Chapter - IV

AQUINO'S TAKEOVER
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A thought became a decision became a deed as democracy triumphed with Corazon Aquino in the Philippines.¹

The victory of people’s power manifested itself when Corazon Aquino on February 1986 took her Presidential oath by saying: "I am taking power in the name of the Filipino people, I pledge a government dedicated to upholding truth and justice, morality and decency, freedom and democracy."² After taking over, the new President started to pick up the threads by reuniting a divided Filipino people, rebuilding shattered institutions and reviving a devastated economy of the Philippines. She took up the challenges to eradicate those very causes that brought the historic revolution. The Marcos' government had not been able to withstand the strain of economic and political crisis and ultimately fell under the pressure of people’s power revolution. The new President thus faced the enormous and complex problems of rebuilding the democratic institutional structure.

The Aquino regime faced tough domestic and foreign policy problems. These problems were not new but with the passage of time had become much more complex and difficult to resolve. The revolution aroused great expectations that


the new government would make sincere effort to move the
country out of the morass in which it had fallen. The
Acquino government needed to build support both nationally
and internationally for its effort. It was the United
States, more than any other country, from which it expected
sympathy and support.

President Aquino came forward to reform the
institution of government which had been personalized by
the Marcos regime. She preferred to go in for the
constitutional plebiscite as she had scrapped the 1973
Marcos Charter which was set for 2 February 1987. Aquino
appealed to people to vote for the new Constitution. "A yes
vote" she extorted, "is for our children so that they can
live in freedom, so that we shall never have another
dictator".

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Walter Taylor and Robert A. Manning, "New Troubles
For Aquino", *US News and World Report* (New York), vol.102,
2 February 1987, p.33.
The "New Constitution" eliminated the unicameral National Assembly (Batasang Pambansa) and the post of Prime Minister. It also empowered the President to appoint local and provincial officials and members of judiciary and to decree and revoke legislation. Apart from limiting the Presidential term to a six-year term, it emphasized various factors, viz., US bases in the Philippines, use and storage of nuclear weapons, human rights, ban on abortion, abolition of death penalty and land reform, equality of sexes and restoration of rights which had been taken away by the Marcos regime during martial law.

One of the important characteristics of the new constitution was that it provided safeguards against Presidential abuses by limiting the Presidential term to six-year term which had been monopolised by the then President Ferdinand E. Marcos for two decades. A twenty-four member Senate and a two hundred fifty-member lower house had been empowered with the right to overrule any Presidential declaration of martial law.

The outcome of the Plebiscite was reported by newsmedia differently. While The Times reported the

percentage of ‘yes’ votes as 78.54 per cent, International Herald Tribune showed the approval margin of more than 80 per cent. The Indian newspaper The Hindu reported that "the unofficial count by National Movement For Free Elections showed 13,520,013 ‘yes’ votes for the Constitution against 3,776,029 ‘no’ votes."

But no one could deny that Aquino had won her first political test very comfortably. The United States therefore became more confident about her ability.

The outcome of the plebiscite was noted favourably by newspapers in the United States. The Arizona Republic said:

The margin of victory - nearly 80 per cent of the voters approved the constitution - should help provide a measure of political stability, and allow the Aquino government to get on with the task of rebuilding the Philippine economy, defeating a particularly bloody communist guerrilla movement and setting the issue of the future of the big US military bases at Subic Bay and Clark Field.

The Spokesman Review said:

Aquino now stands as a symbol of the democratic principles which Americans cherish. She is attempting to return control of her nation to the

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6 The Times (London), 4 February 1987.
7 International Herald Tribune (Paris), 3 February 1987.
8 The Hindu (Madras), 7 February 1987.
people in the face of overwhelming odds. In that regard, her government poses a refreshing contrast to sadder experiences in modern US foreign policy -- notably, Vietnam, Chile, South Africa and Central Africa.10

Another US newspaper Herald News opined: "Mrs Aquino's victory in terms of the Philippine constitution is a victory for the forces of democracy and individual liberty".11

The satisfaction at Acquino's success was not confined to media alone. President Reagan sent a message conveying his personal congratulations on the successful conclusion of the plebiscite in which he said that "This plebiscite is a significant milestone on the path of democratic renewal which President Aquino has chartered for the Philippines. He assured "continuing support" for Aquino's effort for ensuring citizens freedom and political participation.12

Land Reform

In most of the developing countries land reform is the most critical issue. Politicians of different shades find it intractable because the big land holders as a class are

10The Spokesman Review, 4 February 1987, ibid., p.159.


politically powerful; and invariably opposed to any scheme of redistribution. The Philippines of Aquino was no exception. Land in the country was very unevenly distributed.

