One cannot but be impressed by the documentation effort that went into this study; the endnotes and bibliography already constitute one-third of the whole volume. But the data gathered and processed stop at late 2004, and one occasionally wonders why St John did not limit a great number of quotations: those which are either cited *in extenso* and between inverted commas but without attribution in the main text itself, and those which could very simply have been paraphrased by the author. For example, a longish quote on page 42 on the 1979-80 crisis in Vietnam not only could have been rewritten as a livelier account, but the authorship (De Vylder and Fforde) is not attributed at all, contrary to St John's practice elsewhere on the same page. The net effect: a hasty cut-and-paste operation. But these are minor details that should not detract from the virtues of the ensemble. This is an indispensable guide to the evolution of the Indochinese countries, from the backwaters of the Mekong, so to speak, to the highways of the globalized economy.—ARMANDO MALAY JR., *PROFESSOR, ASIAN CENTER, UNIVERSITY OF THE PHILIPPINES-DILIMAN.*

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Geronimo Z. Velasco. 2006. *Trailblazing: The Quest for Energy Self-Reliance.* Pasig City: Anvil Publishing. 236 pp.

It is a dilemma to critique a book authored by someone I worked for and admire as a person but with whom I disagreed with in major policy decisions during my term as Secretary of Energy under the Ramos administration. I can either end up defending myself—which will be construed as a biased critique—or avoid a debate on policy decisions by simply citing the differences in governance during his time and my time. However, such simplistic review would ignore the significance of the management approach and policies that helped the accomplishments cited in the book, which I completely agree with. Not because I worked for the author for some time, but because I was very much involved in the energy industry during my academic career at the University of the Philippines during the Marcos administration.

The book is a good treatise on how to manage government corporations, most especially in the energy industry, which is critical to the life of a country's economy and the well being of its citizens. The story on Philippine National Oil Company (PNOC), Petron, and National Power Corporation (Napocor) showed that the state has to insulate from political intervention the energy industry's government corporations if it wants them to accomplish their mission in the interest of national security and price affordability, and if it wants corporations to act as catalyst to support policies on energy development and management. The admission of the author that he would not have done the things he had done without Martial Law attests to this statement (48, 78). He can even get away with so-called anomalous Memorandum of Agreements (141) at the time. Moreover, the success of Petron from which the author inherited personnel with a private culture of efficiency and merit-based recognition compared to the lesser success of Napocor, which was a government corporation from the start, is another testament (140-41).

While I agree that the best way to influence the behavior of players in the market is for government to play a significant role through a full ownership of Petron and Napocor, such role can only be played if it is allowed to be run professionally and freed from political intervention and removed from the rules and regulations of government hiring, salary structures, procurement procedures, and the like (17-19, 205). Note: A lot of good people at Napocor left when it was placed under the Salary Standardization Law of the government.

The mere fact that when the Department of Energy was reinstituted in 1992, Congress inserted a provision whereby the budget of PNOC and Napocor had to be approved by Congress proves that insulating energy corporations from political intervention is easier said than done. Imagine Petron's budget passing through Congress, its crude oil procurement done through government bidding procedures (19), or Petron being asked by government to subsidize oil prices during periods of crude oil increase just like what was mandated for Napocor. Under our version of a democracy and its resultant political environment, Petron will be bankrupt by now and will thus fail in its obligation that the author stated: "It [Petron] was the most profitable government corporation and thus a valuable source of revenues for government. More important, Petron performed a unique role in stabilizing local oil prices" (177). The author recognized that he could not have insulated Petron from political intervention and government rules and regulations if it were not for Martial Law (29).

I submit that the privatization of Petron and the oil deregulation law are the right policies under the current political environment, but I agree with the author that the government must strengthen its regulatory powers and exercise it to the fullest. Deregulation does not mean no regulation but *re*-regulation. For starters, one advantage of deregulation would be that all service stations, not only of Petron, would have clean toilets (168).

Congress needs to pass an anti-trust law so that it can strengthen its regulatory mandate in liberalized and deregulated markets. Even if the government has only a 40 percent share in Petron, this can still be used as a policy instrument and exert influence in pricing. However, government would need political savvy in addition to management acumen.

The author admits that during his term, everybody followed Petron when it set the price (194). The same happens in a deregulated environment: Everybody follows the lowest price setter, hence the "same price" situation still prevails, but that same price is the lowest price set by the most efficient. While one is always free to accuse the foreign companies of collusion, I do not think that Petron is a party even with Saudi Aramco as a foreign partner. Otherwise, government itself, which has equal vote in the board, will be a party to a cartel, which it wants to prevent—an irony in its highest degree. The privatization model of Petron achieves the twin objectives of insulating it from political intervention and performing its role as "a potent policy instrument" vis-à-vis major oil industry players.

