

A visit in gratitude

Q: You are making your first state visit to Malaysia after being appointed President. How would you describe the relationship between Malaysia and the Philippines after the Estrada administration?

A: Well, I think it is much, much better than the previous administration. I certainly appreciate the support by Prime Minister (Datuk Seri Dr) Mahathir (Mohamad) and his Government in our efforts for a lasting peace in Mindanao. And that is the reason why I chose Malaysia for my first State visit and also my first visit abroad. It is precisely to dramatise the gratitude of our people for the great support that Malaysia has been giving us.

Q: When you are in Kuala Lumpur, will you be looking for specific areas of co-operation? I think you are looking at possible co-operation in tourism, health and education...

A: Not really. That's what the bureaucrats want. But tourism, yes. We are looking at an agreement between our Ministries of Tourism for a twinning arrangement. This means that if there are visitors to Malaysia, packages will be arranged to encourage them to visit the Philippines and vice-versa. That is something very specific. Other areas include the revival of the BIMP-EAGA (Brunei, Indonesia, Malaysia and the Philippines-East Asian Growth Area).

I hope we will also be able to begin talking about something concrete with regard to Petronas and the Philippines Oil Corporation for a gas pipeline between the two economies.

Q: When you talk about a gas pipeline between the two economies, that will naturally relate to the southern region of Mindanao...

A: Not necessarily, because Malaysia is looking at the downstream activities of our gas industry which are located in Luzon. But one of the ideas is to ask them to make the pipeline to go through Mindanao so some of the linkages can be in Mindanao.

Q: While on Mindanao... I am sure you are delighted with the progress of the peace talks (between Moro National Liberation Front and Moro Islamic Liberation Front). What are your hopes for the future of Mindanao when you go down to Kuala Lumpur and witness the signing of the peace pact?

A: First of all, I don't know whether I will be signing an agreement or even wit-

Petite she may be, but Philippine President Gloria Macapagal Arroyo is looked up to for getting her priorities in perspective. She has introduced laws and policies in a move to bring back the glory days of the 60s when under her father's stewardship the Philippines was the region's economic powerhouse. She shares her vision with ASHRAF ABDULLAH and TONY EMMANUEL who are in Manila. Picture by C.H. LOH.

the sincerity of the (Philippines) Government in these efforts.

Q: The MNLF and the MILF have reached a unity pact. Do you think this will in some way help to curb the problems caused by Abu Sayyaf?

A: Not necessarily because the Abu Sayyaf is neither MNLF nor MILF. It is a terrorist group. It is not a secessionist group like the MNLF used to be. The MILF is still officially so.

Q: In looking back, your father is reputed to be responsible for bringing the Philippines' economy to be the No 1 in the region. He is also known to be the people's common man. You also seem to be moving towards that direction because you are very much into economics. The public now seems to perceive it to be "like father, like daughter"...

A: (smiles) It is so!

Q: What are your objectives? It is known that you are just serving the remaining term of the previous administration, but you are very determined to push through many policies and Bills...

A: 16 Bills and when I was in Congress, it was 55.

Q: You seem to be juggling with many issues like economics, poverty eradication and looking at some of the Jaws that you proposed and were passed, sexual harassment Jaws. What is your main priority?

A: Well, the main priority is to fight poverty. I spent my 30-page State of the Nation Address (Sona) on discussing the main priorities. Fighting poverty will come in four components. The first is to promote opportunities for a free enterprise in the new economy. We want to push to greater heights the information and communications technology as well as tourism. Tourism is very important to us.

We also want to learn from Malaysia's experience in ICT... Cyberjaya. The second component is to modernise agriculture because most of the poor people live in the countryside.

The fourth component is to introduce a social bias in our development plans. That's why the development of Mindanao is very important. Five of the poorest provinces are

for support

in Mindanao, and that happens to be the conflict areas. The fourth component also encompasses the need to improve the moral standards in the Government and the society. We are quite focused on these specific targets.

Q: When we talk about tourism, at present there are only nine flights from Kuala

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Lumpur to Manila and most of them are code-shared. Are we looking at the possibility of increasing the number of flights?

A: That's one of the things that we can explore because we are pursuing a liberalised air policy. While in Malaysia, we will take up the issue of reviving the EAGA. The flights we are thinking of are those from Kuala Lumpur to Davao. That are the kinds

of flights that we want to push for.

Q: You were talking about the four components for development. Do you have a target date to achieve this?

A: Of course we have set a target of 10 years to win the battle against poverty. But what we want to do within these three years of my administration is to contribute towards winning the battle in 10 years.

For instance, to promote agricultural modernisation. I specified that we must spend 18 billion pesos for irrigation and we must allocate six billion pesos within the next three years. That will translate into 500,000 beneficiaries. We must aim for a million new jobs in the agriculture sector within the next three years. And all the expenditures I mentioned earlier are geared towards contributing to this.

