

Hilarion Henares
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JSPS Philippine Technocracy Project
Transcript of Interview

Hilarion Henares
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Interviewer: Professor Teresa Encarnacion Tadem, PhD

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TADEM: Sir just some background about the project, we want to interview technocrats who are the key people in government...

HENARES: You know I wish I can scan the details because I think it is unique.

TADEM: Yes... First we want to know your family background. There is this stereotype about technocrats that they belong to the middle class. I'd like to know more about your parents, your family.

HENARES: Okay. I was born into a political and science-oriented... family. My grandfather was in the history books as the grand old man of Pangasinan. The politics of Pangasinan started with him. He is Daniel Maramba. Don Daniel Maramba was the mayor of the town. He became the governor of the province. He became an assembly man and congressman. Eventually he became a senator. Then he died.

My father is a government pensionado who went to the University of Illinois and University of Louisiana; he got himself five degrees, all in engineering... he was a mechanical, civil, electrical, and industrial engineer, and a sugar technologist. He is considered as the father of the sugar and coconut industries in the Philippines. During his time, he had more inventions than other Filipinos. His passion really was to make by-products of coconut and sugar. It was because of him that they call coconut the tree of life. He was the first one who conceived [of the]... full use, not only of [the coconut] meat from which you get copra but also of the shell from which

you can get charcoal and the husks which you make into rags and all sorts of things.... He had a vision. From coconut he made milk which was as good as soya milk. During the war, he invented what we called as the charcoal mobile which [was used as a] substitute for gasoline. He installed [a furnace] at the back of the car... he would burn charcoal with a limited amount of air... instead of carbon dioxide, it would produce carbon monoxide... a very poisonous substance but when filtered and then directed to the engine, it could be used as a fuel substitute for gasoline. Because during the Japanese invasion, they took all the gasoline... and then, they also took our alcohol, the natural substitute for gasoline... At the onset of war, there were a lot of grains of rice and corn rotting in the fields while Manila was starving. There was no transportation. They could not go to Baguio etc. until he invented that. We called it the IPOPI Charcoal Mobile, Industrial Products of the Philippines Incorporated. But people said it did not mean that way. They said IPOPI, "Itulak Pag Omandar Pag Into." <laughs> But it had enough power to go to Baguio. I was very proud of my father. He was in sugar. He made wine. He made fuel out of the bagas My uncle was also a Maramba.

TADEM: What are their names?

HENARES: My father's name is Hilarion G. Henares. I am the junior... My uncle, the eldest son of Daniel Maramba, is Felix D. Maramba and he was also a pioneer. He partnered with my father and he became director of the Bureau of Plant Industry and I believe the Bureau of Science. Most of them are technical people. You can see pictures of them with our former presidents. My uncle had a distinction of inventing the biogas which is a very efficient way of making use of the shit especially of cows and chickens. He had this bio-digester by which he generated methane gas. Then he used it to light [all sorts of things]; he had this refrigerator that used gas.... He was the first guy in history who ever invited the ... to his farm... In this farm he used coconut oil as a [substitute for] diesel fuel to [keep the] trucks [running]... He used methane gas to light up our homes and of course he generated his own electricity. He had this some sort of ecologically balanced operations as he was raising chickens and hogs. He also had [the lands planted with] coconut trees and rice.... He was [given] the Meralco award for being the greatest scientist because my father already died [during that time], otherwise he probably would have it. My uncle was given that award by Cory [Corazon Aquino]. He died in 1996 or 1998. He was a

pioneer in agriculture engineering. My mother was a pioneer herself. She was the first home economics graduate of a university when she came here. She [established] the Home Economics [department] of UP (University of the Philippines) and then UP Los Baños...

TADEM: What is the name of your mother?

HENARES: Concepcion Maramba Henares. She was the first nutritionist and the first home economist in this country. She set it up in Centro Escolar [University] and PWWU (Philippine Women's University). As a matter of fact, that was where I had my... pre-school, in PWWU. [It was] the most humiliating period of my life because she had to dress me as a girl in order for her to enroll me there... She eventually became the president of the National Federation of Women's Club...[after] [Teresa (Bing)] Escoda...and then [Trinidad] Legarda... She was a very famous woman in her time. She was also a chemist... She invented the MC Asbestos Paint in our garage.

... What she did was innovative. It was just simple.... There was a big fire in Tondo. She said that there must be some sort of paint that would prevent fire. It got to be a water-based paint but not water soluble. She took asphalt and there was a certain procedure... You had this asphalt particle suspended in water, asphalt emulsion. She made this asphalt emulsion. It really looked like asphalt only suspended in water... She got asbestos and clay as the binder to give body to it. Then she made it color maroon which was made out of iron oxide which is not flammable. She mixed those in our garage and then she came out with the MC Asbestos Paint. It was a sensation. It was so cheap.... All of the police outposts were painted with MC Asbestos Paint. The last [time] we did that but only the roof was with Iglesia ni Kristo. That was why we were very good friends of Felix Manalo who was the founder [of Iglesia ni Kristo]. I was a kid then and he got to paint all of those. We also did the Araneta Coliseum. That was during the war so they set up this industrial product incorporated; my mother was making asbestos paint and my father was not only making this IPOPI charcoal but also making all sorts of things... That saved the Philippines because we needed tools as you see. We had several hundred people who [worked for us] so we became rich. We really got rich from these services [of]... HG Henares and Sons. That was very funny because we had telephone operator from Pangasinan whose tongue was twisted and she kept on saying when she was answering the telephone, "HG Henares and Sins" <laughs>. We

had so many companies, [with] 5000 people working for us. We started to make paint. We became the biggest paint company surpassing the ICO etc. We made paint even from soap solutions. Then we started to make alkalide. We went to Baguio and we tapped the trees of Baguio to make this pine sap.

We were really a family dedicated to industrialization of the Philippines. My father set up small shops then he joined... the Philippine Chamber of Industries for which he became the first president. I was the fourth president. I became the president of the Philippine Chamber of Industries... a very powerful position because we had industrial corporations under us. Toribio Teodoro, do you know him? He was [the owner] of the Ang Tibay. He used to make shoes for the Philippine army. Then Gonzalo Puyat was the manufacturer of bowling alleys.. He used to make the best bowling alleys in the world... he had that Puyat furniture and then Andres Soriano Sr. of San Miguel. These were my constituencies... They were importers, store keepers etc. So I became the President of PCI. [I was chosen] by the business writers of the Philippines [as] the Young Businessman of the Year. Imagine that? I also became Industrialist of the Year at very young age. I earned my first million before thirty years of age... I was also a friend of the president. I was a Magsaysay boy. Oh [Ramon] Magsaysay! You see, my best friend and classmate was JV Cruz. I do not know if you know him. JV Cruz was in Ateneo [de Manila University]. Both of us were from Ateneo. He became the youngest cabinet member at the age of 27 as the Press Secretary of [President Ramon] Magsaysay who was more or less his uncle. It was then that I met Magsaysay.: Oh I must tell you something else. My grandfather was the Chairman of the Defense House Committee of the Assembly. It was a unicameral [body] during the start of the Commonwealth. One insisted that we should have a citizen's army. Douglas Mc Arthur wanted to have citizen's army so one was hired by President [Manuel] Quezon. Daniel Maramba as the Chairman of the Committee passed a bill, "National Defense Act no.1" Commonwealth Act no. 1 but he had to have technical plan and who gave it to him? ...The aide of Mc Arthur who became the president of the United States, Dwight Eisenhower. They became good friends. He used to sleep in the house. My God one day, I was chosen as Eisenhower fellow in 1958. My God! They gave me US\$5000 dollars a month for a whole year. They saw to it that I met everyone and I had lunch with Eisenhower. He said, "Henares, come here! I used to sleep in your grandfather's house." "I know! I know! I bought the house. I lived in it already!" "Good!

When I visit the Philippines, I will stay with you, back in my old room!" I said, "Wonderful!" He did come here but this [secret] service wouldn't let him. So he told me to come over the Manila Hotel where he was staying. He said that "I hope I can go there. The streets are so narrow!" I told him that the secret service was just listening to CIA (Central Intelligence Agency) who was listening to NICA (National Intelligence Coordinating Agency) who was telling you. The CIA was telling the secret service that I am an anti-American, which I am. But we were very good friends, he saw to it that I met Albert Einstein. I met everybody worth knowing__ Albert Einstein, J. Robert Oppenheimer, the father of the atomic bomb... Peter Black, the president of Columbia Broadcasting, he was the inventor of the long playing record... Edwin Herber Land who was the inventor of the Polaroid lens, the instant camera... the inventor of Technicolor [Herbert Kalmus], and then this Edward Rolke Farber. He was the inventor of the flash. Of course, he was also my professor. I went to MIT (Massachussetts Institute of Technology), that's a foreign branch of Mapua.

TADEM: So sir, you were in Ateneo first?

HENARES: Ateneo [de Manila University] and then UP (University of the Philippines)... [I studied in] Ateneo grade school all the way to [the College of] Liberal Arts. During the war, they closed Ateneo so I had to go to UP. I took up [mechanical] engineering over there.

TADEM: Who were your classmates then?

HENARES: Santos, the one who made refrigerators.

TADEM: Dante?

HENARES: Dante Santos! And then the Secretary of Commerce, the one who owns the 7 eleven?

TADEM: [Vicente] Paterno?

HENARES: Yes. Paterno. And not only that I belong to Tau Alpha.

TADEM: Sir, my father belonged to the same fraternity.

HENARES: Is that so? He must have come much later.

TADEM: Early 1980s.

HENARES: I was [in UP in] 1941. That was the time UP hated Ateneo... Because we were Jesuits, they hated us. This was the Ateneo here in Padre Faura. I was a Padre Faura guy. They hated us. The only Atenean who ever made good [in UP] was Gonzalo Gonzales but he was the son of the [UP] President [Bienvenido Gonzales]. Nobody else! Raul Manglapus would not dare to go [to UP]! He would get his law [degree] somewhere else. Emmanuel Pelaez had to go to that National University. All of them had to go someplace else...

TADEM: Sir you graduated in UP?

HENARES: I went there... [during the war]. When the war ended, I went straight to Massachusetts [Institute of Technology]. I had there an equivalent of MBA (Master of Business Administration). It was called business and engineering administration, instead of business administration. I was also under [Paul] when I took up... doctor of Economics. We were also collectors of his papers.

