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Bayan

Pahayagan ng Partido Komunista ng Pilipinas
Pinapatnubayan ng Marxismo-Leninismo-Maoismo

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Avail of the worsening crisis and intensify guerrilla offensives to advance the new democratic revolution

Message from the Central Committee of the Communist Party of the Philippines

We are happy to celebrate the 36th anniversary of the reestablishment of the Communist Party of the Philippines and all the accumulated victories of the Party and the Filipino people in the new democratic revolution under the guidance of Marxism-Leninism-Maoism.

We congratulate all our Party cadres and members for all the victories won in the ideological, political and organizational fields. We are resolved to carry these victories forward, rectify errors and shortcomings and raise the people's revolutionary struggle to a new and higher level.

Our victories are won through hard work, fierce struggle and selfless sacrifice. As always, we pay our highest respects to our revolutionary martyrs and heroes who have made the supreme sacrifice in the service of the people.

We can further win victories in the struggle to complete the national democratic revolution under the leadership of the proletariat and pave the way for the socialist revolution.

Today we can take advantage of the worsening crisis of the world capitalist system and the domestic ruling system of big compradors

and landlords. We can strengthen the revolutionary forces and people in an all-round way. We can intensify the offensives against the enemy.

1 Crisis of the US and world capitalist system

The crisis of the world capitalist system arises from the fundamental contradictions of monopoly capital and labor, among the imperialist powers and between the imperialist powers and the oppressed peoples and nations. In the era of modern imperialism, the contradiction between the social character of production and the private character of appropriation inexorably becomes more pronounced. The adoption of higher technology and increased rapacity of the monopoly bourgeoisie under the slogan of "free market" globalization have served to deepen and aggravate the crisis of the world capitalist system.

The concentration and centralization of capital in a few imperialist countries has been accelerated unprecedentedly. The world's richest 20% own 85% of the world's income or 150 times the wealth of the world's poorest 20%. The world's three wealthiest per-

sons, all based in the US, have combined assets greater than the gross domestic product (GDP) of the 48 poorest countries with a total population of 600 million.

The US itself has attracted and borrowed an extremely huge amount of capital in the last more than two decades. US federal government debt today stands at almost US\$7.601 trillion according to US Bureau of Treasury statistics. This debt grows by some US\$2.56 billion per day, at which rate, the US\$8.18 trillion debt limit approved by the US Senate last month would be reached in a little over 226 days or on November 17, 2005. State and local government indebtedness is an estimated US\$ 1.6 trillion.

Some US debt watchers add to the federal and the state and local government debts some US\$28.1 trillion private business and household debt. Household expenditures exceeded income for the first time in 1999. They have increased since then. The US foreign trade deficit was US\$579 billion in 2003, up 52% from US\$380 billion in 2000.

There has been an unprecedented avalanche of "mergers" since 1995 as giant corporations

exploit the crisis to gobble up the assets of the weaker and more vulnerable ones. There are now only two companies manufacturing big commercial planes, only three giant oil companies out of the "seven sisters" of the 1970s, and eleven from the former forty independent car manufacturers worldwide. Up to 85% of global capital investments went into these mergers, i.e., in non-productive, highly speculative maneuvers and competition among the giant monopolies, while only 15% have gone to setting up new factories or industries and into research and development.

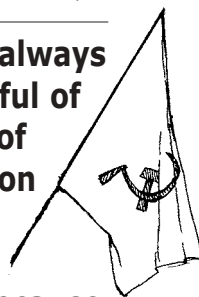
The so-called "internationalization of capital" is a monstrous lie. Capital investments are by and large retained in the imperialist countries and no lasting significant transfer of productive capital is made to the third world countries as the drumbeaters of "globalization" proclaim. The essential meaning and main thrust of "free market" globalization is to prevent or destroy national industrial development outside of the imperialist countries. In fact, the net capital transfer from developing countries to the developed capitalist countries amounting to US\$111 billion in 1998 nearly doubled to US\$193 billion in 2002.

The percentage of total foreign direct investments (FDI) that went to developing countries was only 32.6% in 1990-94. This dropped to a meager 15.9% in 2000 and rose to 23% (US\$158 billion) in 2002 and 30% (US\$172 billion) in 2003. However, nearly a third of these—US\$53 billion in 2002 and US\$54 billion in 2003—went to China. If China is excluded, the percentage of world FDI to the rest of the developing countries would only be 15.5% for 2002 and 21% in 2003.

The majority of countries of the

world are in a state of depression. Third world countries are sinking deeper and more rapidly in quagmires of debt. Like the Philippines, they have paid several times their original debt and yet still have to pay several more times that amount. Third world debt was US\$277 billion in 1971, US\$1.3

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trillion in 1983, and US\$2 trillion in 1995. Despite having paid a total of US\$4.5 trillion over the past 20 years, third world countries still have an external debt of at least US\$2.5 trillion.

The result is further economic and social devastation of the third world countries and the retrogressive countries of the former Soviet bloc, whose exports are mainly raw materials, semi-manufactures and some industrial products. According to the ILO, 2.8 billion people are employed worldwide. But of these, 1.4 billion workers live on less than US\$2 a day, and 550 million on less than US\$1 a day. The understated official number of unemployed has increased, especially among the youth. Millions die yearly from malnutrition and the lack of potable water.

