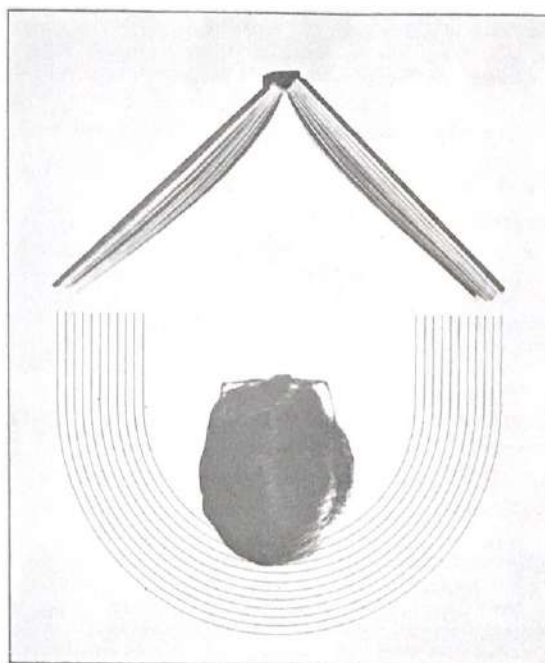


CHAPTER III

An Idea Becomes a Reality



The private education sector, more than the government, was quick to realize the significance of the creation of the Special Fund for Education. Private school owners assumed, rightly or wrongly, that they had contributed to it as a commingled fund from what they had forfeited under the amendment to the War Damage Act,¹ and were, therefore, entitled to a major portion of the Special Fund or, better still, the entire sum. But first, the Philippine government must be fully convinced that the private education sector, as a factor in nation-building, not only deserved but also needed to be assisted financially, if it is to discharge that responsibility more meaningfully, and that this consideration alone transcended all other motives for demanding a share of the Special Fund for Education for the private schools.

This led prominent private educators into drafting and refining project proposals, alone or in collaboration with concerned private citizens and government officials — a process which

in four years would lead, ineluctably, to the creation of the Fund for Assistance to Private Education. The two concrete project proposals for tapping the Special Fund which emerged from this intellectual activity before the birth of FAPE were (a) "A National Program for Upgrading Private Education in the Philippines," which was submitted by COCOPEA to the Education Assistance Committee's Secretariat and (b) "Government Assistance to Private Education" (GAPE), which was submitted by the Department of Education as the government's project proposal. We shall discuss the COCOPEA project proposal first, if only because it was formulated ahead of the DE Project proposal, which evidently was an adaptation or modified version of the COCOPEA proposal.

A. The COCOPEA Project Proposal

1. Evolution

On January 18, 1964, the heads of several private schools in Metro Manila met at a luncheon at the Ateneo Gra-

duate School on Padre Faura, and discussed "ways and means of channelling some of [the] Educational Fund in the Philippines." Another meeting on the following day, which indicated the seriousness of the participants about the Special Fund for Education, resulted in an agreement, *inter alia*, that they should work as a team to obtain a portion of the Fund and that "perhaps a Foundation for Private Education would be the best means of accomplishing this." They also agreed to conduct "a survey of national needs which can be served by the private sector of education," to come up with a "well-studied program" on how best to meet such needs, and how much it would cost the private schools to undertake such a program. After the completion of such studies, they would then set up the Foundation for Private Education whose "primary objective is to seek financial assistance for the private educational institutions. *The War Damage Educational Fund can now be ex-*

plored." (Emphases added). The heads of the private educational institutions met with COCOPEA four days later, at which time a body was appointed to draw up a program on how the private schools could "assist in the socio-economic development of the country," indicating the private educators' familiarity with the background of the war damage legislation.²

Thus, in just a month following the expiration of the deadline for filing claims for the \$73 million war damage fund on December 23, 1963, the private schools under the collective leadership of COCOPEA took the first steps to obtain a portion of the Special Fund for their benefit. They were to prove an unrelenting and persistent lot, assisted by their creation — the Foundation for Private Education in the Philippines (FPEP), about which more will be said later. The guiding spirit behind all this, appropriately enough, was the Reverend Fr. Pacifico A. Ortiz, S.J., then Regent of the Ateneo de Manila Graduate School, later Ateneo's second native President, and still later a member of the 1971 Constitutional Convention.³

With a view to generating public support, and thus influencing government thinking on the uses of the Special Fund, COCOPEA's strategists decided to elevate their private discussions from the level of luncheon meetings to a more dramatic two-day conference on March 12-13, 1964, co-sponsored with the Citizens' Council on National Affairs (CCNA),⁴ on the theme "Nation-Building and the Private Schools." The immediate objectives of the conference were to inform the public and the government of private education's role in nation-building, what problems it was encountering in discharging such a role, and then suggesting what the community and particularly the government ought to do "to help the private schools become more effective instruments of nation-building."⁵

The real purpose of the conference, however, was to tap the Special Fund for Education. In the words of Fr. Ortiz:

Since adequate funding is one of the biggest problems private schools have to face, we hope, quite frankly, that as a result of this conference, the government will be moved to consider helping the private schools out of the *educational fund of \$25 million* or so that is expected to be set up from a portion of the War Damage Claims.⁶

One of the principal speakers at the conference was Dr. Sotero H. Laurel, President of the Lyceum of the Philippines and at the time also of PACU. In a forceful speech which attempted to trace the roots of the problems and sad plight of private schools, he denounced government's indifference and pointed out the confusion in policy formulation, the effects of which, he asserted, were fortuitously tempered by impotency in implementation. He then zeroed in on the Special Fund for Education:

There is, however, a way whereby the government should be able to pursue a policy of fairness towards private schools besides a policy that is truly positive . . . [It] may adopt, for example, a carefully studied program of incentives and assistance such as other countries have done and are doing with increasing scope. . . . Direct grants-in-aid and subsidies from *funds* that will hereafter become available may be extended to deserving schools . . . A *subsidy fund*, especially administered, could also be generated for research and other worthwhile projects of private schools. In this connection, the government would do well to avail of the *\$40,000,000 surplus War Damage Fund* . . .⁷

The private schools had now publicly served notice that they expected a *share* of the Special Fund.