So on my first day in UP, [I met]... Professor [Juan S.P.] Hidalgo, a good friend of my auntie. "Ah Henares! Ateneo ha!" I said [to myself], "That's it! I am going to get it from this professor!" So I waited for the class to end and told him, "Sir, can I show you my scrap book?" "Oh yes Henares!" These were the articles I wrote for Free Press, for Graphic etc. "You write well Henares! Congratulations! But your grammar is all wrong!" "That was what they call stream of consciousness. I got it from Earnest Hemingway." "Is that so? But your sentences are too long, too many clauses!" "Sir, did you know that James Joyce wrote a book, "The Seduction of Maria" or something like that; there was a chapter, it was 80 pages and it was one sentence." He did not

even read that book. One sentence in 80 pages, no period until the last! That was James Joyce. At the end, “Okay, okay Henares, you impressed me but don’t forget this is UP.” “Sir, may I see your scrap book?” <laughs> He told me, “I know your type! You are going to make me miserable for the whole term! So Henares, don’t come to classes anymore, I’ll give you a grade of three at the end.” “Sir, I don’t deserve a three. I deserve a one!” “No, nobody gets one in my class!” “This one will!” But you know he was right. I could make him miserable... “I could make sentences that would boggle your mind. I will spit infinitives. I will dagger you with participles. I will have double negatives and I could show you other greater authors than you who use them. Now, wouldn’t that confuse your students when you are trying to teach them rules in grammar and style? English if you must know, there are more violations in the rules than rules themselves. I can even use Shakespeare.” Okay 1.5.” “No, I’ll give you two, unacceptable.” So I told him, “Did you know from third grade, I read one book everyday up to this time. And in one month I got myself a college education because I read the whole book of knowledge in 20 days. Now you ask me anything from the Crusades and Jihads, from the Spanish inquisition etc... “1.5” “Okay, don’t show up here anymore. You’ll going to make my life miserable.” “Wow! Wonderful!”

My next subject was Solid Geometry under Angel Mc King. Angel Mc King was one of the original communists. He was a member of the politburo. He went to jail but during this time of his life, during the Japanese occupation, he was good looking, all the girls loved him. He was a brilliant man! So I was watching him. “How do I get this fellow?” I wanted to go to UP without dealing with these professors. I was thinking, you know your Mathematics?... Mathematics is a very precise science but there are certain problems that are unsolvable ordinarily. You can’t just do it. There’s this blank wall. For example, trisecting a triangle, you cannot just do it on paper. And then another blank wall etc. You go to sleep, and then all of a sudden the inspiration comes. Now such problems are easily contrived but impossible [to solve] because you start with the impossible solution so you can’t do it. You can contrive the problem but it’s hard for anybody to solve it unless he gets the same inspiration. Somehow, it dawned on him. So I was watching the guy. Everybody clapped. “Sir, can I give you a problem?” one of those problems I contrived. Blank wall! Then he looked at me. Blank wall again! He did not realize he has been hooked. “Sir, I think this [is solved this] way.”

He said to me, “Henares, after class!” “*Anong ginagawa mo sa akin?* [What are you doing?” That guy was cursing me from head to foot. “I really would like you to exempt me from classes.” “What? Exempt you from classes? Are you kidding me?” “I know everything from that book. During vacation, I solved those problems in the book.” “You taught yourself?” “Yes in two months. Give me problems at the beginning, at the middle, and at the end. I already solved it all.” “That’s amazing! You did not take this before?” “No. This is the Math I really like.” “What’s your proposition?” “I do not go to class, just give me one.... You’ll give me these types of problems in this class, it bores me! I know everything here... I’ll give problems and the solutions. Imagine that you’ll have like that everyday.” “Okay Henares. You come here, mid terms. You take the examination. Then you come here at the end of the semester, you take the finals. It will be average of the two.” “Wonderful! I’ll take that!” ...

I asked my son, “Atom, you went to De La Salle [University], Ateneo [de Manila University], UP (University of the Philippines) , tell me the difference.” “I’m glad you asked Pa. Well, in La Salle the Christian brothers will keep pushing you to the wall. They will keep on saying, “You’re no good! Fight back! It’s a jungle world out there!” That’s how they train you to be good businessmen. You have to be defensive and very offensive.” “Really? How about Ateneo?” I said. “ Ateneo is not a jungle world like La Salle. It is a kingdom of heaven because the Jesuits would keep telling you, you’re good, you’re the best, go out there to the world and it will support you. After four years of the crap, you’ll really believe that yourself. You can spot an Atenean one block away by the way he walks. He got apples under his arms. *Akala mo kung sino! Ang yabang!* Like you papa.” “Okay how about UP?” “UP is not jungle world like La Salle nor the kingdom of heaven like Ateneo, it’s the world as it is. Because over there, they never say, you’re no good... They never say you’re the best. They just do not give a good damn!” “How about the students?” “I must tell you that in La Salle, there are really three different kind of students. They do not even talk to each other. There are the Chinese who own the Philippines. There are the mestizos who think they do and there are the Filipinos who are more or less... they do not talk to each other... Ateneo is really different because over there everybody has the Ateneo spirit. You call a guy a *tsinoy*, he resents it. You say a guy is a *pinoy*, he resents it. Everyone is an Atenean and nobody is greater than the other. Not only that... we have sense of bonding not only among

ourselves but with our fathers, grandfathers etc... In Ateneo, you can say all you want with their system of education but I don't know any Atenean who is unemployed. There's always another Atenean who would say, "Come work for me!" It's like Harvard... They have a certain sense of the old boy network... Well the number one business school was Stanford [University], the second was MIT (Massachusetts Institute Technology) where I came from. In Stanford, it was eclectic. They organize people by saying that "you have to act like a corporation." That is the technique of Stanford. MIT ... operates under the assumption that man by himself is unpredictable but [as part of the] mass, he is obviously predictable. Business is run this way and that way. Very complicated but it works. But the most famous is Harvard but it is only number three. They built it in case problems. The case problems have no solutions, absolutely none. Why? Because there is not enough data. Like any business problem, there's not enough data to make a mathematical problem out of it. So you have to make assumptions. Your assumptions [differ] depending upon your background... your knowledge on how people act. That is why Harvard always gets the people from all [background]. In Harvard Business School, if you are a director, they get you. They just don't want people from the business school or accounting. They want movie stars, producers, and engineers because they [want to] bring [people of] different background and 20 percent [of the students] have to be foreigners. Atom got the highest [score] in that GMAT exam. I said that he apply to MIT... Stanford and Harvard. He went to Harvard because [of] the old boy network. You look at the starting salaries; Harvard has the highest even if it is only third [in rank]. Why? Because it is like Ateneo. They [the Ateneo graduates] are very good in speaking and with the communication skills, invariably they become personnel managers. You go to a firm, apply and he [the personnel manager] looks at your record, "So you are from Ateneo. I am from Ateneo too. You must be good as I am." Ateneans usually get the job. That's the way it is. How about UP? Is there something that the UP students... can boast about? No. there are only the sororities and the fraternities... and they are killing each other. They hate each other. UP is the lousiest school and offer the lowest salaries... but they are the best, the best school in the island. Of course it used to be number one in Asia now, it's 45 but Ateneo is 76 and La Salle is 77. Santo Tomas is somewhere out of sight. It's because the only things they can boast about are [their offerings in] the fine arts and... medicine. But UP is the best. You survive UP, you'll survive anywhere. You get the best education in UP. That was what he [Atom Henares] said.

TADEM: Sir your son's undergrad was UP (University of the Philippines)?

HENARES: Yes. He had to go to Harvard. The only thing he could boast about was he was the captain of the shooting team.

TADEM: Sir when you were in MIT (Massachusetts Institute Technology), how were the professors? Who inspired you?

HENARES: I had a special course but I am a Doctor of Economics. [I learned a lot] from [Paul] Samuelson. Samuelson was the greatest professor in the whole world. He was a Nobel Prize winner and he said that economists are like... eunuchs. They know how to do it and they know how other people do it. They know exactly everything about it; it is just that they cannot do it by themselves. <laughs> That's true. That was what we came [to realize] in the National Economic Council. You know the greatest economists are not trained economists. The Wealth of Nations, Adam Smith was a preacher. David Ricardo was a stock broker and the greatest among all of them is Lord Meynard Keynes. What was he? He was a mathematician. Like for example, Bernardo Villegas? He does not know his economics. He does not even know his math. These Opus Dei guys are legends in their own minds.

TADEM: [Bernardo] Villegas is from La Salle, right?

HENARES: Yes. He is from La Salle. That's the worse of him.

TADEM: Sir why did you send your boys to La Salle then?

HENARES: I did not. My grandfather and my father, they hated the Jesuits... It started with my grandfather and I am the only Henares from Ateneo. All the rest of them were from La Salle, including my brother. Well it started with my grandfather...

...All the time, all the Henareses, all my kids [studied in] La Salle because of my grandfather and my father, they do not like the Jesuits. The only one who went to Ateneo... was Quark, the son of Atom and Vicky Belo. He is a movie director and then now, another grandson of mine. They were only three of us from Ateneo. That is the background of my family. I'll tell you something else.

I was grade three. My grandfather told me that I should be the president of the Philippines someday and he wanted me to have as many classmates as possible. So in grade one I was in barrio Tinungan, Isabela, Negros Occidental. After that, in grade two I was in barrio Lagrana, Castellana.. In grade three, I was in Manaoag, Pangasinan. In grade four, I was in Lingayen with my auntie. In grade five and six, since I was promoted twice, I was in Sta. Barbara, Pangasinan. Then I went to Ateneo.

