

Under Arroyo, rule of law and due process are followed in the breach. Complaints against the president in the House are shot down through a tyranny of numbers and bribery while in the Senate investigations of the wrongdoings of the president, her family, and cronies are stymied by executive orders preventing Cabinet officials and generals from cooperating. Ever protective of their commander-in-chief, military authorities defy judicial authority on cases of missing persons, despite a long-delayed legal intervention by the Supreme Court.

Arroyo has thus tainted the office of the presidency and the electoral process, violated the independence of Congress, deepened the people's lack of trust in the justice system, and made the AFP her own private army.

### Patronage

Patronage, maintained through the control and disbursement of pork barrel, preferential treatment in multi-million projects, as well as high salaries, promotions, and other perks has also helped ensure Arroyo's stay in power. Bribery knows no bounds so that even key members of the Catholic hierarchy have been effectively "neutralized" from criticizing the president.

The last time the people saw the scourge of conjugal dictatorship was during the Marcos years. Today the Arroyo family is not only the fastest-growing ruling dynasty in the country but it is also embroiled in monumental cases of corruption and abuse of political power. The last of such cases is of course the NBN scam where the fixation to defend dynastic interests comes first even at the expense of long-time allies and presidential appointees, like Lozada.

The unseating of De Venecia and the abduction of Lozada has stirred calls anew for the president to quit – or at least to take a leave of absence - to give investigators of alleged presidential wrongdoings a free hand. For such a clamor to prosper, the people may have to transcend the reign of fear that has been sown under seven years of the Arroyo presidency and save the country from further harm.###

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# Towards Communal Reflection and Action on Corruption

## (Study Guide)



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## FOREWORD

Mr. Rodolfo ‘Jun’ Lozada, a man with conscience, stirred the Filipino people into actions as he exposed government corruption and bribery at the highest levels. He stirred the broadest groups of church people to act as his ‘guardian angels’ in the face of grave threats on his life and liberty.

For several months, his conscience was bothered as lies and cover-up on the anomalous ZTE broadband deal continued to save the culprits from accountability. His revelations awakened the Filipino people on the gravity of systemic corruption in our country.

As we all now by know, early morning of February 7, Jun surfaced at the La Salle Greenhills and publicly narrated his ordeal in the hands of government agents who abducted him at the Manila airport. Jun’s abduction generated outrage at the brazen attempts of government to continue its lies and cover-up on corruption and bribery involving the First Family.

In response to the call of Archbishop Angel Lagdameo for communal action, we are sharing this collection of statements and study materials on the issue of corruption. May our individual and collective discernment move us to engage in deeper reflections and vigilant actions in pursuit of truth, justice and accountability.

We will continue to pray and stand in support of Jun and family. More than ever, we are called to pray and act together with the Filipino people who seek to end the morally bankrupt Arroyo government.

*Promotion of Church People’s Response (PCPR)*  
*Kapatirang Simbahan Para sa Bayan (KASIMBAYAN)*

De Venecia, 71, who had served as Speaker for five terms beginning 1992 in the 9<sup>th</sup> Congress, was instrumental in throwing out three impeachment complaints filed against Arroyo in connection with the fraudulent 2004 presidential elections and other constitutional violations. Like a true praetorian guard, he thus saved the president – who was once his vice-presidential mate in 1998 - from certain imprisonment. Now stripped of power and betrayed by Arroyo along with 56 members of his own Lakas-CMD, which he leads as party president, the ousted Speaker has promised to tell all of what he knows about the president and hinted he may likely join the opposition.

### Lozada

Then on Feb. 5, Rodolfo Noel Lozada, Jr., a key witness in the controversial national broadband network (NBN) telecommunications deal, went missing after arriving at the international airport from Hong Kong. Quick intercession by his family, senators, and religious groups coupled with media vigilance probably saved his life. In an early dawn news conference Feb. 7, the young Lozada anguished over death threats he said he received from Abalos for refusing to endorse the shady deal on account of the former Comelec chief’s demand for a \$130 million commission. He withdrew from the project deliberations as a consultant and has also resigned as president of the state-owned Philippine Forest Corporation. Lozada, who had a brother killed by the police for “mistaken identity,” said he was just a professional doing his job and wanted no part in the scam. The deal has since been scrapped by Arroyo.

Arroyo’s claims of giving the country an unprecedented economic growth have failed to lower the president’s rating as the most corrupt in decades, with a culture of cronyism that equals the Marcos years, and a record of extra-judicial killings that has raised alarm in the international community.

