

# OPINION & FEATURES



## The Last Frontier being first on the list

**P**ALAWAN is called "The Last Frontier," because it is the last unsettled area in the Philippines. Diverse as the country itself, Palawan's natural beauty is composed of pristine mountains, clean air and clear blue waters.

So it is not a surprise to know that one of Palawan's attractions, the Puerto Princesa Subterranean River National Park is on top of the New 7 Wonders of Nature online poll. A Switzerland-based foundation, the ongoing campaign aims to create awareness all over the world and how to protect it. Another attraction, Palawan's Tubbataha Reef is also included in the poll, ranking no. 5. Other Philippine sites have also made it to the list as well, like Bohol's Chocolate Hills (no. 4) and Bicol's Mayon Volcano (no. 11)

The Philippines is a country rich in biodiversity and natural resources. This is why many tourists have flocked – and continuing to visit – our country. Aside from the warm hospitality of our people, tourists will never run out of beautiful places to visit. We believe that our country's attractions can compete with more popular spots of other nations. The online poll only goes to show that people – Filipinos and foreigners – appreciate the beauty of the Philippines. It is our hope though we can be able to preserve this beauty for generations to come. (AJ)

**EDITORIAL**

## Toxic assets

**T**HE whole world kept vigil over the weekend as US legislators tried to patch together a piece of legislation that would enable their government to buy up some \$700 billion worth of toxic assets underlying the financial troubles that shook up Wall Street the past week.

These toxic assets are composed mainly of mortgage accounts that have gone sour. These assets were sold down the financial system, repackaged into all sorts of equity paper, sold and resold in even newer packages. Few of those on the farther end of the trade in financial products had any clear idea of the quality of the underlying assets that have been packaged and repackaged into so many tradable financial products.

When it became clear last year that the downturn in housing prices and the oversupply of homes in the US market created uncertainty about the true value of the "subprime" mortgage assets held by the financial institutions, the problem began to creep up from the mortgage originators to the large mortgage companies to the major investment houses.

The creeping mortgage problem led to rapidly dropping prices for stocks in the financial institutions, a general unwillingness to lend and a frantic revaluation of the assets on which a large trade in financial products was built. The liquidity flow tightened. Soon enough the rotten state of the

underlying mortgage assets became clearer and clearer. As financial institutions marked the prices of their holdings to prevailing market prices, a wave of bankruptcies set in.

This wave of bankruptcies will certainly continue unless something is done to prop up the underlying mortgage assets. This is where the \$700 billion financial rescue plan comes in.

If the bankruptcies continue, the financial turmoil we have been experiencing will worsen. It could lead to a disastrous meltdown in the US financial system, inviting something akin to the Great Depression of 1929.

In order to arrest the wave of bankruptcies, the plan put forward by the US Fed is for the government to buy up the toxic assets. That will set something akin to a floor price for these assets. It will inject a large dose of cash into troubled financial institutions and enable them to get these rotten assets off their books.

The assets will certainly be sold to the rescue fund at a bargain, ensuring the financial institutions share in the losses. Should housing prices improve at a later date, the government can resell the assets back to the market and might even make a profit. That is a distant possibility, however. It is likely the government will resell them at a bargain when the market recovers, ensuring the taxpayers a loss as well.

The rescue plan does not please American taxpayers, to be sure. They do not want tax money aid out to rescue corporations that have been less than prudent in the business they do. The legisla-

tors could be punished in the forthcoming elections. This is the reason they want to package the legislation for it in such a way that taxpayer concerns are addressed as best possible.

Rather than issue a blank check to buy toxic assets and stop the bleeding of the financial system, US legislators have added features such as congressional oversight of the purchases to be made, checks against the use of taxpayer money to pay executives grossly scandalous salaries and some assurance that, should some profit be made when the assets are later sold back to the market, the taxpayers get a share of the upside.

It might be called a political repackaging of the rescue plan. There is agreement that such a plan is unavoidable. The complicated matter has been how this could be made more palatable to the taxpayers. That has been the reason for the delay in congressional approval for the plan.

Sunday afternoon, everyone I knew in the Philippine banking community seemed to be in a cheerful mood. That was in sharp contrast to the glum and grim mood that enveloped our business community since Lehman Brothers declared bankruptcy two weeks ago.

News broke that the US Congress, in their joint meetings, had achieved a breakthrough that will allow the plan to be executed over the next few days. That could be taken as a signal that the bottom has finally been reached and the global markets could be swept up in a wave of relief, if not euphoria.

At the very least, the bleeding should stop.

But it is not yet time to celebrate. No one really knows if the plan, the subject of unprecedented marathon legislative work in Washington DC, will actually work.

\$700 billion might seem a large amount. But some analysts estimate that the rescue fund could cover only about 7% of the aggregate mortgage-based assets that dragged down the biggest financial institutions in the US and reverberated in linked bankruptcies in the UK and elsewhere.

That rescue package might cover only a fraction of the toxic assets poisoning the global financial system. But it might be enough to restore confidence in the financial institutions and inject enough liquidity to the markets to enable a recovery.

