

AN AGENDA FOR PEACE AND DEVELOPMENT
PACIFIC ECONOMIC COOPERATION COUNCIL
BANDAR SERI BEGAWAN, 3 SEPTEMBER 2003

I AM GRATEFUL TO HIS MAJESTY, THE SULTAN OF BRUNEI FOR HIS HOSPITALITY.

AND I CONGRATULATE PEHIN DATO LIM JOCK SENG ON HIS LEADERSHIP OF THE PECC.

I AM GLAD THAT THIS MEETING IS BEING CONVENED IN BRUNEI DARUSSALAM, THE ABODE OF PEACE.

PEACE IS THE ANTI-THESIS OF TERRORISM. TERRORISM IS A VERY REAL THREAT FOR ALL NATIONS AND OUR SYMPATHIES ARE WITH THE INDONESIAN PEOPLE AND THE FAMILIES OF THOSE THAT SUFFERED LOSSES FROM THE MARRIOT TRAGEDY. IN OUR OWN NATION AND CAPITAL CITY OF MANILA, THE POLICE AND ARMED FORCES REMAIN ON HIGH ALERT AND VIGILANT ABOUT SECURITY. AT THE SAME TIME, WE CONTINUE TO WORK WITH OUR PACIFIC AND ASEAN ALLIES TO FIND TERRORISTS AND BRING THEM TO JUSTICE. ONLY BY AGGRESSIVELY GOING AFTER TERRORISTS CAN THE WORLD FEEL SAFE FROM THE HEARTACHE AND TRAGEDY THEY LEAVE IN THEIR WAKE.

PEACE IS THE TWIN OF DEVELOPMENT. MORE THAN EVER BEFORE, THE BUILDING OF PEACE AND THE PURSUIT OF DEVELOPMENT REQUIRE THE CLOSE COOPERATION OF GOVERNMENT, BUSINESS, AND THE ACADEME. THE PECC IS A PIONEER AND EXEMPLAR OF THIS APPROACH.

A NATION'S SECURITY IS DETERMINED BY PEACE AND ORDER AND A STRONG ECONOMY. BECAUSE OF THIS, OVER THE PAST TWO YEARS, MY ADMINISTRATION HAS BEEN AGGRESSIVELY PUTTING IN PLACE ECONOMIC REFORMS THAT ARE SIGNIFICANTLY IMPROVING THE LONG-TERM PROSPECTS FOR THE PHILIPPINES. WE SPENT THE FIRST TWO YEARS OF MY ADMINISTRATION STRENGTHENING OUR MACROECONOMIC FUNDAMENTALS AND IT HAS PAID OFF WITH CONSISTENT ECONOMIC GROWTH AND LOW INFLATION. THE DEFICIT PRESENTED A CHALLENGE DUE TO REVENUE COLLECTION DEFICIENCIES, BUT I AM HAPPY TO SAY THAT REFORMS IN THAT AREA AND IMPROVED COLLECTION PROCEDURES HAVE LED TO SEVEN CONSECUTIVE MONTHS OF HIGHER TAX REVENUES.

OUR FOCUS ON INCREASING REVENUES IS CENTERED AROUND IMPROVING TRANSPARENCY, SOMETHING THAT IS TAKING PLACE THROUGHOUT OUR GOVERNMENT. THE PASSAGE OF THE ANTI-MONEY LAUNDERING BILL HAS GONE A LONG WAY TO INCREASING THE TRANSPARENCY IN THE BANKING SYSTEM AND, IN ADDITION TO MAKING THE TAX SYSTEM MORE TRANSPARENT, WE ARE MAKING PROGRESS IN OTHER AREAS.

CONTINUED GROWTH, MACROECONOMIC STABILITY, REVENUE COLLECTION ACHIEVEMENTS AND THE PASSAGE OF IMPORTANT LEGISLATIVE REFORMS AS RECENTLY ANNOUNCED DURING THE MID-YEAR ECONOMIC BRIEFING ARE EVIDENCE THAT COMMITMENT TO THE ECONOMIC ROADMAP IS THE RIGHT COURSE TO MOVE THE NATION FORWARD.

