

**ANG****Bayan**

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

English Edition
Vol. XXXIX No. 16
August 21, 2008
www.philippinerevolution.net

Editorial

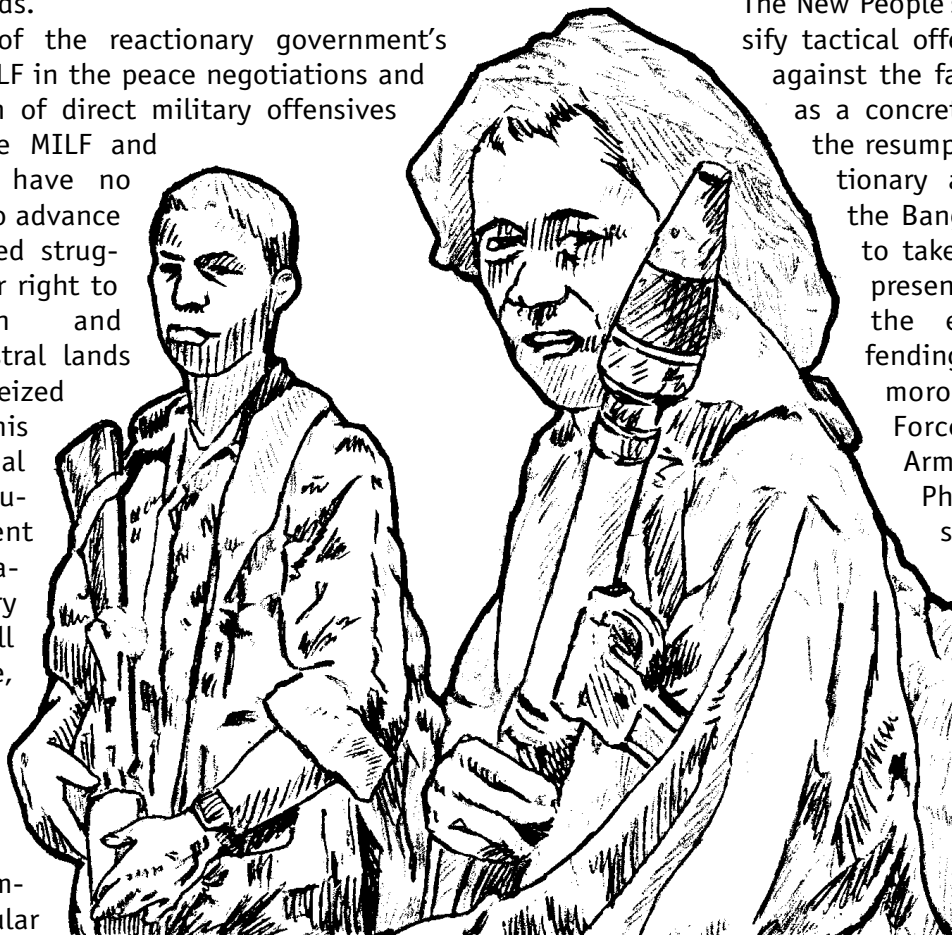
Support the Bangsamoro revolutionary struggle!

The Communist Party of the Philippines (CPP) calls on the revolutionary forces under its leadership to fully support the Bangsamoro struggle for national self-determination and the restoration of their ancestral lands.

In the face of the reactionary government's betrayal of the MILF in the peace negotiations and the intensification of direct military offensives against them, the MILF and the Bangsamoro have no other choice but to advance revolutionary armed struggle to realize their right to self-determination and reclaim the ancestral lands that had been seized from them. In this regard, the national democratic revolutionary movement and the Bangsamoro revolutionary movement must all the more unite, deepen their mutual understanding and heighten their cooperation to advance their common and particular

struggles against the same enemies—the US-Arroyo regime and the entire rotten, reactionary and oppressive semicolonial and semifeudal system prevailing throughout the country.

The New People's Army must intensify tactical offensives nationwide against the fascist armed forces as a concrete step to support the resumption of the revolutionary armed struggle of the Bangsamoro as well as to take advantage of the present preoccupation of the enemy forces in fending off the Bangsamoro Islamic Armed Forces (BIAF). The Armed Forces of the Philippines (AFP) has suddenly become obliged to reduce its forces in the Visayas and Bicol region and shift them to areas where clashes between the AFP and Bangsamoro forces have erupted.



This issue's highlights...

**The Arroyo regime
incited the war
in Mindanao**

PAGE 4

Review: *Stalking Jihad*

PAGE 6

**Steep decline
in the quality of life**

PAGE 9

The intensification of the separate but mutually supportive armed struggles of the BIAF and NPA will also be a big help in massively advancing people's protests against Arroyo's renewed Cha-cha scheme to continue her rule beyond 2010. To advance Cha-cha, the Arroyo clique used as a pretext its feigned negotiations with the MILF and the drafting of an agreement that was designed to fail and provoke upheavals and an upsurge in violence that could allegedly be resolved only by amending the constitution and shifting to "federalism."

At the same time, there is a need to heighten political work among the people in the affected areas as well as throughout the country in order to advance the understanding of the just and legitimate cause of the Bangsamoro struggle. Aside from struggling against the same basic problems suffered by the rest of the Filipino people, the Bangsamoro revolutionary forces have to struggle against the added particular burden of national oppression and chauvinism imposed on them by the rotten ruling system in the

country.

To be able to attain genuine full autonomy, they also need a contiguous restoration of their historic homeland snatched from them by oppressors. Among the biggest expropriators of the Bangsamoro's ancestral lands are the Piñols, a big reactionary political clan in North Cotabato.

It is likewise important to consider that many of those living within the areas being reclaimed by the Bangsamoro are not indigenous Moros. There should be greater effort to act prudently, win them over politically and advance their own legitimate rights and interests to encourage them to unite in solidarity with the Bangsamoro's aspirations and struggle and the Philippine revolution as a whole. This can comprise one of the bases for close cooperation between the

national-democratic and Bangsamoro movements.