The centers of global capitalism, the US, European Union and Japan, have been struck hard by their own crisis of overproduction and financial meltdowns and by the depression in the underdeveloped

countries. Their economies slowed down overall from 3.8% in 2000 to 0.8% in 2001, rebounded slightly to 1.7% and 2.8% in 2002-2004, but expected to decline again in 2005-2006. The US economy in particular slowed down from 3.8% in 2000 to 0.3% in 2001, then recovered in mid-2002 due to massive consumer and military spending fueled by heavy borrowing.

The Bush regime seeks to stimulate the US economy by stepping up war production and unleashing wars of aggression in order to continually consume and replenish its armament inventory as well as develop new high tech weapons. It is whipping up war hysteria, repression and the trend of fascism in the US and on a global scale by taking advantage of the 9/11 attacks and declaring a permanent and preemptive "war on terrorism."

The US\$435 billion defense budget plus US\$100 billion of military expenses hidden in non-military items add up to nearly half of the 2005 US federal budget. Twenty-eight percent or US\$536 billion is for current military expenses, including US\$150 billion for procurement, research and development, while an additional 14-18% is for past military expenses in the form of interest payments on national debt. On top of these, Bush asked Congress for a supplemental fund of US\$50 billion for operations in Iraq and Afghanistan.

By one estimate, based on congressional appropriations, US aggression in Iraq will cost US\$152 billion by the end of 2004. The invasion of Iraq alone cost US\$26 billion and its continuing occupation US\$3.9 billion per month. At least US\$5 billion dollars worth of contracts have been awarded to Halliburton, Bechtel, DynCorp and other corporations

with close connections to the Bush regime. In the brutal scheme to weaken Iraq and seize its oil resources, the US has systematically destroyed the economic and social infrastructure and delivered the "reconstruction" projects to US corporations.

The heavy military spending has resulted in a slight, artificial and unsustainable economic rebound in mid-2002. In its greed for monopoly superprofits, the US

In response to the worsening of the crisis of the world capitalist system and the intensification of oppression and exploitation, the proletariat and people of the world have stepped up various forms of struggle, including mass protest actions, strikes and armed struggles.



is oblivious that its budgetary and trade deficits and mounting public debt are pulling the US economy into a new round of stagnation and decline.

Aside from trying to revive its economy through war production, the US is seizing sources and supply routes of oil and gas and is expanding its economic territory in general through military intervention and wars of aggression, in the Middle East, Central Asia, Balkans, South Asia, East Asia and elsewhere. It seeks to tighten its stranglehold over the Middle East under the pretense of spreading democracy. It has occupied Iraq and emboldened the Sharon regime to slaughter the Palestinian people in Gaza and the West Bank.

Right now, the US is in a quag-

mire in Iraq and Afghanistan. Close to 1,500 US soldiers have been killed in Iraq and Afghanistan. Close to 26,000 soldiers have been wounded in Iraq but the Pentagon minimizes the number and puts it at nearly 10,000. An official count of 136 was killed in the recent failed campaign to crush Iraqi resistance in Fallujah and other cities. The Iraqi resistance fighters are blowing up oil pipelines and facilities in order to make aggression unprofitable for the US. Coupled with a declining economy, the growing setbacks of the US in Iraq are encouraging the American people to oppose the Bush regime's policy of military intervention and aggression in the Middle East, Central Asia and elsewhere.

Following his fraudulent reelection, Bush has proclaimed that he will spend his political capital to pursue a policy of unbridled aggression and plunder. The proletariat and people of the world have to confront the US course of exacerbating the crisis of the world capitalist system, whipping up war hysteria and state terrorism on a global scale and unleashing US military intervention and wars of aggression.

The main contradiction between the imperialist powers and the oppressed peoples and nations is intensifying. The worsening of the global economic crisis has driven the imperialists and their puppets to engage in worse forms of oppression and exploitation. Thus, wars of national liberation are intensifying in Iraq, Palestine, Afghanistan, Turkey, Nepal, India, the Philippines, Colombia, Peru and elsewhere. They offer the hope of cutting off the tentacles of imperialism and inspire peoples of the world to resist until imperialism is defeated on a global scale.

The US has always been resentful of the wave of decolonization after World War II, especially because the socialist countries actively encouraged and supported this. It has always opposed the principles of the Bandung Conference of Afro-Asian Countries and the Non-Aligned Movement. It has used neocolonialism in order to negate and undercut the nominal independence of countries that have become semicolonies and dependencies, from being full colonies. Being now the sole superpower, it seeks to entrench further the phenomenon of neocolonialism and is exerting efforts to recolonize certain countries in Africa.

With US imperialism launching wars of aggression against several countries from 1991 to the present, we should not underestimate the contradiction between the imperialist powers (chiefly the US) and the countries and governments that invoke and assert national independence against excessive imperialist impositions and/or in response to the demands of the people. The US continues to wage wars of aggression against Iraq and Afghanistan and engage in military intervention, as in the Philippines, Colombia and Haiti. It threatens a number of countries, including the Democratic People's Republic of Korea, China, Cuba, Venezuela, Iran, Syria, Congo and Zimbabwe.