To be able to perform its role well, Petron had to be financially stable, efficient, and able to compete; but this is possible only if it is insulated from political intervention. Given the current political climate, its privatization, with government retaining 40 percent and the public 20 percent, is the best decision that was made by the Ramos administration.[1]

Likewise, the Philippine Electric Power Industry Reform Act (EPIRA), for all its shortcomings, is a step in the right direction. The government has no money to put into the required expansion program of the power sector, and with political intervention Napocor cannot generate its cash counterpart requirements for the projects (136). Lower interest loans are offset by inefficiency and political interference. EPIRA is a developmental process and the issue of cross-ownership prohibition must come at the right time. For this, government must be constantly at attention to monitor developments on monopolistic behavior. National Transmission Corporation, for instance, must be privatized like the Petron model. It must not be entrusted completely in the hands of the private sector, even in a concessionaire model of privatization.

The author failed to mention that our independent power producer contracts are, in reality, not IPP contracts in the strictest sense, but are Build-Operate-Transfer contracts (a policy embodied in Republic Act [RA] 6957 and RA 7718) wherein the assets will be transferred to the Napocor after the cooperation period. As such, the payments made due to the "take-or-pay" contract, whether used or not, are payments for the capital assets and not for unused fuel or coal because Napocor supplies the fuel. Note that the author's word is "whether or not the organization *needed*" (155) instead of *used*, to which I disagree with because at the time the take-or-pay volume were contracted out, they were based on forecast and therefore were "needed" in the future as forecasted at that time. Unlike a straightforward IPP, the facilities are not transferred to the buying party. So in the BOT projects, payments made if the plants are not used is not wasted because the assets will eventually be owned by Napocor.

Lastly, to say that the post-Marcos administration did not have a comprehensive energy development plan is a sweeping statement. I would like to take exception for the Ramos administration for which I was the Secretary of Energy from September 1994. In fact, the plans and programs of the Ramos administration were built on the achievements mentioned in the book; and the policies, objectives, and basic thrusts were basically maintained (208). Policies on the development of indigenous energy resources and renewable energy and energy conservation were continued. We pursued the implementation of the Malampaya natural gas project, which has enhanced our energy security and independence. We left behind an ocean, solar, and wind pole-vaulting program, which is geared toward developing renewable energy. We had the very successful Power Patrol Project, which involved the participation of the private sector to support the energy conservation policy.

The policy on deregulation and liberalization of the oil and power industry are policies called for in this current form of political governance. Liberalization is not an invention of post-Marcos administrations because as the author wrote, "In 1984, as the country implemented the International Monetary Fund's structural adjustment program, we [the Marcos administration] had to allow market forces to operate in the coal industry" (65-66). Moreover, the Ramos administration left behind a thirty-five-year Energy Development Plan (1998-2035), which takes off from the accomplishments cited in the book and those done during the Ramos administration.

The Filipino people are now enjoying the fruits of the labor of the author in our quest for energy self-reliance, most especially the geothermal and hydropower development. But while he does not agree with the privatization of Petron, we must realize that Petron's privatization was successful because it was nurtured and managed well to become a very profitable company during the Marcos administration. While we have yet to see the benefits of the EPIRA, it is too early to pass judgment on policy decisions of post-Marcos administrations on the power sector. Suffice it to say that I agree with the author that the success of deregulating a very critical industry, like oil and power, is a strengthened, responsive, and well-administered regulatory environment. The challenge that lies ahead of us is to be able to duplicate the achievements told in the book in our own version of democracy in which political intervention, not only by the politicians but also by those with self-interests from the private sector and nongovernment organizations, is a commonplace.–FRANCISCO L. VIRAY, *PRESIDENT, TRANS-ASIA POWER GENERATION CORPORATION*.

NOTE

1. For a discussion of the Ramos administration's privatization strategy that was done for the Philippine National Oil Company Exploration Corporation (PNOC-EC), see page 45.

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Glen Lewis. 2006. *Virtual Thailand: The Media and Cultural Politics in Thailand, Malaysia and Singapore.* London and New York: Routledge Curzon. 227 pp.

The virtuality of Thailand as a state of mind exists as a creation of an imagination, partly based on reality, but largely comprised of constructed representations, all of which serve to achieve the agenda of the state and the elites in their state-building projects in the context of a globalized world. It is in this complex terrain of images that the media takes a central role, and tourism becomes the dominant field where media images are inscribed and take root. Glen Lewis has clearly illustrated this in his well-researched although sometimes disparately argued book.