

THE MARCOS ERA

by Arthur Zich

On December 30, 1965, a crowd of 200,000 gathered in Manila's Luneta Park, under a huge red MARCOS balloon, for the inaugural of the sixth President of the Republic of the Philippines. He recognized his countrymen's love of fiery oratory, and he did not disappoint them.

"The Filipino has lost his soul, his dignity, and his courage!" Ferdinand Marcos said. "We have ceased to value order." The government was "in the iron grip of venality. Its treasury is barren, its resources are wasted . . . its armed forces demoralized." He would need help. "I ask for not one hero alone among you, but for many."

So began a 21-year drama that would culminate in eight years of martial law and end with the collapse of what Marcos called "constitutional authoritarianism." He won power as the putative savior of a flawed democracy, and lost it as the *datu* of a despised autocracy.

After two decades of independence, much of the country suggested the U.S. ante-bellum South. On Negros and other islands, vast sugar plantations were worked by as many as 20,000 tenants, sharecroppers, and laborers. The owners, the oligarchs who dominated politics, had scant interest in land reform or improving farming generally, and rural backwardness was all too evident. During the 1960s, a traveler in Luzon could see a peasant farmer plowing fields with a carabao while listening to a transistor radio hanging from one of the animal's horns. Because rice yield per acre was the lowest in Asia outside Cambodia, Laos, and Nepal, that staple had to be imported. Its price, Asia's enduring index to discontent, was at a peak.

Philippine industry was protected from foreign competition by high tariffs (favored by the oligarchs), and thus inefficient. Of the 200 largest companies in the islands, 47 were American-owned. The annual economic growth rate had not risen above five percent in a decade. Crime had jumped sharply during the two pre-election years; by the late 1960s, the homicide rate would be eight times higher than America's, and the wealthy maintained private armies. Roads, railways, and ports were decaying. Marcos's predecessor, Diosdado Macapagal, had emptied the treasury in his vain bid for re-election, and thousands of public employees had not been paid for months.

In the view of U.S. officials, the only non-Communist country in Southeast Asia then faring worse than the Philippines was war-torn South Vietnam. A development specialist, David Sternberg, saw the nation as a sugar cube on the edge of a wet saucer: The problem was



First Family, 1965. Ferdinand and Imelda Marcos with children Ferdinand Jr., Irene, and Imelda.

“to somehow stop it from dissolving without removing the cube.”

The man to whom that task fell was clearly a survivor. Marcos, 48, had first won notice in an odd episode during the late 1930s: He received the top score on his bar examination while successfully appealing a conviction for killing his father's opponent in an election in Ilocos Norte, his home province in northern Luzon. If he had embellished a modest World War II record as a resistance fighter, voters also knew him as a skillful operator in Congress. He had the patronage of the Lopez family, pillars of the old oligarchy. And he had a glamorous wife, Imelda Romualdez Marcos, born into a relatively poor branch of a landowning family in the Visayans. If she had not, as advertised, won the 1954 contest for Miss Manila but a lesser title instead, few seemed to mind. Filipinos liked the duets that the Marcoses sang on the stump.

Some politicians had forebodings; Jovito Salonga, an opposition Senator, suggested to a U.S. journalist that Marcos may be “the most ruthless” public figure the islands had produced. Yet Marcos was disciplined, dashing, and tough, a man who could go to Washington and, as the saying went, “bring home d’bacon,” U.S. aid.

Marcos got off to a promising start. He recruited technocrats to draw up a development plan and lifted revenues by boosting tax collections and curbing smuggling. He won friends in the barrios (where the votes were) by pushing road building, electrification, and

other improvements. He was deft. During the mid-1960s, Vietnam was an issue with many politicians and the growing numbers of university students, and Marcos himself had argued against involvement in America's new Asian war. But when the Johnson administration asked for support, Marcos saw opportunity; a deal was quietly struck. A 2,000-man Philippine Civic Action Group (PHILCAG) of engineers and health specialists was dispatched; in return Washington supplied enough equipment to outfit 10 army construction battalions, which Marcos put to work on rural public works projects.

