



H. E. Fidel V. Ramos

**EDITORS' NOTE** Fidel Valdez Ramos was the 12th President of the Philippines from 1992 to 1998. Prior to his election as President, Ramos served in the Cabinet of President Corazon Aquino, first as Chief of Staff of the Armed Forces of the Philippines (AFP), Chief of Integrated National Police, and later on, as Secretary of National Defense from 1986 to 1991. Ramos has received numerous honors and he is the only Filipino to receive an honorary British Knighthood from the United Kingdom, the Knight Grand Cross of the Order of St Michael and St George, bestowed on him by Queen Elizabeth II in 1995. Ramos received his secondary education at the Centro Escolar University in Manila. He graduated from the United States Military Academy with a Bachelor of Science and the University of Illinois with a master's degree in civil engineering. He also holds a master's degree in National Security Administration from the National Defense College of the Philippines and a master's degree in Business Administration from the Ateneo de Manila University.

### What role does the Philippines play in the global economy today?

There are two important factors to consider: one is the strategic central geographic position of the Philippines – in the middle of the two greatest oceans of commerce, the South China Sea and the Pacific Ocean – in the world of the 21st century. We're the northernmost of the ASEAN countries and are, therefore, closest to the biggest market in the world, which is China.

Beyond just location, we happen to be the only country that has had long exposure to the leading power of the world, the U.S. We are close allies of the U.S. because of our alliance in defending freedom and democracy, from World War II until now, and that is what globalization is all about: respecting the rule of law and the rules of commerce, and being transparent. That is the way we both are.

# Defining Leadership

## An Interview with His Excellency Fidel V. Ramos, Former President, Republic of the Philippines

Another strength is the talented Filipino people who have been trained and educated along the lines that the U.S. recommended in the early years. So we have assimilated an international, educated culture, unlike some other countries that are really just getting into the global family of nations for the first time.

We have 100 million people in the Philippines – almost 11 million of whom are now deployed abroad because of the lack of jobs at home. But what also stands out is our spirit and our willingness to serve anywhere there is a need of some kind, and that should be seen as a special talent in this world of the 21st century.

Lastly, I can say safely that we are a country endowed with a healthy blessing of God's natural resources. We don't have that many diamond or gold mines, but if you're looking at 7,000 moderate islands in the middle of the ocean, you're looking at 7,000 staging and logistics areas where you can put up all kinds of bases and systems for the purpose of expanding your business.

If we were a landlocked country, we would have no such advantage, but we are the world's second largest archipelago after Indonesia.

**You were able to get a lot done while in office, but there are many governments around the world of which that cannot be said. How were you so successful and able to achieve so much?**

It's not really for me to analyze the leadership styles much less the leadership qualities of other people in other countries in other times. But let me mention some general or common characteristics of leaders who have been successful in raising their respective nations or even corporations from a lower level to a much higher position: such is the story of the Philippines.

I put great value on duty first, which means that if you handle your assigned duty well, no matter whether you have a very low rank or the highest one, then you are contributing to the accomplishment of a mission, whether it is small in scope or very high once you reach the level of the country as a whole.

Aside from that, you must also be able to collect, unite, and mobilize your workers – in the case of a national leader, your citizenry – to accomplish a common vision.

I have boiled down my own style, with which I tried to inspire our staff and our people in the Philippines. Personally, I feel it's important that we be caring, sharing, and daring for others in order to achieve the potential of our beloved country. If you mention this concept to Filipinos working abroad, it resonates with them.

On a team or national basis, I use three buzz words that relate to each other and also to one's personal values: unity, which relates to the citizenry and the nation; solidarity; and values.

What are the Filipino values, customs, and traditions? First of all, love of God; then love of country; and then, love

of people. This is why we love our neighbors. We are very focused on helping each other.

Unity of purpose. What is the purpose? We all want a better future that is peaceful and gives everyone the opportunity to realize or achieve his or her full potential without any outside disturbances. This is unity of purpose.

I have added one more element to it that resonates with Filipino citizens: love of the environment. Our sustainability on earth depends on protecting, conserving, and enhancing the environment.

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This set of values, after all is said and done, must be put into practice.

So I have outlined a five-word system of good governance and all five words begin with the letter “D”: The first is Devolution – as a corporate, national or local leader, do you try to grab all the powers that there are in the community or society? You shouldn’t. You should devolve what needs to get done to the lowest possible level at which it can be completed successfully.

In Christian demographic and political philosophy followed by most countries in Europe starting with Germany, this is called subsidiarity. But in the Philippines, it has long been a standard practice.

One should devolve not only responsibility by saying, for instance, “Mr. Mayor, you do this or do that.” Instead, you must give him the real authority to execute the mission you are assigning him. He must be able to tell the police commissioner, I have been ordered to improve our town and, as one of my agencies, you must help me. The police commissioner must have the authority to back that mayor. Aside from that, the logistics that go with the responsibility must be given to the lower government.

The next word is Decentralization. It used to be that our government’s power, authority, and logistics were all centralized in Manila. Now they are distributed to as many other centers as is feasible. How is this possible? I got Congress to pass what is now known as the Philippine Economic Zone Authority Law, where a special economic center gets perks and benefits on taxes and fees because it’s putting up money to create the special economic zone.

I simplified all of that because I didn’t want every foreigner with a Filipino connection to automatically get a franchise or to be able to invest, practice, develop, etc. I decentralized it by having a Philippine Economic Zone Authority created under the law, which would

allow for this, but only as long as there were basic elements in the neighborhood like natural resources, a labor pool that is skilled, an education center – like a private or public university or college from which the local people could gain some technical skills – and perhaps, most important, a good local government.

When those elements are present, you can create your special economic zone or special economic cluster. I decentralized authority for this to the Chairman of the Board of Governors of the Philippine Economic Zone Authority.

The third “D” is Deregulation, which really works. Federal government should not be

the regulators of every industry, big or small. That function should be brought as far down as possible to the lowest level of agency that can handle it competently.

Early in my administration, we deregulated telecommunications; transportation, shipping and aviation; insurance and banking; and eventually, small and medium industries. We pushed those industries to create opportunities for themselves by providing them with issue credit.

The fourth D is Democratization of opportunity. Even if you’re small, compared to some large corporation, that entity or that person, must be given equal opportunity.

The last D is Development of a sustainable kind. It must not be development that is just about short-term growth – that doesn’t work and it’s how you use up all of your natural resources within one Presidential term of six years.

The same is true of overseas workers. You can’t export labor if you need labor at home. So you must train a reserve pool for export as well as for domestic needs.

Management must be done this way. These practices are not just for the purpose of driving up economic indicators like GDP – these are all short term. What needs to be created is a sustainable boom situation, not just a cycle of boom and bust.

In government, one should hope to succeed better than your predecessor, who will be there to support you, and that your successor succeeds more than you. That’s how it should be. I told my successor, President Joseph Estrada, “I hope you succeed better than your predecessor: me. And I will be there to help you all the way.”

If each new leader would adopt a supportive role after he finishes his term in office, then we could see great enhancements and sustainable development in each country, aside from just short-term growth or progress. The younger generations of each country should work to become one family on Earth. ●

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*LEADERS President and Executive Editor, David Schmer, prior to his interview with H.E. Fidel Ramos*