WE ARE A NATION RICH IN POTENTIAL. MUCH OF THAT POTENTIAL IS BASED ON SOME OF THE BEST HUMAN RESOURCES TO BE FOUND ANYWHERE IN THE WORLD. THIS IS WHY INTERNATIONAL COMPANIES ARE INVESTING IN THE PHILIPPINES IN SUCH AREAS AS MANUFACTURING, PARTICULARLY IN THE ELECTRONICS SECTOR, AND BUSINESS PROCESS OUTSOURCING.

OUR PATH TO COMPETITIVE GROWTH IS FOCUSED ON CONSTANTLY BUILDING OUR ECONOMY. IN THAT REGARD, THE COURSE OF CHANGE FOR OUR NATION IS UNDERWAY AND WE HAVE TURNED THE CORNER.

THE RESULT: STRONG ECONOMIC GROWTH, LOWER INFLATION, FISCAL RESTRAINT, INCREASED TAX REVENUES, AND BETTER GOVERNANCE, AS EVIDENCED BY THE FACT THAT CORRUPT OFFICIALS ARE BEING ROOTED OUT OF OUR CIVIL SERVICE AND CHARGED IN OUR COURTS.

INTERMINGLED WITH HONEST-TO-GOODNESS PROSECUTION FOR GRAFT ARE VARIOUS ALLEGATIONS ARE DESIGNED TO BE A DISTRACTION FROM ADDRESSING THE REAL ISSUES OF REAL PEOPLE LIKE PEACE AND THE ECONOMY. HOWEVER, LET ME BE CLEAR—JUSTICE WILL TAKE ITS COURSE. I BELIEVE IN APPROPRIATELY PURSUING ALL ALLEGATIONS IN A RESPONSIBLE COURT OF LAW, AND NOT MANIPULATED BY POLITICAL OPPORTUNISTS IN THE COURT OF PUBLIC OPINION. AS FOR MY PRIORITIES, I WILL NOT BE DISTRACTED FROM THE WORK OF THE PEOPLE AND WILL CONTINUE TO FOCUS ON THE JOB AT HAND AND THAT IS THE ECONOMY AND THE PEACE.

THERE ARE THOSE WHO WANT US TO LOOK BACK BUT WE MUST FORGE AHEAD. IT TOOK HARD WORK, REFORM AND SACRIFICE TO GET US TO THE CROSSROADS. OUR ECONOMIC FUNDAMENTALS AND OUR STRONG INTERNATIONAL STANDING AS A NATION SPEAK VOLUMES ABOUT THE PROGRESS THAT WE HAVE MADE. EXPECT TO SEE EVEN MORE. THE BIGGEST FRUSTRATION IS ALWAYS THE PACE BUT PERMANENT CHANGE IS WITHIN OUR GRASP.

OUR NATION CANNOT AFFORD TO LOOK BACK SO THE RIGHT THING FOR ME TO DO IS TO BE THE FORCE FOR CHANGE AND MAKE PROGRESS ON BOTH THE PEACE AND ECONOMIC FRONTS AS WE HAVE OVER THE PAST TWO YEARS—ONE STEP AT A TIME. OUR ARMED FORCES WILL BE AN IMPORTANT PART OF THAT PROCESS AS THEY ENSURE OUR SECURITY.

I WANT TO BE A POSITIVE FORCE FOR CHANGE TO HEAL THE DEEP DIVISIONS IN MY COUNTRY. I GET UP EVERY DAY AND WORK HARD TO THAT END, JUST AS I PRAY TO GOD EVERY DAY FOR A BETTER, MORE PROGRESSIVE PHILIPPINES. GOING FORWARD, I AM WORKING FOR EVEN MORE PROGRESS UNDER MY WATCH AND I DO NOT WANT TO GET DRAWN INTO POLITICAL DEBATES THAT DIVIDE OUR COUNTRY RATHER THAN PROMOTE THE UNITY THAT IS SO IMPORTANT FOR PEACE.