When I was grade 3, the Secretary of Education who was then called the Secretary of Public Instruction, suddenly discovered the IQ test... It did not matter if you know your English or not, or your Economics, or Social Science class. It was just native intelligence – the IQ test. So he had the idea of letting all... of the students, except the state colleges, all the way down to grade 1 take the examination. One day, when I was grade 3, the Secretary of Public Instruction showed up in our Manaoag farm. He saw my grandfather and told him that he had to see... “Master Hilarion Henares Jr.” My grandfather called me. I remember that call very well because... the farm was... full of chicken shits. So they told me to go to my grandfather, I did not clean up and just went there. My grandfather said “This is my grandson, my first grandson, Larry Henares.” “Mr. Henares, I'd like you to know that in this IQ test of the Department of Public Instruction, you have the highest grade in the entire Philippines with an IQ of 170!” It did not matter to me that much except that my grandfather was very happy. “My grandson is 170.” He added “That is the IQ of Albert Einstein but it does not guarantee that you'll be like him. But you have the potential. My God! Larry, anything you want. Anything, when I say anything as much as I can afford, whatever you want.” “Books!” “What book?” “The whole book of knowledge, 20 volumes.” It was expensive but he ordered it. I read that everyday. I was reading that in class. I was not paying attention anymore. I was brighter than the teacher why I should listen? “What are you reading?” “The book of knowledge.” “Twenty days later, I told him that I already finished

the books, 20 volumes.” “Henares, I want you to know that you got yourself a Liberal Arts College education.” From then on, I made all the speeches. At third grade, I was making the speeches of my grandfather, my father and my mother who were in the political field. I put the historical references which they never knew. <laughs> I did not stop there. I wanted all series of Hardy Boys, Nancy Drew.... I bought the whole set of Tarzan, the whole set by Edgar Rice Burrough, then Earnest Hemingway... I was really having the time of my life. I hid in the closet and then I read. I read one book a day from that time up to the time I was 70 years of age. It was one book a day. So, all these time, I got myself a really good education. You read one book about a guy, his autobiography and you live his life. So I lived the lives of several people, Napoleon, Washington, JP Morgan. I lived all their lives. That was one thing nice about reading. Among my 19 grand children, only two of them read.

TADEM: Sir with your grandfather, what was the source of wealth? Land?

HENARES: Yes.

TADEM: And then he had a political career?

HENARES: Yes. He was an ilustrado. He was educated. Daniel Maramba, you see him in history books. He was a leader in the revolution, a lieutenant-general, a very good friend of [Emilio] Aguinaldo. This is my whole background. I read a lot. As a matter of fact, I ran for the Senate. I was in the cabinet of Diosdado Macapagal. I was Chairman of the National Economic Council and in my watch I had the Philippines grew at the rate of 9 percent in a year. And then... Diosdado Macapagal... declared decontrol so [the foreign exchange rate] was left floating. I was ranting against it but it was a political move. I was the President of the Chamber of Industries [PCI] and in my inauguration, the second time I became the President [of PCI], I invited him to be the guest speaker. He made me part of his cabinet.

TADEM: That was how you met him?

HENARES: ... He did not even tell me. He announced it. This was the president who would tell you, "If I ask you first, then you will say no..." What can I say to that? Because the day before, he came to me in my house at 11:00 at night, he said, "You know, you're right Larry this decontrol is terrible." He declared decontrol with the support of the United States and he was given by the United States, 200 million dollars to support decontrol since there was a lot of pressure on the dollar reserves. I was making speeches against it. I said, "You know, you got that because the Americans insist on converting their block pesos." Because before we had an import and exchange control, and we had been telling them, "You make your profit in pesos, you keep it in pesos. Why should you get the dollars that we should earn in our sugar and coconut industries? You just import and export and then get all our dollars? No. It cannot be." That was what [Ramon] Magsaysay did. I used to make speeches for him. So I told him "In fact they are bribing you and giving you money, they are lending you money, 200 million dollars so as to finance the outflow of dollars because by the time you will run out of dollars and you will have nothing but black pesos. What are you going to do with the pesos? You cannot import any goods from it. The Americans are just going to run away with your money." At the middle of the night he [Macapagal] showed up, "You know Mr. Henares, you're right. I have no more dollars; the PhP 200 million is gone. And all I got are these pesos, and I do not know what to do with it. You're right! What shall I do?" "Easy. Go down to your second line of defense, tariff. Impose tariff on any goods coming from abroad and give higher tariffs to manufacturing goods so people can process raw materials." "That's easier said than done." "Only Congress can do that" And you know how Congress was, you could bribe them. "Mr. President, are you familiar with the Customs Code?" "No." "Have you heard of the Payne Aldrich [Tariff] Act?" "No." "You're supposed to be an economist and you do not know about this act?" "No. what is it?!" "The Payne Tariff Aldrich Act is from the United States and our Customs laws are based on that and there's a [provision] there; it says in the absence of the legislature when it is not in session, the administration, the executive department can raise tariffs twice or put it down to half." "It says that? Really?" "Yes." So he announced that I am going to be the Chairman of the National Economic Council. What did you do that for? I am making a lot of money. I have companies, the two largest companies here. I make Mongol pencils. I make Quink ink." You know the ink of parker pen? I made crayola. All of those under a technical arrangement with the United States, I made 90 percent... no 99 percent of the carbon paper. I made a lot of money. "I do not want to

be in government.” “I am sorry but I already announced it and it’s up to you to refuse it in public.” I could not do that. My father came to me and said, “You remember what I told you when you first graduated from MIT? You remember?” “Yes.” “I told you to make as much money as you can but when the time comes that money is no longer that important to you because you can already provide, because you have more than you can spend forty lifetimes, if it is no longer a problem to put clothes on your children’s backs, I told you, you should retire. When money becomes nothing else but a means of keeping score in a great game of life, you begin to think that you are better than the other guy because you earn more money than he does. When the time comes that money is not important anymore, you spend so much time to keep it, your wife will start to play around, your children will start to have fast cars, or drugs etc, you retire at the most productive period of your life and devote your time and talents at the service of your country.” “That’s wonderful pap, I will do it.” That was how I got into government [service] and for a long time, they had to support me because I was getting too little and I did not steal. But I was the highest paid cabinet member.

TADEM: Do you remember your salary?

HENARES: PhP2000 a month. That was twice as much as Anding [Alejandro] Roces got. He was the Education Secretary during that time and I was chairman of the National Economic Council with [a salary of] PhP2000 a month. It was because of the US AID [United States Agency for International Development]. Because you see... the National Economic Council was a constitutional body like the COMELEC [Commission on Elections]. It was not like this body that that we have now, NEDA (National Economic and Development Authority). NEDA was the creation of [Ferdinand] Marcos. Marcos took away [all the powers of NEC] because the National Economic Council was... constitutionally created; it was supposed to be the highest policy making body and the executive had absolutely nothing to do with it. Why? Because ex-officio, the President of the Senate belonged to it and three of his senators, the Speaker of the House and three [representatives]... these were already legislators. Then there was the private sector and the executive. The chairman [of NEC] was appointed by the President but... as far as the president was concerned I was the [one]... in charge of foreign aid and Japanese reparations... We were the highest national policy making body... ...It was there where I fought

[against] [Rufino] Hechanova and Armand Fabella because they were pro-Americans. I hated the Americans.

TADEM: What policy clashes did you have with them?

HENARES: The Americans said that those who were already enjoying the parity rights by the end of 1974 should enjoy it more as a matter of [vested right and] ...continue enjoying it after the lapse of the treaty,,, They fooled us. In the first place, the Philippines before the Americans came was better off than Spain. Spain they had a lot of squatters and they were two oceans away from us. The good Spaniards stayed there. The bad Spaniards, the crooked ones [came to the Philippines]...

<Dr. Henares' assistant comes. Interview is paused. Dr. Henares discusses the history of Spanish empire, the industrial revolution, the Spanish colonies, events in American history, contemporary American politics... >

TADEM: Who were the people during that time?

HENARES: Rufino Hechanova and Armand Fabella, they were the ones who were against me.

TADEM: Was [Sixto] Ting Roxas also there?

HENARES: Yes he was. He left Bancom. He was my predecessor in National Economic Council. He is a relative of mine. He was influenced by my uncle. That is why he is very good in land use. He is now an expert in land use, how to make full use of your land. He is a great man, Harvard man... We are very, very close. We grew up together.

TADEM: Were you both in Ateneo?

HENARES: I am much younger than him. We were all in Ateneo together, Jobo [Jose] Fernandez, Aurelio Montinola. We were part of the service group of Ateneo. We were the power elite.

<The team and Dr. Henares talks about lunch.>

HENARES: I set up all the industries there and they were all destroyed by [Ferdinand] Marcos, by Ongpin, by Jobo [Jose] Fernandez.

TADEM: Roberto Ongpin?

HENARES: No Jimmy.

<The interview continues while Dr. Henares and members of the research team are having lunch.>

TADEM: In NEC, what was the dominant paradigm when you came in? What were the economic policies before you came in?

HENARES: As I said, the first National Economic Council (NEC) Chairman was Manuel Roxas. He was the founder of NEPA (National Economic Protectionism Association). From my father and all the way to my generation, they were very nationalistic. They were the pre-war generation. The pre-war generation that said, we'd rather be governed by Filipinos, than Americans. That was why they had this independence mission. From my grandfather to my father, to the first National Economic Council Chairman, it had always been industrialization. We had to manufacture our own and from our own, develop our own resources. That was why we had all sorts of industries before the war. We had the National Coconut Corporation. My father was the general-manager of that. Before that he was with the National Food Corporation. The National Food Corporation was bankrupt.

TADEM: Why? This was government?

HENARES: Yes. We were bankrupt because of a very silly reason. My father was the general manager and his boss was in the National Development Corporation because they were the ones who owned those corporations. The National Development Corporation was headed by Manuel Roxas, not the Manuel Roxas who became the president but Manuel Roxas, the father of Ting [Sixto Roxas], Rosepacking[?] Corporation. This corporation was to can our foods. He was the boss of my father. But the Chairman of the National Economic Council was Manuel Roxas who became the president and it was their policy to manufacture goods. The trouble was that we had to compete on a free trade basis with the United States. They were coming in here without tariff. The first thing that my father set up was the Philippine Food Corporation. They were packing these foods which were fish, adobo,,,. He married later on the governor of Laguna. This nice young girl was his technical assistant. And so we had Quezon also. We assigned this pretty girl because Quezon had an eye for beauty. My father assigned this girl to show Quezon... [how to]cut the fish and she was cut. My father and Quezon took her and brought her to the hospital. They forgot about it. A week later, a rumor started that there was a finger there somewhere. <laughs> Within a week nobody would buy our product. That was how they became bankrupt. That girl told me later, she was already a great grandmother, “Your father owes me a finger!” [laughs]

[The team talks about the food.]

HENARES: Our national policy at that time, by the National Economic Council, they were always kissing white man’s ass and there was a lot of American advisers but I am against them.

TADEM: Sir what advices that you did not like?

HENARES: They had PM 480 program. They brought in flour, grains. It was really a subsidized culture in the United States which means that in order to keep the prices up, they have to buy any excess production... They were selling their wheat, corn and soya to the government at a price actually above world price. The idea was to give them an income that would be given to the industrial workers. That was what they call subsidized agriculture. They started to make more

and more surplus... since they do not know what to do with it. They cannot dump it abroad because it will spoil the market for American products. So they had to give it away. They say, "You don't buy from other sources, we would sell it to you at commercial price." What do we get out of it? "The money, we should pay in dollars, stay with you." That was good but no! We will spend it. We will pay American advisers from our funds... That was their idea of foreign aid. They supply the foreign component by giving us these things we buy from them. So they convert their surplus into dollars...

