

# Country Briefing – The Republic of the Philippines

## *Political Briefing*

### **Introduction**

The Philippines is a minor military power of East Asia but is located in an extremely strategic position in the South China Sea (SCS). It shares a maritime border with Taiwan as a part of the “First Island Chain”, standing between China and its access to the Pacific Ocean, and facilitating United States presence in Asia. In light of China’s increasing assertiveness in striving to enhance its influence in the SCS, the Philippines view Chinese willingness to use force with worry, particularly given Chinese expansionism and belligerence in the SCS. This crisis has occurred at a moment when the Philippines is seeking to find a balance in its relations to the two regional superpowers of China and the US. The Philippines thus must operate within the crisis in which much stronger military powers are engaged to protect the Philippine's core interests.

### **Strategic Objectives**

The Philippines must find a balance among its interests and behave in the crisis accordingly. It is necessary to assert a firm place among the superpowers without compromising security or sovereignty. In the case of Chinese annexation of Taiwan and subsequent militarisation of the island, the Philippine’s security would be directly threatened, and an emboldened China would further push its claims in the SCS much to our detriment. Preventing such Chinese expansionism and keeping our claims in the SCS requires the backing of the United States. At the same time, however, we do not wish to heavily rely on the United States as it would degrade our interest in keeping independent of foreign powers and maintaining sovereignty. The Philippines do not wish to be drawn into a conflict that does not bring any benefits. Thus, it is important we maintain good and constructive relations with all the regional powers and strive to re-establish peace and order in the area.

### **National Strategy**

The Philippines is balancing its foreign relations between its traditional alliance with the United States (based around security), and with China (which offers large economic opportunities).

The Philippines traditionally has had a strong relationship with the United States, spreading over several spheres but critically in security. This alliance is embodied by several agreements. The Mutual Defence Treaty (MDT) of 1951 ensures United States aid in case of an external attack on the Philippines. The Visiting Forces Agreement (VFA) of 1998 increased the military cooperation between the two states and allowed the United States to station military personnel in the Philippines and to conduct joint exercises. Further, the Enhanced Defence Cooperation Agreement (EDCA) of 2014 declared an understanding the United States will not establish a permanent military base nor presence in the Philippines but confirmed the United States may rotate troops and operate facilities on Philippine bases and enabled access for United States ships and planes to the Philippines.

The current government made a shift in foreign policy away from the United States towards China in 2016, when, at the beginning of his presidency President Duterte declared the Philippines will follow “independent foreign policy”. This approach aims to protect the Philippines sovereignty and avoid foreign interference in Philippine affairs, which led to a pivot away from the United States and towards China. This enabled the Philippines to draw on economic benefits – China increased its Official Development Assistance to the Philippines as a part of the Belt and Road Initiative. However, the increasing engagement

with China has been criticised for the lack of specific commitments and the small number of realised projects, all while China continues to increase its presence in the South China Sea. It is also important to note that the general sentiment of the population supports Taiwan over China and holds strong anti-China sentiments which are especially prone to flare up when China makes aggressive moves.

The SCS is a place of continuous disputes due to overlapping claims of various states, including the Philippines. The area has a great strategic and economic importance – about one-third of global maritime trade passes through it, and it contains rich natural resources and fishing areas of global significance. Under the so-called “nine-dash line”, China claims 85% of the area, and thus has a dispute with the Philippines over the Camago and Malampaya gas fields, Scarborough Shoal, and Spratly Islands. This puts a heavy strain on relations which further deteriorated in recent incidents including the 2012 Scarborough Shoal standoff, the 2019 Reed Bank incident, and the Whitsun Reef incident in early 2021. After the Philippines made a submission in 2013, the Permanent Court of Arbitration (PCA) initiated a trial investigating the Chinese claims in the SCS. In 2016, it ruled in favour of the Philippines and declared the Chinese claim unlawful. China rejected the ruling, even as the Philippines was turning towards China under Duterte’s “independent foreign policy.” Thus the victory was downplayed.

However, recently after a spate of aggressive Chinese moves in the SCS, the Philippines have begun to strengthen the relationship with the United States again. In February 2020, the Philippines decided to terminate the VFA, but reversed course by mid-year and cancelled the termination. As a result, the United States reaffirmed its MDT obligations and declared the Chinese claim as “unlawful”. In mid 2021 the VFA was formally brought back to force and US-Philippine relations have continued to improve.

The Philippines do not formally recognise Taiwan as an independent state and support the “One China policy,” but maintain diplomatic relations with Taiwan via its de facto embassies - the Taipei Economic and Cultural Office in the Philippines and the Manila Economic and Cultural Office in Taipei. Moreover, the majority of the Philippine population supports Taiwanese independence. In 2016 Taiwan rejected the PCA ruling just as China did (as Taiwan also claims the 9 dash line), and in 2013 and 2015, there were international incidents over fisheries between Taiwan and the Philippines. However, while the two states have disputes they have caused little overall friction in the relationship.

The Philippines has close relations with Japan and Vietnam, which have been strengthened due to tensions over the SCS dispute. Japan is a major aid donor and there were talks of a defence treaty in 2016, but the plans were scrapped after the Philippine realignment towards China under Duterte. Nevertheless, good relations continue. Vietnam has a claim on the Spratly Islands overlapping with the Philippines, but they have a similar stance towards China as both disagree with the “nine-dash line”, thus maintaining a good relationship. Vietnam supports the PCA ruling of 2016, and the Philippines in turn partially backs Vietnamese claims on the Paracel Islands. Moreover, Vietnam and the Philippines signed a Memorandum of Understanding in 2010 which enables the sharing of information between their navies.

As the Philippines maintain good diplomatic relations with all engaged states, a mediating role in negotiations is a distinct possibility, and the crisis may be used to advance Philippine interests. However, negotiations require compromises. The United States may wish to secure its presence in the region helped by the Philippines. China may be seeking international recognition of its claims on the territories it seeks to annex, destabilizing our security. Supporting either of the superpowers in this crisis may be an golden opportunity for the Philippines, but long-term consequences and Philippine interests must be born in mind.