

'Aquino must get her act together'

THE NATION - 1 SEP 1987

By Chaitanya Kalbag

MANILA — President Corazon Aquino has faced down the most serious threat to her rule, but Friday's coup attempt is a warning to her to get her act together quickly, shaken businessmen told Reuters.

Rolando Atienza, president of Anscor Hagedorn Securities, the nation's biggest stockbroker, said the markets opened on a firm note and had followed the adage "Buy when there's blood on the streets."

Atienza said the market represented a cross-section of opinion and the general view was that the violent coup bid, which left 40 dead and about 270 wounded, represented a purging of disruptive elements in the military.

But business groups were gloomy in their assessment.

Ricardo Romulo, chairman of the influential Makati Business Club which has 153 corporate members, said the coup attempt, the fifth in Aquino's 18 months in power, would seriously erode business confidence in the government "unless there is a quick, determined follow-up to the quashing of the uprising."

"Businessmen have begun to question the ability of the government

to coordinate policy and action," Romulo said.

"We believe that coups are only a symptom, but the disease is a demoralized and dispirited military which faces serious leadership questions. The disgruntled officers who led the coup bid haven't given up, so brave words are not enough."

Aurelio Periquet, president of the Philippine Chamber of Commerce and Industry, said the coup attempt was a sign that Aquino must quickly "patch up the leaks in the ship of state."

"This coup attempt was the most violent so far and it will definitely have repercussions on the business environment. Potential investors will decide to wait a little longer," Periquet said.

"But the government and military must address this issue as a most immediate and urgent task."

Christian Roehr, secretary-general of the European Chamber of Commerce, said the good news was that the government had weathered another attempt to topple it.

"But I am afraid that foreign investors will again postpone an influx of capital," Roehr said. "Especially in Europe there is an impression that things are not in control."

Roehr said perceptions of stability had dramatically improved after the

May 11 congressional elections. "We got more and more enquiries from serious potential investors," he said. "But this has pushed back things. Now European investors would rather go to Thailand or even to southern Europe."

Christian Monsod, co-chairman of the powerful Bishops-Businessmen Conference for Human Development, disagreed.

"If investors want to wait they may never have been serious anyway," he said. "They are just giving excuses."

But Roehr said it was wrong to blame nervous investors.

"Most of the investors who want to come in are medium- or small-sized. They cannot react in the same way as multinationals and they are afraid. They look at which place looks safe enough to put their money."

Makati Business Club's Romulo said the coup had come at a time of growing frustration among businessmen.

"It takes a long time to gain business confidence," Romulo said. "Now it is being eroded by the perception of a lack of clear direction. From a management point of view there are no clear goals."

"True, the basic infrastructure of democracy is in place but the investment climate involves other things. We feel Friday's violence was a prelude to another coup." — Reuter