

# OPINION & FEATURES

## A taste of haven

**T**HE news from London is worrying—but it is not as bad as it originally seemed. That the Organization for Economic Cooperation and Development, the de facto club of the world's developed economies, classified the Philippines as "uncooperative" in the matter of tax information exchange is unwelcome news indeed. But it is news that needs to be put in context.

In the first place, the Philippines is not a tax haven—not by any loose definition of the term, and not according to the OECD's own standards. The organization recognizes that there is no "technically precise definition" of a tax haven, but suggests three defining elements: "low or zero taxation, a lack of transparency and a refusal to provide information to foreign tax authorities." In 1998, a groundbreaking OECD publication zeroed in on the essential characteristic of a tax haven: "The absence of tax or a low effective tax rate on the relevant income is the starting point of any evaluation."

In the second place, the Philippines was not included in the OECD's June 2000 list of tax havens, an itinerary of tax evasion-enabling destinations that included the likes of Andorra, Monaco and Liechtenstein. Indeed, as late as last year, these three havens were identified as "jurisdictions which refused to make such commitments" as necessary to increase transparency and exchange of information.

In the third place, the Philippines is not part of

### GUEST EDITORIAL

the massive international tax haven business.

What the OECD did announce, in a progress report it released last week, was that only four economies "had not submitted to the internationally agreed tax standard"—namely Uruguay, Costa Rica, Malaysia and the Philippines.

Most of the actual tax havens identified in 2000 escaped ignominy by the simple expedient of promising substantial compliance with OECD standards, landing in the so-called "gray" list of economies which "have committed to the internationally agreed tax standard, but have not yet substantially implemented" the OECD convention.

It is important to note that it wasn't only Malaysia or the Philippines that complained about the OECD listings. Prime Minister Jean-Claude Juncker of Luxembourg, included in the gray list, grumbled: "I think that the treatment given to some countries is a bit incomprehensible." The Swiss foreign office noted pointedly that "The list does not specify the criteria on the basis of which it was drawn up."



Photo courtesy of Inquirer.net

For that is the reality. The tax havens continue to siphon off billions of dollars from economies large and small, income which—if it had been properly taxed—would have helped fund more of the public spending a global economy in recession needs.

None of this is to say that the Philippines should

not work speedily to get itself stricken off the black list. Finance Secretary Margarito Teves has already outlined the limits of our response: "Invariably, this will require consultation, study and action by the Philippine Congress." Or that we don't have our share of tax evasion problems. (*Inquirer.net*)

## Growing political activism

**R**eminiscent of the latter years of the Marcos dictatorship, Filipinos in America are becoming more concerned over Philippine political affairs, particularly the 2010 presidential elections.



**STREET TALK**  
Greg B. Macabenta

More and more are re-acquiring their Philippine citizenship, a privilege granted by the 2003 dual citizenship law, and those who are not yet US citizens are registering as overseas absentee voters.

I myself was among the first batch who became dual citizens, the same day the law became operative. I have voted in Philippine elections since then, aside from voting in the US polls.

Whether enough of us will have qualified to vote in the presidential contest next year to make an impact on the desperate effort to replace Gloria Macapagal-Arroyo and her gang, remains to be seen. But there is reason to believe that this will happen.

New York lawyer Merit Salud put it bluntly at a meeting of Fil-Am community leaders in Tampa, Florida this last weekend: "We can no longer ignore what is happening in the Philippines. If we get involved in US politics but not in the choice of leaders back there, we will not be doing our duty."

Salud's impassioned statement was

made at a crucial gathering of leaders of the National Federation of Filipino American Associations (NaFFAA) to discuss and form a political action committee, distinct from the federation, that would be aggressively involved in advocacy and in supporting mainstream political candidates who are committed to promote Fil-Am interests.

NaFFAA, being a non-profit, cannot engage in partisan politics. But political empowerment has always been a key objective of the federation, which is the biggest coalition of Filipino-American community organizations and advocacy groups in the US.

At a meeting of the NaFFAA leadership in Washington, DC in November last year, which I convened as national chair, I urged frontally addressing the oxymoron of an organization dedicated to political empowerment but rendered impotent by its non-profit status.

