



# The Heritage Foundation Executive Memorandum

No. 815

May 13, 2002

## STRENGTHENING THE U.S.—PHILIPPINE ALLIANCE FOR FIGHTING TERRORISM

*PAOLO PASICOLAN*

The war on terrorism has given the United States and the Philippines a chance to revive their dormant alliance. The Philippines is leading efforts to combat terrorism in Southeast Asia, a region FBI Director Robert Mueller describes as a possible sanctuary for al-Qaeda operatives fleeing Afghanistan. Washington has provided Manila with \$100 million in military aid, including 660 U.S. troops to help authorities hunt down the Abu Sayyaf, a terrorist group known for abducting foreigners for ransom, including a couple from Kansas.

Washington should take advantage of Manila's congruent security interests in the region to strengthen the alliance while also assuring the Philippines that there will be no reestablishment of permanent U.S. bases there. U.S. assistance should focus on improving the counterterrorism capabilities of the Philippine military and law enforcement agencies so that they can better lead efforts to eradicate terrorism in Southeast Asia.

**Current Efforts in the Philippines.** The decade-long estrangement between the United States and the Philippines—once proud allies who battled communism in Asia during the Cold War—began in 1991 after the Philippine Senate voted to end the lease of U.S. air and naval bases in Clark and Subic Bay. But the increased activity of the al-Qaeda-linked Abu Sayyaf, including the May 2001 kidnapping of Americans Martin and Gracia Burnham, made terrorism a catalyst for revitalizing relations.

The Abu Sayyaf have been linked to al-Qaeda since founder Abdurajak Janjalani fought with Osama bin Laden in Afghanistan. Recently, the Abu Sayyaf provided logistical support to al-Qaeda operatives like Ramzi Yousef, architect of the first World Trade Center bombing in 1993. Trapped on a 495-square-mile island, the Abu Sayyaf eluded capture for almost a year. In the past two months, however, joint patrols by the Philippine military and American military advisers have resulted in almost daily clashes.

The military and police forces of the Philippines are ill-equipped to deal with domestic terrorists, let alone those with international linkages. Advanced U.S. surveillance equipment, including night vision goggles and unmanned spy drones, has given the Philippine military better intelligence on the guerilla group, which rarely stays in one place very long. American recommendations that Philippine forces adopt small-unit tactics have proven so effective that Washington spent \$7.3 million to train and equip two Philippine light reaction companies; the methods developed during

---

Produced by the  
Asia Studies Center

Published by  
The Heritage Foundation  
214 Massachusetts Ave., NE  
Washington, D.C.  
20002-4999  
(202) 546-4400  
<http://www.heritage.org>



This paper, in its entirety, can be  
found at: [www.heritage.org/library/  
execmemo/em815.html](http://www.heritage.org/library/execmemo/em815.html)

---

this exercise will prove useful for other counterterrorist operations.

Both the United States and the Philippines are considering extending the *Balikatan* (“shoulder-to-shoulder”) exercise beyond its July deadline. The additional exercises could include civic and humanitarian projects like drilling wells and paving roads. This threatens to expand U.S. military operations into areas where they are least effective, such as nation-building. They should instead focus on training and the transfer of equipment to enhance the capability of Philippine security forces.

**Strengthening Regional Security.** The growing problem of terrorism in the Philippines reflects a region-wide infestation. Several Southeast Asian countries could benefit from joint military exercises with the United States, but none have the long-standing military relationship with Washington that Manila has. The United States and the Philippines have a mutual defense treaty and a visiting forces agreement that gives U.S. troops access to Philippine facilities (the legal basis for the *Balikatan* exercises), and other countries in the region are not likely to request U.S. military assistance as Philippine President Gloria Macapagal-Arroyo has done.

A U.S. proposal for military exercises involving 10 countries in the region has received a cool reception. Several countries, like Indonesia, are reluctant to conduct joint exercises with the United States because of public perceptions of America’s conduct in the war on terrorism. However, these countries are more willing to deal with the Philippines, and Manila has shown a willingness to initiate regional efforts to combat terrorism. It already has signed an agreement with Malaysia and Indonesia to deal with terrorism cooperatively. Thus, improving the counterterrorism capabilities of the Philippine military would help to improve security in Southeast Asia without ruffling nationalist feathers.

**Next Steps for Washington.** It is clearly in America’s interest to help strengthen the ability of Philippine military and law enforcement institutions to deal with terrorism. Terrorists thrive on instability, and without law and order, any economic development will only increase inequality, specifically between Christians and Muslims in Mindanao, a hotbed of Muslim separatist movements. The United States should therefore:

- **Increase military assistance to the Philippines.** The Philippines admits that its military forces are technologically 20 years behind those of the United States. Increasing the portion of excess defense articles that the U.S. military donates as its own technology progresses would upgrade those capabilities significantly. More technical assistance in the form of joint exercises, war games, and student exchanges like the International Military Education and Training program would also help.
- **Expand assistance to include the Philippine national police.** Very little attention has been given to this decaying institution, which should be the first line of defense against terrorism. Given revelations of possible al-Qaeda sleeper cells in the Philippines, U.S. assistance should include ways to share urban counterterrorism tactics, surveillance techniques, forensic analysis (particularly of explosives and DNA evidence), and increasing professionalism.
- **Clarify the new security relationship.** The United States should make clear that it has no intention of reestablishing military bases in the Philippines. The era of military dependency is over.
- **Make trade, not aid, the second priority.** If the Administration feels it must balance military action in the war on terrorism with policies that promote development, it should negotiate a free trade agreement with the Philippines rather than increasing aid. Businesses in both countries would benefit, and the Philippine people would become more self-sufficient.

**Conclusion.** The United States and the Philippines view the problem of terrorism with equal urgency. Washington should take advantage of congruent security interests, along with popular support for the U.S. military presence in the Philippines, to rebuild the U.S.–Philippine alliance to meet the needs of the new security environment. Washington should focus on training and the transfer of equipment to enhance the capability of Philippine security forces while also making clear that it will not reestablish permanent military bases in the Philippines.

—Paolo Pasicolan is a Policy Analyst in the Asian Studies Center at The Heritage Foundation.