

Jan. 20, 1970
Malacañang Palace

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I still write this in Veterans Memorial Hosp. at 8:00 AM
Melody is coming home to the Palace at noon before lunch.

We have stopped the regular stipends to the columnists and newspapermen. This was started by Pres. Diosdado Adson in 1954. But we have to stop this corruption. This may be the cause of the harsh and even vicious attitude of the newspapers.

I am still trying to ferret out the TV and radio commentators who are being bought. This has to be stopped too.

The Commissioner of Civil Service, Abelardo Subido, has been found guilty in the investigation of his activities in entering into contracts with himself. I have requested him to resign.

We have to set the example in the higher echelons of government. For undoubtedly there is still petty graft in the lower ranks — the export office is one, the BIR and the Customs. This must be eradicated and soon.

Malacañang 11:50 PM

Settled the speakerhip problem this morning by calling for Speaker Gilberg, then Speaker Laurel to swear that if Laurel does not remain loyal to me, they will topple him.

Met the congressman who all wanted releases and appointments.
Met Commissioner of Civil Service Abelardo Subido whom I asked to resign for violation of the Anti-Graft Law for signing a contract of lease sold as lessor and lessee.

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Will reorganize the army so that the 1st and 2nd Military areas will be converted into brigades. More flexible and fitted to the concept of home defense or guerrilla war.

Updating the emergency plan to include not only counter-insurgency but also a military attempt at a take over. Have ordered Gen. Raul to prepare strike force in Camp Crame. Must get the armored units, the air force and naval units organized. Must be: Mal, Usec, Haldey, Pan Am, Hato, Raul, Lopez and Com-Somabao.

Will meet with Gov. Sison and Zarbkar of the IMF tomorrow. Looks like Zarbkar has no power to negotiate but has been instructed to propose devaluation of from 25% to 30% or a multiple rate of exchange. From reports, Zarbkar is of the belief that we will not be able to enforce a multiple rate of exchange. They want a budget surplus in the next six months - which we already have.

The truth of the matter is everything - but everything is awaiting at a standstill the results of the consultations with IMF - both government and the private sector cannot move until we know what the BOP strategy is.