

From: Central Intelligence Agency National Foreign Assessment Center, "Philippines: Prospects for Violent Opposition," Intelligence Memorandum, 15 July 1980.

## SUMMARY

Members of the non-Communist opposition, frustrated over their ability to influence the political situation, are becoming more vocal about using violent tactics against President Marcos' regime. Prominent Marcos opponent former Senator Aquino recently suggested for the first time that he too is giving up nonviolent means. Aquino's assertion may be designed to prevent further erosion of his influence within opposition circles and to put pressure on Marcos to seek an accommodation with him. [redacted]

### The Non-Communist Opposition

Most leaders of the non-Communist opposition are politicians from pre-martial-law days. They have little popularity as alternative to Marcos because the public believes [sic] the primary difference between them and Marcos is that they are out of power while he is in [power]. The non-Communists are also handicapped by their inability to agree on common goals [sic] leadership, or organization for countering Marcos. [redacted]

In recent months, various prominent opposition members have talked more freely about a coalition with leftists and use of violent tactics. Thus far, we have no reports that this has gone beyond the discussion stage. The use of violence as a political tool was common in the Philippines prior to martial law, and it would not be out of character for Marcos' opponents to resort to this tactic if they concluded nonviolent methods were ineffective. [redacted]

Urban terrorism, which requires neither sophisticated organization nor materials, would be well within the capability of the opposition, but random terrorist acts alone would not topple Marcos. Only a sustained campaign that could elicit other acts of antigovernment activity by a wide variety of groups would cause Marcos serious

problems. It is not clear that enough members of the non-Communist opposition have either the will or desire to conduct such a sustained campaign. [redacted]

### The Role of Senator Aquino

Aquino, the most popular opposition figure, in the past argued in favor of nonviolent opposition. In early 1980, reports circulated in Manila that he was trying to negotiate an accommodation with Marcos. This tarnished his image among his opposition colleagues, who believed he was preparing to sell out Marcos. Aquino's departure in May for medical treatment in the United States further undercut his influence with the opposition. [redacted]

Aquino may have several motives for implying that he too concluded that violence now is necessary. If, as reported, his moderate colleagues are increasingly attracted to terrorism as a tactic, he probably would not foreclose this option and risk further undercutting his position as leader. Aquino may also believe that Marcos will be more inclined to accommodate his opponents if he concludes that widespread terrorism is likely. Moreover, He [sic] probably hopes that the US will be sufficiently concerned about threats of widespread violence to put pressure on Marcos to relax martial law regulations and to permit greater political participation. Like most Filipinos, Aquino tends to regard the United States as responsible for both the cause and the solution of whatever problem arises in the Philippines. [redacted]

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From: Pound, Edward T. "Marcos May Face Hurdles in Retaining Reported \$3 Billion in Foreign Holdings," *Wall Street Journal*, 26 February 1986. Available from <https://www.cia.gov/library/readingroom/document/cia-rdp90-00965r000605180010-4>

WASHINGTON—Ferdinand Marcos, the former president of the

Philippines, may have trouble holding on to the vast wealth he is believed to have transferred to the U.S. and other countries.

A recent U.S. intelligence report estimated the wealth of Mr. Marcos and his family at \$3 billion. That figure could be exaggerated, but congressional investigators say Mr. Marcos and his wife, Imelda, have diverted hundreds of millions of dollars abroad, much of it to the U.S.

Heherson Alvarez, a top adviser in the U.S. to new Philippine President Corazon Aquino, predicted that the new government will use any legal means available to recover the assets that Mr. Marcos and his family allegedly sent overseas.

Separately, Rep. Stephen Solarz, a New York Democrat and longtime critic of the Marcos regime, said he is preparing legislation that would help the Manila government pursue Mr. Marcos' reported U.S. holdings. Rep. Solarz, who was chairman of a congressional investigation into the Marcos family's U.S. assets, estimated that Mr. Marcos and his wife own real estate worth \$350 million in the New York City area alone.

"We don't have any obligation to help him live off his ill-gotten gains," said Rep. Solarz.

In her campaign for the presidency, Mrs. Aquino said she would try to recover wealth taken out of the country through "thievery" by Mr. Marcos and some of his friends. It isn't known whether U.S. officials discussed Mr. Marcos' reported U.S. holdings with the ousted president before his departure, and the Reagan administration's options on that issue may be limited by legal and legislative constraints.

### **Marcos Denies Charges**

Mr. Marcos, whose salary as a president was about \$5,700 a year, repeatedly has denied profiting illegally or investing overseas. Mr. Marcos left the Philippines yesterday for Guam, U.S. officials said.