We had witnessed how community solidarity and political activism had helped push the veterans equity bill through the Senate and, subsequently, helped get a \$198 million benefits package for veterans integrated in the \$787 billion economic stimulus bill. In contrast, political impotence was behind the neglect with which the US Congress had treated the cause of the veterans since the passage of the infamous Rescission Act of 1946.

The consensus was to establish a political action committee as a separate and distinct entity from NaFFAA.

The conference in Tampa, which I attended, was the result of coast-to-coast teleconferences and email exchanges

over the past several months. The convenors were New York lawyer and NaFFAA Region 1 chair, JT Mallonga; Dr. Ernie Ramos and Dr. Joy Bruce of Florida, both former NaFFAA Region 4 chairs; lawyer Val Dagami, NaFFAA Florida state chair; and a former college classmate of mine, Lita Abril Martija, a prime mover of the Florida Fil-Am coalition. We all participated in our individual capacity and not as NaFFAA officers. The result was the formation of the Filipino American Public Affairs Coalition (FAPAC), with Dr. Ramos as interim president.

Florida was picked as the conference venue because of the impressive track record of its political action committee, formed only a few years back. In the last gubernatorial elections, the PAC, composed of card-carrying Democrats and Republicans, agreed to support the candidate who would commit to act on issues important to Fil-Ams in Florida, among them, the appointment of qualified community leaders to key posts in the state administration.

Dr. Ramos, a rabid Democrat, related how the PAC decided to endorse Republican Charlie Crist. "My heart bled," he recalled, "but the interests of our community had to take priority over my own partisan leanings." Crist won. He has since delivered on his commitments to the Fil-Am community.

Present at the Tampa conference was Mayor Kevin Burns of North Miami, a candidate for the US Senate. Burns has been a staunch supporter of the Fil-Am community in his city, proven not only in words but also in deeds. He authorized

\$200,000 towards the reconstruction of the building of NANAY, a Fil-Am non-profit that provides social services to seniors and youth.

Burns committed to support the Fil-Am agenda if he makes it to the Senate. The importance of such a commitment cannot be taken lightly. It was one solitary senator who blocked the passage of S.1315, the Filipino World War II Veterans Equity bill. It was also through the efforts of three senators, Senator Daniel Akaka and Senator Daniel Inouye of Hawaii and Senator Harry Reid of Nevada, as well as Congressman Bob Filner of San Diego, that the benefits package for Filipino veterans was successfully attached to the billion economic stimulus measure.

The newly formed FAPAC will not stop at promoting Fil-Am interests on Capitol Hill and in the state houses and city halls across the US. Fil-Ams are just as seriously affected by developments in the Philippines. Our remittances are what have kept the economy afloat. Many of us intend to retire in the Philippines. And, most of all, we cannot allow the land of our birth to be so flagrantly abused.

We are aware of the scramble for strategic advantage among several "presidentialiables," with qualifications ranging from the remarkable to the ridiculous. We are also aware that Philippine media and civic leaders have been remiss in defining and clarifying the qualifications of the contenders. This has kept the majority of voters unenlightened and easily swayed by empty promises and press releases.

At least, in theory, we in America are supposed to be more enlightened, we are

oriented to donating money to candidates instead of being bought by them, and we are too remote to be threatened with bodily harm. We can also influence the way our relatives, the recipients of our remittances, vote.

It is in this regard that FAPAC can play a significant role. By inviting prospective presidential candidates to speak at Fil-Am town hall meetings, to explain their respective programs for the Philippines, we can more easily arrive at a consensus on whom to endorse and support.

Hopefully, this Fil-Am support will also involve contributing to the favored candidate's campaign fund. As dual citizens and as qualified overseas absentee voters, we can legally contribute to such a fund.

Senatorial candidates in the 2010 elections will also be affected by the growing political activism of US Pinoys. This is because the overseas absentee voting law includes them, along with the candidates for president and vice-president, among those we can vote for.