More good fortune came his way during 1967, when scientists at the International Rice Research Institute south of Manila developed high-yield "miracle rice." In 1968, the country met its rice needs for the first time in decades. Campaigning on "Rice and Roads" in 1969, Marcos became the first President to be *re*-elected.

The Cut-Off

But by then discontent was rising on many fronts.

Marcos's 1969 campaign drained the treasury. Seeking revenue, he kited the import tax so high that the price of a legally imported \$3,000 car jumped to \$10,000-plus. The peso staggered and living costs rose 25 percent. Strikes and protests followed.

And a new political force appeared. A generation of Filipinos came of age to whom U.S. tutelage, World War II, and postwar independence were ancient history. Third World nationalism had been rising since before the 1955 Bandung Conference in Indonesia, and the prestige of America, mired in Vietnam, was at an ebb all over Southeast Asia. That included Manila, where the campuses were filling up with middle-class youths facing a cloudy economic future.

Filipino firebrands, and Communist front groups such as the *Kabataang Makabayan* (KM, or Nationalist Youth) at the University of the Philippines, assailed Marcos for sending PHILCAG to Vietnam. Inspired in part by the young Red Guards spearheading Mao Zedong's Cultural Revolution in China, KM leader José Maria Sison, a university instructor, declared a "revolutionary situation" and founded the Maoist-oriented Communist Party of the Philippines (CPP). Its military wing: the New People's Army (NPA).

"America's chickens," said Sison, "are coming home to roost."

Early on, the NPA had only a few hundred armed guerrillas, in northern Luzon. But Muslim separatists were in rebellion in Mindanao and the Sulu islands, and left-wing student agitation had come to

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Manila. The crowded, crime-ridden "Pearl of the Orient" hardly needed more chaos. By that time, as a U.S. editor wrote, it was "one of the most violent cities in Asia . . . the habitat of thugs, gangsters, and political bosses." It also had the world's most raucous press.

Many Filipinos, especially in government and business, feared that the country's once-stable society was crumbling. Leaving Congress after his 1970 state of the nation address, Marcos and the First Lady were met by protesters who hurled garbage, rocks, and bottles. When rioters stormed the gates of the Malacañang Palace a few days later, troops opened fire, killing six. Marcos, recalls Deputy Defense Minister Rafael Ilet, then the army commander, "was furious," and considered declaring martial law right then and there.

In this charged atmosphere, fissures were developing within the oligarchy. Marcos had long chafed at two realities of Philippine politics. First, while the presidency was powerful, the man who won it incurred so many debts on the way up that he was hard put to exploit his powers. Second, the political opposition's chief concern was rarely the public good. Then as earlier, its leaders sought to block the president's programs so he would have no record to get re-elected on. The Senate, Marcos had said, "is a conglomeration of individuals all wanting to be president next time." A change was needed.

The Lopez family had assisted Marcos's rise, and a son, Fernando Lopez, was his Vice President. But Marcos now wanted to be his own man. He accused the family of backing riots with the aim of deterring an oil tax increase that would hurt the Lopez-owned Manila Electric Company (Meralco). Fernando Lopez quit the cabinet. The Lopez-owned *Manila Chronicle* and 10 other English-language dailies (most owned by oligarchs) ran a joint editorial declaring no confidence in Marcos. When the President took his case to the people via TV, Meralco cut off the TV station's power in mid-speech.

Amendment Six

Eventually, the political combat in Manila turned deadly. During 1971, a rally held by the opposition Liberal Party was bombed, killing a score of people. Marcos suspended habeas corpus, and student protesters poured into the streets. Explosions rocked the U.S. and South Vietnamese embassies, City Hall, and other targets. A ship carrying Soviet-made arms was seized in northern Luzon, along with an NPA manifesto said to detail a terror campaign in Manila.