Mr. Alvarez, said in an interview that Mrs. Aquino "will move to get hold of the assets that Marcos stole from the country, because it is senseless for us to borrow around the world when we can recover it."

He predicted the new government will go after funds believed moved overseas by some of Mr. Marcos' friends.

The capital diverted from the Philippines represents "vital resources needed for the healthy functioning of the economy," Mr. Alvarez argued. He said the government's actions will include filing lawsuits against Mr. Marcos and others. "Everything will be done according to the rule of law," he said.

### **Files of Probe Offered**

Steve Psinakis, a Marcos critic in the U.S. who spent a decade investigating the holdings of Mr. Marcos and others in his administration said he will turn over his files to Mrs. Aquino's government. "We are talking about billions of dollars," Mr. Psinakis said, the recovery of which would help "bring the country back to its feet."

Rep. Solarz chairs the Asian and Pacific Affairs Subcommittee of the House Foreign Affairs Committee. The subcommittee looked into allegations against the Marcos family and heard testimony indicating that Mr. Marcos and his wife had an ownership interest in several New York properties including two office towers and the Herald Center shopping mall in midtown Manhattan.

A congressional investigation said that representatives of the Marcos family are trying to liquidate those holdings.

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From: Gerth, Jeff. "Marcos Fortune: Its Sources Raise Questions." *New York Times*, 20 November 1985. Available from <http://www.nytimes.com/1985/11/20/world/marcos-fortune-questions-arise-about-graft.html?pagewanted=all>

**WASHINGTON, Nov. 19**—As has often happened in the history of the Philippines, official corruption is emerging as a central issue within the nation. Now, according to Congressional sources and Administration officials, it is becoming an increasingly important factor in relation between the United States and the Philippines.

The corruption issue figured in an unsuccessful effort to impeach President Ferdinand E. Marcos last summer. Opposition leaders have said they intend to bring it up in the elections scheduled for early next year and may refile impeachment charges with new documentation.

In the United States, Congressional investigators and a Federal grand jury in the Washington area are looking into corruption in the Philippines.

At the heart of the issue is President Marcos, his wife, Imelda and their associates. Filipino opposition leaders and official American reports have charged that the Marcos family and their friends have drained the economy while enriching themselves and then transferred

billions of dollars abroad.

A Senate Intelligence Committee staff report made public this month summarized the charge against the Marcos family this way: "Corruption has become a serious burden on the economy. The first family and their favored cronies use their position to amass great wealth, much of which is transferred abroad."

President and Mrs. Marcos have publicly denied the charges. Unlike in the United States, the first family in the Philippines does not have to make a public accounting of its finances. Mr. and Mrs. Marcos have not responded to a list of questions about their finances submitted to the Philippines Embassy by a New York Times reporter last summer.

Philippine opposition leaders have uncovered what they believe to be Marcos family holdings all over the world, but none of the assets are held in the Marcos name. Marcos supporters say the information is unsubstantiated and based on partisan politics.

A survey of public records in the United States and the Philippines, as well as interviews with Marcos business associates and American and Philippine officials, raises questions about the personal finances of the first family, the management and accountability of corporations controlled by the Marcos Government, the handling of American aid to the islands and the role of the Marcos family in questionable payments by American corporations.

Source: <https://www.cia.gov/library/readingroom/document/cia-rdp90-00965r000302300015-1>

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From: The New Republic, "Dump Marcos," *The New Republic*, 27 November 1985. Available from: <https://www.cia.gov/library/readingroom/document/cia-rdp90-00965r000807410005-0>

When Senator Paul Laxalt, acting as President Reagan's personal envoy, suggested to Ferdinand Marcos that he hold early elections, the answer was an equivocal no. When George Will made the same suggestion to the Philippine President a few weeks later, on the Sunday morning program, "This Week with David Brinkley," Marcos was

warming up to the idea. "I am decided that with these arguments coming from the opposition, and now in this show and interview, I'm ready. I'm ready to call a snap election," Marcos told the stunned panelists.

Many viewers in the country saw Marcos' announcement as a sign that he was giving in to demands from the U.S., and edging a little bit closer to democratic rule. But members of the Philippine opposition know their wily dictator far better. The promise of an election in fact means very little. Asked to explain his plan, Marcos said during the interview that the "snap election" should take place within 60 days. This would give the opposition little time to unite behind a single candidate, raise funds, and mount an effort to keep Marcos from buying or stealing the election, as he has often done in the past.

