10.05 PM

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Jan. 19, 1971 Tuesday

MALACAÑAN PALACE
MANILA

This is a strange situation we are facing. The radicals who wish to overthrow government are allied with the oligarchies who want to preserve their privileges.

This is confirmed by Atty. Lupino Lazaro who narrated how the radicals, Eric Baculinao, Crispin Aranda, Clemente and the moderates headed by HUSP's Jopson met at the ABS-CBN press room mapping out strategy. And he was castigated by them for sending away the drivers at 2:00 PM on Jan. 13th before the violence started.

Again Atty. Bonifacio de Luna of the Philippine Confederation of Drivers further confirmed this thought. And he added the information that Atty. Lazaro is after nothing but money. He promised de Luna 1/3 of what he makes.

So Lazaro and the other leader Herrera are going to block the amicable settlement of the gasoline price problem unless they are paid. And we should not permit this.

Lazaro asked P300,000 and came all the way down to P100,000 according to Atty. Lupino Reyna on the evening of June 12th before the demonstrations of June 13th.

Jan. 19th (Cont'd)

MALACAÑAN PALACE
MANILA

But I have asked Atty. de Luna to separate from the Lazaro and Herrero group and we will extend him all aid to organize a cooperative. At the same time we will ask the oil companies to see to it that the ₱5 million trust fund should not look as if they are the source of the money as the drivers will not accept it. And ₱1 million should be set aside for the organization of cooperatives.

The price of regular gasoline should be kept at the present level but premium can be raised provided that steps should be taken to limit the sale of regular gasoline at present prices to public utilities only.

I also met the oil executives to get them to agree to settle the matter of gasoline prices quietly without of course discontinuing the hearings of the Price Control Council.

"We should not talk of extending the period of seven days to work out an agreement before we have exhausted all efforts to do so. Bro. Tanco will first meet with the drivers leaders to find out what is acceptable to them then submit it to the oil executives.

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Jan. 19th (Cont'd)

MALACAÑAN PALACE

MANILA

I had the senators (Nacionalista) for lunch this noon. Everyone attended except Sen. Jose Diokno who is a retainer of Lopez and Sen. Pres. Pro Tempore Primitivo Tamano who are in Indonesia. Present were Sen. Arturo Tolentino, Lorenzo Tañada, Sen. Pres. Pro Tempore Jose Roy, Eva Estrada Kalaw, Leonardo Perez, Dominador Aytona, Lorenzo Teves, Rene Espina, Salvador Laurel, Lorenzo Sumulong, Ambrosio Padilla, Mercedes Gagunbay, Alejandro Almendras and Hebrew Benitez.

They were unanimously in favor of trade with Russia, three were in favor of diplomatic relations (Tañada, Laurel and Teves who was even in favor of diplomatic relations with Red China) and three in favor of trade and consular relations (which would not include diplomatic immunity). These last three were Sumulong who suggested it, Roy and Kalaw.

Sen. Arturo Tolentino repeated his observation he had made in the caucus of congressional leaders that the people may not be ready for it; that everybody he talked to were against it because of fear of Russian infiltration; that we could go at it by stages.

When I asked Tañada on the Lopez imbroglio he commented, "Just follow the law."

We agreed on priorities on the legislative program — import ban on luxuries, agricultural reform by cooperatives, adjunct consumption tax, oil commission, oil prospecting, national or state trading corporation.

Jan. 19th (Cont)

MALACAÑAN PALACE
MANILA

Commander Malody was captured last night by Lt Col Natan and his men at Provincial Commander of Tarlac at Valenzuela, Bulacan with the aid of Boy Car Fusion who was captured in Tarlac several days ~~da~~ earlier. When surrounded and faced with a cocked pistol he offered no resistance. The boys of Cong. Eduardo Cojuangco helped.

We have not announced the capture as we are going to use Commander Malody who is next in rank only to Commander Dante, to capture both Jose Maria Fusion and Dante.

I personally made ~~an~~ pledge to this mission with his family held as guarrantors.

Imelda is busy organizing our supporters and leaders to bring delegations of one, ten and twenty thousand people to fill up the safety belt around Congress on the 25th. To peg the radicals away and show that we have the support of the people in our drive against the oligarchies and robber barons.