One concrete consequence of the conference was the decision to go ahead with the setting up of the Foundation for Private Education, to



serve as a receptacle for the Special Fund — or whatever amount COCOPEA could get — and, once organized, to assist in obtaining funds.

Several prominent civic leaders, including an American, were subsequently invited by Fr. Ortiz to form the Foundation, individuals drawn from the world of business and industry, government and the professions, "who themselves were to have been the recipients of the War Damage Fund."⁸ Following its incorporation in July, 1964, FPEP would elect its Board of Trustees the following September, who promptly chose Don Emilio Abello as President and Sixto Roxas III as 1st Vice-President. At its first annual assembly the following May, the latter would prophetically assert that a part-time committee of COCOPEA, much less a government bureau, was "not a suitable vehicle for obtaining an intimate understanding and profound insight into private schools," let alone work out solutions to their multi-dimensional problems; only a *full-blown* organization capable of mobilizing experts, like the FPEP

could.

Within a month from its formal organization, FPEP made the first formal approach on record to convince Philippine officialdom of the necessity of providing assistance to the private institutions of higher learning, and thus proving to COCOPEA officials and members that they had made a very wise decision in creating FPEP. The occasion was President Macapagal's state visit to the United States, which had been postponed on account of the defeat of the first war damage measure in the American Congress in 1962.¹⁰ Sixto Roxas wrote President Macapagal asking him to include in his forthcoming discussions with President Johnson and other high American officials, the allocation of "at least one-half of the Special Fund for Education for upgrading private education in the Philippines." He attached a memorandum which explained why this was necessary and how the FPEP proposed to utilize the \$10 million, or one-half of the Fund, "whichever is larger".¹¹ Roxas also expressed his apprehension over the possibility that the Fund may not be transferred to the Philippines at all, because in an "internal communication regarding this Fund mention has been made that due regard will be given in the use of the fund to the balance of payments situation in the United States."¹² Hence, the FPEP Memorandum, wherein the situation of higher education in the Philippines, with special focus on the role of the private sector and their neglect by the government, was forcefully presented "to develop some suggestions for using all or part of the Special Fund for the purpose of upgrading private education in the Philippines."

The FPEP Memorandum listed down "three strategic points" where assistance could be beneficially applied: upgrading the quality of teachers, improvement of physical facilities and library resources, and scholarships for economically poor but promising students to enable them to acquire the best in college education. FPEP felt that the first two deserved higher priority over the third.

The FPEP Memorandum next enumerated three programs to be funded from the Special Fund:

1. A Program for improving teachers' compensation and establishing a social security system that will give them more adequate retirement and pension gratuities.

2. A provision for a scholarship fund for the advanced training of faculty members of private schools in selected fields and on the condition that they become committed to the academic life.

3. An educational low interest revolving fund for institutional borrowing to invest in physical facilities subject to the observance of fairly rigorous standards.

The conduit or "vehicle" which the FPEP Memorandum suggested for financing the enumerated programs was a "special insurance company to be funded with \$10,000,000 (or one-half of the total Special Fund, whichever is larger)."¹³ The \$10 million was to be divided as follows:

1. For initial capital of the Teachers Insurance and Annuity Association of the Philippines, Inc. \$3,000,000

2. Revolving Fund for low interest loans to private educational institutions to be administered by the TIAA-Philippines, Inc. \$4,000,000

3. Scholarships for Advanced studies and research fund to be administered by the Foundation for Private Education in the Philippines, Inc. \$3,000,000

The incisive memorandum concluded with the hope that "this use of the War Damage Special Fund will meet one of the most serious and complex problems in the [sic] Philippine education and the development of the trained manpower and leaders that the country urgently needs."

This lengthy presentation of the FPEP was made because not only was

it the first on record that was submitted to the national leadership for the use of the Special Fund for Education for the benefit of private education, it was also the basis of subsequent proposals emanating from the private sector. No doubt the product of joint effort of FPEP and COCOPEA, but reduced into writing by Miss Constantino,¹⁴ the FPEP Memorandum could very well be the first "native" or "local" document on the origins of FAPE; as such, it deserves reproduction in the Appendix of this history.

FPEP and COCOPEA officials must have been greatly disappointed to read that Presidents Macapagal and Johnson had apparently not discussed programs of assistance to private education as contained in the FPEP Memorandum. Their disenchantment was all the more heightened by the news that the two presidents had instead agreed that "educational programs pertaining to land reform would be eligible" for funding by the Special Fund.¹⁵ Hence, the COCOPEA decision to revive an earlier plan to have an audience with President Macapagal.¹⁶

The private educators were finally granted an audience, after a long wait, sometime before May 27, 1965. President Macapagal "assured" the nervous educators that he would "support" their request as outlined in the FPEP Memorandum. Why he did not use the word "guarantee" must have convinced the group that the President was not so keen on assigning a portion of the Special Fund — let alone \$10 million or one-half of the Fund, "whichever is larger" — to private education. Presidential hedging was made all the more visible when he created the Committee for Land Reform Education *only*, and not for the entire Special Fund, the following July.¹⁷

The second half of 1965 was not the proper time to approach President Macapagal anew: COCOPEA, or at least Fr. McCarron, by now held reservations as to his sincerity. Besides, he was too preoccupied with his effort to get re-elected against a formidable challenger in the person of then Senate

President Ferdinand E. Marcos. It was never too soon, however, for COCOPEA (certainly not the FPEP because many of its leaders and members were Liberals or Macapagal's men) to approach the latter as Nacionalista standard bearer, who immediately promised support for their proposal.