For sure, there is still much to be done to effectively muster the political power of Fil-Ams and wield it in the 2010 elections. But, be assured that every newspaper headline that we read and every TV news report that we see concerning the anomalies in the Arroyo government and the machinations of her surrogates in Congress is helping raise our psychological temperature.

During the Marcos regime, that hit the boiling point and had an impact on the People Power revolt. Hopefully, it will boil over again in time for 2010.

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## Church thinking on contraception

**"A** woman with many children has a husband who works abroad as an overseas contract worker. They have four small children and they cannot afford to raise another child while her husband is away and the woman is a full-time mother. When her husband's home visit falls during her fertile period, they resort to using condoms during sexual intercourse. She believes that denying sexual relations from her visiting husband during her fertile period, in compliance with NFP practice, would cause great stress to their marriage. The Church advises the couple to make a conscience decision about what is best for their marriage and their family's welfare during these home visits. Even if they do decide in the meantime to use contraceptives during intercourse on fertile days, they should keep in mind the Church's teaching on NFP even if it cannot be applied at the moment. When the time comes when her husband can come



**AT LARGE**  
Rina Jimenez-David

home for good, they can then practice NFP."

This discussion was written not by some lax, liberal, moral relativist layperson (such as this columnist, perhaps), but by a Jesuit, Fr. Eric Marcelo O. Genilo, in his paper *Population, Birth Regulation and the Catholic Moral Tradition*. The paper was prepared for a series of symposia on population and development sponsored by the Center for Population and Development (PCPD) and two Catholic institutions: the Office of Population Studies of the University of San Carlos and the John J. Carroll Institute on Church and Social Issues (JJCICSI).

A review of the articles has certainly made me re-think my opinion of the "Catholic view" on population.

As some of the articles demonstrate, the position of the Catholic Church is far more flexible, more attuned to the real-life problems confronting couples, than one would suppose from the statements uttered by some bishops and their hard-line supporters among the laity.

Fr. Carroll, in his paper, *Addressing Demographic Realities: A Complementary Perspective*, notes: "Unfortunately, the Philippine Church has been far more active in opposing contraception, and this by political

means, than in forming the consciences of its people and providing them with a real choice in the form of natural family planning." Thus, in this debate, the Church "experiences the 'worst of both worlds,'" writes Fr. Carroll. "It is blamed for the 'population problem' also by well-intentioned people who are normally sympathetic to it, and many of its people are limiting their families by means not acceptable to it."

FR. Ramon D. Echica, who at the time of the book's publication was dean of studies of San Carlos Major Seminary in Cebu, says in his article, *A Catholic Perspective on the Population Issue*, that "the problem (is) in the way (the issue) is presented in catechesis and popular teaching, there is more focus on the evil of artificial contraception rather than on the evil of a contraceptive mentality rooted in selfishness." The primary issue, writes Echica, is "whether or not couples do renounce the demands of authentic love and replace them with facile solutions dictated by egotism. A newly born baby must be the fruit of love and must be continually reared in love. Just as it is wrong to forego having a baby for selfish reasons... it is also wrong to desire a baby for another selfish reason like the security of the parents."

While the Church's teaching that artificial contra-

ception is "intrinsically evil" would presume that contraception is always morally wrong, Fr. Echica says some theologians would amend this to say that it is an act of "premarital evil," that is, an act whose morality is tempered by other values, such as economic necessity, thus justifying its use.

"The Church realizes that even married couples of good faith find difficulty in applying the Church's teaching on birth regulation," he writes. "It also recognizes that striving to perfectly follow Church teaching takes a long process and requires a gradual approach."

At the pastoral level, writes Fr. Genilo, "a married person can be absolved in confession of the use of contraceptives even if the person cannot immediately stop using these birth control methods because of a grave reason," provided the person, among other conditions, promises his/her best to shift to NFP when the circumstances allow it.

This brings to mind the advice given me early in my married life that I should "go to a Jesuit confessor" if I planned to use contraception. But as it turns out, all a Catholic needs is a well-formed conscience and a thoughtful confessor who can sympathize with real-life dilemmas of real people. (*Inquirer.net*)

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