TADEM: Sir you were questioning that policy?

<The driver, Mr. Andrew arrives and Dr. Tadem introduces him to Dr. Henares.>

HENARES: The trouble is that they chose the joint projects. Those joint projects were not ours because they were the ones who proposed them...

TADEM: From your perspective, was this policy beneficial to Filipinos?

HENARES: No.

<The waitress asks for the team's orders.>

HENARES: No... They controlled our sugar industry by leveraging our quota to the United States... That was why we had a lot of hacenderos who were very rich simply because they were subsidized by the Philippine Congress. And these were the guys who became the politicians, the Ilonggos, they were the ones being subsidized by the sugar industry.

TADEM: Sir, do you remember dealing with them personally?

HENARES: Always.

<The waitress serves the food. The team starts eating.>

TADEM: So how was the pressure [--] when you were in NEC?

HENARES: They wanted us to keep importing from the United States what we needed. That was why because all other nations in the world had to pay tariffs except the Americans. [And]... they were making money out of it because they charged ten times more than they charged in India. In other words, they utilized their import share, their resources here to encourage an agriculturebase, import-export economy where we were encouraged to produce raw materials for them to convert into goods. We sold to them our copra and they sold back to us soap... We brought in cooking oil, made in the Philippines but they made it in the United States out of our copra... Do you realize how much they have sucked our blood?

TADEM: Who in the NEC agreed with you?

HENARES: They all agreed.

TADEM: With you?

HENARES: Yes. You see I am the last because we had at that time, at my watch, I had an economy that was [--], we were building ships. We had the National Shipyard and Steel Corporation. I was a director of that. We made nails which we were not doing that before. I was the one who got Marcelo Steel. Because at that time, we were already independent, I imposed tariff. We made nails. We made shoes. Everything we used, we owned. And then during that time, we were allocating dollars and we sold it to Americans. What you do was to bring your [--] here and then you sell it to us and then we sell it up by dollars? ... The dollars are for the industrialization of the Philippines. Americans hated me for that.

TADEM: Sir during the time, Hechanova was more on the political side? He was not doing much on the economic side?

HENARES: He was Secretary of Finance.

TADEM: He was the Secretary of Finance?

HENARES: Yes and also Secretary of Commerce...

TADEM: Sir how about the business community, when it comes to this import-substitution policy, Who were your supporters there?

HENARES: All the industrialists, the Philippine Chamber of Industries, I was being invited there... and I advised them on what they should do. But my greatest triumph was in South Korea. They were going to a civil war and [name of the leader] started to invite me there for almost a year, the Father of South Korea. So we were 30 to 40 years ahead of Taiwan... So there was the Golden Age, I argued against the decontrol policy of Macapagal. It was a political commitment...

TADEM: ...of President Macapagal?

HENARES: Yes, when they had to fight [Carlos P.] Garcia who was pro-Filipino, Filipino first...

TADEM: Do you agree with that policy?

HENARES: Yes. I was one of his [Macapagal's] advisers too but I argued against decontrol. [With decontrol,...] I saved the country by imposing tariffs and I was able to; the peso was floating, P3.90 per \$1, twice as much as it was when it was P2:\$1 before the decontrol. I maintained that from 1960 to 1974. Imagine, we had P3.90 to \$1, all the way to 1972. More than ten years! Not only during the first part of the Macapagal [administration] but beyond that, until the first and second term of [Ferdinand] Marcos. But Marcos began a close relationship with the IMF (International Monetary Fund) who wanted to dismantle the import exchange control, import classifications and they deliberately went out [to]destroy industries. Before Martial law, there was Marcelo Steel, Marcelo rubber, Henares and Sons, National Shipyards and Steel

Corporation (NASSCO), Bataan Park, [and others].... We were really a industrialized economy. He [Marcos] delivered the economy of the Philippines to the IMF and his instruments were Cesar Virata whom he appointed as Prime Minister and Jobo [Jose] Fernandez who was my contemporary in Ateneo [de Manila University]; we were together also in Boston. He was in Harvard and I was in MIT. But he had a different way.

TADEM: Jobo [Jose Fernandez]?

HENARES: Jobo. They believed in global great [economy] long before the rest of the world did. They dismantled all the Central Bank classifications of essential goods [and] non-essential goods. They took out tariffs for the Americans. We were ahead of everybody else, South Korea and everybody. All our industries left us, Colgate went to Malaysia, Unilever went to Indonesia. They all left us... They [Marcos and associates] did not accept [the fact] that there are [different] ways for this country. Malaysia did, they resisted. They said, "You promise them everything they want, but we do what we want to protect our industries." South Korea did. They subsidized them because they had shipping industries better than the one in United States. Even the United States, just to protect their own industries, abandoned free trade... Nobody wanted globalization... We were the only ones who were loving it really. Why? There is something wrong with the Filipinos, the colonial mentality. Anything the Americans would say, it's okay with them... Only Filipinos are like that. The Thais, everything they made for themselves are better than those of Americans. We don't even support our local industries. "Ang ganda nito! Imported eh [This is beautiful because it is imported]!" Who the hell do they think they are? "I will not buy anything Filipino." Sakit 'yan eh [that's a disease]. During the time Marcos and Jobo Fernandez and Virata, who were part of the 40 years of Martial law, we did not have an industrial infrastructure. We used to make our own paper. We used to make our own ships, long before South Korean did.

TADEM: Sir the local industries...

HENARES: I am the only one who fought against it.

TADEM: Sir what happened to the other local manufacturers, your colleagues in the business...

HENARES: They were forced out by the lower tariffs. Marcos... did not give them any import controls that would give value essential raw materials... All our industries were down. He [Marcos] did not know that we had to protect ourselves like [what] South Korea, Taiwan and Thailand did...

TADEM: Sir, another question again, sir to think of the balance between Taiwan and Korea, they had the balance to protecting particular industries and also opening up... did you look into these strategies when you were in NEC [National Economic Council]?

HENARES: Yes,[I liked] what the Japanese did and I was frustrated by the Americans. There was the American Chamber of Commerce... They said that in order to have a good export industry. You must first protect your local industries as a base. You see Japan is like this, Sony and others are in Japan... They are taxed a lot. In other words, all of the taxes are concentrated on the domestic productions and they are protected by the tariffs. You will find out that Japanese goods are more expensive in Japan than they are in Hong Kong or in the Philippines... That was how they captured their export market. That was exactly what happened to South Korea and Taiwan and China. In other words, the export market is based on incremental production. So they have a large internal market which we have and as I said, "We have to take care of our domestic production." But the Americans won't let us. I said to them, "You have to open yourself to our goods. We have to be equal." And from here on it was because of the Laurel-Laurel Agreement, military bases... we gave the Americans equal rights in the exploitation of our resources which was a privilege given to the Americans that was not reciprocated in the United States except in the city of New York who has no resources anyway...This is how they cheated us. Americans are cheaters. They are cheaters in the whole world. So they did that, they changed the constitution so that they could exploit our natural resources on the same basis with the Filipinos... In 1954, they had the Laurel-Langley Agreement. They opened it more. From here on Americans have the privilege, all the business privileges of the Filipinos... That was why Washington SyCip... survived here... He is an American. He is a foreigner... but under the Laurel-Langley Agreement, they were allowed here on the same basis as the Filipinos.

TADEM: Sir when you were in NEC [National Economic Council], can you remember any policy that you wanted to protect the industries?

HENARES: Well, I always had trouble with the Americans because they introduced all sorts of programs here to divert our resources to what they want. They said for instance, as we had to have rice program, a rice program that could compete with them since we had to have an agricultural economy... , “We are going to give you advisers to set up a rice program because you have to be agriculture based.” I do not care about the rice. We eat more rice than we should. My mother who was a nutritionist said that we are overfed but undernourished...

TADEM: Sir in NEC, did you also want to open some industries for exports?

HENARES: All, what I did was this. “You put up industries for the internal consumption of the Filipinos and then you expand your... production so that you make your local industries pay for your fixed costs so that when you export you just figure out your direct variable cost. When you [set the] price it, you already take into consideration the fixed costs__ your capital, your building and machineries, all of those are fixed cost. That was all I wanted. They wouldn’t let me. I was the only one who did it because I was National Economic Council Chairman and I stood against [Rufino] Hechanova and [Armand] Fabella.

TADEM: It was really Hechanova and Fabella?

HENARES: Yes. Hechanova and Fabella and in a way, the Central Bank governor.

TADEM: Cuaderno?

HENARES: No, [Miguel] Cuaderno was a nationalist. Andres Castillo and all of those, they were all under the Americans but me I was independent. I was under the president but only for the allocation of the US AID etc but as far National Economic [Council] was concerned, I had the upper hand. Ding [Alejandro] Lichauco was my cousin. So one day, he came to me, I was National Economic Council I got him and that UP professor who was a communist?

TADEM: Lava?

HENARES: [Horacio] Lava was Central Bank... he was my man in the Central Bank. Horacio. The one, Manoling Yap! Emmanuel Yap! He was the guru of the patriotic view. [Hector] Villanueva, I had Adrian Cristobal. He was the one who exposed the Americans' kalokohan there in Clark field when they shot a Filipino because they thought he was a hog. He got fired from the evening news. I called him. He was working with the Elizaldes. "Sorry guy, you're fired!" "Why?" "Because the Americans do not want you."

TADEM: Who told you?

HENARES: Adriano [Adrian] Cristobal. So I got him, "how much are they paying you?" "PhP300 a month." "Adriano, how much do you think are you worth?" "I am worth PhP4000." "And you get paid with that amount!" He was shocked! Of course he was bastard. He seduced my secretaries all the time... And then there was guy who became the head of the [--]. Florentino Daus... I got him. "Florentino Daus, halika nga [come here], how much do you think you are worth? How much are you being paid?" "PhP200" "How much do you want to be paid?" "PhP400." "Okay you get PhP400." Two weeks later he came, "how come Adriano gets PhP4000 and me PhP400 only?" "Because he said that he is worth P4000. You said that you are worth P400. It's all you will get from me." Satur Ocampo, he was a business writer. "You get me and I won't get money from you." "Okay you do it for free ..." You know Satur Ocampo is a bright fellow...

TADEM: Ding [Alejandro] Lichauco?