Just to be sure they were not left holding the bag in the end, COCOPEA sent Fr. McCarron anew to Washington in September, 1965. Fr. McCarron reported upon his return that he and his group had succeeded in making a contact — in the White House, no less! "The present climate could hardly be better," the Jesuit father announced to his audience at the Swiss Inn, composed of members of the Education Committee of COCOPEA. "Washington seems to await the merest suggestion from the Philippine side that they, the Philippine side, are willing that at least half of this money be deposited in the Foundation for Private Education," he continued.

It was, of course, rather late for President Macapagal to reap the gratitude, and perhaps the votes, of private education by making the "merest suggestion". The elections, which he lost, were over. By dragging his feet on the matter, he missed what Fr. Ortiz had written him at the beginning of the year as an opportunity to leave what "can be one of the lasting achievements of your administration" or a "lifelong patriotic memorial,"¹⁹ and to create a niche for himself in the history of private education in the Philippines.

2. Modification and Reassurance under President Marcos

General Romulo, who was President Marcos' first Secretary of Education, was not exaggerating when he said that the Marcos administration was committed, from the beginning, to assist private education by assigning it a share of the Special Fund. The General had said in a speech during a conference with representatives of the private schools, that the subject was contained in one of his memoranda to the President "within the week that I



assumed office as Secretary of Education," and that he did not need to be convinced of the necessity of government to assist the private schools.²⁰

Just the same, COCOPEA leaders saw President Marcos in March, 1966. By that time, the private schools had found an ally in the Philippine-American Assembly that met in Davao City on February 23-26, which specifically approved the "assignment of part of the War Damage Educational Fund for assistance to schools,"²¹ and FPEP President Abello himself had approached General Romulo. The private educators were not taking any chances.

After these meetings, COCOPEA submitted a project proposal to President Marcos, through Secretary Romulo. No longer was it FPEP which made the official request for a portion of the Special Fund, since, unlike COCOPEA, it did not really have any schools directly under it.²² This project proposal was similar to the FPEP Memorandum which Sixto Roxas had submitted to President Macapagal and discussed in the earlier pages of this chapter. However, the amount being requested was now \$14 million, which COCOPEA proposed to turn over to FPEP just the same, for investment and allocation to the three projects. This COCOPEA proposal also set forth the linkages between FPEP and COCOPEA, e.g. three distinct FPEP Committees were to be created for each of the three projects, *viz.*, a Philippine-TIAA Committee, a Loan-Project Committee, and an Education-Projects Committee. COCOPEA, in turn, would create a Counterpart Supervisory Committee (CSC) to see to it that FPEP was doing the right thing.

Summarizing the intended activities

of the COCOPEA/FPEP tandem, and their potential outputs, the proposal's "author"²³ perorated: "It is thus that the War Damage Fund 'seed money' becomes truly a *developmental* means crucial to the country's present and future welfare. Investment in human resources will indeed enduringly commit this country to greatness."²⁴ Doubtless, she was making allusions to the President's evocative campaign slogan the year before that "this nation can be great again."

Meanwhile, on April 26, 1966, the Philippine and American Governments would exchange notes, already referred to, on the guidelines to be taken into account in the allocation of the Special Fund. Pursuant to this, President Marcos created the Education Assistance Committee, assisted by a Secretariat under Dr. Corpuz, to screen project proposals and to serve as the Philippine component of the Joint Panel on the Fund. The Marcos administration was obviously not only eager to utilize the Special Fund as rapidly as possible, consonant to the exchange of notes, but also to do so creatively.²⁵

It was with a view to finding out, in light of these developments, what action the administration had taken on their proposal, that the heads of the private schools invited General Romulo to a luncheon conference on July 12, 1966. In his speech, already mentioned, the latter said:

As an earnest of *my position*, I am pleased to inform you that private education *may* receive assistance in the form of a special fund of some P20 million to P30 million from the War Damage Fund for Education. (Emphases added.)

There were mixed reactions to the Secretary's speech. Mild elation, because a commitment had been made (despite the use of *may* instead of *shall*). Mild dismay, because the amount involved was much less than what had been expected and, for the first time, expressed in rapidly depreciating pesos! ²⁶ Furthermore, there was no mention at all of FPEP.

All this emboldened COCOPEA to reiterate private education's request of \$14 million, and to insist on FPEP as the fund's custodian and administrator. Hard haggling lay ahead.

In an attempt to enlighten COCOPEA officials further on government's thinking, Dr. Corpuz hosted a luncheon meeting with private school heads and COCOPEA officials before President Marcos left for his state visit to the United States in September, 1966. COCOPEA "reassured" Dr. Corpuz that it would accept the earlier figure of \$10 million, but this "to be given to the Foundation for Private Education of the Philippines for administration." For his part, Dr. Corpuz also "reassured the group that the Department of Education had fully endorsed the requested sum for assistance to the private schools, but the thinking as of then, was for a cutting of the sum to P28M."²⁷ Again, the amount was expressed in pesos and there was no mention of FPEP as the receptacle of the fund, just "assistance to the private schools." Nevertheless, the official who had personally been instructed by President Marcos to take care of the Special Fund had corroborated Secretary Romulo's personal commitment, making it more or less official. To that extent, at least, the private schools had every reason to be happy.