Since the television broadcast, Marcos has made several minor concessions that appear more significant than they are. He has said that he will hold election on February 7 instead of January 17. He has said he will resign, as the Philippine Constitution requires before a special election, but will not leave office. In the next few weeks, Marcos will probably accredit Namfrel [sic], the organization of volunteer poll watchers that was responsible for the relative fairness of the 1984 parliamentary election. But he is still demanding a list of poll watchers' names so that he can bring the organization under his control. Between now and election, everything Marcos does will be calculated carefully to make it appear he is trying to be fair. But as Senate Intelligence Committee staff members who recently visited the Philippines put it in a rare public report, "Marcos, at this point, intends to do whatever is necessary to ensure a favorable outcome in the next election."

Nevertheless, the various opposition groups are giving the election their all, in the hopes that Marcos can be pressured into meeting enough of their demands that he will lose. At the moment they are concerned with selecting a presidential candidate, who will probably be Corazon Aquino or former senator Salvador Laurel. Because of his isolation from reality, which a number of visitors have commented upon, Marcos may not realize how few supporters he has left. Most of his people are fed up with a failing economy, internal repression, and growing violence fostered by the communist New People's Army (NPA). There is some hope that he will miscalculate and lose the election. But in the event that he manages to affirm his mandate, using his "considerable power to rig the elections at both the national and local levels," as the Senate Intelligence Committee envisions, the United States will have to consider options other than that of continuing to prop up this sad

sagging tyrant.

If present trends continue, Assistant Secretary of Defense Richard Armitage estimates that the NPA will reach a strategic stalemate with the Philippine Army in three to five years. Senator Dave Durenberger, chairman of the Senate Intelligence Committee, thinks two to three years would be an optimistic estimate. Whatever their potential strength, the guerrillas have emerged as a real and present danger since Benigno Aquino was assassinated in 1983. There are now estimated to be more than 15,000 armed fighters in nearly all of the 73 Philippine provinces. The NPA is not currently backed by Moscow, and it apparently prefers to be nonaligned [sic]. But the Soviets are, to say the least, interested.

Marcos has us in a bind. Since he is the one fighting the NPA, the argument goes, we must step up military aid and order to keep them from winning. But giving Marcos guns won't help. His army is badly organized, mismanaged, and riddled with corruption. His solution to the insurgency problem seems to be wishing it away. "They are surrendering in droves," he recently told Ted Koppel in "Nightline," insisting that he can quash the NPA within a year. His own generals have called the assessment ridiculous. In truth, there is little Marcos can do to oppose the guerrillas, since their rise is a direct result of 20 years of his repression. As long as he stays in office, while postponing military, political, and economic reforms, the chances of an eventual NPA victory will improve.

If the guerrillas succeed in waging a protracted civil war, it will be a tragedy for the 50 million citizens of the Philippines. It would also be a tragedy of sorts for the United States. Our two largest military bases outside U.S. borders—the Clark air base and the naval station at Subic Bay—are located in the Philippines. They are essential to our strategic capability in Southeast Asia. If we lost them (the leases expire in 1989, subject to renegotiation), we would be forced to monitor Soviet activity in the region from bases in Hawaii and Japan.

With the exception of Jerry Fallwell, reliable friend to tyrants in trouble, even most conservatives realize where the Philippines are headed if Marcos remains in power. Although the Reagan administration waited until the eleventh hour to get worried about the situation, it has backed the International Monetary Fund's recent decision to cut off payments on loans until Marcos breaks up sugar and coconut monopolies run by his cronies, which have helped wreck the economy. Even Marcos' friends are bailing out, transferring hundreds of millions in assets to the U.S. (See "Marcos's [sic] Nest Egg," October 7.) Sources in the CIA, the Pentagon,

and the State Department have all been hinting darkly that Marcos' plight is far more serious than anyone knows.

"The chances for a constitutional succession could be improved if Marcos died suddenly, as opposed to a lingering period of incapacitation," the Senate Intelligence Committee wrote in the conclusion to its recent report. Indeed, the best solution would be if Marcos would agree to die right away. But we can't count on his cooperation on this matter either. Rumors of his ill health and impending death from kidney failure have been greatly exaggerated for more than 20 years. Senator Durenberger recently proposed what would be an equally workable solution: that Marcos resign. Unfortunately, it is equally unlikely.

It's to do more than indicate our displeasure to Marcos. Unless by some miracle he holds and wins a fair election, we should pressure him into quitting. One form of pressure, of course, is economic. If the U.S. cut off military and other aid (increased to \$70 million this year) other countries and private investors would no doubt follow suit by cutting off all new loans. Without foreign investments, Marcos will hold all tenuous hold on the monopolies whose powerful leaders are still standing by him.