HENARES: Ding. He was focusing on this Laurel- Langley [Agreement] because in 1974, it would lapse. We did not want to think that the Americans would have a vested right on whatever they were enjoying. For instance, at the beginning of the 50-year existence of a corporation, they got parity rights to the exploitation of our natural resources... [I went to see President Diosdado Macapagal and complained] ... "That [Rufino] Hechanova and that Armand Fabella are pressuringme to give vested rights to the Americans. I do not want to do it. If you want to do it,

then fire me.” [Macapagal said] “Larry, just do not fight in public. Do what you want. I do not care.”

TADEM: Who told you these?

HENARES: [Diosdado] Macapagal.

TADEM: But not in public?

HENARES: Yes... Because I made the decisions.<laughs> After that we made a nationalist out of that guy, before he was an American boy. [Harry] ... Stonehill, we connived for Stonehill...

TADEM: Who were with you?

HENARES: [Jose W.] Diokno. Diokno was Secretary of Justice during that time. “Pepe, let’s screw that bastard!” and most of these guys who were [--] my kababata, this guy, he was the military ombudsman. His name is Pancho Villa, Francisco Villa! He was the fiscal of Pasay, and then he became the military Ombudsman. We grew up together. “We are going to arrest Stonehill.” And we also got the cooperation of the CIA (Central Agency Intelligence). The CIA helped us.

TADEM: So you were friends with the Americans?

HENARES: Yes. As a matter of fact, Pepe [Jose W. Diokno] met this Kennedy, the brother {of John}, Bobby [Roberto] Kennedy. “You are mad at him?” “Of course, I am mad at him.” “He stole our tomato seeds and planted it in Ilocos!” He and the brother of the Johnny Litton[?], George, the two of them. They smuggled it. This guy destroyed our entire market in the Philippines...

TADEM: Sir in NEC [National Economic Council], was there a term for you or did you resign? Because I remember Ting [Sixto] Roxas said that he was eased out.

HENARES: He was eased out. Before that I was an adviser... [Diosdado] Macapagal. There were three of us, all Pangalatoks. I was the adviser for economic development, General [Carlos P.] Romulo was the adviser for Foreign Affairs and [Jesus] Montemayor was the legal adviser. We were all in one team but they eased out Ting [Sixto Roxas]. "You know Larry, we were like cousins." His aunt married my uncle. We grew up together. His father was the best friend of my father. We were very close.

TADEM: ...Then he was [concerned with]...

HENARES: Industrialist policies, Rosepacking Corporation. When he [Sixto Roxas] was eased out, I suppose he said, "Larry then was the President of the Chamber of Industries but he might not accept it. So surprise him. You make the main speech in his inauguration, my second term and you tell him he was appointed and he cannot refuse."... I was earning PhP10,000 a month and at the same time I was President of the Chamber of Industries. I had these products. 5,000 people under me. And I had to [go into government service] for PhP2,000 but he said, , "You can't say no." "I would publicly say that I cannot accept the position?" I had Ding [Alejandro] Lichauco with me...

We had these hearings [in NEC], so I went there, most of the time I was the only one there.... All I hear were these guys from Chamber of Commerce...and they were always for the American views. I told Ding [Alejandro Lichauco]"I would say that I will no longer have hearings in NEC, Padre Faura. I would go from one school to another. Why? Because the ones who were against the Americans were the students. We will hear all the arguments pro and con." "Let's do it." We went to Ateneo and usually the students were nationalistic. Their professors were usually lousy. [We also went to] La Salle and then UP. That was why I love UP. Would you believe that they have this Abelardo Hall? The biggest hall there...

TADEM: University theatre.

HENARES: Something like that. So Jose David Lapuz, he said, "I would represent the students." "Who the hell is this guy? He talks too much." "Who are you with?" "At my side is Nur Misuari. He is the vice-chairman of the student council and the chairman of the student council is Jose Maria Sison." <laughs> Jose Maria Sison, Nur Misuari, and the guy who was their spokesman, Jose David Lapuz! I liked it! He was a nationalist. "All right how about on the other side?" "Cesar Virata!" He was only a professor there. So who was with me? Ding [Alejandro] Lichauco, me and Satur Ocampo! You know I did not realize that we were at the crossroads of history, the cross roads of history was in UP. It's unbelievable! They were too many people outside! They were three times more people outside than there were inside... You'll never see the likes of these.

TADEM: UP was like that.

HENARES: That was the greatest moment of my life! Ding [Alejandro] Lichauco, Satur Ocampo and Nur Misuari.

TADEM: All of you versus PM [Cesar Virata]?

HENARES: I tell you they were demonstrating and you should see the people outside, they were yelling. UP was the best really.....

TADEM: Sir my husband remembers you from that Movement for the Advancement Nationalism (MAN).

HENARES: Yes. MAN!

TADEM: I told him that we were going to interview you and he said that I would remind you that you met him in MAN. Ed (Eduardo) Tadem.

HENARES: And so I was there. Pepe [Jose W.] Diokno... Ding [Alejandro] Lichauco and... Satur Ocampo, all of them were there. But then I realized they were getting people by guilt of

association just because there was a labor union member there. He was a member of National Economic Council.

TADEM: Malonso?

HENARES: Before that. He was there also... [another] guy [who] was also there was Joma [Jose Maria Singson]. Joma was there. [By guilt of association]this man, he said we were a bunch of communist... I called Pepe [Jose] Diokno and Ding [Alejandro] Lichauco and Lorenzo Tañada... I said, "You know they are going to get us... We have to constitute a broad [base]" "What do you have in mind?" asked Pepe [Jose] Diokno. "I have in mind that I will concentrate on the economic side, Ding [Alejandro Lichauco] and I." We will write about it and be the leader of the economic because we were [both followers of] [Claro M.] Recto." So we asked Recto, he said, "Separate." You cannot be together.

<Dr. Henares excuse himself and answers a phone call.>

HENARES: We had to separate, like for example, "You, Tany [Lorenzo Tañada] and Recto should be on the political side. You leave us the economics." "How about this fellow..." Who was the right hand of Recto? Who wrote all these national works?... He got a son... Constantino, Renato. I said, "Don't put him with us. It is too much already... Ding [Alejandro Lichauco], they cannot say that we are communists. Why? Because we're rich! Because we have so much money, people will not think that [we are]... communists". ...We were not, we were just anti-American.

... In fact, that the [American] Consul-General came to my house and he said, "We prepare to give Mr. Henares a visa and that is indefinite and multiple." ..."We prepared to give it to you and to your family, to your children." "Hey consul, is this a bribe?" "No. The ambassador told me to offer you that." Because they know that I'll never stay in the United States. Tony [Antonio] Abaya, you know the writer? He was a pro-American...I think he was a CIA. He was so angry. "Larry, I defend them against you and they won't give me visa." ... That was

unfair. All of them, they were not given any visa. Who is this Alex now who writes in the Philippine Star?

TADEM: Alex (Alexander) Magno.

HENARES: Alex. He could not get a visa... and he was mad about it because they wouldn't give him a visa but they gave me a visa. Anyway, that was how it was...

You know what we did to the Americans, we were screwing them everyday." Ding [Alejandro Lichauco] and I went to the President [Diosdado Macapagal] and told him, "Sir, why don't we change the Independence date from July 4 to June 12?" "Why did you think about that?" "Well we thought it would be good for the country." "Because Larry we got our independence day on July 4, 1946. You cannot argue about that." "Oh yes I am arguing about it. The United States got their independence in 1790... Before that they were at war with the British. They signed their independence in 1775. People celebrate their declaration of independence not the time of their independence... "We want to have our independence! That was what the Americans did in 1775. They achieved it only in 1790. And now you tell me to accept that July 4. You know what happened in July 4? All over the world, every embassy send all their people to the American Embassy. Who come to celebrate our independence day? Nobody! We have to go to American Embassy to celebrate our independence. You were in Foreign Affairs. You know what it means!"... You should have seen my big advertisement long before when I was the President of the Chamber of Commerce. In the Quirino Grandstand, all our heroes marching by, we celebrated our own Independence Day, June 12. Henares was way out in that field! Americans came in and said that without them, we would be back climbing trees. I said, "I got a higher IQ than you! I am even richer than you are!" We were screwing them every single day. Everyday! Even during Macapagal's time with JV Cruz. We passed the Retail Trade Nationalization Act. They were going crazy and then we passed the dollar allocation during (Ramon) Magsaysay's time. We did the tax exemption for new industries. We were screwing them from Magsaysay. We were really going great guns but we were doing it subrosa.

It was the time of Magsaysay... Oh yeah, that was the time of Americans... Magsaysay, he did not trust the Lopezes. The Lopezes are greedy people.

TADEM: What was the reason for that?

HENARES: Because the Lopezes could not make money without franchise and they controlled the Energy Commission. They were the sugar bloc... Fernando Lopez, he was my ninong [godparent]. I was also from the Visayas. We convinced [Ramon] Magsaysay not to get him [as running mate] but instead get Carlos Castillo... Galit na galit siya [He was so angry]! Ining [Eugenio] Lopez wanted... his brother to be the vice-president. So he got [Carlos P.] Romulo. Romulo was pro-American. He was even the President of the United Nations during that time because the Americans made him so... I joined Magsaysay saying, "I [am] going with you because you are my friend [and] I am really going to campaign for you but my heart is with Recto." "You can love Recto but he cannot win anyway." But when Carlos P. Romulo ran, we said to ourselves that he might split the vote and probably he would get more money than me. He relied on the CIA but we, we got only the Chamber of Industries etc. JV Cruz and I had a dinner in his place. Romulo was in the Rizal Memorial Sports Complex. They had a convention there, the Democrata Party. Then he [delivered] ... his speech. I said that this speech of Romulo was familiar. And then I remember this presidential candidate in the States. His name was Adlai Stevenson, I was a fan [because] of his speeches. That Romulo was plagiarist! In front of the Chronicle because that was the paper of the Lopezes, we waited 3:00 in the morning for the first edition of the Chronicle. As soon as we got it [the printed speech of Romulo], we went to the house and looked at the book at Stevenson. Exactong exacto, paragraph by paragraph! So JV and I went together to [Ramon] Magsaysay, "Monching, we got that Romulo. He has been stealing speeches from Adlai Stevenson!" "Di ko naintidihan yan! Alam mo hindi ko kaya yan, dalhin niyo kay Recto [I don't understand that. You know I cannot handle that, bring it to Recto] ." Recto really hated Romulo. I told JV [Cruz] to go [see him] alone and don't mention my name. I was the President of the Philippine Chamber of Industries and all of my American businessmen would cut me off. He went there and explained to Romulo. You should see that! "I owe it to JV Cruz!" I told JV that I should be the one getting that. He said that he was protecting me. Next day, he [Carlos P. Romulo] had to resign. Imagine being called a plagiarist? Not only a plagiarist, but a plagiarist of Adlai Stevenson? Everybody knew Stevenson! We were doing that all the time. Even that thing in Tawi-tawi? We told Macapagal about it.

