

PRIVILEGE SPEECH

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Sangguniang Panglungsod
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SCRAP AUTOMATIC DEBT PAYMENTS

By Councilor Pilar C. Braga, PhD

I would like to reiterate the stand of the Freedom from Debt Coalition (FFDC), which I, too, have been advocating since the late 1980s, that is to Scrap Automatic debt Payment.

The same stand is shared by the Fair Trade Alliance (FTA) when it said that... “easing up on automatic payment of foreign debt to free funds for a large economic stimulus package would be the country’s best bailout move to offset the global downturn.

In a statement, the multi-sectoral Fair Trade Alliance said the government should stop the “senseless” policy of automatically setting aside two-thirds of its yearly budget for debt-servicing.

The Fair Trade Alliance said that “we should instead adopt the Argentinean budgeting system, which makes allocation for debt servicing only after adequate allocations have been made for urgent and priority social spending.” The fair trade group added that the hundreds of billions of pesos that would be spared could then be devoted to developing the domestic market, particularly on efforts to create millions of jobs.

Like other countries, the Philippines needs a large stimulus package. The government should be able to spend as much as it can on productivity-raising infrastructure, such as school buildings, renewable energy, communal irrigation projects, farm-to-market roads, harvest facilities, barangay health clinics, public transport systems and so on.

The group, the convenors of which include staunch nationalist and former Sen. Wigberto Tañada, said that the country should adopt an economic model that is based on

- A coherent, balanced and pro-Filipino trade-development economic governance structure.

- A program to enhance national productive capacity through the all-out mobilization of domestic resources in support of industry, agriculture and entrepreneurship.
- A program to unleash the people's productivity capacity through rounded activities involving human resource development and completion of asset reforms.
- A program for the inculcation of the culture of industrialism, tangkilikan (mutual support), excellence and economic nationalism.

This is exactly the direction that our city government (through Mayor Rodrigo Duterte) is taking by packaging economic stimulus for the city.

So, Madam President, we urge our national government especially Congress, to repeal the Automatic Debt Payment Law and to put in place the much needed safety nets for our working people (especially our OFWs), including our industrialists and entrepreneurs.

And as to the global trade talks that have bogged down many times because rich and poor countries could not agree on how to open up their economies, the Fair Trade Alliance said that there would be no room for "one size fits all rule" because all countries have diverse situation.

I believe that each country should be given maximize flexibility to deepen its agro-industrial capacity and accelerate growth based on its level of development.

At the proper times, Madam President, allow me to pass a resolution in connection with this particular pressing concern.

Thank you.

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