DEMOCRACY AS WE HAVE SEEN AROUND THE WORLD CAN GET NOISY AT TIMES BUT HEALTHY DEBATE SHOULD BE THE NORM AND PHILIPPINE DEMOCRACY IS NO EXCEPTION. THAT IS WHY I AM A CHAMPION OF ELECTORAL REFORM. I WANT TO ENSURE THAT EVERY VOTE COUNTS, THAT EVERY ELECTION IS HONEST AND EVERY CITIZEN FEELS EMPOWERED.

THE BUILDING BLOCKS FOR BUSINESS AND INVESTMENT ARE IN PLACE AND I AM CONFIDENT THAT OUR COMPETITIVE POSITION WILL BE MAINTAINED.

AT THE SAME TIME, NATIONS THROUGHOUT OUR REGION ARE CREATING THE CONDITIONS FOR PEACE. I AM WORKING WITH OTHER HEADS OF STATE TO ENSURE CONTINUED COOPERATION IN OUR BATTLE TO RID SOUTHEAST ASIA OF THE THREAT OF TERRORISM.

WITH THE EFFORTS OF MANY, AND GOODWILL ON ALL SIDES IN THE CONFLICT, I AM CONFIDENT THAT A LASTING PEACE CAN BE ACHIEVED FOR THE GOOD OF EVERYONE.

WE ARE CREATING THE CONDITIONS FOR PEACE ON SEVERAL FRONTS. FIRSTLY, I HAVE BEEN TOUGH AS NAILS IN FIGHTING THE MILF AND ANY OTHER GROUP THAT DARES ENGAGE IN VIOLENCE AGAINST THE PHILIPPINE PEOPLE.

THE RECENT MUTINY OF SOME JUNIOR MILITARY OFFICERS WAS SHORT-LIVED AND HAD NO POPULAR SUPPORT. IT INVOLVED A SMALL NUMBER OF YOUNG SOLDIERS AND IT ENDED WITHOUT ONE BULLET BEING FIRED. THESE FACTS ARE INDICATIVE OF THE CONTINUING SEARCH FOR PEACE AND STABILITY IN OUR COUNTRY. THE SIGNAL THIS ILL-FATED ADVENTURE SENT IS SIMPLE: THERE IS UNMISTAKABLE STRENGTH IN THE RULE OF LAW, RESPECT FOR OUR DEMOCRATIC FORM OF GOVERNMENT AND PROTECTION FOR THE RIGHTS OF THE PEOPLE.

THE MORE LIGHT THAT IS SHED ON THIS INCIDENT, THE BETTER OFF THE NATION WILL BE. THAT IS WHY I FORMED AN INDEPENDENT COMMISSION TO PROVIDE A THOROUGH, UNBIASED AND NON-POLITICAL EXAMINATION OF THE SITUATION. ANY GRIEVANCE BY THE OFFICERS INVOLVED, IF PROVEN LEGITIMATE AND TRUE, WILL BE

SUBJECT TO APPROPRIATE ACTION BY THE MILITARY AND CIVIL COURTS.

I CONSIDER MUTINY OF ANY KIND BY SOLDIERS FOR ANY REASON UNACCEPTABLE BUT I ALSO RECOGNIZE THAT THERE ARE THOSE IN OUR SOCIETY WHO CHOOSE TO FOSTER THEIR OWN MISGUIDED AGENDA AND LEAD RANK-AND-FILE SOLDIERS ASTRAY, AWAY FROM THEIR SERVICE OF KEEPING THE PEACE. THOSE RESPONSIBLE FOR PROMOTING MUTINY WILL BE HELD ACCOUNTABLE FOR THEIR ILLEGAL ACTIONS IN A COURT OF LAW.

