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PAHAYAGAN NG PARTIDO KOMUNISTA NG PILIPINAS  
PINAPATNUBAYAN NG  
MARXISMO-LENINISMO-MAOISMO

# Bayan

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## Editorial

# Expand and intensify the revolutionary struggle!

**T**he crisis that is turning the entire world capitalist system inside out provides clear-cut affirmation of the correctness of the Party's revolutionary line. It proves that there is profound basis and urgent need for armed revolution in the Philippines and other semicolonial and semifeudal countries.

Daily developments themselves expose the emptiness of imperialist "globalization" and dispel the illusion that it is possible to escape the country's basic problems through national and class collaboration. The broad masses of the people are being driven to extreme desperation by the wickedness of neocolonialism and semifeudalism; they have no other recourse but their own struggle.

Under these circumstances, the Party and revolutionary movement's most urgent task is to expand and intensify the people's democratic revolution. We must intensify the anti-imperialist, antifeudal and antifascist struggle and in line with this, advance the armed struggle, revolutionary mass movement and national united front to a higher level.

This means, first, to boldly arouse, organize and mobilize the masses for revolution. It is possible and necessary to surpass the previous level of mass organizing and mobilization in order to reach and lead the people in their millions. We are now at the level of a few tens of thousands of cadres and activists at the core of a few hundreds of thousands of organized masses leading a still broader mass of people, bigger in number by severalfold. Conditions are extremely favorable for us to further expand these to more tens of thousands at the core of more hundreds of thousands of organized masses. After which, we must resolutely go for hundreds of thousands who are at the core of millions of organized forces in order to win over and lead many more millions of people for the revolution.



Achieving this requires developing to a much higher level the Party and revolutionary movement's work and capability in organizing and propaganda. The Second Great Rectification Movement has fired the enthusiasm of cadres, fighters and activists for mass work. But there remain many lapses and weaknesses in our conduct of mass work, especially with respect to organizing which tends to get bogged down at a low level and in propaganda work, which tends to be narrow and sporadic rather than sustained and truly broad in character. We have to bear in mind that—despite the fact that past peak levels in scope are rapidly being replicated or even surpassed in advanced and growing number of guerrilla fronts — we have yet to reach out to a still bigger number of barrios, not to mention communities, factories and schools in urban areas.

Different forms of revolutionary resistance by the people should be daringly expanded and intensified. In times of great crisis and intense mass unrest, the very act of initiating, expanding and advancing the people's struggles comprises the most effective way of arousing and organizing them. So long as the masses are aroused and encouraged to participate in struggles, building and strengthening mass organizations and the expansion of the Party and other underground revolutionary organizations can be further accelerated.

In more areas, our capabilities are woefully inadequate compared to the masses' readiness and enthusiasm for organization and struggle. Various ills that are manifestations of crisis and intensified imperialist, feudal and semifeudal exploitation fester and cry out for immediate action. These should be promptly addressed and the masses firmly led in collective resistance, in accordance with the line of people's democratic revolution.

We must determinedly expand and intensify extensive and intensive guerrilla warfare. The forces and guerrilla fronts of the NPA are spread nationwide; recovery, expansion and consolidation of the mass base are vigorously advancing. Intensifying atrocities that condemn the broad masses to a worse state of servitude demand appropriate response through the intensification of revolutionary armed struggle. Even as the masses are mired in poverty, the corruption,

puppetry and greed of the reactionary ruling classes go on unabated, so with the return to power of the worst minions of the fascist Marcos dictatorship.

According to the level and principles of extensive and intensive guerrilla warfare based on an ever-expanding and an ever-deepening mass base—it is the duty of the Party and people's army to intensify the armed struggle, inflict many more body blows and harder head blows against the reactionary system and firmly put the armed struggle at the forefront of the people's struggle. While persevering in advancing and strengthening the various forms of legal and illegal unarmed struggle, we must firmly ensure the continued expansion and strengthening of armed struggle, agrarian

revolution and mass base-building in the countryside because it is the latter that are decisive in the sustained accumulation of strength and the advance of people's struggles along the correct revolutionary direction.

We must also expand the revolutionary united front. We cannot expand and strengthen the revolutionary movement in a vigorous and sustained manner if we do not build the broadest unity and cooperation with the broadest range of progressive and democratic forces and elements. The vigorous expansion of the allied organizations of the NDF more than anything ensures the sustained expansion and strengthening of the united front. At various levels, in the legal and illegal arenas, they are making excellent progress in bilateral and multilateral linkages, consultation, coordination and cooperation with other forces from the middle classes, and so with elements of the reactionary classes who are ready to deal with the revolutionary movement, even temporarily, in a positive way.

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## **CONTENTS**

Expand and intensify the revolutionary struggle.....	1
Hail the 30th anniversary of the CPP.....	2
Capitalist system in crisis .....	4
Call from Ilocos-Cordillera.....	8
Cordillera People's Democratic Front.....	10
Prospects of the revolutionary workers' movement.....	11
Crisis in the countryside.....	15
Godfather of land reform? .....	16
Advance of agrarian revolution in Southern Luzon.....	17
Samar: Persevering in the rectification movement.....	19
Contras: In an advanced state of disintegration.....	20
New Trotskyite Group.....	22
Magdangal-Bill-Olive clique: New revisionist bandit group.....	23
News.....	24

# Hail the 30th anniversary of the Communist Party of the Philippines!

**P**arty Cadres and members and the revolutionary masses celebrated last December 26 the reestablishment of the Communist Party of the Philippines (CPP). Gatherings big and small that featured education and cultural presentations were held in the more than 80 guerrilla fronts and in hundreds of urban communities. Underground groups assigned to special lines of work also launched celebrations, as with comrades overseas.

Discussed were the brilliant victories of the Party in leading the revolution for the past 30 years, especially since the Second Great Rectification Movement was launched. The most prominent subject dealt with clarifications on how to daringly expand and strengthen the Party and the revolutionary movement in the face of the very grave crisis of the capitalist system and the local semicolonial and semifeudal system. Another leading subject concerned the reaffirmation of our stand for and promotion of Marxism-Leninism-Maoism and the general line of people's democratic revolution.

Comrade Armando Liwanag, chair of the Party's Central Committee, issued his statement entitled "Hail the 30<sup>th</sup> Anniversary of the Communist Party of the Philippines!" Comrade Liwanag clarified in broad but concrete terms the Party's major victories, the current international and national situation, the current situation of the Party and movement, and the tasks of the Party, including the long-term tasks of the people's democratic revolution.

The Party received greetings and messages of solidarity from more than 50 Marxist-Leninist parties and organizations from different global regions. The messages were one in acknowledging and lauding the victories of the Second Great Rectification Movement, the steady resurgence of the Party and the revolution, and the significant contributions of the Party in advancing Marxism-Leninism-Maoism, in struggling with modern revisionism, in critiquing imperialism, particularly the neoliberal and international crisis these have created, and in advancing the regrouping and restrengthening of proletarian revolutionaries the world over.

In his message, Comrade Armando Liwanag hailed the CPP as the advanced detachment of the working class

guided by the universal theory of Marxism-Leninism-Maoism. Through 30 years of persistent, heroic and colorful revolutionary practice, the Party has been able to build its leadership and that of Marxism-Leninism-Maoism over Filipino workers and the new-democratic revolution against imperialism, feudalism and bureaucrat capitalism.

Revolutionary martyrs, fulltime and local Party cadres and members, Red commanders and fighters, activists and militant members of mass organizations, allies and the broad masses of the people were saluted and honored. It is their hard struggle and sacrifices that have made it possible for the national-democratic revolution to continue reaping victories.

Comrade Armando Liwanag comprehensively analyzed from the Marxist-Leninist viewpoint the unprecedented world crisis, changes in the condition and operation of imperialism and their implications on the resurgence of proletarian revolution. He demonstrated that the international crisis has aggravated the socio-economic crisis in the country, further accelerated the degeneration of the reactionary ruling system and further intensified rivalries within the ranks of the reactionaries.

He described the revitalization of the forces of the revolution consequent to the Second Great Rectification Movement. He called for the exertion of the utmost effort to advance revolutionary work and struggle and resolutely further the long-term tasks in the struggle drawn from the ten-point general Program for a People's Democratic Revolution.

In his summing-up, he firmly declared that: "The Party is confident that Mao's theory and practice of continuing revolution under proletarian dictatorship shall guide it in consolidating socialism, combating revisionism and preventing capitalist restoration until the people of the whole world shall have defeated imperialism and made possible the realization of the ultimate goal of communism." **AB**

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BUILD ITS LEADERSHIP AND THAT OF MARXISM-LENINISM-  
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Linking with and leading the broad masses of the people, the people in their millions, necessitates creative and flexible advance and coordination, directly and indirectly, of the various forms of struggle, and various levels and types of linkages with the broadest possible range of progressive classes and forces in society. There are but tiny grouplets of pseudoprogressives who noisefully try to grab the public's attention and pretend to be progressive—but only to poison the minds of the people and advance the “third force strategy” of US imperialism of sowing intrigue and splits within the Party and the revolutionary movement.

We have gone through situations like the one we have now, pregnant with possibilities for rapid and great advance. There were times like those that prevailed before fascist martial rule was imposed when we effectively promoted our revolutionary line and successfully transformed the favorable conditions and the people's fervor into long-term gains and the advance of the revolution. There were also times like those that prevailed in the first half of the '80s, when we loosened our hold on our revolutionary line, got overwhelmed by the great possibilities and were swept away by grave deviations that led eventually to unprecedented damage and reversals. We must firmly hold on to lessons drawn from the positive and negative experiences of the past.

Even as we seize opportunities and boldly advance the struggle, let us further strengthen the Party and further raise its ideological, political and organizational level. In times of great struggle, there is greater need for daring and resolve, but likewise for a tighter grasp of and greater clarity regarding revolutionary principles. **AB**

# Capitalist system in crisis

**I**n the past year and a half, a very intense crisis in production, finance and trade engulfed many countries and entire global regions one after the other. The storm first hit Asia and Japan in the first half of 1997; hammered Russia next in the third quarter of 1998, and caught up later with Latin America, Eastern Europe and South Africa.

The US and European economies, while registering positive but very moderate growth rates, continue to slow down. Moreover, with other parts of the world either wallowing in depression and recession or deep into stagnation, there prevails, on the whole, a global recession. Contraction of production is most severe in East Asia – which before 1997 was the fastest growing region – and Russia which nose-dived into a deeper pit. The US and European economies are themselves repeatedly convulsed by intense stock market and financial troubles and continue to be pulled down.