Senator Bill Bradley recently suggested a more novel approach to getting rid of Marcos in a *New York Times* Op-Ed [sic] article: offer him safe passage and sanctuary in the U.S. One thing keeping Marcos from relinquishing power may be his fear of punishment for his crimes. It is estimated that he and his wife have plundered over one billion dollars from a country that suffers from desperate poverty. He might well be attracted to the idea of nursing his kidneys by the swimming pools of his cronies, who are already packing their bags for California. This conjures unpleasant memories about our solicitude to the fallen shah, but it's likely that Marcos's [sic] angry victims would be glad simply to get rid of him.

Indeed, it's useful to remember why the situation in the Philippines is not like Iran, or Nicaragua. The country, which was our only actual colony, still has an abiding love for the United States and a powerful democratic tradition. Many Filipinos would like to see the nation become the 51st state. By supporting Marcos, we have sorely tested this gratitude. Still, there seems to be widespread public support for an American military presence, and strong anti-Soviet sentiment. We don't want to antagonize the democratic forces by supporting an inept and corrupt tyrant past his time. We should reach out to the opposition now, and make clear to Marcos that a truly fair election is his last chance.

to bow out gracefully.

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From: Nokes, R. Gregory. "Washington Turns Up Heat On Marcos," 25 January 1986. Available from: <https://www.cia.gov/library/readingroom/document/cia-rdp90-00965r000504790001-9>

The drum-beat [sic] of revelations in the United States aimed at discrediting President Marcos in advance of the Feb. 7 election in the Philippines underscores how anxious Washington is to see him replaced.

In the past two weeks, there have been major stories alleging Marcos is in extremely poor health, that his claims to heroism during World War II are largely fraudulent and that he and his wife have salted away many millions of dollars in the United States.

They have come against a background of repeated official warnings from the administration that the election must be fair, which is another way of saying the administration thinks Marcos will steal the election if he could.

"If the White House had asked Bill Casey a year ago to devise a plan to get Marcos, he couldn't have done better than this," said a Pentagon analyst, referring to the director of the Central Intelligence Agency.

Officially, the administration is neutral in the campaign between Marcos and Corazon Aquino, the opposition candidate.

But interviews with officials who spoke on condition they not be identified disclose a virtually unanimous view that the Marcos government is rife with corruption and incapable of undertaking the political, military and economic reforms necessary to defeat a growing communist-led insurgency.

At stake for the administration, in addition to keeping the Philippines pro-West camp, are the largest U.S. military bases overseas—Subic Bay and Clark Field.

Some of the information aimed at discrediting Marcos comes from the many enemies Marcos has made in his 20 years of rule, especially in the large exile community in the United States, some of whom have fled for their lives.

But some of it also has originated from official sources. Rep Stephen Solarz, D-N.Y., has been holding hearings before his House Subcommittee on Asian and Pacific Affairs on alleged U.S. investment of the Marcos family.

Whatever the origins of the information, the administration has made no effort to contradict or discourage the reports.

The State Department declined public comment on reports of Marcos' ill health, while privately confirming them, and officials said they wouldn't "second-guess" [sic] Army documents suggesting Marcos has falsified his war record.

With respect to evidence before the Solarz committee that Imelda Marcos, the president's wife, might own Manhattan real estate worth \$350 million, Paul Wolfowitz, the assistant secretary of state, said the government doesn't keep track of such investments by foreigners because they would not be illegal.

But the State Department later revealed it had routinely and not so-routinely investigated whether the Marcos government might have misappropriated U.S. foreign aid funds.

Spokesman Bernard Kalb said that while no evidence of wrongdoing had turned up so far, the investigation was not yet complete.

Reporters were reminded, too, that the Justice Department has been probing possible contract kickbacks involving the Philippine Military for the past year.

Relations hadn't always been this bad between Marcos and the Reagan administration. Vice President George Bush praised Philippine democracy during a visit to Manila several years ago, and Marcos was warmly received at the White House.

Reagan had even planned to visit the Philippines in 1983, but the trip was quickly cancelled after Philippine opposition leader Benigno Aquino was murdered on his return from American exile in 1983.

Most officials said the murder of [Benigno] Aquino, husband of Corazon Aquino, as the watershed event that turned the administration against Marcos.

Marcos still could win, and the administration is prepared to deal with him if he does. It is sending an official team of observers to view the election.

Washington knows, as Marcos does, that the United States could not afford to abandon the Philippines to the communists just because Marcos were to win a flawed election.

It is with the communist threat in mind, as well as the wish to

support democracy, that the administration is pressing for a fair election.

U.S. pressures have worked to some degree, according to a State Department analyst who said Friday. "It is looking more and more like it will be a moderately fair election."