But they would try once more to seek an assignment of \$10 million to FPEP, in a revised project proposal to conform with the format devised by the Education Assistance Committee's Secretariat for project applications. This revised proposal was entitled "A National Program for Upgrading Private Education in the Philippines," and submitted to the Secretariat of the

Education Assistance Committee, i.e., Dr. Corpuz, in early September.²⁸

"A National Program" is a meticulously conceptualized and lucidly written paper. It documents the efforts of its conceivers, particularly Fr. Ortiz, during the past three years, and captures the thinking and at times exaggerated expectations of the leading educators of the country at the time. As such, it is a fine brief source of information on its own troubled odyssey from its genesis in the COCOPEA luncheon meetings in January, 1964 at the former Ateneo de Manila campus on Padre Faura to the "corridors of power" in Malacañang and the White House, and to the discussions with the Secretariat of the Education Assistance Committee in the office of the Undersecretary of Education at Arroceros.

Since so much of the ideas it contained have found their way into current programs of assistance to the private schools, through the agency of FAPE and its creations, it might be worth excerpting from it. We can do no better, as an opener, by quoting the "Summary":

The COCOPEA . . . proposes this project that seeks to utilize in a most enduringly productive manner, the requested sum of \$10M. of the War Damage Special Fund to be kept in trust and administered by the Foundation for Private Education (FPEP) for the benefit of all private schools, whether affiliated to the COCOPEA or not. The total sum of \$10M. will be converted into a permanent endowment and only the earnings of the Fund will be disbursed as the Foundation sees fit, upon approval of projects presented to it by private schools, processed and evaluated according to a rigid set of criteria governing such proposals . . . and which proposals essentially are designed to upgrade library, physical and laboratory facilities; to provide for faculty development and welfare; and to promote research, accreditation

efforts, and cooperative inter-institutional projects.

Under the section on "Justification of the Project," it was stated that:

The adoption of a rigorous set of criteria to govern the evaluation both of the schools applying for the aid and the project proposals themselves is certain to institutionalize a discipline for higher academic standards in schools that can be most salutary.

As a further justification, COCOPEA attached a copy of the FPEP Brochure, entitled "Private Schools and Nation-Building," which contained valuable statistics on the private schools. Excerpting from the Brochure, COCOPEA pointed out how much the government would have to spend were the private schools to suddenly close down: "P282,787,811.63 (M) for physical plant (school buildings and lots); P9,632,377.74 for laboratory equipment and library facilities; P47,289,712.40 [annually] for faculty salaries, administration and supervision, and operating expenses."

Other portions were refinements of the earlier version submitted to President Marcos, through Secretary Romulo. There was, however, one big difference: the proposed Philippine TIAA was now dropped.²⁹ This was replaced with a set of faculty incentives, which became a separate program from research. And, like the earlier version, COCOPEA made the project appear very economical to implement: administrative costs were not to exceed 1% of the earnings of the Fund, which were computed as amounting to P4,800,000 per annum. Since COCOPEA envisioned the Fund to be continuous, or perpetual, and assistance activity therefore sustained, it optimistically predicted that a beneficiary school would develop a "discipline for constantly higher academic standards . . . because it is backed up by assurance of assistance that must be deserved."³⁰

Dr. Corpuz endorsed "A National Program" to the Education Assistance

Committee, recommending its approval, subject to the clarification of the role of the NEC Chairman — as the over-all administrator of the Special Fund for Education — over a portion thereof that may be entrusted to FPEP, a private entity; the need for legislative action to allow donations of public money to a private entity; and prior decisions as to the nature of government supervision and possible restriction of FPEP's activities, keeping in mind that FPEP's Articles of Incorporation authorized and empowered its Board of Trustees "to do each and everything necessary or suitable" in order to attain the enumerated goals and objectives.³¹

B. The Department of Education Project Proposal

COCOPEA/FPEP officials were elated to learn that Presidents Marcos and Johnson, on the occasion of President Marcos' state visit in September 1966, had "urged" the Philippine-American Joint Panel to accelerate their on-going discussions and determinations of project proposals for financing by the Special Fund.³² As their project proposal had been favorably endorsed by Dr. Corpuz, they had every reason to assume that they would soon hear something good.

Their optimism soon gave way to anxiety. President Marcos had returned and the remaining months of 1966 passed without any news. Two more months in 1967 elapsed — still no news. Anxiety developed into a pall of gloom.

Had something gone wrong?

They got an indirect answer in the form of the Department of Education Project Proposal, entitled "Government Assistance to Private Education" (GAPE), submitted to the U.S. Panel, probably in March, if not earlier.³³

Before discussing COCOPEA's complaint or reaction to this patently unwelcome development — from its viewpoint — let us first indicate the salient features of GAPE.

This brief but trenchantly written document was unmistakably a shorter version of COCOPEA's "A National

Program". But since it was being submitted as a government proposal, it was necessary to eliminate the section dealing with private education's efforts to get a share of the Special Fund and to replace the COCOPEA/FPEP tandem with the DE/DBP axis. For justifications, sections of Sixto K. Roxas' "Investment in Education" (which was reprinted in the FPEP Brochure) as well as several paragraphs of "A National Program" were lifted *verbatim*. This alone should have made COCOPEA happy, but it did not.

The Department of Education proposed to utilize the P24 million as a revolving trust fund for loans to the private schools on a long-term, low-interest basis "for investment in physical facilities, equipment and other capital expenditures." Standards and guidelines governing the grant of loans, however, were to be formulated by the Department of Education in consultation with the NEC and a representative of the private schools (COCOPEA as an entity was not mentioned at all). Any remaining funds (i.e., part of the P24 million) not committed to loans were to be invested in such a manner as to maximize earnings, e.g. "in bonds and stocks".