This is the most serious global economic crisis of the last 50 years. It is unprecedented in terms of scope and the rapidity by which it has spread, as well as by the steep declines in living standards of countries and peoples. The breadth and depth of the damage it has wrought on countries and peoples are believed to equal or even surpass those of the Great Depression of the 1930s.

In Asia alone, the meltdown of trillions of dollars of stock market and bond capital, aside from the more than US\$260 billion in losses in corporate

equity, occurred in only a few months. Central bank reserves were depleted by the hundreds of billions of dollars in a futile attempt to defend currencies under speculative attack. Hard-earned savings evaporated, incomes drastically deflated and millions of people thrown out of work. The basically backward and semifeudal character of the so-called “emergent markets” was brought to the fore.

The overwhelming majority of countries have not even benefited from the temporary growth brought about by increasing shares in the export of low- and medium-value added manufactured goods and the massive inflow of foreign portfolio investments. They have long been suffering from the almost two decade-old debt crisis and contraction of the global market for raw material exports. The present crisis not only dims their hopes of recovery. It also buries them deeper in poverty.

The crisis persists despite attempts by the international bourgeoisie and their drumbeaters to belittle it and prematurely declare its end. Stormwinds continue to gather for an even more violent supertyphoon. The signs forebode the further intensification of crisis, dislocation and devastation.

The following discussion focuses on the three most prominent features of this crisis:

## Overproduction

In essence, the main disease that is ravaging the real economy of the global capitalist system is the severe and worsening imbalance between excess capacity in production and shrinking markets. Overconcentration of capital and overaccumulation of productive capacity go on at such a

rapid and high rate while the base of global mass consumption suffers from drastic and massive contraction. In various sectors of industry, agriculture and services, there is a large and increasing disproportion between supply and demand.

Another marked result of overproduction is the emergence of the problem of deflation: the general fall in prices due to slackening sales, together with the sudden fall in profits, trade and production. This is similar to the deflation that triggered the Great Depression of the 1930s. Japan and Asia are suffering from deflation due to the sudden contraction of the domestic and global markets for their manufactures and the depletion of available loans and financing – especially for small and medium-scale companies in Japan, but also for the largest companies in other parts of East Asia. The main branches of industry in the US and Europe are also troubled by weak sales, shrinking markets and falling rates of profit.

From 1992 to 1995, the Japanese government spent \$535 billion to pump-prime the economy which has been sluggish since 1990. In 1998, another \$120 billion was poured in, raising the budget deficit to 10% of total domestic production. But private consumption decelerated more rapidly, thus causing Japan's full descent to recession. Production is running at 65% of capacity, unemployment has, for the first time reached 4%, and yet the inventory of companies continues to rise, reaching 12% of sales, which is twice the previous record high.

In the global car industry, the rate by which production has outstripped the market is three times that which prevailed in the '70s. It is expected that by the year 2000, global overproduction of cars will reach 23 million, greater than the overall sales in North America, the biggest market of cars.

The economic meltdown in East Asia, the region reckoned to be responsible for half of the expansion in global production and two-thirds of the expansion in global trade in the past years, is a crushing blow to the international market. From mid-1997, the price of all agricultural and mineral commodities fell by 30% — and reached its lowest levels in more than 25 years. The impact of this on backward countries that rely on raw material exports will be extremely painful.

The annual growth rate in industrial capitalist countries in the present decade is just above 2%, far below the average rate of 5% in the '50s and '60s. To raise the rates of profit in a period of slow growth and shrinking markets, capitalists have resorted to all-out cost-cutting, restructuring and reengineering. This includes the extensive use of computers and high-technology, massive reduction in employment, and gigantic corporate mergers and acquisitions.

The dominance of the neoliberal policies of deregulation, privatization (easing controls over private business) and anti-inflationary bias has enabled monopoly capital and the financial oligarchy to implement such schemes. While the concentration, operation and expansion of monopoly capital are given free play and encouraged, there have been relentless attacks against so-called inflationary wages and cost-cutting measures to “shave the fat” off government spending by reducing the number of public employees and funds for public service and social benefits.

The result is job-killing growth, the swelling of unemployment up to 35 million in industrialized countries, a drop in real wages and incomes of common people, and continuing and rapid contraction of the base of mass consumption in capitalist countries.

There is also further intensification of the concentration of capital and monopolization of finance, production and markets by ever larger but ever fewer monopoly corporations: “Winner-takes-all” and “second placers are losers” are the now the predominant rules in big business. High technology has further increased the rate of concentration and centralization of capital, as well as the turnover of production, trade and commerce and the obsolescence of otherwise perfectly running factories. Financial manipulation and overborrowing have also further accelerated the aggressive expansion as well as accumulation of capacity well beyond the capability of the market.

The inventory of unsold goods has increased rapidly. Unprofitable buildings and machineries are piling up. Despite the scope and severity of destruction already wrought by the current crisis, this is just the start of a major upheaval in the crisis-ridden capitalist system. Running down the overcapacity will necessitate more and greater storms of cataclysmic proportions.

### **Financial and currency crisis**

The sudden and steep devaluation of currencies in East Asia and, later, in Russia – followed by the destabilization and virtual stoppage of entire economies, characterize the current crisis and result from the free flow of portfolio investments and finance demanded by the global financial oligarchs. Since the crisis erupted, the value of the Indonesian rupiah has fallen by 80% against the dollar, and the Korean won and the Thai baht by 40%. Such devaluation involves the depletion of loans and investments, sky-high interest rates, widespread bankruptcies of companies and businesses, sudden drops in production and trade and stampeding hyperinflation.

The liberalization and deregulation of the inflow and outflow of foreign investments and profits, and the pegging of local currencies to the dollar are IMF-WB prescriptions to neocolonial and dependent countries to attract foreign investments which are expected to be the main source of financing for export-oriented production. On the other hand, the World Bank sold the concept of “emerging markets” (markets outside established financial centers) to banks and Western investors and provided the seed fund for expanded investments in bonds, real estate and the stock markets of such economies.

Profits from such investments in East Asia reached up to 42% in 1988 and 98% in 1989 and set the “emerging markets” on flight and created a mad rush starting in 1993 that suddenly inflated the stock, bond and real estate markets of East Asia, reaching a peak in 1996 when \$93 billion flowed into South Korea, Indonesia, Thailand, Malaysia and the Philippines, thus giving “globalization” a miraculous shine.

Since 1994, however, exports have lost steam and trade and current-account deficits have worsened resulting largely from the loss of their price advantage after China launched its export offensive and devalued its currency and the Japanese yen fell in value. The stream of speculative and portfolio funds in the following years concealed the worsening deficit, overvalued the local currency and created a massive bubble of borrowings and financial speculation.

When George Soros and his cabal of speculators attacked in 1997, currencies in East Asia were drastically devalued in a few weeks and more than \$100 billion in the regions’ central bank reserves were squandered in a failed attempt to defend their currencies. There was a net withdrawal of foreign funds reaching \$12 billion from South Korea,

Indonesia, Thailand, Malaysia and the Philippines. In a year, \$105 billion flowed out (\$12 billion net outflow in 1997 coming after a \$93 billion net inflow in 1996), equivalent to 11% of total production in these countries. In the span of a few months, the overall value of stock markets in Asia fell by 60%.

The plunge of currencies and stocks, bonds and real estate markets in East Asia destabilized currencies and stock markets around the world, rocking even the US and Europe and tearing apart the myth of imperialist “globalization”. After a momentary calm in January and February of 1998, currencies and stock markets fell again in East Asia. In September 1998, the stock market fell to its lowest level in 12 years. Because the US and Europe were not drawn into the second Asian meltdown, the notion that the crisis was limited to Asia was already making the rounds, when Russia unilaterally devalued the ruble and defaulted on its debt in August 1998. American and European banks and investors were hit by another and far bigger round of profit losses running to hundreds of billions of dollars which was followed by stock market drops that melted \$4 trillion in financial global wealth.

The extreme volatility of the global financial system is a result of excessive financial manipulation, abuse and speculation while overproduction, shrinking markets and falling rates of profit undermine the real economy. The bubble of borrowings and speculation in the “emerging markets” is a small part of the bubble prevailing over the entire capitalist system. The value of stock market transactions is 30 to 40 times more than the real value of global production. The daily transactions in the global currency market are worth almost \$2 trillion,

while the value of annual global exports is only \$5 trillion. Due to the unprecedentedly large speculative bubble prevailing over the financial market, financial instruments have acquired a life of their own as evidenced by the continued rise of Wall Street stock prices even as profits and sales of listed corporations are

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**WHILE THE CONCENTRATION, OPERATION AND EXPANSION OF MONOPOLY CAPITAL ARE GIVEN FREE PLAY AND ENCOURAGED, THERE HAVE BEEN RELENTLESS ATTACKS AGAINST SO-CALLED INFLATIONARY WAGES AND COST-CUTTING MEASURES TO “SHAVE THE FAT” OFF GOVERNMENT SPENDING BY REDUCING THE NUMBER OF PUBLIC EMPLOYEES AND FUNDS FOR PUBLIC SERVICE AND SOCIAL BENEFITS.**

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declining. This bubble is kept afloat by sustaining and continually increasing the flow of funds that are wagered at the giant wheel of speculation. And to sustain such a flow, various, interrelated and overlapping levels of transactions, instruments of purchase and sale and statistical sleight-of-hand, estimates and forecasts are employed to siphon people’s savings, and funds and reserves of governments and all other types of private and public institutions in all parts of the world. Aside from institutionalized speculators that are based in giant commercial and investment banks, stock brokering firms, insurance companies, etc. – the bourgeois mass media, paid academics, officials of imperialist governments and international institutions such as the IMF-WB are involved in conjuring and bloating this bubble. This is commonly called pyramiding and swindling when done by humbler folk.

Soros is just a particular kind of speculator who is typical of financial operators in the global centers of

finance. He operates together with the largest banks and other financial giants in New York, London and Tokyo, raking in profits as they move in or out, running after billions of dollars of superprofits with every fluctuation in market prices, with every inflow and outflow of funds wagered in whatever market that is currently flying high or in free fall. In fact, during the fall, it was still the representatives and personnel of these financial oligarchs who cooked up the “bail-out packages” and continued to earn huge fees and profits as partners of the IMF in the implementation of “recovery programs”.