The new constitution made provisions for 'landreforms'. Recognizing poverty as the root cause of all the problems, President Aquino sought to strike at the root by introducing a 'Land Reform' programme. It was a four-staged programme and supposed to be completed in five years. It aimed at redistributing some 13.1 million acres to landless peasants and farmers. However, Aquino did not want to antagonize the big land owners. The government was also ready to compensate the land owners.

*Land Reform*: President Corazon Aquino on 10 June 1988, signed into law, a bill providing for the redistribution of government owned and private farm land. The legislation was passed on June 7 by the Philippine Senate and on June 8 by the House of Representatives. The measure was a comprehensive Agrarian Reform Programme (CARP) to be implemented in phases over a ten year period. According to one government estimate during that time as much as 2.8 million hectares (6.9 million acres) of agricultural land would be parcellled out to approximately two to three million landless peasants. The fist phase of the programme lasting from 1988 through 1992, was to cover the redistribution of government held lands and all private estates larger than 50 hectares (125 acres). The second phase, from 1992-1995 would cover private holdings ranging from 24-59 hectares (60-125 acres). The last phase, from 1995-1998, would involve smaller holdings. "Land Reform Measure Enacted, 10 June 1988, Facts on File (New York), vol.48, no.2484, July 1988, pp.986-7.

The programme was to be implemented in stages. In the first stage of the programme, 1.3 million acres were to be redistributed comprising only of land that produced maize and rice. The second phase aimed at distribution of 2.3 million acres land among the landless peasants which were owned privately or had been abandoned or seized by the government. The next stage included 9.5 million acres of sugar and coconut lands. The last stage covered the use of public lands.

To finance the land reform programme the government was required to sell companies which were under the ownership of cronies of former President. Frederick Brown, a former Republican staff in the US Senate Foreign Relations Committee, felt that the land reform "had to consist of more than distribution of farm plots to the peasantry though many Americans thought Aquino should begin the process by breaking up her own family's 15,000 acres sugar growing estates, Hacienda Lyciata"."14 He stressed on "full scale rural reform which would include diversion of lands from unprofitable sugar growing to farming of fish and vegetables, frequent training of new farm owners in

agricultural techniques and creation of non-farm job opportunities for rural residents."  

Though, some like Brown had reservations about the reform, many welcomed it and felt that it ought to be supported. Reacting to the land reform programme, the US regional sub-committees of the House Foreign Affairs Committee went a step further by granting $100 million aid to support the programme. Stephen J. Solarz (D-NY), the Chairman of the House Foreign Affairs Committee, arguing for additional $100 million said that "if we don't have agrarian reform, there is likely to be an agrarian revolution". Richard L. Armitage, Assistant Secretary of Defence, observed: "Land Reform is a siren song to the have-nots". He further said: "There is no more effective method for the (Communist rebels) than to call out for land reforms".  

While President Aquino was preoccupied with drafting and implementing the new constitution, her administration confronted many challenges of which economic contraction,

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15Ibid.
17Ibid.
18Ibid.
communist insurgency, armed rebellion and base issue called for immediate attention.

**Economic Contraction:** A declining economy had been a persistent problem with the Philippines. It had been handed down from the corrupt Marcos regime to its successor administration.

A secret draft report prepared by the World Bank presented a gloomy picture of the Philippine economy. It was very critical of the Philippine Government's stabilization programme which was supported by the International Monetary Fund (IMF) stand by credit. The report noted that -

In spite of the fact that by 1984, the contractionary efforts of the macro economic adjustment were already apparent, monetary policy continued to be restrictive in 1985. As a result, inflation continued to drop, together with a gross national product and the real exchange rate appreciated. This further penalized exports when real depreciation was required.\(^{19}\)

The report concluded with the statement: "Adjustment could have been both less painful and more structural if it had been done more through shifts in the composition of

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\(^{19}\)Nayan Chanda, "Stability's High Cost", *Far Eastern Economic Review*, vol.133, no.36, 4 September 1986, p.52.
expenditures and output rather than exclusively through expenditure reduction".\textsuperscript{20}

The Philippine economy was also riddled with financial mismanagement and corruption that occurred due to plunder of national resources during Marcos regime. The gross national product fell by 5.5 per cent in 1984 and by an estimated five per cent in 1985. The estimated capital flight of the Philippines was between $15 billion and $25 billion. In 1987, the total foreign debt mounted up to $27.8 billion.

