THE ELECTION AND PRESIDENCY OF JOSEPH EJERCITO ESTRADA

A CASE STUDY OF PHILIPPINE POLITICS

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My interest in Philippine politics was first raised when I attended the 4th ASEF University in Singapore in January 2001. The Filipinos participating in this ‘summer school’ informed me of ongoing street protests that were aimed at forcing President Estrada to step down. Since then, I have followed events on a daily basis. I wrote most of my thesis, while on an exchange program, at the University of Hawaii, one of the foremost universities in the field of Philippine Studies.

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Introduction

“In the Philippines it is a known fact that patrons are needed in everything, from the time one is baptized until one dies, to obtain justice, secure a passport or exploit whatever industry.”¹

This is what national hero José Rizal wrote in 1889 about his beloved home country, the Philippines. The widespread corruption and nepotism he described still applies in 21st century Philippines and has given the Philippines an unsavory reputation as a patrimonial oligarchic state.² In a patrimonial state: “Practically everything depends explicitly upon personal considerations: upon purely personal connections, favors, promises, and privileges.”³ The adding of oligarchic is to underscore that in the Philippines the controlling forces are not the administration or bureaucracy, but members of powerful elite families. This powerful oligarchic class “enjoys an economic base outside the state, yet depends upon particularistic access to the political machinery as the major avenue to private accumulation.”⁴ The access of the oligarchy to the politicians is assured by providing politicians financial, political and moral support during their election campaigns. In exchange for the support of members of the oligarchy, the politician is morally obliged to express his debt of gratitude (utang na loob) to his backers once elected in office. Failing to express ones gratitude in a satisfactory way is the biggest form of losing face (hiya), which Filipinos try to avoid under all circumstances.

Politicians should not be regarded as simply agents of the wealthy elite in the Philippines. A political career is often initiated to protect and expand the business interests of the politicians’ family. To protect family welfare powerful families have transformed “their electoral offices into lasting family assets, building what Filipinos call a ‘political dynasty’.”⁵ Whether the politicians are members of the elite or not, throughout their political career politicians need to build, maintain and expand their network with elite families in their city, province and other parts of the archipelago. Beside the elite families there are dozens of wealthy businessmen who through rent-seeking activities try to protect their business interests against foreign and national

competitors. These rent-seekers are fully aware that for politicians holding office is ephemeral.6 In the zero-sum game that Philippine elections are, politicians rely heavily on the support of the political and financial elite. As will be described in this thesis, this heavy reliance on the backing of powerful members of the elite during elections prevents the fulfillment of the main tasks of a politician: representing his constituents and placing the interests of the state over particularistic interests.

The Strength of the Philippine State

In 1988, Joel S. Migdal wrote a very influential book about the capabilities of states to achieve changes in society. On the basis of this, a distinction was made between strong and weak states. Being a strong state implies that the state has a certain level of autonomy from particular groups, whose interests do not correspond with the interests of the government. Reading a Philippine newspaper on any day of the week, shows that the Philippine government struggles to control the affairs that take place within its borders.7 The weakness of the Philippine state is evident in almost any function the government fulfills. Examples of this can be found in the evident failure of the Philippine state to monopolize the use of force, control and regulate the extraction of natural resources,8 reduce the painfully visible socio-economic disparities that exist between the small elite and the large group of impoverished Filipinos,9 collect taxes from its citizens10, and combat corruption.11

According to leading Philippine scholar Joel Rocamora, the Philippine state has largely been kept so weak due to the absence of one particular unified group, that it has been able to

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7 For example the leading newspaper of the Philippines, the Philippine Daily Inquirer, on October 4, 2002 mentioned the following internal issues: Muslim terrorist organization Abu Sayyaf responsible for bombing, Luzon police on full alert versus communist New People’s Army, corruption scandal regarding public works, bomb blasts prevented in Mindanao and a kidnapping case. In: Philippine Daily Inquirer. October 4, 2002.
9 The government has been inept at finding a solution for the communist and Muslim insurrections. Kidnap-for-ransom gangs, violent robberies, drugs, smuggling and corruption within the police and armed forces, also plague the country.
10 The Bureau of Internal Revenue collects about 80% of all government revenue. To date, it has not been able to match the collection efficiency (measured as the ratio of taxes collected to Gross Domestic Product) of its counterparts in the region. The highest its efficiency ratio has reached has been slightly less than 13% (in 1997). Corruption is partly responsible for this. The Department of Finance estimated that the total annual leakage is around 240 billion pesos. The World Bank on its turn estimated that 50 centavos out of every peso that can be collected are lost to corruption (which includes evasion made possible by bribes). J. Edgardo Campos, “Commentary. Holding the Country Hostage,” In: Newsbreak, 16 September 2002. http://www.inq7.net/nwsbrk/2002/sep/05/nbk_2-1.htm (October 29, 2003).
bend the state to its will.\textsuperscript{12} With this, Rocamora refers to the fragmentation that exists among members of the upper class who form loose and unstable alliances during election time. These short-term alliances are created for the sole purpose of assuring an electoral victory of one of their political allies. The impact on the Philippine political system of the reliance on the support of oligarchic groups, of which the political elite is an integral part, is expressed by former President Ramos: \textit{“for the last 47 years, we have had a political system, that has been too responsive to groups possessing wealth and power enough to bend the state to do their will.”}\textsuperscript{13}

The elite’s undisputed economic, political and cultural dominance has given them the opportunity to protect and expand their economic and political interests at the expense of the strength and independence of the Philippine State. In his book ‘\textit{State in Society}’ Migdal pointed out that in \textit{“societies in which social control is vested in numerous local level social organizations... the rules of behavior have been dictated by critically placed strongmen-landlords, caciques, bosses, moneylender, and others.”}\textsuperscript{14} \textit{“A society fragmented in social control affects the character of the state... the prospects for building cohesive states, which can apply their rules and policies effectively, are not bright in societies with fragmented social control.”}\textsuperscript{15}

Through corruption, nepotism and patronage the Philippine elite has maintained their power and influence thankfully using an underdeveloped state apparatus that has close ties with the oligarchy. This has caused Sidel to observe that \textit{“the Philippines offers a classic example of a post-colonial weak state confronting a strong society dominated by traditional elites.”}\textsuperscript{16}

This thesis will demonstrate that the prospects for building a strong(er) Philippine state continues to be dim as long as Philippine elected leaders fail to take a more independent position from the oligarchy that continues to hold considerable social control over the Philippine state. By analyzing the election and presidency of Joseph Ejercito Estrada it will become evident that within the current political system, and predominate political culture, politicians are fully dependent on the financial, political and moral support of members of the oligarchy in their attempt to make a successful bid for public office. The Estrada presidency demonstrated a sequence of events in which the elected president not only abused the presidential prerogative to express his gratitude to the oligarchy that supported him during his electoral campaign, but


\textsuperscript{13} F. V. Ramos, \textit{State of the Nation.} 26 July 1993. Office of Press Secretary, p. 4.


\textsuperscript{16} The original quote of Sidel was: \textit{“the Philippines offers a classic example of a post-colonial weak state confronting a strong society dominated by traditional elites and local strongmen.”} Strongmen has been omitted since Sidel pays much attention to
which also slowed down the process of building a stronger state that was initiated by his predecessor Fidel V. Ramos. Before we look at Estrada’s failure to contribute to the creation of a stronger state in the Philippines, it is important to pay more attention to the weak-strong state dichotomy.

Dunham observed that too often the success or failure of the economic growth of a country is attributed to ‘state strength’. Dunham proposes to not only look at the state capacity to take what he calls ‘firm decisions’, but also to look at the sustainability of the reforms that go hand in hand with ‘firm decisions’.

**Table 1: Dunham’s categorization of states on the basis of state capacities**

<table>
<thead>
<tr>
<th>Capacity for firm decisions</th>
<th>Sustainability of Reform</th>
</tr>
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<tbody>
<tr>
<td>High</td>
<td>Strong States</td>
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<tr>
<td>Low</td>
<td>Strong States but unsustainable</td>
</tr>
<tr>
<td>Weak</td>
<td>Weak states but sustainable</td>
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</tbody>
</table>

We can look at what Migdal referred to as skillful leadership and an independent bureaucracy to see whether the Philippines has had the capacity for firm decisions and to provide sustainability of reforms.

**Failure of Skillful Political Leadership**

A short overview of political leadership in the Philippines after 1986 shows that step one, skillful leadership has hardly been displayed by the elected presidents. In 1986, after the fall of President Ferdinand Marcos, Cory Aquino protected the re-establishment of democracy. Despite Aquino’s outspoken commitment to break with the history of corruption and nepotism under the Marcos regime, Aquino did have difficulties in being impartial when it came to decisions affecting her relatives, supporters and political allies. In 1992, Fidel V. Ramos succeeded Aquino, for the first time an elected Philippine president demonstrated a level of independent,

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17 D. Dunham, *State, Reforms and Institutional Change: On the Dynamics of Failure*, p.7


skilful leadership that the country had not witnessed since it gained independence in 1946. During his term, Ramos tried to create a stronger state by breaking the power of certain oligarchic groups and by enforcing more peace and order. The Ramos presidency was successful in making a start in reforming the economy and improving the internal security situation. However, the capacity of the Ramos administration to take firm decisions that would further weaken the position of the economic and political oligarchy was undermined by “old-style pork barrel politics” and “scandals involving persons appointed by Ramos to satisfy political debts”. The accusations of corruption and nepotism seriously debased the progress the country had made under his leadership.

To understand the current weakness of the Philippine State, Sidel emphasized that one needs to pay attention to the institutional legacies of American colonial rule. A major institutional legacy of American colonial rule has been the adaptation of a presidential type of governing system. The Philippine president has considerable powers available to build an effective administration that can be put into service for the attainment of the president’s program of government up to the present time. However, Philippine leaders (except Ramos) have not been able or willing to spearhead necessary institutional and economic reforms. These reforms are necessary to bring a stop to widespread and rampant corruption and nepotism, find a peaceful solution for the Communist and Muslim rebellions, reduce extreme socio-economic disparities and invest in the country’s poor infrastructure. Due to the lack of reforms and peaceful solutions of the insurgences the country is dealing with, the Philippines has been called ‘the sick country’ in the Southeast Asian region for a long time. Another major problem is that under the current constitution the re-election for an elected president is not permitted. Due to these constitutional restrictions, the prospects of the sustainability of the reforms brought about under the Ramos presidency were very low. Using Dunham’s categorization of states on the basis of state capacities it is obvious that the Philippines falls under the cluster of weak states that is characterized by non-sustainability of the few reforms that are actually initiated.

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22 Under his term peace agreements were reached with MNLF and the NPA/CPP.
The most important factor for the weakness of the Philippine State and consequently the failure of the Philippine government to provide the environment that would foster sustainable and egalitarian economic development is, in my view, the absence of, what I regard, as effective, enlightened, independent and skilful leadership on all levels of government, but most importantly, at the national level. This leadership is necessary to break with the already accepted level of corruption, patronage and nepotism. The costs of reforms will however be borne by the “rich and powerful families and social groups who have historically benefited from their influence over the political and economic system”. During their political career the reliance of politicians on the support of members of the oligarchy has formed the foundation of close reciprocal relationships between the political, economic and religious oligarchy. This relationship prevents the necessary reforms, which will damage the short-term interest of the oligarchy, from being implemented. The dependence of politicians on the financial, moral and political support from certain factions of the elite seriously undermines the ability of elected politicians to provide independent and skilful leadership.

The Political Survival Techniques of the Predatory Political Elite in the Philippines

Once elected into office, politicians want to use government resources to start campaigning for the next election. To ensure that congressmen will win the next election, they have to express their gratitude to their backers and provide their inner circle and constituents with jobs, gifts and other favors. With over 8,500 new top government officials to be appointed by the president, a president has considerable powers available to court politicians. As important is the presidential prerogative to release government funds. The president can dragoon the legislative power into docility by using this power. For congressmen the government funds released by the president to them are the air they breathe. Without these public funds congressmen would be reduced to sheer legislators, which would mean the end of being the motor behind big government investments in for example the infrastructure of the region they represent. Thus, congressmen will insist that a president releases funds to congressmen. If this money is not released a hostile legislative power will result that will be reluctant to pass the

26 The term congressmen does not imply that all members of Congress are men, it has been used in this thesis because it of its widespread acceptance in Filipino political discourse.
budget, will be reluctant to accept appointments for the president’s cabinet, utter fierce critique through the media and charge the president and cabinet members with malfunctioning, corruption and nepotism. Hence, a president not only has to appease his backers through measures that conflict with good governance, but a president also has to accede to the demands of selfish congressmen.

This starts with the appointment of cabinet members who in their turn are forced to appoint recommendees of congressmen within their department. Cabinet members are forced to do so because they are highly dependent on Congress. Firstly, Congress has to approve their appointment by the president and secondly Congress has to approve their budgets. Often a gentlemen’s agreement is reached in which the Secretary gets his budget approved and congressmen get want they want: funds, the appointment of their allies and kickbacks from business deals which come about through lobbying of the congressmen. As a result, it is no surprise that “the Philippine bureaucracy… has long been penetrated by particularistic oligarchic interests.” These vested oligarchic interests prevent the presence of an autonomous and efficient bureaucracy and this hinders the development and implementation of policies when they are not in accordance with the interests of the president and his allies; that is the oligarchy.

The result is a continuous bargaining process in which the president has to use all his available resources, especially the right to appoint and release funds, to befriend congressmen to accept his suggested policies, appointees and way of running the government. Although the president is chief administrator and has the right to fire, hire and transfer government officials he is forced to allow fellow politicians to nominate a large share of the bureaucracy. This is in line with Migdal’s observation that in weak states “allocations of posts reflect the loyalty of particular groups, the threat of other groups and the importance of specific state agencies.”

The Prevalence of a Traditional Bureaucracy

Migdal has pointed out that an important condition for creating a strong state is the “existence of a social grouping with people sufficiently independent of existing bases of social control and skillful enough to execute grand designs of state leaders. Bureaucrats of the state, both those at the tops of agencies and the implementers in the field, must identify their own
ultimate interests with those of the state as an autonomous organization.”30 The benefits of an independent bureaucracy are largely public in the sense that almost everyone in society would benefit from a more honest and competent bureaucracy.31 Among development economists it is generally accepted that without a capable independent bureaucracy, the execution of a long-term policy towards sustainable growth is impossible.32 The lack of enlightened political leadership has enormous effects on the performance of the Philippine bureaucracy.33 A result of the dysfunction of the Philippine leadership bureaucratic corruption has become endemic in the Philippines.34 Through the years the Philippines has suffered greatly under the prevalence of corruption. “The World Bank, in a study in 2000, said the government lost about 48 billion dollars because of corruption over a 20-year period” and “Morgan Stanley Research estimated that losses from corruption totaled 204 billion dollars from 1965 to 2001.”35 A large factor in the prevalence of corruption in the Philippines has been the usage of the bureaucracy by politicians.

In ‘State in Society’, Migdal emphasized that pivotal in the politics of survival of state leaders in weak states is the usage of the bureaucracy.36 In states where the state’s leadership has only a limited reservoir of structured support, the bureaucracy is used as a tool to repay debts of gratitude, buy the loyalty of former enemies and share the spoils of victory with backers, family, friends, former classmates and people from the same region. A major barrier to the creation of a meritocratic bureaucracy is the president’s power to appoint top agency officials.

The election of a new president will lead to a new round of giving away jobs to supporters and providing rents to campaign contributors. This decelerates reforms implemented by the predecessor of the new leader and contributes to the deinstitutionalization of the bureaucracy. When a new leader takes over reforms will be brought to a basic standstill. The observation made by Grindle about the shadow of the ‘sexenio’ corresponds to the practice in the Philippines.37 During the first two years the new officials will be pre-occupied with familiarizing themselves with their new job, start appointing their clients, friends and family members to

government positions and buying the loyalty from government employees. Only in the second third of the agency heads will show the willingness to implement reforms and create new policies. This phase is followed by the last third of the sexenio in which top governmental officials will fear not only to identify themselves too much with the political leaders, but also to implement policies that might create controversy and protest within the bureaucracy.

Sosmeña typifies the Philippine bureaucracy as a traditional bureaucracy, which has five key characteristics: inward looking, parochial, powerless, reactive and visionless. On top of that Philippine public agencies are exemplified by a culture of legalism, conformance, mediocrity, patronage and corruption. Up until this day the chance to receive a position within the government and rise within the bureaucracy increases significantly when one utilizes personal ties with influential government officials, congressmen and members of the business oligarchy. The recruitment process is only partly based on competence, corruption is rampant (and widely accepted) and suggested reforms by department heads are quelled by the civil servants who will not hesitate to accuse reformers with corruption, malpractice and nepotism. It can therefore be no surprise that competent, honest and motivated state employees do not dominate the Philippine bureaucracy, which undermines the chances for sustainability of reforms. Against the backdrop of the outline of the weakness of the Philippine state, the lack of skillful political leadership and the absence of an independent meritocratic bureaucracy the following chapters will provide a case study of how the dynamics of Philippine electoral politics form the major obstacles in becoming a stronger state.

The Election and Presidency of Joseph Ejercito Estrada: A Case Study of Philippine Politics

In 1969 Scott published an article with the title ‘Corruption, Machine Politics and Political Change’ in which the Philippines was mentioned several times as an example of a country where the political machinery dominated the political arena. This is “best
characterized by the nature of the cement binding leaders and followers.”43 The use by politicians of their elective position to repay their backers and sow the conditions for remaining in power, is in congruence with Scott’s observation that “politicians... have increasingly made use of the available patronage (not to mention licenses, contracts, franchises) to maintain their electoral strength”.44 To maintain their electoral strength politicians need to align themselves with those members of the oligarchy who cannot only provide them with financial means, but also with those members of the oligarchy who have command over the necessary connections to bring into action a network of people willing to support the candidate. By looking at the election and the presidency Joseph Ejercito Estrada it will become obvious that his observations remain relevant for contemporary Philippine politics since they will show in detail that “the machine politician (Estrada) could be viewed as broker who, in return for financial assistance from wealthy elites, promoted their policy interests when in office”.45

The 1998 presidential election campaign had hardly anything to do with a contest between political ideologies and political programs. Estrada’s campaign in particular was focused on wooing the support of the masses or as Scott called it the “little man.”46 Estrada’s political strategists and backers were aware that a large share of the Philippine electorate had become so dissatisfied and estranged from the ruling political elite, that the masa (the poor and undereducated also called the masses) were looking for a change in leadership. Estrada’s handlers designed a campaign strategy that reflected Estrada’s pro-poor image that he had built up throughout his movie career. Central in the campaign was Estrada’s campaign slogan Erap Para sa Mahirap (Erap for the Poor) that succeeded in inspiring the masses with the hope that Estrada would be the president of and for the masses. However, from day one the Estrada administration become identified with corruption, nepotism, political infighting, weak leadership and lack of vision. Despite repeating the message that Estrada was for the poor, there were hardly any real efforts to implement the ambitious program of government that aimed to uplift the living conditions of the poor. Instead of going into history as the president who truly represented the poor, Estrada went into history as the first Philippine president against whom an impeachment trial was initiated. On November 13, 2000, after two years in office, the House of

Representatives initiated an impeachment trial against President Estrada on charges of Bribery, Graft and Corrupt Practices, Betrayal of Public Trust and Culpable violation of the Constitution. After days of street protests mostly by college students, members of the middle and upper class, civil society, religious groups and opposition politicians (groups that did not cast a vote for Estrada in 1998), the military and police withdrew their support for President Estrada. On January 20, 2001, Vice-President Gloria Macapagal-Arroyo was sworn in as president and a few months later Estrada was detained and charged with crimes that are punishable by death.

Unfortunately, I will have to restrict myself to the election and presidency of Estrada to demonstrate that the prospects for building a strong(er) Philippine state continues to be dim as long as Philippine elected leaders fail to take a more independent position from the oligarchy. In the following three chapters, I will analyze why and how members of the oligarchy continue to hold considerable control over the outcome of Philippine elections and how they subsequently are being reimbursed for the support they have given to the politicians during an election campaign. From the following three chapters it will become obvious that subsistence of the current presidential system, the high costs of elections it brings with it and the reliance of politicians on the oligarchy are the main obstacles towards building a stronger Philippine Republic.

The thesis is divided in three chapters. The first chapter analyses why and how Estrada won the 1998 presidential elections. The first section will show that Estrada had to go through a series of negotiations with fellow politicians to receive support from a formidable political party/machinery. The second and third sections will detail on the necessary factors for running a successful presidential campaign in the Philippines and how Estrada’s victory can be explained. Chapter two provides an analysis of the available powers of a president and how the political culture influences the way he utilizes those powers to express his gratitude to those who provided him the necessary support during his campaign. Finally, the third chapter will look in close detail at Estrada’s performance in office to see in what way a president’s obligation to express his debt of gratitude to his political and financial backers undermines his ability to provide skilful and independent leadership. Section one will explore how Estrada succeeded in creating a cooperative Congress. In section two the cabinet appointments will be explained and how the cabinet performed under Estrada’s leadership will be described. Finally, the last section

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47 The impeachment trial in the Senate was broadcasted live on TV and the whole nation witnessed revelations of alleged fake bank accounts, bags of illegal gambling revenues entering the presidential palace and dummy corporations owned by the president. The highly politicized Senate never came to the point of passing a verdict on the accusations made against the president.
of the chapter will elaborate on several cases in which Estrada used and abused the office of the president to benefit his friends and backers.

Scott’s observation that by “meeting reciprocal obligations to these groups and distributing material incentives for popular support has made the pursuit of longer-run development objectives more difficult”\(^{48}\) is an understatement since patronage, nepotism and rent-seeking behavior actually prevents the Philippines from transforming itself from a patrimonial oligarchic state to a stronger state that places all its efforts and resources into uplifting the living conditions of all Filipinos. It will become clear that the political trap in which the Philippines is stuck prevents the arrival of a new kind of leader who will have independence, skills and the willingness to make the necessary reforms that will lead the way to a stronger state. Pivotal in the process of transforming a weak state towards a stronger state are skilful leadership and an independent bureaucracy. As will be shown in this thesis, the heavy reliance on the support of members of the oligarchy prevents both in the Philippines. Therefore, one must conclude that under the current political system and political culture the Philippines is not getting a single inch closer to the ideal of a strong state that is able to uplift the living conditions of the more than 25 million Filipinos who are living below or around the poverty line.

CHAPTER 1
THE RISE TO POWER OF ESTRADA

Section one

The Presidential Nomination of Estrada

During the 1960s and 1970s Joseph Ejercito Estrada\(^{49}\) was one of the most popular actors in the Philippines. As an actor, he was often typecast as a squatter, taxi driver, scavenger, farmer and policeman who fought against injustice, corruption and poverty. Cinema viewers, mostly poor, undereducated people, easily identified themselves with the down to earth, humble, friendly, and good looking Estrada.\(^{50}\) In the 1970s, Estrada starred in the so-called Erap comedies, which "tended toward a more pre-emptive incorporation of the superstar image into family and state."\(^{51}\) The masses loved the role he played depicting the average pinoy (In Tagalog slang for Filipino) with a heart and compassion for the downtrodden poor.\(^{52}\) He was identified as everyone’s pal, fighting for a good cause, despite the fact that he grew up in an upper-middle class family.\(^{53}\)

After a political career as the mayor of San Juan in Metro Manila, and senator from 1987 to 1992, Estrada aimed for the presidency in 1992. He was the most popular contender among the presidential candidates at that time, but realizing that it takes more than just popularity to become the president of the Philippines, he decided to postpone his bid and ran instead as the vice-presidential candidate of former Marcos crony, Eduardo ‘Danding’ Cojuangco.\(^{54}\) In Estrada’s words at that time “The reality of the logistical requirements of a nationwide campaign keeps blocking our path toward effecting a radical change in our political system... But we hoped and prayed that the support of the vast majority of our people would be enough to carry us through. We may have hoped too soon and too much.”\(^{55}\)

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\(^{49}\) In this thesis Joseph Estrada Ejercito will be mentioned as either Estrada or as Erap.
Joseph’s parents were not particularly happy with the choice of their son. Notwithstanding their objections his parents supported him, but they did not allow him to dishonor the family name. Therefore Joseph chose his stage name Estrada because it sounded nice, was easy to remember, and started with an E. In Tagalog pal is pare and Erap was derived from the word pare by reading it backwards. A. Laquian and E. Laquian, Joseph Ejercito "Erap" Estrada: The Centennial President. (Vancouver: Institute of Asian Research, University of British Columbia, 1998) p. 65.