## Debt Crisis

The entire global capitalist system is swimming in an ocean of debt that progressively deepens and widens as the probability of repayment becomes increasingly nil. This global crisis resulting from the unsurpassed abuse of the credit system is a major source of the financial oligarchy’s billions of dollars of superprofits, and has, at the same time, been a major cause of the instability of the financial system for the past two decades and resulted in the past two years in a debt deflation that severely hinders the flow of financing and further aggravates depression in large parts of the world.

The debt crisis of backward countries erupted in the early ‘80s when Mexico threatened to stop servicing its foreign loans, sending shockwaves throughout the banking system of capitalist countries. Prior to this, global banks encouraged lending to governments of backward countries because they were awash with uninvestable funds due to the stagflation prevailing in the West. A large portion of the loans was wasted in corruption, in the reactionary ruling classes’ luxury spending, in funding militarization and counter-revolutionary wars and other unproductive expenditures such as projects and extravaganzas to entertain

tourists. When the global market for raw material exports began imploding in 1979, many of the countries that borrowed large amounts lost the capacity to continue servicing their debts.

It was at this point that the IMF-WB started playing the role of debt collector for giant commercial banks and Western governments, and imposer of conditions and “structural adjustment” programs which ruthlessly ripped apart the economic, trade, financial, tax and budgetary policies and structures of debt-ridden countries. Backward debt-burdened countries were compelled to carry out belt-tightening measures, sell the “family jewels” at bargain prices, agree to the deterioration of already primitive

foreign debt of backward countries was almost \$600 billion. This reached \$1086 billion in 1986, \$1419 billion in 1992 and \$2000 billion by 1995 (including the debt of the former Soviet bloc countries). From 1980 to 1992, the overall payment made on the debt principal (\$891 billion) and interests (\$771 billion) was three times more than the original debt in 1980. Yet in the end, the sum of unpaid debt is still one and a half times greater than the original amount. Like a peasant under the yoke of a loan shark, these backward countries are forced to borrow at higher interest so as to amortize the old debt. Since 1984, governments of debt-ridden countries have paid more than they have received in new loans and assistance from the rich nations’ governments and

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**ASIDE FROM INSTITUTIONALIZED SPECULATORS THAT ARE BASED IN GIANT COMMERCIAL AND INVESTMENT BANKS, STOCK BROKERING FIRMS, INSURANCE COMPANIES, ETC. – THE BOURGEOIS MASS MEDIA, PAID ACADEMICS, OFFICIALS OF IMPERIALIST GOVERNMENTS AND INTERNATIONAL INSTITUTIONS SUCH AS THE IMF-WB ARE INVOLVED IN INFLATING AND FLOATING THIS BUBBLE. THIS IS COMMONLY CALLED SWINDLING IN THE EVERYDAY LIFE OF COMMON PEOPLE.**

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social services, the sacrifice of food production and other basic needs of the people, the tightening control by foreigners of all important aspects of the economy, and to follow all impositions on deregulation and liberalization in favor of foreign capital – just so as to repay their debts. Whatever wealth and progress the debt-ridden countries have mustered in the past decades have been sacrificed, their people driven into greater privation. Large parts of the world were ravaged by famine, epidemics and ethnic and religious strife. Yet despite all this, instead of falling, total debt has risen further, and the debt crisis has not eased but worsened.

When the crisis began, the total

commercial banks and the IMF-WB. The net result of official transactions has been an outflow, not an inflow, of funds.

While the old debt crisis of backward countries persists, the crisis in Asia has exposed a new aspect of the international debt crisis: the mountains of debt of private companies that pose an even bigger threat to the whole global financial system. During the time of the bubble and the mad rush of private banks and business firms for a larger share in the fantastic profits from the “emerging markets”, there was a flood of cheap loans which were taken advantage of by companies that borrowed heavily to aggressively expand their market share. This

# Overcome obstacles!

## Advance in an all-round way!

*The Ilocos-Cordillera Region held its conference in a guerrilla zone in Northern Luzon in July 1998.*

*The objectives of the conference were to advance the overall consolidation of the Party, complete the rectification movement and address problems critical to the sustained advance of the revolutionary movement in the region. The summing-up documents of Ilocos and Cordillera were ratified and the objective conditions of the two regions analyzed. Issues regarding the nature and organization of the CPDF were resolved. The revolutionary line on minority peasants was deepened. The conference also addressed the need to wage agrarian revolution. A new leadership was elected and a three-year program of action for the merged region was adopted.*

*The following article is based on the documents "Three-Year Summing-Up of Political Work" and "Program of Action of the Ilocos-Cordillera Regional Party Organization" for 1999-2001, which were drafted and ratified by the conference.*

In the past four years, the Ilocos-Cordillera region has been able to achieve small but significant victories in Party and political work both in the countryside and urban areas. The Party and revolutionary movement in the region have reached a level of consolidation and revolutionary vitality. The initial momentum gained in the performance of various revolutionary tasks was cited.

The Second Great Rectification Movement saved the region from utter destruction. Major errors and »

further speeded up and intensified the accumulation of overcapacity and the crisis of overproduction. When the bubble burst, it left in its wake a huge pile of bad loans.

In East Asian countries which were worst hit by the crisis, the loans of a typical company listed in the stock market are estimated to be 400% to 600% of their capital. The amount of bad loans is equal to 50% to 100% of the overall produce of many countries in the region. The banking system in the countries seriously hit was crippled because a large part (20% or more) of their loans to real estate, construction and other private firms could not be paid.

The extremely heavy debt burden cripples not only the banks but entire economies as well. This burden is made heavier by the mountain of bad loans; banks are completely dependent on external funding for the hundreds of billions of dollars required to recapitalize and resume lending. But they can only borrow at rates three times more than those prevailing before the crisis. It remains uncertain whether anyone is ready to provide credit because there is an intensification instead of an attenuation in the overall decline of investments and loans. The overall inflow of direct foreign investments to "emerging markets" fell to \$186 billion from \$300 in 1996, and is expected to drop further to \$119 billion in 1999. Moreover, the entire credit system has been overextended by efforts to put out the conflagration that continues to grow and spread rapidly.

Japan is also saddled by an intense debt crisis. The

bad loans of Japanese banks are estimated to reach \$600 billion. They have lent more than \$270 billion to Asia. Some believe that the Japanese bad debt problem may be twice as bad as what is reported. Fourteen of the 21 largest banks in Japan (including some of the largest in the world) have excessively high rates of bad loans. The US government is pushing the Japanese government to quickly solve the banking crisis because this is a major reason for the continued contraction of private investments and loans in Japan. The danger goes beyond Japan since despite the crisis, Japan remains the largest creditor country.

The loans of European banks to Asia are equivalent to 49% of their total capital. This already has dire consequences, but its impact is less compared to the blow inflicted on them by Russia's debt default, the closure of its principal banks and the resulting capital flight in widespread parts of the world. US banks which thought they had avoided the intense credit crisis in Asia were jolted even more violently by the Russian crisis and are threatened with a direct hit by the Latin American storm. A large percentage of the loans of global banks have lost all chance of being repaid; this will slash a large chunk of capital from the entire banking system and will cause the fall of even the largest banks. At the same time, the debt crisis will deepen and prolong further the dislocations in production and sow even greater terror the world over. **AB**



deviations from the Marxist-Leninist-Maoist line in the ideological, political and organizational spheres and in the conduct of the Philippine revolution were overcome.

Nonetheless, the region has encountered many other major problems as well as obstacles to its sustained and all-round advance. This has to be resolved and overcome. It is also necessary to determine the direction of the Party and the revolutionary movement's expansion and consolidation and to further improve the disposition of forces in the entire region.

### **Strengthen the Party**

The factors necessary to further develop the initial gains achieved in the past few years exist. The rectification movement in the region has to be completed in order to strengthen the Party in an all-round way.

In comprehending their own errors, Party cadres and members in the region have further tightened their embrace of Marxism-Leninism-Maoism. The conference issued a call to further raise the level of theoretical knowledge, especially of Party members in the basic levels. Implementing the three-level Party course serves as a weapon in effectively advancing revolutionary work.

Comrades have repudiated opportunist lines which wrought havoc on the movement in the region. In the realms of theory and practice, it is necessary to continuously eradicate the roots of the serious disorientations of the past. Even minor manifestations of militarism and insurrectionism must be resisted. Other forms of reformism, indigenism and localism must also be thoroughly vanquished.

The region bears distinction in having successfully defended the

Party against splits and factionalism. Nonetheless, the significant damage wrought by disorientation has yet to be fully overcome. There is need to rapidly increase the number of Party members who will shoulder expanding tasks. The formation of the Ilocos-Cordillera regional Party organ is a step towards the continued strengthening of the Party.

### **Arouse, organize and mobilize the people for national democracy**

The anti-imperialist, anti-feudal and anti-fascist mass movement that consolidates the people's revolutionary strength is gaining strength in the region. To further its advance, there is need to ever firmly and creatively merge the national-democratic line with the particularity of Ilocos and Cordillera.

In the Cordilleras, there is need to stress the issue of national oppression and the state's grabbing of ancestral lands from minority peoples. Revolutionary work among the latter should focus on their right to self-determination and for democracy.

In Ilocos, the operations and actual conspiracy among landlords and warlords must be exposed and resisted. They dominate reactionary politics and control the production and marketing of agricultural products. They are also the brains behind syndicates involved in smuggling, illegal gambling, drug trafficking and prostitution.

Antifeudal struggles must be advanced and the other demands of the basic masses of Ilocos achieved.

In Ilocos, the operations and actual conspiracy among landlords and warlords must be exposed and resisted. They dominate reactionary politics and control the production and marketing of agricultural products. They are also the brains behind syndicates involved in smuggling,

illegal gambling, drug trafficking and prostitution.

Antifeudal struggles must be advanced and the other demands of the basic masses of Ilocos achieved.

### **Consolidate the NPA and advance the armed struggle**

It was the New People's Army in Ilocos and Cordillera that weakened and bore the brunt of the damage wrought by the errors and deviations of the past. The Army has repudiated these errors and is now restrengthening itself. Despite the fact that the Army is still small, Red fighters are overcoming all major obstacles.

Mass work in the countryside is gaining strength. The Party has called for the implementation and creative application of the agrarian revolution's minimum program to further develop the revolutionary peasant movement.

There is need to strengthen the people's will to participate in the armed struggle and raise the military capabilities of the NPA to launch tactical offensives.

All NPA units and Party organs shall give their utmost attention to the campaign for the mass recruitment of Red fighters. A strategic program is being drafted to resolve problems related to recruitment. Meanwhile, tactical measures are being undertaken to expand the ranks of the NPA.