We don't know yet. The next few days will tell. That rescue plan looks like the last trench in defense of the financial markets as it is presently constituted. If it does not work, if we are all forced back to the drawing boards to find even grander solutions, no one is really sure how badly the global financial instability could go.

It seems that this key step taken by the US government needs to be reinforced by the central banks of the other nations. They, too, must dare inject some more liquidity into their markets to revive the global financial system.

The anxiety is not yet over. If the poisoned financial markets are not cured soon enough, the real economy — including ours — will soon be reeling in a second wave of bankruptcies. (Philstar.com)



**FIRST PERSON**  
Alex Magno

## Eid'1 Fitr

**L**AST October 1 marked the Eid'1 Fitr, the end of the Feast of Ramadan, which was declared a regular holiday by President Gloria Macapagal-Arroyo. Traditionally, this is a three-day festival which literally means "the feast of the breaking or to break the fast." It is a holy ritual that caps a month-long prayer and spiritual purification that is supposed to be

achieved by much prayer, self-sacrifice and fasting. We have a similar Catholic practice of having spiritual retreats to attain spiritual cleansing through reflection and meditation, penance and fasting. The Christians have the Lenten Season, while the Muslims have the Ramadan. Therefore Muslims and Christians are supposed to understand each other because they have a lot in common.

The Muslim religion is one of the peaceful religions I have known. I

am touched by the way they greet each other: *Assalaam Allikum, Wa Alaikum Asalaam* ("May God's Peace be upon you", "And Upon You be Peace"). But somehow, this has been marred by the violence and anger that Muslims came to be associated with—terrorism. Historically, the Muslims were already the scourge of our *conquistadores*, the Spaniards who ruled our country and influenced our people for 400 long years. Hence they were then called Moros because of the wars where the Moors defeated the Spaniards even before they came to our country. And before the war in our country, we already knew of the *juramentados* who killed for a religious cause or to earn spiritual favor from Allah, with complete disregard of the fact that killing is a sin in itself. In all these, the Muslims portrayed only anger, fanaticism to a religious cause and violence. It is more unfortunate that the greatest terrorist destruction and invasion was instigated by a Muslim, Osama Bin Laden. His terrorist network, Al Qaeda, remains to be the biggest terrorist threat today, not only to the United States, its greatest enemy, but to the rest of our global village

as well. Bin Laden's symbol as a terrorist leader now overshadows the symbol of peace that the Muslim faith espouses in its teachings.

With the ongoing conflict in Mindanao, we wonder whether the Ramadan was observed by every Muslim in the country. The trouble is the MILF is unable to control renegade groups from inflicting harm and death, victimizing innocent civilians both Muslim and Christian. This is aside from the presence of the dreaded Abu Sayyaf, the arm of the Al Qaeda in the Philippines. The good is again eclipsed by the evil, with Muslim rebels and terrorists dominating the peace-loving citizens in Mindanao. It seems the conflict will never end.

Ramadan may still bring repentance and remorse, desire for spiritual cleansing and purification among the Muslims. But with what the Muslims now stand for, we wonder whether Islam is truly a religion of peace.

I can only pray to God to bring peace and tranquility not only in my old age but in my country's affairs as well. May this Ramadan finally see through a just peace pact. (Philstar.com)



**ROSES & THORNS**  
Alejandro R. Roces

## LETTER TO THE EDITOR

I'M not against gays or lesbians, provided they don't do anything beyond having '*pusong mamon*,' soft-spoken voice, and even to be too demure, or for lesbian to act more macho than man, to feel like fearless and stronger, that's all fine, acceptable, and sinless.

But to do the act of lovemaking, and marriage, that's unacceptable and sinful, not according to what we want but according to God.

God made it so crystal clear.  
Romans 1:26-27

".....For even their women exchanged the natural use for what is against nature. Likewise also the men, leaving the natural use of the woman, burned in their lust for one another, men with men committing what is shameful, and receiving in themselves the penalty of their error which was due."

Leviticus 18:22, 20:13  
"You shall not lie with a male as with a woman. It is an abomination."

"If a man lies with a male as he lies with a woman, both of them have committed an abomination. They shall surely be put to death. Their blood shall be upon them."

How more crystal clear do we want it to be?

I wish the gay person I've watched on television on the Filipino channel regarding the gay/lesbian topic is able to read my writings—he turned to be a Christian, and with his faith in God, controls himself from doing things unacceptable in the eyes of God. He would be an inspiration and a testimony giving God the glory to many gays/lesbians. Another gay person, a transvestite, learning to fear and love God, turned his back from being gay, underwent surgery again for his manhood, now married, had a kid, and obeying the word of God.

If you truly with all sincerity surrender your will and heart to God, our Lord Jesus, he is faithful with His promises to deliver you and help you with your weaknesses. Because in our weaknesses, that's where He wants us to find His strength.

I hope your newspaper would spare some spaces for 'Comments/Opinions & Answers' column before others, 'coz I read this article exactly the same as 'word for word' even with exact title.

More power to your newspaper and God bless.

In Christ Jesus,  
Flor San Diego, Vallejo, CA



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