It is also imperative to closely study the huge economic, military and other interests behind the intervention of the US and other imperialist powers in the peace negotiations between the puppet regime and the MILF, expose this to the people and resist it. Aside from big mining companies, plantations and other businesses in Mindanao, the US is also interested in exploring for oil and other natural resources in Mindanao-Sulu-Palawan.

Most of all, the US has been protecting its growing military presence and permanent basing of its military forces in the southern Philippines to support and monitor the US' political, economic and military interests not only in the country but in Southeast Asia.

The US, through the United States Institute of Peace has been keenly following and dictating on its puppet regime as it went through the motions of conducting peace negotiations with the MILF. At the same time, the US has been feeding advice to the puppet regime and making its own efforts to render the MILF more tractable and ensure the stability of US interests and presence, particularly in Mindanao, whatever the results of the puppet regime's talks with the MILF.

The US has only been pretending to support the peace process, knowing all along that the puppet regime was not going to grant anything real to the MILF. **AB**



Vol. XXXIX No. 16 August 21, 2008

Ang Bayan is published in Pilipino, Bisaya, Iloko, Hiligaynon, Waray and English editions.

It is available for download at the Philippine Revolution Web Central located at:

www.philippinerevolution.net

Ang Bayan welcomes contributions in the form of articles and news. Readers are likewise enjoined to send in their comments and suggestions for the betterment of our publication. You can reach us by email at:

angbayan@yahoo.com

Contents

Editorial: Support the Bangsamoro struggle	1
Reject new Cha-cha scheme	3
Arroyo incited war in Mindanao	4
US role in drafting MoA-AD r	5
Review: <i>Stalking Jihad</i>	6
Ka Joema extols Ka Tanny	7
Victorious NPA offensives	7
Corruption	8
Deteriorating quality of life	9
Prachanda, new Nepali PM	10
Fascist state on a rampage	11
Molestation of women workers	11

Ang Bayan is published fortnightly by the Central Committee of the Communist Party of the Philippines

Reject Arroyo's renewed Cha-cha scheme

Arroyo has found another excuse to advance her long-standing Cha-cha (charter change) scheme that would "legalize" her term extension. She has utilized an agreement drafted to purportedly restore the Bangsamoro homeland and grant them a more significant and decisive autonomy.

The Arroyo clique purposely drafted an agreement with the MILF that was designed to fail. They knew all along that the draft agreement would be at loggerheads with the reactionary constitution, laws and courts and incite intense reaction and conflict, especially among the chauvinist anti-Bangsamoro and reactionary ruling classes with big economic, political and military interests in the areas encompassed by the agreement. Arroyo has cunningly used this upheaval and the eruption of an even bigger war in Mindanao to ride on the "federalism" gimmick and push for changing the reactionary constitution. No less than Malacañang has declared that it was "all systems go for Cha-cha."

Malacañang plans to include "federalism" among the charter amendments allegedly to resolve the conflict in Mindanao. To thwart Arroyo's plans, Rep. Rufus Rodriguez of Cagayan de Oro City has withdrawn the bill he has filed in Congress that would have been used to advance the scheme. At the Senate, two senators—Panfilo Lacson and Rodolfo Biazon—have likewise withdrawn their endorsement of a similar bill on "federalism" when it became clear that Malacañang would be riding on the proposal to

push Cha-cha. Arroyo has thus resorted to wooing other big reactionary politicians to support "federalism," foolishly promising them that this would allow them to establish their own fiefdoms in their respective regions.

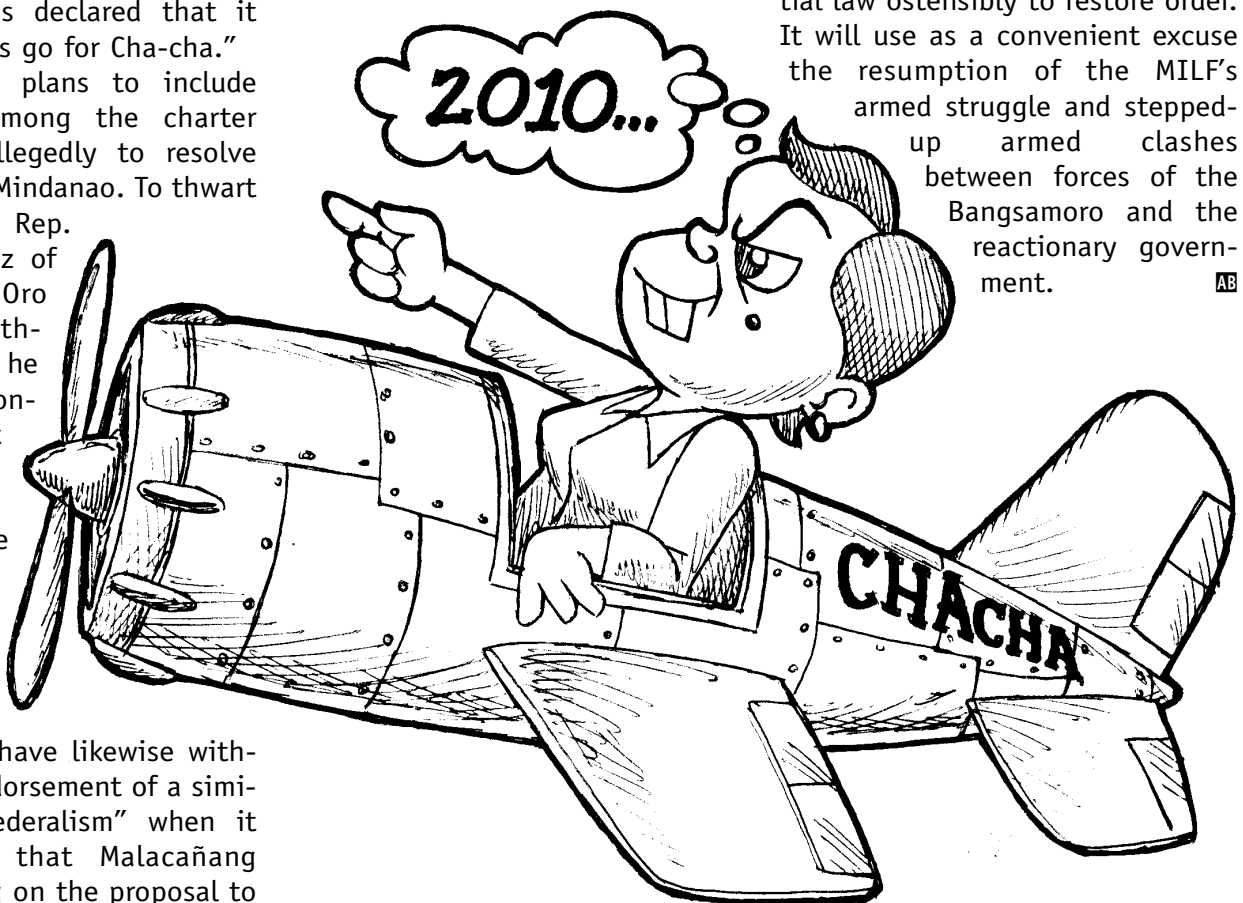
Meanwhile, Arroyo's minions have been scrambling to file other bills in Congress to ensure that Cha-cha would push through. In the process, they plan on introducing provisions that would prolong Arroyo's rule and grant her greater powers to suppress anyone opposed to her term extension. They also plan to push for provisions that would extend their own terms and advance US