He said "the kicker" is whether an independent vote-monitoring group known as Namfrel will be able to conduct its own count for the vote on election day, to provide a back-up the government count.

Marcos still has't approved, but Secretary of State George P. Shultz is understood to have pressed Assistant Foreign Minister Pacifico Castro in a meeting here last week. The message, of course, is that the administration does not trust the Marcos government to produce a fair count.

Another example of U.S. pressure was the statement last week of Wolfowitz to the Senate Foreign Relations Committee that a flawed election would be worse than no election, and would open the way to communist inroads as people turned to "radical solutions" to achieve the changes they could not achieve at the polls.

Left unsaid by Wolfowitz and other officials is the widely held private view that of many of them that the fairer the election, the better the chance Mrs. Aquino would win.

EDITOR'S NOTE: R. Gregory Nokes writes on diplomatic affairs for the Associated Press and has been focusing lately on the Philippines election.

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From: The Economist Foreign Report, "Imelda and the Generals," *The Economist*, 7 October 1982. Available from: <https://www.cia.gov/library/readingroom/docs/CIA-RDP90-00552R000404110005-8.pdf>. Released 22 June 2010.

The ambition of **President Ferdinand Marcos's** [sic] influential wife, **Imelda**, to succeed him will almost certainly be thwarted by the armed forces chiefs. This emerges from secret messages of the Central Intelligence Agency obtained by FOREIGN REPORT.

"Mrs [sic] Marcos can be expected to become one of many candidates to succeed her husband, and her manoeuvring [sic] will add

greatly to the political turmoil and instability that will follow his departure," one CIA report predicts. But it will not be easy, according to this report, because her "political coterie" does not include any influential military leaders.

"Much of her power is based on her husband's authority and on the belief among the foreigners and Filipinos that she is able to influence his decisions." Her political organization is "largely made up of mediocre people and businessmen, plus a scattering of politicians and a few military men. Most are sycophants seeking protection."

The CIA believes her strongest opponent is the defence secretary **Juan Ponce Enrile**. "She regards Enrile, a longtime Marcos confidant with strong support in the military, as the principal threat to her ambitions," a secret report says. "Since the early days of martial law Enrile has been widely considered the most obvious successor to Marcos and there is a long-standing deep personal antagonism between Mrs [sic] Marcos and him."

When Marcos planned a purge of corruption in government Imelda added her own contributions to the purge list, hoping to protect some of her supporters in the armed forces who were threatened with dismissals while purging some of Enrile's friends. Marcos pulled back from the purge under military pressure because, the CIA says, the generals asserted that there was no reason why they should be publicly humiliated for corruption while many of the president's relatives were equally tainted.

The CIA reports that Mrs [sic] Marcos "is not well-regarded by senior officers," that their loyalty to the president "does not extend to Mrs [sic] Marcos" and that many "do not like her."

The CIA has learnt that a group of senior military officials have been making plans for a post-Marcos government that would exclude his wife. When it appeared that Marcos is going to nominate his wife as a successor, Enrile was quoted as saying privately: "We members of 'the group' must keep our heads down and our mouths shut. Unless we do we will not survive." The CIA said in this report, that Enrile would have to "smile and do what is necessary to stay alive."

Another CIA cable quotes a Filipino army officer saying that "if Marcos dies before she does, and she makes her anticipated bid for the presidency, then as surely as night follows day, we will get rid of her (We) could not tolerate her running the country." Two other military officers were quoted in the same cable as saying that if Marcos were to die, the armed forces would oppose Mrs [sic] Marcos and "she would be

ordered to leave the country immediately.”

Mrs [sic] Marcos is aware of her weakness and has been trying to develop a military following by courting some officers and by working through their wives, one of the CIA report says. But most of her friends “are opportunists who wanted her help in protecting their economic interests. Few of them carry much weight in the military, and they would not necessarily support her in a bid for presidency.”

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From: “US Influence and the Philippine Succession.” 23 May 1985.  
Approved for Release: 12 July 2010. Available from:  
<https://www.cia.gov/library/readingroom/docs/CIA-RDP87T00573R000700920010-5.pdf>

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SECRET / [redacted]  
The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

NIC# 02648-85

23 May 1985

MEMORANDUM FOR: Director of Central Intelligence

FROM: Carl W. Ford Jr., National Intelligence Officer for East Asia

SUBJECT: US Influence and the Philippine Succession

1. At our last meeting you asked that I give more thought to the crucial issue of the Marcos Era drawing to a close, specifically, how the US might go about influencing Marcos to lay the ground work for a

smooth succession. And indeed Marcos’s [sic] departure either by death retirement, or forcible removal is just around the corner. But he has no yet identified a successor. Moreover, the chaotic economic situation and the growing threat from communist insurgents promises to complicate the process even more. [redacted] This memo presents six hypothetical options you may find useful in thinking about this question. I conclude with a discussion of three problems associated with viewing president Marcos as the principle agent of reform and protector of US interests in the Philippines. .

