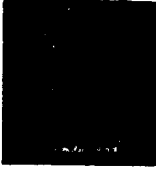


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THE DIRECTOR OF
CENTRAL INTELLIGENCE



National Intelligence Council

NIC #04693-85
18 September 1985

NOTE FOR: Director of Central Intelligence
FROM: NIO for East Asia

Attached please find some of my thoughts that I wanted to share with you concerning President Marcos and the Philippines. At your convenience, a meeting to discuss your reactions and any suggestions you may have would be most helpful.

Carl Ford
Carl Ford



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18 September 1985President Marcos -- Less Than Meets the Eye

Many Americans give President Marcos high marks for his past performances in administering the Philippines. Even today, he is seen as far more capable than any of his potential successors and a formidable candidate in the 1987 election. A recent Asia Foundation sponsored poll reinforces the view that Marcos retains considerable popularity among Filipinos. Indeed, Marcos is a remarkable leader with many talents. His twenty-year rule demonstrates a staying power few world leaders can match. But, a realistic assessment of Marcos's record and his possible future contributions falls far short of the near legendary qualities attributed to him.

In comparison with the accomplishments of other contemporary authoritarian leaders in Asia, Marcos does not fare well. Lee Kuan Yew of Singapore, Chiang Ching-kuo of Taiwan and President Suharto of Indonesia each have accomplished much more, and in some ways with less, than has President Marcos. They each promoted a cadre of technocrats to oversee economic development accompanied by careful, and often slow, movement toward greater political freedom. Their authoritarian rule brought stability while economic success lessened demands for more rapid political modernization. In contrast, after 20 years of Marcos's rule, the Philippine economy is in shambles, the gap between rich and poor has widened, the military is ineffective, and a serious communist-led insurgency rages in the countryside.

Marcos missed his best opportunity to put the Philippines back on track when he failed to take full advantage of the powers he assumed when he proclaimed martial law in 1971. Most Filipinos seem to have recognized that conditions had reached a crisis stage and were prepared to support strong authoritarian stewardship.* And, under the structure Marcos created in 1971 he certainly did not lack for power and authority. Marcos, therefore, must accept that the deteriorating situation is in no small measure his own doing.

Marcos's strengths include a strong will, intelligence, repeated examples of tactical genius and an undeniable charisma. Throughout his career, he has met numerous personal challenges successfully and has mastered the art of manipulating the Philippine political system superbly. Moreover, the changes implemented during martial law appear similar to the successful formulas adopted by Taiwan, Singapore and

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Indonesia, e.g., greatly strengthened presidential powers, enhanced role for military and civilian technocrats and the formation of a new political party (the KBL). But his accomplishments have differed markedly from those of his peers.

Despite his considerable capabilities, Marcos appears to lack the strategic vision of other prominent Asian leaders and has failed to use his authoritarian powers to advance national interests. A detailed search of the records finds that quelling the Moro rebellion is Marcos's greatest achievement. Land reform failed. Foreign debt rose to crisis proportions due to mismanagement of the economy. The military has become corrupt and politicized. And, an independent judiciary system inherited from U.S. colonial days, including the Supreme Court, now serves the ruling groups' interests, not the constitution or Philippine law. All indicators, including the degree of law and order, have declined under Marcos's stewardship. The truly remarkable thing about Marcos is that he has survived so long having accomplished so little.

The secret to his success, and his first priority throughout his tenure, has been consolidating his own power and enriching friends and key supporters. Loyalty, not talent, have been far more important in the choice of subordinates. Moreover, he has given the most power and authority to the least capable, such as General Ver. More capable people were either carefully micromanaged from the top or excluded from power altogether. He has neutralized political rivals or forced them to leave the country as in the case of Aquino. Loyal subordinates, in true traditional Philippine style, were rewarded with favored treatment, including ample opportunities to obtain profits from graft and corruption. Marcos seems to have left to family and retainers the task of enriching his own fortune while closing his eyes to other supporters plundering the system. This was a common practice before Marcos, but no prior administration had accumulated so much power or remained in place nearly so long.

Marcos's precarious health adds a further complication. He no longer can spend long hours overseeing the day-to-day activities of a system designed specifically for one man rule. His essentially half day schedule every other day and unwillingness to delegate authority insures that government programs move forward at a snail's pace, if at all. In this context, his preoccupation with political survival also limits the amount of time available for other pressing problems such as the economy and the insurgency. Marcos's periodic public displays of attention to these issues present an appearance of being on top of things when, in truth, the situation continues to deteriorate alarmingly. The prognosis for the President regaining his health sufficiently to make the system work properly is also not good.

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Even if Marcos's health stabilizes, he is unlikely to respond favorably to US or internal pressures for reform. The changes we demand of him run counter to his first priority--political survival. Each of the urgent reforms necessary, whether they be political, economic or military,

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undermine and weaken his ability to control future events. Marcos probably also calculates that sacking his loyal friends, such as General Ver and the crony capitalists, at this critical juncture would highlight his vulnerability and satisfy no one. His remaining supporters would wonder if their heads might be next on the chopping block and his critics, sensing weakness, would demand even more concessions. And, although withholding our approval for his actions would almost certainly cause Marcos's tarnished "mandate of heaven" to slip away irretrievably, his actions bespeak a man who thinks that this is a problem he can manage. Our leverage with assistance monies amounts to little and he probably believes that he can count on President Reagan not to abandon him. Only such ultimate sanctions worry him. He turns lesser threats and pressure skillfully to his advantage with nationalistic-loaded charges of US meddling and interference.

Marcos also shows no signs of stepping aside anytime soon or preparing for an eventual succession. On the contrary, he repeatedly sounds the theme that he is the only person in the Philippines who can cope with current and future problems. His indispensability is likely to be a central campaign message between now and 1987. But, based on past performance, his current physical condition, and an eroding base of support, he has little or no chance of stopping the Philippines' declining fortunes and will likely exacerbate the trend.

Marcos's departure from the political scene--whenever and however it occurs--will almost certainly create a period of instability. Several members of the KBL--Emelda Marcos, Defense Minister Enrile, party stalwart Rono and Blas Ople, among others--covet his job and the scramble to succeed Marcos could touch off a debilitating inter-party rift. But, if anything, the opposition is even more divided than the KBL. The loss of their shared enemy, Marcos, is likely to make it more difficult for these disparate groups to unify behind a single slate of candidates. Similarly, the army lacks cohesion. A KBL figure stands the best chance of gaining tacit military backing, but it seems just as likely that it will remain neutral on the sidelines immobilized by factionalism. And, regardless of who emerges victorious after Marcos, the problems to be resolved remain formidable.

As the drama in the Philippines plays itself out, time looms as the single most important variable in determining the outcome. The prospects are not promising. Marcos seems intent on hanging on to the bitter end. The overall situation continues to deteriorate noticeably. And a smooth transition appears unlikely. All the while the CPP/NPA are busily organizing and gaining military strength.

Over time, the problems awaiting any new government promise to increase. More alarmingly, the risk is greater over time of a communist takeover either by exploiting the instability of the transition or the failures of a new administration. Unfortunately, we cannot avoid either the instability when the end comes for Marcos, as it must, or the risk of a communist Philippines.

But, if that is the case, we better hope that nature runs its course sooner rather than later, otherwise we may find that Marcos's departure from the Philippines and our own coincide. Time is definitely not on our side.

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