

Philippines cannot survive IMF recipe

by Linda de Hoyos

In a press conference at the Bangkok airport on Jan. 14, Henry Kissinger asserted that the ASEAN countries need have no fear of Soviet expansionism because the U.S. bases in the Philippines are adequate to protect the region. This is no assurance of security. The Philippines economically and politically is now running along a track prescribed for it by Kissinger's friends at the State Department—and the end result of these policies is almost guaranteed to be the loss of this critical American strategic ally.

Although George Shultz's State Department is officially on record as disagreeing with President Reagan's endorsement of the Marcos government, the State Department claims its intention is to save the Philippines as a strategic ally. Their formula for accomplishing this is to build up a "democratic" opposition in the Philippines which also has strings attached to Washington. At the same time, Marcos is to gradually relinquish his powers, so that the presidential elections, now scheduled for May 1987 or earlier if Marcos is unable to finish his term, would bring into power a new political force with political debts to the United States.

Recent contacts between U.S. officials and opposition figures, declared Philippine Labor Minister Blas Ople, border on interference in the country's internal affairs. "Any kind of intrusion in our internal affairs cannot be regarded as good," he stated to the press.

The gameplan is being coordinated from within the State Department by former ambassador to the Philippines, Michael Armacost, who was made undersecretary of state last year, replacing Kissinger Associates' chief Lawrence Eagleburger.

Forcing concessions

The State Department's green light for a transition from Marcos was given with the return to Manila on Jan. 23 of Liberal Party leader Jovito Salonga from exile in the United States. The State Department insisted upon full protection and cooperation from the Manila government for Salonga, and the Philippine authorities were induced to drop the charges of subversion against him.

Despite this protection, Salonga lashed out at the United States upon his arrival in Manila, declaring, "If the Philippine people perceive that Washington has sacrificed their human rights to maintain Marcos's blessing for the huge U.S. mili-

tary bases," then the next Philippine government will definitely be hostile to the United States.

The opposition is attempting, albeit unsuccessfully, to arrive at a common platform and begin the process of unification around a single presidential candidate. While the opposition is divided on the question of U.S. bases—with the Aquino grouping taking the stand that they must go—it is in agreement that the Philippines Communist Party, which runs the New People's Army (NPA) guerrilla force, must be legalized.

The Marcos government bent again under pressures, issuing indictments on Jan. 23 against 25 military officers for plotting to murder opposition leader Benigno Aquino, whose assassination on Aug. 21, 1983, sparked the country's destabilization. An indictment was handed down against Gen. Fabian Ver, the Chief of Staff of the Armed Forces, who was charged with the cover-up of the conspiracy.

The only gesture of actual U.S. support the Marcos government has received is from the Pentagon. In mid-January, Undersecretary of Defense Richard Armitage offered the Philippines financial aid to fight the NPA insurgency, which now reportedly controls 20% of the country's villages and is beginning to make major inroads in cities like Davao on the southern island of Mindanao.

IMF poison in the recipe

The formulas of the State Department and other attempts to boost the Marcos government are incapable of resolving the situation because they ignore the fact that since the murder of Aquino, the Philippine economy has been systematically destroyed by the International Monetary Fund and its international creditor banks. The country's currency, the peso, has been devalued by 50%, causing the shutdown of the industrial sector and a sharp price rise in basic commodities such as fuel and food stuffs. Today, it is estimated that at least 60% of the population suffers from malnutrition. In the countryside, especially in Mindanao, farmers forced into bankruptcy are quickly being recruited by the NPA.

In late December, the Marcos government, under the direction of Minister of Finance and Prime Minister Cesar Virata, finally won the approval of the banks and the IMF for a standby loan to enable the country to pay its debts. Even if the government carries out the institutional demands required by the IMF to the letter—the break-up of its commodity cartels, a halt to all infrastructural projects, fiscal austerity, and the abolition of price controls on all commodities, including food—the World Bank projects that the Philippines will still not climb back to 1983 living standards until sometime in the 1990s.

That is a formula, now being imposed upon the country with the backing of the United States, for handing the Philippines over to the NPA and the subsequent transformation of Southeast Asia into a Soviet sphere of influence. The IMF, enforcer for the banks represented by Kissinger Associates, is leading the anti-U.S. revolution in the Philippines.