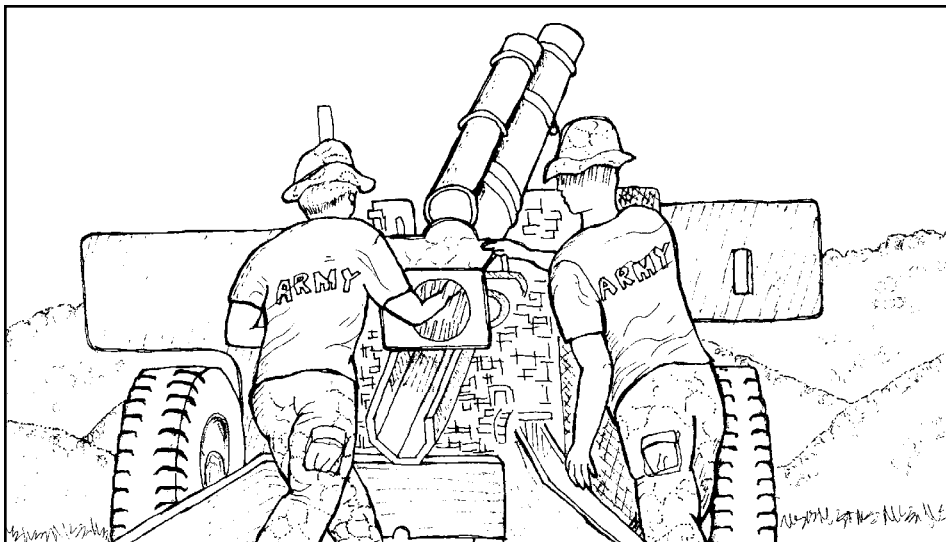
imperialist interests.

The US, for its part, has obviously been keen on pushing for Cha-cha to pave the way for provisions that would dismantle whatever remaining formal protection there is for the country's sovereignty and national patrimony and thereby intensify US intervention and exploitation in the Philippines. In rooting for Cha-cha, the US shrewdly reminded the Arroyo regime in its negotiations with the MILF that any agreement on autonomy and ancestral domain must be in accordance with the laws and processes of the puppet state and must therefore be the subject of charter change.

Once the people's movement against Cha-cha surges and imperils Arroyo's continued rule, Malacañang is ready to declare a state of emergency if not outright martial law ostensibly to restore order. It will use as a convenient excuse the resumption of the MILF's armed struggle and stepped-up armed clashes between forces of the Bangsamoro and the reactionary government.

AB





The Arroyo regime instigated the war in Mindanao

War in parts of Mindanao has expanded and intensified since last month as a result of the Arroyo clique's deception, sabotage and exploitation of peace talks with the Moro Islamic Liberation Front (MILF) to push Arroyo's ambition to extend her hold on power. Aside from marauding government military and paramilitary forces, the regime has also been using the "Ilaga," an anti-communist and anti-Moro armed group to foment further conflict.

The "Ilaga" was established and is being armed and unleashed by the landgrabbing Piñol family and other big anti-Moro politicians in many areas in Mindanao. The Bangsamoro Islamic Armed Forces (BIAF) has been obliged to defend itself and launch offensives in the face of such attacks.

Sporadic fighting between the government and MILF armed forces escalated towards the end of July with the exposé of the Arroyo regime's ploy of going through the motions of negotiating with the MILF and drafting a Memorandum of Agreement on Ancestral Domain (MoA-AD) that ostensibly restores the Bangsamoro homeland and grants them more significant and decisive autonomy under the Bangsamoro Juridical Entity (BJE) that would be established.

The regime purposely fueled

the fires of conflicts incited by big reactionary politicians, landgrabbers and other chauvinist anti-Bangsamoro forces in Lanao del Sur, North Cotabato, South Cotabato, Sarangani, Zamboanga peninsula and other areas in Mindanao, Sulu and Palawan that would supposedly be included in the BJE. Even before the MoA-AD's scheduled signing last August 5, Gen. Hermogenes Esperon secretly provided North Cotabato Vice Gov. Emmanuel Piñol with a copy of the agreement to stir up violent reaction to the draft accord. Esperon serves as Presidential Adviser on the Peace Process.

Piñol and other reactionary politicians were thus able to file a petition for a restraining order with the Supreme Court to stop the signing. Esperon also blatantly incited Piñol to take up arms and

put his Ilaga force on war footing against the MILF. The Supreme Court granted Piñol's petition on August 4 and stopped the signing of the MoA-AD by both parties in Putrajaya, Malaysia.

Meanwhile, even before the scheduled signing and while the ceasefire between the regime and the MILF was still in force, the Philippine Marines arbitrarily attacked and rained howitzer shells on communities in Barangays Baguindan and Tipo-Tipo Proper in Tipo-Tipo, Basilan where the MILF was based.

