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APEC Boosts Economies by Reducing Trade Barriers
By Edwin Quinabo

Aquino III is expected to extend President Benigno S. Aquino in Washington, 1993. Philip-time that the U.S. is hosting the World Bank and International Mone-

ty Fund (IMF) it is about 40-45th in the world, or in the upper 20 percent of world countries. The GDP growth is about 7 per-
cent. As a developing country, it is still posting positive growth while many fully industrialized nations record flat or negative growth. The Philippines GDP growth at the expense of maintaining national debt as in the U.S.

What GDP does not meas-

ure is quality of life, quality of family, quality of health, quality of economic independence, quality of national freedom, quality of business practices, quality of environment, nor fair-
ness in income distribution. Should the Philippines choose to move in a dangerous direction of attracting investments at all costs as other developing countries with higher GDPs that com-
pletely lift most environmental and labor laws, and abolish ex-
port taxes, the Philippines in the long term will find its efforts counter productive in building healthy, independent communi-
ties. Down this path, only a se-
clect class of individuals would benefit. This would be irrespon-
sible of the APEC summit. The Phi-
lippines could not reverse once ventured too far down the road. The gold standard for the Philip-
ines should be attracting "qual-
ity investment." Investors helping to build infrastructure are most at-
tractive.

In the country’s rush to grow too rapidly and build their GDP, the Philippines must also be mindful of running up their exter-
nal foreign debt. At the close of 2010, the country’s foreign debt to the IMF, World Bank, and private corporations totaled US $60 billion. The Debt-GDP ratio stood at 134 percent for 2010, which is high. Putting it into per-
spective, Asian banks and lenders generally would reject debt ratios exceeding 40 percent. Again, a high GDP doesn’t trans-
nform into a healthy GDP growth from factoring in debt. Given the weak global economy, the Philippines through Bangko

Central ng Pilipinas, its central bank, ought to work with IMF and the World Bank at the APEC summit in restructuring their loan-interest rate portfolios.

Sustainable Economic Growth

With 32 percent of the Philippine population living in poverty (58th in the world, upper 36 percent), the country has a lot to work on ensuring that basic necessities of food, water, shelter, education and healthcare are accessible to the masses of people. Foremost among any type of economic growth the country seeks is the country’s food security. The country must develop advanced methods of farming and provide incentives for large agricultural landowners to supply food to a greater majority of the popula-
tion. Tax incentives or outright land reform should be developed strategically to ensure that more Filipinos are involved in agricul-
ture both as a 1) business and 2) farming as a means to feed the community. APEC and the Philippines are working in part-
nership to improve the country’s food security. Philippine law-
makers must also ensure that the country’s food demand is given first priority. Eradicating starva-
tion in poverty-stricken commu-
nities should take precedent while balancing the amount of food to be exported abroad for profit. The food produc-
tion yields, mixed farming and crop rotation should also be con-
sidered to prevent long-term de-
struction of soil quality. Establishing clean and en-
ergy-efficient methods is another important goal in sustainable economic growth. APEC is working with the Philippines in the development of electric rural transportation and harnessing natural resources for public use in homes and businesses. The Philippines is fortunate to be rich in mineral and geothermal en-
ergy resources. The country is able to produce enormous MW of electricity from geothermal sources that supplies 27 percent of total electricity production, second only to the U.S. The dis-
covery of natural reserves in the Malampaya oil fields off Palawan is being used to gener-
ate electricity already in three gas-powered plants. As an is-
lands-nation, the Philippines is at an advantage to integrate solar,

water and wind to the country’s energy program. Energy re-
sources are available, it’s just a matter of optimizing clean pro-
duction and fair, efficient distri-
bution. The Philippines can build partnerships with other APEC-
country members further along the path of establishing clean, al-
terative energy.

Filipines Around The World Watching

Filipino communities around the world watch in ex-
citement the development of our ancestral home country. In the setting of the APEC summit, we hope that leaders of the Philip-
ines always consider first the welfare of its people over invest-
ment just for investment sake and a rising GDP. Progress of a country goes well beyond eco-
nomic growth which in some parts of the world has become nightmarish in undermining democracy and the ecosystem. We are confident in our Filipino leaders back home that they will embrace sustainable economic growth. As Filipinos, we have a rich tradition of putting people first. Our watchful eyes on shared power and love for free-
dom have kept our leaders in check. How else could we ex-
plain the successful, non-violent revolitions in the Philippines that have reversed power by a few back to power by the people.

We are proud that the coun-
try has advanced well enough to be active, strong members of APEC, contributing to the bet-
terment of the region and world. Yes, the Philippines is open for business. Quality investors are welcome who will help to build communities, compensate workers fairly, and preserve the country’s environment. Filipinos have one of the few genuine mixed economies left of service, industry and agricult-
ure. The latter two, industry (manufacturing) and agriculture, are preferred and must be strengthened for long-term eco-
nomic vitality.

It is in the Philippines to has immense work to be done; but in its pursuit toward modernization, we hope Filipinos can achieve balanced growth, maintaining family bonds, intel-
lectual, emotional, moral and spiritual existence—this is the Filipino way of life. Matuhay to our kababayans and welcome to the APEC summit.

OPINION

Sustainable Delegation Should Focus On Sustainable Growth at APEC Summit
APEC Marks Hawaii as a Business Destination

By Fiedes Doctor

Hawaii will be in full view to the world as Waikiki, Nimitz Highway and the rest of Honolulu have been spruced up for the culmination of APEC this November, which welcomes about 20,000 delegates, staff, friends and family, and media from 21 countries representing more than half of the world's economy.

"This could be $120 million for Hawaii's economy," says Rep. Tom Brower, Chair of the Tourism committee whose district covers Waikiki. "I am happy to see beautification projects around my neighborhood. In a way, I wish these efforts were ongoing. New sidewalks, nice trees. Overall, it's cleaner. It was nice to see the government and businesses work together to help us put our best face forward."

Hawaii was handpicked by President Barrack Obama to host the APEC Leaders' Week from Nov. 7 to 13 putting the Aloha State in the map not only as a tourism destination but as a business, meetings and conventions destination.

"Our analysis shows that APEC Leaders' Week will generate more than $120 million in direct spending to our community and more than $7 million in tax revenue," says the APEC 2011 Hawaii Host Committee. "But the real benefit is the long-term opportunity for Hawaii to position itself as a place for business, innovation and investment."

Led by Senator Daniel Inouye, with the cooperation of federal, state and county government officials, Hawaii business leaders, labor and non-profits, the Hawaii Host Committee was formed to provide help with all of the arrangements necessary to support APEC Leaders Week.

"Successfully executing APEC 2011 will strengthen our reputation as a world-class destination for meetings and conventions," the Committee underscored. "APEC is a good opportunity for Hawaii to showcase itself as a travel destination not just for couples, but for businesses as well," agrees Brower, mentioning that the Convention Center can hold up to 30,000 people. It has won several awards, most notably the Prime Site Award, which it has received since 1999.

Approximately 1,000 volunteers are presently being trained in various capacities including hospitality, meet/greet delegates, and as directional support and meeting room attendants, at the Honolulu International Airport, the Hawaii Convention Center, events and receptions, hotels and on transportation shuttles.

For the Business Innovation Showcase, out of 100 applications, the five final awardees are: Skai Ventures (Statewide), Sopogy (City & County of Honolulu), Big Island Carbon, LLC (Hawaii County), TREC Enterprises (Kauai's County) and HNU-Energy (Maui County). They will be given opportunities to advertise and market their products and services at several venues including Ala Moana Center and the Hawaii Convention Center, virtual display booths, and other media opportunities, and to connect with the 21 economies and US mainland companies.

Economy leaders will be coming from Australia; Brunei-Darussalam; Canada; Chile; China; Hong Kong; China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; Philippines; Russia; Singapore; Chinese Taipei; Thailand, Vietnam and the United States.

