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# UNITED STATES-PHILIPPINE BASE NEGOTIATIONS

## STAFF REPORT

TO THE

## SUBCOMMITTEE ON FOREIGN ASSISTANCE

OF THE

## COMMITTEE ON FOREIGN RELATIONS
## UNITED STATES SENATE

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## FOREWORD

The Philippines is a country of special importance to the United States. Once a United States colony, the Philippines has been our friend since its independence in 1946 and a formal, valued ally since 1951. Both countries have been reassessing their foreign policies since the end of the Vietnam war in 1975; the Philippines, in December, 1975, requested a renegotiation of agreements that provide for U.S. use of military facilities in the Philippines. President Ford agreed to enter into base negotiations in 1976. Because the negotiations to date have not produced an agreement acceptable to both sides, further talks are likely in 1977.

This report to the Subcommittee on Foreign Assistance, written by Robert Mantel, Staff Director, reviews the current state of United States-Philippine relations, with particular reference to issues and considerations arising in or pertaining to the base negotiations. It also discusses the status of martial law following the October, 1976, referendum/plebiscite, and Philippine observance of internationally recognized human rights. The report concludes that the United States must thoroughly reassess its political-military interests in Southeast Asia and examine alternatives to the current base structure in the Philippines to be able to weigh the costs and benefits of alternative outcomes of the base negotiations.

The Subcommittee on Foreign Assistance has published a series of reports relating to its legislative and oversight activities. These reports are published so that the public may have the benefit of information pertaining to important foreign policy issues. This report, however, does not reflect the views of any individual member of the subcommittee.

HUBERT H. HUMPHREY,
*Chairman, Subcommittee on Foreign Assistance.*

# UNITED STATES-PHILIPPINE BASE NEGOTIATIONS

In April, 1976, the United States and the Philippines formally began negotiations on a new United States-Philippine Bases Agreement. Although the existing agreement does not expire until 1991, the Philippine Government requested a renegotiation to obtain fundamental changes in the agreement deemed essential to establish Philippine sovereignty over the bases. The Philippine Government has talked about negotiating the agreement for about 5 years; the decision to force the issue in 1976 is believed to stem primarily from a Philippine foreign policy reassessment following the Vietnam war. Other factors that appear to have influenced the decision to seek renegotiation are:

—The "success" of Spain and Turkey in obtaining bases agreements with the United States that provide for substantially increased U.S. assistance levels in return for continued U.S. use of facilities in these countries.

—A belief that the U.S. needs the Philippine bases more than ever following termination of its access to bases on the mainland in Thailand and Vietnam.

Presidents Ford and Marcos decided, during the former's visit to Manila in December 1975, to enter into base negotiations in 1976. The joint Presidential communique issued at that time stated:

> In the field of security cooperation, they (the two Presidents) declared that the alliance between the United States and the Philippines is not directed against any country, but is intended to preserve the independence and promote the welfare of their two peoples, while at the same time contributing to peace and progress to all. They considered that the Treaty of August 30, 1951, enhanced the defense of both countries, strengthened the security of the Pacific region, and contributed to the maintenance of world peace. They agreed that the Philippines remain important in maintaining an effective United States presence in the Western Pacific in support of these mutual objectives.
>
> They agreed that negotiations on the subject of United States use of Philippine military bases should be conducted in clear recognition of Philippine sovereignty. The two Presidents agreed that there should be an early review of the steps necessary to conclude the negotiations through the two panels already organized for that purpose.

Secretary of State Kissinger and Foreign Minister of the Philippines, Carlos Romulo, formally opened the negotiations in April 1976. Substantive discussions began in June 1976, in the Philippines with U.S. Ambassador William Sullivan heading the U.S. negotiating team.

From the outset both sides stated their intention to reach a satisfactory agreement that clearly recognizes Philippine sovereignty. Al-

though the Philippine Government has never threatened to terminate U.S. base rights, it is seeking significant changes in enough important provisions that the negotiators are attempting to draft an entirely new agreement. Other matters under discussion in addition to, or, in some cases, related to issues of sovereignty include the number of facilities, command and control of the bases, criminal jurisdiction over U.S. forces, applicability of Philippine law, the extent and scope of the U.S. security commitment, the length of a new agreement and the amount of compensation to be paid by the United States.