The AFP attacked MILF positions in areas with significant Moro populations and that were part of the ancestral lands whose restoration the MILF has been demanding. The unprovoked attacks by the AFP and the Ilaga and the disappointment of Bangsamoro forces at the failure of the MoA-AD signing drove some BIAF troops to defend their positions in certain towns of North Cotabato and challenge Arroyo to choose between them and Piñol. Arroyo responded by pouring in more armed troops against the MILF.

All this spurred a series of clashes in North Cotabato. After days of fighting, the MILF agreed to withdraw in accordance with a ceasefire agreement signed on August 1 after the International Monitoring Team led by Malaysia urgently called for a cessation of hostilities. Treacherous attacks by the AFP and private paramilitary forces, however, delayed the complete withdrawal of Moro fighters from their positions. The relentless offensive of the 602nd Ibde in Alesan, Midsayap, Pikit and Libungan in North Cotabato were supported by artillery fire and air strikes. The fighting triggered the mass evacuation of more than a hundred thousand residents in these areas.

The MILF completed its with-

drawal from 15 barrios in three days. But due to the AFP's relentless pursuit operations, a number of troops under the command of Ameril Umbra Kato were forced to return to their most advanced defensible position as a precautionary measure. To cover up its onslaughts, the AFP has issued false reports to the media painting Ameril's forces as a "lost command"—which the MILF denies.

In the latest gunbattle which erupted in Lanao del Norte on August 18, the BIAF occupied a number of towns, including the municipal halls of Kauswagan and Kolambugan. The startled AFP troopers suffered many casualties, among them Lt. Col. Angel Benitez and two of his men who were killed in the fighting in Kolambugan. Thousands of civilians, both Moro and Christian, were forced to evacuate.

Meanwhile, propagandists from Malacañang, the AFP and chauvinist anti-Moro forces fed the media an assortment of lies and defamatory statements designed to stir anti-Moro sentiments among the public. Among the prevarications was news of the alleged abduction of Catholic priests, which was belied by no less than one of the supposed victims. The MILF also explained that reported killings of civilian members of the Ilaga and other paramilitary forces and the burning of houses were not the handiwork of the BIAF but elements unleashed by the Arroyo regime to malign the MILF-BIAF.

The most victimized by the upheaval instigated by the Arroyo regime are the more than 160,000 people driven from their homes and cramped in crowded evacuation centers. Even the United Nations has expressed alarm over the continued rise in the number of evacuees. **AB**

What was the US' role in the drafting of the MoA-AD?

US Ambassador Kristie Kenney lied when she said that she was merely invited to witness the aborted signing of the Memorandum of Agreement on Ancestral Domain (MOA-AD) and that she was ignorant of its content.

Given the extent of US investments, projects and military presence in many parts of Mindanao, it is impossible for the US not to intervene in the peace talks between its puppet regime and the MILF. In fact, Kenney frequently travels to Mindanao to visit US military forces and monitor the US' various interests in the island. One other reason for her frequent travels to Mindanao is her close consultations with the US Institute of Peace (USIP) regarding the latter's Philippine Facilitation Project. The project's particular objective is to monitor and influence the conduct of the puppet regime's peace talks with the MILF to make the latter conform to US interests, whatever the outcome.

According to the USIP's Special Report 202 entitled "Toward Peace in the Southern Philippines" issued in February 2008, "In 2003, the US State Department...engaged the United States Institute of Peace (USIP) to facilitate a peace agreement between the government of the Republic of the Philippines (GRP) and the MILF."

It goes further, "Despite the challenges, USIP managed to build productive relationships with both the GRP and MILF, helped the parties come up with creative solutions to stubborn issues of ancestral domain, and started dialogue between disparate Moro ethnic groups. Through its activities, USIP introduced concepts and

approaches that were useful to both government and MILF peace panels."

The USIP frankly admits that the US intervenes in the peace talks in pursuit of its own interests. The USIP is funded by the US Congress and serves as an instrument to advance US foreign policy. It pretends to be an independent and non-partisan institution. In fact, among its board members are US Secretary of State Condoleezza Rice and US Secretary of Defense Robert Gates. The director of the Philippine Facilitation Project is Eugene Martin, a retired diplomat and former deputy chief of mission of the US Embassy in the Philippines.

The US is not genuinely interested in a just and lasting peace whether in the Bangsamoro homeland or in the Philippines as a whole. Its only objective is to advance US interests amid armed conflict. It claims to facilitate the peace process between the GRP and the MILF only to ensure that its interests are protected, including the continuation of mining, exploring for oil and other natural resources in Mindanao and the establishment of military bases in the region to protect its imperialist interests. It blocks the peace process whenever it sees it as incompatible with its own interests.

Indicating its real attitude, the US has thrown its full support behind the Arroyo regime's all-out war against the MILF. **AB**

US armed intervention in Mindanao

Between October and November 2001, several Central Intelligence Agency (CIA) operatives secretly arrived in Zamboanga City. Their mission was to find out how American troops and operatives could rescue couple Martin and Gracia Burnham and Guillermo Sobero, Americans who were being held captive by the Abu Sayyaf bandit group.

No less than officers of the Philippine Marines recounted details of the US role in the operations against the bandits, contrary to the Arroyo regime's claims that the Americans do not intervene in matters involving the local reactionary armed forces.

The Marines told their story to American writer Mark Bowden in his video-documentary *Stalking Jihad* released by the History Channel on DVD last year and shown on television recently. Bowden is the author of the book *Black Hawk Down*, which later had a film version.

The Marines told Bowden how the US made efforts to conceal its direct hand in military operations because it was a violation of the Philippine constitution. The CIA's tack at first was to refrain from conducting direct operations and instead study and identify which element of the local military could be effectively utilized to accomplish its objective.

Intelligence operatives under the Philippine Marines MC2 group under Col. Juancho Saban frankly recounted how the CIA used "joint military exercises" as a cover to smuggle in high-tech surveillance equipment against the Abu Sayyaf. One of the main pieces of equipment brought in was an unmanned aerial vehicle and an RG-8 Schweizer spy plane. The CIA concealed the equipment's actual capabilities from its Marine force counterparts.