Secretary of the Treasury Timothy Geithner will convene the APEC Finance Ministerial Meeting on Nov. 10 while Secretary of State Hillary Clinton and U.S. Trade Representative Ron Kirk will co-host the APEC Ministerial Meeting on Nov. 11. President Barack Obama will convene the APEC Economic Leaders' Meeting scheduled on Nov. 12-13.

Nov. 13 will be the North American Leaders' Summit with Prime Minister Stephen Harper of Canada and President Felipe Calderon of Mexico with discussion focusing on competitiveness, citizen security, energy and climate change, and North America's role in the Americas as well as in global economic, political, and security issues.

Philippine President Benigno Aquino III, who is visiting the State for the first time, (continued on page S11)
The term APEC (Asia-Pacific Economic Cooperation) has not been around very long. It was popularized in recent decades with the rise of globalization, which advances the theory of a global society in which goods, knowledge, ideas, communications, beliefs, fashions, drugs, products and so on, flow across and beyond territorial boundaries of independent nation-states in the international community.

In short, globalization advances the view that the construction of a global society is the way to go for the future of nations of the world. This in turn means a “single place” bound together by the interdependence of financial, economic, technological and ecological factors. This view runs counter to the notion of independent nation-states based on the principles of nationalism and autonomy.

With the increasing popularization of globalization came the need for interregional cooperation in the various continents such as the European Union (EU), the North America Free Trade Agreement (NAFTA) and now APEC, to mention only some major examples. They are all premised on the philosophy of interdependent economies, which are deemed better off if the flow and production of goods across territorial boundaries could be more systematically and efficiently organized and managed by reducing the barriers that prevent such results from happening. Globalization signaled the beginning of a new era in terms of revising or rearranging past structures of production and distribution, which are deemed outdated for a rapidly globalizing world.

A NEW ASIA-PACIFIC REGION

Historically, Asia was divided into three basic components. The first is East Asia (earlier known as the “Far East”) which includes the countries such as Japan, China and Korea—which have become the “First World Asia.” The Philippines was originally included in this listing because in the 1950s and 1960s, its economy was basically strong, next only to Japan, as observers were wont to say then.

The second is Southeast Asia, a group of mostly smaller and “less-developed” countries and territories, which includes the Philippines. This part of Asia has been described as one of the most ethnically, linguistically and culturally diverse regions in the world. Singapore is included here but it is part of “First World Asia” in terms of its international economic standing.

The third is South Asia, another collective grouping of culturally-diverse societies which includes India, Pakistan, Bangladesh, Sri Lanka, Nepal and other smaller territories in the region.

The term “Pacific” was used in a discrete sense to designate territories and island nations encompassed by the vast Pacific Ocean, which were conventionally divided into Melanesia, Micronesia and Polynesia. With the current configuration, nations in the Pacific Rim like Australia, New Zealand, Russia and Chile are now part of the “new” APEC construction.

The advent of globalization and consequent international migrations and movements beyond these conventional territories enhanced the need to form a larger entity to better manage the International traffic of human and material resources. In time, the existing regional bodies at the time, such as ASEAN (Association of Southeast Asian Nations), moved closer to becoming part of yet another overarching body, now known as APEC.

The rationale for such transformation was that the time had come for a “new world system” to integrate smaller economies and sub-economies into a broader framework through such devices as free trade, international agreements and standards of democratization, deregulation and decentralization, which would result in more efficient and productive economic growth that would benefit most of the countries participating in these integrated networks of international trade. Thus APEC was born based on these economic principles and its global reach transcends historically-defined national boundaries.

The rest of this essay will argue that APEC’s perceived macro-economic gains cannot be said to apply universally to the poorer members of the alliance, such as the Philippines and its counterparts in the “Third World” which have persistent fundamental problems like poverty, corruption, social inequality, poor educational systems, insurgency, ill health, low or inadequate job preparation and other problems of a social and cultural nature.

Space doesn’t allow a full discussion of these fundamental structural issues in the country, so we can only deal with two of these most serious problems, namely poverty and corruption.

PHILIPPINE POVERTY IN THE CONTEXT OF APEC

Among the original six ASEAN members, the Philippines has the most persistent incidence of poverty as measured by living on the equivalent of U.S.$1.25 a day. The other five countries have shown steady progress in reducing poverty since 1998, but the Philippines has not.

The current figure for the poverty index is 28 percent, which is a questionable statistic to begin with. Some sources estimate as high as 70 percent, others from 50 to 60 percent. In whatever way it is measured, the Philippines ranks among the poorest in the current 21-member APEC and only a cut above the most impoverished nations of Asia, such as Laos, Cambodia, Burma (Myanmar), Bangladesh, Pakistan and East Timor.

It is extremely hard to accurately measure the extent of poverty in any of these countries because it varies immensely in degree. The CDE sectors in the Philippine economy, which constitute the vast majority of Filipinos, experience varying stages of poverty, which cannot be measured entirely by income level.

A poll taken in September 2010 counted 16 percent of households (equivalent to 3 million families) claiming to have nothing to eat at least once in the past three months. Figure on an average of 5 members per family and that immediately translates to some 15 million Filipinos facing occasional hunger. And if the 28 percent figure mentioned earlier designating the poor sectors of the population were to be translated in terms of bodies, that means about 30 million people in a population of 94 million (as of 2010). The persistence of poverty in at least one-third of the population cannot sustain even moderate economic growth, let alone maintain social and political stability.

Fortunately, many in these poorer sectors are able to survive not because of APEC or governments but because of regular remittances they receive from families and relatives overseas, mostly in the U.S. and the Middle East, which amount to some $20 billion annually. That’s more than 10 percent of the country’s GDP. Without this safety net, the Philippines would be even poorer. The “underground economy” also enables the people to eke out a daily existence at the fringes.

However, with the current worldwide recession and financial crisis, these remittances will decrease, resulting in harder times for much of the population in the Philippines. It’s a vicious cycle that perpetuates the sense of dependency that has resulted from this continuous flow of remittances from abroad, which also results in social ills like dividing families and letting children grow up with either or both parents absent.

Meanwhile, the government continues to rely on this steady source of foreign income almost to the point of not aggressively pushing measures to stem the international outflow of much of the country’s labor force. There is also the nagging question of what the government does with the proceeds or interest incomes from these remittances, which are deposited in foreign Philippine banking systems, before they reach the beneficiaries in the country.

In any event, poverty remains the most serious problem in the country and poses a major barrier to economic growth, even if in recent years the Philippine economy was reported to have gained at the rate of 4.4 or even 5 percent annually. High population growth and political instability in some areas have contributed to the persistence of the poverty condition.

ENDOMIC CORRUPTION

This is another scourge afflicting Philippine society, which has been viewed cynically by Filipinos themselves as a “way of life.” The Philippines has one of the biggest numbers of anti-corruption laws and measures and dramatic investigations are constantly being conducted by a slew of anti-graft offices created to prosecute official corruption. But alas, no big-time graffers or notorious individuals who are known corrupters have ever been jailed or meted appropriate retribution. At most, convicted presidents like Joseph “Erap” Estrada are placed under house arrest in very comfortable quarters in the metropolitan area. Or else, accused officials or cronies of high officials, such as those in the Marcos regime, either win their cases or even get re-elected to public office. Strange country we have! In other countries, these corrupt officials are banished permanently never to return to the countries they plundered. In many cases, they are assassinated or brought to swift justice.

In his inaugural address in June 2010, President Benigno (continued on page S5)
Aloha & Mabuhay to President Noynoy Aquino and His 2011 APEC Summit Delegation!

Welcome and Mabuhay to President Benigno S. Aquino III and His Delegation to APEC Summit 2011!