As noted in the communique above, the sovereignty issue is given primary importance in public statements by both parties. The United States has agreed in principle to recognize Philippine sovereignty in a new agreement; what is at issue is what sovereignty means—does it mean operational control of U.S. forces? Does it mean control of base functions other than operations? Does it include some of the other issues such as criminal jurisdiction over U.S. forces? The specifics, which give content and meaning to the sovereignty concept, remain undecided.

The extent and scope of the U.S. security commitment is also a key issue. The Philippine Government has been exploring for minerals and oil on the Reed Bank adjacent to the Spratly Islands. At least four countries—China, Vietnam, Taiwan and the Philippines—maintain conflicting territorial claims in the Spratly area, and all but China maintain garrisons on various islands. The Philippines has periodically sent naval forces to the area to protect itself against interference from the other claimants. During 1976, the Philippines pressed the United States on the issue of whether the United States-Philippine security treaty is applicable to this area, given the conflicting claims. This remains an important issue because of the potential implications for the United States of a clarification of the commitment one way or the other.

The Executive Branch would undoubtedly prefer to retain the existing agreement under which the United States enjoys the use of all facilities with few constraints at low cost. Nevertheless, the United States agreed to negotiate not only because the Philippines does have sovereignty but also because the administration recognizes the legitimacy of, and believes it can accommodate some of the Philippine negotiating objectives. An additional consideration may be that retention of the bases in a potentially hostile environment could be difficult.

The Executive Branch entered into the negotiations with the objective of retaining use of all existing facilities and all of the functions performed from these facilities. A Ford administration study prior to the negotiations concluded that retention of all facilities and functions was vital to support U.S. objectives in the Pacific area. Knowledgeable administration officials concede that the study focused narrowly on the bases and did not address broader questions or reconsider assumptions regarding future U.S. policies in the Pacific area such as:

—What are U.S. objectives in the Pacific area over the next 5 years following our Indochina involvement? What military

posture (bases and force structure) is required to support these objectives?

—Does the United States want to maintain a military capability to deal with possible contingencies? What are these? What diplomatic options might be foreclosed without such capabilities? Is it important to maintain these options?

—Does the United States have alternatives to Philippine bases for those military functions deemed to be "essential?" What are the relocation costs for these functions and how, amortized over time, do these costs compare to the costs of remaining in the Philippines?

Without answers to these questions, it is difficult to assess the value of existing U.S. facilities in the Philippines, most notably Clark Air Base and Subic Naval Base, over the next 5 to 10 years. Without answers to these questions and analyses relating these issues to those pertaining to the United States-Philippine bilateral relationship, it is also difficult, if not impossible, to develop a negotiating strategy in which the costs and benefits of alternative outcomes can be assessed.

Nevertheless, the negotiations continued until September-October, 1976. By that time there was general agreement that the Philippine Government preferred to await the outcome of the U.S. elections; that is, to negotiate with a Ford administration with a renewed mandate or with a Carter administration. According to informed officials, the key outstanding issues in October were (1) the size of the U.S. *quid pro quo* for continued use of the bases, (2) the nature and content of Philippine sovereignty over the bases, and (3) the scope of the U.S. defense commitment to the Philippines.

Nevertheless, in early December, 1976 State Department officials briefed congressional staff on an agreement in principle on a new bases accord with the Philippines. According to these officials:

—Secretary Kissinger had met with Philippine Foreign Minister Romulo in Mexico City at the inauguration of the new Mexican President;

—The United States had agreed to pay $1 billion ($500 billion in grant military aid and sales credits and $500 million in economic aid) in return for U.S. use of the bases for 5 years, and

—The two officials (Kissinger and Romulo) would announce the agreement in New York the next day and that the negotiators in the Philippines would meet promptly to work out the remaining details of the agreement.

When Foreign Minister Romulo arrived in New York, however, he denied that an agreement had been reached and that he accepted the Secretary's $1 billion offer. Exactly what happened to the apparent agreement is not clear. Whether the Secretary thought he had an agreement with Romulo and did not, or whether he did have an agreement with Romulo who had acted without President Marcos' approval, is not known. The Philippine Government stated that they wanted $1 billion in military aid and sales credits alone with economic assistance over and above that level.

In any event, the bases issue remains an issue before the Carter administration—in particular, what bases and/or functions should the United States attempt to retain for what purposes at what price?