The contradictions between US imperialism and other imperialist powers are surfacing. Some of such contradictions have become conspicuous with the US violating the UN Charter, the Geneva Conventions and international law in general to wage the war of aggression against Iraq for the purpose of monopolizing the oil wealth and rescinding contracts between the Iraqi government and French, German and Russian contractors.

Inter-imperialist contradictions continue to simmer over questions of investments, trade, finance and security.

The worsening crisis in the imperialist countries is making the class struggle between the monopoly bourgeoisie and the proletariat more and more acute. Mass unemployment and lower incomes are assailing both the proletariat and petty bourgeois intelligentsia. Chauvinism, racism and religious prejudice are also being used against the migrant workers to deflect attention from the capitalist roots of the crisis. Repressive laws are being passed and discriminatory measures taken against migrants and refugees under the guise of counter-terrorism.

In response to the worsening of the crisis of the world capitalist system and the intensification of oppression and exploitation, the proletariat and people of the world have stepped up various forms of struggle, including mass protest actions, strikes and armed struggles. The Marxist-Leninist parties are striving to reinvigorate the revolutionary movement in their own countries and lay a strong basis for rebuilding the international communist movement. People's organizations are rallying to build international solidarity and undertake coordinated mass actions against U.S. imperialism and other imperialist powers.

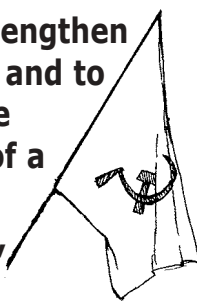
2Crisis of the domestic ruling system

The Philippines is a neocolonial appendage of US imperialism. Under the current Arroyo puppet regime, which is rabidly committed to the perpetuation of the semi-colonial and semifeudal character of Philippine society, the Philippines has absolutely no way out of its own systemic and chronic crisis and out of the current cri-

sis of the world capitalist system.

The puppet regime has grave difficulties borrowing enough funds from the imperialist creditors to cover the budgetary and trade deficits and the outstanding debt service. Thus, it has been forced to admit the existence of a fiscal crisis. In fact, the crisis is not limited to one of minding the widening gap between government spending and revenues. It is a fullblown, comprehensive and deepgoing economic and financial crisis of the ruling system.

In trying to strengthen its power base and to combat the development of a broad united front against it, the regime is instigating military and police officers to carry out massacres in certain provinces selected by US and Filipino military planners, attack peaceful worker strikes and mass protest actions.



The huge revenue losses and increased expenditures that apparently cause the gargantuan budget deficits are due to the aggravation of the chronic crisis of semifeudal economy brought about by the neoliberal policy of "free market" globalization. Under this policy, production for domestic consumption has shrunk due to the rising costs of imported inputs and due to dumping of goods by foreign and big comprador firms. The prices of all the raw materials and low-valued added semi-manufactures produced for export by the

country are pressed down by global oversupply, resulting in the aggravation of the chronic foreign trade deficit.

Under import liberalization, the trade deficit accumulated since 1995 is US\$52.2 billion. Income losses due to tariff cuts amount to P100 billion annually for the past ten years and another P105 billion annually due to the privatization of income-generating government corporations. One conservative estimate puts yearly losses from corruption in government at 20% of the budget (the equivalent of P160 billion last year).

Foreign exchange remittances of overseas contract workers at around US\$7 billion annually improve the current account and balance of payments position. But the big compradors and foreign monopolies siphoned these off along consumption channels. Foreign investments are made to appear on paper as a source of much needed capital, but at most only 40% of these are direct investments, the rest being non-productive portfolio investments that are eventually repatriated together with profits. Last year, FDI amounted to only US\$1.4 billion or 38% of all foreign investments.

With foreign and domestic loans as the only resort to pay for the budget and current account deficits, foreign debt has soared to unprecedented heights of nearly US\$60 billion and local public debt to nearly P2 trillion. Debt payments in turn have increased to more than P542 billion in 2004, amounting to 80.4% of government revenues. The projected interest payments or debt service for 2005 is P301 billion or 33.2% of the budget.

The Arroyo regime claims that it can solve the crisis by raising an initial P83.4 billion through a slew

of indirect and regressive taxes and by cutting social services and local government allocations. Raising the tax burden in a bankrupt and depressed economy is perverse, if not insane. This has enraged the toiling masses and the middle social strata that have long suffered the high rate of unemployment, widespread poverty and deteriorating social services under conditions of the depressed economy.

The regime has underestimated public opposition and protest to the proposed tax increases and social services cuts, coming in the wake of exposes of electoral fraud and vote-buying, using government resources. The moment certain stopgap measures such as tax legislation were ensured and foreign creditors appeared to be sufficiently assured to grant loans, albeit on more lopsided terms, Arroyo quickly announced that the fiscal crisis was over.

The broad masses of the people are outraged that a huge proportion of the budget of the reactionary government goes to debt service and the coercive apparatuses of the state (military and police) and that the imperialist creditors impose increasingly onerous terms and further entrap the Philippines in the vicious cycle of chronic deficits, import-dependent consumerism of the big bureaucrats and exploiting classes and the sell-out of the national patrimony.

