

OPINION & FEATURES

A taste of haven

THE 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

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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 the massive international tax haven



Photo courtesy of Inquirer.net

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. 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

REMINISCENT 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 reacquiring their Philippine citizenship, a privilege granted by the 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. (Email: gregmacabenta@hotmail.com)

Healing period

THE Lenten season gives us all the opportunity to take a much-needed rest from work and respite from the day-to-day grind of life. It is also a chance for us to take stock of how we live our life. But while we turn to spiritual contemplation during Holy Week, it is something that should not be limited to this occasion only. I admire people who turn to their deep religious faith which help them cope and survive crises and challenges that come their way. However, being endowed with earthly material wealth certainly could help people in distress cope with life's crisis better than ordinary mortals could. On Dec. 17, 2004, a fire blamed on exploding Christmas bulbs gutted the second floor of the Speaker's residence, trapping their 16-year old daughter KC in one of the family rooms. Many Gina has already moved on after this tragedy in their family after a long period of grieving over the loss of their youngest daughter. Learning from this personal tragedy, Many

COMMONSENSE

Marichu A. Villanueva

Gina organized the INA Foundation, short for Inang Naiwan ng Anak. They put up the INA Healing Center in Batasan Hills in Quezon City. There, the INA Center has trained "grief mentors" to counsel parents, especially grief-stricken mothers, to cope with the loss of their beloved child and move on. She is actively involved also at The Haven for Women Center she helped put up in Alabang, Muntinlupa City to care for battered women and victims of rape and other forms of abuses. Their daughter KC would have turned 21 years old Monday, April 6, or a day after President Arroyo's birthday, Many Gina added. She chuckled when she fondly mentioned this footnote upon mention of her estranged friend and "kumare" President Arroyo. It's been more than 14 months now when the Filipino nation witnessed the bitter parting of ways between the two erstwhile allies when De Venecia, with the blessings of the President, was stripped off the Speakership by his colleagues in the House of Representatives. De Venecia was ousted as Speaker shortly af-

ter his businessman-son and namesake Joey de Venecia III, linked her and her husband, First Gentleman Jose Miguel Arroyo to irregularities and corruption in the \$330-million national broadband network (NBN) deal. Mrs. Arroyo's House allies led by her two congressmen-sons Mikey and Dato and brother-in-law Iggy engineered the House coup and replaced De Venecia with Davao Rep. Prospero Nograles in February last year. Even Congressmen from the ruling Lakas-Christian Muslim Democrats (CMD) that De Venecia headed joined the ouster plot against the former Speaker. At the same time that he lost the Speakership, De Venecia lost the presidency of the Lakas party also to Nograles. Certain Lakas Congressmen even called for the ouster of De Venecia from the party that he co-founded with former President Fidel V. Ramos. He vehemently denied reports, though, that he purportedly wanted to regain the Speakership. This was after De Venecia reportedly asked his reinstatement as Speaker as a condition before he agrees to support the renewed Charter change (Cha-cha) initiatives in Congress. Unlike the Cha-cha he pushed when he was still the Speaker, De Venecia cited he made transparent campaign to push for the proposed

shift to parliamentary system of government. He charged that the Cha-cha Resolution authored and filed by Speaker Nograles is being pushed under the guise of amending only the economic provisions of the 1987 Constitution. De Venecia was quoted as saying that Cha-cha was apparently the major reason why the incumbent Speaker got the historic lowest performance rating in the opinion survey done by the Social Weather Station (SWS). Results of the first quarter survey of the SWS showed that Speaker Nograles had a net rating of -22, down by five points from -17 in the previous quarter. The SWS noted this was the lowest rating yet for Speakers of the House since 1990. De Venecia said he looks forward to putting together Asian political parties that will take him abroad again in June. He swears he has no rancor in his heart and has been sleeping soundly, with a balm of clear conscience. He now has time to cook for friends. He invited us to a special lunch he personally prepared for us. He whipped two of his favorite pasta menus, pasta *su tinta* or spaghetti cooked in squid ink and spaghetti cooked in crab's fat (*aligi*). He even welcomed us in his kitchen still wearing his apron and wide smile from ear to ear. (Philstar.com)



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