Besides the 'declining economy',\textsuperscript{21} the growing unemployment rates, widespread malnutrition and high infant mortality and declining real wages added fuel to the fire. In 1986, the first update in ten years of the government's family income and expenditure study showed that three-fifths of all Filipino families lived below the poverty level of about $120 per month.\textsuperscript{22}

In trying to take the economy out of crisis, the Aquino administration became very much dependent on various

\textsuperscript{20}Ibid.


international agencies, viz., World Bank and International Monetary Fund in general and on the United States in particular. The World Bank gave advice while pointing out various shortcomings in the economic policy of the government. It was not satisfied with the performance of the private sector as they were not concerned with the economic recovery. It advised the government to take urgent step to give effect to an export-led-growth supported by appropriate fiscal and monetary measures including devaluation. The stock remedy of the World Bank which it gives to all faltering economies in the developing world, was prescribed for the Philippines as well.

**Economic Recovery -- US Aid and Assistance**

It was crystal clear that the Philippines was to a great extent depending on the aid and assistance of the United States for its economic recovery. Realizing the grave situations in the Philippines President Ronald Reagan stressed the urgency of financial aid in his message to US Congress (99th) that was issued along with his proposal of a philippines Assistance Act, 1986.

The proposed Act authorized a "total of $150 million in Supplemental assistance for the Philippines of which $100 million is to be used for Economic Support Fund

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23Chanda, n.19.
activities and $50 million is to be used for the Military Assistance Programme. A supplemental appropriation request for fiscal year 1986 is concurrently being transmitted to the Congress". While urging the Congress to pass the proposed Assistance Act, President Reagan in his message stated:

Through the inauguration of President Aquino the Philippines has been offered an historical opportunity to effect significant structural and institutional reforms that will bring the benefits of peace and prosperity to all the citizens. The special relationship that the people of the United States share with the people of the Philippines strongly warrants our renewed commitment in support of their efforts. I urge the Congress to set without delay on this legislation.

In response to President's request, the US Congress passed the bill and stated in Section One that the "Act may be cited as the Philippines Assistance Act of 1986". In Section Two, it stated that:

through the inauguration of President Aquino the Philippines has an opportunity to rebuild the social and economic institutions necessary for growth and prosperity. To assist the Philippines in this effort as well as to help the Philippines address security needs $100 million in additional

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25Ibid.
As the Philippines was mostly relying on US aid and assistance to face the grim economic situation, on 15 September 1986, Aquino made her first foreign trip to the United States. On clarifying the purpose of her visit, she said in an interview to the Washington Post that the visit was "to begin a friendship with President Reagan so as to improve relations between our two countries".

On the occasion of Aquino's visit to the United States, the Reagan administration wasted no time in confirming its assistance to her troubled administration. After the address of President Aquino to the joint session of US Congress on 18 September 1986, the House granted an additional $200 million in fiscal 1986 to the Philippines by a 203 to 197 vote. The money was granted in addition to $348.1 million in economic and military aid that had already been granted during 1986 financial year.

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26 Ibid., p.4.


The success of Aquino's visit to the United States attracted media attention. The *International Herald Tribune* commented: "If America lets Mrs Aquino depart with nothing more than an apologetic smile it will have served badly its own national interests not to mention its own values and traditions".\(^{30}\)

Senator Richard Lugar (R., Ind.), Chairman of the Senate Foreign Relations Committee, told the *Washington Post*, "The United States displayed good judgement in timely and substantial support. The success of Philippine democracy is their common cause."\(^{31}\) The *New York Times* observing from far away felt that Aquino was buoyed by a strong endorsement from President Reagan and good news in the economic front.\(^{32}\)

As the financial bottleneck was at the root of all the problems, the Reagan administration tried its best to assist Philippines. The Regional Sub-committees of the House Foreign Affairs Committee was entrusted to work on a fiscal 1988-89 aid authorization bill. This was at a time when the sub-committees froze foreign aid programme for 1987 financial year, yet it unhesitantly increased military...

\(^{30}\) *International Herald Tribune*, 18 September 1986.

\(^{31}\) Ibid.

\(^{32}\) *New Strait Times* (Kuala Lumpur), 19 September 1986.
and economic aid to the Philippines. Stephen J. Solarz (D-NY), the Chairman of the Sub-Committee on Asia-Pacific of the House Foreign Affairs Committee, strongly urging increased aid to the Philippines said: "1987 is a critical year for the Philippines because of the enormous expectations generated by the revolution".33

The Committee authorized $50 million in supplemental military aid to the Philippines in financial year 1987 and $299.6 million in military and economic aid in financial year 1988, while the administration had requested for $249.6 million. Congress was even more generous.