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APEC 2011 in Hawaii

REDEFINING... (from page S4)
Aquino III proclaimed, “Kung walang korap, walang mahirap!” (If no one is corrupt, no one is poor!) You may not necessarily agree with that pronouncement, but it underscores one of the highest priorities of the new administration. It also shows the clear relationship between poverty and corruption.

“Corruption basically robs the government of the ability to positively affect the lives of every Filipino,” Aquino stressed in his inaugural speech. Now, full-scale investigations are again filling the air against accused corrupt parties in the previous Arroyo administration, including possibly the former president herself, who is currently a member of the Philippine Congress.

Of course, it remains to be seen how far these investigations will go and if there will be conviction rates that can at least convince the usual skeptics that this anti-corruption crusade has taken off. It has become a trite expression, but the lack of political will on the part of the national leadership is at the heart of this continuing issue of corruption.

Corruption, of course, adds tremendously to business costs, so it is viewed as the most devastating problem negatively impacting the Philippines’ investment climate. In a Transparency International (TI) corruption survey in 2010, the Philippines received the same shameful score close to the gutter, meaning the highest locus of corruption, as Bangladesh, Zimbabwe and Nigeria, and was just one tenth of a point above Pakistan. However faulty the methodology of some of these polls comparing nations on some national variables, it just feeds the poor image or perception of the Philippines as far as the prevalence of corruption is concerned.

This is the biggest challenge for the Aquino administration, in addition to the more fundamental poverty. If the president can make his anti-corruption program work in terms of producing credible results, not slaps on the wrist or watered down punishment, President Aquino will have found a “defining moment” for his presidency.

Every presidency, however bad, usually aspires to such dramatic defining moments in history. His mother, Cory Aquino, however hemmed in she was by various coup or destabilization attempts, will always be remembered as the one who restored “democratic space” through “people power” in the country following the ouster of a well-entrenched dictatorship.

Her son should be able to follow by making his own mark on future Philippine history and he can focus on his anti-corruption crusade or the most meaningful “land reform” the country has had.

CONCLUSION
I have no doubt that APEC is generally concerned about reducing the extent of social ills and inequalities, such as the ones discussed above, among its member nations, especially those that have been growing negatively vis-a-vis their more successful counterparts in the alliance. This is or should be a natural concern because APEC’s economic goals cannot be achieved in a vacuum. Economic progress cannot occur under dire conditions of continuing poverty, social injustice, ill health, inadequate or poor education, corruption, political instability and low level of skills and productivity.

However, most policy pronouncements coming from international or regional entities like APEC and advocates of globalization aggressively stress “engines of economic growth” such as information technology, computer training, tourism, trade promotion, export diversification, private sector job creation, land or property development and other such goals of a macroeconomic nature.

Such goals essentially favor those who already have developed more advanced human and material infrastructures to pursue these kinds of economic endeavor—in short the more industrially advanced economies of the so-called First World. Globalization is leaving the poor countries behind even as the modernization train rolls along. Economic gains on the national level do not trickle down to the great majority of the masses on the periphery. “Free trade” has often been criticized as advancing the already economically advantaged nations, while the poorer countries lag further behind. And “globalization” has been demonized for exacerbating rather than reducing the wide income disparities that exist among nations.

As we begin the second decade of the 21st century, it’s imperative that the globalization paradigm and its spin-offs like APEC be redefined radically to factor in the importance of equally, if not more salient, issues that can lift the poorer nations from the quagmire of poverty and a host of other historical, social and political deficits. In this way, they can begin to gradually move towards the path to sustainable productivity, respectability, security and prosperity.

f/DR. AQUINO is former Professor of Political Science and Asian Studies at the University of Hawaii-Manoa, where she was also the founding Director of the Center for Philippine Studies. An internationally known authority on contemporary Philippine society and politics, Dr. Aquino has authored numerous books and publications and served as visiting professor, research fellow, lecturer, vice president and consultant in various foreign institutions including the prestigious Tokyo University of Foreign Studies.)
The Status of Education in the Philippines

By Teresita G. Bernales, Ed.D.

Historically, the Philippines is a pioneer in education in Asia. We have the oldest universities, colleges, vocational schools and the first modern public education system created during the American colonial period. In 1899, one author said when Spain was replaced by the U.S. as the colonial power, Filipinos were among the most educated subjects in all of Asia. However, Philippine education is no longer the leader in Asia and is slipping further behind most Asian countries as shown by its failure to educate about one third of its elementary-aged population.

In 1991, the education system was reaching a large part of the population, at least at the elementary level. In 1988, the number of those who completed fourth grade was 88 percent, up from 82.6 percent in 1970. Literacy rates were virtually the same for women and men. Elementary education was free and in the 1987 academic year, was provided to some 15 million or 96.4 percent of the school age group. High school enrollment rates were approximately 56 percent nationwide but were lower on Mindanao and in the Eastern Visayas region. Enrollment in institutions of higher learning exceeded 1.6 million.

Filipinos have a deep regard for education, which they view as a primary avenue for upward social and economic mobility. From the onset of U.S. colonial rule, with its heavy emphasis on mass public education, Filipinos internalized the American ideal of a democratic society in which individuals could get ahead through attainment of a good education. Middle-class parents made untold sacrifices in order to provide secondary and higher education for their children.

Philippine education institutions in the late 1980s varied in quality. Some universities were excellent; others were considered “diploma mills” with low standards. Public elementary schools often promoted students regardless of achievement and especially those in poor rural areas who had relatively low test scores.

The proportion of the national government budget going to education varied from a high of 31.53 percent in 1957 to a low of 7.61 percent in 1981. It stood at 15.5 percent in 1987. The peso amount however, has steadily increased, and the lower percentage reflects the effect of a larger total government budget. Although some materials were still in short supply, by 1988 the school system was able to provide one textbook per subject per student.

In 1991, the Philippine government and universities had numerous scholarship programs to provide students from low-income families with access to education. The University of the Philippines followed a “socialized tuition” plan whereby students from higher income families paid higher fees and students from the lowest income families were eligible for free tuition plus a living allowance.

Millennium Development Goals (MDG)

MDG is a set of time-bound and measurable goals and targets for combating poverty, hunger, diseases, illiteracy, environmental degradation and discrimination against women. It consists of 8 goals, 18 targets and 48 indicators, covering the period 1990 to 2015. They are:

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

In September 2000, member states of the United Nations (UN) gathered at the Millennium Summit to affirm commitments towards reducing poverty and the worst forms of human deprivations. The Summit adopted the UN Millennium Declaration, which embodied specific targets and milestones in eliminating extreme poverty worldwide. A total of 189 countries, including the Philippines, committed themselves to making the right to development a reality for everyone. For most nations to achieve the MDGs, they must get not only additional financial resources from both domestic and external sources, but also formulate policies and set up an institutional environment that ensures resources are used efficiently and effectively.

Education segment of the MDG: Update on Goals 2 and 3

The Philippines is committed to the World Declaration on Education for All (EFA) and the second goal of the MDG—to achieve universal primary education by 2015. The National Action Plan (UNESCO 2010) adopted in 2006 was formulated as the country’s master plan for basic education. In 2000, the Philippines reported that they had achieved substantial improvement in terms of access to basic education but still faced challenges in the areas of early childhood care and development, internal efficiency and learning outcomes (NCEFA 1999).

The latest report as of February 2011 showed that for Goal 2: Achieve universal primary education, the Philippines will meet about 85 percent of the targeted goal of 100 percent. For Goal 3, Promote gender equality and women empowerment, will be significant only in the ratio of literate females to males but below a failing grade in the employment of women in the non-agricultural sector and proportion seats for women in the national parliament.
THE STATUS... (from page S6)

CHALLENGES

The Philippines has a long way to go to meet the 2015 deadline. It is attainable if the guidelines for implementation are followed and the needed budget is provided for. Filipino parents value education as one of the most important legacies they can give to their children. They believe that having a better education opens opportunities that would ensure a good future and eventually lift them out of poverty. Thus, they are willing to make tremendous hardships to send their children to school.