\(^{53}\) In Tagalog pal is pare and Erap was derived from the word pare by reading it backwards.

\(^{54}\) Danding Cojuangco was one of the main Marcos cronies who had used his close relationship with Marcos to monopolies the coconut industry and buy up the controlling shares of the biggest food and beverage conglomerate of the Philippines, San Miguel Corporation. B. Aquino, The Politics of Plunder: The Philippines under Marcos. Second Edition with an Epilogue. (Quezon City: National College of Public Administration and Governance, 1999) p. 45.

The way in which Estrada became Cojuangco’s running mate is quite different from American system on which the Philippine presidential system is patterned. In the United States political parties nominate a candidate for the presidency who has already chosen his own running mate. At the actual elections, the voters only cast one vote for the presidential candidate and his selected vice-presidential candidate. Thus, if a presidential candidate gets elected his running mate automatically becomes vice-president of the country. In the Philippines however, the president and vice-president are elected separately and might conceivably come from different parties. This makes it possible that an elected president of party A ends up with an elected vice-president from party B.\footnote{In theory this could mean that the Vice-president would undermine the President. In practice the function of a Vice-president in the Philippines is solely ceremonial and he does not have the power to influence government policies.}

Another major difference has been the use of write-in ballots. Filipinos cast their votes by filling in the ballots with the names of their preferred candidates for the available positions.\footnote{Every election there are numerous positions available. In order to memorize all the preferred candidates, voters use so-called sample ballots. Sample ballots are ballots distributed by candidates, which are passed down to candidates who run for lower positions who add their names and distribute them to their electorate. Its goal is to give the voter a reminder of the candidates for whom he wants to vote or which candidate his patron wants him to vote for. Candidates running for a national/provincial office need to convince the local or provincial popular figure to join them on their sample ballot by providing contributions to their campaign and/or make post-election promises. For the candidates for lower offices it is very attractive to identify themselves with popular national figures and again forms an advantage enjoyed by national celebrities. C. H. Landé, Leaders, Factions, and Parties: The Structure of Philippine Politics. (New Haven: Yale University Southeast Asia Studies Monograph Series No. 6, 1966) p. 61.}

This was very beneficial for the popular Estrada. Whether Cojuangco would win or not, Estrada could still get elected. As expected, Estrada had a landslide victory over his six competitors with 33\% of the votes cast for the vice-presidential candidates while Cojuangco managed to come only third in the presidential race.\footnote{Estrada received 6,739,738 of the total of 20,420,169 votes. Cojuangco on his turn did not get the expected support from pro-Estrada supporters and ranked third with 18\% of the 22.5 million votes. The correlation coefficient of Cojuangco and Estrada is significantly positive: 0.7289. But was the lowest correlation compared to the other parties’ two running mates. C. H. Landé, Post-Marcos Politics: A Geographical and Statistical Analysis of the 1992 Presidential Election. (New York: St. Martin's press, 1996) p. 71. Figures regarding number of votes come from COMELEC Tally Sheet-Certificate if Canvass, 1992. Election for president and vice-president.}

Towards the 1998 presidential elections, Filipinos throughout the country identified Estrada not only as a former movie star, but also as a no-nonsense crime fighter and above all a

Historically, the vice-presidency in the Philippines is a ceremonial in nature without any real power. Estrada was given the opportunity to demonstrate to the public that he was fulfilling his campaign promises of fighting crime and the kidnap-for-ransom gangs when President Ramos appointed him as deputy chairman of the Presidential Anti-Crime Commission, (PACC).\footnote{Together with his appointee the chief PACC Task Force Habagat, Panfilo “Ping” Lacson, Estrada was frequently in the news when the task force had solved crimes or busted notorious criminal syndicates. An important fact was that PACC spent a lot of resources on fighting the kidnap-for-ransom gangs that mostly terrorized Chinese-Filipinos. The no-nonsense approach of Estrada and Lacson gave them a lot of credit within the Chinese-Filipino community. R. Jimenez, “Ping Lacson, Erap’s Antidote for Crime,” In: Politik, vol.5, no. 3, February 1999.}
politician who devoted his heart to the poor. This provided him with a perfect starting point from which he could work towards his goal of becoming the 13th president of the Philippines.

One of the lessons Estrada learned from the 1992 campaign when he had to give up his bid for the presidency was that “any serious candidate for national office needs more than just a familiar name. He, or she, must have money and political backing from the political and business elites, the traditional power brokers during the elections.” To strengthen his bid for the presidency, Vice-President Estrada revived his political party Partido ng Masang Pilipino (Filipino Masses Party, PMP) 16 months before the elections. Within weeks the PMP successfully courted several influential senators, members of the House of Representatives, governors and mayors. On the national level, the PMP remained a very small party and was looking for a merger with a party that had the command over a nationwide network. The first step towards this was the reaffirmation of the PMP’s cooperation with Cojuangco’s Nationalist People’s Coalition, NPC. Although the NPC enjoyed the abundant financial resources of Cojuangco, it lacked a national network strong enough to securing support from the local politicians throughout the country. In order to compete against the candidate endorsed by the powerful Ramos administration, the opposition wanted to form a grand alliance consisting of NPC-PMP and the Laban ng Demokratikong Pilipino, LDP. This three party coalition in turn gave birth to a new party named Laban Makabayan ng Masang Pilipino, LAMMP.

To become the presidential candidate of a major political party, known in the Philippines as the standard-bearer of a party, Estrada faced two challenges that could have potentially ruined his ambitions. One was winning the nomination as standard-bearer of LAMMP. From the start Estrada and Senator Eduardo Angara of the LDP were openly expressing their rival desires to run for president under the LAMMP banner. Angara can be regarded as a technocrat who lacked the charisma that Estrada enjoyed among Filipinos, but had proven himself a very worthy legislator who could count on the full backing of the LDP machinery. After a period in which the coalition seemed to collapse over the issue on who would become the standard-bearer, Angara, then leader of the LDP, announced on 18 December that he would run as vice-presidential candidate.

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61 Among them were Senator Mercado, Senator Neptali Gonzales and Senator Romulo; and high-profile mayors, Duterte from Davao City and Joey Marquez from Parañaque City (Metro Manila) also joined the Estrada team. I.T. Crisostomo, *President Joseph Ejercito Estrada from Stardom to History: The Saga of a Child of Destiny*. (Quezon City: J. Kriz Pub, 1999) pp.129-130.
63 In the five years after the 1992 elections hardly anything had happened within the NPC. Its sole function remained forming alliances among politicians during election time.
64 In the Senate the LDP controlled 14 of the 24 seats.
candidate (running-mate) of Estrada. Similar to the case of the Cojuangco-Estrada partnership in 1992, Angara’s decision to run for the second-rank position would be compensated appropriately by the standard-bearer. The main details of the deal were that Angara would receive a reimbursement of already made campaign expenses (P100 million) and the right to appoint a significant number of government officials once Estrada was elected. The second challenge for Estrada was securing the financial and political support of Danding Cojuangco. As NPC chairman and multi-millionaire Cojuangco has been referred to by some as the King maker because of his ability to provide generous political and financial support for politicians. Cojuangco was not happy with Estrada’s team-up with Angara and decided that he would split his support between Estrada and vice-presidential candidate Gloria Macapagal-Arroyo, who would run under the banner of the administration party, Lakas-NUCD.

On June 11, 1997 the leaders of the NPC, LDP and PMP signed a compact to select one presidential candidate who would be the opposition’s standard-bearer.


According to the Philippine Daily Inquirer among the demands of Angara were the right to appoint 12 Cabinet secretaries, 20 Cabinet under secretaries and assistant secretaries and top posts in the Bureau of Customs and the Bureau of Internal Revenue. Raymond Burgos and Juliet L. Javellana, “Estrada, Angara quarrel over spoils before victory,” *Philippine Daily Inquirer*, December 12, 1997.

There were rumors that Cojuangco was negotiating with former President Ramos about Cojuangco’s possible support for the standard-bearer of the administration. In exchange for his financial support Cojuangco would regain the power over the San Miguel Corporation that he had lost after the ouster of his close friend President Marcos. I.T. Crisostomo, *President Joseph Ejercito Estrada from Stardom to History: The Saga of a Child of Destiny* (Quezon City: J. Kriz Pub, 1999) pp. 137-138.


Section Two

The 1998 Presidential Campaign

Thus far, Estrada had realized his first mission to have the backing of a formidable political party/machinery. Mission two was cashing in on the popularity he enjoyed as movie star, politician and crime buster. As early as the end of 1996 Estrada topped the list of presidential candidates together with the very popular daughter of former President Diosdado Macapagal, Senator Gloria Macapagal-Arroyo. Macapagal-Arroyo however, was confronted with similar problems as Estrada had experienced in 1992 being a lack of money and no backing from key-political figures (read political machinery). In another political compromise Macapagal-Arroyo became the running mate of the less popular candidate endorsed by the Ramos Administration, José de Venecia.

According to Canadian-Filipino scholars Laquian and Laquian there were five key factors that determine electoral success in Philippine elections. These were: party machines; popularity and charisma; regionalistic or linguistic ties; alliances with elite families; access to governmental resources, pork barrel and patronage. A closer look at the 1998 elections shows however that some alterations to this scheme are necessary. For that reason, in this thesis the following five factors will be discussed.

1. Party machine
2. Popularity, charisma and populism
3. Campaign strategy
4. Alliances with power brokers
5. Disbursement of financial resources

Popularity and charisma are complemented with populism, because it is of the utmost importance that the campaign message/rhetoric reaches and appeals to the electorate. Campaign strategy has been added as one the five key factors, because the campaign strategy (consider campaign slogan, target group and the media campaign) of candidates could be decisive in the outcome of

71 M. Mangahas, SWS Surveys on the 1998 National Elections. (Quezon City: Social Weather Stations, 1998) p. 6. As Estrada had encountered in 1992 and Macapagal-Arroyo found out in the run-up of the 1998 elections, being immensely popular does not mean one can also make a successful bid to the Presidency. Macapagal-Arroyo was confronted with lack of financial and political support, consequently she decided to run for Vice-president in January 1998.
73 Populism is added because only popularity and charisma are less effective if there is no message that is appealing to the electorate.
elections. Campaign strategies must also be appealing to the regionalistic or linguistic ties a candidate has. One of the factors that is mentioned by Laquian and Laquian is ‘Alliance with elite families’. This is however too simplistic. In modern Philippine politics, there are many more players whose support is necessary in order to secure a good showing in an election. Therefore, the focus will be on a broad spectrum of power brokers who have exerted significant impact on Philippine politics, the economy and culture. In the context of this thesis the term power brokers refers to political power brokers who can provide solid votes for a certain candidate in their district, business power brokers whose financial campaign contributions are necessary to run a viable campaign, religious power brokers and media power brokers whose support is necessary to run an effect campaign. Accordingly, this factor has been renamed ‘Alliances with power brokers’.

The fifth factor that plays an important role in explaining the results of Philippine elections as identified by Laquian and Laquian is ‘Access to governmental resources, pork barrel and patronage’. However, this focuses too much on the candidate of the administration and ignores the fact that non-incumbents can also utilize available financial resources to run a successful effective campaign. Looking at the disbursement of financial resources offers us a better understanding of how money and patronage influence the outcome of elections. Thus, the fifth factor has been renamed ‘Disbursement of financial resources’. The rest of this section will analyze what role these factors played in Estrada’s victory over his competitors.

1. Party machine

With the formation of the coalition of the PMP, LDP and NPC a number of major politicians from the opposition were united under the LAMPP banner. The ability of a political party to align politicians for all electoral positions is essential in the establishment of a nationwide network that will reach even far-flung villages. To understand this, it is important to be aware of the influence of local politicians in national elections.75

During the pre-Marcos period, the local elite not only controlled the land they owned, but also the people who worked and lived on their property.76 One way of assuring that their interests

75 In rural Philippines the political figures are often family members of the economic elite (big landowners).
76 Out of fear the peasant did not revolt against the suppression of the landowner. However, the patron assured that the tillers would not just fear him. By supporting weddings, baptisms, organizing fiestas and providing financial support the patron guaranteed that the majority refrained from revolting. Another reason for politicians for standing as sponsor in numerous marriages, baptisms and confirmations is building an extended family, also know as alliance system, on whose political and financial support they can rely. This “alliance system may be held together by the framework of kinship, compadrazgo, and
would not be harmed was by controlling the politics in their region. The easiest way of doing so was by getting a family member elected as mayor or governor. Once elected, a mayor would use government resources, bribes, kickbacks and the profits from legal and illegal economic activities to foster the support of the local population. Through the usage of capital, coercion and violence (known in the literature about Philippine election as gold, guns and, goons) local politicians assured that a vast number of voters would support the candidate endorsed by the local politician. These kinds of votes are generally known as ‘command votes’. The command votes once played a big role in elections when the traditional landlord-tenant system was still prominent in most parts of the Philippines. In exchange for voting for the candidate chosen by their patron, the tenants, the so-called clients, received money and/or the promise of favors in the near future. Velasco summarized this as an example of the ‘bargaining culture’ of Philippine politics: “Candidates ‘sell’ themselves by ‘buying’ voters through various services and favors given during but most especially before the election.” Through the years the relative number of command votes has decreased. Because of urbanization, the erosion of the landlord-tenant system, and the increased availability of TV, radio and newspapers, a large part of the population has the freedom to make their own decision on whom to cast a vote for and thus the number of ‘market votes’ has increased. Although politicians continue to buy votes and use force to ‘convince’ people, this however plays a lesser role in national elections.

In the post-Marcos era the influence of the so-called political dyadic ties have decreased and voters have become more independent from the traditional landed-elite. Although members of the new economic elite are finding their way to the political arena after 1986 “a large number of politicians who held office for many years in the Marcos and pre-Marcos periods won reelection, as did numerous other members of long-entrenched political families.” These politicians still make use of their wealth, connections and well known family name to build their political machineries which are best described as “non-ideological organization(s) interested less in political principle than in securing and holding office for its leaders and distributing income to those who run it and work for it. Its strength depends on what it accomplishes in a concrete


way for its supporters, not on what it stands for. 81 These machines, also known as political parties, function primarily as the organization that unites politicians in their effort to win their desired political positions and that forms the link between the elite and the politicians.

Political parties in the Philippines have historically not been based on an ideological division or long-term upper-class interests, 82 but “are temporary and unstable coalitions of upper class fractions pieced together for elections and post-elections for patronage. They come together only to put down assertions of lower class interest. The rest of the time they manoeuvre in particularistic horse trading and the perennial search for ‘deals’.” 83 Peculiarities of the Philippine party system are that intra-party solidarity is minimal, party loyalty stops when the individual politician can make a better deal with another party, party membership is confined almost exclusively to politicians, party activities are only focused on electoral politics and political programs are not focused on any ideology, social class, or issue. 84

Since Estrada belonged to a party with a full senatorial slate 85 and candidates for the House of Representatives in many districts, he too could count on the support of local politicians throughout the Philippines. This is important because by winning over local politicians a candidate running for national office can campaign more effectively as he can rely on the political machinery of local politicians and the efforts of these politicians to ‘convince’ their constituents.

2. Popularity, charisma and populism

The 1992 elections had already shown that Estrada was one of the most popular politicians in the Philippines when he received more than six million votes. During his vice-presidency he became known as the pro-poor man who successfully fought criminals within and outside the government. Another factor that contributed to Estrada’s popularity was his charisma.

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82 In Europe ideological parties have dominated politics, while in Latin America the political party division can be explained by the protection of the interests of different factions of the ruling economic elite. Compared to the Philippines these interests and the alliance to a party do not shift every election, but are based on for example geographic or industry based interests.
85 LAMMP had twelve candidates running for Senate, among them were several celebrities. Vicente Sotto III, Robert Jaworski, Aquilino Pimentel, John Osmeña, Rodolfo Biazon, Blas F. Ople, Tessie Aquino-Oreta, Edcel Lagman, Ruben Torres, Freddie Webb, Ramon Bagatsing Jr., and Miguel Romero. Of the twelve LAMMP candidates who ran for Senate, there were two basketball stars (Freddie Webb and Robert Jaworski) and two TV personalities (Ramon Revilla and Vicente “Tito” Sotto who joined LAMMP who was forced to end his campaign for Vice-president when his team-mate Gloria Macapagal Arroyo decided to becoming running mate of José De Venecia).
As a former actor he was accustomed to being in the spotlight and during the campaign rallies and motorcades Estrada simply played the role the crowd expected him to play. Biographer Crisostomo describes Estrada as: “a conjunction of toughness and gracefulness, strength and charisma. He appears at once strong and invulnerable but gentle, and has been known to be all tenderness toward children, women and elder people, especially his aging widowed mother. He has a handsome but rugged actor’s mien and an actor’s stride and gait that make him stand out in any crowd.”

Compared with his competitors Estrada belonged to a different league when it came to his oratory skills. Estrada could bring forward the political message in a speech and at the same time entertain the crowd. The speeches he and his LAMMP colleges delivered were short, simple, and full of populistic statements. Estrada interlarded his mostly Tagalog speeches with self-irony by frequently joking about his notorious philandering, political achievements and intellectual capabilities. By doing so he did not only create much laughter, but also sympathy among those parts of the electorate he was courting.

One way of identifying himself with the masa was by dissociating himself from the upper middle class and the rich. Many of them were anti-Estrada since they were of the opinion that a president would need at least an undergraduate degree, be able to speak correct English and be

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87 Among the campaign promise of the LAMMP candidates were: three square meals a day, money in your pockets, free public education for everyone and a computer in every village high school. These promises were made respectively by: Tessie Aquino, Pong Biazon and Dondon Bagatsing during a rally in Candon, Ilocos Sur March 17, 1998. A. Laquian and E. Laquian, Joseph Ejercito “Erap” Estrada: The Centennial President. (Vancouver: Institute of Asian Research, University of British Columbia, 1998) pp. 121-136.
88 In 1959, Estrada married Dr. Luisa ‘Loi’ Pimentel. As a movie star Estrada was surrounded with many temptations, one of these temptations was women. In 1962, Loi left for the United States after she discovered Estrada’s extramarital affairs. In 1987, Loi came back after 25 years and reconciled with her husband. Having affairs since his wife left, Estrada had extended his family from the three children with Loi to ‘officially’ ten children with six women in 1998. The best quote to summarize his lifestyle was made by Estrada himself: “Both President Clinton and I have sex scandals. But Clinton has the scandals, and I have the sex.” I.T. Crisostomo, President Joseph Ejercito Estrada from Stardom to History: The Saga of a Child of Destiny. (Quezon City: J. Kriz Pub, 1999) p. 59. Quote comes from: Philippine Star, May 13, 1998
90 Among all the children in the family Joseph Ejercito was the only child who did not acquire a college degree. It was not because he lacked the intellectual capabilities to finish college, but because he decided to try his luck to become a movie actor during his attendance of the Polytechnic College of the Philippines. I.T. Crisostomo, President Joseph Ejercito Estrada from Stardom to History: The Saga of a Child of Destiny. (Quezon City: J. Kriz Pub, 1999) p. 5.
willing to engage in dialogue with them. Summarized one can say that they wanted someone among their ranks. For Estrada, the price he would have to pay for neglecting the elite and upper middle class would be acceptable, because his campaign strategist knew that one could win an election without receiving their support. It even gave Estrada the opportunity to exploit his disrupted relationship with the elite by targeting them during campaign rallies. He appealed to the *masa* by blaming the elite for using their knowledge to enrich themselves. He blamed them for the miserable living conditions of the majority of Filipinos, corruption, and lack of love for their country.\(^91\) When Estrada was shown gambling with suspected underworld figures the discussion as to whether Estrada was morally fit to be president heated up among newspaper columnists, politicians and religious figures.\(^92\) However, the general public did not really care about the issue and accepted his response that his sins were personal and not official. Such honesty was appreciated and did not affect his popularity.\(^93\)

Estrada was the total opposite of the unpopular politicians who lived in their posh gated communities, who drove expensive cars and sent their children to private schools. Although Estrada’s lifestyle resembled that of the elite due to his movie career he was regarded as someone who made it from rags to riches. Many Filipinos lacked trust in the traditional political elite who, according to them, not only failed to improve their living conditions, but were corrupt and incompetent. Throughout his political career Estrada used populism and nationalism\(^94\) to make clear that the choice was very simple: either you vote for a public servant who had proven himself as a pro-poor man or continue to support the old selfish political elite who have done nothing to uplift the conditions of the nation.\(^95\) For many poor people the choice was an easy one.

### 3. Campaign strategy

The main strategy of the Estrada camp was creating the perception that Estrada was the only politician whose political goals resembled those of the majority of the voters, the poor.

\(^91\) *Asiaweek*, 10 March 1998.

\(^92\) Manual Morato, who ran as President solely to prevent Estrada from becoming President, gave the tape to the Philippine Daily Inquirer. All government officials are prohibited from gambling by Presidential Decree 1869. I.T. Crisostomo, *President Joseph Ejercito Estrada from Stardom to History: The Saga of a Child of Destiny*. (Quezon City: J. Kriz Pub, 1999) pp. 212-215.


\(^94\) Estrada used his comparatively high-profile position as senator within the discussion about the presence of American bases in the Philippines in 1991. The reason for Estrada’s vote against the Treaty was not that he did not like the Americans but as he often stated because of his love for the Filipino people.

\(^95\) Throughout his political career Estrada had proclaimed that he was a public servant and not a politician. According to Grossholtz this is a typical claim heard often from Philippine politicians: “*Philippine politicians deny publicly that they are*
Throughout the campaign, Estrada’s strategists conducted surveys to find out what the people’s main concerns were, how they rated Estrada and what they expected from a presidential candidate. The results of these polls were used to maximize the effectiveness of speeches, posters, interviews and other campaign activities.

An important survey in this light was held in November 1997. This survey indicated that just 15% of the electorate was satisfied with their living conditions under the Ramos administration. The significance of this survey was the general unhappiness with the results of the economic policy of the Ramos government. This also had its effects on the popularity of the administration’s candidate, José De Venecia, who depended on the support of President Ramos and was therefore not in the position to utter critique on Ramos’ policies. Although Estrada had been vice-president under Ramos, he did not belong to the same political camp as Ramos. It offered Estrada the opportunity to take up the role as the opposition candidate who would stand up to improve life of all Filipinos, instead of continuing the policies of the Ramos administration from which the already too wealthy elite were primarily benefiting.

Another important element of the Estrada campaign strategy was to focus on those voters who were most likely to cast a vote for Estrada. Surveys had shown that among the elite and the middle class, categorized in the Philippines as the ABC class, Estrada only had a small lead. Among the D and E class, Estrada’s lead was significant. The conviction among Estrada’s campaign strategist was that wooing support from the ABC class would be very expensive and not as lucrative since 90% of the electorate belonged to the D and E classes.

The choice of the campaign slogan *Erap Para sa Mahirap* accentuated the focus on the constituents belonging to the impoverished and undereducated D and E classes. The slogan was unique, simple, and easy to remember and continued to exploit the aura of the movie figure Erap.