**Investment**

The US assistance was not only confined to providing government to government assistance but went far beyond. To relieve the economic crisis, the Reagan administration arranged a get together of chief executives of many 'bluechip' American companies with President Aquino during her visit to the United States. It offered an opportunity to the Philippine President to apprise them about various strategies adopted by her government to encourage American businessmen to invest in the Philippines. President Reagan and Secretary of State George P. Shultz publicly expressed their confidence in the macroeconomic conditions of the

33Nutting and Chapman, n.16, p.516.
Philippines as the country was enriched with abundant material and human resources. They also appreciated the policy reforms of the Aquino administration which they thought would untap the productive energies of the private sector. 34

**Assistance**

During the US Secretary of State George P. Shultz's visit to the Philippines (June 13-17, 1987), an economic assistance package of $175 million was signed in Manila. This assistance was designed to "enhance government revenues and contribute significantly to development in the countryside". 35 The assistance was part of the overall American economic assistance programme for fiscal 1987 of $368 million. Secretary Shultz stressed on the four facets of the economic package:

$33 million had been earmarked for the continuation of two projects which aimed at small scale rural development programme and productivity. $15 million had been assigned to purchase heavy engineering equipment for road construction and other essential services in rural areas. $51 million had been set aside for the large scale development projects which would cater to the needs of transportation,


35 Secretary Shultz's statement at Manila, 16 June 1987, "Secretary's visit to Asia and the Pacific", Department of State Bulletin, vol.87, no.2125, August 1987, p.29.
telecommunication and rural electrification. $76 million had been reserved for the two grant food assistance agreements in wheat which would in turn strengthen both the balance of payments and agreement revenues. 36

The four components of the package broadly highlighted the rural development which was deliberately adopted as a strategy to deal with the root cause of the communist insurgency in the countryside. During Aquino’s visit to the United States, both the presidents had chalked out a plan to tackle the inherent problems by adopting a two-pronged strategy one of which included to strike at the root of political, economic and social problems that feed insurgencies and the other was to build a strong professional army to deal with any threat. 37

Following tables (I & II) show the ‘Security Aid’ totals, granted by the United States in Fiscal Years 1987-88 and 1988-89.

36 Ibid.
37 For detail see, "Visit of Philippines’ President Aquino", Ibid., n.34, pp.55-57.
### Table-I: ‘Security Aid’ Totals - Fiscal, 1987-88 - Philippines

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* All or part of the FMS aid to these countries was in "concessional" loans carrying below-market interest rates.

**Amounts were earmarked, or mandated, by Congress in the fiscal 1988 appropriations bill.


### Table-II: ‘Security Aid’ Totals, Fiscal, 1988-89 - Philippines

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*Amount "earmarked" (mandated) by Congress.


Security Assistance includes Foreign Military Sales (FMS), loans, Military Assistance Programme (MAP) grants,
and Economic Support Fund (ESF), loans and grant. Military training aid, development aid, food aid and other programmes are not included. Fiscal 1987 appropriations were made in an Omnibus Appropriations Bill (PL 99-591), the 1988 "Preliminary" figures are the administration’s allocations of the appropriations made in that year’s omnibus bill (PL 100-202). Fiscal 1988 appropriations were made in an Omnibus Appropriation Bill (PL 100-202), and the preliminary 1989 figures are the administration’s allocations as of January 1989, of the appropriations made in that year’s foreign aid appropriation bill (PL 100-461). The "request" amounts are those originally asked by the President in his annual budget.

Both the Tables show that the Philippines was encouraged by the United States through the grants which were more than the request of the President.

**Communist Insurgency**

The age-old communist insurgency has been interrelated to the precarious state of the Philippine economy. As President Aquino was very much aware of the fact that the strength of the communist rebellion lay in poverty, she tried to raise the people above the poverty line by introducing various economic measures like agrarian reform. While indirect actions like land reform had been taken to
liquidate the bases of communist insurgency she also came forward with her peaceful approach to deal with the rebellion directly.

In a dramatic move on 5 June 1986, President Corazon Aquino announced an agreement to begin formal negotiation with the CPP. Satur Ocampo, a senior member of the CPP Central Committee, and Antonio Zumel, the Chairman of the National Democratic Front, were appointed as emissaries to represent the NPA. Ramon Mitra, the Agriculture Minister and Jose Diokno, the President of the Human Rights Commission, were appointed to represent the government.