However, with a poor family’s severely limited resources, education tends to be less prioritized over more basic needs such as food and shelter. Thus, the chances of the family to move out of poverty are unlikely. It is therefore, important that the poor be given equal access to education.

Poverty incidence (socio-economic status), government expenditure on education (percentage of gross domestic product [GDP]) and pupil–teacher ratio (PTR) are key determinants of school attendance or net enrollment rate and for the attainment of MDG Goal 2. Family background and socio-economic factors are as important as school resources in determining whether a child will attend school, survive and complete an education level and achieve an acceptable level of learning outcome.

The 2009 EFA Global Monitoring Report (UNESCO2008) identified the Philippines as among the countries with decreased net enrollment rate from 1999 to 2006, and with the greatest number of out-of-school children (more than 500,000).

Institutionalized Problems

- Insufficient budget: lack of classrooms books and supplies, large number of students.
- Total number of years of schooling: 10, one of the lowest in the world and perhaps one of the factors in the inadequacy of basic education in the Philippines.
- Medium of Instruction: Waver in the use of language should be used in educating Filipinos: English, Tagalog or local dialects. However, use of English for teaching math and science, English and literature subjects has endured.
- Gender issues: some courses are gender-centric especially in vocational subjects and course.
- Drop-out rates: due to poverty, more boys drop out.

The Philippines’ current performance in education based on the trends identified by the EFA and MDG indicators is not promising. It is quite likely that the EFA and MDG targets will not be met by 2015. Overall, the Philippines has suffered a setback in most education outcome indicators. These outcome indicators are now being addressed in the 2012 budget.

The latest report on government spending for education shows that the national government is set to spend P14.68 billion to build 41,381 new classrooms next year (2012) and another P2.879 billion to create and fill 13,000 extra teaching positions for the public school system. These amounts are included in the P238.8-billion allocation for the Department of Education (DepEd) in the proposed P1.816-trillion General Appropriations Act for 2012. The DepEd’s slice of the 2012 national budget is 15.2 percent, greater than its P207.3-billion this year.

This budget appears promising. When carried out and the beneficiaries of this budget implement their programs in a very honest and transparent manner, there is no way but to succeed. There is much to be done between now and 2015. The government is optimistic that target outcomes will be achieved.

Going beyond the goal of universal primary education, one of the most serious problems in the Philippines since the 1980s was the large number of students who completed college but could not find a job commensurate with their educational skills. There is a major disconnect between college education and the workforce needs of the Philippines.

We must have jobs for our graduates. We cannot keep sending our graduates to foreign lands where a multitude of social and emotional problems arise within the family structure and society. Likewise, this prevailing employment scenario is creating a culture of dependency to those left behind. It is not giving any incentive for those left behind to find useful employment since they have a steady income stream from the overseas Filipino workers (OFWs). It is time to revamp the education system to take care of our students and provide training for jobs that are available in the Philippines.

Community colleges are a good source of job specific training for students who are not university material. Parents, schools, counselors and students must be realistic in career planning. Public and private sectors must have jobs for our workers and actively recruit in colleges and universities during students’ 3rd and 4th year of college.

We must stop the brain drain that is hemorrhaging the country. If properly utilized, these trained personnel could facilitate economic development. Filipinos are intelligent, resourceful and creative and when given the opportunity, they will emerge as experts and leaders in their fields, break new grounds and reach over expanding horizons for themselves and their country.
APEC Boosts Economies by Reducing Trade Barriers

By Sen. Will Espero

Manufacturing means jobs, and manufacturing is driven by sales of the products, which are determined by needs of the buyers and the product price. That’s basic. What’s not so obvious are factors that affect the price and ability of the product to be put on the market for sale. That’s where APEC comes into play, and why the work of APEC is so critical to America’s economic health and ability to create jobs for people in our homeland.

Founded in 1989 by Australian Prime Minister Bob Hawke, APEC’s goals continue to be improving the economies of their member nations by reducing trade barriers. Throughout the last 22 years, the countries have negotiated practices and agreements to increase sales of goods across borders, so that trade is fairer and easier.

One of the key issues in these negotiations is the tax that importing countries put on the products we ship out to them for sale over there. Tariffs on products are a serious impediment to sales because these taxes can make products too pricy to be competitive in the other country’s marketplace.

For example, if you bought a Hyundai or Kia, its low price was probably a factor you considered, and that was made possible because the U.S. taxes on those imports is low. On the other hand, South Korea now heavily taxes cars made in the U.S. that are sold in Korea for sale, so that American-made cars cost too much for Koreans to buy. The low sale of our cars in the Korean marketplace creates a large trade deficit. In 2006, only about 4,000 cars manufactured in the U.S. were sold in South Korea, while more than 800,000 Korean-made cars were sold in the U.S. The great imbalance is why the Office of the United States Trade Representative has worked hard to negotiate a free trade agreement with South Korea to eliminate those tariffs. Congress ratified the agreement on October 12, 2011, and it now awaits ratification by South Korea.

The sheer dollar amount of trade the APEC members do with our country is astonishing: more than $2,000 billion. Yes, that’s billion with a “b”. That’s what keeps people employed here – being able to send our goods out to other countries for sale overseas.

The fundamental necessity of preserving and increasing jobs here in America is why cooperation with APEC is so critical for our own economic well-being.

The free trade agreements negotiated in furtherance of APEC goals are expected to increase our ability to sell our products in foreign markets. If South Korea ratifies the trade agreement, the removal of its tariffs on our automobiles in five years is expected to increase American car sales to them by about $250 million per year and increase our exports of machinery and equipment by 33%. The increase in exports means tens of thousands of new American jobs. By one estimate this increase in manufacturing is expected to create more than 70,000 new manufacturing positions here in the states. That’s something we need.

Right now our largest exports to these APEC member countries are machinery; electrical machinery, mineral fuel, and optic and medical instruments. Our other top exports include plastics, aircraft, vehicles, precious stones, and food.

Who are our largest trade partners?

Canada is our top trade partner and the U.S.-Canada relationship is the world’s largest trading relationship. The 1987 Canadian-American Free Trade Agreement made this possible by eliminating tariffs on most goods. In 2010, both countries traded $525 billion in goods (two-way).

China is our second largest goods trading partner. Unlike our more or less even trade balance with Canada, however, the U.S. imports more Chinese products than we sell to them, creating a goods trade deficit of $273.1 billion in 2010. China was our third largest goods export market ($91.9 billion) but our largest supplier of goods ($365 billion).

Mexico, thanks to the North America Free Trade Agreement signed by President Clinton, is our third largest trade partner ($393 billion two ways in 2010). Japan is our fourth largest export market and fourth largest supplier of goods ($209 billion in 2009).

Here’s some facts about our APEC trading partnerships to help understand the great significance of APEC for our country’s economic well-being.

MEMBER ECONOMY TRADE W/ U.S.

Australia

- Australia exports A$9.242 million to the U.S. and imports A$25.401 to U.S. Major imports to U.S.: beef, alcohol, medical instruments, and other meat. Major exports to Australia: are vehicles, civil engineering equipment and parts, medicine, and measuring and analyzing instruments.

Brunei

- 141st largest goods export market in 2009 ($100 million) and 140th largest supplier of goods ($42 million). Major exports to Brunei: aircraft, machinery, electric machinery, optic and medical instruments, and special other. Major imports from Brunei: knit apparel, woven apparel, special other, fish and seafood (shrimp and prawn), and plastic.