### **Further strengthen the mass movement in the countryside and urban areas**

There has been a slight increase in the number of organized masses and revolutionary organizations in the guerrilla zones this past year (1997-98). There is need to consolidate, determinedly strengthen and expand the existing guerrilla zones and strive to add to their number.

Problems blocking the invigoration of the militant mass movement in the Cordillera and Ilocos countryside must be decisively overcome. Conditions favorable to the consolidation and expansion of guerrilla zones and bases and the growth and strengthening of the people's army shall be created.

The revolutionary forces must be developed and revolutionary work and struggles must gain momentum



in town centers. The latter shall provide political and organizational support to the guerrilla zones. In the town centers, attention shall be given to strengthening and advancing the peasant and fisherfolk movement alongside organizing the middle classes.

The mass movement in the cities shall be strengthened in a sustained manner. At present, it is the workers, semi-proletariat, youth and students and teachers who are at the core of the urban mass movement. These

sectors must be linked to other sectors such as women, national minorities and various groups from the lower petty bourgeoisie and the middle forces. The revolutionary united front in the region shall be expanded from its present composition.

CONDITIONS IN THE REGION and in the entire country are extremely favorable to the further advance of the revolution. In order to take advantage of this situation, the revolutionary movement in Ilocos-Cordillera shall strive to overcome obstacles and advance in an all-round way. Guided by the Second Great Rectification Movement, the rapid advance of the revolutionary movement in the region is a certainty. **AB**

**The conference of the Ilocos-Cordillera merged region held last July further clarified and ratified the nature and organization of the Cordillera People's Democratic Front (CPDF). The conference resolved whatever ambiguity and indecision remained regarding the character of the CPDF as an alliance and established its relationship with organs of political power and mass organizations, especially among the ranks of the minority peoples.**

Minority peoples as a special group were among the major points considered. Regional issues could not be regarded separately from their struggle for self-determination.

Minority peoples are composed of different classes and sectors. Some of them belong to the ruling classes. But the majority, comprising the various democratic classes, are oppressed and exploited.

## Cordillera People's Democratic Front

# Distinct Front of the Cordillera People

The struggle of the minority peoples against national oppression is advanced, primarily within the framework of the revolutionary and democratic front. Meanwhile, the struggle of each democratic class is advanced and upheld, primarily within the framework of the revolutionary mass organizations.

The poor, lower-middle and middle peasants of the Cordillera comprise the biggest sector in the region. Their revolutionary mass organization is the largest one within the democratic front. This organization will encompass peasants from the "interior" part of the Cordillera who advance the anti-feudal struggle in a form and expression particular to the area.\*

## Resolutions

The conference resolved that the CPDF is a revolutionary front that carries and applies the line of people's democratic revolution in the Cordillera. The minority peoples' struggle for self-determination is merged with the Filipino people's struggle for national democracy. In the program for a people's democratic revolution, this is expressed through the recognition of regional autonomy under the central people's democratic government.

This front will be composed of the revolutionary mass organizations of the basic revolutionary forces in the Cordillera (majority of whom are minority peoples but also including

non-minorities). It is a territorial front that encompasses the entire region.

The CPDF will serve as the regional formation of the National Democratic Front of the Philippines (NDFP) in the Cordillera. Like the NDFP, it is consultative, conferential and consensual in nature. Likewise, it will recognize the independence and initiative of each allied organization.

Sections of national revolutionary mass organizations in the region will join the CPDF, and so with the Party and the New People's Army in the Cordillera.

The CPDF will assist in setting up organs of political power. Like the NDFP inside the guerrilla fronts, it shall be distinguished from the seeds of the provisional revolutionary government in the region.

Aside from the CPDF, other regional organizations may be formed within the Cordillera. Likewise, the arena is open for setting up territorial formations of the CPDF lower than the regional level.

The conference also resolved that the first CPDF congress held in March 1989 was legitimate. While it was launched at a time when the revolutionary movement in general was suffering from disorientation, it upheld the Party's leadership, the socialist perspective and the two-stage revolution. All that is needed is to revise the constitution and program of the CPDF to reflect its defined character and its reaffirmation of its basic revolutionary principles. **AB**

*\*This refers to the indigenous farmers in the Cordillera mountains. Agricultural production in these areas is very backward and underdeveloped. The indigenous farmers are currently suffering from intense dislocation and militarization brought about by widespread landgrabbing of ancestral lands by the state and foreign corporations.*

**Prospects of the revolutionary workers' movement:**

## Strengthening towards a new and higher level

**The Second National Conference of the Revolutionary Workers' Movement last September was held to further strengthen the Party's unity on the tasks and policies needed to advance the workers' movement. The eight-day conference was held in a guerrilla zone and led by the General Secretariat and the National Organizational Department. Cadres of the workers' movement in Metro Manila, Northern Luzon, Central Luzon, Southern Tagalog, Bicol, Central Visayas, Eastern Visayas, Panay, Negros, Northern Mindanao, Southern Mindanao and Far-South Mindanao attended the conference. There were observers from Western Mindanao and other Party organs.**

Through the Conference, the principal questions facing the revolutionary workers' movement were resolved. The Conference delegates united firmly on the tasks for invigorating the revolutionary workers' movement nationwide towards a new and higher level.

There is urgency and basis for further strengthening the workers' movement towards a new and higher level.

The acute economic crisis has aggravated the oppression and misery of Filipino workers. To defend their interests and rights, it is necessary to expand and strengthen the collective and militant struggles of the working class.

The basic revolutionary principles for advancing the workers' movement were reaffirmed through the Second Great Rectification Movement. The grave mistakes of the past were also firmly criticized and repudiated— while the all-out demolition campaign of the revisionist renegades was resolutely resisted and defeated.

The Party should take firm hold of its initial victories in revitalizing and reinvigorating the revolutionary workers' movement, using this as the foundation for advancing to a new and higher level.

### **The principal issues facing Filipino workers**

It is the policy of the Estrada regime to continue and even surpass past efforts to open up the Philippine economy to imperialist "globalization". Foreign monopoly capitalists continue to relentlessly plunder the country's economy. The interests and rights of the people, especially those of the workers and peasants, are also ruthlessly attacked.

In the name of the slogan "manggagawang world-class", Estrada is upholding the policy of maintaining cheap and oppressed labor-power as the principal come-on for foreign investors. Workers are severely oppressed through:

**(a) *Slave wages.*** Already low wages are further depressed. The average minimum wage, according to law, is P160 daily. This is woefully inadequate to cover the cost of providing the daily minimum needs of a family, estimated to be P342.22 (nationwide). Worse, a large number of enterprises (almost 25%, according to a DOLE survey) do not pay the legally mandated minimum wage.

The reactionary government upholds the policy of slave wages in order to gorge big foreign and local capitalists with superprofits. Part of this wage policy involves the ruthless reduction or outright elimination of benefits that should accrue to workers, and of expenditures to ensure their health and a safe working environment.

Workers are squeezed dry, made to work beyond endurance, their minds and bodies ravaged. Yet their families are increasingly deprived of their basic needs. This further results in a precipitous drop in the workers' already miserable living conditions. Prevalent and worsening accidents in the workplace, and in communities, raging epidemics and criminality, addiction to drugs and vices and various forms decadence are just some facets of the hellish existence workers go through.

**(b) *Widespread unemployment and layoffs.*** The presence of an overly large number of unemployed workers is an intrinsic characteristic of the non-industrialized Philippine economy. According to the doctored results of a government survey, as much as 13% of the labor force or 4.278 million are out of work. All things considered, however, more than 20 million or half of the labor force are unemployed.

Hundreds of thousands more are out of work because of the severe crisis. From January to October 1998,

2,000 enterprises closed shop. Many others are reducing their workforce as in the infamous case of Philippine Airlines (PAL) where 5,000 workers were dismissed. All in all, almost 100,000 workers lost their jobs during this period, not counting the thousands of overseas contract workers being repatriated after having been laid off.

**(c) *Contractualization and casualization.*** It is the norm under "deregulation" and "flexibilization" to fire regular workers and replace them with agency-contracted or casual workers. This prevails not only in export-processing zones but in the largest industrial corporations such as San Miguel Corporation. The contractualization and casualization of labor are the principal and among the worst methods of depressing wages, depriving workers of their benefits and rights, imposing stricter labor regulations and busting unions.

It is estimated that for every regular worker in the industry and service sectors, there are six non-regular (contractual, casual, apprentice or part-time) workers. These workers do not have job security, receive lower wages and toil under more oppressive conditions. The employment of contractual workers is used to compel regular workers to accept lower wages and more intolerable working conditions.

**(d) *Widespread and intense attacks on the right to unionize and other democratic rights of workers.*** The "no union-no strike" policy is strictly and harshly imposed in export-processing zones. Workers are cooped up like animals in guarded "dormitories" to block efforts at self-organization. Union members and strikers are blacklisted.

The police and military are utilized to ruthlessly suppress protesting workers. Of the 58 cases of violations of workers' rights recorded from January to July 1998, 53 were perpetrated by the PNP/SWAT and AFP.

There is also widespread criminalization of strikes and other forms of militant collective struggle. Union members and strikers are slapped with trumped-up criminal charges such as in the case of the 300 workers of PICOP industries in Agusan del Norte who struck in January and March 1998. This is to give the police, who are hired goons of big capital, an excuse to attack, arrest and imprison workers.

Estrada enunciated his anti-strike policy at the heels of the PAL strike, even as a number of bills had been filed in the reactionary Congress that would formally illegalize strikes. Amendments to the labor code, especially the Herrera Law (RA 6715) of 1989, have provided capitalists with more legal loopholes and excuses to attack unions and strikes. Meanwhile, a number of anti-worker laws and decrees enacted by the fascist Marcos dictatorship continue to be enforced.

**(e) *Treachery of old and new yellow union leaders.*** In the face of the intensified exploitation and oppression of the working masses, the treachery and betrayal perpetrated by the old and new yellow union leaders become all the more revolting. Yellow union leaders connive with capitalists in deceiving workers about the real nature of and devastation being wrought by imperialist "globalization" and "deregulation". Many yellow union leaders now serve as labor contractors or *kabos*; collude with the fascist military and police in busting workers' strikes and unions; and sell out workers' struggles.

## **Advance of the revolutionary workers' movement and related issues**

There is widespread and intensifying discontent and anger among the masses of workers. The participation of more than 35,000 workers in the militant demonstration last May 1 portends the impending expansion and intensification of strikes and other workers' struggles.