Continuing to hound Arroyo are allegations of illegitimacy as a result of which it suffers a lack of trust and credibility among the people. In response to impeachment complaints and incessant calls for her resignation, the president, in an arrogant display of power, has resorted to gangland-style coercion, authoritarian measures, and military repression including threats of arrest and, as condemned by human rights groups, the summary execution and abduction of her most effective critics from the Left.

More importantly, these events sensitized the people to corruption scandals and to attempts at suppressing civil liberties and human rights.

The Macapagal-Arroyo administration is now trying to take all these away by its impunity in committing human rights violations, corruption and bribery.

But it cannot take away the biggest gain of the Filipino people in both people powers: the realization that we can effect changes through political action. Let us not stop now. Let us continue working for genuine freedom, justice, and democracy in a progressive spiral of political action. **Bulatlat**

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## Governance by Arrogance

By: **Prof. Bobby Tuazon**

Director, Policy Study, Publication and Advocacy (PSPA)

**Center for People Empowerment in Governance (CenPEG)**

Next to the Marcos dictatorship, the Arroyo presidency will likely go down in history as the government most vilified apparently due to its use of coercion and intimidation to silence its critics and its presumed enemies.

Its eighth year in power began in January with a threat against reporters that they will be haled to jail if they covered so-called “destabilizers” and also a bigger threat on cause-oriented organizations against holding rallies to commemorate Edsa Dos.

On Feb. 4, Jose de Venecia, Jr., a staunch Arroyo ally, was unceremoniously unseated as House speaker in a coup plotted by the president’s husband, Jose Miguel Arroyo, her two congressmen-sons, and a business crony. De Venecia’s ouster – where government funds were reportedly used to marshal the yes votes - was described as a family vendetta over De Venecia’s refusal to stop his son, Joey III, from testifying in the Senate about the \$330-million telecommunications project scam.

The son’s testimony on the tainted project implicated the president’s husband, former Comelec chairman Benjamin Abalos, and some generals in the Arroyo Cabinet. In a privilege speech on the night of the coup, De Venecia lambasted the chief executive for failing to stop assassination attempts by her own men against himself and his son.

### *A Biblico-Theological Reflection*

## **In the Pentagon those not upright shall fail but the righteous shall live**

by: Fr. Rex RB Reyes, Jr.

General Secretary

National Council of Churches in the Philippines

**A**mong indigenous peoples, it is easy to believe that we live in a Spirit-filled world. The whole cycle of life and agriculture is characterized by liturgical actions that celebrate creation and that demonstrate a deep respect if not reverence to that creation and the Creator who made them all. This awareness has sustained their lives and from which they have drawn out the purpose of life itself – the celebration of the creative and re-creative process. This is not far from the Christian understanding that the earth is the Lord’s temple: “The Lord is in His Holy Temple; let all the earth keep silence before him.”

But the particular portion of the temple called Philippines is currently being assailed by five devastating threats antithetical to the celebration of life.

Plunder is all too familiar to all of us, except to those who turn a blind eye and believe it is not happening. We are witnesses today to the attempts to exploit whatever remains of our natural resources for the benefit of foreign investors. We have enough in this country to sustain our people were it not for the extremely greedy who want them all to themselves. Tied to this greed “that is as wide as Sheol” is extortion. Both are ways of the corrupt. If at all, plunder and extortion should galvanize the resolve to demand justice.

Not very far behind plunder is economic exploitation mainly for self-interest. The political dynasties that have sprouted in this country are a scandalous move to ensure economic base and to remain in power. Today, those who have collectively conspired to perpetuate themselves in power are now victims of their own doing. The cracks of a divided house are showing. Their fall is eminent brought about by the division in their ranks and their illusion of invincibility. Their fall is because of their acquired wealth at the extreme suffering of the people – their ill-gotten wealth becomes the prelude to their downfall.

Those who plunder and exploit our resources are not averse to inflicting violence on the people, especially against those who see through their designs and expose their plans. The defense of patrimony waged by indigenous peoples, the clamor of workers for decent wages, the cry of the farmers for land, the courage of the lawyers and journalists to expose the truth and the shouts of churchpeople are all met with draconian laws and the use of brutal force by the army and the police. The manner by which the state responds to the clamor of the people for genuine change is so violent to the point of depriving citizens of their dignity and subjecting them to humiliation. Many of the best minds of this country were killed because of this inhumanity, others have cowered in terror and silence, others have disappeared or were imprisoned, and still others have been forced to take flight. This inhumanity is now being waged by the state against its own citizens in the name of national security and in its war against terrorism.