The broad masses of the people are indignant over the fact that the Arroyo regime committed massive fraud and terrorism to "win" the 2004 presidential election. The Arroyo clique callously raided the national coffers and connived with its allies in the reactionary Congress to seal its dubious victory. Unlike in previous presidential contests, the closest rivals of

Arroyo and their supporters have not conceded defeat and have persisted in questioning the regime's legitimacy.

Their contradiction is evident in Congress, local executive offices and in the intensifying fractiousness of the military and police. The recent passing away of foremost rival Fernando Poe, Jr. became an occasion for millions of his followers to vent their indignation at the Arroyo regime and for the political opposition to close ranks in seeking the ouster of Arroyo from the presidency.

The regime is more servile than ever to the US imperialists with regard to the policy of "free market" globalization and the so-called war on terror. The recent reversal of the reactionary Supreme Court of its decision against the Mining Act of 1995 is a grotesque reminder both of the pervasiveness and tightness of imperialist control over the reactionary state.

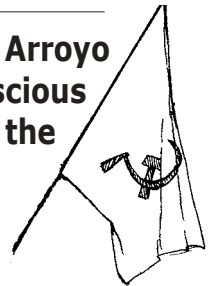
The Arroyo ruling clique is pushing the worst forms of puppetry and corruption not only in the executive and legislative branches of government but also in the judicial branch up to the level of the Supreme Court. It used money from a US\$50 million slush fund of US, British and Dutch oil monopoly firms to bribe a majority of the justices of the Supreme Court into reversing in the current month the decision earlier taken by the court in January 2004 declaring the mining act as unconstitutional, violative of the provision of the 1987 constitution prohibiting companies with foreign ownership beyond the maximum limit of 40 per cent from exploration, development and utilization of the natural resources of the Philippines.

We can expect more destructive floods and drought as the foreign monopolies and their big com-

prador agents in mining, logging and modern plantations wipe out the remaining sparse forest cover of the Philippines. Agricultural production for domestic consumption is being further decreased in favor of the foreign monopolies and big compradors plundering the natural resources. Foreign creditors have been using the foreign debt to own and control the natural resources of the country, privatize public assets and acquire controlling equity in private corporations. At the same time, the landlords are expanding their landholdings and aggravating domestic feudalism.

The ruling system of big compradors and landlords is rotten to

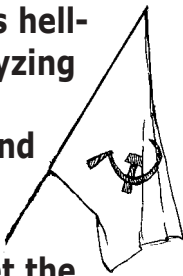
The US and the Arroyo regime are conscious of the fact that the latter is discredited, weak and isolated.



the core in socio-economic, political, cultural and moral terms. The slogan of strong republic is empty and ludicrous. It is a futile attempt to cover up the chronic crisis of the system and the instability, weakness and isolation of the regime. However, it gives the go-signal to the military, police and paramilitary minions of the regime to unleash more brutal attacks against the toiling masses of workers and peasants.

In trying to strengthen its power base and to combat the development of a broad united front against it, the regime is instigating military and police officers to carry out massacres in certain provinces selected by US and Filipino military planners, attack peaceful worker strikes and mass

The regime is hell-bent on paralyzing the peace negotiations and subsequently scuttling them if it cannot get the impossible, which is the capitulation of the revolutionary forces through the NDFP.



protest actions. The long-running series of murders of progressive mass leaders and activists in Mindoro, Mindanao, Bicol, Quezon and elsewhere, of journalists and other media persons, and the massacre of striking workers in Hacienda Luisita is blood on the hands of the Arroyo regime.

Beholden and hostage to the military and police and their US imperialist handlers, the Arroyo regime allows the officers all the way to the top brass to engage in unbridled corruption both in the handling of government funds for the military and police and in operating criminal syndicates and rackets. State prosecutors are not serious about investigating the gross malversation of public funds by Gen. Carlos Garcia and his military superiors. The charge of perjury brought against Garcia is grossly inappropriate for the amassing of hundreds of millions of dollars evidently taken from defense funds.

International watchdog agencies and organizations have confirmed our observation that the PNP and AFP are among the most corrupt in the world. Entire command hierarchies are into protection rackets and criminal syndicates involved in illegal logging, smuggling, drugs, gambling, kidnapping, carnapping and the like.

More than its predecessors, the Arroyo regime has rewarded retired generals, to whom it feels beholden with high civilian office, allowing them to further amass wealth through graft and corruption. The deadly rivalry of factions of military and police in corruption and criminal activities renders the coercive apparatuses of the state inherently rotten and weak.

The US and the Arroyo regime are conscious of the fact that the latter is discredited, weak and isolated. Thus, they have agreed to keep in reserve the holding of a constitutional convention as a scheme to preempt a people's uprising whose objective is to overthrow the current ruling clique with the offer of a shift from presidential to a parliamentary form of government.