For the urban poor, we want 400,000 poor families to acquire the power to purchase the land that they are occupying. This is the principle of empowerment. About 300,000 houses will be built for the working class within the next three years. I also want the price of medicines to go down by half of what they were when I delivered my Sona. They are already going down now. I have given very specific target because I want to be focused.

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Arroyo lays plans to cultivate oil palm on 160,000 hectares

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are related to my work. My reading now is not for pleasure; that's how serious I am about my plans.

Q: (And) 24 hours is not enough...?

A: You know I have so much to do and I do have to sleep seven hours a day. Previously I read Alfred McCoy, a book about two graduating classes of the Philippines military academy and there was Glenda Gloria's Under *The Crescent: Mindanao* about the rebellion in the south (Mindanao).

Q: And your secret of looking good and your approach towards healthy living?

A: There's three hours of exercise a week. Then, there is the driving range (usually after work). And on some Sundays, catching a movie at the local cinema.

Q: At the cinema? Why can't you have them shown in your palace?

A: It's too much trouble. It's easier to decide over lunch which movie to catch and give several hours advance notice for PSG (presidential security guards) to "case the joint" and then go to the movie. The last time I had a private viewing was when I watched my son's movie. It's inconvenient because you have to bring over the equipment and my house is not equipped. At the movies, we can have popcorn... it's really much easier.

Most recent movies I watched were *Came the Spider* and my favourite was Lara Croft's *Tomb Raider*.

Q: On your other favourite pastime, golf... what's your best achievement?

A: My longest drive was about 200 yards... when I was V-P.

Q: And what's your handicap?

A: 36... that's the handicap for beginners... ladies.

Q: You talked about reviving EAGA. Care to elaborate?

A: It would not be during the one-on-one (with Dr Mahathir). It would be during the bilateral talks. Like for the flights to Davao. Investments in palm oil, we are planning to cultivate oil palm on 160,000 hectares and the president of the Philippines Palm Oil Association would also be coming along to attract investors.

Then there are also opportunities for your national oil and gas,

Petronas, in pipeline.

Q: You seem to be taking a hands-on approach in everything that you have laid out...

A: Not all... only in my favourite sector which is agriculture. I hardly interfere in finance as my Secretary of Finance is well-versed with what he is doing. The other sectors, I have the supervisors whom I have appointed.

Q: While we are on the subject of finance, you have taken a very strong stand and echoed Dr Mahathir's warning about currency speculators...

A: He is my model of a leader. We will continue our efforts to curb

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such activities (speculation). Fundamentals show that the value of the peso against the dollar is undervalued. It should be about 50 pesos against the US dollar, and we believe we can achieve it soon. On imposing tightening control like foreign exchange controls practised in Malaysia, we have inventory of policies. I shouldn't be talking about it. We are determined to tackle currency speculation.

Q: After 1997, why this attack on the Philippines?

A: Not correct to say that it is just the Philippines. But my concern is the Philippines.

Q: Dr Mahathir has suggested Asean countries use own currencies for trade in the region. Do you think this should be pursued?

A: Yes, that is a good idea. It lessens the demand for the US dollar.

Q: Will that be discussed?

A: Its not on the agenda. My main purpose for the visit is to thank (Prime Minister) Dr Mahathir for the assistance in the peace process and discuss how we can work towards reviving EAGA. And, if the topic of currency crops up, of course we can discuss that too.

Q: There has been much media reports about the rich Chinese be-

ing targets of kidnapping gangs.

A: I formed a National Anti-Crime Commission, represented by officials from the Justice Department and the Bureau of Investigations, police and armed forces. I organised this commission after consulting the Chinese community. Three private sector representatives are from the private sector, and of the three, two are from the Chinese community.

Q: After what happened on Thursday night (latest Abu Sayyaf attack), do you believe the military can achieve its objectives in putting an end to the threat posed by the criminals?

A: They are terrorists. What happened was near the Abu Sayyaf lair. It was a diversionary tactic. And those killed... well, these are realities of war. You have casualties on both sides but I am determined to go ahead and will not be intimidated.

Q: Can you tell us something on Philippines international relations and its foreign policy under your stewardship?

A: The United States, China and Japan are important components. The inter-relationship will continue to play an important role when we address these countries. Looking at the reality... for the US, we continue to enhance relations. They are the dominant economic and military powerhouse. With the US, we have a common history and system of democracy. With Japan, we will continue to focus on enhancing political and economic ties. Japan is our biggest source of ODA and also one of our major investors and trading partner. There is also much positive relations with China and we need to foster closer friendship.

Rather than focus on irritants, we should look towards friendship. The other focus is Asean. More and more of our foreign and trade policies are being made from the Asean context. The Asean Regional Forum is good and important. What is also important is the role of Islamic countries, like Malaysia. Another reality is Philippines overseas foreign workers, which is essential to our economy. And our foreign policy also takes this into consideration. Tourism is an important aspect of foreign policy.

Q: Your priority for the Philippines is economic development. Do you believe this can be achieved in a short term (your term of office)?

A: I am confident it can be achieved...