There has been a remarkable increase in the number of strikes. Forty strikes have already been recorded from January to April 1998, equivalent to the number of strikes for the whole of 1997. Strikes involving thousands of workers broke out in large companies such as PAL, PICOP, the Philippine Long Distance Telephone Company (PLDT) and the Light Railway Transit (LRT). These strikes pushed to the fore the issues of contractualization, CBA (Collective Bargaining Agreement) violations and increases in wages and benefits.

The workers' struggle for a P100 increase in the daily minimum wage is advancing nationwide. The reactionary state and yellow union leaders have failed in their attempt to obscure the wage issue, block and divert the struggle for wage increases.

Growing numbers of workers are joining anti-imperialist and antifascist struggles. Thousands joined the protest actions against Ramos' attempt to prolong his stay in Malacañang by amending the constitution. The *Lakbayan Laban sa Kahirapan at Imperyalistang Pandarambong* (People's March Against Poverty and Imperialist Plunder) of October 1997, jointly organized by workers and peasants, gained widespread support. Workers are at the forefront of the struggle against the spiralling prices of gasoline.

Militant and progressive unionism is resurgent. An increasing number of unions are swelling the ranks of militant federations and labor centers because of the desire of the mass of workers to expand their militant unity and struggle. More and more, the bankruptcy of the opportunism and collaborationism of the old and new yellow union leaders and federations is being unmasked.

The rectification movement is vigorously advancing in the revolutionary workers' movement. The twin opportunist line of insurrectionism and economism

has been repudiated and largely eradicated. The dominance of these opportunist lines, especially during the latter half of the '80s, weakened and wrought great harm on the revolutionary mass movement. This period was marked by the serious neglect of the task of raising the workers' class consciousness and Party-building among their ranks; the isolation of the workers' movement from the antifeudal peasant movement in the countryside; overextension and weakening of unions and workers' organizations as a result of adventurist street actions that overstretched their capabilities; and corruption and decadence that had a corroding effect on some sections of the movement.

Guided by the Second Great Rectification Movement and the lessons derived from the summed-up experiences of the workers' movement, the worst errors and shortcomings were overcome step-by-step. The line of the

two-stage revolution and the program for a people's democratic revolution were steadfastly upheld.

The Party was able to steadily strengthen itself in the ideological, political and organizational fields. Party members and worker-activists are energetically studying the summing-up documents of the Party, Philippine society and revolution, the situation of the working class, Marxist political economy and others.

There is continued improvement in the Party's conduct of mass work among workers. The disposition of Party members and cadres, and the organization of Party units and organs and of underground cells within unions, especially among the latter's mass membership, are getting to be more streamlined. Party branches are being organized step-by-step alongside the formation or transformation of unions as basic workers' organizations. This task is rapidly being accomplished especially among workers who have been exposed

to militant unionism.

Relatively large numbers of mass activists are being tempered in the course of advancing the workers' movement. However, there is ample room for expanding and accelerating the organization of underground groups and organizing committees, as well as Party groups and branches among the workers. The expansion of clandestine organizations in factories and communities has long been neglected and hindered by conservatism and the setting of unrealistic standards.

There is particular importance in organizing the



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**UNDER THE PARTY'S  
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semiproletariat in order to effectively address the widespread and worsening problem of underemployment and other facets of poverty.

More and more workers are going to the countryside to participate in the peasant movement and armed struggle. However, there is need to continuously propagate within the workers' movement, courses on the issues of advancing the armed struggle and the antifeudal movement in the countryside. This is to impress on the workers the importance of trekking to the countryside in their numbers.

Organizers are being deployed more systematically in strategic enterprises, in areas where workers are concentrated and in the country's major urban centers. This is significant in the all-sided and nationwide invigoration of the workers' movement.

### **Tasks for the revolutionary workers' movement**

To further advance the revolutionary workers' movement, the militant union movement and the unions' economic struggles should be resolutely expanded and strengthened, and systematically and firmly raised to the level of political struggles in accordance with the line of people's democratic revolution through protracted people's war.

We should continue to grasp firmly the correct combination of consolidation and expansion. Underground Party branches and groups should be continually built and national-democratic and Marxist-Leninist-Maoist education propagated while advancing mass struggles, expanding unions and increasing the number of mass activists. We should actively lead ever larger sections of the masses even as we strengthen our own ranks.

In the coming year, the following tasks should be given attention foremost:

1. Expand, streamline and solidly build the revolutionary workers' movement nationwide under the leadership of the Party.

- a. Increase the number of Party branches and revolutionary workers' unions.

- b. Strengthen the Party machinery for the workers' movement. Produce and train a large number of cadres and mass leaders in the national and local levels.

- c. Give special attention to organizing women and child workers.

- d. Exert all-out effort in developing the workers' movement in regions with a high concentration of industrial workers, including export processing zones.

2. Expand the strike movement to include an ever

growing number of factories and workers. Advance dynamic and potent economic struggles in factory strikes and coordinated area-wide strikes.

The struggle for wage increases and to defend the right to unionize, and the struggle against contractualization and unemployment, privatization and other policies that are oppressive and injurious to workers should be coordinated on a nationwide scale.

3. Continue strengthening alliance work among the working class, semiproletariat, peasantry and other democratic sectors.

4. Strengthen and more effectively utilize capabilities in propaganda and cultural work at the national, regional, provincial and local levels.

5. Mobilize a greater number of workers for political struggles.

6. Vigorously propagate studies on Marxism-Leninism-Maoism and on the principles and line of the national-democratic revolution.

Give particular attention to theoretical studies on the critique of imperialism, neocolonialism, neoliberalism, Trotskyism, revisionism, opportunism and yellow unionism.

7. Systematically develop a large number of worker-cadres for the revolutionary workers' movement, the countryside and other revolutionary endeavors.

8. Increase support to the countryside.

9. Actively contribute to and forge stronger unity with the anti-imperialist struggles of workers and peoples around the world.

### **Outlook**

The Party looks forward to a more rapid invigoration of the revolutionary workers' movement towards a new and higher level. This higher level shall be characterized by the expansion and strengthening of the militant union movement, as well as of the underground Party organizations and revolutionary associations of workers in factories and communities. Their intensifying enslavement and poverty compel workers to defend themselves and fight. Under the Party's leadership, the militant workers' movement will serve as a powerful fortress of the national-democratic revolution. **AB**

# Crisis in the countryside

**The peasant masses are battered by intense poverty. They are besieged by hunger and stricken with various epidemics. Infants, the youth and the elderly die of starvation and disease. Sources of livelihood in the countryside have further dwindled; still, affluence eludes those who migrate to the cities.**

This miserable condition afflicting the peasant masses is further aggravated by policies that are patently pro-imperialist and anti-peasant. To cover up for this, the reactionary state blames droughts and successive typhoons for the chronic crisis in the countryside.

## Anti-peasant policies

The Estrada regime's policies of liberalization, deregulation and privatization perpetuate and aggravate crisis and suffering in the countryside. For the peasantry, this means nothing else but the further concentration of land in the hands of a few and the intensification of feudal and semifeudal exploitation. Foreign capitalists, local compradors and landlords are able to plunder the country's natural and human resources with abandon because of these policies.

The object of the sham Comprehensive Agrarian Reform Law (CARL) enacted by the Aquino regime was to reinforce the monopoly ownership of land. Under the CARL, the biggest local landlords such as the Ayalas, Zobels, Cojuangcos and Enriles were even able to expand their landholdings. In 1985-95, the number of hectares covered by foreign corporations such as Dole, Del Monte and NDC-Guthrie doubled from 75,000 to 166,000 hectares. The CARL did not lay hands on agricultural lands that were to be subjected to land use conversion.

The Cojuangco family used the CARL's provision on "stock-sharing" in 1987 to avoid partitioning Hacienda Luisita. In 1998, Eduardo 'Danding' Cojuangco also employed this scheme. To exempt his haciendas in Negros (totalling 4,361 hectares) from distribution, he consolidated and integrated these into a corporation he owns. Worthless "shares" of this corporation were distributed to farmworkers.

The "stock-sharing scheme" of the Cojuangcos has been made the official model for the "distribution" of commercial farms through the Department of Agrarian Reform's Administrative Order No. 9. As of now, there are about 50,000 hectares of agricultural land all over the country that may be potentially covered by this scheme.

Under the Ramos regime, the issue of land distribution was ultimately abandoned. Certificates of Land Transfer and Certificates of Land Ownership Award that had already been distributed were revoked extensively. Peasant families were evicted from their homes and wide expanses of agricultural lands were bulldozed by foreign speculators and investors in order to build tourism facilities, subdivisions and industrial enclaves.

Worse, laws such as the Land Lease Act (1996) and the Mining Act (1995) were implemented following the dictates of the IMF-World Bank-World Trade Organization. The Land Lease Act allows foreigners to "lease" land in the Philippines

for 75 to 99 years. Similarly, the Mining Act allows 100% foreign-owned corporations to open concessions of up to 100,000 hectares and conduct mining operations for 25 to 50 years.

## Erap's charade

Estrada's government shamelessly pretends to be 'pro-peasant'. Complementing his "pro-poor" stance are his babblings on "land productivity" and "food security".

The "land productivity" being pushed by the Estrada regime involves the further abandonment of land to foreign and local big business. The "food security" line, on the other hand, pertains not to the development of local production for self-sufficiency but the liberalized importation of agricultural products.

The establishment of the Agrarian Reform Communities (ARC) which started under the Ramos regime is one of the Estrada government's current priorities. It attempts to put a "pro-poor" stamp on commercial and export-oriented agriculture that primarily depends on foreign capital and technology.

ARCs designate Key Production Areas (KPA), or communities that specialize in the production of export crops such as pepper, asparagus and cutflowers. To further widen the scope of KPAs, arable lands allotted for palay and corn

# “Godfather” of land reform?

Joseph Estrada acclaimed the “stock-sharing scheme” executed by former Marcos crony Eduardo ‘Danding’ Cojuangco, last October in Negros Occidental. This is “land reform”, he declared. This also shows how superficial the Estrada regime’s understanding—and appraisal—of agrarian reform is.

What Cojuangco did in Negros was not land distribution. He formed a corporation comprising 11 sugarland haciendas covering 4,361 hectares. Land value was assessed and the latter assigned an equivalent minority and minimal share in an agribusiness corporation controlled by Danding.

These properties constitute

such a minuscule part of all the landholdings and business interests of their clan. The land was not even actually distributed to the peasants. The latter have no real voice, no right to decide how to run the business they hold “shares” in. They don’t even have a say on the disposition of the land that supposedly already belongs to them and not to Danding

This scheme used by Danding for his grandstanding is not even a new one. It is merely a copycat of the “sharing and agricultural development model” scheme used by his cousins to deceive the farm workers of Hacienda Luisita in Tarlac.