## THE UNITED STATES-PHILIPPINE RELATIONSHIP

The history of the United States-Philippine relationship is well known, with the latter progressing from the status of a U.S. colony through a commonwealth period to independence in 1946. Since independence, relations between the two countries have remained very close with a mutual defense treaty being the formal expression of shared security and political interests in East Asia. As a result of this historical legacy, the U.S. influence on and in the Philippines is pervasive to this day. Manifestations of this influence, psychological as well as tangible, are manifold:

—There are 40,000 U.S. citizens in the Philippines of whom 15,000 are U.S. military.

—The U.S. Government employs about 32,000 Filipinos.

—The United States has the largest private foreign investment in the Philippines (market value about $2 billion) and is the Philippines' second largest trading partner after Japan.

—The United States has numerous military facilities in the Philippines.

—The existence of the U.S. bases directly contributes a measurable $200 million annually to the Philippines' economy with the total contribution, including secondary benefits, considerably higher [about 5 percent of Philippine GNP].

—The high American profile makes the United States a visible, easy target for criticism or praise.

—Many Filipinos and outside observers believe that the United States is the ultimate power in the Philippines—that nothing has happened or could happen without at least tacit U.S. approval.

—According to many observers, Filipinos have a love-hate attitude toward the United States. There is a reservoir of good will toward the U.S. and Americans resulting from numerous ties between the two countries, but also a resentment because of the pervasive American presence and influence throughout the society.

## THE PHILIPPINE PERSPECTIVE

*International*

The Philippine Government's immediate reaction to the outcome of the Vietnam war was to seek reassurance from the U.S. about its commitment to the defense of Philippine independence. The U.S. publically and privately indicated its continued support.

In the past year and a half, however, President Marcos has also taken steps to (1) normalize relations with China and other Communist states, and (2) promote the image of the Philippines as an integral part of the Third World.

With regard to the former, President and Mrs. Marcos made a much publicized trip to Peking in June 1975, during which he established formal diplomatic ties and proclaimed China to be the leader of the

Third World. The Philippines has also agreed to diplomatic relations with the Soviet Union and has established formal relations with Cuba. In October 1976, there was a nine-man Soviet "premission" in Manila and a six-person Cuban Embassy. The Philippine Government also established diplomatic relations with Vietnam on July 12, 1976, although neither country has yet opened an embassy; informed observers, however, believe that the Philippines will consult with its fellow members of the Association of Southeast Asian Nations (ASEAN) before moving further in its relationship with the Vietnamese.

The Philippine Government appears to be feeling its way, gingerly taking one step at a time, in its relations with its Communist neighbors. It is, for example, trying to balance its perceived political interest in formal ties to Peking with its real need for Taiwanese investment. Another potential problem is the impact of the new Chinese Embassy on the Chinese population in the Philippines. Several knowledgeable observers pointed out that unlike most other nations in this region, (1) the Chinese are not well integrated into Philippine society and are not Philippine citizens, and (2) there is strong prejudice against Chinese, who in many instances feel stateless. There is potential for fragmentation of the Chinese community if the Chinese Embassy actively attempts to woo its members, who heretofore have had economic ties primarily to Taiwan.

Nationalist feelings in the Philippines are inevitably directed against the pervasive U.S. goliath; this is symbolized by the Government's public hard line on the issue of U.S. bases. Here also, however, the Government is treading cautiously, attempting to balance its anti-imperialist, anti-big power rhetoric with its private search for assurances regarding the continued U.S. commitment to the mutual defense treaty. The Philippine Government also hopes that its recent efforts to negotiate a settlement of the Muslim rebellion in Mindanao (about which more will be said later) will improve its standing among developing nations.

*Domestic Political*

President Marcos remains firmly in control as the Philippines entered into its fifth year of martial law on September 21, 1976. Everyone with whom I spoke believes that he has the full support of the military and the constabulary, and that there is no realistic alternative to martial law unless power is relinquished voluntarily. Some observers believe than an economic collapse could trigger a change, while others believe that a cutoff of U.S. assistance and support would topple Marcos; these views, particularly the latter, are not widely held.

There is very little political activity in the Philippines today. The President rules by decree, assisted by his civilian cabinet and the military. The referendum/plebiscite held on October 16, 1976, in order to (1) obtain voters' views on continuing martial law, and (2) vote on amendments to the 1973 constitution was, according to all observers, a well-planned affair designed to strengthen the President's rule. In several districts, according to knowledgeable observers, the reported "yes" votes exceeded the number of voting residents in those districts. Further evidence of the meaninglessness of the vote, according to these

87-078—77——2

observers, is that while one of the constitutional amendments would create a legislative body, another amendment states that "the incumbent President shall continue to exercise legislative powers until martial law shall have been lifted." Thus, regardless of the outcome of the referendum/plebiscite, only a decision by President Marcos to share power will alter the existing situation short of a revolution or his death.