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*professional politicians and seek to present themselves as public servants, but in their calculations about one another cynicism is the most obvious characteristic.* J. Grossholtz, *Politics in the Philippines.* (Boston: Little, Brown and Company, 1964) p. 164.

96 *Philippine Survey Research Center.* November 1997.

97 Estrada was convinced that Ramos curtailed his powers as head of chairman of the Presidential Anti-Crime Commission because he had become too popular. From that moment Estrada distanced himself further from the Ramos administration.


99 In the Philippines social scientist divide the population in five groups based on their socio-economic situation. These classes are categorized in the ABC, D and E groups. The ABC group forms around 10% of the electorate and is composed of mainly urban, high income, well-educated and politically active individuals. In surveys the AB (the rich elite) are often put together with the middle class, categorized as the C class. Most Filipinos, around 72% belong to the D class that comprises middle income and lower income groups. The poorest Filipinos are those who belong to the E class, 18%. These are the squatters and landless farmers. In the Philippines the D and E class form around 90% of the voting population. The categorization is based on housing, income and employment. A. Laquian and E. Laquian, *Joseph Ejercito “Erap” Estrada: The Centennial President.* (Vancouver: Institute of Asian Research, University of British Columbia, 1998) pp. 111-112.
During campaign rallies the people were treated with one-liners that left the ecstatic crowd with a simple choice between continuation of the exploitation by the elite or breaking with this practice by voting for the pro-poor Estrada. Supported by a nationwide poster campaign, a radio program were people could ask Estrada and Angara questions, high visibility in tabloids and local newspapers (which are mostly in Tagalog and read by the lower classes) and by buying airtime on local radio and TV stations every day the voters were constantly confronted with the campaign slogan *Erap Para sa Mahirap*. The message was clear: The election of Estrada would mean, that for the first time the *masa* would be able to elect a president who was in their eyes one of them.

4. **Alliances with power brokers**

Power brokers are those persons who can help a candidate during his campaign by providing support in many different ways. Power brokers in the Philippines are the key-people of the political, religious, media, and business establishment. These actors have their own reasons for supporting one or several candidates, but it all comes down to one thing: *utang na loob*. A simple thank-you-note is not enough. The financial power brokers, also called rent-seekers, know that: “*If elected, the politician will repay the investments many times over through low-cost government credit, selective enforcement of commercial regulations, or licenses for state-regulated enterprises such as logging and broadcasting.*” The decision to support one candidate is based on a mix of personal connections, the alleged ‘winability’ (chance to win) of a candidate and the expectation whether the candidate will be open and able to express his gratitude to those who supported him.

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100 The Social Weather Station surveys had shown that among the ABC class the candidates were very close to each other. M. Mangahas, *SWS Surveys on the 1998 National Elections*. (Quezon City: Social Weather Stations, 1998) p. 34 and p. 53.
102 Another important element of the Erap campaign was utilizing the work of aligned non-governmental organizations, NGO’s, and people’s organizations, PO’s. One of these organizations was *Jeep ni Erap*. JEEP stands for Justice, Economy, Environment and Peace, but was also called the Joseph Ejercito Estrada for President movement. JEEP was involved in a broad range of activities. Among them were grassroots empowerment programs, lobbying in support for Estrada from the business sector, formulating the program of governance, monitoring the elections and using covert activities to sabotage the main competitors’ campaign. A. Laquian and E. Laquian, *Joseph Ejercito “Erap” Estrada: The Centennial President*. (Vancouver: Institute of Asian Research, University of British Columbia, 1998) pp. 175-180.
103 The in 1953 elected Magsaysay was also very popular among the masses, but should be more regarded as ‘America’s Boy’.
104 The role of politicians as power brokers will be described under the fifth factor: Access to government resources.
106 Betting on the ‘wrong horse’ can have far reaching consequences. A good example of making a ‘wrong’ choice was the “war” between President Macapagal and the Lopez brothers. A. W. McCoy, “Rent-seeking Families and the Philippine State: A History of the Lopez Family.” In: A. W. McCoy (ed.), *An Anarchy of Families*. (Madison: Center for Southeast Asian Studies University
Religious Power Brokers

On the day of the elections the leading newspaper, the *Philippine Daily Inquirer* led with the headline “Bishops tell voters: Anybody but Erap.” There had never been so much public involvement of religious groups as in 1998. The Catholic Church tried to convince their followers that Estrada was morally unfit to head the country. Cardinal Sin in particular stressed that the victory of a womanizer, gambler and heavy drinker would be a bad example for the youth and dangerous for the country. In a pastoral letter a number of bishops called upon Catholics to: “Vote for persons who morally, intellectually and physically show themselves capable of inspiring the whole nation toward a hopeful future.” With around 85% of the Filipinos belonging to the Roman Catholic Church, its leaders are able to wield considerable influence over their adherents. However, most Filipinos are ‘Sunday Catholics’ and in rural areas Catholicism is mixed with all kind of indigenous rituals. Priests and other religious figures are very much respected, but this respect does not automatically translate itself into docility when it comes to voting.

This does not mean that religious power brokers do not have any influence on the choice of their adherents. The leaders of smaller and tighter religious groups, the so-called charismatic groups, have demonstrated in previous elections that they do possess the power to deliver votes. The political preference of the leaders of the charismatic religious groups is not made on the basis of party program or personal qualifications, but on promises candidates have made and the personal relationship between the candidate and the leaders of the religious groups. An example of this is described in the case study on the Ecleos family that built a religion and used their flock to move into politics and receive support from provincial and national politicians. M. Dañguilan Vitug, “Faith, Hope and Politics,” In: J.F. Lacaba (ed.), *Boss. Five Case Studies of Local Politics in the Philippines*. (Manila: Philippine Center for Investigative Journalism & Institute for Popular Democracy, 1995) pp. 31-65.

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110 Just as Bill Clinton did in 1992, Estrada did not become a victim of his so-called sins. Partly so, because of Estrada’s honesty regarding his extra-martial affairs. He did this in an exclusive interview with the *Philippine Daily Inquirer* on October 26, 1997 and after this at campaign rallies throughout the country. In the interview with the *Philippine Daily Inquirer* Estrada said: “As I’ve said, my sins are between me and God. I have not sinned as a public servant... Now that you know the story, this is my final word on the issue that is not an issue. The real issue is how to solve the problems of the country. How can we help our country? That is the issue, not my private life.” Interview with Vice President Joseph Estrada by Letty J. Magsanoc, *Philippine Daily Inquirer*, Oct 27, 1997. As quoted in: I.T. Crisostomo, *President Joseph Ejercito Estrada from Stardom to History: The Saga of a Child of Destiny*. (Quezon City: J. Kriz Pub, 1999) pp. 22-24.
example of this is Iglesia ni Christo, INC. According to Mangahas: “In 1998, the INC went all out for Estrada. Church leaders and their mostly poor members took to Estrada as a church champion”. This support came as no surprise because “Estrada had been supported by the INC since his second run for mayor of San Juan town.” To formalize the support of INC, Estrada visited the leader of INC, Brother Manalo, and put his signature under a document called: “A pledge to the Filipino People through the Iglesia ni Christo.”

This document can be regarded as a promise of Estrada to fulfill all his campaign promises, while INC would call upon their members to vote for Estrada. Estrada also initially received the endorsement from the largest Catholic charismatic movement in the Philippines, El Shaddai. But on the day before the elections the leader of El Shaddai, Brother Mike Velarde, stated that he allowed his followers to vote according to their conscience.

**Media**

The role of media is well summarized by John Street in his book on the relationship between mass media, politics and democracy: “The media have power: they determine the fate of politicians and political causes, they influence government and their electorates.” Mass media can be utilized to give the voters more information about candidates, discuss and analyze their acts and policies, and can be utilized for promoting a party or candidate. Nowadays, the easiest way to reach the voters who are no longer emotionally, financially or physically tied to a patron or a politician is by using the mass media. However, since 1988 it is prohibited: “for any newspapers, radio broadcasting or television station, or other mass media to sell or to give free of charge print space or air time for campaign or other political purposes.” The goal of the ban on political advertisement was equalizing the chances for candidates.

Florentino-Hofileña’s book on corruption in Philippine media during election time showed that candidates have no difficulties in using the media as a tool in their campaign. As in

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118 Republican Act No. 6646.
any other country, politicians in the Philippines try to befriend media reporters. Generally accepted ways to keep reporters happy and friendly is by providing them with an envelope that contains ‘reimbursements’ for expenses they have incurred.\(^{119}\) Candidates evaded the ban on advertisement by paying reporters, columnists, radio and TV stations to get the media exposure they were looking for.\(^{120}\)

In comparison with other elections, the 1998 elections showed two trends.\(^{121}\) The first was the incredible sums of money candidates spent for media exposure and the second was the efforts of the media to circumvent the political advertisement ban. Media expenses formed the biggest and most crucial investments of candidates. It is estimated that between 60% and 70% of all campaign expenses are spent on the media.\(^{122}\) Although the Estrada campaign topped the list of most money spent during a campaign, he did not have many friends in the Manila-based national media headquarters. These newspapers were eager to attack his credibility and cover anti-Estrada stories of which several were provided and paid for by his opponents.\(^{123}\) To protect the popularity of Estrada, his campaign team invested a lot of time and money in counterattacking allegations and attacking opponents.

The goal of the ban on advertising in the media was to level the field for candidates running for office. It was supposed to give the candidates who had less money at their disposal the opportunity to campaign for an elective position. The unexpected side effects of the ban during the 1998 elections were twofold. Firstly, incumbent politicians and those who were working in the entertainment and sport industry with political ambitions had a clear advantage since they did not have to invest that much to make their name familiar with the voters. The second side effect of the advertisement ban was not the total absence of political advertisement

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\(^{119}\) Of course this envelop contains some extra money, the so-called envelopmental journalism. In the 1970s ‘envelopmental journalism’ was widespread, nowadays ‘ATM journalism’, money is deposited on accounts of journalist, has become more popular. C. Florentino-Hofileña, News for Sale, The Corruption of the Philippine Media. (Quezon City: Philippine Center for Investigative Journalism & Center for Media Freedom and Responsibility, 1998) pp. 15-16.

\(^{120}\) Examples are: A catholic radio station asked for P20,000 for an interview with Presidential candidate, an opinion daily sold candidates a four-page story for P500,000 including 100,000 extra copies, and a three-minute TV interview for P200,000. C. Florentino-Hofileña, News for Sale, The Corruption of the Philippine Media. (Quezon City: Philippine Center for Investigative Journalism & Center for Media Freedom and Responsibility, 1998).


\(^{123}\) This does not mean that newspapers did not act as power brokers. On a personal level Belinda Olivares Cunanan, A Philippine Daily Inquirer columnist, came under fire when her support for José De Venecia was too blatant. It was assumed she supported the Ramos appointee because he had appointed her husband as ambassador. A. Laquian and E. Laquian, Joseph Ejercito "Erap" Estrada: The Centennial President. (Vancouver: Institute of Asian Research, University of British Columbia, 1998) p. 224. Another example is the use of the Lopez media empire to win over the support from Ramos during the counting of the votes. A. W. McCoy, “Rent-seeking Families and the Philippine State: A History of the Lopez Family,” In: A. W. McCoy (ed.), An Anarchy of Families. (Madison: Center for Southeast Asian Studies University of Wisconsin-Madison, 1993) p. 516.
in the media, but instead politicians were given subtler and dangerous media exposure that circumvented the existing laws. The most popular way to promote a party or candidate became buying airtime that was used by reporters to cover the campaign or at least give some airtime to the candidate from whom the station and/or reporter received illegal payments. The result of this was that it had become even harder to make a distinction between an objective news item and those that were paid for by prospective politicians or their supporters.

**Business**

“Apart from his own talents, the volunteers he is able to draw to his cause, and whatever (free) media coverage he manages to secure, virtually everything else connected with a candidate’s quest for the Presidency requires money, staff, consultants, transportation, lodging, headquarters, fund raising, polls, etc. The old saying that ‘Money is the mother’s milk of politics’ may have become a hackneyed expression, but it is no less valid for being so.”

Officially, candidates running for president and vice-president are allowed to spend P15 per registered voter. With around 35 million voters registered, a presidential candidate was allowed to spend a maximum amount of P525 million during the 90-day campaign period. The reality is that every serious candidate running for office violates this code. By law candidates running for office are obliged to report their campaign expenditures. Senator Maceda, then NPC presidential candidate stated that: “the administration will need between P5-10 billion to finance its campaign for national and local candidates.” The estimated costs of running a serious presidential campaign vary between P2 billion to at least P5 billion. This would clearly mean that most candidates who ran a nationwide campaign violated the election code. The

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126 Lawful expenditures include: transportation costs of the campaign caravan, compensation of campaign workers, propaganda material, financing of campaign headquarters and legal actions against opponents. The Election Code prohibits the provision to and acceptance of free transportation, food, drinks, and things of value during the elections to constituents. *Section 102 of Omnibus Election Code of 1985*.
128 The penalty for violating any election code: “is imprisonment of not less than one year but no more than six years and shall not be subject to probation. In addition, the guilty party shall be sentenced to suffer disqualification to hold public office, and deprivation of the right of suffrage.” In: *Omnibus Election Code*. Section 264.
candidates evaded this issue by claiming that they spent less than the maximum or just ignored the call of the Commission on Elections, COMELEC, to provide an overview of their expenses.\textsuperscript{131}

Initially, the Zamora brothers, close friends of Estrada, funded the Erap campaign, but as the campaign advanced greater funds were needed.\textsuperscript{132} The main sponsors of campaign elections are categorized as business power brokers.\textsuperscript{133} Their status as power broker is based on the financial resources they can provide to the candidates. The bulk of these campaign contributions originate from two sources: legitimate business and illegal activities.\textsuperscript{134} Traditionally, personal relationships, for example kinship, played an important role in deciding on which candidate to give support to. This observation applies particularly to Chinese-Filipino business people. Usually, ethnic Chinese business people initially spread their money among the candidates. But as the polls give more detailed information about the chances of the candidates, Chinese campaign contributors change their strategy by investing in the most viable candidates.\textsuperscript{135} Due to Estrada’s good showing in the opinion polls, campaign contributors were eager to contribute to Estrada’s campaign, but the financing strategy of the campaign management decided to focus on a few donors: “The feeling was, it was more efficient to owe big bucks to a few rich donors (who would probably be less ‘hungry’ after the campaign) than to depend on thousands of trapos who would probably take the winning candidate to the cleaners after inauguration day.”\textsuperscript{136} The expectation that the selected donors were to be less ‘hungry’ indicates that they generally were Chinese businessmen. The Chinese have historically not been aiming for direct or indirect political power, but simply looking for some protection for their financial interests. The

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131 Among the Presidential candidates in 1998, only Juan Ponce Enrile and Imelda Marcos were financially able to run a campaign without relying on outside sources.
132 Ronnie Zamora used to be the executive Secretary of President Marcos. He and his brother had been long close friends of Estrada.
133 Estrada officially owned P46 million. Miriam Defensor-Santiago is convinced that politicians will not use their own personal wealth. Although Santiago’s argument bears some truth, there are known cases where the candidates themselves have invested heavily in their own campaign. For example: Eduardo Danding Cojuanco and Imelda Marcos in 1992.
136 In the presidential and vice-presidential race Joseph Estrada and Gloria Macapagal-Arroyo had topped the SWS surveys from January till May and their lead was considerable. Both were leading with more than twice the votes of the closest competitor. In: M. Mangahas, \textit{SWS Surveys on the 1998 National Elections}. (Quezon City: Social Weather Stations, 1998).
136 Trapos, literally means dishrag that is used to wipe of dust and dirt, is the nickname for traditional politicians. The characteristics of the politicians is that they are political butterflies, rely on old vested networks, are active in politics out of financial interest and do not adhere to a political ideology. A. Laquian and E. Laquian, \textit{Joseph Ejercito "Er" Estrada: The Centennial President}. (Vancouver: Institute of Asian Research, University of British Columbia, 1998) p. 119.
contributors of Estrada’s campaign belonged mainly to the Binondo Cartel. Among the important and controversial campaign donors were:

- Lucio Tan, a long-term friend of Estrada and probably the richest man of the Philippines, was the main contributor to the Estrada campaign with around P1.2 billion.

- Eduardo Cojuangco, NPC chairman and then fighting for ownership of San Miguel Corporation, he gave between P400-800 million.

- Lucio Lao Co, a suspected smuggler who donated between P100-400 million.

Other suspected ‘three star’ donors were top business people like Bobby Ongpin, Ramon Lee, George Go, George Yu, Jack Ng, and William Gatchalian. These Chinese-Filipino taipans (Chinese business leaders) donated the largest ‘legitimate’ share of the campaign funds.

The successful Chinese-Filipino businessmen are regarded by some as the new elite. This segment of Philippine business society is very different from the old hispanized elite of whom many started their business empires during the Spanish and American era. Nevertheless, the so-called old elite continues to demand, and actually plays an active role in the economy and politics but it did not support the candidacy of Estrada. For them Estrada was an immoral, undereducated, populist who exploited the poor-rich cleavage. However, these traditional financial power brokers were deeply divided on whom to support. The result was that Estrada could rely on support from a selective group of financial power brokers who also knew

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137 Binondo is the name of Chinatown in Metro Manila.
139 Personal conversation with Prof. David Wurfel, 4 April 2002 Honolulu.
142 Other members from the Chinoy, Chinese-Filipino, community were businessmen who were suspected of being active in legal and illegal business transactions. They included: Dante Tan, Jaime Dichaves, Lucio Co and Charlie ‘Atong’ Ang. A.A. Laquian and E. R. Laquian, The Erap Tragedy: Tales from the Snake Pit. (Pasig City: Anvil Publishing, 2002) p. 12.
143 That a large share came from Chinese-Filipino’s is not a surprise for several reasons. When Estrada was a mayor of San Juan he laid the foundation for his good relationship with several Chinese-Filipino businessmen. As vice-president he gained a lot of support from the Chinese-Filipino community for his role in ending, solving and preventing kidnappings of Chinese-Filipino’s. Estrada was head of the Presidential Anti-Crime Commission. One of the main tasks of the Presidential Anti-Crime Commission was reducing the number of kidnap-for-ransom cases.
that they had the unique opportunity of contributing to the election of a president who would for the first time not have a big debt of gratitude towards members of the old elite.\textsuperscript{145}

5. Disbursement of financial resources

The fifth factor that enhances the chance of winning a presidential election is how the available resources are used. The available financial resources are not just spent on official campaign expenses like campaign material, opinion polls, travel expenses or salaries of staff. Already mentioned is the fact that the media receives a significant share. Another major campaign expense not mentioned in the official overview of campaign expenses are the contributions made to local politicians. To finance their campaign, local politicians try to collect money from the local elite. In case the candidate is the incumbent, related to or endorsed by the incumbent, the government apparatus and funds will be used to ensure a victory. Their political opponents would rely on the wealth of other members of the elite who had not benefited from the incumbent or who had not supported the incumbent in the last election. In any bid to win an election a politician will also be looking for a strategic alliance with regional and national politicians. The affiliation with well-known politicians will ensure that the local politician will not be confronted with local competitors who can rely on the same kind of political and financial support.\textsuperscript{146} Part of the deal is that the local politician can expect financial support that could be used for campaign materials and sample ballots.\textsuperscript{147}

In 1998, many local politicians were officially aligned with the party of incumbent President Fidel Ramos, Lakas-NUCD.\textsuperscript{148} Opinion polls had shown that Estrada had a large lead over De Venecia and thus local politicians were faced with a dilemma whether to support the

\textsuperscript{145} It was suspected that the drug and gambling syndicates also contributed to the Estrada campaign. But even without this kind of ‘gray’ money, the war chest of the Estrada campaign was already overflowing. There were also rumors that Macapagal-Arroyo also received contributions from alleged gamble lords. J. Rocamora, “Philippine Political Parties, Electoral System and Political reform,” In: Philippines International Review, Vol.1, No.1, Spring 1998 http://www.philsol.nl/pir/JR-98a.htm (11 October 2003).
\textsuperscript{146} Since Philippine politics, especially on the local level, can be regarded as a two party system, it is very important for the incumbent to make sure that the most popular and influential politicians don’t give support to the opponent of the incumbent.
\textsuperscript{147} Sample ballots are ballots distributed by candidates, which are passed down to candidates who run for lower positions who add their names and distribute them to their electorate. Its goal is to give the voter a reminder of the candidates on whom he wants to vote for, or on which candidates his patron wants him to vote. Presidential elections, like all elections in the Philippines, are conducted by means of write-in ballots. These ballots must be filled in with the name of the candidate for the available position. To make it simpler for voters in casting their votes, sample ballots with printed names of candidates for several positions are distributed. Candidates running for a national/provincial office need to convince the local or provincial popular figure to join them on their sample ballot by providing contributions to their campaign and/or make post-election promises. For the candidates for lower offices it is very attractive to identify themselves with popular national political players. C. H. Landé, Leaders, Factions, and Parties: The Structure of Philippine Politics. (New Haven: Yale University Southeast Asia Studies Monograph Series No. 6, 1966) p. 61.
unpopular candidate of the administration or align themselves with the popular folk hero of the opposition. Experienced politicians know that it is very risky to have agitated against the winners of an election since they would encounter difficulties in harvesting investments and financial support from the newly elected governor, congressman or president. Popularity polls had shown that Estrada had an almost unbeatable lead and the nearer Election Day came, the more unbeatable he seemed to be. Several local politicians solved the dilemma they faced by running under the banner of the administration’s party and at the same time pledging support to candidates of LAMMP.

Their choice on whom to support was made easier by a combination of lack of financial resources and an incorrect wrong spending strategy on the part of the campaign team of the incumbent administration. In contrast to the Erap campaign, De Venecia was neglecting local politicians. Even non-Lakas congressmen were receiving between P1 million to P3 million in grease money. In contrast “governors were given P200,000 each to conduct a province-wide campaign, while mayors were given a measly P10,000 to P20,000 apiece.”149 Another contributing factor was the incumbent and loyal Lakas-NUCD local politicians were sidelined by the Lakas-NUCD party heads who supported central relatives and friends of congressmen even thought they campaigned for the same position as the loyal Lakas-NUCD politicians.150 In many cases the incumbent mayors and governors asked LAMMP to refrain from supporting competitors who were willing to openly align with LAMMP. “So, the local leaders dumped him (De Venecia) in order to survive, leaving them to make deals that expanded LAMMP’s smaller organization.”151 The disappointed local politicians were unintentionally pushed to the LAMMP who willingly accepted the disillusioned and welcomed them with open arms and a bag of money. Due to this Manila Standard columnist Jardo came to the conclusion that it was “no wonder that De Venecia lost on almost all local levels.”152

This section has described the factors necessary to win a presidential election in the Philippines. All factors mentioned above are necessary in order to run a successful campaign, but

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148 Lakas-NUCD was the only party who had a complete slate of candidates in all local and congressional districts. A. Laquian and E. Laquian, Joseph Ejercito "Erap" Estrada: The Centennial President. (Vancouver: Institute of Asian Research, University of British Columbia, 1998) p. 103.
to explain Estrada’s victory one also has to look at the differences between Estrada and his closest competitor. There are several explanations for this. First of all, De Venecia was regarded by the voters as a traditional politician (*trapo*), was identified with Ramos and his policies and accordingly De Venecia never even came close to the popularity of Estrada.  