More violence followed. Finally, on the night of September 21, 1972, the official blue Ford of Defense Minister Juan Ponce Enrile was ambushed on a Manila street. Enrile was unhurt, but six hours later Marcos went on the air to exercise his power under the 1935 constitution to declare nationwide martial law. "Front organizations," he said, were working among "our peasants, laborers, professionals,

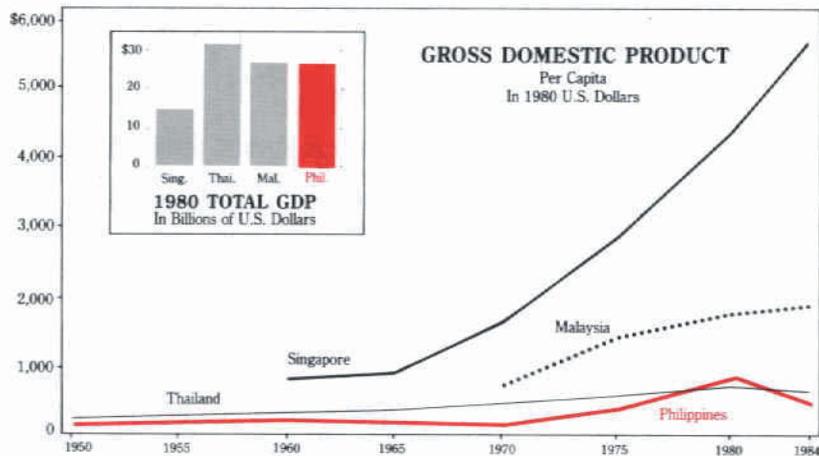
intellectuals," and others to create a new state based on "Marxist-Leninist-Maoist teachings." While dealing with the threat of "violent overthrow," a Marcos statement added, "we must now reform [our] social, economic, and political institutions."

Marcos suspended the constitution, padlocked the Congress, and imposed a curfew. He shut down seven TV channels, 40 radio stations, and the nettlesome newspapers. The military rounded up some 30,000 Filipinos, including not only criminals but student activists, journalists, and congressmen. Some were held indefinitely, among them the man who seemed most likely to succeed Marcos: Benigno "Ninoy" Aquino, Jr., a bright, cocky ex-reporter and scion of a landed family who had been the youngest Senator ever elected. He had been accusing Marcos of planning martial law and "a garrison state."

Private armies were broken up, and more than 500,000 weapons (including an anti-aircraft battery) owned by citizens were confiscated. Strikes, demonstrations, and public meetings were banned. Airlines, railroads, and utilities were seized, including Meralco.

Historians will long argue over Marcos's motives. His aides had drafted a martial law contingency plan back in 1969, and Enrile (now Corazon Aquino's Defense Minister) has acknowledged that the ambush of his car was staged. But the nation *did* seem close to anarchy. Enrile insists that martial law originally had a high purpose, to fashion a society of "discipline and decency." However, as Marcos foes saw it, the President's sole aim was to keep power beyond the end of his second, and, by law, his final, four-year term, in 1973.

In any case, the "New Society" that Marcos set about building hugely increased his power. A new constitution allowed him to re-



Source: International Monetary Fund

place any officials, including justices of the Supreme Court, which became a rubber stamp. Reorganizing government down to the *barangay* (village) level, Marcos set up a pervasive political machine known as the KBL, for Kilusang Bagong Lipunan (New Society Movement), that was similar to GOLCAR, the top-to-bottom political organization in President Suharto's Indonesia. Retaining a veneer of democratic legitimacy, between 1973 and 1977 Marcos staged five referendums; the votes were cast not by ballot but *viva voce* in local "citizens' assemblies" open to anyone over the age of 15, and watched by KBL gendarmes. The first four endorsed the new constitution and martial law. The fifth showed 90 percent approval of continued rule by Marcos. A KBL-dominated interim National Assembly was elected in 1978; but by then a constitutional change, Amendment Six, had empowered the President to continue to govern by decree and to override or dissolve the Assembly at will.

Getting Rich

Early on, the New Society had support, and it ranged from businessmen to barrio folk. An oft-heard line in Manila was "At last, we have our Lee Kuan Yew," the strongman under whom Singapore had thrived since 1965. If there was talk of torture and murder ("salvagings") going on behind the doors of the National Intelligence Security Authority (the secret police), the gun roundup reduced the homicide rate, and the economic news seemed good: During the first three martial law years, tourism and government revenues tripled, and economic growth averaged a robust seven percent. A land reform program was launched that promised to ease rural discontent.

Even so, Marcos never achieved a complete consensus. There were, for instance, middle-class families that divided between pro-Marcos parents and offspring who went to the hills to join the NPA. Gradually a diverse opposition appeared.