Under the Aquino regime’s sham land reform law, stock distribution is considered a form of land distribution to enable landlords to escape actual land distribution even

as they pretend to affirm land reform.

In Hacienda Luisita, farmlands were integrated into a bigger agricultural, commercial and industrial corporation and assigned an assessed value equivalent to more than 33% of the shares of stock in the new corporation. Nominally, ownership of the hacienda lands were transferred to the farm workers, making them co-owners of the corporation along with the likes of Jose ‘Peping’ Cojuangco and Corazon Aquino. But their shares were of no use. They could do nothing even as bigger and bigger portions of the hacienda were no longer used for agriculture and converted to real estate, commercial and industrial use; even as they were laid off

production are being reduced from formerly five million hectares to only 1.9 million hectares. In 1997, 59,071.30 hectares under the auspices of the Department of Agrarian Reform were subjected to land conversion. This can only aggravate food scarcity and crisis in the countryside.

Land conversion results in the widespread dislocation of peasants in many parts of the country (*refer to table*). Under these conditions, the ruling class is further licensed to grab land from peasants, peg their wages at even lower rates and extract higher land rent and interest on loans. All this pushes the peasantry deeper into poverty.

So long as the chains of imperialist rule and feudal exploitation remain unbroken, the peasant masses shall continue to be shackled to a life of misery. **AB**

## Cases of landgrabbing and forced eviction of peasants, 1998

San Jose del Monte, Bulacan	The Aranetas order the demolition of peasant homes on land already covered by CARL
Bulacan	House Speaker Manuel Villar’s Mustang Security Agency harasses farmers on 32 hectares of agricultural land intended for the development of Villar’s Palmera Homes Subdivision
San Roque, Pangasinan	188 houses are bulldozed on planned damsite
Antipolo, Rizal	Neglected: the safety of more than 3,000 families on the 4.8-hectare damsite of the Antipolo Properties, Inc. and the Retirement and Separation Benefits System (RSBS) of the AFP which will be the source of water for a 65-hectare golf course owned by the RSBS
Cagayan Valley, Nasugbu, Batangas and Sumilao, Bukidnon	Reconfiscation by the Department of Environment and Natural Resources (DENR) of farmers’ CLOAs on more than 10,000 hectares of land sold/returned to businessmen and hacienderos



# Advance of Agrarian Revolution in Southern Luzon

**U**nder the Second Great Rectification Movement (SGRM), the Party and the New People's Army (NPA) are once more solidly uniting with the peasant masses. Cadres and fighters criticize themselves for the errors brought about by grave deviations. They encourage the masses to reinvigorate the revolutionary mass movement. They assiduously participate in social investigation, solid organizing, campaigns and mass struggles, propaganda and production work—aside from military work.

Consequent to these efforts of the Party and the NPA, there is a revitalization in the armed struggle, the revolutionary mass movement and the advancement of anti-feudal struggles.

The revolutionary mass movement in both cities and countryside gained momentum this year and even in the past.

The number of tactical offensives increased. Last year, the reactionary state was astonished by the intensity of the NPA's tactical offensives especially in Southern Tagalog and Bicol.

**A**grarian revolution was also vigorously advanced in these two regions. In 1997, there were 11 cases where farm workers struggled for and won wage increases in different guerrilla zones in Southern Tagalog. Six hundred people benefited from this campaign.

In Gumaca, Quezon, tenants from a coconut plantation in two adjacent villages forged ranks and compelled their landlord to shoulder 15% of the production cost.

In Mindoro Oriental, scores of families mobilized themselves to develop a pastureland long abandoned by landlords. Through "suyuan" and other forms

of cooperation, the farmers planted the formerly uncultivated land with palay, corn, vegetables and fruits. The beneficiaries also raised farm animals. The venture continues to be supervised by the local Party branch with the assistance of the people's army.

In Rizal, a "back-to-production" campaign is being waged—the first anti-feudal struggle to be launched in Southern Tagalog since the SGRM began. Farmers who abandoned their fields in favor of logging were encouraged to cultivate their farms once more and assert their right to till the land.

In Campano-Guevarra Estate, Mindoro Occidental, the peasant masses resolutely wage militant anti-feudal struggles despite intense militarization.

In Bicol, agrarian revolution is being revitalized along with the overall advance of revolutionary work in the region. In a number of guerrilla zones in Camarines Sur, organized peasants were able to assert the implementation of "tersyong-baligtad" (70%-30% sharing agreement in favor of the farmers). Previously, a 70%-30% sharing agreement existed in favor of the landlord. Farm workers in other parts of the province also successfully won a P30.00 increase in their daily wage. In Sorsogon, a 25% wage increase was gained. Forms of cooperation such as "luyo-luyo" are

*from page 15*

from their jobs; and even as they were evicted from the very land they had long been living in.

Estrada hails Danding as the "Godfather of land reform". Declaring his scheme in Negros as the official model for the distribution of commercial farms lionizes Danding despite his being rabidly anti-peasant.

The stock-sharing scheme most enamored of by the president, who appears to be completely ignorant about land reform, is but part of a grand scheme by the "Godfather" to control vast areas of Mindanao and the Visayas and convert this into a political and economic

bailiwick for himself and his chosen vassals—not only from the civilian bureaucracy, most likely, but also from the militarist cliques.

Other actors in this *moro-moro* are the former advocates of "civil society" esconced within the bureaucracy of the Department of Agrarian Reform who are now the foremost advocates of land reform ala-Danding Cojuangco. Another name that pops up now and then is that of Arturo Tabara alias Andres Nava, supposed chair of the Rebolusyonaryong Partido ng Manggagawang Pilipino and a frequent special guest of the "Padrino" in his hacienda. **AB**

once more being practiced in Camarines Norte.

The masses in the region collectively uphold a campaign to develop irrigation systems and raise production levels.

Another indication of a revitalization in the revolutionary mass movement in the countryside is the strengthening and expansion of the open mass movement. The people's resolute opposition to the state's anti-peasant schemes forms part of the revolutionary anti-feudal struggle.

A regional peasant federation that advances legal struggles against widespread land conversion and other policies detrimental to the peasantry has been reestablished in Southern Tagalog. Alliances against quarrying have also been formed in Albay and Camarines Sur.

**T**he resolution of land problems through agrarian revolution is the main democratic content of the national-democratic revolution. In order to pursue the people's war to victory, agrarian revolution is advanced alongside the armed struggle and the establishment of revolutionary bases in the countryside.

Under conditions of semi-colonialism and semi-feudalism in the Philippines, this is the only way to arouse and mobilize the peasant masses in their numbers to wage revolution, and thus ensure the existence of broad mass support for the revolution. The vast majority (70%) of the population are peasants who, for centuries, have suffered intense feudal and semi-feudal exploitation at the hands of landlords, imperialists and even the reactionary government.

Agrarian revolution is advanced step-by-step to build the solid, staunchest and broadest revolutionary unity and strength of the peasantry. This strength will be used to weaken, also step-by-step, the political power of the landlord class and other reactionary classes in the countryside. Confiscation of the landlords' estates and free land distribution comprise the maximum program of agrarian revolution. This will be implemented once nationwide victory is attained.

It is the minimum program of agrarian revolution that is currently being implemented. Mass organizations, hand in hand with the

NPA, fight to reduce land rent, increase the wages of farm workers, abolish usury, increase the prices of agricultural products and develop production.

**B**ecause it is the key to the solid expansion and strengthening of the revolution, advancing the anti-feudal struggle must be given the utmost importance and accorded sufficient attention by all Party committees and NPA units in the countryside. There must be explicit and particular programs to advance campaigns and anti-feudal struggles in guerrilla fronts and localities. Mass struggles must be closely supervised. They should be promptly assessed and problems that arise must be resolved. Experiences should, from time to time, be comprehensively summed-up to develop policies, tactics and techniques and raise the consciousness of the peasants based on concrete experiences.

Under the reactionary Estrada regime, the peasantry face a far more serious situation not only in Southern Tagalog and Bicol. Different forms of feudal and semi-feudal exploitation not only persist but are being intensified to extract the largest possible surplus from the peasants' toil. Aside from traditional landlords, various foreign and local landgrabbers, speculators and big corporations flock to the rural areas to siphon out natural resources and labor power from the countryside or to make a quick buck from public contracts and real estate speculation, mining and the like. They inflict extreme hardship on and aggravate the agony of the peasantry.

Given these circumstances, the peasant masses have no other recourse but to collectively advance the anti-feudal struggle under the banner of the people's democratic revolution. **AB**



# Samar: Rectifying and Advancing

**T**he people of Samar have a long and resonant history of revolutionary struggle against exploitation and oppression. Their struggle continues to advance along the path of the Second Great Rectification Movement (SGRM). Armed with lessons, they shall continue to defeat the anti-people ploys of the reactionary regime.

## **ARC: Useless tool of deception**

After the bogus Comprehensive Agrarian Reform Law was exposed, the Ramos regime thought up the Agrarian Reform Communities (ARC) in 1995. Half a million hectares of agricultural land all over the country have already been converted to ARCs.

In Western Samar, hectares of arable land in four municipalities were declared as public land in order to establish the ARCs. The land was earmarked for the production of export crops instead of palay and corn. Certain portions were also reserved for tourist facilities. The government connives with big foreign and local capitalists in establishing ARCs in Eastern Visayas.

That ARCs were designed for counterrevolution is evident: the government distributed land to a handful of selected farmers, “rebel returnees” and retired soldiers and elements of the Citizens’ Armed Forces Geographical Unit (CAFGU) to deceive the people and derail their struggle for genuine land reform. Worse, most of the peasants were forcibly evicted from their homes to give way to foreign investors.

The people would not be deceived. It was apparent to them that the regime had completely abandoned the issue of agrarian reform.

People’s protests against the ARCs are ever widening. Supported by regional and national peasant associations, as well as the religious, the local civil bureaucracy and other sectors, the peasants of Samar are united in resisting this bogus “development project.”

## **“Last 2 minutes” foiled**

The ARC is not the first anti-peasant scheme of the state frustrated by the militant struggles of the people of Samar. Before this, there was the Armed Forces of the Philippines’ “Last 2 minutes”.

“Last 2 minutes” was a military campaign in 1994 which aimed to “erase...” the revolutionary movement “...from the map of Samar.” The 8<sup>th</sup> Infantry Division of the Philippine Army mobilized the police, CAFGU, vigilantes and the local bureaucracy for combat and intelligence operations. Camps were built; villages were harassed and militarized.