TADEM: What about the Tawi-Tawi?

HENARES: We claimed that together with Sabah. But the British did not allow us [to claim] Sabah. Actually, they were about to invade us. That was when [Diosdado] Macapagal became pro-Filipino because we heard Singapore, marshalling the army of the British, preparatory to a preemptive strike to the Philippines. They were threatening that if we invade Sabah, they would get us. So we went to the States and to [William McCormick] Blaire, Ambassador Blaire, “We want to know what the Americans would do. Suppose these guys will invade us, will you defend us?” Blaire said that it would have to be up to the Congress of the United States... “No. I am telling you now, we will not fight the British in your behalf.” “Now we know, which side you are on.” That was when he [Macapagal] became nationalist...

TADEM: But this Filipino stand, did it necessarily translate into economic policies during Macapagal’s time?

HENARES: Yes... The fact that we had tariffs against the Americans, they hated me for that! “Sorry, talk to Larry, I cannot stop him.” I signed something, you signed something. I would not do everything that you want. I told [Rufino] Hechanova, “Why do you worship these Americans? They are just ordinary... like you and I... like all the rest of us. Why do you think that they are superiors than us?”

TADEM: So [Diosdado] Macapagal was torn between Paeng [Rafael Salas], and Armand [Fabella] [on one side] and you [on the other].

HENARES: Yes. That’s right. [Macapagal said] “Larry, you have to forgive me for being on their side most of the time. I am scared of the Americans, they will screw me. Wait until I win my second term. Then they cannot do a thing.” And he lost.

TADEM: So you were with him until his defeat.

HENARES: ...After Macapagal, [Ferdinand] Marcos asked me if I would like to continue in the National Economic Council. I was also the head of PACD (Presidential Assistant on Community Development)...

TADEM: Philippine... Community Development.

HENARES: I was a powerful guy.

TADEM: [During] Marcos time?

HENARES: No, during Macapagal's time and when Marcos came, [he asked] "Would you want to carry on?" I said no... "You know Ferdie, when I joined you, I would seem to be a traitor to the Liberals." It was because of me that Ninoy [Benigno Aquino Jr.] came to our party. I was the one who called him. He was also a Nationalista. When he came to me, he said, "I understand that you are giving equipment to Laguna." "Yes. I can give equipment to anybody. I chose Laguna because it is nearby and besides... I need a good governor." "But you are a Nationalista!" "I can be a Liberal. I tell you Larry, you are a nationalist like I am. If you're going to give resources to provinces and then you also have to give to Tarlac which is the province of his girl friend..."

TADEM: Cory [Corazon Aquino]?

HENARES: The girl friend of Rizal...

TADEM: Leonor Rivera.

HENARES: I said she was a Panggalatok like you. My grandmother used to stay with her and he knew that. My grandmother used to stay with Leonora Rivera. "So if you're going to give to Rizal province, you're going to give to Leonor province." That Ninoy [Benigno Aquino Jr.], he really knew what buttons to press. Talagang magaling [He was really good]. "Okay, I'll give it to you also." "You'll become a Liberal also."

But this guy was very naughty eh. He came to me one day. “You know Larry, right here in the center... is a big tower. You look at it, there’s a big picture, do you know what it is? It’s a missile launcher. All around, the American embassy bought 5000 hectares... in the middle, there is a secret missile launcher.” The first thing I did was to call the president. “Mr. President, I am sorry to wake you up, the Americans are putting up a missile launcher here. Ninoy Aquino gave me all the maps. Can I come over?” He looked at it and asked me to call the Ambassador. It was a memorable scene of my life. The [US] Ambassador... was there... “What is this?” “That is the Tower of the Voice of America.” “It is not a missile launcher?” “No.”

You know what [else] he did? Every so often he would come to the house, we always had meetings in our house. He said to me, “What book have you read?” “Eric Copperfield.” “Tell me about it.” Ninoy did not really read. He did not have time but he was a brain picker. He would talk to me. I would tell him, “Ninoy umuwi ka na. Tumatawag na si Cory [Ninoy, you go home. Cory is already calling].” We would talk about the book I read and he would leave at 7 in the morning... from 7 pm to 7 am... the next day he would make a speech and he would quote that book. That guy would make a speech better than I could ever do with the book I told him about... [He was really a] brain picker!

... They liked my children because they are really gwapo [handsome], matalino [intelligent]. Only my eldest was the favorite of Raul Manglapus because they were both orators. They loved Ronnie because he was a national champion, voice of democracy, etc. When he ran for student council, Senator Raul Manglapus endorsed Ronnie Henares as president. He won! One day, Atom, my second son, Alfredo for Al and Tom for Tomas [was there], we were having a meeting in our house with Ramon Mitra, [Raul] Manglapus, Ninoy was not there. “*Ninoy, halika na tapusin na natin ito* [Ninoy, come here and let us finish this].” He was with Atom. “This is more important than what you are doing there.[It’s for the] future generation Larry. Atom just appointed me as his campaign manager.” Ninoy accepted it. Atom wanted to run for presidency in the student council. The next day, they were printing all these things, “Ninoy, endorses Atom for President and I will be there to ensure that you will vote!” Ninoy was a dropout. He didn’t have any college degree. He attended six schools. The only diploma he got was high school and that was from San Beda... The time came when a helicopter appeared...[at] the foot ball field.

Everybody was going there already. "I am Senator Ninoy [Benigno] Aquino [Jr.]. I came here as a campaign manager of Atom Henares and I am bribing you a ride in my helicopter, eight of you can ride and I will give you three minutes to fly around. You come back and then you vote for Henares. I have only one favor to ask you, when you're up there, please don't spit on Ateneo." Of course, Atom won. The next day, this would be all over the college circle; the young would look upon him as their idol. Sure enough when he died, three million people attended his funeral and two million were those... who were not even born when he was senator. Just imagine the impact of that one particular thing he did for Atom. Not only that, Atom got married and he was in jail. And so he married Vicky Belo, who was the niece of Ninoy. The father, Augustin (Toy) Cansio was from UP [University of the Philippines], first cousin of Ninoy and one of this nine daughters is Vicky Belo so we invited Cory [Corazon Aquino]. [Ferdinand] Marcos and all others were there also... Ninoy was saying "I am so proud of you Atom, you married my niece, Vicky Belo." We ran for Senate [seats] together. We were high powered, all of us...

TADEM: Sir if you look back at your NEC (National Economic Council) experience in government...

HENARES: I must tell you how Ting [Sixto Roxas] and I were screwing the Americans, again and again. We denied them their vested rights as a matter of public policy... The Philippine government was bound to the US even though we did not want to. It [NEC] was a constitutional body... we put it together...

TADEM: During that time in NEC what were the departments that were pro-Americans?

HENARES: With Horacio Borromeo, it was the old men, they were lawyers, you understand? It was only when they got the economists... Me, I never considered myself as an economist, I consider myself as an engineer but everybody else, all of those who came after me were economists. Valdepenas...

TADEM: [Gerardo] Sicat.

HENARES: Sicat? Now I think he is not a janitor somewhere. He was from MIT (Massachusetts Institute Technology). Gerry [Gerardo] Sicat was pro-American.

TADEM: How about in Finance? Who were there?

HENARES: Fennie [Rufino] Hechanova. He was Commerce...

TADEM: When we interviewed Ting [Sixto] Roxas, he felt that he was eased out because of Fennie Hechanova... How were you able to stay on the fight?

HENARES: I was the personal choice of the president [Diosdado Macapagal]... As I said, he came to the house at 11 o'clock in the morning. That was why when [Ting] was eased out by [Rufino] Hechanova, I came in. Now Hechanova knew me because he was a member of the Chamber of Industries and he wanted to become an officer but he never made it but I became the president.

TADEM: What local interest was Hechanova trying to protect, the sugar industry?

HENARES: No he was a technocrat. He was an ambitious guy who wanted to be president someday. He had a very quick mind and obviously he had a very good thing with the press. The press people who wanted me were the nationalistic ones. In the Cabinet... I was brighter than he was.

TADEM: [Diosdado] Macapagal also knew that he had a business thing.

HENARES: Yes because he was in the Chamber of Industries and [Ferdinand] Marcos had to destroy us and he said to his Commerce Secretary, my schoolmate, [Vicente] Paterno, "I want all lawyers under IBP." It became a law that all of them have to be there. Then the next one was we have to merge. I was also in the Chamber of Commerce but I was born in the Philippine Chamber of Industries. They merged it and it became Philippine Commercial and Industrial Association [Philippine Chamber of Commerce and Industries]. I told Paterno, "Lugi naman

kami dito [We are losing here]. We are voting by corporations. They are voting individually. Every store owner there can vote. How can we represent the businesses and the industrialists?" ... It became the Philippine Chamber of Commerce and Industries. Before that, it was Chamber of Commerce which was first established after 1902. The first president was the grandfather of my wife, Faustino Lichuaco and Philippine Chamber of Industries was merged there; that was how they destroyed us. I kept [the exchange rate], P3.90 to \$1 all the way from 1960 to 1972, after that Marcos when he left, it was P14 to \$1 already... Cory [Corazon Aquino] was very close to Jobo [Jose] Fernandez [who] used to be the Vice-President of Philippine Commercial Bank which was owned by Cory's family. He became Central Bank Governor and [Roberto] Ongpin and between the two of them, they destroyed us.

TADEM: Jaime Ongpin?

HENARES: This was the time of Cory [Corazon Aquino]. When Cory's term ended, it was PhP28 to \$1 and then you have this Celito Habito and he said that we have to open up... I was his [Fidel Ramos'] presidential consultant. [I told him] "You have to hold off until the last moment." [He said] "No we have to do it in advance so we lowered all our tariffs with respect to ASEAN." That was why all of us went there to ASEAN. All our industries went there. They are traitors! They do not know what is good for the Philippines. There was no more NEC... You know that was what [Ferdinand] Marcos did. With the existence of the Americans, he abolished NEC because it was a Constitutional body. He abolished it and put NEDA instead under himself. He was the chairman. The Director-General was the [Vicente] Valdepeña.