As she had promised during her presidential campaign, Aquino called for a ceasefire and offered an amnesty to those guerrillas who were ready to surrender their arms. On 14 March 1986, however, the CPP Central Committee, criticizing the Aquino offer, stated that it was unnatural to expect guerrillas to lay down arms before an end to the fighting had been negotiated. Nonetheless, on 24 March 1986, the NPA ad NDF issued separate statements through which they recognized the reforms brought by Aquino administration and agreed to consider the ceasefire proposed without any precondition.

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The ceasefire talks aimed at bringing to an end the 17-year old communist insurgency began officially between the government and National Democratic Front in Manila on 5 August 1986. Initially, the talk was stalled due to procedural wrangle and a dispute over the duration of safe conduct passes issued by the military to the NDF negotiators. During this period, nobody could stop the sporadic violence throughout the Philippines as twelve soldiers were killed on 25 August 1986 when an army patrolling party was ambushed in the Zamboanga del sur province (Mindanao).

On 13 September 1986, President Aquino signed a separate peace pact with Fr Conrado Balweg, who had left the NPA in April to form a Cordillera People's Liberation Army (CPLA). But the arrest of Rodolfo Salas, a leading member of the outlawed communist party of the Philippines on 29 September 1986 stalled the ceasefire talks temporarily. The arrest was made outside the Manila Hospital. The NDF condemned the arrest of Salas as a breach of faith on the part of the government authorities. It also

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40 Ibid., 6 August 1986.
41 Ibid., 12 August 1986.
42 Ibid., 14 September 1986.
43 Ibid., 2 October 1986.
accused the military of blocking the smooth sailing of the ceasefire talks.

To resume the talk, the Aquino administration released the companion of Salas from detention on 14 October 1986. President Aquino also went on a tour to the Island of Panay for the talks with regional NPA leaders on 16 October 1986. Thereafter the Manila negotiations were resumed on 18 October 1986 but there was no noticeable progress. As a result Aquino warned that military offensive would be resumed unless there was a breakthrough in the talks before the end of November 1986.

Consequently, on 1 November 1986, an offer of a hundred day truce was made by the National Democratic Front which provided the basis for further negotiations. But the negotiations were suspended once again before signing an agreement by the National Democratic Front following the assassination of Rolando Olalia, the leader of an NDF-linked trade union federation - the Kilusang Mayo Uno (KMU).

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44 Ibid., 16 October 1986.
46 Ibid., 20 October 1986.
48 Ibid., 14 November 1986.
It should be pointed out here that Aquino's Defence Minister, Juan Ponce Enrile, was very much against any kind of ceasefire agreement with the communists as he consistently maintained that a truce would enable the NPA to revitalize its forces to carry on its insurgency campaign with greater effect. When President Aquino saw him as the main hurdle in the smooth running of the talks, she was compelled to sack him from her government. These acts conveyed the clear message to the communists that Corazon was sincere in her desire to end the insurgency. Thus, after the dismissal of Enrile and arrest of an army sergeant and a civilian in connection with Olalia's murder, the talk was resumed and a sixty-day truce was signed on 27 November 1986.

The provision of the truce recommended the establishment of a National Ceasefire Committee to supervise the truce. The National Committee was to be assisted by local committees. The agreement also made provision for further talks in January 1987 which would make way for a permanent peace settlement. The guerrillas promised not to carry arms in the vicinity of population centres and it was pledged that the army would suspend its military operations and inform local ceasefire committees

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49Ibid., 24 November 1986.
50Ibid., 28 November 1986.
before entering areas of known guerrilla activity.\textsuperscript{51} The truce materialized on 10 December 1986.\textsuperscript{52} But all hopes of ending 17-year old insurgency was extinguished on 8 February 1987, as neither side agreed to extend its term or to resume negotiations.\textsuperscript{53} On 2 January 1987, the government rejected the demands of National Democratic Front to include on the agenda the issues of foreign debt repudiation, the release of Salas, the future of US military bases, the nationalization of industry or the incorporation of NDF or NPA members in the government or the armed forces. So the insurgency problem came to a full circle when a serious clash occurred two days later near Lapao (only about 150 km north of Manila) in which eighteen people including military, insurgents and civilians were killed.\textsuperscript{54}

\textbf{Communist Insurgency and the United States}

The US administration went a step further in dealing with the communist insurgency threat by adopting the age old strategy of entrusting CIA with the responsibility. It

\textsuperscript{51}Ibid., p.2.

\textsuperscript{52}Ibid., 11 December 1986.