The Party in Eastern Visayas had already begun waging the Rectification Movement in 1993. From close to a decade of disorientation, the mass movement

was resurgent when “Last 2 minutes” was launched.

The barriofolk stood firm in the face of the reactionary army’s campaign. They vigilantly monitored the enemy’s movements and rallied against the intensifying militarization of their communities. Later on, the AFP found it more and more difficult to set up detachments. Not a few were expelled because of the people’s militant protests.

“Last 2 minutes” was a dud. It failed to arrest the resurgence of the revolutionary movement in Samar.

## **Forged in the furnace of struggle**

The perseverance of the people of Samar in resisting state deception and violence is the fruit of close to three decades of struggle.

It was in the ‘70s when the Red army began operating in Western Samar, within settler (*dapon*) communities. The revolutionary forces aroused, organized and mobilized the *dapon*. Their organized strength was forged and their anti-feudal and anti-fascist struggles advanced. In 1974, the first guerrilla front in Eastern Visayas was established in the *dapon* areas.

The seeds of the Red organs of political power had then been sown in some municipalities of Samar. The peasants in their numbers were mobilized for the revolution because the Party and the Army gave primary attention to the land problem. The minimum program of agrarian revolution was successfully launched. On this basis, guerrilla warfare was intensified.

However, disorientation derailed this advance. All aspects of revolutionary work were undermined. Agrarian revolution was neglected and initial victories were squandered.

# Contras: In an Advanced State of Disintegration

**T**he Contras continue to disintegrate due to quarrels regarding their pilfered loot, utter opportunism, thorough exposure and severe isolation. The handful of revisionist and opportunist renegades, especially the Lagman cult in Metro Manila and the Tabara clique in Negros and Panay, are already in an advanced state of disintegration.

The rapid deterioration of the counterrevolutionary renegades stands in complete contrast to the steady restrengthening of the Party and the revolutionary movement through the Second Great Rectification Movement. From the time they bolted the revolutionary movement and brazenly wallowed in opportunism and corruption, their hypocritical stance of setting up another party and leading the revolution has been rapidly unmasked. Their anti-Party, anti-rectification and anti-Maoism campaigns are all failed demolition operations.

They are detested not only by genuine proletarian revolutionaries but also by the elements they had deceived and carried away in the past. Even the counterrevolutionary leaders themselves could not stand each other's company.

## Quarreling over loot

In 1997, Sergio Romero bolted the Popoy Lagman cult because of conflicts over how to divy up money obtained from various shady deals. The most notorious case involved the disputed P80 million—other reports say P200 million—paid by the Public Estates Authority (PEA)-Amari gang to evict thousands of poor families living in Freedom Island, Parañaque. Lagman used the bogus “Alex Boncayao Brigade” urban partisans to collect payment and plot the demolition of the urban poor communities. But afterwards, Lagman pocketed the money, handing over only a tiny sum to Sergio Romero and for the relocation expenses of the families who had lost their houses.

Another of Lagman's criminal rackets was extorting money from Chinese businessmen in Metro Manila. With the kidnapping of Chinese businessmen worsening and becoming more widespread, Lagman offered them the “protection” of the “ABB”. But when he couldn't wheedle enough money from such deals, he turned to outright blackmail. First, he warned businessmen that they were on the hitlist of or, would become targets for liquidation by the “ABB”. Then, he offered to strike their names off the list in exchange for a considerable amount. Lagman was able to suck in more money from this new scheme.

One of those victimized by this racket was capitalist Leonard Ty who was killed by the “ABB” in 1996 after he refused to give in to Lagman.

Lagman also raked in a lot of »

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## Padayon!

The revolutionary movement in Samar is now resurgent as the SGRM advances. Specific errors and deviations, especially regarding the conduct of mass work, have been rectified.

The Party in Samar effectively used the “*abanikong buklad-tiklop*” method (tactic of dispersal and concentration) in recovery and reconstruction work. Units maximized their dispersal into teams (*abanikong buklad* or opened fan) by conducting deeper social investigation, meticulously reviewing the history of the area they were in and participating in production work and other important tasks. Whenever concentrated (*abanikong tiklop* or folded fan), units studied the

gathered data; conducted assessments and criticism and self-criticism; and drafted and adopted plans of action.

Consequently, the revolutionary mass base in Samar is expanding and deepening once more. The minimum program of agrarian revolution is being advanced anew. The Red army's area of responsibility continues to expand. Militarization is not an obstacle in expansion. Even areas where enemy camps exist are covered by expansion work.

The enemy still dreams of eradicating the revolutionary movement in Samar. But it shall continue to be defeated by a people persevering along the path of revolutionary struggle. **AB**

are given all-out support and provided with armed protection by the “ABB”. Meanwhile, those who didn’t pay were branded as “trapo” (traditional politicians) and lambasted in the mass media and their posters and headquarters vandalized. Some candidates gave money to Lagman in the mistaken belief that his “mass base” could deliver winning votes. Most of them just shelled out cash to avoid trouble.

Demoralization and the rate of desertion among Lagman’s remaining followers worsened after the 1995 polls because of Lagman’s practice of keeping his deals with reactionary politicians to himself and squandering funds.

### **Popoy’s populism, Romero’s vigilantism**

When he bolted the Lagman cult, Sergio Romero complained that the former was besotted with his legal status and with the legal struggle and neglected the underground movement. Not long after, however, Romero himself refused to return to the underground after being captured.

Before such disputes over money erupted, Lagman’s populism and Romero’s vigilantism were but different faces of the bankrupt line of urban insurrectionism which relied on the opportunistic worship of the spontaneous consciousness of the masses and an obsession with self-aggrandizement in the bourgeois mass media. Lagman and Romero were one when it came to opposing and attacking the line of people’s democratic revolution and protracted people’s war. And after bolting the revolutionary movement, they also agreed to subordinate the “ABB”’s vigilantism to the reactionary government’s anti-crime campaign and their political activities to the parliamentary maneuvers and dreams of reactionary politicians, especially of Lagman’s elder brother.

After severing ties with Lagman, Romero hitched on to the Tabara gangster clique (Rebolusyonaryong Partido ng Manggagawang Pilipino-Revolutionary Proletarian Army or RPMP-RPA) based in Negros. On March 26, 1997, the RPA merged with the ABB. With this move, Romero jumped from the frying pan into the fire: on October 16, 1997, after only a few months, he was captured by intelligence operatives of the Philippine Army.

Romero’s already dwindling group disintegrated even further due to old and new conflicts and irritations. Again, because of quarrels and suspicions over deals with reactionary politicians during the presidential elections of 1998, another anti-Popoy and anti-Romero/Tabara faction emerged, styling itself as a so-called “regional committee” in Metro Manila-Rizal in control of the “ABB”. This faction has merged with BISIG and set up the Trotskyite group Liga Sosyalista (*see “New Trotskyite Group”, p.22*).

### **Tabara gangster clique**

In Negros and Panay, the Tabara gangster clique which now sports the monicker RPMP-RPA-ABB also continues to disintegrate.

Only four have remained out of the 170 armed men deceived and carried away by Tabara in Panay in 1993. Because they have deceived and recruited a few others, they have a squad roaming around in a number of upland barrios bordering the towns of Ibajay, Pandan and Nabas in Aklan and a small team operating in a few barangays in the Leon-Tubungan border in Iloilo. Another squad brought in from Negros has been sent to the uplands of Miag-ao, Iloilo.

Many of the Tabara gangster clique’s practices are no different from those of the fascist troops of the AFP-PNP: cash and grain quotas are imposed on barriofolk and those who receive Red fighters into their homes are

threatened.

Their Special Operations Unit which was formed for bank holdups, kidnapping for ransom and other dirty jobs has thoroughly disappeared, with its members offering their “services” for a fee to politicians and highly placed officials of the AFP-PNP.

Tabara himself instigated the dissolution of the armed units in the countryside and the underground organizations in the cities. Cadres based in the countryside were made to surface—made to surrender or “arrested” during meetings with Tabara in the cities—to lead the vacuous alliances that had been set up in urban areas.

He encouraged commanders and cadres to patronize beer houses and live in luxury in urban areas, until they loitered in the cities and rarely went to see their men in the countryside. Daniel “Mokong” Batoy, a close aide of Tabara who serves as political officer of the RPA squad in Aklan, bases himself in a beach resort in Boracay owned by leaders of the RPMP. Batoy also has evident links with the military because he frequents the Philippine Army detachment in San Jose, Ibajay.

Tabara himself (Andres Nava) is known to be an agent of the reactionary military. The special service he carries out for AFP intelligence is to cause the capture of cadres who then become passive or assume a legal status after a brief stint in prison.

The RPMP-RPA leadership’s capitulationism, obsequiousness to reactionary politicians and high officials of the AFP-PNP and luxurious lifestyle in the cities are the foremost reasons for the rapid disintegration of the units that had been deceived and carried away by the Tabara clique.

Warren Calizo, former secretary of the RPMP “regional committee”

in Panay and his wife Victoria Segui, split from Tabara because of a quarrel over how to divide P50,000 given by politicians during the presidential elections.

Prior to this, Tabara had assigned Calizo and Segui to attempt to wrest the leadership and initiative in the urban mass movement in Panay away from the revolutionary forces and genuine progressives.

In the cities and town centers, the clique brazenly collaborates with yellow federations like the Trade Union Congress of the Philippines (TUCP) and the Federation of Free Workers (FFW). It is with these elements that they march during Labor Day rallies. On the other hand, surrenderees are trucked in to attend demonstrations organized by the Contras.

That the Calizos have been enriching themselves is no secret. Aside from commissions obtained from selling real estate, entering into contracts and engaging in a variety of businesses, the couple rakes in a lot of money from conniving with reactionary politicians during elections. Among those they have collaborated with are ex-Gen. Gerardo Flores, PNP intelligence chief in the late '80s who ran for congressman of the first district of Iloilo in 1995.

In Negros, factions have also emerged due to disputes over how to divide the spoils from the 1998 elections, control over businesses and suspicions regarding secret connections with the AFP-PNP. Noel Etabag and Rufino Geanga have split from the Tabara clique, with Etabag and Geanga now using the names "Negros Regional Party Organization" and "Miguel Yntrencherado" against the RPMP-RPA-ABB.

Lualhati Carapali, Tabara's right hand man in Negros, has been suspected by Yntrencherado and other former members of the clique of possessing safe conduct passes from the AFP and PNP since 1994.