AS PRESIDENT, I AM PROUD OF OUR ACHIEVEMENTS ON BOTH THE PEACE AND ECONOMIC FRONTS. THE NATURE OF MY JOB MEANS THAT THERE WILL ALWAYS BE DETRACTORS AND CRITICS OF MY PERFORMANCE. THE RIGHT THING FOR ME TO DO IS TO CONTINUE TO FOCUS ON THE JOB AT HAND AND BE A POSITIVE FORCE FOR CHANGE. AND THAT IS ENSURING THAT WE REMAIN ON THE PATH OF PROGRESS.

OUR EFFORTS TO ADDRESS THE CHALLENGES IN THE SOUTH ARE NOT CONFINED TO THE BATTLEFIELD. THEY ARE DIRECTED AT PUSHING FOR PEACE AND PROMOTING THE ECONOMIC DEVELOPMENT THAT WILL MAKE PEACE SUSTAINABLE. I AM WORKING VIGOROUSLY BOTH IN PUBLIC DIPLOMACY AND BEHIND THE SCENES FOR A PROPER PEACE WITH THE MILF.

I BELIEVE THAT SOME KIND FOR FEDERAL SYSTEM FOR THE PHILIPPINES COULD HELP TO SOLVE THE PROBLEM OF ISLAMIC SEPARATISM IN THE SOUTH.

MY PLAN FOR MINDANAO HAS BEEN TO CREATE THE CONDITIONS FOR PEACE. SHOW THE PEOPLE THAT THEY HAVE AN ECONOMIC FUTURE, THAT THEIR GOVERNMENT WILL NOT STAND FOR VIOLENCE OF ANY KIND AND THAT IT IS TIME FOR ALL SIDES TO REACH AN EQUITABLE SOLUTION SO THAT LIVES CAN BE REBUILT.

AGRICULTURE AND FISHING ARE IMPORTANT INDUSTRIES IN MINDANAO AND OUR EFFORTS TO FIND MARKETS FOR EXPORTS FROM THAT REGION ARE YIELDING RESULTS. FOOD EXPORTS, FOR EXAMPLE, ARE AMONG OUR STRONGEST PRODUCT GAINERS POSTING A 40% GROWTH IN THE FIRST QUARTER OF THIS YEAR. OUR BILATERAL AND MULTILATERAL TRADE DISCUSSIONS ARE CENTERED AROUND ENSURING THAT EXPORTS FROM MINDANAO AND OTHER PARTS OF THE COUNTRY HAVE EASE OF ENTRY AND A LEVEL COMPETITIVE PLAYING FIELD IN MARKETS AROUND THE WORLD.

AN IMPORTANT PART OF MINDANAO'S DEVELOPMENT IS ITS LINKAGE WITH CONTIGUOUS AREAS OF NEIGHBORING COUNTRIES—BRUNEI DARUSSALAM, EASTERN INDONESIA AND EAST MALAYSIA. WE ARE THEREFORE PURSUING WITH RENEWED VIGOR THE PROMOTION OF THE

BRUNEI DARUSSALAM-INDONESIA-MALAYSIA-PHILIPPINES EAST
ASEAN GROWTH AREA.

AS DEVELOPED AND DEVELOPING COUNTRIES ALIKE ARE AWARE, THE BENEFITS OF GLOBALIZATION AND TRADE ARE NOT ALL APPARENT, OR POSITIVE. THIS POSES A PROBLEM IN A DEMOCRACY LIKE THE PHILIPPINES. AS THE PHILIPPINES COMES DOWN ON THE SIDE OF LIBERALIZED TRADE, WE UNDERSTAND THAT AT THE SAME TIME, WE MUST MANAGE THE TRANSITION WELL WITH OUR POOR IN ORDER TO GAIN THEIR POLITICAL SUPPORT FOR ADDITIONAL POLITICAL AND ECONOMIC REFORMS DOWN THE ROAD. AND THAT MEANS A PRAGMATIC, CIRCUMSPECT APPROACH TO LIBERALIZATION.