Anti-Marcos parties were formed. From his Manila jail cell, Ninoy Aquino campaigned under the LABAN (Fight) banner for an Assembly seat in the capital in 1978. He may well have won, but a KBL slate headed by Imelda Marcos was declared victorious in all Manila races. Though Jaime Cardinal Sin espoused "critical collaboration" early on and never openly broke with Marcos, other Catholic Church figures expressed concern as martial law continued.

The galaxy of Marcos foes expanded. A Mrs. Trinidad Herrera was jailed for leading a group fighting government efforts to relocate Manila slum-dwellers; World Bank officials held up funds until she was released. Left-wing groups bearing such names as "Third Force" and "Light a Fire" fought the regime with various tactics, including bombings in Manila aimed at scaring off tourists and investors. Moral and propaganda support came from refugees and exiles who swelled

'DISTINGUISHED AND EVER LOYAL CITY'

Though its name derives from the *nilad*, a flowering shrub that once flourished along the banks of the Pasig River, Manila is no shrinking violet.

To spread its fame and/or scrub up its somewhat lurid reputation, the Marcos regime opened a grand Cultural Center on Manila Bay landfill in 1969, spent \$60 million to host the 1974 Miss Universe pageant and perhaps more to stage the 1975 Muhammad Ali-Joe Frazier "Thrilla in Manila" boxing match. For the 1981 visits of Pope John Paul II and Vice President George Bush, fences were put up to hide some of Asia's worst slums.

Image has long been important in Manila. Early during the U.S. era, the city held a six-day "Philippines Carnival," with parades and sports events that some hoped would call attention to "the excellence of Manila as a residence and as a place to visit." During the 1950s, one of Ramon Magsaysay's first acts was to close the Riviera, a raucous casino run by an American expatriate.

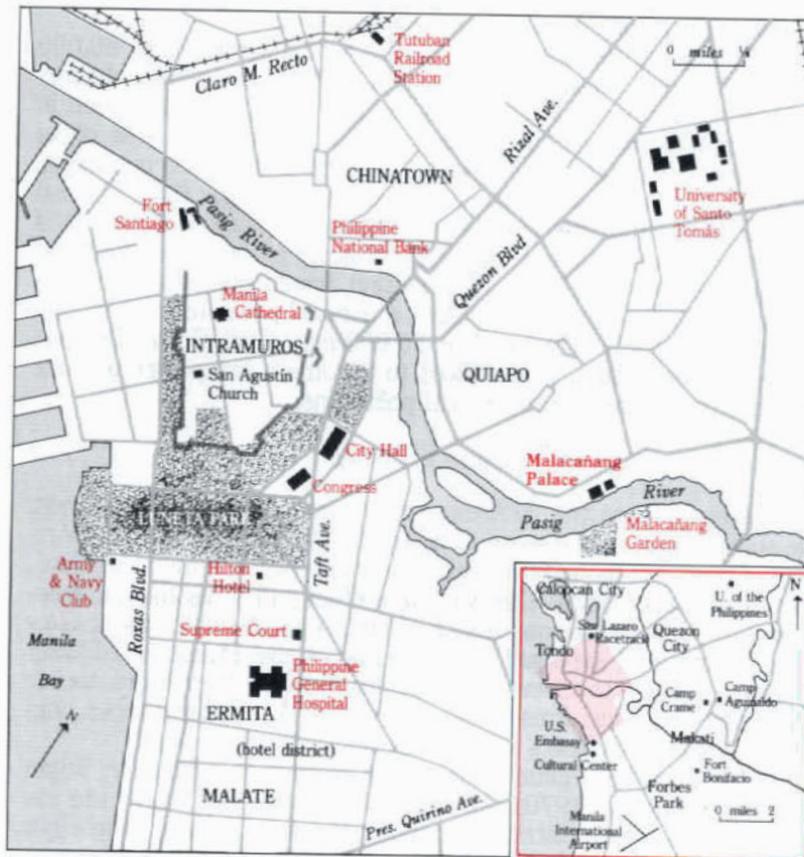


Today, the capital dominates the country even more than, say, Paris does France. Metropolitan Manila, a 246-square-mile Marcos creation of 1975, embraces Manila proper and such satellites as Quezon City, once the capital, and Makati, an office enclave. Metro Manila has 13 percent of the nation's population, some eight million residents (slightly more than Hong Kong, a bit fewer than Djakarta). Besides containing the government seat, main port, and defense headquarters (Camp Aguinaldo), it serves as the hub of finance, media (five TV channels, more than 40 radio stations, at least six English-language and two *Pilipino* dailies), and manufacturing. Within its boundaries are 87 percent of the country's educational institutions, 82 percent of its 660,000 phones, and some of the Far East's best medical facilities.