The continued fractiousness and disintegration of the Lagman cult, the Tabara gangster clique and other counterrevolutionary revisionist renegade groups are an inseparable part of their utter deterioration and unbridled opportunism. Their complete destruction will not be long in coming.

Given the revisionist renegades' utterly bankrupt anti-Communist, anti-Party and counterrevolutionary line, it becomes all the more relevant and necessary to complete the Second Great Rectification Movement and restrengthen the revolutionary organizations and struggles in Metro Manila, Negros and Panay which were sabotaged and had suffered serious damage from the Contras' demolition operations. **AB**

## New Trotskyite Group

This July, another one of Lagman's former minions declared independence and set up his own faction—which only proves their utter bankruptcy and clearly illustrates the Trotskyite line of "freedom of factions". Sonny Melencio is the most zealous local agent of international Trotskyism. From being Lagman's chief adjutant, Melencio now heads the Trotskyite grouplet he calls Liga Sosyalista.

Foreign sponsors played a major role in the emergence and formation of this new Trotskyite group. Max Lane, an operative of the Trotskyite Socialist Workers' Party of Australia, is the principal keeper, sponsor and financier of Melencio and his Trotskyite projects.

The creation of this separate Trotskyite Liga resulted from Max Lane's failure to set up even a semblance of a party out of the hodgepodge of the Lagman cult, the Tabara gangster clique, Sergio Romero's "ABB" and the few other groups they were able to carry away when they bolted the Party and the revolutionary movement in 1992-93.

Now consorting with the Trotskyite leaders of BISIG which has long been hanging around and dreaming of wresting away the former's forces and mass base, they have been obliged to declare independence and expose their true colors—even if all they could count on are a handful of demoralized elements.

This group is even more pathetic compared to others that have posed as saviors of the revolution. The articles and statements in their publication *Progresibo* clearly reflect the mishmash of contradictory theories and viewpoints about their group and its objectives, not to mention the basic characteristics of contemporary Philippine society and revolution.

Their faction is supposedly the product of intense debates within the Lagman cult regarding the "continued drift towards the right" of Lagman's politics. But it will be remembered that Melencio, who now styles himself as a champion of the Left, was the most ardent propagator of Gorbachovism in the late '80s and early '90s.

Melencio and his ilk express pride in their having repudiated Lagman because of the latter's »

# Magdangal-Bill-Olive

## Clique: New Revisionist and Bandit Group

**BECAUSE IT IS A LATECOMER in sowing anti-Party intrigues and splittism, the Magdangal-Bill-Olive clique is the noisiest among the revisionist renegades in peddling itself before the bourgeois mass media and foreign financiers of NGOs. It is “this week’s episode” in the anti-Communist play being staged by pacificationists and counter-revolutionaries.**

The clique, especially its leader Nicolas Magdangal (Frank Pascual), has been ceaselessly spreading lies, intrigues and venom against the Party and the revolutionary movement. After its factional acts of sabotage within the Party were exposed and repudiated, it is now attempting from the outside to inflict damage on and hinder the advance of the revolutionary movement.

Laboring under the illusion that they are better than all the others who tried and failed, Pascual and his ilk are presenting themselves as a binding force for the tiny revisionist groups that have been rapidly and continuously disintegrating and going their own way. To attract their fellow revisionists, they have been launching raucous but small protest actions in Metro Manila.

While the clique’s leaders loll around in urban centers and travel in and out of the country, the small armed group they carried off from parts of Bataan and Zambales that they have named “Revolutionary People’s Army” (RPA is an apt acronym) is encouraged to act as a gang of roving rebels and brigands. This bandit group’s task is to commit sabotage and foment trouble within the mass base and guerrilla zones of the NPA, coerce and extort money from businessmen and barriofolk and create all sorts of disturbances in order to provide the AFP-PNP with an excuse to attack and harass the people.

To support the extravagant lifestyle of their urban-based leaders, these

bandits extort money from contractors, fishpond owners and quarry operators as well as politicians in Central Luzon. Big and small fishpond operators in Bulacan and Bataan are levied “taxes” even within the NPA’s guerrilla zones. Aside from the money these brigands are able to rake in, it is clearly their intention to make trouble and sabotage mass base building and the strengthening of the NPA’s guerrilla zones.

Sacks full of fish, prawns and crabs are seized from fisherfolk. If still not content with all the produce they have stolen, they also take away boats, gasoline, lamps, batteries and other items.

Even the security guards’ firearms and what little cash they have on their person are not spared. The victims are later made to pay “ransom” for the return of their property.

The items that are seized purportedly to support their “revolutionary” work are sold by the bandits to businessmen who are in cahoots with them.

Arrogant in bearing their weapons, they often harangue and beat up those who are unable to immediately follow their orders. Even those they had been able to deceive and carry away with their anti-Party and anti-NPA intrigues have not been spared from such boorish and haughty behavior.

They are known to be protectors of certain criminals in Bataan. They are involved in carabao rustling. More than this, this group sows terror by arbitrarily executing those it accuses of being bad elements in the barrios.

The Magdangal-Bill-Olive clique is rotten to the core. It is despised by the masses. Just as what befell the revisionist Lava clique and the Taruc-Sumulong bandit gang, it will not be long before this group vanishes into thin air. Like other revisionists, its place in history will be as a group despised for its treachery and abuse of the people. **AB**

*from page 21*

“individualistic and legalistic framework and activities”. But they themselves are steeped in parliamentarism. They are gathering a handful of forces to form Liga Sosyalista, an “open socialist formation” that “will directly intervene in the political arena.” Their “Left” party is, once again, a legal electoral party.

Melencio can’t even seem to make up his mind on whether they are legal or illegal. His group claims ownership of the names “Metro Manila-Rizal Regional Party Committee” and “Alex Boncayao Brigade” both of which will supposedly “spearhead an

ideological renewal and formulation of a party program in the politico-military framework.” But in the same breath, their publication declares that this same group belongs to Liga Sosyalista, a legal organization whose leaders and headquarters are identified.

In different corners of the world, Trotskyites are notorious for being troublemakers, saboteurs and splittists. They like to style themselves as more leftist than the Left to cover up and make excuses for the worst cases of collaboration and conspiracy with imperialism and reaction, against the genuine proletarian revolution. **AB**

## POLICE CHIEF PUNISHED BY RED FIGHTERS IN BOHOL

A PNP official who owed blood debts to the people and the revolutionary movement was punished by the New People's Army.

Chief Insp. Ruel Lagala, Tagbilaran City police chief, was felled by the NPA in a sparrow operation. Lagala was punished around 8 a.m. last October 5 in Carmen, Bohol.

Lagala formerly headed the 2<sup>nd</sup> District Mobile Group of Tagbilaran which was responsible for a raid on the home of Felix Pamat on August 5, 1997 in Purok II, Bgy. San Roque, Sagbayan, Bohol. Cristituto Cagabcab, staff of NDFP consultant Vide Alguna, was killed by Lagala's troops during the raid. The homeowner and his three children were also seriously wounded.

The NDFP condemned the attack by Lagala's team as a violation of the Joint Agreement on Safety and Immunity Guarantees between the Government of the Republic of the Philippines and the NDFP.

## ENEMY AGENT IN AGUSAN PUNISHED

A four-man NPA team punished a notorious enemy of the people in Agusan del Norte.

Deo Ongcad Manguanta, member of the Citizens Armed Forces Geographical Unit or CAFGU, was punished with death last October 30 in Nasipit, Agusan del Norte.

The people in the locality have long been demanding the punishment of Manguanta because of his active role in the Armed Forces of the Philippines' counterrevolutionary campaign. He led the Kalihukang Nagkahiusang Minorya, a bogus cooperative set-up by the 4<sup>th</sup> Infantry Division of the AFP to veer the Higaonon tribespeople away from

revolution. Manguanta was also active in surveillance operations and the recruitment of lumad to the CAFGU. Giant foreign corporations used him as an instrument to grab land from the minorities.

## CPP CONDEMNS ATTACK ON CIVILIANS

The Communist Party of the Philippines (CPP) condemned the attack by 9<sup>th</sup> Scout Rangers Company troops on a house in Sitio Pulot, Bgy. San Antonio, Kalayaan, Laguna last November 6.

CPP spokesperson Gregorio "Ka Roger" Rosal denied that a firefight occurred during the assault.

The military raided the house of Priscilla and Jose Federico at around 5 a.m. The Federicos, three other civilians and Ka Jonas, an aide of Ka Roger, were illegally arrested and charged with criminal offenses. The soldiers looted and later demolished the Federicos' house and store. Ka Jonas was hidden from and deprived of his right to confer with, his relatives and lawyer.

Ka Roger said this showed that the GRP continues to trample on the people's human rights. He assailed the reactionary government's blatant violation of the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law. Ka Roger challenged the GRP to honor the Agreement it had signed.

## NDFP APPOINTS REPRESENTATIVES TO THE JOINT MONITORING COMMITTEE

The NDFP Negotiating Panel (NDFP) appointed its three representatives to the Joint Monitoring Committee (JMC) that will supervise the implementation of the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law.

In a resolution issued September 23, the NDFP appointed Fidel V. Agcaoili as its chief representative as well as co-chair and co-mediator of the JMC. Coni K. Ledesma and Sotero Llamas were also designated representatives and members of the committee. The NDFP nominated as observers Rt. Rev. Alberto Ramento of the Iglesia Filipina Independiente and Marie Hilao-Enriquez of the Alliance of Human Rights Advocates (Karapatan).

In its resolution, the NDFP announced that it shall establish within and outside the Philippines, offices that shall handle issues related to human rights. This is in accordance with its inherent right to implement its separate duties and responsibilities and to uphold, protect and promote human rights and international humanitarian law based on its political and organizational principles and circumstances.

## KADAMAYFOUNDED

The Kalipunan ng Damayang Mahihirap (KADAMAY), a national alliance of various urban poor community organizations, was founded last November 7. It is an alliance of the semiproletariat, which includes associations of drivers, vendors, casual and contractual workers; laid-off workers; and victims of militarization and calamities. Associations of women and the youth in urban poor communities will also be encouraged to join the alliance.

In a statement of unity, Comrade Jose Ma. Sison, CPP founding chairman, said that the formation of an alliance like KADAMAY is long overdue. "The economic crisis is worsening and the exploitation and oppression by the ruling class is intensifying," Sison said. He suggested that workers in communities be encouraged to join the alliance, whether or not they are union members. This, he said, will ensure strong and firm links between the proletariat and the semiproletariat in the urban poor communities.