\textsuperscript{53}Ibid., 9 February 1987.

was twenty-seven years ago, Colonel Edward Lansdale had been sent to the Philippines to advise Remon Magsaysay, the then Defence Secretary to fight the Huk Rebellion. The US administration confirmed the news report of the *Far Eastern Economic Review* that the Reagan administration "authorized the CIA to engage in covert operations in the Philippines to assist in President Corazon Aquino's counter insurgency operations".\(^{55}\) Quoting a news report, a political analyst wrote: "the CIA would spend US$10 million on a two-year programme for covert operations and to provide technical intelligence, including aerial surveillance and mapping of insurgent-controlled zones."\(^{56}\)

The Reagan administration was very much apprehensive about communist insurgents' newly adopted strategy of killing innocent Americans. On 28 October 1987, the insurgents killed twenty-eight American servicemen outside Clark Air Base.\(^{57}\) Satur Ocampo, chief spokesman of the Communist National Democrat Front, admitted that the communist terrorists were responsible for the murder of American servicemen. In Mindanao, the Communists were very much active in putting increasing pressure on American


\(^{56}\)Ibid.

companies. On 20 November 1987, communist insurgents attacked two US-owned fruit packing plants in Mindanao and damaged property valued at about $250,000.

The objective behind the communists' strategy of killing Americans had been analyzed by David F. Lambertson, the Deputy Assistant Secretary for East Asian and Pacific Affairs. He said: "Undoubtedly their objective is to create tension, foster instability and thereby weaken US support for President Aquino." 58 The presence of President Aquino at the memorial service for the murdered American servicemen in the Clark shootings had been highly appreciated by the United States. 59 Assuring unequivocal US support for Aquino regime, the Deputy Assistant Secretary for East Asian and Pacific Affairs of the House Foreign Affairs Committee said:

The terrorists in the Philippines hope to drive a wedge between the Aquino government and us. They must understand that terrorism will only serve to bring us closer together. We will continue to be responsive to requests for help in the Philippine Government's efforts to restore peace and order and put an end to the violence that undermines economic recovery. 60


60 *Department of State Bulletin*, n.58.
Coup d'état

The other most important threat to the life of Aquino regime was the civil war. The widely acclaimed democratic revolution that installed Corazon Aquino as the People's President received a mild shock when a coup led by Arturo Tolentino, a Senator and Marcos' running mate for the post of Vice-President, threatened the regime on 6 July 1986.61

The event took place when a pro-Marcos rally which met regularly on every Sunday at Manila's Luneta Park decided in its 6 July 1986 gathering to make Arturo Tolentino to take the oath as acting President of the Philippines in the absence of Marcos. Persuaded by the rally leaders Tolentino moved to Manila Hotel. During the rally, a few hundred troops arrived from Camp Olivas and some of them joined other ally rebels. While Tolentino took oath as the acting President and proclaimed some of his colleagues' name as the cabinet members, the Manila Hotel was completely brought under the control of the rebel group.

When the incident started, the President and the Armed Forces Chief of Staff, General Fidel Ramos, were not in the capital as they were touring the Mindanao Province and Vice-President Salvador Laurel was on second day of his European trip. So the instant government action was to be

taken by the Defence Minister, Juan Ponce Enrile. There were rumours that the Defence Minister was a sympathizer of pro-Marcos elements. Had this been true, Aquino government was in peril. But dispelling the net of rumour, the Defence Minister took swift action by barricading the Manila Hotel which curtailed the flow of people and all sorts of supplies into Hotel. It resulted in surrender of a handful of rebel soldiers and made the coup a vain attempt on the part of Tolentino.\(^2\)

No doubt, the Tolentino coup fizzled out without any casualties but it tarnished the image of the new government. The attempted coup of 1986 had hardly died down in the memory of the people, that the government was shaken by another uprising. On 27 August 1987, the Aquino government experienced the most serious shock when about three hundred rebel soldiers attacked Malkanang Palace -- the administrative centre of President Aquino and seized two television stations.\(^3\) The rebels also surrounded the National Assembly building. The attack was repulsed by the palace guards about three hundred yards from the residence of the President. Some witnesses reported that "civilians were hit when the rebels drove upto the palace and began fighting wildly. Other civilians were reportedly shot by

\(^2\)Ibid., 8 July 1986.

\(^3\)Ibid., 28 August 1987.
the mutineers when they shouted slogans in supporting President Aquino."  

In the early morning of 28 August 1987, rebel soldiers captured Camp Aguinaldo, the Army Headquarters in Northern Manila, and forced Army Chief of Staff, General Fidel Ramos and other senior officers to flee. The government forces counter attacked camp Aguinaldo around noon by bombing it twice by aircraft and gained entry into the camp in the evening.