2. The options presented below are only illustrative of the range of possibilities available and not intended as an exhaustive, [sic] detailed examination of all alternatives. Although the options presented are not based on any preconceived notion or analysis of root causes of the problems today confronting the Philippines, one’s views and changing circumstances of course will have an important influence in choosing a favored objective [?] or course of action. For example, Options I-II presume Marcos to be an essential element of any solution while in options IV-V Marcos is seen as a large part of the problem; [redacted].

Option I: Encouraging Marcos to Select a Highly Qualified Running Mate in 1987

#### Overview.

Marcos intends to run for reelection [sic] in 1987, but recognizes that the question of succession is vital to the future of the Philippines, his place in history, and the fate of his family. He also appreciates the stake America and the free world have in strong and viable Philippines. Accordingly, he indicates an interest in identifying potential successors and grooming them for the day when he no longer will be around.

#### Objective.

The US would seek to persuade President Marcos that everyone’s interests dictated that he take concrete steps to prepare for an orderly succession—preferably by selecting a running mate in 1987 best able to lead the Philippines through perilous times and protect the status and fortune of the Marcos family.

### Strengths.

- takes Marcos at his word as a point of departure;
- plays on motivations believed important to Marcos, (e.g., the future of the Philippines, his place in history, the fate of his family);
- dovetails nicely with current US policy, i.e., “Marcos is part of the problem, but he is also part of the solution”;
- better than even chance that Marcos will act on US suggestions;

### Weaknesses.

- Marcos admits there is nobody on the scene currently who considers a worthy successor and promises only to identify potential candidates to carry on;
- leaves details and timing of succession largely in Marcos’ hands;
- assumes Marcos will choose a successor wisely;
- accepts a Marcos regime in the Philippines for the foreseeable future (there is a fifty percent chance he will live beyond 1987)

Option II: Encourage Marcos to Select a Specific Running Mate in 1987

### Overview.

Same as Option I

### Objective.

The US would seek to persuade President Marcos to select a successor—Vice Presidential running mate—preferred by the US (either a specific individual or a list of possibilities to choose from).

### Strengths. (Same as Option I plus)

- avoids Marcos seeing himself as the indispensable [sic] man and attempting to procrastinate on grounds that there is no one currently on the scene capable of replacing him.
- increases the likelihood of capable successor being named rather than simply a crony-loyalist

### Weaknesses.

- Marcos more likely to resist efforts to micromanage;
- gives Mrs. Marcos advance notice that US opposes her succession and could precipitate a family power grab in the event of presidential

incapacitation;

- essentially limits succession to one of several current KBL [Kilusang Bagong Lipunan] leaders or possibly a current military leader turned civilian politician

Option III: Insist Marcos Pursue Option I or Option II

### Overview.

Same as Option I and II.

### Objective.

The US would insist that Marcos take concrete steps (exert maximum pressure) to select a successor (Vice Presidential candidate) prior to 1987 elections. This could be combined with either Option I (Marcos selects) or Option II (US selects).

### Strengths. (Same as Option I and II plus)

- insures Marcos understands that the US views the situation in the Philippines with great concern and places a high priority on a stable succession;
- takes account of the short time frame available before the 1987 elections, i.e. attempts to exert maximum pressure on Marcos to prepare for an orderly succession.

### Weaknesses. (Same as Option I and II except)

- entails greater risk of Marcos resisting US pressures;
- requires backup plan if Marcos refuses to accede to US wishes.

Option IV: Encourage Marcos Not to Run for Reelection in 1987 and Instead Choose a Successor to be the KBL Standard Bearer

### Overview. (Same as Option I-III plus)

President Marcos has lost much of his credibility over the past two years with both members of his own party—the KBL—and the moderate opposition. Much of his grassroots support—historically one of his greatest strengths—also seems to have eroded substantially. Many



increasingly believe Marcos would have a difficult time winning a “free and fair” election, but fully expect him to rig the results flagrantly if necessary to insure a victory. Such tactics, they believe, would dangerously polarize the society with an accompanying loss of confidence in constitutional procedures. Observers on the scene also increasingly doubt if the Marcos government has the ability or the will to institute basic, fundamental political, military and economic reform and believe this dangerously aggravates an already serious situation and risks communist insurgents obtaining even more popular support.