Ironically, virtually all informed observers agree that President Marcos would have won a convincing majority for a continuation of martial law had the recent referendum been fairly run and had opponents of martial law been given time and access to the media to state their case. If this judgment is correct, the reasons for it appear to be (1) there is no obvious viable alternative to Marcos at the present time and (2) people believe that their lives have improved under martial law and that these improvements outweigh its debits.

There is general agreement that under martial law:

—The economy has improved, although it still is in a tenuous and fragile state.

—Economic management has improved; the Government is providing more direction to the economy.

—The firearms collection program (about 1 million privately owned guns have been collected since 1972) has reduced the level of violent crimes against persons.

—In general, law and order has been restored.

—The widespread corruption associated with the old political order has been reduced.

On the other hand, observers state that martial law has the following debits:

—Elimination of virtually all political rights.

—Documented human rights violations (of which more will be said later).

—The media is fully controlled, directly or indirectly, by the Government.

—While official corruption has been reduced, as noted above, it continues with friends and supporters of the Marcos and Romualdez (Mrs. Marcos) families being the beneficiaries.

Some diplomatic observers believe that there has been a fundamental and irreversible political transformation under martial law. The former political-economic power structure was horizontal, geographically based and wealthy; this has changed to a more institutional, vertical, political-military, technocratic structure (appointed rather than elected) that is dominated by the families and supporters of the President and First Lady. These observers believe this change to be irreversible because any successor would not be able or probably would not want to return to the old structure. This assessment does not imply, however, that the dispensing of economic favors to relatives and friends of the leadership (cronyism if not outright corruption) is an essential component of the new system irrespective of the leadership.

Another well-informed analyst of the Philippine and Southeast Asian scene agrees that there has been a fundamental change from a horizontal to a vertical structure, but questions the extent to which anything has been institutionalized. This analyst has seen nothing

which would change the long-standing, highly personal Philippine system in which economic favors are dispensed to friends. This system was contrasted with that of Singapore where Lee Kuan Yew, though ruthless, does not let his personal and family interests "get in the way of objective sound judgments in economic and political matters."

A number of persons commented that they were surprised at President Marcos' defensiveness in his speeches prior to the recent referendum about the continuation of martial law. The President, they noted, devoted much of his time to justifying martial law rather than noting the achievements made to date and outlining his plans for the further restructuring of society and the economy. (Note: The President, in announcing martial law in 1972, stated his goals as (1) restoring law and order and (2) restructuring society to reduce inequities in the political and economic system).

The most plausible explanation for this defensiveness is the President Marcos still feels insecure in his position. He is described as a cautious man, unwilling to take the risk of being discredited in an open election and unraveling the basis of his wealth and power.

## HUMAN RIGHTS SITUATION

The State Department has informed the committee that there have been reports of torture as well as of cruel, inhuman, and degrading punishment in the cases of some political detainees in the Philippines; although the number of incidences appears to have decreased in recent years, the reports have been more fully documented, most notably by an Amnesty International report released in September, 1976 based on a 1975 investigative mission, and by an Association of Major Religious Superiors of the Philippines report released in March, 1976.

Estimates of the number of political prisoners range from 500 to 6,000. The range results primarily from differing definitions of who is a political prisoner. Are, for example, violent opponents of the martial-law regime political prisoners or insurgents? Diplomatic observers believe that 10 percent of those under detention at the present time, about 585, are truly political prisoners; Amnesty International and other nongovernment estimates (mostly anti-Marcos groups) place the figure at several thousand.

The State Department, the Embassy, and other informed observers agree that most alleged torture incidents have occurred in the early stages of interrogation in safe houses by lower ranking military personnel prior to the assignment of detainees to regular detention centers. The State Department believes that these instances of torture and maltreatment represent aberrations by the individuals or units involved and are not the result of considered, explicit Government policy at the political level. Others disagree with this assessment. The Department concedes, however, that the conditions and atmosphere of martial law may "help to nurture the practice of torture." The Philippine Government is sensitive to external criticism such as that generated by the Amnesty International report. Anticipating release of the report last September, the Government announced the creation of a military committee to investigate torture charges against members of the armed forces, and initiated court martial proceedings against sev-

eral officers and enlisted men for maltreating detainees. The President also promulgated decrees that (1) prohibited interrogation in safe houses, (2) required notification of kin of all detainees within 24 hours, and (3) required that headquarters be notified of arrests within 24 hours. No one with whom I spoke felt sufficiently informed to comment on the effectiveness of these decrees. Although military and civilian courts exist to try persons detained under martial law, few cases have been brought to trial.