Manila has endured Chinese, Dutch, and British invasions. Although devastated in 1945, when the Japanese fought Douglas MacArthur's advance, its history remains visible. From Fort Santiago, MacArthur's prewar HQ, a Muslim ruler taxed commerce on the Pasig before the Spanish came in 1571. They christened Manila the "Distinguished and Ever Loyal City" and built the thick-walled Intramuros as a base. In 1611, they founded the University of Santo Tomás, Asia's first institution of higher learning; during the 1941-45 Japanese occupation, it housed 3,700 U.S. captives.

British traders organized the elegant Manila Club during the 19th century. The Yankees brought into being not only the University of the Philippines (1908) but also such preserves of the powerful as the elegant Manila Hotel, the Rotary Club, the Army & Navy Club (first head: Adm. George Dewey), the Manila Polo Club (opened by W. Cameron Forbes, the Bostonian U.S. governor general, from 1909 to 1913), and the Wack Wack Golf and Country Club, said to be named for the sound made by ducks frightened by a player's drive.

Today the clubs' rosters mix old Spanish and American families with prominent Filipinos, the sort who own mansions in Forbes Park and Greenhills or ranch-style homes among the embassies and hotels of Ermita and Malate. For middle-class Manileños, home is a bungalow or a high-rise in the Paco, Pandacan, or Santa Ana areas, and fun a few hours at the San Lazaro race



Sources: Philippine Convention Bureau, Encyclopedia Britannica

track, the jai alai arena on Taft Avenue, or the Sunday fights at the cockpits. The Chinese, the largest minority (six percent of the population), cluster north of the Pasig. Manila's slums lie along the waterfront; in Tondo, the largest, some 490,000 people live in *barong-barongs*, shacks made of scraps.

Like nightclubs, blue films, and fast food (Colonel Sanders arrived during the 1960s), the poor are always with Manila. Journalist Robert Shaplen wrote of being stuck in a taxi at a rain-flooded corner as "skinny, brown, dripping boys . . . thrust their wet two or three cigarettes or cellophane-covered slices of pineapple at us," demanding a few centavos "as they waded from car to car and enjoyed the ritual of a typical Manila monsoon dusk."

During the Marcos era, many poor residents were moved to the exurbs, imposing a 30-mile bus ride to city jobs. New towns have been built elsewhere in the islands. The hope is that Filipinos from the *bundoks*, long drawn to Manila, will come to appreciate the joys of smaller urban communities.

the Filipino community in the United States.*

The regime increased the regular armed forces from 60,000 men in 1972 to a present strength of 114,000. But a gradual demoralization set in. Gen. Fabian Ver, a Marcos cousin who had been in charge of military intelligence since 1965, became the boss of an increasingly politicized officer corps; loyalty to Marcos, not merit, became the litmus test for promotion, and increasingly those favored were Ilocanos from Marcos's home region. As Marcos nationalized factories and radio stations, he often put army officers in charge, and permitted them to get rich. The second armed bulwark of the regime, the 40,000-man Constabulary, a national police force, had long lacked the public's esteem. The 70,000-man Civil Home Defense Force, or local militia, was allowed to become a manpower pool for the abusive private armies of local politicians.