The combined income from loans and investment was to be set aside for "faculty training and development, in the form of fellowships and scholarships, research grants, faculty incentives and inter-institutional cooperative projects." A Committee of Three, to be composed of the Secretary of Education, or his representative, as Chairman, and a representative each from the NEC and the private schools as members, was to be created to establish priorities for the utilization of the Fund's earnings as well as to process project proposals for funding.

In identifying the Development Bank of the Philippines as the administrator of the Fund, the Department of Education reasoned out that DBP was in the best position to do so "equitably consonant with the objectives of the Department of Education," presumably because DBP was, and still is, a government agency which



has had a long experience in granting educational loans.

Elsewhere in the text of the project proposal, the "author" wrote:

The P24 million pesos revolving fund and the earnings derived from it shall constitute the *initial step* of the government in its effort to establish constructive relations with private education in general.³⁴

C. Towards the Formulation of the Fund For Assistance To Private Education (FAPE) Project Proposal

Turning now to the COCOPEA leaders' reaction to the DE/DBP project proposal, they were only slightly unhappy over the relatively smaller amount available for assistance to private education — P24 million. But they complained because: (1) they had not been fully consulted before the Philippine Government presented its proposal to the U.S. Government, and that such had been undertaken without their being informed beforehand, as a matter of courtesy, about the status of "A National Program"; (2) there was no mention at all of FPEP, their creation and intended receptacle of the Fund; and (3) the envisioned role of the private schools, to say nothing of COCOPEA as an entity, in the decision-making process was

minimal. Aggravating the association heads' uneasiness were Dr. Corpuz's remarks during their meeting with him on April 19, 1967 that "the Philippine Embassy in the U.S. is pressing daily for [the] early approval of the proposal!"³⁵

They were somewhat comforted, however, by the possibility, according to Dr. Corpuz, of the proposal's still being modified "if Pres. Marcos is willing to do so," but that COCOPEA's views and suggestions should be "addressed and delivered directly to the President, not coursed through the Department of Education."

COCOPEA officers were ready with a long letter to President Marcos three days after their meeting with Dr. Corpuz.³⁶ While they congratulated the President for the allocation of \$6 million to private education, they nevertheless expressed their regret that "you were not able to honor your original commitment of fourteen million dollars." Warming up, they then voiced out their "deep disappointment" over FPEP's having been totally ignored, and asked that the President "reconsider the matter, if a change is within the realm of possibility." But if no longer possible, then they would be satisfied with the following "minor modifications" in the proposal:

1. DBP's role should be "truly that of a trustee", not merely as the Fund's administrator and investor, and in the process make money for itself;

2. The committee to establish priorities and process proposals for funding should be composed of five (not just three) members, three of whom "to represent private education";

3. Associations or entities like the FPEP should also be eligible to apply for loans or receive financial assistance; indeed, FPEP should be allocated, "say one million dollars out of the income of the fund or out of the portion of the fund not immediately committed to loans"; and, finally;

4. FPEP should be the "screening board for project proposals", the better to relieve the Department of Edu-

cation staff of the burden, avoid unnecessary suspicion of "political influence" in the making of awards and, above all, "to ensure that the proposals are evaluated in a professional way."

The association presidents then waited for a reply, or better yet an audience with the President. May, June, July melted away but no sign from the Pasig. Another bout with anxiety. Then came the *Manila Daily Bulletin* editorial of August 10, 1967 which pointed out the connection between Director of Private Schools Narciso Albarracin's request to private schools to reveal their assets with a plan of the government to assist them financially. After advertizing to the Special Fund and the FPEP and COCOPEA project proposals, the editorial stated further:

There have been changes, however, on the plans [i.e., COCOPEA's "A National Program"] to administer the Fund. Private schools have agreed to these plans. All that remains now is for the United States to return (?) the over \$6 million to the Philippines specifically for this project.

The inaccurate editorial was too much for the COCOPEA officials. They forthwith threatened to publish their joint letter — "to set the record straight" — if they could not be granted an audience with President Marcos.³⁷

The sequel to this was a hurriedly-called meeting in Malacañang on so short a notice that Dr. Nabong alone was able to attend, only to be told by President Marcos that it was "too late to consider [COCOPEA's] suggested revision, since the final proposal had already been turned over to the panels."³⁸

Yet, despite its apparent insensitivity, the Marcos administration was not actually impervious to COCOPEA's suggestions or views; in fact, Dr. Corpuz met several times³⁹ with COCOPEA officials subsequent to the hastily convened meeting, or audience, with the President. But it was really

too late to recall the DE/DBP proposal and substitute something in its place. That would have been officially embarrassing. Any suggestions or proposals for revision would have to be in the nature of reactions or counter-proposals to the American reply, the draft of which was made available sometime in March, 1968.⁴⁰ It is even conceivable that the draft American reply, which contained more forward-looking ideas which COCOPEA could not but like, had been framed with an eye to meeting COCOPEA's more acceptable suggestions, as discreetly conveyed by the Philippine Government or allowed to be conveyed through other parties.⁴¹

COCOPEA officials again met with Dr. Corpuz on April 3, 1968, this time on the draft American reply. He was reported to have agreed, then, to make the "strongest representation" to have the "veto power" of the Chairman of the Private Education Assistance Committee deleted, so as not to dilute the power and role of the three representatives of private education in the Committee. No mention, however, was made of COCOPEA's ever insisting on a role for FPEP, except its implied eligibility for loans under the new set up or arrangement.⁴²

Negotiations and consultations such as these had the effect of delaying the signing of the Fund for Assistance to Private Education (FAPE) Project Agreement until June 11, 1968. But they also had the effect of making the terms of the Project Agreement conform as closely as was humanly and rationally possible to the wishes of the private education leaders.