The State Department has stated that the Philippine Government does not actively abridge freedom of association even for outspoken critics of martial law; this assertion is supported by my own observations and meetings in the Philippines and by certain critics themselves. Former opposition leaders, for example, are working productively and are free to associate with each other. During the recent campaign, these leaders were permitted to address civic associations and hold peaceful rallies, although they had no access to the media.

The Catholic Church indirectly plays a positive role in curbing human rights excesses in the Philippines. The church is the only national institution in the country other than the Government. It has a powerful hold on the people throughout the country, and most observers agree that President Marcos is too shrewd to take on the church as an institution or to offend the sensibilities of its leadership. The church is a diverse institution and has a strong activist component that speaks out forcefully against human rights abuses and even martial law itself. The church leadership is more cautious, however, believing that it must, and in fact could, get along with any form of government so long as basic human rights and the rights of the church are preserved. The leadership believes it must preserve its lines of communication with the President so as to have influence should he get out of touch with reality. Senior church officials agree with the State Department assertion that torture is not countenanced by the civil authorities and is primarily the result of the military attempting to extract information from detainees. Having said this, however, a key church official expressed his concern about the country's future (1) should the present tolerable and manageable situation become excessive, or (2) should President Marcos suddenly depart and chaos return. In response to a direct question, a senior church leader stated that he did not believe that the Government had engaged in a "consistent pattern of gross violations of internationally recognized human rights." Certain young activist members of the clergy, however, disagreed with this conclusion.

## THE INSURGENCIES

There are two insurgent movements in the Philippines—the Muslim insurgency in the South and the New People's Army (NPA) in northern Luzon.

### *Muslim rebellion*

The Muslim rebellion's roots go back 300 years when a Muslim community was established in the Mindanao and Sulu area. There are 2 million Muslims in Mindanao out of a total population of 10 million. The Moro National Liberation Front (MNLF) claims a leadership role among the insurgents. Although the rebellion will not go away, it does not seriously threaten the regime because it is territorially limited. In the past the Philippine Government has been ambivalent

about this situation because bloodshed is viewed as normal in the Muslim territory and the insurgency serves as a justification for continuation of martial law.

In recent years, however, the Government has increased its efforts to control the situation using both military and nonmilitary means. A major governmental effort initiated several years ago to deal with the root socio-economic causes of the conflict has, according to informed observers, now lapsed into stagnation and disarray. Although the scale of the fighting has declined since 1971, random terrorism has increased and Government casualties remain high [an average 50 to 100 killed and 180 to 200 wounded per month]. Most observers believe that external assistance, mostly from Libya, has declined since the fall in April, 1976, of the Sabah [Malaysia] Chief Minister, who served as a conduit for arms to the insurgents. Currently such assistance is believed to be primarily in the form of cash which is then used to purchase and smuggle arms. Despite the human and financial cost of combating the rebellion, President Marcos has felt compelled to keep large numbers of troops in the area to avoid granting *de facto* political autonomy to the area.

Several months ago, however, Mrs. Marcos, followed by a Philippine negotiating team, traveled to Libya for meetings with the MNLF. An agreement was reached (1) calling for a ceasefire no later than January 20, 1977, and (2) providing for the establishment of an autonomous region of 13 provinces in which the Muslims would be able to set up a system of Islamic law, their own educational system, and have a special security force. The Philippine Government unilaterally declared a ceasefire on Christmas Eve which, according to reports, was not terribly effective. It is not yet clear if there has been an effective ceasefire since January 20.

Following the Tripoli agreement, President Marcos publically announced that there would be a plebiscite in the 13 affected provinces to determine whether they wanted to become "autonomous regions." The plebiscite was not part of the Tripoli agreement, and may, therefore, represent a retreat by President Marcos from it. The situation at the present time is vague, with numerous uncertainties:

—Will the ceasefire effective?

—What happens if not all 13 provinces choose autonomy in a plebiscite (the Muslims are a majority in only 5 of the 13 provinces)?

