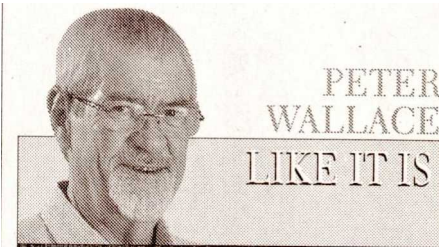


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Where's business?



Here's my list of what the President should make a priority.

MY DEEPEST sympathies to the Norwegian people. This horror almost can't be believed. What kind of madman was this? What creates monsters like this? It's time we found out. Science has made tremendous strides in recent decades, but our understanding of the human psyche still seems primitive.

Until it is understood and controlled, no place is safe. In the past decade we've had 9/11 with close to 3,000 killed. The Angola train attack in 2001, where 250 died. The Bali bombings on Oct. 12, 2002 where around 200 were killed. Then there's the Moscow theater siege for four days in 2002 where 170 were reportedly killed, and the Madrid train bombings 18 months later with a death toll of 190. Here at home, there was the Superferry 14 bombing about the same time with 116 killed.

Tal afar in Iraq had a bombing and massacre on March 27, 2007, with around 150 killed, and later in the year 139 people lost their lives in a Karachi bombing. Baghdad suffered a series of bombings, in 2007, 2009 and 2010, with close to 500 killed. While in 2008 a Kandahar bombing claimed 100 lives. In January this year Iraq suicide attacks led to the death of 230 people.

It supports my contention that unless a very specific and high probability incident is likely travel warnings are unfair. I've always believed, maybe in naivete, you're at much greater risk from terrorist attack in the world's leading cities than Manila. The impact on the world is just so much greater. Am I wrong? I'd be interested to hear.

I felt that President Benigno Aquino III's State-of-the-Nation Address was well delivered. It made some good, important points. But I was concerned that there was no attention given to improving the business climate, despite the fact that this is where he will get the jobs to give the poor an income.

It showed up too in his list of 23 priority bills which were a "mishmash" of legislation. There was no focus, no working toward a desirable goal. No laws to achieve the vision of the president—or create the jobs.

So what should be priority? Let me give you Wallace's list (with due acknowledgement to the Joint Foreign Chambers and the thought they put into what's important through their book *Arangkada*). I'll focus just on economic issues where I'm more knowledgeable.

Department of Information and Communications Technology. I've been badgering the government for this for almost a decade. It would upgrade the Commission on Information and Communications Technology, not downgrade it into an information agency of the Department of Science and Technology as President Aquino, for some peculiar reason, did recently. A full department is essential to give this fastest growing sector of the economy (and one that will dominate it in the years ahead) the full attention and financial support it needs to fully develop. We have to raise public sector focus and usage of e-governance.

Anti-Cybercrime Act. This would define and penalize cybercrimes and computer-facilitated crimes, including data theft, online fraud, hacking, online pornography,

introduction of viruses, and computer sabotage. It would create a Cybercrime Investigation and Coordinating Center formulate and implement a national plan of action to address cybercrimes. Existing laws are inadequate to protect individuals and businesses from cybercrimes, so, given the way computers, cellphones, etc are now an ever-increasing part of our lives this is obviously important.

Data Privacy Act. This goes hand-in-hand with the anti-cybercrime bill to protect consumers and promote trust and user confidence in electronic commerce. And as our lives get ever more computerized (a national ID is inevitable, and in my view, desirable) regulations relating to the collection, use, and protection of an individual's personal data in information and communications systems is essential. This

measure, along with DICT and cybercrime, is seen to enhance the competitiveness of the local ICT-BPO industry.

Anti-Trust Act (Competition policy).

This would promote a level playing field in trade, industry and all commercial economic activities, and rid the country of abusive monopolies, cartels and anti-competitive behavior. It would create a central enforcement agency to investigate cartels and impose or recommend punishment/penalties on erring firms found to limit or hinder competition. This law's urgency is highlighted by the recent issuance of an Executive Order designating the Justice Department as the country's competition authority. We think promoting a level playing field should be a responsibility of the DTI—assisted by the DOJ. The Justice Department can't be expected to understand the complexities of commercial endeavors.