The above discussion shows that FAPE was not the exclusive brainchild of COCOPEA or our government, much less the American Government. It was the product of collaborative thinking among men who had the same idea, men who were willing to reconcile their views as to how best to attain their common objective, men who knew how to compromise, to give and take, and to avoid lapsing into rigidity, so that the idea could become a reality.

D. Envoi to FPEP

We conclude this lengthy discussion on the harmonization of private education's germinal ideas and government's seminal plans which resulted in the birth of FAPE with a short presentation of the activities of the vestigial institution that was the Foundation for Private Education in the Philippines. After all, FPEP was FAPE's immediate precursor in the enterprise of upgrading private education in our country and had it not been denied the portion of the Special Fund that finally became *the* Fund for Assistance to Private Education, it would not have suffered from the financial starvation that led to the atrophy of its units and eventually its demise.

It would be unfair not to point out at least its intended programs, or the few things that it undertook to attain its goals — some of which have found reincarnation in FAPE's past and current programs and projects. Failure to do so would be tantamount to casting doubt on its sincerity and seriousness of purpose, or those of its creators.

We have already traced FPEP's origins in the opening pages of this chapter. We have also indicated the role it played — highlighted by the dedication of its volunteer Executive Secretary now enjoying the ascetic life of a Carmelite nun — in activating an underlying government's desire to come to the assistance of private education, not as an end by itself, but as a means of enabling it to acquire greater capability to contribute to the solution of urgent national concerns. Here, in the next few pages, all that remains is to note FPEP's principal activities during its all-too-brief existence.

FPEP's primary objective was to "promote, support and maintain the active and extensive participation of the private sector in the broad field of education."⁴³ It proposed to realize this goal by encouraging, assisting and financing private educational institutions through the extension of low-interest loans and matching grants so that they may energize their human resources and improve their facilities, especially laboratory and library facili-

ties. It further planned to finance undergraduate, graduate, scientific, technical, and social studies for deserving citizens — including retired military personnel and "college-trained women"; to strengthen graduate schools which will train teachers; to provide scholarships to talented students through a Student Loan Program; and to "advise and assist in the raising of educational standards in private schools."

As a step towards the realization of the last mentioned objective, FPEP implemented an earlier COCOPEA plan, code-named "Operation Blueprint", to conduct a pilot survey of ten colleges and universities in Metropolitan Manila.⁴⁴ To finance the project and maintain a skeletal staff, FPEP secured a P34,000 grant from The Asia Foundation on condition that it be matched by an equal sum. COCOPEA promised to raise the matching funds from its members, *viz.*: ACSC — P4,000; CEAP — P17,000; and PACU — P13,000.

It was easier said than done. After writing the schools concerned for their contributions, the three educational associations asked FPEP to do the follow-up. As of August 30, 1966, more than a year since the project got underway, only P9,500, or less than one-third of the expected contributions, had been collected. FPEP President Abello had to remind the schools covered by the pilot survey to send in their contributions, informing them that:

As of the end of August, we shall be down to our total resources of only P1,600. We have a monthly budget of P600 to meet (room rental P275; salaries for administrative assistant, stenotypist, and messenger, all part-time, total P265.00 and office supplies, etc. P50).⁴⁵

The project was finally completed in 1967,⁴⁶ but too late to be of practical use to COCOPEA's efforts to secure an allocation from the Special Fund for FPEP. However, since Research Study Committees were set up in the schools included in the pilot

survey, FPEP could at least claim that it had set those schools in the direction of long-range planning for their growth and development.

FPEP also manifested a strong interest in setting up a pension plan for private education personnel. Indeed, the FPEP Memorandum and the earlier version of "A National Program" assigned a substantial portion of the envisioned Fund as "seed money" for a Philippine-TIAA. This was to serve as the starting point for the successful PERAA Plan which FAPE eventually adopted and launched in 1972.

It is, of course, regrettable that FPEP folded up and disappeared from the scene soon after FAPE was organized. It did not have to, according to a former ranking CEAP official, since the extensive domain of the private education sector in the Philippines could certainly profit from not just one foundation committed to upgrading academic standards.

So much for FPEP.



NOTES

¹A cursory perusal of the IBM printouts of paid claimants in the FCSC office in Washington, D.C. revealed that of those who received the maximum of \$25,000 per claim, which would indicate that the amount would have been larger had it not been for the amendment creating the Special Fund for Education, only two schools may have actually "contributed" to the Fund: Mapua Institute of Technology and Philippine Women's University. Far Eastern University received \$9,768.35; Philippine Harvardian College, \$10,919.68; and University of Southern Philippines, \$11,794.39. These three schools were, therefore, paid the 75% maximum set by the Philippine Rehabilitation Act of 1946; they had no "contribution", as it were, to the Special Fund and, by extension, to FAPE as a fund. Of course, it could very well be that a more careful examination of the FCSC list (in six thick volumes), which the author was unable to do for lack of time, will show that more schools did "contribute" to the Special Fund and, therefore, to FAPE's fund.

²PACU Files, FPE Folder contains the memoranda of discussions and agreements reached during the meetings of the private school heads among themselves, and later with COCOPEA, held on January 18, 19 and 23, 1964. The PACU FPE Folder was generously lent to the author by Dr. Amado C. Dizon for the purpose of this history. See, also, his "FAPE's Birth: A Private View," in *FAPE Bulletin* for November, 1978, p. 6.

³According to Atty. Vicente de Vera, former CEAP Executive Secretary, the "whole idea" of tapping the Special Fund for Education was Fr. Ortiz's. "None of us in COCOPEA," he told the author in a long interview on October 6, 1978, "ever thought about it until Fr. Ortiz suggested the idea. The credit really belongs to him." Dr. Dizon said as much during an interview on September 28, 1978. See, however, Chapter II, fn. 39. Fr. McCarron was probably as deserving as Fr. Ortiz in this respect.