'Prime d'Pump'

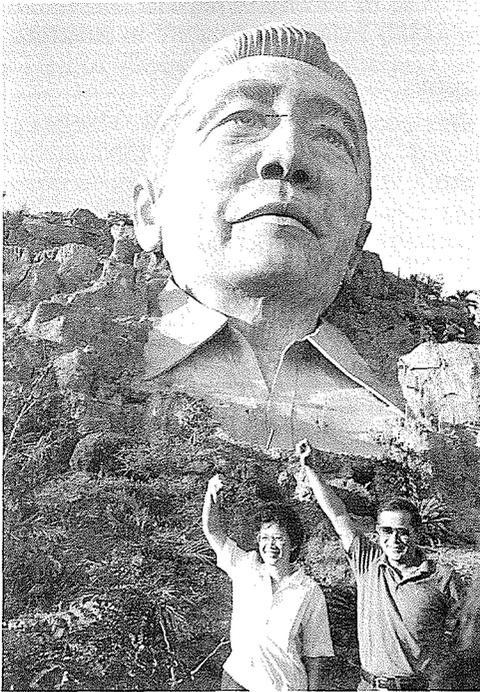
Meanwhile, as the NPA expanded from Luzon to other islands, the soldiers in the field were strapped by lack of training and shortages of transport (sometimes only two trucks per 600-man battalion), spare parts, and radios. The Air Force often had to forgo joint exercises with U.S. squadrons for lack of fuel. A loose-knit group of colonels, majors, and captains, all graduates of the Philippine Military Academy, began to discuss a need for reform; they were tacitly backed by Gen. Fidel Ramos, then the Constabulary commander, who would join Mrs. Aquino's side during last February's coup.

Cracks in the regime's image as a reform administration began showing during the 1970s. All sugar and coconut holdings were exempted from land redistribution, and in the end no more than eight percent of the islands' estimated five million landless peasants were even eligible for the program. And Marcos himself worried as early as 1974 that a corrupt "new oligarchy" had risen.

At that time, he asked his Annapolis-educated executive secretary and leading technocrat, Alejandro Melchor, to compile a list of "backsliders" in government who should be purged. The list bore 2,000 names, including those of the directors of Internal Revenue, Customs, and the Bureau of Public Highways, known for their power as the "Three Kings." In a singularly un-Filipino act intended to show that the New Society meant business, Marcos publicly fired them all.

What followed was curious. The backsliders turned out to be retainers of the First Lady, and were soon back at their jobs. By

*The 1980 U.S. census counted 781,894 Filipinos, making them the second largest Asian minority (after the Chinese). Early immigrants were farm workers, and today California and Hawaii have the largest concentrations of Filipino-Americans. Later, many Filipinos served as Navy stewards. Most of the more than 300,000 Filipinos who arrived during the Marcos years were "professional, technical, and kindred workers." Many have been physicians and, especially, nurses, who are prized in the United States because they have had training similar to that in American hospitals.



A month before last February's election, candidate Corazon Aquino, 53, and her vice-presidential running mate, Salvador Laurel, Jr., 57, posed for photographers before a 30-foot-high bust of Marcos along the highway to Baguio, a resort city 200 miles north of Manila.

Christmas 1975, Marcos had fired Melchor. Thereafter his chief of staff was, in effect, Mrs. Marcos. It was at this time, said a Marcos economic adviser, that "the big, irresponsible borrowing, and spending, began. The floodgates were open."

Within a year, Imelda was Governor of Metropolitan Manila, Minister of Human Settlements (annual budget: \$200 million), and the chair of no fewer than 23 government councils, agencies, and corporations. Eleven new five-star hotels (estimated cost: \$300 million) went up in the capital. Other signs of what wags called Imelda's "edifice complex" were Manila's modern Cultural Center and 5,000-seat International Convention Center (estimated cost: \$130 million), a \$21 million Film Center, a sprawling new terminal at the airport, and a \$23 million vacation complex at Puerto Azul outside Manila.

While all the building was going on, a new oligarchy did indeed arise, composed of Marcos kin and friends who flourished under what became known as "crony capitalism." One example: The coconut industry, which employs one in three Filipinos, was largely brought under a Marcos-created government monopoly managed by Eduardo "Danding" Cojuangco, the *compadre* to Marcos's son and grandson. (He also is Cory Aquino's first cousin.) Through a Marcos-decreed "coconut levy" deposited interest-free in the United Coconut Plant-

ers Bank, Cojuangco amassed close to \$1 billion. He was able to buy sugar *haciendas* on Negros, a \$20 million stud ranch in Australia, and control of the San Miguel Corporation, and reportedly to field a private army on a remote island stronghold.