The US and the worst of its puppets are scheming to amend the 1987 constitution for the purpose of putting in provisions to erode the civil and political rights of the Filipino people, remove the remaining national restrictions on foreign investments and eliminate the prohibitions on foreign military bases and foreign combat troops and the entry, transit and stationing of nuclear, biological, chemical and other weapons of mass destruction.

The Arroyo regime finds itself in ever deeper isolation as it seeks to claw its way out of the pit of its own making. It yields to the excessive demands of the foreign monopolies and offers concessions to its political rivals in an attempt to neutralize them and divide the opposition, even as it arrogantly suggests that the CPP-NPA-NDF capitulate to it by agreeing to an indefinite ceasefire. But the anti-Arroyo opposition, having earlier spurned the regime's overtures, now smells blood and would more

likely view any offer as a further sign of weakness and desperation.

The regime is culpable for having asked the US, the European Council and other governments to designate and list as "terrorists" the Communist Party of the Philippines (CPP), the New People's Army (NPA) and the chief political consultant of the National Democratic Front of the Philippines (NDFP) in order to pressure the NDFP into capitulation in the peace negotiations with the Government of Republic of the Philippines (GRP), or failing this, to paralyze and eventually terminate these negotiations.

The Arroyo puppet regime is extremely dependent on the power of US imperialism. It takes the position that the only way for the Philippine economy to recover is to follow the lead of the US. And if such economic recovery is not possible, it expects US military intervention of troops and high tech weaponry to suppress the new democratic revolution of the Filipino people. It does not realize that the course of events it desires can lead to its overthrow.

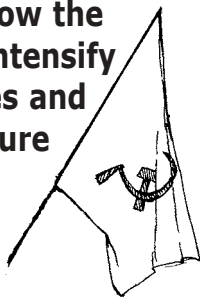
The US and the Arroyo regime are collaborating to escalate US military intervention under the pretext of waging a "war on terror". There is a rotation and buildup of US military troops under the specific pretexts of joint military exercises, civic action, relief operations and so on. US troops are being deployed in the areas under the control of the people's revolutionary government and the NPA.

Thus, the GRP has refused to go along with the NDFP in upholding valid and binding GRP-NDFP agreements in order to oppose the so-called terrorist listing made by the US and other foreign governments. It refuses to concur with the NDFP in reaffirming the principle of

national sovereignty in The Hague Joint Declaration against foreign interference, the safety and immunity guarantees for duly-authorized persons in the peace negotiations in the Joint Agreement on Safety and Immunity Guarantees and the basic rights and the Hernandez political offense doctrine in the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law.

The regime is hell-bent on par-

The NPA has now the critical mass to intensify tactical offensives and increase its seizure of arms at an unprecedented rate.



alyzing the peace negotiations and subsequently scuttling them if it cannot get the impossible, which is the capitulation of the revolutionary forces through the NDFP. It is preconditioning the resumption of formal talks with the futile demand for the capitulation of the NDFP under the guise of indefinite ceasefire ahead of the comprehensive agreements on social and economic reforms and on political and constitutional reforms.

In line with the so-called terrorist listing by the US and other foreign governments for blackmail purposes, the regime has further threatened the Europe-based panelists and consultants of the NDFP with possible CIA assassinations and kidnapping under the pretexts of anti-terrorism and extradition. In line with stepping up state terrorism and unleashing human rights violations against the people, it refuses to release political prisoners who are detained on false charges of common crimes in violation of the Hernandez political

offense doctrine. It has continuously maneuvered to prevent the indemnification of the victims of human rights violations who won their human rights case against the Marcos estate in the US court system.

The incorrigible rabid puppetry of the regime and the scheme of the US to ultimately scuttle the GRP-NDFP peace negotiations are so clear. The Filipino people and all revolutionary forces need to stand up and fight against the escalating vicious campaigns of psywar and violent suppression. We must be resolute and courageous in intensifying the revolutionary armed struggle and the other forms of struggle.

3 The growing forces of the Philippine revolution

The Communist Party of the Philippines has brilliantly performed its leading role in the Philippine revolution. It is the advanced detachment of the proletariat under the guidance of Marxism-Leninism-Maoism. It directs the conduct of the new democratic revolution through protracted people's war and illuminates the way to the stage of socialist revolution and construction as transition to communism.

Our Party is the leading force of the Filipino people. It is at the head and core of the revolutionary mass movement, the people's army, the organs of political power and the mass organizations of the workers, peasants, urban poor, fishermen, women, youth, professionals and other sectors of society.

We have grown in strength and advanced through revolutionary struggle. We have learned well from our experience both positive and negative lessons. We have benefited tremendously from the

Second Great Rectification Movement by reaffirming basic revolutionary principles and rectifying errors and shortcomings. We continue to deepen and widen our revolutionary consciousness and to improve our work and the style of work through timely and periodic assessments and evaluations, criticism and self-criticism as well as study meetings on current issues.

The successful ideological work of our Party involves propagating materialist dialectics and strengthening our Marxist-Leninist stand, viewpoint and method in dealing with problems of theory and practice. In addition to work and study meetings by Party organs and units, our Party undertakes primary, intermediate and advanced courses of study in order to guarantee the development and advance of the consciousness of all our Party cadres and members from one level to another.