The cause of all of these is idolatry. All decency has been cast aside in the name of Empire with its global designs. Empire has usurped God's place in human lives. Given the subservience of President Arroyo to Empire, she has lost moral scruples. What is good becomes bad and what is bad is good. Doling out huge amounts of money to favored politicians is normal and is good. Signing business contracts, which puts the country in more debt, under cover of darkness is good. Diverting taxpayers' money to ensure victory in the elections is good. Cover-ups, escape-goats, and diversionary tactics to stall the focus and attention of pilgrims for truth and peace are good. Demanding that leaders be accountable for their actions is bad. Demanding an impeachment proceeding is very bad. Demanding the resignation of corrupt high officials, including the president, who have lost all moral ascendancy to govern, is terribly bad with the capital T and B. Church people getting their action together and joining the movement for genuine change is dangerously bad.

The series of scandals now rocking the presidency can certainly drive us to despair. Like Habakkuk, we shake our heads and cry:

*God, how long shall I cry for help and you will not hear?  
Or cry to you "Violence!" and you will not save?  
Why do you let me see wrongs and trouble?  
Destruction and violence are before me;  
strife and contention arise.  
The law is slacked and justice never goes forth,  
for the wicked surround*

While not many government officials are caught at the giving end of corruption deals, many are suspected of being at the receiving end. Government positions are being viewed as a means to expand wealth. Otherwise, why in the name of hell do candidates - who are mostly coming from wealthy families or are being sponsored by one - for elected positions from the city or municipality up to the presidency buy, votes, lie, cheat, steal, and kill just to win? Their monthly salaries are merely within the range of tens of thousands of pesos and yet they are willing to spend millions for the campaign and in buying votes. The answer is obvious, they are expecting more during pay back time.

The fact that corruption is systemic does not exempt Gloria Macapagal-Arroyo from culpability. In fact, Gloria Macapagal-Arroyo is worse because she and her husband Jose Miguel Arroyo are enmeshed in scandals where they are either in the receiving end as in the Macapagal Boulevard, Jose Pidal accounts, and NBN contract and at the giving end as in the fertilizer scam, PhilHealth cards, and now the two bribery scandals. Perhaps this is what they call "executive privilege." The Catholic bishops, on the other hand, call this "moral bankruptcy."

There is another term for it "desperation." The fertilizer scam and PhilHealth cards were meant to make Gloria Macapagal-Arroyo "win" during the 2004 presidential elections. But it still needed a "push" from the infamous former commissioner of Comelec Virgilio Garcillano. The two bribery scandals are meant to keep her in power in the face of the corruption-ridden NBN deal.

If the Filipino people would let the Macapagal-Arroyo administration get away with the NBN scam and the two bribery scandals, we could expect more to come in a spiraling cycle of corruption and bribery - more and bigger corruption scams as part of their anticipated pay back and more and bigger bribes to cover up. The worse part is, it is the Filipino people who pay for all these scams and bribes in terms of progressively increasing taxes, decreasing government services, and substandard, overpriced infrastructures.

The Filipino people already achieved a victory of sorts with the ouster of the Marcos dictatorship. It made succeeding administrations more defensive and vulnerable when suppressing civil liberties and human rights. We also achieved a victory of sorts with the ouster and conviction of Joseph Estrada. It opened up the possibility of convicting succeeding corrupt presidents.

attempt on congressmen, which was exposed by Anakpawis (Toiling Masses) Rep. Crispin Beltran, to the tune of P2 million (\$45,105) worth of projects in exchange for endorsing a weak impeachment complaint filed by Ruel Pulido. Francis Ver, a high level official of Kampi, Arroyo's political party, was blamed for the bribery attempt.

This, in turn, came right after the expose' and Senate investigation on the overpriced National Broadband Network (NBN) deal with ZTE of China where resigned Comelec Chair Benjamin "the Broker" Abalos Sr. offered a P200 million (\$4,510,599) bribe to former National Economic Development Authority Director General Romulo Neri to approve the deal and \$10 million to Jose De Venecia III to withdraw his bid. Before the Senate investigation was abruptly postponed by Blue Ribbon Committee Chair Sen. Alan Peter Cayetano, Abalos "the Broker" resigned from Comelec, taking the fall in the hope that the simmering issue would cool down and before the scandal reaches the doorsteps of Malacanang.