Secondly, as mentioned above De Venecia could not fulfill the promises that were made to the Lakas-NUCD party members. With candidates for positions in every municipality there was great pressure on the available funds and towards the end of the campaign it became clear that many local politicians would not get the financial support they had expected. The failure to live up to these promises was the final push towards the Estrada camp. The effective usage of the campaign war chest to align local politicians to LAMMP, and the expectation that Estrada would be unbeatable, convinced many local power brokers to give their endorsement to Estrada. Thirdly, the opponents of Estrada were too similar and did not show the ability to act in conjunction to offer an alternative that would appeal to larger segments of the population.

The Estrada for President campaign was not only successful in creating a pro-poor image, but succeeded in making the 1998 presidential election an election of the choice between us, the *masa*, versus them, the elite. The extremely well organized and funded campaign made it possible for Estrada to become the undisputed candidate (for and even of) the *masa*. In line with his image as a movie star, he acted as the only presidential candidate who was not a member of the elite. This meant he ate with his hands, preferred to speak the national language and joked about his fondness of women. Pictures and posters of Erap eating, drinking and dancing with peasants, squatters and others who belonged to the D and E class brought the Manila based politician very close to them. The fiesta atmosphere of the political rallies smartly ignored the issue on how to fulfill all the fantastic campaign promises. The campaign slogan, *Erap Para Sa Mahirap*, was the masterpiece of the campaign. It was easy to remember and was very appealing to the largest group of constituents. The attacks on Estrada that he was a gambler, heavy drinker and womanizer made him only more human and placed him outside the political establishment. In the 1998 elections, a large share of the voters was not looking for a candidate who was part of

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153 *Trapo*, literally dishrag, is the nickname given to traditional politicians. The characteristics of the politicians is that they are political butterflies, rely on old vested networks, are active in politics out of financial interest and do not adhere to a political ideology.

154 Renato de Villa decided to run with his own party when he did not receive the nomination as standard-bearer of Lakas-NUCD. The split in support by Cory Aquino for Alfredo Lim, and Ramos’ support for De Venecia only aggravated the division between the traditional candidates. Lim’s candidacy was launched too late and it was even rumored that his candidacy was as part of the campaign strategy of Estrada to divide the anti-Estrada voters. Although Roco was popular among students and the upper class he lacked the support of national politicians/party due to his personality and reluctance to engage himself with the power brokers.
the establishment but was looking for someone who had compassion for them. For too many years the elite politicians had ignored the poor and undereducated Filipinos. Estrada was the only politician who saw this and became the self-constituted leader and last hope of the *masa*.

Without the huge financial resources available for his campaign, it would, however, have been very hard to run such an effective campaign. The funds were used mainly for an effective media campaign, paid for surveys, campaign material, political rallies and of course to buy support from local politicians. Estrada had it all now: the organization, the charisma and popularity, support from key power brokers, more than enough money at his disposal and the (un) official support of many local politicians. The next section will analyze if the strategy of the Estrada campaign worked and what conclusion can be drawn from his victory.
Section Three

The results of the 1998 Presidential election

In the Philippines a candidate does not have to receive an absolute majority to be proclaimed as the winner of an election. An election is won when the candidate receives more votes than his closest competitor, even if the number of votes is less than 50%. Estrada received 39.86% of the almost 27 million votes cast and defeated his closest competitor, Jose De Venecia, with a remarkable margin of 6,453,812 votes. That the voters just supported a person and not a party, was evident in Estrada’s running mate Angara’s loss in the vice-presidential election. Like Cojuangco in 1992, Angara couldn’t cash in on his affiliation with Estrada and was no match for the popular daughter of former President Macapagal, Gloria Macapagal-Arroyo. This section will provide a closer look at the composition of the support for Estrada by looking five often mentioned factors that influenced voter preferences; region, age, gender, religion and finally social class.

Region

As a Manila-based man and having a southern Tagalog running mate (Angara), Estrada knew that it would be hard to compete with those who could cash in on their regional and linguistic background. Estrada hoped his appeal to the poor would overcome this obstacle. “Almost invariably,” notes Angoncillo, “the Filipino believes that a candidate from his province or region, no matter how repugnant, is better than one who comes from another region.”

Table 2 displays that the Erap campaign effectively reached voters throughout the country.

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155 In 1992 Ramos won the Presidential election with only 23.6% of the votes.
157 See appendix I for the results of the 1998 presidential and vice-presidential election.
158 Gloria Macapagal-Arroyo, popularly called GMA, received around 12.6 million votes compared with 5.6 million votes for Angara. In the senatorial elections LAMMP won seven of the available twelve seats.
Table 2. Percentage of votes per region.

<table>
<thead>
<tr>
<th>Region</th>
<th>NCR</th>
<th>CAR</th>
<th>ARMM</th>
<th>REGION I</th>
<th>REGION II</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winner</td>
<td>Estrada (37%)</td>
<td>Estrada (47%)</td>
<td>Estrada (51%)</td>
<td>De Venecia (55%)</td>
<td>Estrada (44%)</td>
</tr>
<tr>
<td>Runner-up</td>
<td>Roco (25%)</td>
<td>De Venecia (26%)</td>
<td>De Venecia (36%)</td>
<td>Estrada (34%)</td>
<td>Enrile (24%)</td>
</tr>
</tbody>
</table>

| Region III | Region IV | Region V | Region VI | Region VII |
| Winner | Estrada (50%) | Estrada (51%) | Roco (71%) | Estrada (37%) | Osmeña (58%) |
| Runner-up | Roco (16%) | Roco (15%) | Estrada (17%) | Santiago (21%) | Estrada (19%) |

| Region VIII | Region IX | Region X | Region XI | Region XII |
| Winner | Estrada (42%) | Estrada (40%) | Osmeña (32%) | Estrada (52%) | Estrada (48%) |
| Runner-up | Osmeña (28%) | Osmeña (23%) | Estrada (30%) | Osmeña (23%) | Osmeña (19%) |

Source: Namfrel figures 17th and 19th May.\(^{160}\)

ARMM: Autonomous Region of Muslim Mindanao; NCR: National Capital region which is Metro Manila; CAR: Cordillera Autonomous

In most regions, Estrada crushed his competitors and even in the political and financial center of the country, NCR, Estrada defeated his closest competitor by a significant margin. Estrada was defeated in only four regions. Region 1 (Ilocos) was the only region were De Venecia defeated Estrada. Despite Estrada’s good relationship with the Marcoses (Ilocos origin) and the support Estrada had received in the past from Ilocanos, De Venecia profited from his ethno-linguistic background. The sweep of Bicol native Roco of Region V (Bicol) was no surprise since he campaigned extensively there. The political party of Osmeña, The Province First, did not have much difficulty in convincing his fellow Cebuanos that once elected he would give more attention to the Visayan region than his competitors.\(^{161}\)

**Gender, Age and Religion**

On the basis of Estrada’s disreputable lifestyle and macho movie roles, one might expect Estrada would receive more support from the males who might look up to Estrada. Filipinas on the other hand might have thought that a cheating husband would not be suitable for heading the highest office of the country. But then again Estrada’s fame as a movie star, his sex appeal and fair behavior towards his mistresses and extramarital children might have compensated for this. Although the peak of Estrada’s fame as an actor dated back to the late 1960s and 1970s, the younger generations were well informed of Erap’s performance on the big screen and more recently as an unconventional crime fighting vice-president. What also contributed to his appeal to the younger voters was that Estrada was well-supported by many entertainment celebrities for example his longtime friend Fernando Poe Jr. Whether and how this support contributed to votes for a specific candidate has never been researched in detail, but it is clear that the line-up of stars of the entertainment industry pulled a big crowd of people from all ages. The influence of religious and charismatic groups has always been important in Philippine society but only charismatic religious groups have been able to provide command votes. Whether or not the above-mentioned factors influenced voting behavior can be seen in the tables below.

**Table 3. Support for Estrada by gender**

<table>
<thead>
<tr>
<th>% votes for Estrada</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
</tr>
<tr>
<td>40%</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>38%</td>
</tr>
</tbody>
</table>

Source: Namfrel figures 17th and 19th May.162

**Table 4. Support for Estrada by age group**

<table>
<thead>
<tr>
<th>% votes for Estrada</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24 year</td>
</tr>
<tr>
<td>37%</td>
</tr>
<tr>
<td>35-44 year</td>
</tr>
<tr>
<td>39%</td>
</tr>
<tr>
<td>25-34 year</td>
</tr>
<tr>
<td>40%</td>
</tr>
<tr>
<td>45 and up</td>
</tr>
<tr>
<td>38%</td>
</tr>
</tbody>
</table>

Source: Namfrel figures 17th and 19th May.163

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161 Region VII, Central Visayas, Region X, Northern Mindanao are dominated by Cebuanos and also the other Christian dominated parts of Mindanao showed significantly more support for Osmeña than he received in the rest of the Philippines.


The variables shown in tables 3, 4, and 5 illustrate a consistent pattern: around 38% of every group supported Erap. Gender and age did not show any significant difference in support for Estrada. Despite the efforts of the Roman Catholic Church and related organizations to convince Catholics that Estrada was immoral and therefore not suitable to become president, the apparent indifference of the public to the un-Christian behavior of Estrada indicates that the Catholic Church had very little influence in the elections of 1998. Yet, there are two religious groups from whom Estrada received more than the average, 38%, support. The Estrada campaign succeeded in receiving almost two thirds of the 4% of Filipino-Muslim population in the war-torn parts of the former Muslim-dominated Mindanao. This can be explained by two factors. Firstly, the ties between Estrada, local politicians and businessman who were able to provide command votes. The second factor could be the high level of poverty (more D and E class voters) in Mindanao. Iglesia ni Christo has always been very successful in directing their parishioners. In an analysis about INC, Manhahas wrote: “In 1998, the INC went all out for Estrada...Church leaders and their mostly poor members took to Estrada as a church champion; his victory was considered the Church’s own, especially because the Catholic Church had so vigorously opposed ‘Erap’.”

One can wonder whether Mike Velarde’s last minute address to vote according to their conscience seemed necessary, since historically El Shaddai has not shown the same kind of control over their disciples as INC.

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165 In the Muslim dominated parts of Mindanao the local elite has more control over their constituents. The patriarchal system plays an important factor here.
166 The different regions in Mindanao belong the most impoverished regions of the Philippines.
167 In 1998, Iglesia ni Christo had around 800,000 members that were allowed to vote and around 648,000 Iglesia ni Christo, INC, members acted upon their leaders ‘advise’ to vote for Estrada. The composition of its members, mostly lower C, D and E class should not be ignored as an explanatory factor. Malou Mangahas, “Iglesia Ni Christo,” April 29-30 2003.
**Social class**

In 1998, Estrada was profiled as the one who would finally act as a president for (and from) the *masa*, the D (the poor) and E class voters (the extreme poor). That Estrada was receiving much criticism from members of the ruling rich and educated elite only made it easier for him to play into the anti-rich sentiments that existed among the majority of the population who had not seen much improvement in their living conditions during the Ramos presidency. In table 6 an overview is given from the support of the different social classes for the presidential candidates.

**Table 6. Percentage of votes by social class**

<table>
<thead>
<tr>
<th>Social Class</th>
<th>Estrada</th>
<th>De Venecia</th>
<th>Roco</th>
<th>Osmeña</th>
<th>Lim</th>
<th>De Villa</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC</td>
<td>23%</td>
<td>12%</td>
<td>26%</td>
<td>6%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>D</td>
<td>38%</td>
<td>16%</td>
<td>13%</td>
<td>12%</td>
<td>9%</td>
<td>5%</td>
</tr>
<tr>
<td>E</td>
<td>48%</td>
<td>18%</td>
<td>9%</td>
<td>14%</td>
<td>6%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Total votes</td>
<td>40%</td>
<td>16%</td>
<td>14%</td>
<td>12%</td>
<td>9%</td>
<td>5%</td>
</tr>
</tbody>
</table>


Table 6 shows that the Estrada campaign team was correctly informed about the support of the highly contested ABC class. Voters who belong to the ABC class are more politically informed than the D and E class and pay more attention to political programs than the lower classed do. Instead of reaching out to the largest electoral group, the D class, as Estrada had done, many of his competitors restricted themselves to campaigning focused on winning over their home region and the ABC class in urban centers.

Only among the ABC voters Estrada failed to receive the greatest percentage of votes. It is still remarkable that Estrada received 23% among the ABC class. This can be largely explained by the support Estrada had among those belonging to the lower branches of the middle class. Among the majority of the electorate, voters who belonged to the D or E class, Estrada was by far the most popular candidate. Beside Estrada, only Osmeña received significant support from those two classes. With 72% of the population classified as D class, it is evident that their vote weighs heavily on the total percentage of votes a candidate receives. Table 6 also shows that the elite was deeply divided on whom to support and was unable to support one candidate, who

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168 All these figures originate from the SWS exit poll. In order to provide a better overview candidates with less than 5% are omitted.


170 The division between lower C class and higher D class is sometimes hard to draw.
could be tagged as the alternative for Estrada. There were simply too many contenders who could not distinguish themselves enough from the others. As a result they received less support from financial brokers, the media and religious groups and in the end the voters.

Regional and linguistic characteristics did not influence the support Estrada received. Estrada received the largest share of votes in 80% of all regions. Even in the home regions of Roco, De Venecia and Osmeña, Estrada did relatively well which can be explained by socio-economic factors.\textsuperscript{171} As a Manila-man, region cannot explain the large support Estrada received all around the county. Gender and age neither offered an explanation for the support Estrada received. Estrada received a little bit more support among those belonging to the age group 25-34. The support Estrada received from certain religious groups did contribute to his victory.

Of all the factors that might have played a role in voting for a certain candidate, only socio-economic class offers an explanation for Estrada’s victory. The awareness of the enormous socio-economic disparities between the ‘haves’ and the ‘have-nots’ make it easy for a candidate to emphasize this, during an election, especially when the ‘haves’ distance themselves from this particular candidate. At political rallies and in the media Estrada emphasized his pro-poor track record, his love for the country and conveniently attacked the elite who had dominated politics. This pro-poor stand of Estrada was successfully delivered to Barangays across the country. The message Estrada brought was, that it was this same elite who criticized him and they were the ones to be blamed for the poor living conditions of the \textit{masa}. The election of a proven womanizer and alleged, gambler and heavy drinker, who on top of that, was suspected of having close relations with the underworld, showed the dissatisfaction of the performance of so-called qualified presidents in the past who lacked compassion for the fate of Juan de La Cruz, ‘the average Filipino’.

The 1998 election campaign and outcome were not just an example of how popularity prevailed over program, but also of the importance of mixing new politics with old politics. With this is meant that the Estrada campaign used all modern technologies available to maximize the effectiveness of the campaign. At the same time, old political tactics were utilized to create a nationwide network through linking with local politicians, who could promote the candidate and provide a number of command votes.

\textsuperscript{171} Bicol has after the ARMM the highest poverty incidence; Illocos has had since the fall of Marcos only a very modest increase in the Per Capita Income. Mindanao continues to belong to the most impoverished areas of the Philippines. R.G. Manasan and S. Chatterjee, “Regional Development,” In: A. Balisacan and H. Hill (eds.) \textit{The Philippine Economy. Development, Policies and Challenges}. (Quezon City: Ateneo de Manila Press, 2003) pp. 346-348.
Estrada capitalized on the dissatisfaction among Filipinos about the way the country had been run for years. He did this by projecting himself as one of them and by attacking the other contenders for the presidency who almost were closely identified with the rich. Estrada charged them with lack of nationalism or willingness to fight for the masa and their independence from national and international corporate interests. Estrada continued the new trend of populism that almost delivered Santiago the Presidency in 1992. Erap’s charisma, his pro-poor stand, the use of populism and nationalism combined, with the support from the local network of local politicians, came together through the well organized and funded campaign.

173 Santiago’s People’s Reform Party campaign was mainly focused on Miriam Santiago as the exterminator of corruption. Her fierce attacks on the traditional politicians gave her much media exposure and support from students. Estrada was much more successful than Santiago because he focused on a larger audience and had more funds at his disposal.
CHAPTER 2
The weakness of the Philippine Presidential System

Section One
The Powers of the Philippine President

The presidential form in the Philippines is derived from the US model. The goal of the US presidential system was separating the powers of government to prevent a tyranny. Richard Neustadt once described the US presidential system as “separated institutions sharing powers”.\(^{174}\) In his study on presidential power, Neustadt pointed out that “laws and customs tell us little about leadership in fact”, and that one has to look at the ability of a president to act upon the oath he takes, before entering in office.\(^{175}\) In the Philippines a president takes the oath to “defend its constitution, execute its laws, do justice to every man, and consecrate myself to the service of the Nation.”\(^{176}\) The president, holding the executive power, was to be elected for six years directly by the people with no possibility for re-election. In case of death, permanent disability, and resignation or congressional impeachment the separately elected vice-president would become president.

Romani’s study on the Philippine presidency showed that the legal duties of a resident in the Philippines can be divided into executive, administrative, legislative and diplomatic duties.\(^{177}\) As chief executive, the president executes, enforces and interprets laws. His role as chief administrator entails the responsibility over the national bureaucracy. The separation of institutions mentioned by Neustadt becomes fuzzy in the Philippines, since the president also fulfills the function of chief legislator. This function includes the task to initiate new policies and thus directly influences the legislative process.\(^{178}\) A president’s executive and administrative duties are enormous since he basically has the right to hire and fire anyone working in a government department, agency or affiliated organization. This also applies for cabinet members, in the Philippines called secretaries, who are solely accountable to the president. The secretaries have little autonomy and often a president needs to give his approval for main policies and appointments. In a cash-strapped government, secretaries often have to combat with each other

\(^{176}\) The 1987 Constitution of the Philippines. Article VII, sec. 5.
over who gets what done. Secretaries are never sure of their position and can be removed at the will of the president. Beside ‘forced’ resignations, reshuffles within the cabinet and between different government agencies often take place.\textsuperscript{179} For a secretary it is therefore of the utmost importance to stay on good terms with the president and his close circle of friends and advisors. It can be, therefore, no surprise that secretaries will think twice of bringing bad news to the president or make strong demands for reforms.

The intended system of checks and balances provided in the constitution has in practice never been achieved in the Philippines. Studies into the powers of the president of the Philippines by Romani, Cortes, and Bancunangan all conclude that the power balance between the president and the House of Representatives and the Senate, is clearly in favor of the president.\textsuperscript{180} This power lies not only in the veto right a president has over passed legislation,\textsuperscript{181} but lies according to Joel Rocamora mainly in the centrality of patronage in the Philippines.\textsuperscript{182} The president’s most important tools to act as grand patron are his appointing power, his control over the disbursement of money, and his connections with the business sector. The president has the power to appoint between 5,663 and 12,000 positions in various government departments/agencies and state-owned companies.\textsuperscript{183} Beside these appointments, the president has the right to hire personal advisers and appoint government commissioners in sequestered and partly state-owned companies where loyalty, connections and showing gratitude for received favors are the dominant criteria for an appointment.\textsuperscript{184}

The disbursement of money to politicians is commonly known as pork barrel.\textsuperscript{185} The incumbent president has the sole right to sign for the release of these funds and therefore he can use this right to favor his fellow party-members. The distribution of pork barrel funds plays a

\textsuperscript{178} As leader of the state he represents the country abroad, Diplomatic Head, and figures as Commander in chief. Romani also mentioned the role as head of his political party. John. H. Romani, \textit{The Philippine Presidency}. (Manila: University of the Philippines Institute of Public Administration, 1956) p. 61.
\textsuperscript{179} Migdal refers to this as the Big Shuffle. J.S. Migdal, \textit{State in Society}. (Cambridge: Cambridge University Press, 2001) pp. 72-75.
\textsuperscript{180} J. H. Romani, \textit{The Philippine Presidency}. (Manila: University of the Philippines Institute of Public Administration, 1956).
\textsuperscript{181} I.R. Cortes, \textit{The Philippine Presidency}. (Quezon City: University of the Philippines College of Law, 1966).
\textsuperscript{182} F. M., Bacungan (ed.), \textit{The Powers of the Philippine President}. (Quezon City: University of the Philippines Law Center, 1983).
\textsuperscript{183} A president has the veto power on Bills passed in Congress, which can be overturned by a two-third majority in both the House of Representatives and the Senate.
\textsuperscript{184} Beside these appointments, the president and high officials have the right to hire personal advisers and appoint government commissioners in sequestered and partly state-owned companies. J. Rocamora, “Philippine Political Parties, Electoral System and Political Reform,” In: \textit{Philippines International Review}, Vol.1, No. 1, Spring 1998. \url{http://www.philsol.nl/pir/JR-98a.htm} (October 29, 2003).
\textsuperscript{184} In chapter 3 this will be discussed in more detail.
very important role in the life of politicians. Politicians increase their popularity among their constituents by taking personal credit for projects financed by the government. At the same time they as well as members of their family and/or strategic friends, often receive kickbacks from those projects. Politicians can use the ability to spend money to buy support from lower politicians, in exchange for their support during upcoming elections. With limited public oversight on how government funds are spent, it is not too hard to displace government funds and use them for electoral purposes. The president’s final say on the release of government money puts him in a position that gives him the opportunity to politicize this release of government funds and increase his power over Congress and local politicians. The president has the particular command over a special social fund whose usage is unaccounted for. This offers a president the opportunity to hand out money for ‘special projects’, which can range from paying for a basketball court to handing out money to government officials. By doing so a president takes upon himself the role of the grand patron of Philippine politics.

The next section will show how the pre-election negotiating and trade-offs undermine the political strength and independence of a Philippine president in order to provide the effective leadership that such a developing country as the Philippines needs.

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186 Pork barrel on the national level can be divided in: Countryside Development Funds and Congressional Initiative Allotment. The reason why pork barrel is so important to congressmen are the expected benefits.


188 During the open forum of Inquirer-HPAIR Seminar series, Congressman Zubiri disclosed to me that: “when he was a newly elected congressman, contractors offered him a 20-percent commission for his pork barrel projects, or two million pesos of a 10 million-peso project... The temptation is so great.” Zubiri also said his salary as a congressman of 35,000,- pesos a month is barely enough to give to the many people who seek his help for medicines, burial and other matters. *HPAIR Generation Why?* Conference, Harvard Project for Asian and International Relations and Philippine Daily inquirer. 12, October 2002. University of Asia and Pacific, Manila. See also: [http://www.inq7.net/nat/2002/oct/13/nat_14-1.htm](http://www.inq7.net/nat/2002/oct/13/nat_14-1.htm) (October 29, 2003).


190 This fund is regularly replenished from lottery and other governmental gambling schemes.

Section Two

Expressing Debt of Gratitude

The previous section illustrated that a president has to deal with several firmly embedded obstacles that a weak state such as the Philippines brings with it. Beside spending enormous amounts of time and money with wheeling and dealing with fellow politicians, the president heads a government apparatus that is marked by inefficiency, corruption, nepotism and vested interests. As Sidel points out “while the Philippine State appears relatively weak in its failings as a ‘developmental state’, it has also been shown to be somewhat stronger in its capacity as a ‘predatory state’” for “those who control the state apparatus seem to plunder without any more regard for the welfare of the citizenry than a predator has for the welfare of its prey.”192 The predators are “the elected government officials and their allies, who retained control over the state apparatus throughout the twentieth century.”193 The dynamics of Philippine politics are shaped in a way that politics has nothing to do with ‘service to the nation’ but is primarily focused on the exploitation of available powers for political influence and personal enrichment. This section will look at the roots of patrimonial oligarchic state in which reciprocal relationships between politicians and power brokers form the key to the relative weakness of the Philippine state.