Canada

- World’s largest trading relationship: $525 billion in goods trade 2010 (exports $248 billion, imports $276 billion). Top exports to Canada: vehicles; machinery; electrical machinery; mineral fuel, oil, natural gas; and plastic. Top imports from Canada: mineral fuel, oil, natural gas; vehicles; machinery; plastic; and electrical machinery.

Indonesia

- 3rd main export market (US$83.64 billion) and imports of US$62.02 billion. Major imports from Indonesia are oil and gas.

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Japan
4th largest good trading partner with $181 billion (two ways); 4th largest goods export market ($92 billion) and 4th largest supplier of goods ($177 billion). Top exports to Japan were optic and medical instruments, machinery, aircraft, electrical machinery, and cereals. Top imports were vehicles, machinery, electrical machinery, optic and medical instruments, and organic chemicals.

Republic of Korea
7th largest goods trading partner ($88 billion, two ways). Top exports to Korea: machinery, electrical machinery, optic and medical instruments, aircraft, and organic chemicals. Top imports from Korea: electrical machinery, machinery, vehicles, mineral fuel and oil, rubber.

Malaysia
US is Malaysia’s third largest trade partner and it is our 18th largest trade partner ($33 billion two-way). Malaysia is one of world’s largest exporters of semiconductor devices, electrical goods, solar panels, and information & communication technology products. Top exports to Malaysia: electrical machinery, machinery, aircraft, optic and medical instruments, and iron and steel. Top imports from Malaysia: electrical machinery, machinery, optical and medical instruments, rubber, fats and oils.

New Zealand
56th largest goods partner ($5.6 billion two ways). Top exports to New Zealand: aircraft, machinery, special other, optic and medical instruments, and vehicles. Top imports from New Zealand: meat; dairy, eggs, and honey; wine; food additives; machinery.

Philippines
33rd largest goods trading partner ($15 billion two-ways). Top exports: electrical machinery, machinery, cereals, optic and medical instruments, and food waste and animal feed.

Singapore
FTA since 1/1/2004, 1st with Asian country. 13th largest trading partner ($37 billion two-ways). Top exports: machinery, electrical machinery, aircraft, mineral fuel and oil, and optic and medical instruments. Top imports: machinery, electrical machinery, organic chemicals, pharmaceutical products, and special other.

Thailand
24th largest trading partner ($31.7 billion two-ways). Top exports to Thailand: electrical machinery, machinery, optic and medical instruments, plastic, and precious stones. Top imports: electrical machinery, machinery, rubber, prepared meat and fish (shrimp and tuna), and precious stones.

Taiwan
9th largest goods trade partner ($62 billion two ways). Top exports to Taiwan: machinery, electrical machinery, aircraft, optic and medical instruments, aircraft and spacecraft, and iron and steel.

Hong Kong
25th largest goods trading partner ($30.9 billion two ways). Top exports to Hong Kong: electrical machinery, diamonds and jewelry, machinery, optic and medical instruments, and aircraft. Top imports from Hong Kong: electrical machinery, special other, precious stones, machinery, and toys and sports equipment.

People’s Republic of China
2nd largest goods trading partner with $457 billion (two ways). In 2010, China was our 3rd largest goods export market in 2010 ($91.9 billion) and largest supplier of goods imports ($365 billion). Top exports were electrical machinery, machinery, miscellaneous grain/seed/fruit, aircraft, and optic and medical instruments. Top imports were electrical machinery, machinery, toys and sports equipment, furniture and bedding, and footwear. The US goods trade deficit was $273.1 billion in 2010.

Mexico

Chile
31st largest goods trading partner ($17.9 billion two ways). Top exports to Chile were machinery, mineral fuel, vehicles, electrical machinery, and plastics. Top imports from Chile were copper, fruit and nuts, fish and seafood, wood, and wine.

Peru
42d largest goods trading partner ($11.8 billion two ways). Top exports to Peru were machinery, mineral fuel, electrical machinery, plastic, and vehicles. Top from Peru were mineral fuel, copper, knit apparel, precious stones, and tin.

Russia
24th largest goods trading partner ($31.7 billion two ways). Top exports to Russia were machinery, meat, vehicles, electrical machinery, and optic and medical instruments. Top imports from Russia were mineral fuel, iron and steel, enriched uranium, nickel and articles thereof, and precious stones.

Vietnam
30th largest goods trading partner ($18.6 billion two ways). Top exports to Vietnam were machinery, vehicles, food waste/animal feed, iron and steel products, and cotton/yard/fabric. Top imports from Vietnam were knit apparel, woven apparel, furniture and bedding, footwear, and electrical machinery.
Health Lessons to Learn from APEC

By Ramon Lorenzo Luis R. Guinto

This November 12-13, 2011, member countries of the Asia-Pacific Economic Cooperation (APEC) will convene in Honolulu to once again tackle issues of regional economic concern. As a physician and public health advocate, I always try to find links between socioeconomic arrangements such as this and population health and health policy.

This APEC meeting in Hawaii will be President Noynoy Aquino’s second, as this year is also his second in office. I was in Hawaii on the day he was declared the 15th president of the Republic of the Philippines by the Philippine Congress. I was studying global environmental issues as a U.S. Department of State scholar at the East-West Center, but I chanced upon a seminar on health financing, which was by coincidence co-organized by the Philippine Health Insurance Corporation (PhilHealth). I recall asking the president of PhilHealth after his lecture: “How can PhilHealth be an instrument in achieving the President Aquino’s vision of health for all?” He gave practical answers, most of which I have yet to see.

In his first State of the Nation Address last year, President Aquino announced his goal of achieving universal health care for all Filipinos by 2013. Popularly known as the “Aquino Health Agenda,” this ambitious program aims to refocus PhilHealth by increasing benefits for both inpatient and outpatient services, covering the informal sector and the poorest of the poor and mandating zero copayment for indigent patients in government hospitals.

I commend the vision of the current administration to tackle the inequitable access to health care for many Filipinos. The statistics are chilling. A recent study by the University of the Philippines National Institutes of Health found out that of 10 Filipinos who succumb to illness, six die without seeing a doctor. This is in the midst of a highly-skilled health workforce, available medicines and other health technologies, and existing health care facilities, especially in the cities.

However, a year and a half has already passed and little progress has been made. The Philippine government should work double time in addressing this health equity challenge, as health is not a numbers game but a matter of social justice. Health is a fundamental human right and behind these numbers are Filipinos like us who also want to work to provide a better life for their children.

Moreover, human health is a vital resource for economic progress. It is well-established that disease lowers productivity and raises absenteeism among workers and that health care expenditure is the top cause of impoverishment among middle-income families. My hypothesis is that the Philippines remains poor because the people’s health is neglected.

And poverty begets more ill health. It is a vicious cycle.

Fortunately, APEC does recognize the value of health in improving society and strengthening our economies. So in 2003, APEC formed the Health Task Force to address health-related threats to member economies. Since then, the Task Force has touched on a wide range of health issues such as avian influenza pandemics, workplace environments for people living with HIV/AIDS and more recently, non-communicable diseases.

In 2010, APEC upgraded the Task Force into a Health Working Group and expanded its focus by including “strengthening health system of each country including health financing and human resources which would lead to ensuing inclusive and secure growth.” I have high hopes for this initiative as more than ever before, strong health systems are essential in protecting people’s health. I also wish that APEC would look into reducing gross health inequities in the region, which are avoidable and unacceptable. I already mentioned some Philippine statistics that illustrate inequities within a society. Between countries in the region, for example, looking at maternal mortality rate, which is one of the measures of the Millennium Development Goals, 170 for every 1,000 mothers die of unnecessary deaths and preventable causes in the Philippines, while in Thailand the rate is already 36, while only 8 die in Japan. Of course we know that there is no biological reason for these inequities in health to persist.