We have succeeded in combating and defeating subjectivism of the revisionist, empiricist and dogmatic type, systematically purveyed by the local reactionary forces and institutions and renegades. We have also succeeded in countering and frustrating long running and current counterrevolutionary ideas spewed out by the international forces of imperialism and revisionism, even as the local renegades expose their own opportunism by linking up with and depending on the support of Trotskyites, neo-Kautskyites and other international pseudo-Marxists.

On an international scale, our Party has been outstanding in combating the ideological offensives unleashed by the imperialists to sow and spread despair among the proletariat and people. Such offensives harp on the "fall of socialism" and the "end of histo-

ry", with capitalism and liberal democracy as the ultimate peak and on the irresistibility of "free market" globalization. The imperialists have tried to capitalize on the seeming triumph of imperialism consequent to revisionist betrayal of socialism and neocolonialism.

The Party has effectively countered various ideological trends couched in petty bourgeois neoliberal and neoconservative language. Imperialist ideologues and propagandists spew these out and in turn such special agents of monopoly capitalism as the revisionists, social democrats, Trotskyite and other anticommunist petty bourgeois spread these. In well-funded "nongovernmental organizations" and "forums," these agents endlessly propose reforms for improving the world capitalist system.

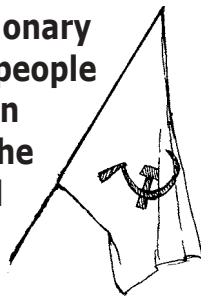
The outstanding achievements of our Party in ideological work are buttressed by victories in political work in the Philippines amidst the worsening crisis of the world capitalist system and the domestic ruling system. The crisis makes obvious the urgency of the need for people's war and social revolution and provides the fertile conditions for the growth of the revolutionary forces.

We have continuously proven that the US imperialists and their puppets cannot destroy the revolutionary movement in the Philippines for as long as we pursue the general line of new democratic revolution through protracted people's war. The 14-year Marcos fascist dictatorship and the post-Marcos regimes pretending to be democratic have all failed. The revolutionary movement was undermined and jeopardized in periods when the Right and "Left" opportunist lines ran against the general line. But the Second Great

Rectification Movement has stopped these on their track.

By carrying out revolutionary armed struggle and the united front in both legal and armed struggles, our Party has aroused, organized and mobilized the people in their millions. From the resolute and militant mass struggles, activists in great numbers have come forward and advanced further to become

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typhoon capable of
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Party cadres and members. Thus, our ranks nationwide are constantly replenished and increased by members and candidate members with close links to the toiling masses of workers and peasants.

Our Party members are in the tens of thousands. They have a conscious iron discipline. They are united by the general political line and by the mass line of our Party. They take initiative and find their own bearings in various fields of social activity and struggle. They are capable of accomplishing the general and specific tasks of the revolution.

Our Party integrates the revolutionary armed struggle with revolutionary land reform and building the revolutionary mass base. The New People's Army grows in strength and advances through systematic recruitment of fighters from among the mass activists, through politico-military training and through tactical offensives for seizing arms from the enemy.

We have undertaken land reform as the main campaign to fulfill the main content of the democratic revolution and thus gain the active participation and support of the peasant masses. We vigorously carry out the minimum land reform program and lay the basis for the maximum program. We continuously build the mass base. This includes the organs of political power and the mass organizations of various types.

The revolutionary armed struggle is the main form of struggle because it answers the central question of the revolution, which is the seizure of political power. Our NPA commanders and fighters run into thousands. They operate in 128 guerrilla front and in substantial portions of nearly 70 of 74 provinces, more than 800 of the 1,500 municipalities and more than 10,000 of the 45,000 barangays nationwide.

As our guerrilla fronts consolidate and expand, greater numbers of the masses are organized, participate in and benefit from revolutionary land reform and other struggles under the banner of the new democratic revolution. Guerrilla fronts are being expanded and connected in order to provide our guerrilla forces with wider areas for maneuver and greater flexibility.

The NPA is building the regional centers of gravity, using the guerrilla fronts as the wide base in every region. These centers of gravity provide security for central and regional cadres and are the base for directing mass campaigns of various types on a regional scale and launching tactical offensives bigger than before (the size of one, two or three platoons) by combining regional and guerrilla front units.

The NPA now has the critical mass to intensify tactical offensives and increase its seizure of arms at

an unprecedented rate. It has raised its capability of arresting for investigation and, if the evidence warrants, for trial the most rabid puppets of US imperialism, the most corrupt officials, the most cruel human rights violators, the worst exploiters and crime lords in prohibited drugs and other nefarious activities.

The united front policy and tactics are being employed to arouse, organize and mobilize the millions of people for the rural-based revolutionary armed struggle as well as for the urban-based legal democratic mass movement. The Party leads various types of alliances, such as the basic worker-peasant alliance, the progressive alliance of the working people and urban petty bourgeois, the patriotic alliance of progressive forces and middle bourgeois and the broad alliance of the people and certain reactionary forces against the enemy.