TADEM: Gerry [Gerardo] Sicat was also there.

HENARES: He was because he came from NEC. He was the last from NEC. I was the second to the last. After me, it was [Gerardo] Sicat.

TADEM: Jaime Laya was also there?

HENARES: No. Laya was Education.

TADEM: But remember, he was Central Bank?

HENARES: He was.

TADEM: The Project Implementation Agency was before NEC.

HENARES: That was Armand Fabella... [which became] PMS, Presidential Management Staff (PMS). It was no longer economics but that was Armand Fabella. Of course, Armand and I are good friends. We are also part of that Kalaw family. He married a Kalaw (Marinella Kalwa). So we were also like relatives but of course he got a mother-in-law, Ching...

TADEM: Who was this?

HENARES: Ching, the Maria Kalaw Katigbak. We called her "Mariang K*k*." She was attacking me. She hated Anding [Alejandro] Roces. Anding Roces wanted to make the schooling to start later... She started a fight with me and everybody had this [sense] that this was going to be a battle royale. All the reporters would come to me and ask for my comments on what was said to me by Senator [Maria] Kalaw. I said, "I got my own mother-in-law to quarrel with. Why should I take on Armand's? Let Armand take on his own mother-in law." Armand was scared of her... "I am not going to fight with her."

Armand [Fabella] and I went to Indonesia to negotiate with Sukarno.... I was the Chairman and the Vice- Chairman was Armand and we got Ambassador [Augustin] Mangila so the three of us negotiated with them. It was supposed to be the Treaty of Commerce and Friendship... This was against the Americans. The Americans did not want us to have any relationship with Sukarno. Sukarno was with the unaligned block, the Bandung declaration, remember that?. How much letter of credit should they open? Marami kasi silang utang sa atin [Because they owed us a lot]. Even the Yuchengcos were with us because they owed him a lot of insurance premium... and then [first name] Nepumoceno was with us because he was the one representing the movie industry. He was sending a lot of movies there. The Vice-President of Indonesia said to us, "Mr.

Secretary, we would open our credit for one million dollars.” I said, “The instruction to me is that we could not accept anything less than two million [dollars].” “We could not do that.” “Okay then we would leave here without signing any treaty. You are our host and you have to bear the embarrassment of having invited us here.” “I never met a diplomat like you Mr. Henares.” “That’s the way it is.” ...

TADEM: Sir, were you there? There was the reunion of the NEC-PIA people.

HENARES: I was part of the family... I belong to the Eisenhower fellowship and he was one.

TADEM: Sir he also got married late?

HENARES: Yes. He died of pneumonia. My God! That was what I will die of as well, pneumonia where you can’t breathe.

<Dr. Tadem excuses herself to go to the comfort room.>

MQ: So sir do you eat here often?

HENARES: Yes...

NB: What do you now sir?

<Dr. Henares gives his calling card.>

HENARES: I am a presidential consultant. One peso a year. Well she [President Gloria Macapagal Arroyo] calls me Uncle Larry because when she was small, I used to teach her economics but she did not learn very much from me. Her father was an economist but never had the time for her. That was why she calls me uncle.

NB: So sir you were in media?

HENARES: Yes. I was the most read and had the readership... I was the most famous and wellread columnist. Before that in Manila Times, I was at the front page when [its circulation] was six times bigger than all of the newspapers combined. That was before Martial law and all of my articles were translated in Ilocano, Hiligaynon, Cebuano in the Liwayway.

<Dr. Tadem comes back and the waiter gives out the bill to Dr. Henares.>

HENARES: President [Gloria Macapagal] Arroyo calls me uncle.

TADEM: Really?

HENARES: I am the only that can tell her off. Why? Because I knew her as a kid. So I told her one day and both them were there, “Keep Mike out of the way”. “Why Uncle Larry?” “All great female leaders are not comfortable with their husbands. Indira Ghandi, I do not even know her husband. She does not show him. Margaret Thatcher, who are their husbands? Don’t show him around.” “He is my husband and he is from your own province. Hes is also from Negros .” “How could you look presidential when he occupies two rooms and you occupy a room closet? He looks like the big bad wolf and you look like the little red riding hood. How could you look presidential?”

TADEM: Mike [Miguel Arroyo] was there?

HENARES: Yes. “If I were you, I will leave him behind and will not show him around.” So she did for awhile but before you know it, he is back, starting to make kalokohan again. I saw her again, “You know Madam President, do you know why [you no longer] ... find me in the newspapers?” “Why Uncle Larry?” “Because, I am fat [which] is an insult to the people who do not have enough food to eat and that goes for your husband too.” “Only you can talk about Mike like that. Uncle Larry, coming from you, I do not mind. You used to insult yourself too.” I tell you something, I am going to see to it, I am going to be “thin”. I used to make fun of those, like Drilon, I used to call him Lechon Drilon. After one year he told me, “Henares you are losing weight.” And then now, “You are lechon Hilarion.”

You know why I am wearing this? Because it is just now that I found out that I lost 25 lbs, from 200 to 175 lbs. I opened my cabinet and saw these 40 suits that I have never worn in 40 years. I said to Rachel, "I am going to wear one suit a day."

<Dr. Henares talks about his suits. The team goes back to Dr. Henares' house and talks about the audio and video documentation of the project.>

HENARES: I should give you an article on NEDA (National Economic and Development Authority) and NEC (National Economic Council). It is a beautiful article... [about] the difference between the two.

TADEM: Sir, can you recall something about this?

HENARES: NEC (National Economic Council) ... was created by the Constitution and it ended...I in 1972 [when] the NEDA (National Economic and Development Authority) was created. NEC was very independent and very powerful because it was not made up of Cabinet members. It was made up of highest officials of the Senate... as well as the House. Three came from the executive department. There was DBP (Development Bank of the Philippines), Lorenzo Pablo, and Cornelio Villareal, he was with Commerce and then Central Bank, Andres Castillo was there. It was really tough and then there were three, one from the labor sector, one from the education sector, I forgot already. Augusto Espiritu was one of them. He was a Harvard man. He was a nationalist. He was also the President of Philippine Chamber of Industries. Also the father of Bong [Arturo] Tanco, I suggested that they put him there because he was sort of a relative. When he got there, I regretted it because he talked too much.

TADEM: Was he a nationalist?

HENARES: But he was in the private sector so there were three who came from the private sector, labor, I forgot the name.

TADEM: [Blas] Ople?

HENARES: No. No but you know the people I hired were people of [Blas] Ople. He was a great nationalist...

TADEM: So sir can you say that at one time, the nationalists were in power in economics?

HENARES: Yes, when I was...

TADEM: Then when was the easing out?

HENARES: [Ferdinand] Marcos' time. That was the time of Paeng [Rafael] Salas.

TADEM: Sir did you have any relationship with Paeng Salas?

HENARES: Yes. We were together...

TADEM: What about Alex [Alejandro] Melchor?

HENARES: No, Alex Melchor was a CIA (Central Intelligence Agency) agent. He really was. He didn't even know how to speak Filipino and so we told Marcos, "You trusted that person?" "Yes. Why?" "Well, you notice that Time Magazine and Newsweek Magazine were always talking about him and he was the cleanest among your cabinet members? These guys are preparing the stage for him to take over." I had someone from Pangasinan. Who was this guy?

<Dr. Henares searches for the name in his book.>

HENARES: He was from the Pangasinan. He became the Undersecretary of Defense, Manuel Salientes. He was one of my staff. I told him to come over. He was from MIT (Massachusetts Institute Technology) and he was colonel.

<pause>

HENARES: Are you recording me?

TADEM: Yes.

HENARES: “Manny I have a special assignment with you. We are going to have an ammunition plan.” “How do we do it? They give us only three days of ammunition.” “I am going to tell this to the President. I am going to Japan.” I was president of the Philippine Chambers of Industries and my best friend in Japan, Aikiro Fujiyama, was the president of the Japanese Chamber of Commerce and Industry. He was 70 years of age then and I was 35 but we met each other in Hong Kong, in Paris. There was a Chamber of Commerce there. Eventually, the three of us, including me, and the President (of the Chamber of Commerce) in Hong Kong, gradually the three of us were in government. The one is Hong Kong is Funpin Phan [Chinese name], Kenneth Fung Sr. He became the father of my cousin-in-law. His son married my cousin and Fujiyama became my friend because all these time, these old men treated me as their servant. I was the one who bought their cigarettes. Gradually, we went into government. I became [President of] the Chamber of Commerce, then Chairman of the National Economic Council while he became MITI, Ministry of Trade and Industry, more than that he became a very rich man, gaimuzo [Japanese name], that means Foreign Affairs. As soon as he became that, “Henares! Son! I am gaimuzo and I am inviting you to the Tokyo Olympics and the Osaka Trade Fair. You and your entire family!”... That was the 1970 Olympics. When I got there, he was with his [family]... The next day I was sent by bullet train to Osaka. My whole family was there. The key was my friend.

I said to [Manuel Salientes], “Let’s go to Japan.” There I saw my Fujiyama-san. “I like to have a plan.” “Okay, I’ll give it to you.” “I will tell you a secret. I have an ammunition plan.” “Oh Larry, you cannot do that! It’s against our Constitution!” “Oh come on! I have to fool these Americans.” “I am going to call my President to call you and tell you to give me whatever I want.” He did not even ask me what I wanted. After all, I was in charge of the Japanese reparations. I said to him, “I really need this. I am in charge of the reparations and you’re the one giving it, I will make it hard for you especially for your Japanese companies.” “Okay, I get the

idea.” He got the call from the President. We had (a) ...plan. We were making bullets. That was what we set up there in [Pangasinan]. He (Salientes) became the Undersecretary of Defense during Marcos, only because he was the only one who could operate the plant. Therefore, that was how we had our plant. The Americans were so mad when they found out.

And so Manny (Salientes) was the Undersecretary. Do you remember this manufacturer of helicopters in the United States who became famous because they were bribing people? What we did, we were negotiating for helicopters. The ones who negotiated were Alex [Alejandro] Melchor and Salientes.. That was the time when some people were already whispering to Marcos, “Those guys are going to destroy you like [what] Ramon Magsaysay [did] to [(Elpidio) Quirino who appointed him Secretary of Defense.” This US company offered them money and they deposited the money in the name of Salientes. According to Melchor, “This is an affair between the American company and Salientes, what should I do about it? I am not going to open my mouth.” He did not open his mouth. I said, “What am I going to do?” I mean I had to tell the President so I told the President about it. He said to Salientes, “You’re fired! And you too [to Melchor].” <laughs> I was saying to myself, “You were against me with that brother-in-law of yours. Now I have my... and besides you are really a CIA. You do not even know how to speak in Filipino.”