⁴The CCNA, which was organized by Fr. Ortiz, included such distinguished citizens and educators as Joaquin P. Rocas, Sr. (President), Oscar Ledesma (1st Vice-President), Antonio C. Delgado (2nd Vice-President), Hermenigildo B. Reyes (Treasurer), and Pio Pedrosa (Vice-Treasurer). Other members of its Board were: Teodoro Evangelista, Armand Fabella, Raul Manglapus, Jeremias Montemayor, Agérico B.M. Sison and Fernando E.V. Sison.

⁵Fr. Ortiz to Josefina D. Constantino, February 25, 1964. This letter was given to the author by Miss Constantino, now Sister Teresa of the Carmelite Order. Fr. Ortiz was then Acting Secretary of the CCNA.

⁶*Ibid.* Emphases added.

⁷"The Needs and Problems of Private Schools" (mimeographed copy given the author by Miss Constantino). An expanded version of this speech was published (1964) under the title *State Power Over Private Schools* (already cited). The above excerpts appear in a slightly revised form on pages 58-59 of the latter. Emphases added.

⁸Fr. Ortiz to President Macapagal, January 4, 1965, in PACU Files, FPE Folder; Minutes of the first FPEP Annual Meeting, May 27, 1965, *loc. cit.*

Fr. Ortiz probably meant here that FPEP's founders did not receive *all* that they were entitled to under the War Damage Act on account of the amendment limiting payments to \$25,000 per claim, because it would be surprising if they did not receive any payment at all, considering that being rich, they had access to the services of reputable law firms to assist them in the filing of claims. Of course, if they renounced their claims in writing, then they did forfeit any claims for payment. But then, that would have been unusual.

⁹Minutes of the First FPEP Annual Meeting, May 27, 1965, *loc. cit.*

¹⁰See above, Chapter II, p. 12.

¹¹Sixto K. Roxas III to President Macapagal, October 3, 1964, with Accompanying Memorandum, in PACU Files, FPE Folder. When shown a copy of the Memorandum, Miss Constantino readily "recognized" it as her work. Interview between Miss Constantino and the author, October 7, 1968.

¹²As former NEC Chairman, Sixto Roxas may have been shown communications pertaining to the Special Fund for Education.

¹³This was the first time that a fixed sum, as well as a flexible one, appeared in the official request of FPEP and COCOPEA. As will be seen later, this went up to \$14 million and finally back to \$10 million. The amount of \$14 million was requested when it became known in December, 1964 that the sum available for the Special Fund for Education was over \$28,000,000.

¹⁴A week after FPEP elected its officers, COCOPEA created a Liaison Committee with it, composed of the presidents of CEAP (Dr. Waldo Perfecto), ACSC (Dr. Juan Nabong) and PACU (Dr. Sotero H. Laurel); Director Jesus Perpiñan of the Bureau of Private Schools; and Fr. Ortiz. Minutes of the Meeting of the Officers and Representatives of COCOPEA . . . September 18, 1964, in PACU Files, FPE Folder. Miss Constantino served as FPEP Executive Secretary, on part-time basis, for free.

¹⁵The Macapagal-Johnson Joint Statement, October 6, 1964, was published in the *Manila Times* on October 8, 1964.

¹⁶COCOPEA officials had agreed on September 18, 1964, to see President Macapagal prior to his departure, but because of the preparations for the state visit, this had to be cancelled. Instead, they agreed to present their views in the form of the FPEP Memorandum, through Sixto K. Roxas III.

¹⁷Indeed, President Macapagal was thinking of using almost the entire Special Fund (then estimated at over \$23 million) for land reform education to complement one of the major programs of his administration — agrarian reform. After all, it was during his presidency that the Land Reform Code had been finally enacted and the National Land Reform Council (now the Ministry of Agrarian Reform), created. See *Official Gazette*, Vol. 61, p. cccvii. See, also, Chapter II above.

¹⁸Fr. McCarron's report is in PACU Files, FPE Folder. The Swiss Inn meeting took place on November 30, 1965.

¹⁹Ortiz to Macapagal, January 4, 1965, *loc. cit.*, and COCOPEA to Macapagal, December 14, 1964, in McCarron Papers.

²⁰Speech delivered by Dr. Carlos P. Romulo . . . at the Casino Español during a luncheon Conference with Members of the COCOPEA, including Heads of Private Colleges and Universities in Manila, Tuesday, July 12, 1966, in PACU Files, FPE Folder. This is reproduced as Appendix IV of this history.

²¹See COCOPEA, "A National Program . . ." p. 5.

Taken in this context, it is easy to conclude that "schools" meant private schools. Actually, the Assembly meant *both* public and private schools. See Recommendation 15 of the Philippine-American Assembly, in *Philippine-American Relations*, ed. Frank Golay (Manila: Solidaridad Publishing House, 1966), p. 209. It would have been surprising if the Assembly had not made such a recommendation. All of

FPEP's officers, except Ortigas, were participants, as were prominent school heads. And FPEP's Executive Secretary, Miss Constantino, was the Filipino co-director of the Assembly.

²²FPEP Circular Letter, September 26, 1966, in PACU Files, FPE Folder.

²³Miss Constantino claims that she, too, wrote the COCOPEA Project Proposal, sometime in March or April, 1966. Constantino to the author, October 5, 1968. Fr. Ortiz had hinted this in a telephone interview with the author in July, 1978, as had Atty. de Vera.

²⁴Copies of the COCOPEA Project Proposal are in PACU Files, FPE Folder; also in Fr. Thomas R. Fitzpatrick's Papers, a folder of which — on FAPE's background [hereinafter Fitzpatrick Folder] — is on loan to FAPE for this history. Emphasis in the original.