#### Objective.

The US would encourage Marcos to announce his retirement and name a successor to be the KBL’s standard bearer in the 1987 election.

#### Strengths.

- facilitates a transfer of power from Marcos to a successor in 1987;
- transfer occurs essentially through established constitutional procedures, i.e., 1987 elections;
- Marcos stepping down increases likelihood of Congress and American people supporting expanded assistance to the Philippines;
- improves chances of fundamental reform including implementation of counterinsurgency program.

#### Weaknesses.

- requires maximum US pressure to overcome Marcos’s [sic] almost certain objections;
- runs the risk of Marcos backlash;
- does not eliminate possibility of fraudulent elections and weak or ineffectual successor government;
- “free and fair” elections, on the other hand, could result in relatively unfriendly successor government.

Option V: Insist that Marcos Not Run for Reelection in 1987 and Instead Choose a Successor to be the KBL Standard Bearer

Overview. (Same as Option I-IV)

#### Objective.

The US would insist that Marcos announce his retirement and name a successor to be the KBL’s standard bearer in the 1987 election.

#### Strengths.

- facilitates a transfer of power from Marcos to a successor in 1987;
- transfer occurs essentially through established constitutional procedures, i.e., 1987 elections;
- Marcos stepping down increases likelihood of Congress and American people supporting expanded assistance to the Philippines;
- improves chances of fundamental reform including implementation of counterinsurgency program.

#### Weaknesses.

- requires maximum US pressure to overcome Marcos’s [sic] almost certain objections;
- runs the risk of Marcos backlash;
- does not eliminate possibility of fraudulent elections and weak or ineffectual successor government;
- “free and fair” elections, on the other hand, could result in relatively unfriendly successor government.

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3. In addition to the question of influencing the succession, the US hopes to prod President Marcos into making fundamental political economic and military reforms. US policy, for example, explicitly assumes that while Marcos is part of the problem he is also part of the solution. Therefore, successful reform, as in the case of Marcos choosing a successor, depends to a large extent on what the President is willing and/or capable of doing to initiate changes. But many in the intelligence community believe that the prospects are bleak on both counts. A growing body of evidence suggests that President Marcos is neither willing nor able to institute essential reforms. The package of reforms for example, the US is insisting upon, if implemented, would dismantle the power structure Marcos has created and undermine his own hold on power. It appears unrealistic to ask the President to purge the military of corruption and abuses, for example, when those tossed out would largely be those most loyal to him personally. The same is true for straightening

out the economic mess. Many also believe Marcos will have trouble being returned to office in the “free and fair” election we are calling for.

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[redacted] Most important, it suggests that Marcos has chosen an approach to the insurgency with serious flaws. Even a Marcos in his prime would have difficulty implementing such a micro-managed program—requiring presidential decision making on all aspects of the program and regional (decentralized) implementation—on a sustained basis. But Marcos is not in his prime and [redacted] he will have regularly reoccurring [sic] health problems for the foreseeable future. Accordingly, the prospects for such a plan to succeed are doubtful.

Marcos appears to be relying heavily on his past solutions to problems as answers for today’s troubles. [redacted] taking personal charge, is very similar to the way he handled the NPA in the late 1960s and the Moro rebellion in the 1970s. In these instances, however, Marcos’ health was not a factor and the problems were essentially regional rather than national in scope. He could afford to concentrate his resources in a relatively small area until the problem has been resolved. Unfortunately, the current insurgency differs substantially from these earlier examples in that it has broken the regional mold and has spread to throughout all major islands. The earlier approach just is not suited for an insurgency of such wide scope and intensity.

He also seems very conscious of what delegating more authority to his ministers could mean for his own position. As a student of history remembers clearly President Quirino’s fate once Magsaysay has pacified the Huks [HUKBALAHAP] in the 1950s. He appears intent on protecting his own rule even if it means less effective counterinsurgency program.

[redacted]

[initial portion of page 8 is redacted]

Again Marcos appears to have chosen an approach he used successfully against the NPA and the Moros earlier in his career. In both cases, he relied heavily on concerted military pressures followed up by

economic reforms and other programs. In this instance, however, he has chosen to disregard reality and the advice most of his senior advisers are giving to him.

All objective observers hold that the military equation is far different today than when Marcos first confronted the NPA in the late 60s and early 70s—the AFP’s [Armed Forces of the Philippines] capability has deteriorated while the insurgent’s military power has increased. Few believe that a military solution in such circumstances without reforms and a substantial upgrading of the AFP, can succeed.