In the patron-client model the clients, in this case the politicians, receive political or economic favors from their patrons, here power brokers. By accepting these favors, the clients morally and sometimes explicitly oblige themselves to repay this gesture by acting on the behalf of these donors. “Traditionally anyone who failed to reciprocate a favor was ‘without shame’– walang hiya, or shamelessly irresponsible… So highly valued is the fulfillment of obligations, whether to family, friends, patron, or client, that it often produces in government officials a type of behavior that may be called corruption. Preferred treatment in hiring, letting off kind contracts, and issuance of licenses are reserved for favored individuals regardless of formal policy or legal restrictions. “Public trust” takes second place to the fulfillment of obligation to particular individuals.”194

Figure one shows the dependence of the presidential candidates on power brokers during a presidential campaign.

**Figure 1.** Elaborated relationship during presidential campaign

In figure 1 the separation between the media and financial supporters is only partial. The reason for this is that most big media companies in the Philippines are owned by members of the elite who don’t refrain from using their media conglomerates as tools in their rent-seeking activities or other objectives.\(^{195}\) The second categories of powerbrokers are the politicians.\(^{196}\) In the 1998 elections, key national politicians on whose support Estrada relied were LAMMP congressional candidates, vice-presidential candidate Angara, and those local politicians who were active in groups that were linked to the Estrada camp. The LAMMP senatorial candidates and congressmen expected that they would benefit from their alignment with Estrada and his machinery.\(^{197}\) The influence of local politicians on the constituents is more direct compared to the influence of national politicians. Although national politicians enjoy more name recognition nationwide, the local politicians and warlords (the ones who control the guns and goons) are the ones who have a more direct influence on the political preference of the electorate within the borders of their community.\(^{198}\) The failure of the Roman Catholic Church to prevent the victory of Estrada stands in sharp contrast with the ability of INC to mobilize its flock. The role of the media continues to be very important, since it is the main vehicle to reach the undecided market votes. Even the smallest sound bite is welcome and attacking the opponents is being done frequently through leaking damaging information to the press.

\(^{195}\) For example the Lopez owned ABS-CBN broadcast company has set up several NGOs that are active in the protection of the environment, child rights and education.

\(^{196}\) The line between political supporters and local politicians is blurry since they both fall under the category of political powerbrokers.

\(^{197}\) The benefits for congressmen to become a member of the new ruling party are to be seen in the influence a President has over the distribution of committee membership, appointment of government officials and pork barrel.

\(^{198}\) The role of the local politicians becomes more important when it comes to the period of actual campaigning and voters mobilizing activities. The local politicians are also instrumental when it comes to providing local media attention to the candidates running for national office and their role in mobilizing people to function as poll watchers to prevent electoral fraud.
The President as Grand Patron of Philippine Politics

Once a politician is elected as president, he becomes the dominant patron in Philippine politics. This does not mean necessarily that he no longer relies on support of the power brokers, or that he becomes independent of them, but it entails a drastic change in their relationship. Power brokers will be rewarded for the role they had in helping the candidate win the election, but also for providing the support he needs to remain in power.

I. Financial powerbrokers, political supporters and the military

From the moment a candidate running for the presidency is elected as president, he becomes the main patron who can use his presidential powers available to repay his financial, political and moral debts to his key supporters. The reasons for this is that these debts, in contrast to campaign promises made to the electorate, were personal promises often made in one-on-one meetings. In these meetings concessions were made and for both parties it was obvious that the politician would repay his backers in an appropriate way. What ties the president to his backers is that the patrons and clients have often become closely affiliated through a formalized alliance. In the Philippines “an alliance system may be held together by the framework of kinship, compadrazgo, and reciprocal obligations.” Jean Grossholtz described the family as “the strongest unit of society, demanding the deepest loyalties of the individual coloring all social activity with its own set of demands.” The danger of the importance of family is that: “the communal values of the family are often in conflict with the impersonal values of the institutions of the larger society.”

The relationship between supporters and a presidential candidate is first of all focused on the election of the candidate. Once elected in office, the supporters’ closeness to the president, offers them the opportunity to influence policies that involve their interests. Examples of how donors, friends and family benefit from government contracts and monopolies are the cases of the main Marcos cronies like Eduardo Cojuangco, Lucio Tan, Roberto Benedicto, the Romualdez brothers and Jose Yao Campos. During his presidency a president will continue to receive financial support from backers to supplement discretionary funds that are used to distribute gifts

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202 These business people were able to use their closeness to President Marcos to win government contracts and protect their business interests against local and international competitors. B. Aquino, *The Politics of Plunder: The Philippines under Marcos. Second Edition with an Epilogue*. (Quezon City: National College of Public Administration and Governance, 1999) p. 111.
to journalists, finance projects for the poor, and assure cooperation from the congressmen, the bureaucracy and local politicians. Initially, the relationship between the president and political supporters is to the advantage of the supporters. The withdrawal of their support can seriously damage the fragile coalition during the campaign. However, when a candidate wins the election, the relationship between the two changes. The powers available to a president offer him or her the opportunity to act as a patron of members of Congress. This by far does not mean that he has supreme control over them. The relationship is more equilibrated since a president still relies on the compliance of Congress to pass laws and receive support for key appointments.

The role of the military has not been mentioned before, since they have not played a significant role in post-Marcos elections. It is however of the utmost importance for a president to be on good terms with the military. The role of the military is nicely captured by Glenda Gloria: “the appointment of officers in civilian posts is reflective of the rent-seeking character of the country’s influential sectors, which include the officers corps of the Armed Forces.”

Since the role of the army in Philippine state affairs is very important in building a strong state, fighting the communist and Muslim rebels, they demand rewards for their role in defending the state and the status quo. As long as active and retired generals receive appointments in revenue-generating agencies, young officers are regularly promoted, and the provision of basic necessities for the soldiers is realized, a president does not have to worry too much from the military in the Philippines.

2. Religious supporters, media and local politicians

The role of the Church somewhat diminishes after the election. Nevertheless, the president still needs to assure that he or she remains on good terms with religious leaders but this will normally not conflict with the independence of government. A main reason for religious actors to actively take part in politics is to maintain the prevalence of their ‘conservative’ values

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204 The most popular strategic departments and agencies are: Malacañang, Department of Defense, National Security Council and National Intelligence Coordinating Agency, Department of Foreign Affairs, Department of Transportation and Communications and Bureau of Customs.
206 During President Aquino’s term there were several coups by dissatisfied young officers who were expecting more influence after their participation in the ousting of President Marcos. During the Ramos administration no coups were undertaken.
207 In exchange for the affiliation and sometimes outspoken support of religious groups, they can count on the support and attendance of politicians at main religious events.
in Philippine society and laws.\textsuperscript{207} Despite the key role local politicians play in implementing and monitoring existing and new politics, the role of local political supporters diminishes after the votes have been cast. The support influential local and regional politicians have given will not be forgotten. The president expresses his gratitude by visiting their municipality, distributing grease money commonly known as \textit{balato}, ensuring government investments take place and push private investors to invest in those specific municipalities and regions.\textsuperscript{208}

For a president the relationship with the media remains important. The media’s function is a watchdog and the intermediary between the executive, civil society and the public. During trips abroad the media are well taken care of, and during Christmas the journalists covering the president can count on a well-stuffed envelope. But teamed up with critics from civil society, the media can make the life of a president very difficult. Not only is the media industry a very competitive business sector it is also highly politicized. After the elections the people behind the newspapers continue to pursue their own political agendas. Political opponents of the president know that any critique will receive media coverage and the effect of the extensive coverage of politics by the Philippine media is a highly politicized environment. In this hostile environment it is of the outmost importance for a president to be on good terms with the media.

3. The Electorate

With no re-election possible there seems to be no direct incentive for a president to continue to reach out to the electorate as was done during the election campaign. As long as the country is not hit by an economic crisis, coups d’état, clear mismanagement or a congressional impeachment trial,\textsuperscript{209} there is no direct pressure that forces a president to worry about his position. In practice however, presidents are very sensitive to public opinion. The publication of public opinion polls are often regarded as important indicators on how a president is performing. A high or acceptable public approval figure does help an incumbent president in convincing politicians to join his party, smother critique from political opponents, the media and NGOs, implement seemingly unpopular policies and create the image of political stability that is very important for foreign investors. Conversely a decrease in popularity will make it harder for the

\textsuperscript{207} For example: voicing support for artificial birth control is an extremely dangerous topic for Philippine politicians. Consequently most of them decline to make any statements about it out of fear of a hate campaign from the Roman Catholic Church, under the leadership of Cardinal Sin, as well as from other religious groups and sects. The protection of business interests has also historically played a role in the politicization of the Church as the Roman Catholic Church is also one of the largest landowners in the country.

\textsuperscript{208} The origin of this money is often unknown but mostly comes from special funds and gifts from friendly businesspeople. The local politicians are free to use in it anyway they like.

\textsuperscript{209} Congress has the right to initiate an impeachment trial only when a president grossly violates the law.
president to make new, possibly controversial, appointments and will result in the loss of support in the House and Senate.\textsuperscript{210} Throughout his term, a president will continue to woo the support of the people by interfering in policy cases that receive criticism from politicians and the media, be present at religious rallies, visit police bureaus, allow victims of kidnapping to visit the presidential palace and hand out food to the poor: all with the TV cameras rolling and reporters ready to report the news fabricated by the president’s media handlers.

If Estrada intended to use the mandate of the people to live up to his campaign promises, work towards the improvement of the life of the poor and protect their interests, he would need to act as an enlightened executive. This would mean that Estrada would have to act upon the advise of his predecessor, President Ramos, about the independence and strength of the Philippine state/Presidency: “one that can assert our country’s strategic interests because it has relative autonomy over the influence of oligarchic groups.” \textsuperscript{211} The reason for this was that: “For the last 47 years, we have had a political system that has been too responsive to groups possessing wealth and power enough to bend the state to do their will.”\textsuperscript{212} To break with this tradition and achieve relative autonomy, Estrada had to be ‘good and beneficial’. The way to do that was by appointing professional, independent and qualified cabinet members and restrain him from repaying those power brokers who contributed to his campaign through their financial, political and moral support. The next chapter will analyze how the pre- and post campaign negotiations influenced the formation of the Estrada administration and how the reciprocal patron-client relationship between Estrada and his backers influenced Estrada’s behavior in office.

\textsuperscript{210} The electorate does have the chance to make the president aware of their dissatisfaction by electing members of the opposition during Congressional elections. However, as described above support from political and financial sponsors can bring one very far, and of course there is always the tradition of turncoatism and switching parties, that can shift members of the opposition to the administration’s party. In Philippine politics turncoatism is the most normal and accepted thing. Politicians who switch party are called political butterflies or \textit{balimbings} (double faced professional politicians). This kind of behavior shows the weak role political parties and programs play in Philippine politics.


Chapter 3
The Estrada Presidency

Section One
Winning Over Congress

In the Philippines legislative power is vested in the Congress of the Philippines, which consists of a Senate (24 members) and a House of Representatives which during Estrada’s administration had 220 members. The House is elected from single-members districts and senators are chosen nationwide. According to Velasco the legislative task of Congress is seriously undermined by structural and legislative defects. Besides these defects Congress also has “its share of crooks and incompetents with obvious flaws and weaknesses”, but more importantly, many congress members are preoccupied with the next election from the day that they are elected in office.

A common tool used by congressmen to receive special favors from the president and the president’s cabinet is absenteeism. “A Congressman not in the session hall could not vote for the president’s bill; in fact, enough absentees made it impossible to get a quorum. An “attendance incentive” was needed, and pork barrel releases fitted the need.” Wurfel observed that: “For representatives, however, patronage… was the main business of politics.” Their constituents expect infrastructure investments, jobs, personal gifts and attendance at weddings, financial contributions to funerals and letters of recommendation (and preferably a personal phone call) that would help one to get a job with the government. For a president this can be regarded as a constraint while at the same time it is an opportunity. It is a constraint because congressmen are not only looking for reelection, but also for the possibility of running for a higher office. To this end offering a critique delivers one more media attention than compliments do. Therefore a president runs the risk of being the target of fierce attacks on his policies and being accused of corruption and nepotism from opposition politicians. It also offers the him the opportunity to use his powers as a tool to mute criticism and buy loyalty through usage of his presidential prerogative to release pork barrel, special funds, make appointments and transfer money from

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213 Article VI section 5 (1) of the Philippine constitution proscribes that The House of Representatives shall be composed of no more than two hundred and fifty members. Velasco mentions that the House is composed of 250 members of which 50 are elected through a party list election. The discrepancy with 219 mentioned in the text is explainable by controversy over which Parties have won seats in the House
one department to another to win the support of congressmen.\textsuperscript{217} Part of the strategy to assure compliance of Congress in supporting a budget, appointments, and new policies is that a president will offer congressmen the opportunity to formalize their relationship with the president by becoming a member of the party that is officially aligned with the president.

To assure that Estrada would be regarded as the undisputed leader of a main political party, Estrada initially tried to strengthen his personal political party, the PMP. Members of Cojuangco’s NPC were convinced of the benefits of a merger with a political party that would be supported by the administration and was headed by Cojuangco’s personal friend, Estrada. After a new series of negotiations, Angara’s LDP decided to join the newly formed collation which was given the name \textit{Laban ng Masang Pilipino} (Fight of the Filipino Masses, LAMP). Lakas-NUCD congressmen remained aligned with Ramos and Jose de Venecia only for a few weeks after the elections. Many Lakas-NUCD members anticipated that their alliance to this party would no longer be beneficial and thus they switched over to LAMP.\textsuperscript{218} Thus Estrada’s party grew from nothing to the biggest political party of the country in a matter of weeks. Estrada’s endeavors to create a serious pro-administration party were very successful and in September 1998, 152 of the 220 members of Congress had officially aligned themselves with LAMP.\textsuperscript{219} In the Senate LAMP had expanded its support from seven senators to 14 senators (out of 24) shortly after the election.

A good example of how Estrada succeeded in persuading congressmen to join LAMP was the metamorphosis of Miriam Defensor-Santiago from being anti-Estrada during the election campaign to one of his staunchest supports in the Senate. During the presidential campaign, Senator Santiago (the runner-up of the 1992 presidential elections) repeatedly assailed Estrada’s moral character and even disputed the results of the presidential elections.\textsuperscript{220} Santiago’s easy access to the media made her a fearsome politician. For Estrada it would certainly be a big relief when he could get Santiago to join his side. Beside the disbursement of normal \textit{balato} by the president, Santiago was mollycoddled by receiving the chair of the powerful Committee on Accountability of Public Officers and Investigations, popularly known as Blue Ribbon committee.\textsuperscript{221} Aware as Estrada was of the importance of family in Philippine society, he was willing to use his appointing power to not only smother her criticism, but to buy her family’s

\begin{footnotesize}
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\item[217] Estrada had proposed to scrap pork barrel, but this should be seen more as attempt to show the power of the President.
\item[218] In the Philippines this behavior is normally called turncoatism.
\item[219] The Congressional elections had delivered Lakas with 112 seats in the House of Representatives versus 65 for LAMMP. \textit{Asiaweek}, September 10, 1999.
\item[220] Santiago’s running-mate Fransico Tatad also fiercely attacked Estrada during the campaign but together with Santiago he ended up as one of the staunchest supporters of Estrada.
\item[221] Balato is money or a gift in another form given as gesture to someone to initiate or maintain reciprocal friendship. The Senate Blue Ribbon Committee investigates accusations of corruption and graft of public officers.
\end{itemize}
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loyalty. He did this by ensuring the appointment of her husband as one of the under-Secretaries of the Department of Interior and Local Governance. Furthermore her sister was made Assistant Secretary at the Department of Environment and Natural Resources, and Estrada pressed for a fast promotion of Santiago’s brother to the rank of Air Force chief.222

Section Two

The Estrada Administration

One of the campaign strategies used by Estrada was attacking incumbent President Ramos and his assigned successor Jose De Venecia on the state of the economy.\footnote{One has take into consideration that the Philippines was also hit by the Asian Crisis. For the Philippines this meant a drop of the peso and economic slowdown.} Although Estrada planned to continue Ramos’ policies to deregulate the Philippine economy, he promised that he would pay more attention towards the improvement of the living conditions of the masa in the short term. The combination of pro-poor and pro-market strategies was popularly called Erapeconomics.\footnote{F. T. Aldaba, “Erapeconomics, The Feasibility of Pro-Market and Pro-Poor Strategy,” In: Politik, May 1999. pp. 14-15.} The main concerns that formed the framework of the Erap program of government were:

1. Food security
2. Jobs for the masa
3. Stable and affordable prices
4. Improvement of education
5. Improvement of health and sanitation standards
6. Protection of the environment
7. Improvement of social housing
8. Restoration of peace and order
9. Reducing graft and corruption

These issues have been on the political agenda ever since independence and no president has been able, or willing, to actually prioritize the creation and implementation of the necessary policies that would benefit the underprivileged. In its attempt to solve or improve these concerns, the Estrada administration had to be willing and able to utilize all government resources available. If this could be done, it would mean that a huge step would be taken towards the transformation from a weak, corrupt and inefficient state into a stronger one. From their ambitious program it is evident that it would demand a high level of professionalism of the Estrada administration. A crucial step towards the creation and implementation of these ambitious pro-poor policies would be the appointment of secretaries who had the qualities and
motivation to head the complex and inept government departments. This would be a hard task “because the primary loyalty of government employees often remains with the patrons who got them the job in the first place, agency heads have little ability to command the obedience of their subordinates.”

As shown in the previous section, Estrada secured support from people like Defensor-Santiago in the Senate through patronage politics. By doing so Estrada undermined the ability of cabinet members to run their department in an independent way. Because of the many political appointees, the department heads are confronted with subordinates whose appointment was not primarily based on proven skills. But still, with majorities both in the House and in the Senate, Estrada had every chance to implement his ambitious campaign promises but for this he needed a well-organized and effective cabinet which turned out not to be that easy.

The Formation of Estrada’s Cabinet

To relieve Estrada from his first task of forming his cabinet, Estrada formed a selection committee composed of people who played key roles in his campaign. The members of the committee were: running-mate Edgardo Angara; scholar and brother-in-law Raul de Guzman; Edgardo Espiritu who played a major role in collecting financial contributions for the campaign; Orly Mercado, Manny Zamora, and Ronnie Zamora. Geddes’ typology of political use of the bureaucracy offers a good framework to investigate how job proficiency, pre-election negotiations and personal connections created a deeply divided and ineffective cabinet.

According to Geddes, there are four political uses of the bureaucracy that vary in their impact from beneficial for the majority of the citizens to clear patronage and nepotism. A clear example of appointments made by Estrada that would benefit large groups of citizens in the short and long run, was the retention of the Secretary of Public Works, the Secretary of Science and Technology and the appointment of one of Ramos’ presidential advisors as Secretary of Labor and Employment. The retention of the well performing Secretary of Foreign Affairs also

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227 Although Congress was LAMP dominated, Estrada did not continue Ramos’ habit of frequent meetings with House committees. In his contact with members of the House Estrada preferred the more informal one on one meetings.
230 Respectively Gregorio Vigilar, William Padolina and Bienvenido Laguesma.
assured stability, but this reappointment was largely determined by the fact that Domingo Siazon Jr. and Estrada had been friends since high school.231

The second category of nominations are those that are a result of the pre-campaign negotiation process. In order to become part of a credible political party and win the official nomination as standard-bearer of the main opposition party, Estrada had to negotiate with key politicians and try to convince them to postpone their own political ambitions. As part of the negotiations Estrada had to offer a number of appointments to those political supporters. In exchange for Angara’s ‘sacrifice’ to become Estrada’s running mate, Angara received considerable financial and political concessions. Part of the political concessions was Angara’s right to select the heads of the Departments of Health, Education, Agriculture and the National Economic and Development Authority.232 The appointments of Senator Mercado as Secretary of the Department of Defense, and Edgardo Espiritu as Secretary of the Department of Finance, were also repayments for their role in the campaign.233 The position of Executive Secretary, also known as the ‘Little President’, was given to Estrada loyalist and close friend of Danding Cojuangco, Ronnie Zamora.234 The appointment of Horacio Morales’, a former key member of the Communist party, as Secretary of Agrarian Reform can also be seen as a show of gratitude to Morales’ contribution to the campaign.235 At the same time, it should be seen as a political move, because the selecting committee tried to keep certain progressive leftist pro-Estrada groups happy by appointing one of their ranks.236

Estrada encountered difficulties in finding a Secretary for the Department of Justice. The rumor that Estrada was thinking of appointing Estelito Mendoza caused many negative responses from the media.237 The initial reason of appointing him was his close connection with Lucio Tan,

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231 A few days before the election Estrada informed the media that he would retain Foreign Secretary Domingo Siazon and appoint Sen. Orlando Mercado as Defence Secretary, banker Edgardo Espiritu as Finance Secretary, and Rep. Ronaldo Zamora as Executive-Secretary. [http://members.tripod.com/~chapelnet_2/noshift.html](http://members.tripod.com/~chapelnet_2/noshift.html) (11 October 2003).


233 “Mercado was one of Estrada’s campaign managers…. Estrada knew he (Mercado) wanted the defense portfolio that’s why there was no doubt at all he would get the job.” G. M. Gloria, We Were Soldiers: Military Men in Politics and the Bureaucracy. (Quezon City: Friedrich-Ebert-Stiftung, 2003) p. 28. It even seemed that in exchange for his support Mercado’s wife would receive a job as head of a department. After members of the department of Health had shown their dissatisfaction with Susy Pineda Mercado, she accepted the nomination as under-secretary of that department.

234 Together with his brother, Manny, Ronnie had been a long-time supporter of Estrada’s political ambitions and played a key-role in brokering deals with main powerbrokers.

235 Horacio Morales was a former Communist official and active in the NGO world. He became a member of Estrada’s election think tank and an played an important role as campaign strategist.

236 Several progressive leftist groups provided support to the Erap campaign.

237 Estelito Mendoza is a seasoned litigator from Bacolor, Pampanga. His clients include controversial personalities such as former First Lady Imelda Marcos, businessmen Eduardo ‘Danding’ Cojuangco, Lucio Tan, and Mark Jimenez, all close friends
but the media successfully created a stir that forced Estrada to reconsider his choice. Instead Estrada appointed Serafin Cuevas as Secretary of Justice.\(^{238}\) This appointment should be regarded as an expression of gratitude to the support Iglesia Ni Christo had given to Estrada.\(^{239}\) Estrada also decided to include Vice-President Gloria Macapagal-Arroyo in the cabinet by appointing her as Secretary of the Department of Social Welfare and Development. Although Estrada and Arroyo did not belong to the same party, they shared many financial patrons. On top of that it gave Estrada the chance to look more presidential by appointing across party lines.

The third kind of political use of the right to appointment are appointments made on the basis of a mix of competence and personal friendship or kinship ties with the president. Five of the appointed heads of Secretaries can be explained by looking at their ties with Estrada. Although these ties were decisive, some of the appointees did have experience and good track records in their respective fields.\(^{240}\) The last form of political use of the bureaucracy are those appointments that should be regarded as highly contradictory to the idea of nominations on the basis of merit. Especially in key departments it is important that the appointment of Secretaries receive at least some support from interest groups. The most controversial cabinet member was Antonio Cerilles, whose appointment is a clear example of the fourth kind of political use of appointments. Cerilles was appointed to head the very influential Department of Environment and Natural Resources, DENR. Cerilles received his appointment in exchange for his efforts to ‘convince’ his region in Mindanao to vote for Estrada and because of his personal and business related friendship with the Zamora brothers.\(^{241}\) Severino wrote of the selection of Cerilles and Edelmiro (Secretary of DENR under Ramos) as being appointed: “not because of their environmental credentials but because they helped bring in the votes for their respective Presidential candidates... Their appointments were clearly political, itself an indication of how natural resources, and the DENR, have always been looked at as part of the spoils of patronage politics.”\(^{242}\) The appointment of Cerilles became even more controversial when it was revealed that his rubber processing plant was operating without an environmental permit. Soon after this

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\(^{238}\) In March 2000, Cuevas was replaced by Artemio Tuquero, also an influential INC member. The rumor was that Cuevas’ stubbornness to pursue the tax evasion case against Lucio Tan was the reason for his resignation/removal as justice secretary.