WE ARE COMMITTED TO LIFTING OUR PEOPLE OUT OF POVERTY. WE MUST PUT FOOD ON THE TABLE TODAY, NOT PROMISES. OUR ECONOMIC PLAN WILL GET US THERE; AND OUR TRADE POLICY IS AN INTEGRAL PART OF OUR GROWTH PLAN. BUT OUR PRICE IN ACHIEVING THIS VISION MUST BE SUSTAINABLE. LET THERE BE NO MISUNDERSTANDING, WE ARE COMMITTED TO BEING AN ACTIVE PARTICIPANT IN THE GLOBAL ECONOMY BUT WE ARE ALSO COMMITTED TO ENSURING THAT WE ACHIEVE THIS IN A MANNER CONSISTENT WITH OUR OWN DEVELOPMENT PRIORITIES. I BELIEVE THIS IS NO DIFFERENT THAN THE APPROACH TAKEN BY MANY OTHER DEVELOPING AND DEVELOPED COUNTRIES ACTIVELY ENGAGED IN INTERNATIONAL TRADE.

FOR US AND OTHER DEVELOPING COUNTRIES, A MAJOR TEST FOR THE SUCCESS OF THE WTO NEGOTIATIONS IS HOW THEY WILL FULFIL THE PROMISE TO OPEN GLOBAL MARKETS FOR THE PRODUCTS IN WHICH THE DEVELOPING COUNTRIES HAVE THE ADVANTAGE. THIS MEANS BREAKING DOWN AND DISSOLVING BARRIERS TO THOSE PRODUCTS—QUOTAS, HEALTH AND SANITARY REGULATIONS, TECHNICAL OBSTACLES, AND OTHER CLEVER TRICKS THAT DEVELOPED COUNTRIES USE TO BEAT DOWN THE COMPETITION FROM DEVELOPING COUNTRIES. NOT LEAST AMONG THESE ARE THE MASSIVE SUBSIDIES GIVEN TO DEVELOPED-COUNTRY AGRICULTURE WITH WHICH, AS A RESULT, POOR COUNTRIES CANNOT HOPE TO COMPETE.

APEC IS SUPPOSED TO BE THE VANGUARD IN THE LIBERALIZATION AND FACILITATION OF GLOBAL TRADE AND INVESTMENT AND IN CAPACITY-BUILDING FOR DEVELOPING COUNTRIES, AND PECC HAS ALWAYS BEEN A MAJOR PILLAR OF APEC. PECC OUGHT TO EXERT ITS WEIGHT TO ENSURE THAT GLOBALIZATION DOES NOT MEAN ONLY OPENING THE MARKETS OF THE POOR TO THE PRODUCTS OF THE RICH.

WE STAND AT THE TRESHOLD OF RAPIDLY GROWING HOPES AND EXPECTATIONS. WE ARE WINNING THE PEACE IN A LARGER SCALE AMONG NATIONS. WE HAVE A DECLARATION ON THE CONDUCT OF PARTIES IN THE SOUTH CHINA SEA. WE COMMEND CHINA FOR ORGANIZING THE MEETING OF SIX STATES AIMED AT THE PEACEFUL

RESOLUTION OF THE SITUATION IN THE KOREAN PENINSULA. THE SARS IS BEHIND US, AND IRAQ IS GEARING FOR BROADER MULTILATERAL ENGAGEMENT UNDER THE AUSPICES OF THE U.N. WE HAVE TO MOVE FORWARD.

ALL NATIONS TEAMING UP FOR PEACE AND DEVELOPMENT MUST BE OUR ABIDING VISION.

THANK YOU.