With the way they throw hundreds of millions of bribe money away, it's as if the Filipino people are living in luxury and the economy is overflowing with wealth and capital. It's as if overall hunger did not increase by 10 points affecting 3.8 million families in September and the Filipino people are not being burdened by taxes and high prices. It's as if the poor have a lot of opportunities for gainful employment and they are not struggling against demolition crews or toiling abroad at the risk of slavery and death.

With the way they bribe people, it's as if it is a very normal thing to do for presidents, as Environment Sec. Lito Atienza claims, and that all government officials, whether in the executive or legislative branches, have no scruples about accepting bribes.

Government officials giving away bribes may not be a normal thing in this poor country but corruption is. Former presidents Corazon Aquino, Fidel V. Ramos, and Joseph Estrada may be right in claiming that they did not bribe their local officials and Lower House representatives. But they are not immune from charges of corruption. Aquino's kin were suspected of cornering sequestered assets of Marcos and his cronies and she was able to use her position to circumvent the agrarian reform law; Ramos is not yet cleared of accusations that he gained from the construction for the APEC summit in Subic and the grossly disadvantageous Independent Power Producer contracts and IMPSA deal; Estrada, well, he was convicted of plunder.

*the righteous, so justice goes forth perverted.  
Why do you look on faithless people and  
are silent when the wicked  
swallows up the man more righteous than he?*

Yet, in response to Habakkuk, God indicted the mighty Babylon on five grounds: for their plunderous aggression, for their self-aggrandizement, for their violence, oppression and for their idolatry, the rulers of Babylon have forfeited their lives. Their greed led to their own destruction and their violence got back at them. The means by which they oppressed people was the very means by which they were cast down – humiliated and in disgrace, a fate worse than death, *"the wrath of God rests upon (them)."*

If such is the way God works, shall we then wait for divine retribution? Most certainly not! "For freedom Christ has set us free; stand fast therefore and, and do not be subject again to a yoke of slavery." Thus, we must hasten that event. The workers, the farmers, the indigenous peoples and the professionals are showing us the way. Shall church people be left behind?

We are seeing now the highest form of injustice and certain it is that this too, will mark the beginning of the end of any more injustice.

*(This was presented at the Reflection Forum last November 5, 2007  
at St. Peter's Parish)*



## National Council of Churches in the Philippines

### TRUTH IS UNDER SEIGE

**T**he National Council of Churches in the Philippines (NCCP) commends the courage and fortitude of Mr. Rodolfo Lozada Jr. for telling what he knows about the ZTE Broadband deal. His revelations linking the First Gentleman to the deal among others, has sunk the Arroyo presidency further into the quicksand.

That the President scrapped off the deal does not negate the fact that were it not for the vigilance of upright people, it would have been another done deal - added to the debts the people will be forced to pay. In testifying before the Senate, Mr. Lozada described vividly how government contracts are negotiated, similar to the way of criminal syndicates – shady, surreptitious and unashamedly scandalous when exposed. Such kind of deals, are an assault to decency, a disgrace and an affront to good governance.

Government spin masters did not waste time. Under the guise of protecting him, police officers whisked him away from the international airport. What took place then until he re-surfaced at Greenhills is anybody's guess. A concerted effort to discredit him followed. Before the eyes of the public, it is now a campaign between falsehood and truth, between deceit and forthrightness, between evil and good. Truth is under siege but it shall triumph. People cannot be deceived any more.

Today, the NCCP declares that “general mistrust, cynicism and disgust have replaced public trust in government.” This latest episode demonstrates how the Arroyo government has time and again traded genuine public service for a “pair of shoes”. And “when public trust is lost, then the moral ascendancy to govern is lost.” By its own actions it has waived its legitimacy.

Seven years ago, the people exercised their sovereign will and ousted a president on the grounds of corruption. The decision of the court in later years proved the people right. Today, corruption continues to eat into the moral fiber of the highest positions of the land. Ours is a history of people

offices she recently created, to go hammer and tongs after all the individuals and offices involved in these seven high-profile cases. The Estrada plunder case has shown that “big fish” can be caught, prosecuted, sentenced and put behind bars. From now on, there should be no pussyfooting and foot-dragging on graft and corruption.