—Who will comprise the "special security force" in the region and what will its relationship be to the Philippine Armed Forces?

—What ties will the regions have to the national Government?

Informed observers believe that it is as likely as not that the war will continue as it has for hundreds of years.

*New Peoples Army rebellion*

The New Peoples Army (NPA) is the guerrilla arm of the Communist Party of the Philippines—Marxist Leninist (or CPP/ML), a Maoist party established in 1968. A second Communist party, the Communist Party of the Philippines (or PKP), supports the U.S.S.R.; it is small and nonviolent. The PKP reached an agreement with the Government several years ago under which it could exist so long as it supported the "New Society" of the President. The party

has abided by the agreement and is generally regarded as being "in bed" with the Government.

U.S. officials believe that the Government has the NPA pretty well under control, as evidenced by the recent capture of a key NPA leader. Informed observers estimate that there are 1,800 active guerrillas in northern Luzon; the Philippine Government claims that there are only 1,000. The NPA in the past has received some support from outside the country in the form of arms, training and money. The last confirmed external assistance, however, was $225,000 in financial support from China in 1975. It is not known whether the new Chinese Embassy has contacted NPA leaders. These observers say that there is no evidence that the NPA and Muslims have coordinated their respective rebellions against the Government. The NPA has tried to form a united front with the Muslims on several occasions but has been rebuffed; the Muslims have much to lose from any such alliance, because their grassroots and external sources of support are conservative and intensely anti-communist.

*The Philippine Armed Forces*

The Philippine Armed Forces have grown considerably in recent years, largely as a result of the Muslim insurgency in Mindanao. Total strength has increased from 60,000 in 1972 to over 130,000 at the present time; about 75 percent of available ground forces (maneuver battalions) are committed to the struggle against the Moro National Liberation Front. The army had 9 battalions in 1972 and has 40 today. In addition to the army, the Philippine Constabulary (PC) has 40,000 men, some of whom perform police as well as military functions.

The Philippine Defense Budget has increased from $112 million in 1972 to $349 million in 1976. There is, however, little domestic military production other than certain types of ammunition and the M–16 rifle, coassembled and coproduced in a plant established under license from Colt industries.

The major problems in the Philippine Armed Forces are those common to the forces of many developing nations—namely, a preoccupation with acquiring up-to-date, new equipment. There is only a limited recognition of the need to spend proportionately more to acquire the support packages for existing equipment and to establish effective maintenance, logistics, and communications systems to main operations readiness levels.

In the past the Philippine Armed Forces have relied almost entirely on U.S. equipment and advice. U.S. grant aid and excess defense articles transfers were the sources of equipment; the U.S. Military Assistance Advisory Group was the source of advice in the training and support areas. Only in the last 3 years has the Philippines begun to purchase significant quantities of equipment on a cash or credit basis. Security assistance levels since 1974 are as follows:

[In millions]

| | 1974 | 1975 | 1976 | Transition quarter | 1977 (estimated) | 1978 (proposed) |
|---|---|---|---|---|---|---|
| Grant aid | $15.3 | $19.4 | $17 6 | $4.0 | $17.0 | $19.6 |
| Excess defense articles | 2.5 | 1.4 | 4.6 | ---------- | 9.0 | 1.0 |
| FMS credit | 8.6 | 14.0 | ---------- | 17.4 | 20.0 | 20.0 |
| FMS agreements | 4.9 | 31.8 | 30.2 | 3.2 | 91.0 | 50.0 |

U.S. assistance for many years has been provided primarily as a tacit *quid pro quo* for use of U.S. bases in the Philippines. There is general agreement in the U.S. Government that the Philippines does not face a credible external threat and that its major military problems are the internal Muslim and New People's Army insurgencies.