The basic worker-peasant alliance is the most reliable foundation of the revolutionary united front. It ensures the class leadership of the proletariat and at the same time the support of the largest exploited class in Philippine society. To make the democratic revolution deepgoing and invincible, the working class has to undertake an antifeudal united front. This is realized by relying mainly on the poor peasants and farm workers, winning over the middle peasants, neutralizing the rich peasants and taking advantage of the splits among the reactionaries in order to isolate and destroy the power of the evil gentry.

In times of crisis such as the present, the urban petty bourgeoisie becomes more eager than before to join up with the toiling masses in a progressive alliance that is anti-imperialist, antifeudal and antifascist. Increasing numbers

of the middle bourgeoisie willingly join up with the progressive forces in a patriotic anti-imperialist alliance. Further on, sections of the reactionaries rally to join a broad alliance to seek the overthrow of the clique targeted as the enemy, because it is the most reactionary and most servile to imperialism.

At the moment, a broad united front or alliance is gaining ground against the Arroyo regime. It is discrediting, weakening and isolating this regime for its puppetry, corruption, cruelty and mendacity. It is only a matter of time before the regime commits an outrage that would ignite a mass uprising similar to the one that overthrew Marcos in 1986 and Estrada in 2001.

The revolutionary forces of the people can grow in strength as the broad united front gathers the force of a typhoon capable of overthrowing the regime. When the overthrow occurs, the balance of forces might not yet permit the revolutionary forces to take power into their hands. But they shall have become stronger than ever before and the ruling system of big compradors and landlords shall have become weaker than ever before.

The Party has gained so much revolutionary strength, rich experience and high prestige that other communist parties and revolutionary forces look towards it for exchange of ideas, views and experiences and for principled unity and practical cooperation. Thus, the Party has assumed a significant role in efforts to rebuild the international communist movement. It is also among those at the forefront in building a broad international united front against US imperialism.

We are deeply pleased with our achievements in international work. These include the formation

of patriotic and progressive organizations among our compatriots abroad and international cooperation and mutual support at the level of parties as well as at the level of mass organizations.

We are of the firm position that our most important proletarian internationalist duty is to lead the Philippine revolution to victory and thereafter make more contributions to the world proletarian revolution and the broad anti-imperialist movement of the people of the world.

4 Avail of the crisis and intensify guerrilla offensives

The Communist Party of the Philippines must take advantage of the crisis of the world capitalist system and the domestic ruling system to advance the revolution. It must vigorously condemn the viciously oppressive and exploitative character of the US imperialists and their local puppets. It must arouse, organize and mobilize the people to wage the new democratic revolution through protracted people's war.

Through expansion and consolidation, the CPP must strengthen itself as well as all the other revolutionary forces of the Filipino people. The New People's Army, the National Democratic Front of the Philippines, the organs of political power and the mass organizations must be strengthened. All the revolutionary forces are tested and tempered in the crucible of revolutionary struggle.

The CPP must continue to pay attention to ideological work, especially to summings-up of experience, formal courses of Party education and improving on the work through criticism and self-criticism. It is necessary for us to guard against subjectivist trends of

thought, such as revisionism, empiricism and dogmatism and against "Left" and Right opportunist tendencies as new situations arise, fraught with difficulties as well as opportunities.

The momentum and enthusiasm for study and conscious practice generated by the Second Great Rectification Movement must be maintained and fostered. The lessons learned from carrying out rectification in all spheres of work are valuable for advancing the struggle to new and higher levels of achievement. We must be encouraged to advance further as our victories are widely recognized, while the local reactionaries and renegades as well as the imperialists and their paid ideologues and publicists are in disrepute amidst the worsening global crisis of capitalism.

The Party must lead the New People's Army in waging intensive and extensive guerrilla warfare within the stage of the strategic defensive. We must provide an ever deepening and widening mass base for our guerrilla warfare by building mass organizations and organs of political power. Land reform and other campaigns for the benefit of the people must invigorate these. The integration of revolutionary struggle, land reform and mass-base building are necessary for winning the new democratic revolution.

The CPP must direct the NPA to intensify the armed tactical offensives against the enemy. The NPA must carry out only those ambushes, raids and arrest operations that it is sure of winning as a result of accurate information, precise planning, surprise and complete initiative, superior strength and quick withdrawal. It must attack the most vulnerable enemy units, installations and lines of supply. It must

The revolutionary forces must employ all forms of struggle in ousting the Arroyo regime and accumulating strength thereby.



arrest, try and bring to justice the most hated oppressors and exploiters.

The CPP and NPA must take all opportunities to break the enemy's will to fight both through the process of annihilation in battles and through the process of disintegration by doing painstaking political work within the enemy's ranks and among those taken as prisoners of war. We must take full advantage of the factionalism and demoralization sweeping through the AFP and PNP in the wake of the exposé of the Garcia scam that effectively validated the corruption charges made by the Oakwood group against the top brass.

The responsible organs of the CPP must constantly study and arrange the personnel and methods for developing links with the rank and file as well as junior and middle-level officers of the military and police. An increasing number of these complain and protest against being issued inferior boots, helmets, weaponry and fighting under harsh combat conditions while commanders and their logistics and finance officers pocket the logistics and personnel funds and build mansions to retire in. Now they are seething with even greater disgust and deep-seated contempt for their high commands as corruption at the highest levels is exposed on a scale much wider than they had ever suspected or known.