²⁵See above, Chapter II, pp. 20-21.

²⁶The COCOPEA officials were expecting between P38 million and P54 million, on the basis of existing conversion rates at the open market. Interviews with Dr. Dizon and Atty. de Vera, already noted.

²⁷FPEP Circular Letter, September 26, 1966, *loc. cit.*, Dizon, *loc. cit.*, p. 8.

At the time Secretary Romulo and Undersecretary Corpuz were speaking in terms of pesos, the Education Assistance Committee's Secretariat must have already decided to assign P15 million (or \$3.5 million) to the Cultural Center of the Philippines of the First Lady, hence the diminished amount for private education. Earlier, on June 8, 1966, a technical committee composed of Department of Foreign Affairs, NEC, PES, Department of Education and Department of Agriculture and Natural Resources experts had decided to recommend "between 25% and 30%" of the Special Fund for assistance "for higher education", as the "share of the private sector", i.e., between \$7 million and \$8.4 million. See [Juan] Manuel's "Memo to Undersecretary Corpuz," June 9, 1966, in Fitzpatrick Folder.

²⁸There are several mimeographed copies of "A National Program" in PACU Files, FPE Folder and in Special Fund for Education Folder [hereinafter SFE Folder], as well as in Fitzpatrick Folder. According to Miss Constantino, the final version was actually the *fourth* version of the FPEP Memorandum, with the *third* (prepared after Dr. Corpuz gave the format) and *fourth* (done after a hurried discussion with COCOPEA) versions written within a single day! Copies were furnished President Marcos and Ambassador Wm. McCormick Blair, then about to leave for the United States, and, of course, Dr. Corpuz and members of the Education Assistance Committee and other officials.

²⁹See below, elsewhere in this chapter, but especially Chapter VI, in the section on PERAA.

³⁰"A National Program," despite its length, is reproduced in the Appendix of this history.

³¹Dr. Corpuz's "1st Indorsement" of "A National Program" is dated September 26, 1966. A copy is in Fitzpatrick Folder.

³²See above, Chapter II, p. 21.

³³There are two copies of GAPE in Fitzpatrick Folder, one being a reprint by COCOPEA dated April 19, 1967. PACU Files, FPE Folder, and FAPE, *Basic Documents*, both have copies of GAPE, but contain no clues as to its having been submitted as the government's proposal.

The final version of GAPE was obviously prepared by the Secretariat of the Education Assistance Committee, although it seems to have originated from DBP. Atty. de Vera (Interview with the author, October 6, 1978) thinks that DBP submitted it at the suggestion of the NEC Chairman; hence, GAPE is also referred to as the DE/DBP Project Proposal. When Miss Constantino, who in 1966-68 was working with DBP, was shown a copy of GAPE, she again claimed that she had written it — "on official time". See J.D. Constantino (Sister Teresa) to the author, October 5, 1978. If this is correct, then Miss Constantino could claim "authorship" of all the project proposals before the Project Agreement was signed on June 11, 1968!

³⁴In light of our discussion in Chapter I of this history, government assistance to private education, courtesy of the Special Fund, could not possibly be claimed as the *initial step* in the government's "effort to establish constructive relations" with the private schools. What was probably meant to be conveyed by the phrase is the *beginnings* of all-out institutional support and assistance activity on a sustained basis, and with the participation of private education in determining the scope of assistance programs, their priorities, etc., as is now the case.

³⁵Notes on the COCOPEA Meeting with Dr. Corpuz at the New Selecta, Manila, April 19, 1967, prepared by Atty. de Vera, in Fitzpatrick Folder.

³⁶A copy of the COCOPEA letter, dated April 22, 1967, is in Fitzpatrick Folder. It was signed by Drs. Juan Nabong of ACSC, Waldo Perfecto of CEAP and Filemon Tanchoco, Jr. of PACU.

³⁷See COCOPEA's Citygram, dated August 10, 1967. Copy in Fitzpatrick Folder.

³⁸"Aide Memoire on the Special Educational Fund, dated October 17, 1967," prepared by Fr. Fitzpatrick, in Fitzpatrick Folder

³⁹At least three times — October 27, 1967, and February 2 & 13, 1968 — before the April 3rd meeting with COCOPEA.

⁴⁰A xeroxed copy dated "March 1968" is in Fitzpatrick Folder. Also in PACU Files, SFE Folder. The markings on the Fitzpatrick copy clearly indicate that revisions were made by COCOPEA, or at least it contributed some of the final revisions.

⁴¹There are no written records in the files consulted to support this view, but Fr. Fitzpatrick's "Aide Memoire" suggests that approaching the American side was at least considered by COCOPEA. And one must recall that Fr. McCarron had contacts in the White House and State Department, as well as in the U.S. Embassy. See his "Report", already cited, and Chapter II.

⁴²Summary of Meetings on the Special Fund for Education, April 3, 1968, by Fr. Fitzpatrick, in Fitzpatrick Folder.

⁴³See FPEP's Articles of Incorporation, July 22, 1964. A copy was given the author by Miss Constantino. Another copy is in PACU Files, FPE Folder.

⁴⁴These were: Ateneo de Manila, Philippine Women's University, De La Salle College (now a university), St. Scholastica's College, Philippine Christian College (now also a university), Trinity College, University of the East, Araneta University, Far Eastern University, and Centro Escolar University.

A few documents, mainly circular letters about the project and fragmentary progress reports, are in PACU Files, FPE Folder.

⁴⁵Circular Letter, August 30, 1966, in PACU Files, FPE Folder.

⁴⁶Unfortunately, it has not been possible to see the completed study; not even The Asia Foundation office in Metro Manila or Main Office in San Francisco, which the author visited in December 1978, has a copy.