The CIA operatives were led by a certain Kent Clisby who set up an office at the Philippine Marines camp in Zamboanga City. Clisby chose Colonel Saban's MC2 as the most effective unit in the Philippine military that he could use for his mission.

The MC2 reportedly found favor in Clisby's eyes because of the high quality of its intelligence work compared to the sloppy work of the Philippine Army (PA) that several times had endangered the lives of the Abu Sayyaf's captives.

It was Saban's men who were able to contact and recruit Alvin Siglos—best friend of Aldam Tilao alias Abu Sabaya—as an informer who later became the key to operations against the bandit group. Siglos' first operation was to escort broadcaster Arlyn dela Cruz to the Abu Sayyaf camp in Basilan to interview the Burnham couple and the Abu Sayyaf.

Siglos became Abu Sabaya's sole contact and supplier from the outside. The MC2 made sure of this by executing Sabaya's other civilian contacts. The CIA funded Siglos so he could procure whatever Sabaya asked for. Among the items Siglos bought for Sabaya were a backpack that the CIA equipped with a tracking device and a motorboat that was instrumental in the operation that killed the bandit leader.

Based on information supplied by Siglos, Colonel Saban made plans for a raid. The raid failed to

push through, however, after objections were raised by the Philippine Army which wanted to claim credit for the operation. The PA preempted the Marines several times in conducting the operation—which, according to Gracia Burnham, was played out "Rambo style" and focused more on killing the bandits than rescuing the captives. Aside from endangering the captives, the PA's bungling moves prompted the Abu Sayyaf to shift to another area and almost put to waste the MC2's intelligence efforts.

Up to the very end, the rivalry between the Marines and the PA prevented the CIA from fulfilling its mission. It was the Philippine Army that undertook the rescue operation in June 2002 that saved Gracia Burnham but killed her husband Martin and Filipino captive Ediborah Yap.

After the botched PA operation, Kent Clisby took it upon himself to mobilize Colonel Saban's group to pursue Abu Sabaya's band. Colonel Saban had already anticipated that after the gunbattle, Sabaya would call Siglos to bring their motorboat so they could escape from Zamboanga. The Marines had to steal the boat and abduct its operator to be able to use it to entrap the bandit group.

The CIA fitted the boat with infrared sensors so it could easily be tracked by a spy plane that would be feeding video footages to Clisby's office. The boat was dispatched to fetch Sabaya's group. Meanwhile, the Marines were ready aboard another boat and were supported by two groups of US Navy Seals aboard two other boats.

Guided by Clisby who was watching from his office, the Filipino and American troops engaged the bandits at sea, killed Sabaya and captured four of his fellow bandits. AB



Tactical offensives in Quezon, Sarangani and Aurora

The New People's Army seized 16 firearms in a raid on a municipal hall in Panukulan, Quezon and a barangay tanod (village watchman) detachment in Malapatan, Sarangani in August. Meanwhile, four elements of the AFP who were pursuing the Red fighters who conducted the raid on the Panukulan municipal hall were wounded in an ambush. In Aurora, 12 Scout Ranger troops were killed and eight others were wounded when Red fighters peppered them with bullets. Following are the reports received by *Ang Bayan*:

August 15. Twelve Scout Ranger elements were killed in action and eight others were wounded in an assault by Red guerrillas of the Domingo Erlano Command in Mt. Katupnan, Ditumabo, San Luis, Aurora at around 3 p.m. More than 20 soldiers were then huddled inside three tents while waiting for the rain to stop when the Red fighters approached them. The guerrillas were able to get as close as around 10 meters from the enemy position.

The government soldiers were about to conduct strike operations and were pretending to be NPA but the Red fighters saw through their ploy and were able to prepare for their attack. The Red fighters fired for about five minutes only but the enemy soldiers continued firing for another 30 minutes even though the comrades had all safely retreated. To cover up their humiliation, the Philippine Army 7th ID began spreading lies that a guerrilla fighter had died and that four other Red fighters were wounded while the military suffered zero casualties.

Meanwhile, that same day, a government trooper belonging to the 74th IB was wounded in an ambush by NPA guerrilla forces in Barangay Talingting, Calauag, Quezon, at around 6 a.m.

August 12. NPA guerrillas

seized an M16 armalite rifle and a 12-gauge shotgun owned by a barangay captain in a raid conducted at a barangay tanod detachment in Upper Lasang, Barangay Sapu

Masta, Malapatan, Sarangani at around 3 a.m. The NPA also seized other military equipment. The Red fighters suffered no casualty.

August 11. NPA fighters seized nine firearms from local police forces in a raid in Panukulan town, Quezon at around 8:30 a.m. The Red fighters were wearing Philippine Army uniforms when they attacked the municipal hall that also serves as the police station. Local government employees were then conducting their flag ceremony when the assault took place.

The NPA fighters confiscated two automatic rifles and short firearms (9 mm, .40 and .45 caliber

Ka Joema honors Ka Tanny

Prof. Jose Maria "Ka Joema" Sison, founding chairperson of the Communist Party of the Philippines (CPP) paid tribute to the late senator Lorenzo M. Tañada (Ka Tanny) during the commemoration of the latter's 110th birthday on August 10. Ka Joema said that the relevance of Ka Tanny's principles continues to this day.

Ka Joema lauded Ka Tanny as a great patriot, a champion of national independence and democracy, a principled statesman, a brilliant legislator, a civil libertarian and fearless militant against oppression.

Ka Joema recounted the time when he first met and fought side by side with Ka Tanny. The late senator was guest of honor during the establishment of the Kabataang Makabayan (KM) on November 30, 1964. He then commended the youth activists and advised them to tread the path Gat Andres Bonifacio and Emilio Jacinto had taken. The two of them grew closer to each other when they both held positions in the Movement for the Advancement of Nationalism where Ka Tanny served as chairperson and Ka Joema was general secretary.

Ka Joema admired Ka Tanny when as the first chairperson of the Bagong Alyansang Makabayan, he courageously headed protest actions despite brutal suppression by Marcos' fascist troops.

Ka Tanny devoted his wisdom, strength and perseverance in pushing for the dismantling of the US military bases. He died contented after the Senate finally junked the RP-US Military Bases Agreement in 1991.