\(^{239}\) M. Coronel Ferrer, *A Reading of the Estrada Administration - One Year After*. Address at European Solidarity Conference on the Philippines. Reading 10-12 September 1999.

\(^{240}\) In this category were the Secretary of Foreign Affairs (Domingo Siazon Jr.), Tourism (Gemma Cruz-Araneta), Energy (Mario Tiaoque), Transportation and Communication (Vicente Rivera) and Press Affairs (Rodolfo T. Reyes).


revelation, he received this permit from a regional official, who shortly before had been promoted by none other than Cerilles himself.\textsuperscript{243} Within a few weeks Cerilles had made numerous appointments in his department of people whose primary credential was their connections with him and his allies.

The Initial Functioning of Estrada’s Cabinet

Key members of the Estrada campaign team selected the heads of departments who would have the necessary capacity and willingness to lead these departments towards the realization of the ambitious government program. Constantino-David, a member of the Estrada cabinet observed that “there was reason to hope, not necessarily for radical change but for slow, small, but significant reforms that were focused on the poor. There was good reason to hope that this administration would stand up for the interests of the poor. The overwhelming vote for Erap was a clear statement from the masses. The composition of the cabinet and the quality of the President’s first appointments (e.g. Davide, etc.) seemed to be a testimony that the President was serious about uplifting the conditions of the poor.”\textsuperscript{244}

Despite the initial signs of hope, it was clear that the Estrada cabinet comprised of several competing factions that tried to increase their relative influence over the president and usurp the spoils of his victory. Casiple observed that: “On one hand, you have the ranks of the neo-liberals represented by Finance Secretary Edgardo Espiritu, holdovers from the Ramos government led by Foreign Secretary Domingo Siazon, traditional politicians led by Ronaldo Zamora, and new political players like Roberto Aventajado. Alongside them are a few progressives such as Boy Morales and Gemma Cruz. They are a mixed bag of executives reflecting not only the power groups they represent but the varied ideological and political positions with the Estrada regime.”\textsuperscript{245}

At the outset, Estrada was inaugurated on the June 30, 1998, it seemed that the Zamora brothers were the closest confidants of Estrada. Among their important allies were Reyes, Cerilles and Presidential Legal Council Demetriou. Defense Secretary Mercado formed another


group together with his wife and the very influential Leonora de Jesus, who was Estrada’s Chief Presidential Management Staff. Although Angara then did not head a department, he still had some influence within the cabinet.\footnote{Angara was constitutionally banned from taking a government position within one-year after running for elective office.} Outside the cabinet Cojuangco, Aventajado\footnote{Aventajado, who headed JEEP, preferred not to receive a position within the cabinet and became Presidential Assistant for economic affairs. Within the cabinet Aventajado had allies in fellow JEEP member Morales, Secretary Medalla, a number of undersecretaries and high commissioners.} and De Guzman first tried to utilize their friendship and trust with Estrada to pursue their own political agendas.\footnote{Team Estrada Battlecry, “Live and Let Live,” In: Politik, August 1998, Vol.5. No.1, pp. 42-45.}

Around September 1998, it became clear that Estrada had difficulties presiding over, controlling and unifying his cabinet members. The secretaries were quarreling amongst each other to get the president behind their suggested policies. With only monthly cabinet meetings there was not only a lack of cohesion but there was no such thing as an overview on all the different issues and problems that the cabinet members were dealing with. The situation was aggravated by attempts of Estrada’s backers, friends and relatives to get jobs for their clients with the government and ensure that they would benefit from new and reviewed government contracts. Instead of trying to build a team, Estrada used the strategy of divide and rule. Estrada anticipated that by allowing his cabinet members to use their energy in fighting each other, he would be more insulated from their personal agendas. One of the cabinet members remembered that Estrada once remarked about his quarreling secretaries “\textit{Hayaan mo sila mag-away-away, para ako pa rin ang boss (Let them quarrel so that I will still be the boss).}”\footnote{E. Tordesillas, “The Nocturnal President,” In: S.S. Coronel (ed.), \textit{Millions, Mansions and Mistresses: Investigating Estrada.} (Quezon City: Philippine Center for Investigative Journalism, 2000) p. 25} Estrada’s explanation for this strategy was that he needed to protect his position as head of the cabinet. A member of the Estrada administration concluded that: “\textit{Due to factionalism... we could not function as a collegial body. Thus, the Cabinet became nothing more than a loose friendship group of individuals who could enjoy partying with their boss who had little understanding of the requirements of the Presidency. This was not governance.}”\footnote{K. Constantino -David, “Surviving Erap,” In: A. Doronila (ed.), \textit{Between Fires: Fifteen Perspectives on the Estrada Crisis.} (Makati City: Philippine Daily Inquirer, 2001) p. 224.}

After two months in office the initial analysis of the Estrada administration was that: “\textit{despite a façade of unity, teamwork and cooperation, Team Estrada goes through a guerrilla-warfare type of battle.}”\footnote{Team Estrada Battlecry, “Live and Let Live,” In: Politik, August 1998, Vol.5. No.1, p. 45.} Estrada’s inability to provide skillful managerial leadership caused stalemates in the development and implementation of policies that would involve more than one department. The functioning of the Estrada cabinet was aggravated by Estrada’s poor work
habits, impatience, aversion to hard work, short attention span, lack of conceptual ability, and his dislike of lengthy and intense discussion aggravated the malfunctioning of his cabinet.  

The Disintegration of the Estrada Administration

The inefficiency and incompetence that was characteristic of the Estrada administration, was aggravated by the appointment of an absurd number of consultants, advisors, and personal assistants. Although most advisors did not receive any payment for their ‘services’, their direct access to the president, the media and the business community, nourished conflicts within the administration. The appointment of a huge number of advisors, assistants and consultants without any official responsibility or accountability was a clear example of the abuse of the presidential prerogative power of appointment. Those who were personally close to Estrada, or had helped him during his political career, turned out to be eligible for a position as advisor. This is in line with Grindle’s observations of the shadow of the ‘sexino’ in policy implementation in Mexico. Also in the Philippines, the first two years of a new administration are also taken up with “shuffling people among agencies.” Estrada used his power to appoint and the docility of his secretaries to repay some of his backers, party members in Congress and assure that funding from government departments would find its way to loyal congressmen and local politicians.

The perception that Estrada wanted to break with the legacy of patronage in Philippine politics soon withered away with this misusage of the presidential powers. The result of the mix of mismanagement and patronage politics was factionalism within the administration and indecisiveness that undermined any ability to implement policies that would further strengthen the economy, maintain the peace and order situation (both were improved under the Ramos administration) and above else improve the living conditions of the poor.

254 An example of a Department where the political infighting led to an unclear division of labor, and consequently inefficiency, was the Department of Education. Estrada had assigned beside the Secretary for Education, a Presidential Assistant and a Presidential Consultant for education. Despite receiving advise from three special appointed ‘specialists’ the department remained notorious for its waste of government funds through corruption.
255 About this David-Contantino observed: “The large number of Presidential Advisers, Consultants and Assistants only adds to the disarrays that now plagues the government… As they have no line responsibility, yet enjoy direct personal access to you, the more aggressive among them can actually subvert the authority of your own line people… they may often give you distorted information or, worse, engage in manipulation for self-serving interests.” K. Constatino-David, Open letter to friends and Colleagues. September 2000. http://www.up.edu.ph/forum/2000/09/kdavid.htm (11 October 2003).
256 Campaign contributors as William Gatchalian, Wee Dee Ping and a family member of Lucio Tan were awarded with functions such as presidential consultants. S.S. Coronel, “Weather-weather,” In: S.S. Coronel (ed.), Millions, Mansions and Mistresses: Investigating Estrada. (Quezon City: Philippine Center for Investigative Journalism, 2000) p. 7.
Two months after he was appointed as Secretary of the Department of Health, Dr. Felipe
Estrella resigned because he was too old to waste his time to all the intrigues that took place
within his department. In January 2000, Secretary of Finance Edgardo Espiritu, and four under-
secretaries resigned out of frustration with the ongoing corruption, cronyism and political
infighting within the cabinet and their department. Three months earlier, the well-respected
University of the Philippines scholar Karina Constantino-David had resigned. Constantino-David
publicly announced that she felt she could no longer be part of an administration where too many
people lacked official responsibility, and whose personal closeness to the president was abused
to achieve their own personal agendas. She also pointed out what the main characteristics of
the Estrada administration were; being:

“1. A style of governance marked by a lack of discipline and professionalism. The process of
decision-making was chaotic, personalistic, fragmented and seemed to have no place for careful
study;

2. A penchant for luxury and good time that ran against the administration’s avowed pro-poor
stance;

3. The undeniable presence and ascendancy of close friends, relatives and classmates who
influenced policy for personal gain without any public accountability; and

4. Within the Cabinet, a general inclination to acquiesce in the whims of the President largely
due to factionalism. There was a notable absence of healthy debates even a fear of displeasing
the President, aggravated by the constant competition for his good graces.”

Such defections from the cabinet, criticism from the national and international business
community, and lower public approval rates forced Estrada to make changes in his cabinet and to
fire a large share of his advisors and consultants. Firstly, Estrada promised to work harder and
distance himself from his nocturnal friends in the ‘Midnight Cabinet’. Secondly, he
reemphasized his drive for the main national priorities: food security, mass housing, national

258 Estrella, who was endorsed by Angara, was supported by seven under–secretaries and five assistant under-sectaries who were
(Quezon City: Philippine Center for Investigative Journalism, 2000) p. 22.
261 The Social Weather Stations’ net satisfaction rating of the President slid from 65% in June 1999 to 5% in December 1999.
Pulse Asia found a drop from 44% in September 1999 to 28% in December 1999. The causes of his declining popularity were
attributed to Estrada’s support for constitutional change, price rises, no changes in the standard of living of the poor, his close
contact with Chinese businessmen and his failure to continue his affiliation with the lower classes. Asiaweek, 21 April 2000.
K. Morgan, Philippine President Buys a Little Time by Ending Cha Cha Reforms and Reshuffling Cabinet.
262 See Section three of this chapter.
unity and peace. Estrada promised that he would change his leadership style, and vowed to show more direct leadership in order to unify and streamline his cabinet. To help him reinvent his role as president, Estrada hired Filipino-Canadian scholar and campaign strategist, Aprodicio Laquian as his Chief of Staff. It was Laquian’s job to gather information and set before Estrada the positive and negative aspects of policies. A few months after the appointment of the new Chief of Staff, Laquian openly reconfirmed Espiritu’s complaints on the influence of forces outside the cabinet on the president. In response to a question about the ‘Midnight Cabinet’ Laquian responded: “It’s the best thing working for me because at 4 o’clock in the morning I am the only person sober in the room... So, at least, if there is one person who is sober in the room who would be able to take all of these things that were signed and then hide them in my record book, then the decision-making will probably be- in the beautiful light of the morning- be very rational.” This slip of the tongue led to Laquian’s resignation.

The overall picture of the Estrada cabinet was that it lacked unity, and more importantly it lacked a leader. Estrada seemed to be unable to provide the leadership to maintain the under Ramos obtained increased internal stability. He also failed to continue the by Ramos initiated pro-market deregulations, professionalize the bureaucracy and maintain foreign investors’ trust. Confidence in the Erap government eroded and instead of putting all their efforts in the creation, implementation and monitoring of new and existing policies, many secretaries were preoccupied with quarrelling, trying to improve their position within the cabinet and lobbying to get the concerns of their Department on the agenda of the president. Estrada also miserably failed to live up to the promises to improve the living conditions of the masses, but with thanks to a well advertised initiative that targeted the 100 poorest families in each municipality, a large enough share of the masa continued to be convinced that Estrada was living up to his campaign

263 One of the first moves was to fire a number of ‘one-peso-a-year’ advisors who had contributed to the image of the Estrada administration as infected with vested interests.
264 Asiaweek, 18 February 2000.
268 M. Coronel Ferrer, A Reading of the Estrada Administration - One Year After. Address at European Solidarity Conference on the Philippines. Reading 10-12 September 1999.
269 Estrada launched an all-out military offensive against the Moro Islamic Liberation Front in Mindanao when a popularity poll indicated he was losing support. Completely in line with the movie Wag the Dog his ratings soon rose again. He tried to re-impose import controls in favor of several manufactures, appointed many personal friends and used his office for political pay-offs and under his command international competitiveness decreased. J. Esguerra, “Estrada Down, Economy Up,” In: Political Brief, March 2000. http://ipd.ph/pub/polibrief/march/1q200rep1.shtml (11 October 2003). Asiaweek, 14 July 2000.
slogan of *Erap para sa Mahirap*. Still Estrada’s image of being one of the *masa* and not being a member of the elite became increasingly difficult to maintain. His daughter had a grand wedding to a son of a prominent member of the Philippine elite, the Lopez clan, and Estrada personally godfathered at weddings of the children of business tycoons Lucio Tan and John Gokongwei.

After one and a half years, the poor were expecting to see an improvement in their living conditions. Estrada now felt the other side of populism. A SWS survey showed that in December 1999 Estrada’s net satisfaction rate had plunged to five percent. As a person who had been accustomed to receiving wide support and who relied on his popularity it was shocking news.

The declining popularity of Estrada was directly linked to the above-mentioned cases of mismanagement and cronyism. Other issues that increased the dissatisfaction with Estrada were his support for a change of the constitution from a presidential system to a federal parliamentary system, the increasing inflation, rampant corruption in the government and the failure of the Estrada government to make improvements in any of the ten priority areas. The next section will show how his nationalistic ‘Robin Hood’ image of was further eroded and why the middle upper and middle classes started regarding Estrada as a ‘Sheriff of Nottingham’ who needed to be ousted from Malacañang.

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269 One might wonder whether Estrada was aware of the fact that poverty was a structural and more complicated problem in the Philippines. The anti-poverty campaign would help around 0.36% (16,100 families) of the 4.5 million poor families in the Philippines. *Far Eastern Economic Review*, 16 September 1999. For more critique on the poverty-reduction campaign of Estrada see: M. Coronel Ferrer, *A Reading of the Estrada Administration - One Year After*. Address at European Solidarity Conference on the Philippines. Reading 10-12 September 1999.

270 The Net satisfaction rating is the percentage of respondents who are satisfied minus the percentage of respondents who are dissatisfied. In March 1999 the Net Satisfaction rate was +60, but eroded to +27 in October and +5 in December 2000. [http://www.sws.org.ph/pr_10300.htm](http://www.sws.org.ph/pr_10300.htm) (11 October 2003).

271 The decreasing satisfaction was among all classes, but remained highest among the lowest classes. ABC class –7; D class +5; E class +18. [http://www.sws.org.ph/pr_10300.htm](http://www.sws.org.ph/pr_10300.htm) (11 October 2003).

272 Among businessmen the mood was similar. In the Makati Business Club’s Outlook for 2000 conducted among top business executives belonging to the club the main concerns were: graft and corruption (44.2%), leadership and indecision (28.3%), peace and order (26.7%). A. Doronila, *The Fall of Joseph Estrada. The Inside Story*. (Makati City: Philippine Daily Inquirer, 2001) p. 38.

Section Three

The Return of Cronyism

Despite majorities in the Senate and the House of Representatives, Estrada failed to use these majorities to fulfill the campaign promises. As shown above the problems of the Estrada administration were partly caused by Estrada’s efforts to express his gratitude to his backers, by recommending them and their clients for positions within the government. This is in contradiction to what Migdal deems as necessary in the transformation from a weak state to a stronger state: an independent meritocratic bureaucracy.\(^{274}\) The moral obligation towards financial power brokers, mostly friends or even members of Estrada’s extended family would however not be fulfilled by just giving some of them a function as Presidential Assistant or Consultant. For the main campaign contributors such a position was insignificant, and functioned solely as a way to raise their personal status and give them an excuse to explain their proximity to the president. What this kind of supporters was really looking for was protection and expansion of their business interests and thus embodied in the so-called ‘rent-seeking behavior’.\(^ {275}\) During his election campaign Estrada had promised to work hard towards the extermination of corruption, graft, cronyism, and to punish the big tax evaders.\(^ {276}\) He had reaffirmed this stand at the end of his presidential inauguration speech by stating: “walang kaibigan, walang kumpadrem at walang kamag-anak” (A promise not to let anybody, neither friends, nor buddies or relatives to influence his presidency.)\(^ {277}\) One of his first actions as president was setting up billboards nationwide showing Estrada with a slogan that indicated that he would eradicate graft and corruption.

Before going into details on some of the accusations of cronyism and corruption against Estrada it is important to understand Estrada’s concept of corruption. According to Estrada, corruption was stealing money from the government. The misappropriation of money that belonged to the Filipino people was theft, and according to Estrada something he could never be accused of. Estrada’s definition excluded forms of corruption such as profiting from kickbacks

\(^{275}\) In contrast to a profit-seeking society, in a rent-seeking society the contacts one has with the key political players mainly determines the future of their business interests. It is important to notice that the politicians have become key players themselves in the Philippine business sector. Eric Gutierrez concludes, “Very real conflicts of interests therefore exists in the House among members who must deliberate and decide on issues that touch on their proprietary concerns.” E. Gutierrez, The Ties that Bind. (Pasig, Philippine Center for Investigative Journalism, 1994) p. 5.
\(^{276}\) Asiaweek, 29 May 1998.
on government contracts and business deals.\textsuperscript{278} For Estrada there was nothing wrong with receiving commissions and brokerage fees. Presidential favoritism for certain members of the elite would however decrease the predictability of doing business, hinders business competition, causes distrust among national and foreign investors and thus seriously undermine the already difficult process of achieving sustainable economic development. A World Bank report in 1999 concluded that: “\textit{the Philippines is cited with increasing frequency (by business surveys, the media, and anticorruption watchdog agencies) as a country where corruption inhibits foreign and domestic investment and may be eroding the country’s competitiveness.}”\textsuperscript{279} In the highly competitive Asian region, stability, trust and predictability are of vital importance to secure the inflow of foreign investment. Without increased foreign investments it would be an impossible task for any administration to make the necessary investments in the country’s infrastructure, invest in new housing projects, improve education, alleviate poverty or implement any other reforms.\textsuperscript{280} Whether Estrada was aware of the enormous costs to the country of the taking kickbacks from government deals must be doubted when one considers that Estrada did not regard this kind of activity as unethical.\textsuperscript{281}

In July 1998, a month after his inauguration, \textit{Asiaweek} published an article entitled: ‘The Marcos Cronies Come Back’.\textsuperscript{282} One of the reasons for this was Estrada’s publicly declared appreciation for what former Marcos cronies Lucio Tan and Danding Cojuangco had done for the country\textsuperscript{283} and his obvious sense of \textit{utang na loob} towards two major campaign contributors. “\textit{Erap admitted that he had incurred huge political debt to patrons like Lucio Tan and Danding Cojuangco in his quest for the presidency. He said he would pay them back with good government.}”\textsuperscript{284} Some of the examples of the comeback of the rent-seekers who enriched themselves during the Marcos dictatorship where the return of Danding Cojuangco at San


\textsuperscript{280} It would have been able to run huge deficits as the Estrada administration did, but the consequences of doing so would only saddle the new administration with higher international debts, a very weak currency and placed itself in conflict with international financial institutions such as the World Bank and the IMF.


\textsuperscript{282} \textit{Asiaweek} 31 July 1998.

\textsuperscript{283} Lucio Tan was thanked for his efforts to save the national carrier and his ‘payment’ of taxes. Cojunagco was called the Godfather of land reform after he showed his intention to create a corporation that would give his peasants a stock in the corporation.

Miguel; the support the Philippine government gave to Lucio Tan’s struggling Philippine Airlines; Estrada’s support for the plans to bury former-president Marcos on the national hero’s cemetery; and the sudden change of attitude towards tax evaders within the Estrada administration. Towards the end of 1999, there was more evidence of Estrada’s favorable behavior towards the patrons who supported him during the election. A major issue was Estrada’s efforts to reduce the competition faced by Lucio Tan’s airline companies from Taiwanese airline which. By even publicly using the argument of the one-China policy of the Philippines, Estrada tried to end the Air Service Agreement the Philippines had signed with Taiwan in 1996. After a struggle that lasted from October 1999 till September 2000, the technocratic factions within the cabinet succeeded in convincing the president that he was fighting the wrong battle. In the end though many Filipinos working abroad, businesses, and the tourist industry were harmed. Besides the outside world was given the signal that Estrada had difficulty making a distinction between national and private interests.

Lucio Tan was disappointed by Estrada’s apparent failure to look after his business interests. This does not mean that Estrada did not repay his political debts to Lucio Tan, Tan only expected more rents from the major campaign contributions he had given to Estrada. Estrada however try to pay Lucio Tan back by supporting his effort to take over the state-owned Philippine National Bank, PNB. Estrada’s support of this bid for the PNB led to the resignation of Espiritu, who had apparently been told by Estrada “Ed, whatever Lucio Tan wants, give it to him.” Despite Secretary of Finance Espiritu’s warnings that the transaction would be the biggest scam in the Philippine history, Estrada refused to change his mind. Upon that, one of the most respected cabinet members resigned together with the main figures of his finance team. On March 22, 1999 Tan had already had a stroke of luck when the Government dropped a P25 billion tax evasion case that had been filled against Tan during the Ramos presidency. Secretary Cuevas of the Department of Justice vigorously tried to assure that the courts would handle the case. According to Cuevas this was the prime reason for his ouster in February

286 Estrada was willing to make a deal with tax evaders including his buddy Lucio Tan.
287 Tan is the owner of the two largest airline companies in the Philippines and has considerable influence over the negotiations of international aerospace treaties.
Eventually, in August 2000 Tan had won the ‘mother of all tax evasion cases’ because of a technicality and it was widely suspected that Estrada was behind this. Another attempt to repay a main campaign contributor came when Estrada promulgated a controversial Administrative Order that aimed to protect the domestic plastic industry. This Order introduced import restrictions that would benefit his friend and campaign contributor Gatachalian, also accused of massive tax evasion. Ultimately, the Administrative Order had to be reversed, since it grossly violated international free trade agreements.

Estrada’s Downfall

The first real scandal that personally involved the president and which would later lead to impeachment charges against him was the case of BW Resources. Estrada’s close friend, and fund raiser during the 1998 campaign, Dante Tan (not related to Lucio Tan) received the exclusive right from the government to run an on-line bingo business. Dante Tan used his friendship with Estrada to win support for his company that, was specialized in running gambling activities which made critics called BW an ‘Erap stock’. After the stock collapsed, Dante Tan was accused of inside trading but was not prosecuted by the Securities and Exchange Commission, SEC. In a Senate hearing on January 19, 2000, that was aimed to clarify what really happened, the Chairman of the SEC, Perfecto Yasay Jr., openly accused President Estrada of interfering in the investigation, claiming that Estrada instructed had him to clear Dante Tan from any wrongdoing. In the highly sensitive world of stocks and options, scandals like these undermined the fragile trust in Asian financial markets that existed after the Asian crisis of 1997-1998.