"Marcos's fatal flaw," says economist Bernardo M. Villegas of Manila's Center for Research and Communications, "was that he had no understanding of economics." When the cronies discussed deals, he could not see "what they meant to the country." Meanwhile Imelda, recalls Enrile, "became the economist *par excellence*. Her battle cry was 'Prime d'pump!' 'Prime this!' 'Prime that!'"

'Your Mandate Is Gone'

The New Society's *economic* foundation began to crack with the oil crisis of 1973-74 and the global recession that followed. The Philippines, which imported 90 percent of its oil, saw its energy costs quadruple, while the prices of commodity exports fell. With the second oil price squeeze of 1979, the economic slide accelerated. Marcos responded with more borrowing and spending, *doubling* Manila's foreign debt between 1979 and 1983. Almost half the debt was short-term, and when Brazil and Mexico began having repayment problems, international lenders became nervous about the Philippines: During the last four months of 1982 alone some \$700 million in credits were withdrawn. The lenders' fears deepened when a banking and textile tycoon named Dewey Dee, yet another Marcos pal, fled the country leaving some \$83 million in debts.

On August 7, 1983, according to Enrile, Marcos underwent the first of two kidney transplant operations. The trauma from which he would never recover occurred two weeks later: the August 21 murder of Ninoy Aquino at Manila airport. He was shot as military guards escorted him from the plane on which he had returned from the United States, where he had been allowed to go in 1980 for surgery.

The effects were immediate. Anti-Marcos demonstrations coursed through Manila, including, for the first time, the Makati district, citadel of the business community. Capital flight accelerated, and inflation and interest rates gyrated wildly. In October 1983, developer Enrique Zobel, head of the Makati Business Club, led a delegation to warn Marcos that "the country's going bankrupt." Just about every element of Marcos's constituency suffered. Businessmen could not get loans. During 1984 an estimated 400,000 workers were laid off, pushing unemployment above 25 percent in the Manila area. Worse, in a country where perhaps three-fourths of the population was below the poverty line, price rises eroded "real" incomes by 20 percent in 1984-85.

The International Monetary Fund, the local Catholic Church, and finally the Reagan administration joined the chorus calling for

political, economic, and military reforms. Marcos stalled.

The Communists, whose extermination had been part of the rationale for martial law, reaped the harvest. The Huks, who came close to seizing power during the early 1950s, never expanded much beyond central Luzon and never managed to end the Filipinos' faith in America. By contrast, the NPA, whose vow to end "U.S.-Marcos dictatorship" appealed to many middle-class youths on Manila's campuses, was now operating in all of the nation's 74 provinces; its hard-core armed manpower was estimated at 16,500.

In October 1984, an independent five-member commission rejected the Marcos regime's contention that Aquino's assassin was a lone Communist gunman who was killed at the scene by security forces. The commission concluded that the murder involved a conspiracy by a group of military officers, including General Ver. In February 1985, a special three-judge court began to try Ver and 25 others. Last December, after eight months of proceedings clouded by suppressed evidence and other flaws, the defendants were acquitted. Within a week, Cory Aquino announced her presidential candidacy.

A sense of ominous anticipation grew in Manila. U.S. senator Paul W. Laxalt had already come to the capital to express President Reagan's concern. For his part, Marcos seemed less worried about his domestic constituents than about how he was playing in the United States. On November 3, appearing via satellite on ABC-TV's



Roots: President Aquino's family has owned this large sugar estate, Hacienda Luisita, 75 miles north of Manila, since 1958. For more than 20,000 workers (daily pay: about \$2), it is a world all its own.

"This Week with David Brinkley," he seized on columnist George Will's suggestion that his problems "derive from the fact that your mandate is gone." The "childish" issue of popularity should be "settled," Marcos said. There would be a "snap" election.

Following the tainted February vote, events moved quickly. After the KBL-dominated legislature "confirmed" Marcos's "victory," Enrile and Ramos joined reform-minded younger officers at Camp Crame, the Constabulary's Manila headquarters. When thousands of Manileños, urged on by Catholic Church leaders, gathered outside the camp on February 23 to deter an assault by forces loyal to the President, the Marcos era was over.