*(PDI, Editorial, Sept. 18, 2007)*

## Bribes and Corruption

**With the way they throw hundreds of millions of bribe money away, it's as if the Filipino people are living in luxury and the economy is overflowing with wealth and capital. With the way they bribe people, it's as if it is a very normal thing to do for presidents, as Environment Sec. Lito Atienza claims, and that all government officials, whether in the executive or legislative branches, have no scruples about accepting bribes.**

**BY BENJIE OLIVEROS**

**ANALYSIS Bulatlat**

**Vol. VII, No. 37, October 21-27, 2007**

The exposé by Gov. Eddie Panlilio of Pampanga that he was given P500,000 (\$11,276 at an exchange rate of \$1=44.34) in a meeting in Malacanang last Thursday October 11, under mysterious circumstances, is the latest in a series of scandals confronting the Macapagal-Arroyo administration.



The distribution of money at Malacanang - which definitely reeks of bribery no matter where the money was sourced - was confirmed by three other governors including Bulacan Gov. Jonjon Mendoza, and two congressmen namely, Cebu City Rep. Antonio Cuenco and recently, Rep. Bienvenido Abante of Manila.

The bribery which is estimated to amount to P95 million (\$2,142,534) for congressmen and P24 million (\$541,271) for governors is scandalous enough. But it is more detestable as it came in the heels of another bribery

on Elections (Comelec) with 1,991 automated counting machines because the deal was tainted “with graft and legal infirmities.” Strangely, however, the Ombudsman on Oct. 2, 2006 absolved of any wrongdoing Comelec Chairman Benjamin Abalos and other officials involved in the deal.

**(3) The alleged P532.9-million overpricing of the P1.1-billion 5.1-kilometer President Diosdado Macapagal Boulevard** in the Manila Bay reclamation area. The Ombudsman has upheld the allegation of whistleblower Sulficio Tagud Jr., a former director of the Public Estates Authority (PEA), that the road was overpriced by 250 percent and the bridge by 67 percent. The Ombudsman has approved the filing of graft charges against 20 PEA officials, six auditors of the Commission on Audit and Jesusito Legaspi, owner of JD Legaspi Construction firm that constructed the road, described by Tagud as “the most expensive asphalt road in the country.”

**(4) The P200-million Jose Pidal case.** In 2003 Sen. Panfilo Lacson accused Jose Miguel Arroyo, husband of President Arroyo, of amassing more than P200 million from campaign contributions to Ms Arroyo and putting the money in secret bank accounts, including that of “Jose Pidal.” Last June, Lacson criticized Sen. Joker Arroyo, former chair of the Senate blue ribbon committee, for sitting on the Jose Pidal case.

**(5) The \$503-million Northrail project.** Former Senate President Franklin Drilon said the project was one of the “colossal corrupt deals” of the Arroyo administration. In August 2005 the University of the Philippines Law Center said the contract between Northrail and the China National Machinery and Equipment Corp. Group was illegal because of “questionable terms” and should be annulled. It also urged the filing of criminal, civil and administrative charges against some public officials and private individuals.

**(6) The P728-million fertilizer fund scam.** Former Agriculture Undersecretary Jocelyn “Joc-joc” Bolante was accused of distributing P728 million in fertilizer funds to local leaders to ensure Ms Arroyo’s election victory in 2004. Bolante fled to the United States, was arrested at the Los Angeles International Airport. He has chosen to be detained in the US rather than be deported to Manila.

**(7) The \$329-million National Broadband Network.**

If the President is sincere in going after grafters in the government, she should order all the government agencies concerned, including the two

rising to the occasion, against tyranny and in defense of human dignity. It is the ultimate recourse for people against those who are not at all ashamed in committing abominations (cf. Jer 8.12).

Let us not grow weary in praying for deliverance and for truth to prevail. May we all be fervent in prayer that genuine reform and change sweep across the land. We bid all to be ardent in discernment amidst our outrage. United in hope, let us be inspired by the gift of freedom given by the truth of God’s word. That gift of freedom can be seen in the united march of all who believe that the unrighteous be banished away to usher in the dawn of peace.