We have strategic contempt for the high-tech weaponry of US imperialism. It is not weapons but the

well-mobilized people who decide the outcome of war. High-tech weapons are effective for destroying fixed structures, threatening governments without popular support into submission and for carrying out blitzkrieg invasions.

But from the time that the US imperialists occupy a country and try to collect the spoils of war, the broad masses of the people can successfully carry out guerrilla warfare against US personnel who become vulnerable due to their fixed positions and long supply lines. Ultimately, the imperialists are forced to withdraw when casualties run high and expected profits do not materialize. This was proven in Vietnam and is again being proven in Iraq. And also as in Vietnam, no amount of elections conducted by the US can pass off the puppets as patriots or democrats.

The high-tech weaponry of the US is ineffective against the people's guerrilla warfare that is exceedingly fluid and offers no fixed targets for the enemy to hit. The Red fighters achieve tactical superiority and initiative and annihilate the enemy by taking him by surprise at close quarters and at the time and place of our choice. At this moment, it is the puppet government and its military, police and paramilitary forces that offer themselves, their fixed structures and supply lines as targets of tactical offensives.

The NPA is prepared to fight the US interventionist troops and the puppet troops that they are training to kill Filipinos. It is further prepared by politico-military training to go as far as to fight against a full-scale US war of aggression. It is now trying to develop the ability to make and use the weapons that the Iraqi resistance is now using. Red commanders and fighters can learn

much from all the successful protracted wars of national liberation against US aggression.

The cruise missiles, high altitude bombers and so many kinds of US weapons of mass destruction become ineffective when the US aggressor troops and related personnel are already on the ground trying to collect the spoils of war. The people and the people's army can put them at the receiving end of rifle fire, hand grenades, rocket-propelled grenades, improvised explosive devices, mortars and other close range weapons.

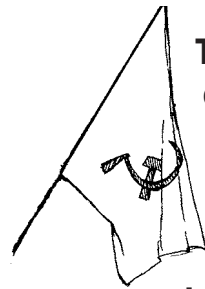
The CPP must develop the broad united front for further isolating, weakening and eventually overthrowing the Arroyo puppet regime. Such a united front can be developed on the basis of the worker-peasant alliance, the alliance of the progressive forces and the alliance of the patriotic forces, which must continually be strengthened through the various forms of mass struggle.

The broad masses of the people have acquired political education and experience in past struggles to overthrow the Marcos and Estrada puppet regimes. With the proper calls and forms, methods and pace of struggle, they will again be able to mobilize the people in their tens and hundreds of thousands, and then in their millions to oust the Arroyo regime.

The legal democratic movement and the armed revolutionary movement must remain steadfast in the struggle to oust the puppet Arroyo regime. They must engage the broad masses of the unorganized, arouse them and raise their political consciousness, organize and mobilize them in various campaigns and actions. The important thing is to accumulate strength from one campaign to another by raising the level of consciousness

and organizing greater numbers of people, especially the basic masses of working people.

The revolutionary forces must employ all forms of struggle in ousting the Arroyo regime and accumulating strength thereby. The armed struggle in the country-



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side weakens and disperses the regime's armed forces for coercion and suppression. At the same time, the urban-based legal democratic mass movement compels the regime to bring in troops to the cities and reduce the number of armed forces in the countryside when the ruling clique begins to fear its removal from power. The enemy eventually loses the war by failing to solve the dilemma of concentrating troops in the national capital region and dispersing them in the wide countryside.

Legal democratic struggles serve to expose and isolate the Arroyo regime by encouraging the building of a broad united front and rallying the masses in great numbers. Outdoor and indoor mass rallies must be undertaken. Progressive members of Congress can also contribute their share. Even the peace negotiations can provide a forum and a platform for ventilating issues, programs and courses of action to both the organized and the unorganized

masses. But we must be ever vigilant to the treachery and cruelty of the US and puppet regime.

In the course of the struggle to oust the Arroyo regime, the revolutionary forces must continue to expose and denounce the shameless puppetry of the Arroyo regime and its dependence on US imperialism and the total bankruptcy of the ruling system. At the same time, we must stress to the people that ousting the Arroyo regime will not suffice to overthrow the ruling classes and the semifeudal and semicolonial system.

We must take advantage of the worsening crisis of the world capitalist system and the growing isolation of imperialism, especially US imperialism, by intensifying the revolutionary armed struggle and other forms of struggle. Thus, we shall be able to contribute further to the building of a broad front of anti-imperialist solidarity and the international communist movement and foster mutual support and cooperation among revolutionary parties and people's organizations all over the world.

US imperialism itself will continue to escalate military intervention in the Philippines, lord over the local ruling system, exploit and oppress the Filipino people after the ouster of Arroyo. But it will have to contend with a growing armed revolution that it has tried and failed to defeat over the decades despite its military and economic superiority.

The revolutionary forces and people led by the CPP have won great victories and have grown in strength against tremendous odds since 1968. The time will surely come when they can overpower and overthrow the entire ruling system, thereby basically complete the new democratic revolution and begin the stage of socialist revolution. **AB**