Unfortunately, Ka Tanny's legacy was gradually overturned by succeeding regimes, especially the Arroyo regime, lamented Ka Joema. **AB**

pistols) in the surprise raid that lasted for about 10 to 15 minutes. Before the guerrilla unit left, its leader was able to speak before the government employees and talk with Panukulan Mayor Rogel Portos. The Red guerrillas successfully retreated aboard motor boats towards the Sierra Madre mountains.

At 2 p.m., four soldiers of the 16th IB were wounded in an ambush conducted by another NPA unit. The enemy soldiers who were aboard a truck were to serve as a blocking force to the retreating guerrilla forces that assaulted Panukulan. But it was the enemy troopers who were instead ambushed along a highway in Barangay Llavac, Real, Quezon. A few minutes later, a reinforcement team from the same battalion clashed with another NPA unit in Barangay Lubayat, Real.

Panukulan is located in Polillo island in the northeastern part of Quezon.

August 8. An NPA unit assaulted a chemical mixing facility of banana company MD Rio Vista Agribusiness Ventures in Barangay Pangl, Maco, Compostela Valley as part of a punitive campaign against banana plantations that wreak havoc on the people's livelihood and the environment as a whole in Mindanao. The guerrilla forces also torched an airplane used in the aerial spraying of toxic chemicals.

Meanwhile, NPA-Valentin Palamine Command spokesperson Ka Dencio Madrigal warned Sagittarius Mining Inc. (SMI) in Tampakan, South Cotabato to leave the area or face additional punitive actions by the revolutionary movement.

NPA guerrillas twice assaulted the SMI facilities this year. According to Madrigal, the NPA fighters vow to continue defending the environment and welfare of the residents within the mining area.

July 30. A government soldier was killed and two others were wounded when elements of the 47th IB attempted to attack NPA guerrillas in Sitio Karatagan, Barangay Katipunan, Tapaz, Capiz, at around 4 p.m. The Red fighters suffered no casualty and successfully retreated after almost half an hour of trading gunfire with the enemy.

The spokesperson of the Jose Percival Estocada, Jr. Command-Central Panay belied media reports issued by the military that there were casualties on the side of the Red fighters in the clash. He also refuted a military report claiming that there were NPA guerrillas who drowned at the height of typhoon "Frank."

He further countered the military's baseless claims that there were NPA sparrow units in the cities and towns of Panay.

AB

String of new corruption cases emerge

New corruption cases involving the Arroyo family and its closest allies and cronies were bared in August.

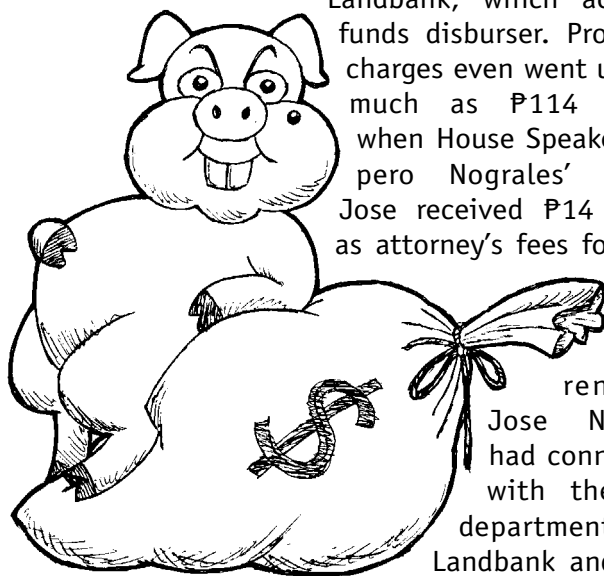
Swine scam. Newly available data revealed that Gloria Arroyo utilized the Quedan and Rural Credit and Guarantee Corp. (Quedancor) to muddle the accounts to enable her to gobble up the P5 billion funds for the "GMA Cares Swine Program."

Malacañang made it appear that 60% (P2.66 billion) of the amount was loaned to Quedancor employees and the rest that was borrowed by Quedancor from the Land Bank of the Philippines (Landbank) was again lent to small enterprises. Data revealed that P1.46 billion was allegedly lent to four enterprises (Briks Agri-Livestock Corporation, Silverstock Resources Corporation, Metro Livestock and New Gold Agri-Vet Company), all owned by no less than Quedancor president Nelson Buenaflor and two other persons named Joel and Excel Salazar. All four companies had the same telephone number, were established just a few months prior to the program launch in 2003 and had very low capitalization (ranging from P62,500 to P760,000 only). It is believed that most of the program funds were diverted for use by the Arroyo camp for the 2004 elections. This explains the swift depletion of its funds soon after the program was launched a few months before the 2004 elections.

What little was left ended up with a company called "ONL Consulting" that was paid P100 million for processing transactions between Quedancor and

Landbank, which acted as funds disburser. Processing charges even went up to as much as P114 million when House Speaker Prospero Nograles' brother Jose received P14 million as attorney's fees for services allegedly rendered.

Jose Nograles had connections with the trust department of Landbank and stood



as signatory for "ONL Consulting." This transaction is grossly anomalous as such fees are not required for transactions between two government-owned corporations.

Defensor is frontman for million-dollar mining contracts. It is Arroyo who undoubtedly gets the lion's share again in two contracts worth \$150 million signed between Chinese companies and enterprises purportedly led by Mike Defensor. The contracts are for a nickel exploration venture in Botolan,

Zambales and for the construction of an ore processing plant. Defensor, one of Arroyo's most rabid allies and a trustee of her secret funds, was Arroyo's former chief of staff and is a defeated senatorial candidate under Malacañang's Team Unity.

On August 8, a memorandum of understanding was signed in China between Defensor and a Chinese company named Jiangxi Rare Earth and Rare Metals Tungsten Group. Defensor represented Nihao Miner-

al Resources International Inc. and Geograce Resources Philippines Inc. where he is purportedly the chairman and director. Nihao Mineral Resources International Inc. is owned by Arroyo's partymate Harry Ang Ping. It was Nihao that revived Geograce Resources Philippines Inc. that had closed down due to losses. It was recently resuscitated to serve as a dummy corporation of the Arroyo family.