Moreover, all of Marcos’s [sic] defense advisors advocate a coordinated civilian-military counterinsurgency strategy. [redacted] the first essential step in any successful counterinsurgency strategy is to “win back the support of the people” in the contested areas [redacted] through political, economic, and military programs. Only then can you stop the spread of insurgency and begin to concentrate on the area already lost. Many others I am sure would agree [redacted] They also probably recognize that relying primarily on “clearing operations,” unless it can be done swiftly and cleanly, invites further polarization of the society and more not less sympathy and support for the insurgents.

[signed]

Carl W. Ford, Jr.

SECRET / [redacted]

SUBJECT: US Influence and the Philippine Succession

DCI/NIC/NIO/EA:FORD [redacted]

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## Opposition to Marcos rises on Hill

Congress opposition to Filipino President Ferdinand Marcos yesterday as the Reagan administration threatened to cut off military aid to the Philippines.

On Capitol Hill, critics of the Marcos regime called not only for an end to military aid—\$55 million this year—but for the resignation of Mr. Marcos, and asked President Reagan to make a personal request to Mr. Marcos to step down.

Some lawmakers said the Marcos regime has had almost no chance of survival since Mr. Marcos was declared the winner of a hotly contested and highly suspect Feb. 7 election.

"One of the things this administration does very well is implement their policy of democratic evolution or revolution, as the case may be," Sen. David Durenberger, chairman of the Senate Intelligence Committee, said yesterday in calling for Mr. Marcos' resignation.

"I think this administration has known all along that at some point in time, the unique ability of Ronald Reagan and his personal touch would be a decisive factor in bringing peace to the Philippines," he said.

Sen. Richard Lugar, the Senate Foreign Affairs Committee chairman who led the U.S. team that monitored the election, said the administration should encourage the Filipino leader to step down.

"President Marcos must come to the same conclusion our president arrived at ... that given an election, of fraudulent results, no legitimacy, it's difficult to see how this regime can continue," Mr. Lugar said. "He'll have to step down."

The two lawmakers echoed themes that were prevalent yesterday on Capitol Hill: How can a free society, the leader of the free world, monitor an election, pronounce it fraudulent, and support the regime that perpetrated the fraud?

That question has been complicated because Mr. Marcos is an avid anti-communist who says he holds the key to keeping the U.S.

military bases, essential to the support of non-communist nations, in the Philippines.

The Reagan administration, despite the pressure from Congress to immediately halt aid to the government, had put off action until U.S. special envoy Philip C. Habib, returned to Washington yesterday.

But after consulting with Mr. Habib, the White House announced last night it would cut military aid if it seems that the aid will be used against the Filipino people.

It was unclear whether Mr. Marcos would be given asylum in the United States as troops loyal to Mr. Marcos five miles from the presidential palace began tear-gassing anti-Marcos forces, according to reports from Manila.

"The only ones who can possibly benefit from massive bloodshed and perhaps civil war are the communists, and the only way to prevent bloodshed and possibly civil war at present time is for Mr. Marcos to step aside," said Rep. Stephen Solarz, the New York Democrat who chairs the House Foreign Affairs subcommittee on Asian and Pacific Affairs.

Mr. Solarz believes asylum for Mr. Marcos should be given "only if he is going to step aside without plunging his country into a civil war," a Solarz aide said last night in a telephone interview.

But forces, such as Sen. Jesse Helms, North Carolina Republican and others who voted against a Senate resolution condemning the Feb. 7 election, said Mr. Marcos should be given asylum because he has been fighting communist forces that helped opposition candidate Corason Aquino.

The House Foreign Affairs Committee, which was waiting for Mr. Habib's return to vote on cutting off aid to the Marcos government is expected to act quickly this week, and the measure is expected to fly through the House, to the Senate, where there is a chance that it may be filibustered by conservatives.

Conservative forces in the House have all but abandoned Mr. Marcos because of reports of election fraud.

Even Rep. Gerald Solomon, the New York Republican who has avidly supported the Marcos government as a "bastion against communism," voted last week to cut off further aid to the regime.

The measure would place military aid in a trust fund and channel economic and humanitarian aid through charitable organizations such as the Roman Catholic Church.

Mr. Solarz, New York Democrat, said support for Mr. Marcos is

Washington is “somewhere between nil and negligible.”

Georgia Sen. Sam Nunn, ranking Democrat on the Armed Services Committee, urged Mr. Reagan to offer asylum to Mr. Marcos only “if he steps down peacefully and if he does so immediately and if he does so without bloodshed.”

Sen. Larry Pressler, South Dakota Republican who serves on the Foreign Relations Committee, predicted bloodshed whether Mr. Marcos stepped down or not. “What comes after Marcos could be much worse,” he said.