

10:30 PM

2267-a

Aug. 28, 1942

MALACAÑAN PALACE  
MANILA

Sunday

I just talked to Kokoy Romualdez at Washington on the cablegram report of Ambassador Eduardo Romualdez on his talks to Marshall Green, the State Department man of the Far East on the reported Japanese plan to recognize Red China, in which conversation Marshall Green "bluntly told us that the Philippine government has overestimated the aid extended by the Chinese (Red) government and the Chinese community in the Philippines to the local communists."

^ The U.S. State Department has a consistent record of error in the assessment of Asian situations and judging Red Chinese intentions. It is preposterous, therefore, for them to lecture to us on their estimate of the threat we face from the local communists.

And apparently, they are at it again in the Philippines.

Perhaps, the U.S. Embassy here is most to blame. For I think the Ambassador and his staff, the CIA man, Canaris, have furnished us of last year a report on the Huk situation concluding that the HPA operates out of the pocket of prison and Camp. And does not pose a serious threat - numbering less than 100.

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MALACAÑAN PALACE

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How stupid can they get?

And after we, in the government, had brocade the interlinking of the front organizations in the cities like Manila, <sup>(like KM)</sup> with the NPA, the CIA man, Canaris, offered to spend good money on the question of whether there were any connections at all between the front organizations and the NPA.

If the NPA has no funds except those from the pockets of their leaders, where did they get the \$5 million that was used, according to the captured NPA, in the purchase of the <sup>25</sup> Ferguson and the about 2,000 M-14 rifles, ammo, rockets, communications equipment, clothing and food.

And why is there an increase in their number, so much so that in most engagements in Iloilo, our boys were outnumbered, contrary to the basic principles of guerrilla warfare.

The NPA is spreading to the Bisak, Samar, Leyte, Panay Island, Negros, Mindanao and over Iloilo.

And the KM's are proliferating in greater strides.

What about the Supreme Court decision. Are the Americans saying that the justices are incompetent? Like all of us, supposedly?

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MALACAÑAN PALACE

Then the ambush <sup>in</sup> <sup>MANILA</sup> <sup>Marina</sup> of a Metrocom car which resulted in the capture of an M-14 with serial number beginning with 620 like the M-14's captured in Tigojo, Palawan.

So I have asked Gen. Romulo to ask our friends, like Gen. Blackburn and Poling Valeriano to put things right in the lower levels. And to send word to the cabinet level and National Security Council level that I feel that we are being misused.

Anyway I was so exercised by the reported ex cathedra statement of Marshall Green that I asked for the clarification of the intention and purpose as well as the surrounding circumstances of the statement.

But that is the U.S.

This reminds me of the assessment of the 1970 situation in U.S. News and World Report (Feb. 23, 1970, p 54 - Worldgram) - "Add this to Asia's troubles: Philippines are on the brink of a peaceful -- or a bloody revolution. Change must come quickly. Everyone

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agrees on that.

Philippines have lost confidence in their political leaders. The treasury is virtually empty, exports are lethargic, the peso is weak and corruption is rampant. The gulf between the very rich and the very poor is widening.

Is the U.S. to blame for this crisis? Not at all. yet it could end up in the middle. Philippines who respect Americans are asking what the U.S. will do: Stand behind the legal Government, or back those who demand reform?

This is one of the most preposterous, false and misleading statements I have read.

It is a restatement of the position of the political opposition — of the irresponsible press — of Chris Pocos who went to the extent of demanding my resignation as President at the height of the violent demonstrations which started in Jan. 26, 1970.

Incidentally our exports increased by 21% in that year 1970!

And the magazine suggests intervention by the U.S. government in our internal affairs very casually.

I attach the magazine in Envelope No. XXXIV-P.

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Aug. 27<sup>th</sup> (Cont.)

MALACAÑAN PALACE  
MANILA

After golf this morning, I had a wreath  
at the Unknown Soldiers' Tomb on the occasion  
of National Heroes Day.

"Anonymity in Heroism" was my theme.

Then worked on the problems tomorrow

Parity and the Sup. Ct. Decision is  
still the top news.

But whatever way be done, we must  
be fair and equitable in dealing with the Americans.