The fighting spread to the Air Force headquarters at Villamor under the command of Colonel Tito Legaspi, a close associate of the former Defence Minister, Juan Ponce Enrile. Brigadier General Educaro Abenida led a force in Ceb city which took over provincial administrative offices, banks and broadcasting stations. He accused the government of its liberal policy towards the communist insurgents. According to government figures, fifty-three people, twelve government troops, nineteen rebels and twenty-two civilians died in the fighting. Hundreds of peoples were wounded.  

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64Facts on File (New York), vol.47, no.2441, 4 September 1987, p.638.

The uprising fifth in number was led by soldiers linked with Reform the Armed Forces Movement (RAM) which had played dominant role in helping Aquino to become the President of the Philippines. Colonel Gregario Honasan, a renowned figure who enjoyed a nationwide reputation due to his leading role in the military opposition to the Marcos regime was at the helm of this unprecedented affair.

In a broadcast, Gergario Honasan (who was also called as Gringo Honasan) explaining the reason behind the coup attempt said that their action was stemmed from government’s soft attitude towards the New People’s Army. He denied any link with the Marcos loyalists. Thus Corazon’s policy of bringing the radicals into the mainstream of Philippines politics ran into opposition from the army which for decades had carried on a bloody campaign against insurgency. It had not won but the bitterness for having been forced to sacrifice did not simply disappear because the policy at the political level changed.

United States Perception of Coups

Aquino’s soft approach towards the communist insurgents was one of the factors that enraged a section of the Army and became the root cause of coup that occurred on

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27 August 1987. Apart from this root cause, the other cause was the complaints of soldiers regarding insufficient material support, viz., low pay, inadequate pension and survivor benefits for the armed forces.

The Aquino administration had taken some firm steps to remove their grievances. The proposed steps were: The retirement of all generals whose terms were over due. Most of the Philippine Army's division and brigade headquarters were relocated for an effective counterinsurgency programme in the rural areas. National Training Centre was to be established to promote professionalism and combat skills. The steps were highly appreciated by the Reagan administration. It promptly condemned the coup attempt in the strongest term and reaffirmed US support for Aquino regime.67

Expressing its profound concern for the Aquino Administration, President Reagan requested Congress to ensure adequate security and economic assistance, i.e., $110 million in Military Assistance Programme (MAP), and $124 million in Economic Support Fund (ESF). Assuring its unequivocal support on the aftermath of the coup attempt, David F. Lambertson declared: "The United States will continue vigorously to oppose any and all threats to Philippine democracy and will continue to give it utmost

support to the constitutional system which has taken root there."68

Immediately after the 'Black Friday' (the coup had occurred on a Friday), Michael H. Armacost, US Under Secretary for Political Affairs was interviewed on NBC - "Meet the Press" Programme on 30 August 1987 by Chris Wallace of the NBC News; Robert Kaiser of The Washington Post, and Robert Novak of The Chicago Sun Times. When he was asked whether he was thinking of providing any more assistance to the Philippines in spite of the unfortunate coup attempt, he said:

Yes, I am. We felt that the army inherited by the democratic government was one which was limited in its capacity to move, it had limited communications, needed training. We felt it was very important to demonstrate a willingness to help and put money behind our pledges of support.69

However, Washington dismissed the rebels' accusation of Aquino administration for crushing the rights and privileges of soldiers. A State Department spokesman said: "If it walks like a duck, quacks like a duck and shoots

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like a coup then I think we are safe in calling it that."70
The United States warned the mutiny leaders that "all U.S. military aid would be cut off if the coup succeeded."71

Thus, when one can recognize economic crisis, communist insurgency and armed rebellion as the three most important challenges that confronted President Corazon Aquino, one should be very careful about not differentiating the problems from one another. These were very much interlinked. While the communist insurgency was successful in gaining ground in the countryside by showing its sympathy towards the poverty stricken people, the armed rebellion came to the fore by accusing Aquino administration of its inept handling of the communist insurgency. So while communist insurgency was a corollary of the poor financial condition of the people, the coup attempt was a corollary to the problem of communist insurgency.

While President Corazon Aquino was on the horn of a dilemma in handling the challenges, she could make out the poor economic condition as the root cause of all the problems for which she looked forward to the aid and


assistance of the United States — the age-old unequal friend of the Philippines.

However, a critical evaluation of the US responses to the daunting problems of the Philippines showed its profound concern towards its special ally. But the question would arise why the United States was so much interested in lending its support in ameliorating the problems of the Philippines?

