nation, freeing resources for development.

Signing the Declaration, in addition to Valdes of the PLS, were the presidents of societies representing such diverse institutions as mechanical engineers, electrical engineers, inventors, radio broadcasters, and journalists.

The concept underlying SANA is the restoration of the historic mission of the Philippines, both for its own people, and as a nation which embraces both Eastern and Western culture, a crucial bridge in creating the alliance of sovereign nations, required to pull the world out of the current descent into a new dark age.

In a 2004 interview on Philippine radio station DZAR, Lyndon LaRouche expressed his own identification with this historic mission of the Philippines: “The Philippines has a very important pivotal role, some people would say geopolitically, in the entire region, of trying to bring together, on a global scale, for the first time, a world system, which is capable of accommodating both the European cultural heritage and Asian culture. This is the great barrier, the great frontier, of a hopeful future for this planet: to bring together the cultures of Asia—which are different than those of Western Europe generally—with European culture, to get a global culture based on a system of sovereign nation-states, which understands that this unresolved cultural question has to be addressed, with a long-term view, of several generations, of creating an integrated set of sovereign nation-states as the system of the planet. So the Philippines is a very special country, with a unique importance for the people of Asia, in particular, in playing a key role in bringing about this kind of general integration of Asian and European civilizations.”



EIRNS

One of the “Three Urgent Steps” proposed by the Philippines LaRouche Society and the Save the Nation Movement, is the restoration of the Bataan nuclear plant, initiated under President Ferdinand Marcos, and shut down by Corzon Aquino. Shown: LaRouche Society leader Butch Valdes (third from right), with members of the Philippines LaRouche Youth Movement, at the Bataan nuclear plant, in May 2008.

The Three Urgent Steps

Each of SANA’s Three Urgent Steps also serves to identify a crucial aspect of the destruction of the Philippines, since the coup against Marcos. In regard to food, Marcos launched a Green Revolution in May 1973, under the name of Masagana 99. Masagana means “bountiful” in the Tagalog language, while 99 represented the goal of producing 99 sacks of rice (almost 5 tons) per hectare, which was necessary to make the Philippines self-sufficient in rice production. Working with the International Rice Research Institute in the Philippines (IRRI, one of the global Green Revolution centers inspired by Franklin Roosevelt and his Vice President Henry Wallace), Marcos built irrigation systems, provided fertilizer, pesticides, and cheap agricultural credits, 85% guaranteed by the government, as well as a network of agriculture extension stations across the country, while introducing high-yield varieties of seed. Mechanization became widespread, replacing carabaos (water buffaloes). Fertilizer usage doubled, irrigation use tripled to one-half of the arable land, and 81% of the rice planted was so-called “miracle rice”—up from zero in the 1960s.

Productivity doubled, and by 1977, the Philippines was self-sufficient in rice for the first time in its modern history. Similar government support made the country

self-sufficient in corn, and one of the world’s leading coconut oil producers.

In the early 1980s, the Third World debt crisis (largely created by manipulated spikes in oil and other commodity prices, as well as sky-high interest rates set in London and Washington) forced Marcos to sign agreements with the IMF, which included the slashing of agricultural subsidies and tariffs on imported food. When Marcos was deposed, this destructive assault on the nation’s sovereignty took off, such that, by the 1990s, food production was back to 1960s levels.

The Bataan Nuclear Power Plant

Without question, the primary target of the coup against Marcos was the nuclear power plant built by Westinghouse in Bataan—the first commercial nuclear power facility in Southeast Asia. Not only would this plant, together with two others scheduled to be completed by 1991, end the nation’s chronic energy shortages, but they also would have served as the driver for the 11 major industrial projects sponsored by Marcos, including steel, petro-chemicals, pulp and paper, copper smelting, aluminum, phosphate fertilizer, diesel engines, and gas and oil development. The Philippines was to be transformed, to stand as a model for the rest of Southeast Asia and the developing countries elsewhere.

The nuclear plant was completed in 1985, but Shultz and his allies wanted to make an ugly example of Marcos and the Philippines. Shultz represented the forces which systematically took over the United States following the assassination of John F. Kennedy—British-allied neoconservative interests, intent on keeping the former colonial nations of the world undeveloped, to serve only as a source of raw materials for the West. The first act of Corazon Aquino, who was placed in the Presidency to replace Marcos, was to permanently shut down the completed Bataan nuclear power plant, before it was even turned on. She then pledged to her controllers on Wall Street, that the Philippines would pay every penny of the inflated costs of the nuclear plant, despite the fact that it never produced a single watt of electricity.

The results can be seen clearly today, in this power-starved nation, nearly devoid of industry, with a population facing widespread hunger, and with almost no access to health care for the poor.

Debt, and the Export of Citizens

The third Urgent Step of the SANA Declaration, for a debt moratorium on the illegitimate foreign debt, is the most urgent of the three, for without ending the usury and financial looting, the revival of the nation's historic mission is impossible. The debt accumulated under Marcos was primarily for the transformation of the productivity of the nation and its population, but once his development projects were scrapped, the debt could no longer be sustained through production. The looting of the population began in earnest.

The energy sector was turned over to Enron and related thieves by President Fidel Ramos in the 1990s. (Ramos, as head of the police in the 1980s, had been the proud agent of Shultz and his cohorts, in running the military coup against Marcos.) While the nuclear plant decayed, the cost of electricity quickly became the highest in all of Asia. As for food, the Philippines went from self-sufficiency in rice to becoming the largest importer of rice in the world.

Then, in the speculative binge against the Asian currencies in 1997-98 by George Soros and his hedge fund allies, the Philippine peso was driven down to less than half its 1997 value. In 2005, an *EIR* study of the effect of this looting process showed that the foreign debt in 1998 was \$46 billion. Over the next six years, the government paid \$47 billion in debt service, forced to exchange increasingly devalued pesos for dollars in order

to pay that foreign debt. *EIR* calculated that, if the peso-equivalent of the debt paid in those six years were calculated at the 1997 exchange rate, before the forced devaluation, the nation would have paid \$89 billion in debt service—i.e., nearly twice the total debt owed. And yet the nation ended up owing more than it had in 2007!

This illegitimate debt has been paid, on time, by subservient governments right up to today, through two primary means: the virtual enslavement of the brightest of the Philippine youth, including many college graduates, as service workers for the imperial powers, doing 12-hour overnight shifts in “call centers,” serving the customers of Western banks, computer companies, and other corporate structures. In the past such persons were called “house slaves.”

The country's second source of foreign exchange income is the export of its skilled and unskilled work force, in most cases forcing men and women to leave their families to work abroad as maids, nurses, drivers, and so on. Their remittances provide about \$17 billion annually for servicing the foreign debt. While millions of nurses have been sent abroad (and even doctors who switch to nursing abroad to make enough money to support their families), over 100 hospitals have been closed in the Philippines due to lack of staff and adequate resources. Most poor Filipinos never see a doctor or a hospital in their entire lives.

The Future

The President elected last year, the son of Corazon Aquino, has given every indication that he will follow in the footsteps of his mother, following orders from the international financial powers. The existing political forces, clueless about how to deal with a crisis which is global, rather than local, are ignoring the crisis and making plans to re-arrange the deck chairs on the *Titanic*.

Valdes and a small number of youth who work with him in the LaRouche Society, have served as a lightning rod for the effort to restore the nation to its former noble mission, in cooperation with the international campaign led by LaRouche to break the back of the British imperial system, and launch an economic and cultural renaissance, based on a new global cultural paradigm. The founding of the Save the Nation movement provides a concrete platform for that effort.

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