That Essential Glue

Many of the difficulties that Marcos's successors now face did not end or even begin with him and the New Society. Geographically, the Philippines remains a nation of widely scattered islands, with all that implies. Its volcanic, earthquake-prone geology and its tropical weather can be harsh. And its society lacks cohesion.

Filipinos do share a common religion (85 percent are practicing Catholics), a lengthy history, and many deeply ingrained values (e.g., strong family ties). And by now most see themselves as Filipinos, as well as, say, Ilocanos or Visayan islanders. But the centrifugal forces are also great. There are wide gaps between privileged and underprivileged, between urban sophisticates and rural peasants, between lowlanders and the upland tribes. When the Marcos regime began building the Chico River Dam, a hydroelectric project in northern Luzon that was to be the largest in Southeast Asia, the NPA was able to assist a rebellion by the Kalingas, whose tribal lands were threatened. (The project has been shelved.) Regional jealousies run high: Pilipino, the official national language, is based on the Tagalog of central Luzon, so Filipinos elsewhere ignore it. (When polyglot Indonesia adopted an official language, it chose a dialect used by seamen, which was widely familiar and stirred no prejudices.)

Yet because of Marcos, or in spite of him, much about the Philippines has changed over the past 20 years. While the gross domestic product per capita was just \$680 in 1983 (versus Singapore's \$6,853 and the United States' \$16,496), the country is no longer just an agricultural society. A class of salaried and professional people is expanding (perhaps following the U.S. example, the country now boasts 35,000 lawyers, against only about 6,000 doctors). More of its college-age youth (27 percent) are in school than in any nation but the United States. Only a month before the Aquino murder, the World Bank issued a report in which the Philippines was classed as a "newly industrializing nation." Indeed, by the end of 1982, fully 60 percent of Philippine commodity exports were semiconductor compo-

nents, clothing, and other non-traditional products.

The Philippines' economic flaws go back to the postwar years. The country did not improve farm productivity, as Thailand and Malaysia did. It coddled industry with high tariffs, an overvalued peso, and easy credit, unlike the "tiger economies" of East Asia (Hong Kong, Singapore, South Korea, and Taiwan), which stripped away such props early to force their businessmen to compete in world markets. Thus these countries suffered less from the oil shocks and other trials of the 1970s than did the Philippines.

Aquino's planners aim to force efficiencies by reducing state control of the economy (which expanded under Marcos) and taking steps to modernize the agricultural base. Filipinos have not been known for the Confucian work-and-save ethic that has helped the tigers achieve impressive growth. Yet, by Third World standards, the country does have a well-educated labor force, one that works for wages as low as one-fourth of those prevailing in the tigers. (The minimum daily wage for urban industrial workers is about 57 pesos, about \$2.50.) In any case, for its young, fast growing population (57 percent under age 20), the country must create 700,000 new jobs each year.

Much of President Aquino's future will depend on the army. She initially seemed to believe that, with Marcos gone, the threat of the Communist NPA would fade. That notion may be naive. The NPA leaders see her as at best a champion of limited reform, not a true revolutionary; guerrilla killings did not end with Marcos's fall. Aquino's West Point-educated military chief, General Ramos, hopes to revitalize the army, with U.S. aid, and has moved to focus officer training on counterinsurgency. Ramos will need help; implicitly relying on the United States for external defense, the Philippines devotes less of its budget to the military than any other nation in its region.

A fundamental problem for Aquino is how to turn her reform movement into an effective government. In the Philippines, authority has long been rooted not so much in laws as in the ability of politicians to dispense favors—a new farm-to-market road in one area, cash grants for barrios in another, a job in a Manila ministry, a government loan for a fledgling (or failing) company. Such is the glue in a patronage society that has both a powerful ethic built around mutual loyalty and reciprocal obligations (*utang na loob*) and little in the way of popular consensus or an apolitical civil service. The web of expectations that results tends to entangle government as much as it does the governed. Yet no other glue now exists. Aquino's Finance Minister, Jaime V. Ongpin, maintains, "It is politics that has held us back in recent years. Now politics has set us free." That remains to be seen.