Instead of tackling selected diseases, APEC should concentrate not just in strengthening health systems, but also in eliminating health inequities and addressing the social determinants of health—the circumstances in which people are born, grow, live, work, and age. This approach means we need to look beyond the health care system—

(continued on page S11)
HEALTH (from page S10)

Social programs, trade agreements, economic arrangements, etc. The Philippine government can take leadership in this initiative, not just because we can share expertise on health care issues, but because we have so much to learn from our neighbors in the Pacific Rim.

For example, in its attempt to tackle social determinants, the government of South Australia pioneered a “Health in All Policies” approach. Through this model, all government programs and policies, whether from the ministry of agriculture or foreign affairs, are assessed through a “health lens” of their impact on health outcomes and their contribution to reducing health inequities. The ministry of health takes the lead in this “whole-of-government” method of addressing health and health equity issues.

When it comes to health systems, Japan is the country to emulate. Considered one of the healthiest nations in the world, Japan’s life expectancy reaches into the 80s. Although the majority of doctors, hospitals and insurance providers in Japan are private, the government adopted a social health insurance model that requires every citizen to be covered. Those who cannot afford the premiums receive assistance from the government. This equitable health financing scheme is complemented with a strong emphasis on disease prevention and health promotion. As more people live longer, they face challenges in terms of caring for the elderly, which they have already started to delve into.

If we are looking for a model closer to us in terms of socioeconomic situation, Thailand is probably the best example. This country has already achieved universal health care, which started with the introduction of the 30-baht system, where every Thai citizen only needs to pay 30 baht to receive needed in- and outpatient health care services. Moreover, Thailand recently set an example in putting health into the hands of the people by creating a National Health Assembly that allows every voice—from government to civil society to academia—to be heard at the policy level. Democratic spaces for participatory governance are central if a society aims to build cross-sectoral commitment towards reducing inequities and tackling social determinants.

The assignment for President Aquino during the APEC meeting is to sit with leaders of these countries and spend a few minutes asking them how health care issues should be tackled domestically. Certainly, there is no "one-size-fits-all" solution to health problems of all APEC members but picking the best features and combining them into a hybrid model might work for us.

Now more than ever, the Filipinos and APEC members at large need to realize that healthy people bring healthy economies, and so further commitment to address pressing health issues in the region is a collective and urgent concern. My fervent hope is that health and health equity will soon be placed at the center of APEC discussions because it is what is best for our economies and right for our people.

RAMON LORENZO LUIS R. GUIXTO is a medical intern at the University of the Philippines Manila-Philippine General Hospital and the Regional Coordinator for the Asia-Pacific of the International Federation of Medical Students’ Associations (IFMSA). In 2010, he was chosen by the United States Department of State as a Global Environmental Scholar at the East-West Center.

APEC MARKS ... (from page S1)

will be meeting with local Filipinos in the political, cultural, academic and business fields after the APEC Leaders’ Meeting.

The Philippine Consulate said in a news report that this would be a chance to present to the President that the 340-thousand Filipino and part-Filipino residents are positively helping build the State and the United States as a whole.

“It’s always a unique and exciting honor for our Filipino Community whenever the President of the Philippines takes the time to visit us,” says Rep. Joey Manahan. “This being President Benigno Aquino III’s first official visit to Hawaii, we are definitely looking forward to meeting him and listening to his vision for the Philippines and for those of us living abroad.”

Rep. Manahan hopes the APEC would lead to a discussion on free trade agreements between the Philippines and the United States given that the US Census Bureau has shown that the US imports more products from the Philippines than it exports.

“I was actually disappointed to learn that a free trade agreement is being considered between the U.S. and eight other APEC economies, but the Philippines is not one of them,” he says. “Perhaps Hawaii can be a spring board for this conversation to take place.”

Other issues he deems important for discussion and which would help boost Philippine economy are: human resource development, food safety and security, and counter terrorism.

This year’s APEC focuses on three themes to achieve a “seamless regional economy” between and among the 21 economies: Strengthening regional economic integration and expanding trade by advancing “next-generation” trade and investment issues; Promoting green growth and fostering job creation in green industries; Expanding regulatory cooperation and advancing regulatory convergence.

Transportation restrictions will be enforced during the APEC to ensure the safety of delegates and guests, but with special accommodations to residents living within the vicinity of the Convention Center and Waikiki, where most of the meetings will take place. For traffic assistance and advisory, contact the Department of Transportation and Services at (808)688-8305 or The Bus Customer Service Department at (808)848-5555. Or check the link http://www1.honolulu.gov/pts / for a more detailed security and traffic plan.

Aloha and Welcome to President Benigno S. Aquino III and His Delegation To APEC Summit in Hawaii

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APEC AGENDA

Security Concerns Part of APEC Agenda

T

he Asia-Pacific Economic Cooperation’s (APEC) secu-

ity concerns are prima-

rily directed at protecting business, trade and investment.

Under a Growth Strategy of Balanced, Inclusive, Sustain-

able, Innovative, and Secure (BISIS) Growth approved last

year in Yokohama, APEC leaders want to ensure that regional

growth and economic integra-

tion are sustainable and widely-

shared.

APEC’s secure growth strategy also strives to provide a

secure environment necessary for economic activity by focus-

ing on counterterrorism and se-

cure trade; preparation for emergencies and natural disas-

ters; enhancement of infectious diseases preparedness, control

of non-communicable diseases, and strengthening of health sys-

tems; strengthening food secu-

rity and food safety; and combating corruption and pro-

mot ing transparency.

The Philippines has actively

pursued a secure growth strategy in all five areas. APEC Philip-

pines reported that in May this

year, the government was se-

cured funding for eight capacity-

building projects worth U.S.

$956,000. The approved projects

address issues ranging from cli-

mate change, food safety, in-

vestor relations, social protection

and micro-, small- and medium-

scale enterprises development.

This article covers terrorism

that continues to affect the daily

lives of Filipinos.

PHILIPPINE RECORD IN

ADDRESSING TERRORISM

APEC has declared that ter-

rorism poses a direct threat to its

vision of secure, open and pros-

perous economies. In their ef-

forts to address this threat, APEC

Leaders have pledged to secure

the region’s people and its eco-

nomic, trade, investment and fi-

nancial systems from terrorist

attack and trade-based money

laundering. The leaders’ individ-

ual and joint actions to counter

terrorism are expressed in two

principle statements—the 2001

APEC Leaders Statement on

Counter-Terrorism and the 2002

Statement on Fighting Terrorism

and Promoting Growth. Their

commitments are also contained

in every subsequent annual

Leaders’ Declaration.

The Philippines is actively

engaged in regional and interna-

tional cooperation to address ter-

rorism. Last year, the country

 ratified the 2007 Association of

Southeast Asian Nations

(ASEAN) Convention on Coun-

terrorism and has hosted the

Third U.S.-ASEAN Senior Offi-

cial’s Dialogue on Transnational

Crime.

On the domestic front, the

Philippines has reduced the abil-

ity of terrorist and militant

groups to conduct terror activi-

ties in the country. The 2010

Country Report on Terrorism by

the U.S. Department of State ob-

served that Philippine security

services, with U.S. support, were

able to conduct counter-terrorism

measures even as resources

were thinly stretched by other

demands, such as carrying out

humanitarian and disaster relief

assistance and securing elec-

tions.

Despite a positive report,

much still needs to be done to

stamp out terrorism. Limited fi-

nancial resources, slow pace of

judicial and investigative re-

forms, corruption, low morale

and lack of cooperation among

law enforcement units continue
to hamper government’s efforts

in going after lawless elements.

Some of these observations

were unraveled following the

January 25 bus bombing along

Edsa and the October 3 coordi-
nated attacks on mining facilities

in Surigao del Norte. Counter-
terrorism analysts claimed that

the bus bombing occurred due to

a lack of a strong intelligence

gathering system. The mining

incident was blamed on amid re-

ports that soldiers were “afraid to

go out on patrol duty because they
doubted if their M-16 rifles would
fire during an encounter with the

enemy.”