### BRIEF DESCRIPTION OF U.S. MILITARY FACILITIES IN THE PHILIPPINES

The Philippines has long been a major U.S. defense outpost in the Pacific. Our military facilities are numerous and heavily populated. A brief listing of these facilities and their major functions follows:

1. Clark Air Base:
   —Covers 130,000 acres [larger than the District of Columbia].
   —Houses a total population of 43,680 of whom approximately 9,500 are U.S. military and civilians.
   —Has one C–130 squadron and two F–4 tactical squadrons.
   —Can handle over 3,500 short tons daily as a logistics support base.
   —Is a major military communications center with satellite, as well as high and low frenquency radio facilities; [deleted].
   —[Deleted.]
   —Has stockpiles of war reserve munitions.
   —Serves as base of support for Diego Garcia.
2. Subic Naval Base:
   —Has 6,100 U.S. military.
   —Is capable of full range of naval air (Cubi Air Station) and ship repair facilities (over 60% of all 7th fleet repair work).
   —Provides logistics, command and control, communications, training and medical support for the 7th fleet.
   —Is a major supply depot; over 2.5 million barrels of POL storage and handles over 1 million tons of supplies annually.
3. San Miguel Naval Communications Stations:
   —Is a hub of all 7th naval communications.
   —Has 528 U.S. military.
4. Crow Valley Bombing and Gunnery Range:
   —Serves entire U.S. Pacific Air Force (PCAF).
   —Is being upgraded to permit electronic warfare training.
5. Wallace Air Station (Poro Point):
   —Is an Air Control and Warning station.
   —Provides radar control for Philippines air defense system.
   —Has a Drone Launch facility for all Pacific Air Force intercept training.
6. Camp John Hay was formerly [deleted] currently used for R. & R. and conferences.

### EVALUATION OF U.S. FACILITIES

Based on field and Washington research and discussions with informed U.S. Government officials and outside observers, it appears that Subic Naval Base and the adjacent Cubi Naval Air Station are the most important U.S. facilities in the Philippines. It is and will be advantageous for the 7th Fleet, unless radical changes are contem-

plated in its deployment, to have a major support facility in the Southeast Pacific. As noted earlier, 60 percent of all 7th Fleet repair work is done at Subic. The man-day cost of repair work at Subic is about $21.50, compared with $88 at Yokosuka in Japan, $142 at Guam, and $158 at U.S. West Coast facilities. Even without a systematic cost/benefit analysis that would include such factors as lost time on station because of travel time, investment in facilities, etc., it is reasonable to conclude that the benefits of retaining Subic, if possible, are considerable.

Cubi Air Station, is also valuable. It is the home for carrier-based squadrons while their ships are in port at Subic, and it is the home base for a squadron of P–3 antisubmarine aircraft that patrol both in the region and in the Indian Ocean (from Cubi to Diego Garcia). The San Miguel Naval Communications Station is related to the operation of Subic and Cubi, as well as fleet operations in the area.

The value of Clark Air Base in the future, however, is questionable unless the United States intends to maintain a capability to mount and support major military operations on the Southeast Asian mainland.

There is a general consensus among informed analysts that if the United States does not want to retain this option, the value of Clark is diminished. Alternative sites are available for many of the functions performed at Clark; for example, the two F–4 squadrons, most likely to be used in a Korean contingency, could operate from Anderson AFB in Guam. The distance to Korea is greater than from Clark, but knowledgeable officials state that this is a viable option. These officials also believe that essential communications and [deleted] functions can be handled from other sites if necessary and that Diego Garcia could be supplied from Cubi. While some functions could be terminated, it must be recognized that there will be additional costs associated with relocating essential functions and that there may be some degradation of capability.

The value of Clark depends on the outcome of a general reassessment of U.S. foreign policy objectives and military capabilities in East and Southeast Asia. Alternatives to Clark may be available for certain important functions should this reassessment change our objectives, or the costs of retaining Clark be excessive. Such costs may be in dollar terms or in terms of our bilateral relationship with the Philippines.

## CONCLUDING COMMENTS

The United States-Philippine relationship is somewhat strained at the present time although both countries have expressed their desire for a harmonious resolution of issues between them. These tensions, according to many observers, were inevitable. To some observers, an outcome that places the relationship on a "mature" as contrasted with a father-son basis is both possible and desirable.

The United States should reassess its national interests in Southeast Asia. This reassessment must address not only U.S. global and regional political/military interests but also U.S. bilateral relations with the countries of the area, one of the most important being the Philippines. The future of U.S. bases in the Philippines must be analyzed in both contexts.

The human rights issue must also be addressed. Because the Philippines was "our" colony, the trend of events there is particularly disturbing. However, some observers say that the U.S. must learn to accept the fact that the values and institutions of other societies are different from our own even if the United States does not like them and that real U.S. political/military interests should not be sacrificed for moral concerns about the internal processes of friendly governments. Whether these two concerns are mutually inconsistent remains to be seen. In general, overall U.S. interests will require policies that promote both objectives and maintain friendly relations with a valuable ally.

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