The Clark Air Base and Subic Naval Base — the two vital bases of the United States were situated in the Philippines. These bases were considered as very important for the global and regional strategy of the United States in the Asia-Pacific. They served as a 'checkpost' for the United States to keep vigil on the political, economic and security developments of the concerned region.

Stressing the importance of the 'Bases' for the United States, Assistant Secretary of State for East Asian and Pacific Affairs, Gaston Sigur made a statement before the Subcommittees on Sea Power and Force Projection of the Senate Armed Services Committee. He stated, the Bases guaranteed the following facilities:

Guarantee the external security of the Philippines and represent our most significant contribution to the U.S.-Philippines mutual defence pact; support our wide-ranging commitments all along the Asian littoral, including our security commitments in Korea, Japan, and Thailand and important national
interests in the Persian Gulf -- the geostrategic location of the Philippines is unsurpassed with regard to meeting there vital national security commitments; and offset the expanding Soviet military presence at Cam Ranh Bay and, as a consequence, preserve the stability of Southeast Asia by securing the vital South China sea lanes against the ever-increasing Soviet threat.\textsuperscript{72}

Thus, the US administration did not want to run the risk of sacrificing its bases at the altar of Philippine instability. But after the Aquino administration assumed power, the 'Base issue' came to symbolize the subordinate status of the Philippines in the eyes of nationalists. The communists viewed the presence of US bases as the encroachment of Philippine sovereignty. The internal instability caused by the inherent problems and exploitation of jingoistic sentiment of the Filipinos by the communist insurgents posed a great threat to the very existence of the bases. The issue was required to be handled carefully by the Aquino administration as well as the Reagan administration during the Base agreement signed on 17 October 1988.

The agenda of the Agreement encompassed the following: "guarantee of unhampered military operations for the United States, the implications of a nuclear-free provision in the

Philippine Constitution, ownership and removal of improvements within the bases, socio-economic problems related to base operations, and a compensation package for the remaining years of the agreement".73

President Reagan expressing his satisfaction on Base Agreement Review sent a letter to President Aquino in which he wrote:

I am pleased to note that the Military Bases Agreement Review confirmed that the Agreement continues to meet our mutual needs and interests. I believe that this review has again underlined the close and historic ties linking our two countries, and will contribute further to strengthening the peace and security of the Western Pacific region.74

Following the agreement, the United States promised to provide $962 million in security assistance, $400 million in Military Assistance, $320 million for Economic Support Fund, $192 million for Development and Food Aid and $50 million assistance for Housing Investment and Guarantees.75


75 Ibid. Also see, Congressional Quarterly Weekly Report, vol.46, no.43, 22 October 1988, pp.3050-52.
While the protection of the Bases was the immediate concern of the United States to achieve its long-term goal in the region, their protection in turn, was very much intertwined with a stable Philippines. Thus the United States got an important stake in the success of Aquino administration in politico-economic sphere. To achieve its purpose, the Reagan administration chalked out a number of policy goals which can be enumerated as follows:

To forge stronger links with the new generation of the Philippines leaders; To maintain a continuing and close defence relationship with the Philippines; To support Philippines initiatives designed to enhance the effectiveness and professionalism of the Philippine Armed forces and to assist Philippine public and private sector efforts to restore economic prosperity to the country.  

The Philippines was suffering from peculiar Third World problems viz., ailing economy, communist insurgency and armed rebellion, which were not expected to be resolved in immediate future. So to resolve its problems the Philippines relied on US support which in turn, would not allow its former colony to fall prey to communism by keeping an eye on its stability. This was the reason behind the US backing of President Corazon Aquino’s government in the Philippines. But here it should be noted that US support to Aquino administration was very much spontaneous.

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There was no squabbling over the issue of backing the Philippines among the members of the US Congress and Executive as had been noticed during US support for Marcos administration. The passing of the "Joint Resolution - 732" by the Congress to grant an additional amount of $200 million in an emergency assistance to the Philippines during Aquino's visit in September 1986 was the shining example of a decision by the Congress and Executive in unison.

The United States was distancing from the basic principle of the democracy by backing an autocratic regime of former President Ferdinand Marcos which in turn enraged the members of Congress in particular and American people in general. But after the historic revolution of 1986, there was no reservation on the part of the Congress in supporting Aquino administration as she had been swept to power by the people. So the gap between the theory and practice of supporting democracy got bridged and consequently, the Reagan administration's proposals sailed through US Congress very smoothly and steadily. The new role of the United States was reflected in President Reagan's statement: "Our hearts and hands are with President Aquino and her new government as they set out to meet the challenges ahead."\(^7\)

\(^{77}\)Ibid., p.29.