The Philippine government

recognizes these limitations and

continues to take steps to com-

bat terrorism. APEC Philippines

reported that there is a project in

the pipeline to secure transporta-
tion against terrorism under

APEC’s banner. This coopera-
tive project between the Philip-

pines and the U.S. will be

implemented in 2012.

Other welcomed develop-

ments are proposed amendment
to the 2007 Human Security Act

that will focus on strengthening

the prosecution of suspected ter-

rorists. One of the provisions

under consideration is the lifting

of restrictions that require au-

thorities to inform suspected ter-

rorists that they are under sur-

veillance and that their bank

accounts are subject to investi-

gation. This is positive news for

the country’s anti-money laun-

dering law.

STRENGTHENING THE ANTI-

MONEY LAUNDERING LAW

The 2011 International Nar-

cotics Control Strategy Report

by the U.S. State Department

ranked the Philippines as 1 of 63

major drug-money laundering
countries in the world. Profits

acquired from the drug trade are

laundered in legitimate busi-

esses and used to influence

government officials for protec-
tion and support. The possibility

of linkages between these illegal

activities and funding of terror-

ist groups complicate the chal-

lenges faced in counterterrorism
efforts.

One of the reasons why it is

relatively easy to conduct

money laundering activities in

the Philippines is the limited au-

thority of the Anti-Money

Laundering Council (AMLC) to

investigate. The AMLC is cur-

rently required to secure a court

order to examine bank deposit

accounts or to freeze assets, in-

cluding those of terrorist organ-

izations on the United Nation’s

list. This requirement goes

against the international stan-

dard that calls for the freezing

terrorist assets without delay

from the time of designation.

The Philippines should enable

AMLC’s access to financial

records so that it can rapidly

freeze suspect/terrorist assets.

There is also a need to crimi-

nalize terrorist financing as a

stand-alone offense. At present, the law requires a ter-

rorist act to have occurred and
does not include financial sup-

port to terrorist entities for other

purposes such as recruiting,

training and social welfare pro-

jects. A recent report related to
terrorist financing involves

Saudi nationals using the cover

of donations to mosques, or-

phanages and madrasas. If

these reports are true, there is an

urgent need to criminalize ter-

rorist financing to complement

the anti-terrorism law.

In summary, the Philippines

remains committed to addressing
terrorism given its limitations in

security and law enforcement ca-

pabilities. It should continue to

seek bilateral and regional coop-

eration to develop its capabilities

and strengthen its counterterror-

ism measures.

These measures include amending the Human Security Act

to strengthen the prosecution of terror suspects, strengthening

AMLC to investigate suspect/terrorist financial

records, and criminalizing ter-

rorist financing as a stand-alone

offense. The Philippines needs
to strengthen these measures in

order to ensure a safe environ-

ment for its people, business,

trade and investment.
U.S. Engagement in Asia

By Kurt M. Campbell

The U.S. is repositioning and rebalancing its foreign policy priorities. What you will see over the course of the next few years is the U.S. shifting its resources and capabilities more from the Middle East and South Asia towards Asia and East Asia as a whole.

The majority of the history of the 21st century will be written in the Asia-Pacific region. We recognize that the future is here. We want a major chapter of the 21st century to be written in the Asia-Pacific region.

If you look historically at American major endeavors on the battlefield, like after the First World War, after the Second World War, after the Korean conflict, after Vietnam, there is a tendency on the part of Americans to come home and focus more attention on domestic pursuits. We believe that because America’s future is so inextricably connected with the Pacific and with Asia, it is essential that we remain engaged strongly. We find that when we withdraw from global politics on this sort of order, very bad things tend to happen. So we argue strongly against isolationist voices that suggest that the U.S. reposition itself more towards domestic endeavors.

The basis of how we seek to proceed in the Asia-Pacific region is maintaining a strong security in political alliances. Our relationships with Japan, Korea, Thailand, the Philippines, Australia, Singapore and the like are central to an enduring American century of purpose in the Asia-Pacific region. But these alliances require constant attention. In addition, it is of vital importance for the U.S. and China to work together in the 21st century. On virtually every level, we have started to build a stronger, deeper, more comprehensive and more positive relationship with China.

In addition to these political and strategic ties, one of the most important things that Asia looks for is that we continue to play a role as an open, optimistic and engaged trade and economic partner. Events of the last week or so underscore our enduring commitment in this regard. President Obama submitted three important trade agreements to Congress last week. We’re expected to create a trade agreement which is the most significant trade negotiation that the U.S. has had for decades. In addition, we are looking for APEC to make consequential efforts towards a framework agreement between all the key partners in the so-called Trans Pacific Partnership. This, we believe, is an extraordinarily important 21st century trade agreement that has enormous possibilities for the region and the participants in this overall organization. Almost every country looks to the U.S. to continue to play a strong and confident role on the economic side. We recognize that there are concerns about the U.S., but if you look at the last 25 or 30 years, there have been a number of times when observers have counted us out or down. After the Vietnam War, there was a belief that the U.S. had lost and was withdrawing from the region permanently. At the end of the Cold War, there was a belief that we had exhausted ourselves and that we would be unable to play a consequential and deep role in the Asia Pacific region.

More recently, there had been conversations about whether the U.S. had finally met its match on the global scene and that we would somehow withdraw. I would simply say that the U.S. has deep, enduring qualities, including our ability to innovate and to modernize our efficiencies. I believe we are destined to play a strong critical, primary role in the Asia Pacific region for decades to come. And I think that one of the reasons that we are involved in the global re-positioning is to send this critical message.

We obviously want to sustain what we think is one of the most important contributions that we bring to the Asia Pacific region, and that is our security presence. We have provided peace and stability for the better part of the last half century. In the last 30, 40 or 50 years we’ve seen remarkable progress economically and politically that have been written under the full presence of the U.S.

You’ll see over the course of the next several months and years efforts on the part of the U.S. to diversify our capability from a small number of bases in Northeast Asia to a range and myriad of different kinds of arrangements throughout Southeast Asia and also with Australia, as well.

—KURT M. CAMPBELL, IS THE ASSISTANT SECRETARY OF STATE FOR EAST ASIAN AND PACIFIC AFFAIRS FOR CHULALONGKORN UNIVERSITY IN THAILAND.

MABUHAY AND ALOHA! HIS EXCELLENCY BENIGNO S. AQUINO III PRESIDENT, REPUBLIC OF THE PHILIPPINES AND HIS DELEGATION TO THE 2011 APEC SUMMIT IN HONOLULU, HAWAII

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women entrepreneurs represent a truly vital force for driving economic growth and progress. Women who are successful in business are also empowered to be leaders in their communities and countries. Women need to be represented at the policy-making table if the needs of their families, communities, and countries are to be fully addressed.

As your businesses grow, we are confident you will speak out against corruption when you see it. As your businesses grow, we know you will be voices for a climate that fosters innovation and prosperity. As your businesses grow, you will advocate with your leaders for a system that promotes greater opportunities for communication and trade. We know that as leaders in business you will also work to strengthen democratic institutions and civil society. And working together, you will not only benefit your businesses and grow your countries’ economies, but also grow and strengthen cross-border relationships and opportunities.

If we build a network of women leaders in business, there will be no stopping you and no stopping the progress that can come to your part of the world. We know that empowering women is one of the most effective and positive forces for reshaping the globe. It is a simple fact that no country can get ahead if it leaves half its people behind.

