

UPDATE

## PHILIPPINE BASES NEGOTIATIONS: ENOUGH IS ENOUGH

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By the end of this month, Philippine Secretary of Foreign Affairs Raul S. Manglapus will visit Washington. Both the Philippines and the United States want to conclude a new agreement for the continued American use of Philippine military bases. Formal negotiations began last September 18, but this issue has faced both countries for the past five years. Now there is little time to settle several serious issues; the current Military Bases Agreement (MBA) expires this September 16.

One major outstanding issue is money. For allowing the U.S. to continue using Clark Air Base and Subic Naval Base for only seven years, Manila is demanding \$825 million a year. The U.S. now gives the Philippines \$545 million a year in economic and military aid. The U.S. offer is reported to be about \$520 million a year and a lease that will run for ten years. If the Pentagon cannot plan on using Philippine bases for at least ten years, it becomes economical to invest in other bases and leave the Philippines within two to three years. Thus, if Manglapus cannot reduce significantly his demand for \$825 million, the Bush Administration should reject it, declaring that enough is enough and that U.S. resources instead will be used to develop military facilities with Asian allies more reliable than Manila.

**Allied Cooperation.** Only then, it seems, will Manila begin to realize how the world has been changing. In the past two years, the democratic coalition led by the U.S. has won the Cold War and is now at war against Iraq. Most U.S. allies in Asia have given both political and material support to the coalition fighting Iraq. Japan and Korea now provide support for U.S. forces based in their country and last November 13, Singapore agreed to allow U.S. forces regular access to its bases. By contrast, Manila is giving only political support for the U.S. action in the Persian Gulf, and this only after great hesitation. Meanwhile, to avoid stirring up anti-American sentiment from the Philippine Senate and the Manila press, the U.S. has been muting its use of its Philippine facilities as a transit point to the Persian Gulf. Privately, Pentagon officials note that if they did not have access to the Suez Canal, U.S. forces would have had to make heavier use of Philippine bases.

Some 80 percent of the oil consumed by the Philippines comes from the Middle East. But while the U.S. and coalition forces are defending Philippine interests in the Persian Gulf, it seems that the Manila has pursued another goal. This January 9, Ambassador Richard Armitage, the chief U.S. negotiator in the bases talks with Manila, said "As Americans prepare to fight and die in the Middle East, Filipinos define their own victory [in the bases negotiations] in terms of how many and how quickly U.S. forces can be removed from their country." A Philippine spokesman immediately responded that they were trying to "shake off" the legacy of 46 years of U.S. colonial rule, which ended in 1946.

**Generous Americans.** For the government of Philippine President Corazon Aquino, the legacy of U.S. colonial rule has been anything but onerous. The U.S. facilities pump about \$1 billion annually into the Philippine economy and employ about 60,000 Filipinos. After Aquino became president in 1986, the U.S. increased by nearly 50 percent what it had pledged to give as bases-related economic and military aid from 1985 through 1989. Instead of receiving \$900 million in this period, Manila got about \$1.5 billion. In 1988, the U.S. prodded Japan and other countries to donate \$10 billion in economic aid over five years. And in 1988 too, the U.S. increased bases-related aid to \$481 million for each of the last two years of the MBA. Then in December 1989, during a military coup attempt, U.S. fighter aircraft changed the tide of battle, probably saving Aquino's government and her life.

Aquino can ill afford to lose U.S. support. She is still threatened by military rebels and is still fighting an intractable, 18,000 guerrilla-strong communist insurgency. Aquino, furthermore, has delayed such crucial economic reforms as privatizing government-owned corporations and reducing bureaucratic control over the economy. The Philippine economy remains in shambles.

It is puzzling that America's past commitment to supporting Philippine democracy is not matched by an equal desire of the Aquino government to assist the U.S. in preserving the strategic stability in Asia that has been created in part by the presence of U.S. forces in the Philippines. Apparently, however, not all Filipinos agree with their negotiators on the bases issue. A poll last September showed that 80 percent favored retaining the U.S. presence. In a January 22 speech, Philippine Defense Secretary Fidel V. Ramos said that a "continued U.S. presence does not impair our sovereignty... Philippine-U.S. security relations should be maintained for *some* time, to give us that time to develop our defense capabilities."

**Clear Message.** When the Philippine government is ready to provide for its own defense, and overcomes its dependence on international assistance, it then may be able to contribute to a stable post-Cold War order in Asia. The U.S. can help Filipinos reach this stage if there is a new bases agreement. Such help, however, should not further burden already strapped U.S. taxpayers and it should not insult American willingness to be reasonable and generous. When Manglapus comes to Washington, the Bush Administration should have a clear message. It should:

- ◆ Refuse to pay Manila's extortionary monetary demands in exchange for America's right to defend the Philippines;
- ◆ Offer between \$400 million and \$500 million in annual economic and military aid as payment for use of the bases;
- ◆ Tell Manila that the U.S. will withdraw its forces this year if there is no new agreement;
- ◆ Tell Manila that Philippine economic progress depends more on free-market reform than on ever increasing amounts of aid; and
- ◆ Offer to transfer to the Philippines modern aircraft and naval equipment to help build Philippine external defenses after Manila contains the communist insurgency.

Even if there is a new bases agreement with the Philippines, America should seek to expand its military ties with other Southeast Asian states, like Brunei, following the model of the recent Singapore agreement. The Aquino government's attitude toward the U.S. during the past year reveals that Manila cannot be relied upon to provide a long-term outpost for U.S. forces. This impression can begin to be revised only if the Philippines enters into a new bases agreement that is reasonable and recognizes the important contribution that the U.S. makes to Asian stability and Philippine security.

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