At that time Estrada’s integrity was already under fire following rumors about the composition of a ‘shadow cabinet’. In the past, other presidents too had relied on the advice of

290 The case was lost because the government had filled the case too late. A.A. Laquian and E. R. Laquian, The Erap Tragedy: Tales from the Snake Pit. (Pasig City: Anvil Publishing, 2002) p.16
293 Dante Tan’s Best World Gaming & Entertainment Corporation received the exclusive right to run an on-line bingo system without an open bidding process. Far Eastern Economic Review, 14 October 1999.
294 M. Coronel Ferrer, A Reading of the Estrada Administration - One Year After. Address at European Solidarity Conference on the Philippines. Reading 10-12 September 1999.
295 Before that a cousin of Estrada and one of Estrada’s mistresses were allegedly involved in a textbook scam, presidential son Jude caused a scandal and the First Lady was accused of diverting charity funds for personal use. A.A. Laquian and E. R. Laquian, The Erap Tragedy: Tales from the Snake Pit. (Pasig City: Anvil Publishing, 2002) pp. 13-17.
296 There was no open bidding procedure, which the law prescribes.
297 Asiaweek, October 22, 1999.
close friends and family members. What made Estrada’s case different was that his array of advisors was called the ‘Midnight Cabinet’ because of the frequent midnight sessions replete with alcohol, gambling, and women. The participants of these sessions were long time political friends, Chinese businessmen, and underworld figures. With a fractured cabinet, a high workload and too much stress, Estrada started to rely more and more on advice from such confidents. The result was that national and international investors started to fear that: “President Estrada’s propensity to favor business interest of his pals and cronies threatens to reverse whatever gains have been made to break up monopolies and provide a more level playing field for business, through liberalization of the economy.” Things got even worse for Estrada when investigations of the Philippine Center for Investigative Journalism (PCIJ), that were started in the first quarter of 2000, led to a series of articles in which Estrada and his family members (including women who had borne his children) were accused of having interests in a number of companies that were never declared in their Statements of Assets and Liabilities. An article of PCIJ with the title ‘Can Estrada Explain his Riches?’ concluded that “It is not clear from the President’s official assets declarations the last 12 years where the funds to invest in so many corporations come from.” Estrada was now publicly accused of accumulating unexplained wealth.

A few months later on October 9, 2000, Ilocos Sur Governor Luis ‘Chavit’ Singson, a drinking and gambling buddy of the president for more than three decades, publicly accused Estrada of receiving over P400 million in bribes from illegal lottery (jueteng) activities and P130 million in kickbacks from tobacco excise revenue. Street protests led by several 1998 presidential candidates, the Roman Catholic church, progressive groups and civil society

298 Revelations made by Espiritu during the Impeachment hearings made clear that Estrada was a partner in Dante Tan’s Best Worlds Gaming Corporation, the company involved in the stock-manipulation controversy. A. Doronila, The Fall of Joseph Estrada. The Inside Story. (Makati City: Philippine Daily Inquirer, 2001) p. 263.
302 Article XI Sec 17. of the Philippine Constitution proscribes that all public officers should submit a declaration under oath of assets, liabilities and net worth.
304 The reason why Singson blew the whistle was Estrada’s plan to replace the underground lottery, Jueteng, by the legalized Bingo 2-Ball. In the set-up there would be no place for Singson because the Ilocus Sur franchise was given to Singson’s political arch enemy and cousin, Eric Singson. A. Doronila, The Fall of Joseph Estrada. The Inside Story. (Makati City: Philippine Daily Inquirer, 2001) pp. 4-12.
received much coverage from the media. Early November 2000, cabinet members started resigning and Estrada became more and more isolated.\footnote{Trade Secretary Manuel A. Roxas, II, Presidential Adviser on Political Affairs Angelito T. Banayo and National Food authority administrator Edno N. Joson resigned. \url{http://www.bworld.com.ph/Impeachment/timeline.html} (11 May 2001)} It soon became clear that Estrada’s position was untenable. Support in Congress quickly eroded and on November 13, the House of Representatives approved a resolution with more than one third of the votes to impeach President Estrada. The impeachment trial was broadcasted live in which the whole nation witnessed how a highly politicized Senate acted as judges\footnote{The senators had returned a verdict and had at the same time the possibility to ask questions to the witnesses and had the possibility to have the final vote over the admittance of evidence.} to decide whether Estrada was guilty on any of the charges and needed to be impeached.\footnote{The trial started on December 7, 2000. Only 21 senators were present as Senator Barbers was staying in the United States recovering from a throat operation. Originally the Senate existed of 24 members, but one member became Vice-president in 1998 and one of the Senators passed away during his term.} In order to find the president guilty the Senate needed two thirds of the total of senatorial votes.\footnote{Whether this was two thirds of 22 or two thirds of the original 24 senators was unclear.}

During the impeachment trial Estrada tried to revamp his cabinet by appointing Angara as his Executive Secretary and a new head of the Presidential Management Staff. During his inauguration on January 6, Angara stated, “This is a new beginning, new administration. We must show to the people that despite the political controversy we can deliver public services in a more open and effective way. I intend to help the President.”\footnote{http://www.newsflash.org/2000/12/pe/pe001467.htm (11 May 2001)} Despite public surveys that indicated that there were more people satisfied with Estrada’s performance in office than dissatisfied, Angara turned out to be too optimistic about the chances for the survival of the Estrada administration.

On the January 16, the prosecution team collectively walked out. The reason for the walkout was a controversial 11-10 vote against the opening of an envelope that presumably contained evidence necessary to find Estrada guilty on one of the charges he was facing.\footnote{See appendix 3 for a summary of charges.} The eleven senators who voted against opening the envelope were all pro-Estrada senators. This event triggered public outrage and days of street protests, now know as People Power 2. A broad alliance compromising of progressive groups, the Catholic Church, opposition politicians and those members of the economic oligarchy, who had not supported Estrada in 1998 and those who were dissatisfied with Estrada’s performance in office (for example Lucio Tan), initiated the protests.\footnote{The relationship between Estrada and Lucio Tan deteriorated in October 2000. The reason for this was that on October 30, 2000 Estrada publicly announced that he would speed up the opening of Philippine skies for foreign carriers. This would harm the potential earnings of Tan’s Philippine Airlines. Miriam Grace A Go accused Tan of bankrolling the Anti-Estrada movement and there is indeed much evidence that during EDSA 2, people were paid for their attendance at the protest rallies (500 peso a...} Supported by outraged students and the middle class work force, the ad hoc coalition
seized the opportunity to do what they had failed to do during the 1998 elections: form a united front against Estrada. After three days of street protests, popularly known as People Power 2, the Chief of Staff of the Armed Forces of the Philippines, Angelo Reyes, announced that the Armed Forces of the Philippines withdrew their support for Estrada. This enabled the Chief Justice of the Supreme Court, Davide, to inaugurate Vice-President Gloria Macapagal-Arroyo as the President of the Philippine Republic on the January 20, 2001.\(^{312}\) Out of fear of being violently removed from the Presidential Palace, Estrada left Malacañang through a backdoor.

On April 25, 2001, Estrada was arrested on the charges of having amassed ill-gotten wealth of over P4 billion.\(^{313}\) His supporters, mostly the poor and Iglesia ni Christo adherents, responded by staging street protests and even attacked the Presidential Palace. The aim of the protests, popularly known as EDSA Tres/People Power 3, was the release and reinstatement of Estrada as president. But this time the army didn’t withdraw its support from the incumbent president, Macapagal-Arroyo, who promised to make the Philippines a Strong Republic. An impossible task since Macapagal-Arroyo more than any other president was obliged to express her gratitude to those who had made it possible for her to accede the presidency. On top of that, she was acting in a deeply divided country were opposition politicians continued to exploit the dissatisfaction of the poor with the ruling political and economic oligarchy who according to them, had stolen the presidency from their man.

\(\text{day) as also happened during EDSA 3. M.G.A. Go, “Tangled Web of Philippines’ Impeachment Saga,” } \textit{Asia Times Online, October 31, 2003.} \texttt{http://www.atimes.com/atimes/Southeast_Asia/EJ31Ae02.html} \text{(31 October 2003).} \)

\(^{312}\) Despite that the Supreme Court later decided that the inauguration was legal, legal specialists are convinced that what happened was unconstitutional since Estrada had not officially resigned as President of the Philippine Republic.

Conclusion

In his book, ‘Filipino Politics: Development and Decay’ Wurfel concluded that “In sum, an executive-dominated constitutional system facilitated intra-elite competition, and... almost never implemented policies contrary to the interest of men of great wealth.”\textsuperscript{314} Now, as this thesis has shown, 16 years later his conclusion is unfortunately still valid for the Philippines.

A large part of Estrada’s victory in the 1998 elections can be explained by the way his campaign was run. The populistic Erap Para sa Mahirap campaign was focused on creating the perception among the people that by voting for Estrada the voters could for the first time in Philippine history elect someone who would try to work towards the improvement of their living standards. To run an effective nationwide campaign, Estrada needed to make alliances with national, regional and local politicians. Through a tactical alliance with two formidable opposition parties, the LDP and the NPC, Estrada had command over a nationwide network of politicians. In exchange for campaign contributions and the endorsement of their candidacy, the local politicians were willing to mobilize their machinery for the campaign of a presidential candidate. In 1998, only the administration’s candidate José de Venecia had command over what initially seemed to be a better-organized campaign machine. The administration party did however lose the support of local politicians because they used the wrong strategy in the disbursement of the available funds. Furthermore, local politicians felt they could profit more from Estrada’s popularity and thus be considered for receiving financial support and official endorsement from him. Estrada’s victory was made easier because the votes not cast for Estrada were dispersed among several candidates: De Venecia, Osmeña and de Villa. These individuals were all traditional politicians, who should have joined forces to offer the electorate one alternative for a presidency of the populist Estrada.

In the 1998 elections Estrada could rely on the necessary support of members of the political, financial and religious elite. Members of the elite, the power brokers, were willing to engage themselves in the dirty game of politics not solely because the rents were high. Throughout their political careers politicians expand their alliance network with the oligarchy by marriage sponsorships, compradazgo and entering into reciprocal obligations. Once elected as president, the politician becomes the grand patron of Philippine politics who can almost without any restrictions give away government jobs, funnel funds to provinces and municipalities, provide the media with news scoops (and some extra pocket money) and protect the business
interests of allies. A politician has to do this for two main reasons. Firstly, to express his or her gratitude to those backers whose support was elemental in winning the election in the first place. Secondly, to use all resource available to ensure their own political survival once elected into office.

Pivotal in the political survival of a president is the usage of the extraordinary power to appoint and the authority to release government funds. These two rights are commonly utilized to buy loyalty from members of the Senate and the House of Representatives. In exchange for their support, the congressmen are allowed to nominate their allies for government positions and can look forward to receiving funds that can be used to pursue their own personal agendas. The case of Miriam Santiago’s changed attitude towards Estrada was a clear example of the effectiveness of the usage of traditional patronage to receive support from an important member of Congress.

In theory the support Estrada had in Congress could have made it easier to implement the ambitious programs of his administration. Chapter three, however, showed a very different picture of the Estrada administration. The cabinet appointees were analyzed by using Geddes’ typology of political use of the bureaucracy. From this it was obvious that Estrada’s cabinet was composed as a result of trying to facilitate the demands of the different political factions that supported him. Estrada in his turn tried to surround himself with people he could trust, such as old schoolmates and old friends. As a result the Estrada administration lacked vision and team spirit to work together towards the implementation of the necessary reforms to lift the living standards of the poor. An important factor in this was Estrada’s failure to show skilful leadership. After one and a half years key secretaries started resigning out of disgust for the prevailing nepotism, cronyism and patronage politics within the Estrada administration.

Estrada not only neglected his constitutional task of devoting himself to the service of the Nation, but also failed to take an independent position from the members of the elite who financially supported his candidacy. Estrada valued *utang na loob* very highly and didn’t regard helping out some of his friends in their business deals as a violation of his position as president of the Philippine Republic. In chapter three several cases were mentioned in which Estrada’s support for his backers directly conflicted with the interests of the nation: the airline row with Taiwan, the BNP takeover by Lucio Tan, the BW-resources case and the proclamation of an Administrative Order that would protect one of his major campaign donors business interests.

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This thesis has in detail described how and why Estrada failed to provide ‘effective, enlightened, independent and skilful’ leadership. These leadership characteristics are pivotal in transforming the Philippines from a patrimonial oligarchic predatory state to a strong state that would be able to lead the country to more sustainable, egalitarian, economic development. The cooperation and overlap between the political and economic elite has been a main obstacle in pursuing longer-run development objectives that can only be achieved in a strong(er) and more responsive states. In a winner-takes-all kind of political atmosphere politicians continue to rely heavily on the support of members of the political, financial, and religious elite. Through elections, the oligarchy can utilize their political network and financial resources to support candidates from whom they expect to benefit most.

In the Philippines, the parties under which banner politicians run, continue to be ad hoc coalitions that bring together the political elite and power brokers. They provide the vehicles that combine forces in achieving the goal of protecting and expanding the influence and power within the Philippine state. With little to no party affiliation and thus loyalty, Philippine politicians continue to be political butterflies who flutter to whichever party offers them the most perks before, during and after election campaigns. One of the perks of affiliating oneself with the administration is that in exchange for supporting the incumbent, they can nominate their allies for positions within the government. As a result the Philippine bureaucracy can best be described as a scrap heap of political appointees. This starts with the appointment of a secretary that is commonly a political pay-off. Only rarely a secretary gets appointed because of his proven track record in public service. In line with what Grindle has named the shadow of the *sexenio*, newly elected secretaries use the right to appoint their own trusted friends and recommendees from their allies within their departments as shown in the case of Secretary Cerilles of the DENR during the Estrada presidency. At the same time they are forced to hire people who are recommended by the president and powerful congressmen.

Estrada’s victory has shown that the key to an electoral victory is wooing the support of the lower middle class and the poor and thus we can presume that this will be the new battlefield of Philippine politics. A battlefield in which politicians will continue to use populistic slogans, attack the incumbent with claims of being anti-poor, while making empty promises to woo the support of the masses. Politicians, financial power brokers and religious groups will continue to support a candidate based on his popularity and his alleged willingness to express gratitude for favours received. This willingness will be significant since without their support a candidate does not stand a chance against competitors who do accept their support. Migdal has argued that in the
transformation from a weak to a stronger one, skilful leadership and an independent bureaucracy are essential. Under the current Philippine political system the chance of this happening are dim. Pre-campaign horse-trading, the domination of a selfish, predatory political elite in Congress, and political patronage continue to be endemic in the Philippines. This can largely be explained by the almost unrestricted usage of government funds and the bureaucracy by politicians. This seriously undermines the capability of the state to take firm decisions and to sustain the few reforms it undertakes.

The 1998 presidential election was a pendulum for Philippine politics. A large share of the *masa* placed their hope on someone outside the political establishment who directly appealed to their grievances. The prevalence of machine politics in which populism starts playing a more important role should be regarded as a dangerous development. This development will cause an even bigger division between the ABC classes on one side and the D and E classes on the other. I am convinced that the Filipino poor will continue to look for alternatives for the inept traditional politicians who continue to ignore the wants and needs of the country. This will mean the arrival of more new political players who, just as Estrada has done, not only heavily rely on their popularity and financial support from segments of the elite, but who also as Estrada did, will lack the knowledge and skills to provide strong, enlightened and independent leadership. And so Philippine presidential elections will become, more than ever a popularity contest in which the average Filipino will continue to be the biggest losers.
# APPENDIX I

## Results of the 1998 Presidential and Vice Presidential Election\(^{316}\)

### Presidential Election 1998

<table>
<thead>
<tr>
<th>Total Number</th>
<th>% of votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered voters</td>
<td>33,873,665</td>
</tr>
<tr>
<td>Votes Cast</td>
<td>29,285,775</td>
</tr>
<tr>
<td>Invalid and Blank votes</td>
<td>2,383,239</td>
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<tr>
<td>Valid Votes</td>
<td>26,902,536</td>
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<table>
<thead>
<tr>
<th>Candidate</th>
<th>Total Votes</th>
<th>% of Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joseph E. Estrada (LAMMP)</td>
<td>10,722,295</td>
<td>39.9%</td>
</tr>
<tr>
<td>Jose C. de Venecia Jr. (Lakas-NUCD)</td>
<td>4,268,483</td>
<td>15.9%</td>
</tr>
<tr>
<td>Raul S. Roco (Aksyon Demokratiko)</td>
<td>3,830,212</td>
<td>13.8%</td>
</tr>
<tr>
<td>Emilio R. Osmeña (PROMDI)</td>
<td>3,347,631</td>
<td>12.4%</td>
</tr>
<tr>
<td>Alferdo S. Lim (LP)</td>
<td>2,344,362</td>
<td>8.7%</td>
</tr>
<tr>
<td>Renato S. de Villa (Reporma)</td>
<td>1,308,352</td>
<td>4.9%</td>
</tr>
<tr>
<td>Mriam Defensor Santiago (People’s Reform Party)</td>
<td>797,206</td>
<td>3%</td>
</tr>
<tr>
<td>Juan Ponce Enrile (Independent)</td>
<td>343,139</td>
<td>1.3%</td>
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<tr>
<td>Santiago F. Dumlao, Jr. (KPP)</td>
<td>32,212</td>
<td>0.1%</td>
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<tr>
<td>Manuel L. Morato (Partido ñg Bansang Marangal)</td>
<td>18,644</td>
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### Vice Presidential Election 1998

<table>
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<tr>
<th>Total Number</th>
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<tbody>
<tr>
<td>Votes Cast</td>
<td>29,285,775</td>
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<tr>
<td>Invalid and Blank votes</td>
<td>3,726,506</td>
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<tr>
<td>Valid Votes</td>
<td>25,559,269</td>
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<table>
<thead>
<tr>
<th>Candidate</th>
<th>Total Votes</th>
<th>% of Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gloria M. Macapagal-Arroyo (Lakas-NUCD)</td>
<td>12,667,252</td>
<td>49.6%</td>
</tr>
<tr>
<td>Edgardo J. Angare (LAMMP)</td>
<td>5,652,068</td>
<td>22.1%</td>
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<tr>
<td>Oscar M. Orbos (Reform)</td>
<td>3,321,779</td>
<td>13.0%</td>
</tr>
<tr>
<td>Sergio Osmeña III. (LP)</td>
<td>2,351,462</td>
<td>9.2%</td>
</tr>
<tr>
<td>Fransisco S. Tatad (PRP)</td>
<td>745,389</td>
<td>2.9%</td>
</tr>
<tr>
<td>Ismael D. Sueno (PROMDI)</td>
<td>537,677</td>
<td>2.1%</td>
</tr>
<tr>
<td>Others(^{317})</td>
<td>283,642</td>
<td>1.1%</td>
</tr>
</tbody>
</table>

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APPENDIX II

The 1987 Constitution of the Republic of the Philippines

ARTICLE VII
Executive Department
SEC 1.
The executive power shall be vested in the President of the Philippines.

SEC. 2.
No person may be elected President unless he is a natural-born citizen of the Philippines, a registered voter, able to read and write, at least forty years of age on the day of the election, and a resident of the Philippines for at least ten years immediately preceding such election.

SEC. 3.
There shall be a Vice-President who shall have the same qualifications and term of office and be elected with and in the same manner as the President. He may be removed from office in the same manner as the President.
The Vice-President may be appointed as a Member of the Cabinet. Such appointment requires no confirmation.

SEC. 4.
The President and the Vice-President shall be elected by direct vote of the people for a term of six years which shall begin at noon on the thirtieth day of June following the day of the election and shall end at noon of the same date six years thereafter. The President shall not be eligible for any reelection. No person who has succeeded as President and has served as such for more than four years shall be qualified for election to the same office at any time.
No Vice-President shall serve for more than two consecutive terms. Voluntary renunciation of the office for any length of time shall not be considered as an interruption in the continuity of the service for the full term for which he was elected.
Unless otherwise provided by law, the regular election for President and Vice-President shall be held on the second Monday of May.
The returns of every election for President and Vice-President, duly certified by the board of canvassers of each province or city, shall be transmitted to the Congress, directed to the President of the Senate. Upon receipt of the certificates of canvass, the President of the Senate shall, not later than thirty days after the day of the election, open all certificates in the presence of the Senate and the House of Representatives in joint public session, and the Congress, upon determination of the authenticity and due execution thereof in the manner provided by law, canvass the votes.
The person having the highest number of votes shall be proclaimed elected, but in case two or more shall have an equal and highest number of votes, one of them shall forthwith be chosen by the vote of a majority of all the Members of the Congress, voting separately.
The Congress shall promulgate its rules for the canvassing of the certificates.
The Supreme Court, sitting en banc, shall be the sole judge of all contests relating to the election, returns, and qualifications of the President or Vice-President, and may promulgate its rules for the purpose.

SEC. 5.
Before they enter on the execution of their office, the President, the Vice-President, or the Acting President shall take the following oath or affirmation:
"I do solemnly swear (or affirm) that I will faithfully and conscientiously fulfill my duties as President (or Vice-President or Acting President) of the Philippines, preserve and defend its Constitution, execute its laws, do justice to every man, and consecrate myself to the service of the Nation. So help me God." (In case of affirmation, last sentence will be omitted.)

SEC. 6.
The President shall have an official residence. The salaries of the President and Vice-President shall be determined by law and shall not be decreased during their tenure. No increase in said compensation shall take effect until after the expiration of the term of the incumbent during which such increase was approved. They shall not receive during their tenure any other emolument from the Government or any other source.

SEC. 7.
The President-elect and the Vice-President-elect shall assume office at the beginning of their terms.
If the President-elect fails to qualify, the Vice-President-elect shall act as President until the President-elect shall have qualified.
If a President shall not have been chosen, the Vice-President-elect shall act as President until a President shall have been chosen and qualified.
If at the beginning of the term of the President, the President-elect shall have died or have become permanently disabled, the Vice-President-elect shall become President.
Where no President and Vice-President shall have been chosen or shall have qualified, or where both shall have died or become permanently disabled, the President of the Senate or, in case of his inability, the Speaker of the House of Representatives shall act as President until a President or a Vice-President shall have been chosen and qualified.
The Congress shall provide for the manner in which one who is to act as President shall be selected until a President or a Vice-President shall have qualified, in case of death, permanent disability, or inability of the officials mentioned in the next preceding paragraph.

SEC. 8.
In case of death, permanent disability, removal from office, or resignation of the President, the Vice-President shall become the President to serve the unexpired term. In case of death, permanent disability, removal from office, or resignation of both the President and Vice-President, the President of the Senate or, in case of his inability, the Speaker of the House of Representatives, shall then act as President until the President or Vice-President shall have been elected and qualified.
The Congress shall, by law, provide who shall serve as President in case of death, permanent disability, or resignation of the Acting President. He shall serve until the President or the Vice-President shall have been elected and qualified, and be subject to the same restrictions of powers and disqualifications as the Acting President.

SEC. 9.
Whenever there is a vacancy in the Office of the Vice-President during the term for which he was elected, the President shall nominate a Vice-President from among the Members of the Senate and the House of Representatives who shall assume office upon confirmation of a majority vote of all the Members of both Houses of the Congress, voting separately.
SEC. 10.
The Congress shall, at ten o'clock in the morning of the third day after the vacancy in the offices of the President and Vice-President occurs, convene in accordance with its rules without need of a call and within seven days enact a law calling for a special election to elect a President and a Vice-President to be held not earlier than forty-five days nor later than sixty days from the time of such call. The bill calling such special election shall be deemed certified under paragraph 2, Section 26, Article VI of this Constitution and shall become law upon its approval on third reading by the Congress. Appropriations for the special elections shall be charged against any current appropriations and shall be exempt from the requirements of paragraph 4, Section 25, Article VI of this Constitution. The convening of the Congress cannot be suspended nor the special election postponed. No special election shall be called if the vacancy occurs within eighteen months before the date of the next presidential election.

SEC. 11.
Whenever the President transmits to the President of the Senate and the Speaker of the House of Representatives his written declaration that he is unable to discharge the powers and duties of his office and until he transmits to them a written declaration to the contrary, such powers and duties shall be discharged by the Vice-President as Acting President.

Whenever a majority of all the Members of the Cabinet transmit to the President of the Senate and to the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office, the Vice-President shall immediately assume the powers and duties of the office as Acting President.