Today there are many converging studies—from the World Bank to the World Economic Forum (WEF), from think tanks, universities, and corporations—that show that investing in women is a high yield investment. The World Economic Forum annually produces a gender gap report. You might ask—why does a forum comprised of top leaders in business and other fields focus on the gender gap in countries? The WEF report compares equality between men and women in a given country on four key measurements: educational attainment, health and survivability, economic opportunity, and political empowerment. In those countries where the gap is closer to being closed, those countries experience greater productivity and economic competitiveness. Gender equality is key to a country’s progress because it yields higher growth outcomes and lower poverty. As the World Bank put it: gender equality is smart economics.

Women entrepreneurs offer people everywhere so much promise. Data shows that small and medium-sized enterprises (SME’s) drive economic growth and create jobs. This is true in the U.S. and around the world. And, women-owned enterprises often have a better growth rate and a better loan payback rate.

The work of businesswomen introduces new products to new marketplaces and also employs disadvantaged women in their hometowns which combats high unemployment. They are true entrepreneurs and pillars of their communities. To achieve the economic expansion we all seek, we need to unlock a vital source of growth that can power our economies in the decades to come. And that vital source of growth is women.

But as many of you know, and as these women would also readily acknowledge, women’s success is often hindered by barriers that often undermine their ability to start or to expand their business. Barriers like lack of access to markets, to training, mentors, and technology. Women often confront corruption, discriminatory laws and regulations or practices in some places like lack of property rights. And, of course, it’s also difficult to balance the responsibilities of family and work.

Access to finance repeatedly comes up as the major challenge to women for business growth. This significant gender gap to finance is painfully acute as it affects what we might call “the missing middle” of the small and growing enterprise sector, which is mostly women-run and has the best growth and job creation potential. That’s why the U.S. government is working to help American women overcome obstacles to greater economic participation. We are hoping that through this conference and the follow-on activities, you will be better positioned as entrepreneurs. Women’s economic participation is critical to emerging markets and many of you represent those emerging markets. The vitality of your markets will depend to a large degree on successful business women like yourselves. Women’s work also provides a multiplier effect because women invest upwards of 80 percent of their income in their families and communities on health, education, and other investments for the betterment of society.

A few weeks ago, Secretary Clinton laid out a compelling, evidence-based case for women and economic growth. If we want to grow our economies and grow productivity, women need to take their rightful place in the economies of our countries. Each of you is helping to chart a path to a better tomorrow for yourselves and your families, your communities, and your countries. And in so doing you are also role models for young women who want to start their own business or move ahead in their careers. As part of Invest for the Future, we hope you will also share your wisdom and experiences with others, particularly young women in your own countries. We hope that you will truly pay this experience forward to benefit others.

I hope you have a productive and rewarding experience over the course of this conference, and in the months to come as we work together to Invest for the Future. When women progress, everyone benefits—men and women, boys and girls. Thank you for all you will do and for your commitment, intelligence, perseverance, and hard work—your entrepreneurship. We have every confidence you will realize your dreams for a better tomorrow.

MS. VERVEER is the Ambassador-at-Large for Global Women’s Issues, U.S. Department of State. She delivered her remarks at a women’s entrepreneurial conference in Zagreb, Republic of Croatia, on November 2, 2011.
CEO Summit Establishes Clear Picture for APEC’s Future

By HFC Staff

The CEO Summit was held November 10-12 in conjunction with the APEC USA 2011 Leaders Week.

The two-day CEO Summit, themed “The Future: Redefined”—focused on advancing trade and economic policy and partnerships for the future of the APEC region over a variety of special sessions that join 1,500 high-profile participants including government leaders, private sector Chairmen and CEOs and other influential leaders from the Asia-Pacific region.

The unprecedented gathering of public and private sector leadership from the fastest-growing region of the world was referred to as the “Board meeting of the Asia-Pacific region.”

The Summit also featured dynamic interactions with APEC leaders including President Barack Obama of the U.S., President Benigno S. Aquino III of the Philippines, President Hu Jintao of China, Prime Minister Lee Hsien Loong of Singapore and Prime Minister Benigno Aquino of the Philippines.

Key sessions and speakers included:

• Opening Session: “The Future. Redefined.” Prime Minister Lee Hsien Loong of Singapore, Eli Lilly Chairman, President & CEO John C. Lechleiter, and PwC CEO Dennis Nally discussed how their companies and other policymakers are transforming their expectations of the future as Asia-Pacific changes.

• Globalization: Revisited. Pankaj Ghemawat, author of World 3.0, Caterpillar CEO Doug Oberhelman and Zhu Min, IMF deputy managing director, discussed the future of the global trading system and the pursuit of a truly global solution. Regional institutions and agreements—such as the proposed Trans Pacific Partnership (TPP)—were evaluated to see how they are helping to further global trade, development and economic architecture.

• Seeking Stability in an Unstable World. Amidst continued global financial instability, Hong Kong Special Administrative Region (KSAR) Chief Executive Donald Tsang; Professor Fan Gang of the National Economic Research Institute of China and IDB President Luis Alberto Moreno evaluated the key sources of instability and debated how economies and investors can overcome them and achieve stability in an unsettled environment.

• Redefining Health: An Economic Asset and Competitive Advantage. With aging populations and changes in diet and exercise that have increased chronic diseases in APEC economies, Johnson & Johnson CEO William Weldon joined CEO of Takeda Pharmaceuticals Yasuchika Hasegawa and Cleveland Clinic CEO Dr. Toby Cosgrove in discussing how health can be redefined as a source of sustainable economic growth and competitive advantage.

• 2020 Vision: The Future. Redefined. Microsoft Chief Research & Strategy Officer Craig Mundie, World Bank Managing Director Sri Mulyani and Macroökonomics author Don Tapscott discussed what areas are most likely to define the future for the region, and how business and government can cooperate to create a 21st century trade environment.

• Commodity Security for Economic Growth. Philippine President Benigno Aquino, Richard Adkerson, Pres. & CEO of Freeport McMoRan Copper & Gold Inc.; Frank Ning Gaoning, Chairman of COFCO Corporation; and Jing Ulrich, Managing Director and Chairman of Global Markets in China, J.P. Morgan; discussed continued growth in the Asia Pacific region as well as the demand and competition for energy, food, strategic commodities and whatever else is needed to secure supply, manage volatility and ensure good governance.

• Building An Innovation Ecosystem. Deputy Prime Minister Bill English, Minister of Finance, New Zealand; John Chen, Chairman and CEO, Sybase, Inc.; Tom Jenkins, Chairman, Open Text Corp.; and Pat Dawson, President of Asia Pacific, The Dow Chemical Company explored the best practices for creating a network of innovation and what advantages and barriers exist in Asia and the Pacific.

• Game-Changing Technologies Redefining the Region. President Sebastian Pinera, Chile; Chad Mirkin, Director, International Institute for Nanotechnology and whatever else is needed to secure supply, manage volatility and ensure good governance.

• Investment Frontiers: Where Is The Smart Money Going? Deputy Prime Minister Bill English, Minister of Finance; New Zealand/Kirill Dmitriev, CEO, Russian Direct Investment Fund; Anthony Nightingale, Managing Director, Jardine Matheson; and Jerry Wehman, Chief Economist, Oppenheimer Funds discussed what the changing shape of Asia means for investment in the Asia Pacific region, the barriers to stable investment flow and which criteria matter most for leading investors.

Real-time updates on the APEC 2011 CEO Summit are also available at: www.APEC2011ceosummit.com, on Facebook, and via @APEC2011USA on Twitter.
OUR WARMEST ALOHA AND WELCOME TO PRESIDENT NOYNOY AQUINO AND MEMBERS OF HIS APEC DELEGATION!

We are confident that you can help forge trade relations that foster economic growth for our country and APEC member nations, and that address social, political, environmental, security, education and health concerns for global prosperity.

BEST WISHES FOR A SAFE AND PRODUCTIVE SUMMIT!

The Management and Staff of the Hawaii Filipino Chronicle, Your Connection to Hawaii's Filipino Community