Arroyo now utilizes private companies in dealing with China—the better to hide anomalies that might leak out on Chinese projects that Arroyo eagerly accepts in exchange for huge bribes.

Embezzled funds from Gloria Arroyo's office. The Commission on Audit (COA) has unearthed numerous irregularities in the funds of the Office of the President for the year 2007. Covered by the COA's report were unliquidated disbursements totalling P633 million. The COA also disclosed that P270 million from the President's Social Fund that was loaned out between 2003 and January 2004 in transactions that were not properly documented. The report also revealed that cash advances amounting to P594 million were disbursed to a number of people who were not Malacañang employees.

The COA also discovered that a P37.3 million donation intended for a specific purpose was diverted to some other use.

Additionally, COA reports disclosed that Malacañang spent a whopping P588.5 million on foreign travels alone while another P34.1 million was splurged on local travels. In contrast, an insignificant amount was spent for textbooks and instructional materials and training and hazard pay for teachers.

P1 billion allegedly spent for Congress building renovation. The House of Representatives had

Steep decline in quality of life

The Filipino people's poverty has worsened in the face of relentless increases in the prices of goods and services. The official inflation rate peaked at 12.2% in July, the highest in 17 years.

Actual inflation rates for food products and other basic needs, however, go up as high as 18%-50%.

The official inflation rate began to reach double-digit figures in June when it hit 11.4%. Government statistics on food inflation indicate a 12% rate in April, 14.2% in May, 17.4% in June and 18.6% in July. Rice prices rose by 43% in June and 50% in July compared to the same period last year.

The measly daily minimum wage for Metro Manila which stands at P382 covers only 42% of the family living wage (FLW) that is currently at P900. The FLW is the minimum daily amount needed by a family of six to live decently. The situation is worse outside of Metro Manila where workers receive minimum wage rates that cover only about 32% of the FLW.

To cope with such wretched conditions, Filipino families have had to scrimp on their food consumption. A Pulse Asia survey from July 1-14 showed that 66% or two out of three Filipino families reduced their food intake or skimped on food expenses in the past three months (April-June) compared to 44% in March. Aside from food, Filipinos also significantly reduced their expenses for electricity (53%), transportation (32%) and liquefied petroleum gas (31%).

The figures indicate the intensity of cost-cutting measures that the Filipino people have had to resort to rapidly in the face of an economic crisis that has been worsening at an accelerating pace.

Meanwhile, a Social Weather Stations (SWS) survey from June 27-30 revealed that up to 62% of Filipinos perceive that their quality of life has deteriorated since the previous year—the highest percentage since the survey was begun in 1983.

The same survey showed that more than three million families or 14.5 million Filipinos experienced hunger often or on occasion in the past three months.

AB

initially requested a budget of P60,000 to repair the Batasang Pambansa building façade that had been damaged in a bomb explosion in November 2007. The renovation process eventually became suspicious when Malacañang took over the repair project. It was later revealed that Gloria Arroyo used the project as another conduit for corruption, as it was her son Rep. Mikey Arroyo who managed the construction and purchase of materials. The contract price and materials were atrociously overpriced.

In the first phase of renovation alone, Gloria Arroyo's office allocated the huge sum of P200 million. Six weeks prior to Arroyo's State of the Nation Address on July 28, close to 400 workers were hired to rush the repairs.

Also included in the new expenses for Congress renovation were the construction of an additional four floors in the South Wing annex building at a cost of P300 million, two buses worth P11.6 million, and eight laptop computers at a bloated price of P151,950 each or P1.2 million in total. On top of these were 30 public toilets that were overpriced at P700,000 each for a total of P200 million.

Recovered ill-gotten wealth of Marcoses missing. A \$34.13 million fund, part of the Marcoses' ill-gotten wealth recovered by the government, is missing. According to the COA report on the Presidential Commission on Good Government (PCGG), the amount of \$34,130,468.05, or more than P1.41 billion of recovered Marcos Swiss bank deposits which was deposited at the Philippine National Bank (PNB) was never remitted to the Bureau of Treasury (BTR).

Part of this amount was \$658 million held in escrow the PNB ten years ago pending a Supreme Court decision on the fund's ownership. Only \$624,044,905.55, however,

has been transferred to, and reflected in, the Bureau of Treasury books.

PCGG Chairman Camilo Sabio is accountable for the missing funds. He has many other things to account for, among them his pending case before the Presidential Anti-Graft Commission for allowing the transfer of P10 million in government funds to his personal bank account. The amount represented the dividends collected by the PCGG from the Independent Realty Corp (IRC) which was previously owned by Jose Yao Campos, a Marcos crony.

He was also one of the PCGG officials accused of graft for pocket-

ing P421.8 million from another sequestered company of a Marcos crony, the Philcomsat Holdings Corp. (PHC).

GSIS chief faces new raps. Criminal and administrative cases were filed before the Office of the Ombudsman on July 14 against Winston Garcia, president and general manager of the Government Service Insurance System (GSIS). The case has to do with the illegal remittance in 2004 of P1 billion in surplus funds collected by the GSIS to Gloria Arroyo's office instead of remitting the amount to the National Treasury. Also charged were members of the GSIS Board of Trustees. **AB**

Prachanda elected prime minister of Nepal

Pushpa Kamal Dahak alias Comrade Prachanda, chairperson of the Communist Party of Nepal-Maoist (CPN-M) was recently elected as the first prime minister of the newly established Nepali Republic. Prachanda, 53, won 80% of the votes during the August 15 elections against Sher Bahadur Deuba of the Nepali Congress Party.

With the support of his party, along with that of the Communist Party of Nepal-United Marxist-Leninist (CPN-UML) and the Madheshi Janadhikar Forum, Prachanda was elected by 464 members of parliament.

This recent victory by the Maoists comes close on the heels of their electoral victory four months ago. A huge majority of their delegates won in elections for the Constituent Assembly in April. This new assembly, where majority of the delegates were democrats and opposed the monarchy, was established to draft a new constitution for Nepal. In its first session on May 28, Nepal was immediately declared a republic, effectively dismantling the 256-year old monarchy and ousting from the throne the loathed Gyanendra. Only four monarchists who managed to make it to the assembly opposed the declaration.