Thereafter, when the President transmits to the President of the Senate and to the Speaker of the House of Representatives his written declaration that no inability exists, he shall reassume the powers and duties of his office. Meanwhile, should a majority of all the Members of the Cabinet transmit within five days to the President of the Senate and to the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office, the Congress shall decide the issue. For that purpose, the Congress shall convene, if it is not in session, within forty-eight hours, in accordance with its rules and without need of call.

If the Congress, within ten days after receipt of the last written declaration, or, if not in session, within twelve days after it is required to assemble, determines by a two-thirds vote of both Houses, voting separately, that the President is unable to discharge the powers and duties of his office, the Vice-President shall act as the President; otherwise, the President shall continue exercising the powers and duties of his office.

SEC. 12.
In case of serious illness of the President, the public shall be informed of the state of his health. The Members of the Cabinet in charge of national security and foreign relations and the Chief of Staff of the Armed Forces of the Philippines, shall not be denied access to the President during such illness.

SEC. 13.
The President, Vice-President, the Members of the Cabinet, and their deputies or assistants shall not, unless otherwise provided in this Constitution, hold any other office or employment during their tenure. They shall not, during said tenure, directly or indirectly, practice any other profession, participate in any business, or be financially interested in any contract with, or in any franchise, or special privilege granted by the Government or any subdivision, agency, or instrumentality thereof, including government-owned or controlled corporations or their
subsidiaries. They shall strictly avoid conflict of interest in the conduct of their office. The spouse and relatives by consanguinity or affinity within the fourth civil degree of the President shall not during his tenure be appointed as members of the Constitutional Commissions, or the Office of the Ombudsman, or as Secretaries, Undersecretaries, chairmen or heads of bureaus or offices, including government-owned or controlled corporations and their subsidiaries.

SEC. 14.
Appointments extended by an Acting President shall remain effective, unless revoked by the elected President within ninety days from his assumption or re-assumption of office.

SEC. 15.
Two months immediately before the next presidential elections and up to the end of his term, a President or Acting President shall not make appointments, except temporary appointments to executive positions when continued vacancies therein will prejudice public service or endanger public safety.

SEC. 16.
The President shall nominate and, with the consent of the Commission on Appointments, appoint the heads of the executive department, ambassadors, other public ministers and consuls, or officers of the armed forces from the rank of colonel or naval captain, and other officers whose appointments are vested in him in this Constitution. He shall also appoint all other officers of the Government whose appointments are not otherwise provided for by law, and those whom he may be authorized by law to appoint. The Congress may, by law, vest the appointment of other officers lower in rank in the President alone, in the courts, or in the heads of departments, agencies, commissions, or boards. The President shall have the power to make appointments during the recess of the Congress, whether voluntary or involuntary, but such appointments shall be effective only until after disapproval by the Commission on Appointments or until the next adjournment of the Congress.

SEC. 17.
The President shall control of all the executive departments, bureaus and offices. He shall ensure that the laws be faithfully executed.

SEC. 18.
The President shall be the Commander-in-Chief of all armed forces of the Philippines and whenever it becomes necessary, he may call out such armed forces to prevent or suppress lawless violence, invasion or rebellion. In case of invasion or rebellion, when the public safety requires it, he may, for a period not exceeding sixty days, suspend the privilege of the writ of habeas corpus or place the Philippines or any part thereof under martial law. Within forty-eight hours from the proclamation of martial law or the suspension of the privilege of the writ of habeas corpus, the President shall submit a report in person or in writing to the Congress. The Congress, voting jointly, by a vote of at least a majority of all its Members in regular or special session, may revoke such proclamation or suspension, which revocation shall not be set aside by the President. Upon the initiative of the President, the Congress may, in the same manner, extend such proclamation or suspension for a period to be determined by the Congress, if the invasion or rebellion shall persist and public safety requires it. The Congress, if not in session, shall, within twenty-four hours following such proclamation or suspension, convene in accordance with its rules without any need of a call.
The Supreme Court may review, in an appropriate proceeding filed by any citizen, the sufficiency of the factual basis of the proclamation of martial law or the suspension of the privilege of the writ or the extension thereof, and must promulgate its decision thereon within thirty days from its filing.

A state of martial law does not suspend the operation of the Constitution, nor supplant the functioning of the civil courts or the legislative assemblies, nor authorize the conferment of jurisdiction on military courts and agencies over civilians where civil courts are able to function, nor automatically suspend the privilege of the writ.

The suspension of the privilege of the writ shall apply only to persons judicially charged for rebellion or offenses inherent in or directly connected with the invasion. During the suspension of the privilege of the writ, any person thus arrested or detained shall be judicially charged within three days, otherwise he shall be released.

SEC. 19.
Except in cases of impeachment, or as otherwise provided in this Constitution, the President may grant reprieves, commutations and pardons, and remit fines and forfeitures, after conviction by final judgment.

He shall also have the power to grant amnesty with the concurrence of a majority of all the Members of the Congress.

SEC. 20.
The President may contract or guarantee foreign loans on behalf of the Republic of the Philippines with the prior concurrence of the Monetary Board, and subject to such limitations as may be provided by law. The Monetary Board shall, within thirty days from the end of every quarter of the calendar year, submit to the Congress a complete report of its decisions on applications for loans to be contracted or guaranteed by the Government or government-owned and controlled corporations which would have the effect of increasing the foreign debt, and containing other matters as may be provided by law.

SEC. 21.
No treaty or international agreement shall be valid and effective unless concurred in by at least two-thirds of all the Members of the Senate.

SEC. 22.
The President shall submit to the Congress within thirty days from the opening of the regular session, as the basis of the general appropriations bill, a budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures.

SEC. 23.
The President shall address the Congress at the opening of its regular session. He may also appear before it at any other time.
APPENDIX III

Summary of Charges Against Estrada

I. Bribery

(That) From November 1998 to August 2000, Estrada received P10 million a month as bribe money from "jueteng" (gambling) lords.

II. Graft and Corrupt Practices

(That) Estrada directly or indirectly received for his personal benefit P130 million out of the P200 million released by Budget Secretary Benjamin Diokno for tobacco farmers.

(That) He participated directly in the real estate business through a family-controlled corporation which constructed 36 townhouses in the Manila suburb of Antipolo City. Estrada also committed perjury and the offense of unexplained wealth because records show he and his wife and mistresses and their children have other interests in other companies outside of three firms listed in his statement of assets and liabilities for 1999.

III. Betrayal of Public Trust

(That) Estrada betrayed public trust and violated his own oath of office when he unduly intervened in Securities and Exchange Commission investigation into alleged stock manipulation of gaming firm BW Resources Corp. involving a presidential ally.

(That) He disobeyed the constitutional mandate to avoid conflict of interest when he approved a P100-million donation of government funds to a private foundation organized by his wife.

(That) He violated his own official pronouncement that he would not favor relatives and friends by appointing them to government posts.

IV. Culpable violation of the Constitution

(That) He violated the law and his own oath of office when he ordered the customs commissioner to turn over 52 luxury vehicles it had impounded from smugglers to the presidential palace for distribution to Cabinet secretaries and other senior officials.

(That) He violated the Constitution when he appointed certain members of his Cabinet and their deputies to other posts in government contrary to the constitutional provision which says Cabinet members shall not hold any other office.

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### APPENDIX IV

**Net Satisfaction Ratings of President Joseph E. Estrada**

Table 7. Net Satisfaction Ratings of President Joseph E. Estrada during his presidency

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Philippines</td>
<td>+65</td>
<td>+28</td>
<td>+5</td>
<td>+5</td>
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<td>North and Southern Luzon</td>
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<td>+4</td>
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<tr>
<td>Visayas(^{320})</td>
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<td>-8</td>
<td>-8</td>
<td>+4</td>
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<td>Total Urban</td>
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<td>Total Rural</td>
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<td>+10</td>
<td>+21</td>
<td>+24</td>
<td>+10</td>
</tr>
</tbody>
</table>

\(^{319}\)The Net Satisfaction Ratings of President Joseph E. Estrada for: September 1998 +60; November 1998 +61; March 1997 +67. The Net Satisfaction Ratings is calculated by asking the respondents the question: *Please tell me how satisfied or dissatisfied you are in the performance of (name) as President of the Philippines?* On the basis of this the sum of % Satisfied Minus % Dissatisfied gives the Net Satisfaction rate. [http://www.sws.org.ph/pr122200.htm](http://www.sws.org.ph/pr122200.htm) (10 January 2002).

\(^{320}\) For Visayas there was a big difference between urban in December the net satisfaction rate was –24 while for rural Visayas this was –3. [http://www.sws.org.ph/pr122200.htm](http://www.sws.org.ph/pr122200.htm) (10 January 2002).
APPENDIX V

Timeline Estrada Presidency

June 30, 1998
President Joseph Ejercito Mr. Estrada pledges to improve the lot of the masses as well as fight
criminality and graft and corruption.

July 7, 1998
Coconut tycoon Eduardo Cojuangco is back as chairman and CEO of San Miguel Corp.

July 31, 1998
Asiaweek published an article entitled: ‘The Marcos Cronies Come Back’ in which Estrada was
accused of favoring businesspeople who funded his campaign.

March 16, 1999
Pagcor says it granted Best World Gaming Corp. franchise to operate on-line bingo nationwide
without a public bidding.

March 22, 1999
The case against Tan for 1990 to 1992 tax evasion for lack of probable cause and other
procedural lapses including the BIR commissioner’s lack of approval which was now explicitly
required by the newly amended NIRC.

July 29, 1999
A Marikina court declares as final and executory its dismissal of the P25.27-billion tax evasion
suit against Lucio Tan, a known presidential friend, and his Fortune Tobacco Corp.

October 10, 1999
BW's prices soar 38-fold since it closed at PhP2.40 at the start of trading this year.

October 15, 1999
Housing and Urban Development Coordinating Council (HUDCC) chair Karina David
resigns.

January 6, 2000
Resignation of Finance Secretary Edgardo Espiritu.

February, 2000
Revamp of Estrada’s cabinet with appointment of three new secretaries. Namely: Jose Pardo as
Finance Secretary (replacing Edgardo Espiritu); Manuel Roxas as Trade Secretary; (succeeding
Pardo); and former presidential candidate Alfredo Lim as Secretary for the Interior.

February 9, 2000
Mr. Estrada defends friend Charlie "Atong" Ang, saying his "expertise" in various numbers
games qualifies him to work as Pagcor consultant.

March 21, 2000
Chief of Staff Aprodicio A. Laquian loses his job for joking about Mr. Estrada's penchant for
drinking, his management style and his circle of friends.

May 19, 2000
Philippine officials secure deal that will allow both Lucio C. Tan and George S. K. Ty to open a
branch in China.

321 Added by author.
322 Added by author.
323 Added by author.
324 PhP is an abbreviation for peso.
325 Added by author.
326 Added by author.
May 22, 2000
Bidding for 80% of PNB pushes through on June 9 after 11th-hour meet in Malacañang between Lucio Tan and government officials.

July 24, 2000
PCIJ reports that Mr. Estrada's asset declarations did not fully disclose the magnitude of the business interests that he and his families are engaged in.

August 21, 2000
PCIJ reports violations in the First Family's housing project in Antipolo.

October 3, 2000
Ilocos Sur (northern Luzon) governor Luis "Chavit" Singson claimed he was to be assassinated when policemen flagged down his vehicle on San Marcelino St. in Malate, Manila (western Metro Manila) at about 11 p.m.

October 4, 2000
Mr. Singson exposed alleged anomalies surrounding Bingo 2-Ball and promised to name people close to the President, including members of the first family, who received as much as 33 million Philippine pesos ($662,225.07 at PhP49.832=$1 as of Dec. 6) a month from jueteng, an illegal numbers game.

October 5, 2000
In his privilege speech, Senator Teofisto T. Guingona, Jr. accused President Joseph E. Estrada of having collected more than PhP200 million ($4.013 million) in jueteng payoffs in the last two years. Former Senate president Franklin M. Drilon declared the Senate blue ribbon committee will formally look into the claims of Mr. Singson.

October 8, 2000
Mr. Estrada ordered the indefinite suspension of Bingo 2-Ball and the termination of Philippine Amusements and Gaming Corp.'s (Pagcor) contract with presidential friend Charlie "Atong" Ang's Prominent Management and Consultancy, Inc.

October 9, 2000
Mr. Singson branded Mr. Estrada as the "lord of all jueteng lords." He claimed he gave the President PhP130 million ($2.608 million) from Ilocos Sur's share of proceeds from the tobacco fund. Malacañang released a Commission on Audit report on Mr. Singson's alleged mishandling of provincial funds from 1997-1998 worth about PhP2 billion ($40, 134,853.11). The Senate blue ribbon committee started hearings on the "juetengate."

October 11, 2000
Senators John R. Osmeña and Teresa Aquino Oreta admitted receiving a PhP1-million ($20,067.43) donation each from Mr. Singson in April 1999. They returned the amount. Ombudsman Aniano A. Desierto ordered an independent inquiry on Mr. Singson's allegations Mr. Estrada received gambling money.

October 12, 2000
Vice-President Gloria Macapagal Arroyo resigned as secretary of the Department of Social

**October 13, 2000**

Mr. Estrada, interviewed in a late-night television newscast, denied he would declare a state of emergency. 20 opposition congressmen endorsed the impeachment complaint against Mr. Estrada, while 51 others signified their verbal support. Mr. Estrada told businessmen he had no plans of stepping down, repeating a statement delivered earlier on nationwide television.

**October 14, 2000**

Mr. Estrada ordered the privatization of Pagcor in a taped message broadcast over television and radio. His message was followed by that of Ms. Ejercito which denied she received PhP20 million ($401,348.53) in gambling payoff.

**October 17, 2000**

Ms. Arroyo and former president Corazon C. Aquino attended a Roman Catholic Church-led prayer rally for peace and good governance at the EDSA shrine.

**October 18, 2000**

Isabela (northern Luzon) Rep. Heherson T. Alvarez, Bohol (central Visayas) Rep. Ernesto F. Herrera and Quezon City (northern Metro Manila) Rep. Michael T. Defensor, with 26 civil society and nongovernmental organizations, submitted the articles of impeachment to House secretary-general Roberto P. Nazareno. At this time, 42 congressmen have signed the complaint, which was forwarded to the office of then Speaker Manuel B. Villar, Jr.

For his defense, Mr. Estrada tapped former solicitor-general Estelito P. Mendoza as lead counsel. Between 6,000 and 8,000 people, including businessmen, gathered for a rally on Ayala Ave. in Makati City (central Metro Manila) seeking the resignation of Mr. Estrada.

**October 23, 2000**

At the Senate hearings, Land Bank of the Philippines officials confirmed a PhP200-million account in their Vigan (Ilocos Sur, northern Luzon) branch representing Ilocos Sur's share from tobacco excise taxes for 1998.

**October 25, 2000**

At the Senate hearings, Mr. Singson admitted authorizing the irregular diversion of some PhP170 million ($3.411 million) of the province's PhP200-million share from tobacco excise taxes for 1998. Mr. Estrada said he is willing to step down if proven he lied and that he accepted millions of pesos in illegal gambling payoffs. Longtime presidential friend former Supreme Court chief justice and Philippine National Bank chairman Andres R. Narvasa was chosen to lead the three-man defense counsel of Mr. Estrada.

**October 27, 2000**

A healing mass was held in Malacañang wherein Mr. Estrada prayed for his detractors.

**October 30, 2000**

Opposition senators Raul S. Roco and Loren B. Legarda filed a resolution calling on Mr. Estrada to step down. 12 business groups, including the Makati Business Club, Management Association of the Philippines and some business- and countryside-based clubs, issued a statement asking Mr. Estrada to resign. In a recorded statement aired over nationwide television, Mr. Estrada announced seven proposed measures, including his relinquishing control over the economy to Ms. Arroyo, in a bid to restore confidence in his administration. His message was followed by the recorded messages of Armed Forces chief Gen. Angelo T. Reyes and Philippine National Police chief Director-General Panfilo M. Lacson, saying they will abide by the Constitution.

**October 31, 2000**

Ms. Arroyo declined Mr. Estrada's offer for her to head the Economic Coordinating Council.

**November 1, 2000**

Mr. Estrada's Council of Senior Economic Advisers resigned. The four members are SGV & Co.
founder Washington SyCip, Rizal Commercial Banking Corp. vice-chairman and former prime minister Cesar E.A. Virata, Ayala Corp. president and chief executive officer Jaime Augusto Zobel de Ayala and Philippine Seven Corp. chairman Vicente T. Paterno. Only one member remained, former Bangko Sentral ng Pilipinas (Central Bank of the Philippines) governor Gabriel C. Singson.

**November 2, 2000**

**November 3, 2000**
Mr. Villar and 40 colleagues resigned from LAMP and signed the impeachment complaint.

**November 4, 2000**
Cardinal Sin led a prayer rally at the EDSA Shrine.

**November 6, 2000**
Members of the Laban ng Demokratikong Pilipino (LDP) party decided to stay with the ruling coalition LAMP in exchange for reforms. The National Security Council was convened to discuss economic and political problems grappling the country. Former president Fidel V. Ramos attended the meeting, and called on Mr. Estrada to reform or resign by mid-December. The majority of the Philippine Chamber of Commerce and Industry (PCCI) leadership joined in the call for Mr. Estrada to resign. The House committee on justice approved a recommendation to impeach Mr. Estrada, paving the way for a trial in the Senate. Mr. Drilon ordered the Senate secretariat to draft a local version of the impeachment rules based on US Congress rules. Senator Ramon B. Revilla, Sr. left LAMP.

**November 9, 2000**
Mr. Estrada confirmed Mr. Singson offered him PhP200 million to allow the latter to continue operating jueteng in Ilocos. He said the money was deposited in a bank and was still intact.

**November 11, 2000**
The National Day of Prayer and Fasting, a pro-Estrada prayer rally, was held at the Quirino Grandstand in Rizal Park, Manila. Religious groups like El Shaddai, Iglesia ni Cristo and Jesus Miracle Crusade attended the event.

**November 13, 2000**
The House of Representatives rushed the approval of the articles of impeachment as Mr. Villar single-handedly ordered their transmittal to the Senate for immediate trial. It also approved the designation of the 11 prosecutors to the impeachment trial. Senator Aquilino Q. Pimentel, Jr. was elected Senate president, replacing Mr. Drilon, who was ousted on account of his defection from the ruling coalition. Camarines Sur (southern Luzon) Rep. Arnulfo P. Fuentebella replaced Mr. Villar in a five-hour session.

**November 14, 2000**
The labor sector, business leaders, government employees and students staged walkouts and protests in different locations in Metro Manila as part of the National Day of Protest.

**November 15, 2000**
The Senate approved the rules for the impeachment proceedings.

**November 20, 2000**
The Senate convened itself into an impeachment court. The senators took their oaths as jurors and ordered Mr. Estrada to answer charges in the impeachment articles. Malacañang received the Senate summons and was given a non-extendible 10-day period to comment on the articles of impeachment. Senator Francisco S. Tatad left LAMP.
November 21, 2000
Senators Teresa Aquino-Oreta and Gregorio B. Honasan took a leave of absence from LAMP. Mr. Estrada issued a statement calling on LAMP senators to do the same. Businessman Lucio C. Tan reportedly voted against supporting Mr. Estrada, but majority of the Federation of Filipino-Chinese Chambers of Commerce and Industry, Inc. opted for the constitutional process. A paid advertisement--purportedly from the "concerned senior officers of the Armed Forces of the Philippines"--questioned the promotions of certain military officials, which has been a source of demoralization.

November 22, 2000
Senators Blas F. Ople and Juan Ponce Enrile turned down Mr. Estrada's advice to take a leave of absence from their political affiliations. Jose Antonio U. Gonzalez, head of casino operator Mondragon Leisure & Resorts Corp., accused Mr. Estrada and his men of conspiring to delay the rehabilitation of the 200-hectare Mimosa Leisure Estate in Clark Field, Pampanga (central Luzon). Mr. Estrada met with public relations practitioner Salvador "Bubby" Dacer.

November 23 - 24, 2000
Mr. Estrada's lawyers filed a motion seeking to dismiss the four charges due to technicalities. Mr. Dacer never reached his office at the Manila Hotel and was declared missing.

November 28, 2000
A lawyers group asked Ombudsman Aniano A. Desierto to investigate Mr. Estrada and six others for allegedly conspiring to divert Ilocos Sur's PhP200-million share in the national tobacco excise tax collection. More than 3,000 students from state universities staged a mass walkout from their classes while a group staged a picket in front of the National Telecommunications Commission as part of the week-long protests. The Kongreso ng Mamamayang Pilipino II also held an "impeachment chain" at the Elliptical Road in Quezon City. The Senate junked the defense motion to quash the impeachment case "in the best interest of the nation."

November 29, 2000
As part of a week-long protest, an estimated 10,000 to 12,000 members of the business sector shared a "power lunch" with the urban poor, labor and civil society on Ayala Ave. corner Paseo de Roxas, Makati City. Leaders of the Roman Catholic Church confronted El Shaddai leader Mariano Velarde at the residence of Cardinal Sin for openly supporting Mr. Estrada. Mr. Estrada, in his determination to keep Science and Technology Secretary Filemon A. Uriarte, Jr. in the Cabinet at least until the end of the year, volunteered to join the lay Catholic group Couples for Christ, of which Mr. Uriarte is a member.

November 30, 2000
The week-long protest activities seeking the resignation of Mr. Estrada concluded with marches staged in various parts of Metro Manila. The rallyists gathered outside Malacañang. The pro-Estrada People's Movement Against Poverty organized some 8,000 of its members in ULTRA in Pasig City.

December 4, 2000
The Senate tribunal denied the prosecution's motion to inspect several mansions identified with the President's extended family and to summon the witnesses of the defense and the documents held by these witnesses.

December 5, 2000
Mr. Estrada said if he had his way, he wants the impeachment proceedings finished before the Christmas season ends. He said there is no need for him to change his image and lifestyle as this will only isolate him from the masses who elected him into office.

December 6, 2000
A pretrial was held to speed up the proceedings by simplifying the issues and making both parties agree on documents and number of witnesses to be presented.
December 7, 2000
For the first day of the impeachment trial, the Senate tribunal has summoned Ms. Ricafort, former presidential adviser on Bicol affairs Anton Prieto and former Philippine National Police chief Roberto Lastimoso to appear. Various groups organize today a mass at the Malate Church plaza and a Jericho March at the Senate, as part of their whole day program aimed at seeking the resignation or impeachment of President Estrada.

December 22, 2000
Equitable PCI Bank senior vice-president testifies that Mr. Estrada is the owner of the Jose Velarde account.

January 6, 2001
Inauguration of Angara as Executive Secretary.\(^{327}\)

January 16, 2001
Pro-Mr. Estrada senators win in a vote against opening a sealed envelope containing bank records pertaining to a PhP3.3 billion "mother account" allegedly owned by the president. Indignation rally kicks off in EDSA shrine; protesters call for Mr. Estrada's resignation.

January 17, 2001
Impeachment Court suspended indefinitely.

January 19, 2001
Defense Secretary Orlando S. Mercado and AFP chief of staff Angelo T. Reyes withdraw support from Mr. Estrada. Military top brass join in withdrawal of support; Cabinet members resign.

January 20, 2001
EDSA Shrine rallyists troop to Malacañang to pressure Mr. Estrada to resign. Vice President Gloria Macapagal-Arroyo sworn into office as new Philippine president. Mr. Estrada leaves Malacañang.

April 25, 2001
Estrada was arrested on the charges of having amassed ill-gotten wealth of over P4 billion.\(^{328}\)

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\(^{327}\) Added by author.
\(^{328}\) Added by author.
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