Anti-Money Laundering Act Amendments—This would reinforce the law by making it compliant with updated international anti-money laundering/counter-terrorist financing standards. Amendments would expand the current list of unlawful activities to include terrorism and terrorist financing, and human trafficking. These are areas where the Philippines is vulnerable.

Anti-Smuggling Act. This would create an Office of a Deputy Commissioner for audit and transparency and strengthens the anti-smuggling efforts of the Bureau of Customs. Given the horror stories of the immense level of smuggling that occurs, the need for this is blindingly obvious—unless of course you are among the ones doing it. In the Bureau of Customs, some P100 billion is lost annually due to smuggling.

Sin Tax Law Amendments. I've written quite extensively about this before, just recently (see my July 8 column) pointing out the health risks of smoking. The opposition to increases in the taxes on liquor can be resolved by leaving liquor to a later date. There's no real opposition to higher taxes on

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cigarettes, so let's just do it. Changes could raise much-needed revenues and provide a fair playing field. Government could raise an additional P40 billion to P60 billion annually by doing this, more than enough to provide universal healthcare for all Filipinos, and

fund many other social programs.

Public Utilities Act Amendments.

This I particularly like as it would lift nationality requirements in the exploration and utilization of all natural resources, all areas of investments, all public utilities, all educational institutions, all fields of mass media and advertising. I'm just not sure if it can get past an inevitable constitutional challenge. It may need the latest suggestion, which I like, which is to have both Houses of Congress agree on amendments to the economic sections of the constitution that can then go to a vote (plebiscite) of the people.

BSP Charter Amendments Act. The BSP under Governor Amando Tetangco has done an excellent job of controlling the monetary sector and keeping inflation in check. Still, it needs to strengthen its regulatory and supervisory powers and be able to make prompt corrective measures, incorporate fit and proper rules, and ensure the protection of bank examiners much more

effectively that the current law allows. It would also compel the restructuring and rehabilitation of distressed banks and impose higher fines and penalties on bank owners and management.

EPIRA Amendments. These have been pushed by some sectors in business as it accelerates the implementation of retail competition and open access in the electric power industry. I'm in two minds about this one. It's a complicated process and is unlikely to achieve its main goal—reduction of power cost. Nonetheless open access is now a mandated process so must be done—but not accelerated. It will take time to put a workable system in place, to rush it would be a big mistake.

Finally, peripherally related to business is the **Freedom of Access to Information Act.** This would make available for public scrutiny all information pertaining to official acts (republic acts, administrative orders, etc.), transactions or decisions, as well as government research data used as basis for policy development. It would give the citizens access to information from all government offices. More than 150 media and civil society groups and agencies, including the World Bank and the Philippine Center for Investigative Journalism, have expressed support for the swift passage of the bill. This bill should not,

in fact, be needed as all it needs is for the President to order it done by all departments. But as he hasn't, and as another president may emulate the tight-lipped Arroyo if there's no law, it is needed.

Banning the use of the words "Muslim" and "Christian" in mass media? What in god's (deliberately used) name is that supposed to achieve? Is that of vital priority to building the nation, to bringing more than 40 million Filipinos out of poverty? I don't think so. How will I distinguish between a Buddhist priest and a Christian priest if I decide to write about them? How will I describe a Muslim leader at peace talks? Or what about a terrorist, such as Osama bin Laden, who publicly declared that his war against humanity was because of his Muslim beliefs as he saw them? He is, or (Thank you President Obama) was committing them in his belief it's what his Muslim faith called for. Now most Muslims are as horrified as non-Muslims are at murders committed by these misbegotten individuals. This, though, doesn't change the fact that bin Laden did those for religious beliefs. He was a Muslim terrorist. How else would I describe him?

It's like so many other pieces of legislation: Good intentions, without a full consideration of all ramifications.