A new coalition government of the Nepali Republic is currently being formed under the leadership of Prachanda.

The victories earned by the Maoists, the democratic forces and the Nepali people represented the culmination of almost a decade of people's war waged by the CPN-M. Before Prachanda went public and spearheaded the parliamentary struggle, the CPN-M had a strong people's army of 19,000 fighters with an extensive guerrilla base in the countryside. **AB**

BM activist, 3 broadcasters slain

An activist in Compostela Valley and three broadcasters were the latest victims of extrajudicial killings. Meanwhile, intense militarization continues to wreak havoc in Central Panay.

August 15. Military men killed Roel Dotarot, 36, a motorcycle driver and a Bayan Muna (BM) organizer. He was gunned down while waiting for his passengers at around 1 p.m. in Purok Narra, Barangay Banlag, Monkayo, Compostela Valley. The slain activist had exposed the abduction and torture by the military of a charcoal maker in Monkayo last year.

August 4, 7 and 15. Ronaldo "Anjo" Julian, 45, was shot thrice while aboard a motorcycle in San Isidro, Magaro, Camarines Sur on August 15. He was a newspaper writer and a former broadcaster of dzGE.

Two unidentified men riding in tandem on a motorcycle gunned down on August 7 Martin Roxas in Barangay Punta Tabuc, Roxas City, Capiz. Roxas, an anchorman of dyVR, a radio station under the Radio Mindanao Network (RMN) was the auditor of the National Union of Journalists of the Philippines in Capiz.

Prior to this incident, Dennis Cuesta of the RMN dxMD was also killed on August 4. The crime occurred near the Gaisano City Mall in General Santos City. There have been 30 victims of political killings in the city since March of this year.

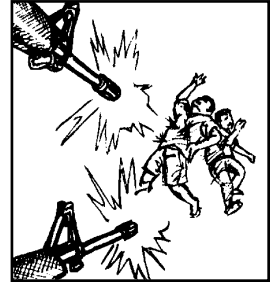
Julian, Roxas and Cuesta were the 4th, 5th and 6th journalists assassinated this year. Julian is the 61st journalist to be slain since Gloria Arroyo took power in 2001.

August 3. Fr. Romeo Tagud, secretary general of the Promotion of Church People's Response (PCPR) in Negros Oriental received

a death threat in the form of an M16 bullet sent in a white envelope. Fr. Tagud is a priest of the Iglesia Filipina Independiente (IFI). The PCPR vehemently con-

demned the harassment perpetuated by the military on IFI priests like

Fr. Tagud who have been staunchly defending human rights.



Sexual abuses on women workers reported to the UN

The Asia Human Rights Commission (AHRC) reported to the United Nations Special Representative of the Secretary General on Human Rights, Special Rapporteur on Violence Against Women the ongoing molestation of women workers and union busting at the Advan shoe factory located at the RMT Compound, Tunasan, Muntinlupa City. In its letter to the UN on August 1, the AHRC condemned the gross inaction of the Department of Labor and Employment on the workers' grievances.

The sexual abuses on the women workers began in 2006 when they established the Bleustar Workers' Labor Union (BWLU) at the Bleustar Manufacturing & Marketing Corporation. The company runs the Advan factory (formerly called Rubberworld) owned by businessman Jimmy Ong. It presently has 200 workers, of which 85% are women receiving a measly daily wage of P382. The sexual harassment suffered by the women became even more frequent when the union members complained of these abuses to the management. They likewise protested their low wages and poor working conditions.

On July 12, the women workers staged a picket at the factory gate where they demanded a wage increase. They also condemned the sexual abuses perpetrated by the capitalist Ong. They recounted how Ong would fondle the breasts of his women workers, force them to touch his genitals while he was drunk, and demand "one night stands" from them. A number of women supervisors had agreed to become Ong's live-in mistresses.

In reaction to the workers' suit, the company management announced on July 14 the termination of 63 workers who are all officers and members of the union. This, however, did not stop the workers from continuing their protest actions.

On July 25, the DOLE agreed to hold a certification election. But it disregarded the votes of 43 workers who were then at the picket line, distorting the election results to 87 votes in favor of "No Union" and reducing to 60 those who voted in favor of the union. The election could have been handily won by the BWLU members had the vote counting by the DOLE been fair.

AB

July 31. Government troops under the 1003rd Bde illegally arrested Arnel and Boyen Suminggel, both civilians and residents of Sitio Kapatagan, Barangay Gupitan, Kapalong, Davao del Norte. The military maliciously accused the two civilians of being members of the NPA.

July 14. Two soldiers of the Philippine Air Force (PAF) burned with a cigarette butt a six-year old boy at the PAF Compound in Sasa, Davao City. The perpetrators Sgt. Manuel Doria and A2C Rex Dimaculangan were drunk when they chanced upon the victim at the PAF 11 playground. They held down the boy and pressed a lighted cigarette butt on his stomach. They also warned the child not to tell anyone what happened or suffer a repeat of the incident.

July up to the present. Intense military operations in the barrios of Roosevelt, Gebio-an, Katipunan, Libertad, Tacayan, Lahug and Aglinab in Tapaz,

Capiz and in the barrios of Garangan and Masaroy in Calinog, Iloilo have adversely affected the livelihood of the people in the area as enemy troops have destroyed the farmers' rice crops. The villagers, especially those with relatives in the NPA, are likewise being pursued and forced to divulge information regarding the whereabouts of the Red fighters.

Meanwhile, the military has been fuelling feuds among residents of mountainous barangays in Calinog and Tapaz until they culminate in bloodshed. The military then pushes the villagers to join the CAFGU on the pretext of protecting themselves. The latest conflict was a hacking incident between families of Barangay Marandig and Guinbunyugan in Calinog and Sitio Aray-aray, Barangay Siya, Tapaz that resulted in the death of five people. This fateful incident also led to the evacuation of a number of families towards the city. AB