TADEM: Sir, did you have any working relationship with Paeng [Rafael] Salas?

HENARES: Yes, when we were young. I was the President of the Philippine Chamber of Industries (PCI) and he was the head of the NICA (National Intelligence Coordination Authority) and between us, we were so close to take over labor. I am nationalistic and Paeng [Rafael Salas] said he was also... we said that we were going to influence policy. He would tell me everything. He told me that the CIA (Central Intelligence Agency) and NICA have [files] on me. We were very good friends until of course he joined [Ferdinand] Marcos.... I really did not want to have anything to do with them. He was always with Imelda [Marcos]... but we were [both] Visayans, we were very close.

TADEM: But were you part of any of his development projects?

HENARES: No. This was [President Ferdinand] Marcos' time. As a matter of fact, when Marcos declared Martial law, Senator Gerry [Gerardo] Roxas called me up and said that they already arrested Ninoy [Benigno Aquino Jr.] and [Francisco "Soc"] Rodrigo. "Why don't you go and hide?" My mother said no... that I should not hide and [instead] present myself there. Why? The one in-charge was Fidel Ramos, he was my *ajado*[?]. I carried him in my arms. Not only that, he was also my *kumpadre*, the *ninong* [the godfather] of [my son] Atom. My mother thought that he wouldn't harm me... I went there with my chest set, with my *maleta*. I presented myself before them. Who was the head of Metrocom? [Fidel] Ramos. He was also the Vice-Chairman of the Chief of Staff. "What are you doing here Larry?" "My mama said that I should present myself to you. What am I going to do?" "Wait. Larry you are not in the list." "What? You better check with Malacañang, I should be in the list." "Okay, come back tomorrow afternoon. I'll see." "If I am not... put me in there. I will be known as friend of [Ferdinand] Marcos, that cousin of yours." I came back the next day and I was not really in the list. "I am here already so why not put me in for one month or two months. I'll appreciate it as long as you release me later." "It is against my orders, Larry."... "He said, "Can you escort Mr. Henares to give his magazines over there to the detainees and escort him outside of [Camp] Crame. If he tries to come back, shoot him." <laughs>

I always wonder about that. One day, Imelda (Marcos) called me after Ninoy was killed... Malacañang. "Who are you?" "This is Imelda." "Hi! I am King Solomon and you are the Queen of Cyma." I did not believe it that she was the one calling. "You do not believe me? Well, look outside your window and there is already a limousine outside, fetching you. You will have lunch with us, with the President." "What for?" "We want to ask you something." "As soon as she hung up, I called up Cory [Corazon Aquino]. "Cory, Imelda wants to see me. You won't mind if I go and see her? I just want to know what's on her mind." "Yes. I do not mind." ... I stayed there [in Malacañang] for seven hours with her and then we had lunch with the President... The President said, "You know Larry, we have been friends for a long time and I always respected your view points. You always attack me but I do not mind. I wanted to ask you, "Why is this Ninoy getting all the attention and everyone calls him a National Hero" I have been the President for a long time and I offered the Philippines more than he could give. He is only a

senator and now why did he have all these...?” “Well, Mr. President, it was not really how much he has done for the country but what he might have done had he lived. That is the magic of what might have been. One single bullet and all that what might have been comes to the fore. He died and we feel that we die with him. With his death, we feel reborn. That was what happened to [Jose] Rizal. Do you think that Rizal did anything except write two books? He died at 33 and so did [Jesus] Christ so did [Abraham] Lincoln. Some people lived too long like you. [Adolf] Hitler raised Germany from the ashes of the First World War and gave them a new sense of togetherness and gave them a sense of pride. If he died right there, he would be hero. The only problem was he lived long enough. He raised Germany from the ashes of the First World War, only to lead it to the second. He lived too long. [Joseph] Stalin was there to destroy the tyranny of desires. If he died as [Vladimir] Lenin, he would be a national hero. He lived too long. He destroyed the tyranny of desires, only to substitute his own. [Emilio] Aguinaldo lived too long. Aguinaldo should be higher than [Jose] Rizal and [Andres] Bonifacio. At the age of 29, he was the President of the Philippines, Bonifacio and Rizal did not have that. He fought two wars...In between he gave us our Declaration of Independence. He gave us our [national] flag. He gave us our [national] anthem. He gave us our Constitution. He was the head of the First Filipino Republic in all of Asia and the first who liberated [a country]... from Western colonization... We are everything we are now because of him but he lived too long. He lived too long. After that... he ran against [Manuel] Quezon... [and] Quezon destroyed him. Quezon made the people believed that he killed [Andres] Bonifacio which he did not. You lived too long Marcos, you will die despised.”

[Marcos said] “Maybe you’re right.”

“One more thing, why was I not in jail? They checked with you and you said not to put me in jail. I want to know why. I attacked you.”

“Yes but you were attacking the IMF and the Americans not me. Who cares? You’re talking about economics, who cares? But there were three of you. You know why you were not on the list? You asked Imelda [Marcos], she requested that.”

“Why Imelda?”

“You remember one day, when you called up Ninoy [Benigno Aquino Jr.] from your house in Dasmariñas and you told him, “I want to talk to you Ninoy...” I called up Ninoy and told him that I want to talk to him about something important and that we should meet somewhere. It would only take a few minutes. Ninoy said that we should meet at the White House of the Araneta’s, of Gerry [Gerardo] Roxas there in Cubao so it would be half way. “You are fooling me. That is not halfway. You are just few blocks away from that house and I had to cross a bridge to get there.” “That is a good place to meet.”

When we arrived there, I told Gerry [Gerardo Roxas] to leave for awhile because it would only be between Ninoy [Benigno Aquino Jr.] and me. Ninoy said it was okay for Gerry to be there. “Anything you want to say to me, you say in front of Gerry.” “Why?” ... Because the two of them were vying for the presidency... [Ninoy said] “I do not want him to think that there is something between us that he does not know. So say it.” “Okay. Ninoy you are piece of s—t. You’re bastos [rude]! You do not sound presidential. You’re speech in the Senate. I am embarrassed. And I really want you to be the president than Gerry. In your speech about Imelda’s center, you’re talking about the Cultural Center of the Philippines (CCP), you said, “Imelda’s Center is mabaho [smelly] and is not cleaned. Pinapasukan pa ng lalaki. That was a sexual joke... That *is* bastos! You should give it to Roger Arienda to say it. That is his style but you, you’re going to be the President of the Philippines and then you talk like that.” So Ninoy said, “What do you think Gerry?” “Larry is right, you are bastos!” “What do you want me to do?” “Apologize. What you did is unforgivable.”

So I asked Imelda [Marcos], how she knew about it. “We were listening, the President and I.” That room was bugged. It was bugged by certain General CQ[?]. You remember CQ, he was an intelligence man and he was bugging everybody. “We were listening.” “Why did you not answer the telephone?” “We do not want to give him the satisfaction of apologizing. You know Larry what happened? Later on, Imelda had a miscarriage. If it did not happen, it will be first child born in Malacañang.” I said to myself, “maybe that was the reason why Ninoy was killed. A woman was deprived of a child.”

Marcos said, “I got three of you taken out, you, Gerry [Gerardo] Roxas who spoke out for me and [Lorenzo] Tañada.” Because Tañada went to jail and we were the three who were taken out of the list. Because of that, I had to keep away from politics. “ Henares oh, he never served! He never went to jail.” It was really funny, that situation. I am now 84 years old and really got into a lot.

TADEM: Do you have your memoirs?

HENARES: As I told you I have 36 books somewhere. Well come inside, I will give you some of my books.

<The team goes inside the house with Dr. Henares.>

<Mr. Henares shows his pictures to the research team.>]

HENARES: This is Claro M. Recto. It was his birthday here. This is JV Cruz. This is President [Manuel] Quezon and this is Emilio Aguinaldo.

TADEM: He looks like PM [Cesar] Virata.

HENARES: You should remember that he [Emilio Aguinaldo] was only 29 when he became the President and then 40 years later, he was about 70, he ran against [Manuel] Quezon and Quezon accused him of killing [Andres] Bonifacio but their common friend was Daniel Maramba, my grandfather.

TADEM: Your maternal grandfather?

HENARES: Yes. When they reconciled in July 21, 1940, they became friends again. You see there is Mao Zedong in 1967...

That's [Manuel] Quezon and my grandfather...when we changed the independence [day] to June 12, we personally went [to see Emilio Aguinaldo] with my father and children... and he wanted to make a speech. Anding [Alejandro] Roces was taking the picture. One time, I said to Anding, "My apo, he failed the civil service exam, pwede bang ipasa mo na siya?" <laughs>

<Dr. Henares goes on showing the research team his pictures with the Presidents of the Philippines and other important personalities.>

HENARES: I met Pope John Paul; [you can see]... [President Carlos P.] Garcia and then [President Ramon] Magsaysay. Here is Syngman Rhee of South Korea. I was his adviser for industrialization. He used to invite us there. We were forty years ahead of them. Now, we are ten years behind them. Here's my father and here I was as an Eisenhower fellow. This is the picture of my grandmother living in the house Leonor Rivera. Here is a picture of Rizal in woman's clothes. Did you notice that? All of them were in women's clothes and they were posing for Juan Luna.

The LP (Liberal Party) Eight is there. I am here at the right... and Ninoy [Benigno Aquino Jr.] was the third from the left, just above the woman, Mariang [K-k-] [Katigbak Kalaw]. We were really a high-powered team but we all lost because we were cheated.

These are my grandchildren, 19 of them. Out of the 19... only two of them know how to read. You know they are what you call the TV generation...

<Dr. Henares shows the paintings in his house and the collection of books he had.>

HENARES: I gave some of my books to the National Library already. When my grandfather said that I can buy any book that I want, I was in the third grade...Then I received a letter from the National Bookstore, "We would like you to know that you bought more books than anyone in the Philippines except the libraries." When I came there, they said, "It was you?" I was... that small. I was a kid. "What do you do with all those books?" "I read them." My grandfather was with me everyday.

Hilarion Henares
Date of Interview: January 13, 2009

JSPS Philippine Technocracy Project
Transcript of Interview

<Dr. Henares gives the research team some of his books.>]

< End of interview >