Signed:

Rex R.B. Reyes, Jr.  
General Secretary

Bishop Nathanael Lazaro  
Chairperson

February 12, 2008

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## The Truth will set our Country Free

**I**T was courageous but damaging for two officials of government, former Speaker Jose de Venecia and Mr. Rodolfo “Jun” Lozada, to expose questionable government deals in millions of dollars including scandalous and immoral kickbacks. It was courageous to come out in the open to “publicly confess” the high level of graft and corruption that they knew all along and “somehow” have been involved in. But it was also damaging to their political career as well as to significant others who are in high governance. Damaging also because they opened themselves to further scrutiny and inquiry. Truth hurts. Truth liberates. But the truth must be served. The truth will set our country free (cf. John 8/32)

Their public confession may be considered a providential event that may yet save our country from being hostage to scandalous and shady government deals that offend the common good and serve only personal, family and group interests. In our last CBCP Statement, the Bishops strongly lamented

the absence of social conscience today. This is the root cause of our systemic graft and corruption.

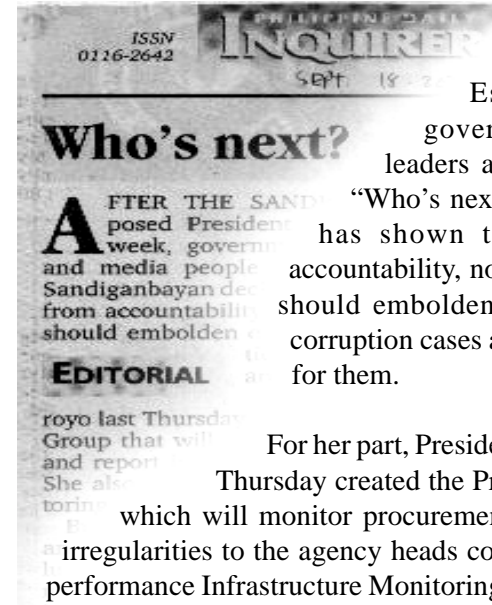
We lament in this season of Lent not only that we are sinners but also that our country has too long been captive to the corruption of people in governance. “We have to confess that corruption is in truth our greatest shame as a people.” The call for a moral revolution has deep implication. The CRUSADE FOR TRUTH being initiated by the Religious like the AMRSP, Civil Groups and Clergy is encouraging, and must be supported by all truth-loving and freedom-loving citizens. Only the truth, not lies and deceptions, will set our country free. This truth challenges us now to communal action.

We encourage the “Watch and Pray” activity that will be initiated by the Parish Pastoral Councils for Responsible Voting (PPC-RV). We can also call it PPC for Responsible Citizenship. The flame of “social consciousness and common good” must be kept alive. We suggest the prayer used by the Magnificat Movement, the MAGNIFICAT of Our Lady in Luke 1, 46-55 a prayer for social transformation.

As we said in our last CBCP Statement “let us pray together, reason together, decide together, act together” “towards a more vigorous work for good governance and a more active promotion of responsible citizenship in our society in the light of the Gospel and the Social Teachings of the Church.”

+ANGEL N. LAGDAMEO  
Archbishop of Jaro  
CBCP President  
February 10, 2008

## Who's next?



After the anti-graft court Sandiganbayan convicted deposed President Joseph Estrada of plunder last week, government officials, civil society leaders and media people began asking, “Who’s next?” The Sandiganbayan decision has shown that no one is exempt from accountability, not even a former president, and it should embolden everyone to pursue graft and corruption cases against those who have to answer for them.

For her part, President Gloria Macapagal-Arroyo last Thursday created the Procurement Transparency Group, which will monitor procurement for public projects and report irregularities to the agency heads concerned. She also formed a Performance Infrastructure Monitoring Group.

But what is needed in dealing with the problem of graft and corruption are not new government agencies but resolute action against grafters. We already have many government agencies charged with bringing corrupt officials to justice. What is needed is the political will to go after these officials and not to let up until they are all behind bars.

For starters, Ms Arroyo and other officials should act on the following cases:

**(1) The \$2-million extortion charge against former Justice Secretary Hernando Perez** filed by former Manila Rep. Mark Jimenez in 2001. Estrada had said then that Jimenez gave Perez \$2 million to approve the \$470-million contract to rehabilitate a power plant in Laguna won by the Argentine firm Industrias Metalurgicas Pescarmona Sociedad Anonima (Impsa). Graft prosecutors said there was sufficient evidence to establish that Perez and company had committed “illegal acts.”

**(2) The P1.3-billion election computerization deal.** The Supreme Court on Jan. 13, 2004 voided MegaPacific’s contract to supply the Commission