



# National Defense College of the Philippines

## EXECUTIVE POLICY BRIEF

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### Key Points and Policy Considerations

- The U.S. Indo-Pacific Strategy seeks to ensure America's continued preeminence in the region and constrain China's efforts to alter the balance of power in Beijing's favor. Manila and Washington have shared strategic interests in this regard.
- However, there are nuances in the policies and considerations of the allies when it comes to two key potential flashpoints in the region: South China Sea and Taiwan.
- Among the policy considerations are: enhance the implementation of EDCA, continue capacity-building efforts, enhance bilateral cooperation and dialogue mechanisms, and strengthen cooperation between and among members of the U.S.-led system of alliances and partnerships.

## America's Evolving Indo-Pacific Strategy: Implications for the Philippines-U.S. Alliance

Mico A. Galang

On 11 February 2022, the administration of United States (U.S.) President Joseph R. Biden, Jr. released its Indo-Pacific Strategy (IPS). Cognizant of the changing security environment, the U.S. IPS underscores how the region is "vital to [America's] security and prosperity."<sup>1</sup> The Biden administration's strategy builds on the efforts of its predecessors. Barack Obama's administration pushed for a Pivot/Rebalance to Asia, while Donald Trump's government pursued a Free and Open Indo-Pacific (FOIP) agenda. President Biden came into office in 2021 determined to focus on Indo-Pacific region.<sup>2</sup> However, on 24 February 2022, barely two weeks after the U.S. IPS was released, Russia invaded its neighbor, Ukraine. Attention then shifted to Europe. However, with the war still ongoing, it may be valuable to examine the strategic implications of the U.S. IPS for the Philippines.

In this regard, this Executive Policy Brief (EPB) seeks to examine the implications of the evolving U.S. Indo-Pacific strategy for the Philippines. In particular, this paper seeks to answer the following specific research questions: 1) What are the elements of the Biden administration's Indo-Pacific strategy? How are such components similar or different with the strategies of its predecessors?; 2) How does the convergence and divergence of interests in potential flashpoints in the Indo-Pacific shape the policy complexities for Manila and Washington?; and 3) What are the prospects for Philippines-U.S. alliance under the administration of President Ferdinand R. Marcos, Jr.

To answer the foregoing questions, this paper shall be guided by International Relations theory. In his seminal work, *The Tragedy of Great Power Politics*, Professor John J. Mearsheimer noted that partly because of the anarchic structure of the international system, which engenders a self-help imperative, states – in particular great powers – fear each other.<sup>3</sup> In this geostrategic context, the primary goal of states is to survive which could be achieved by altering the balance of power in its favor. While achieving global hegemony is unlikely, great powers can aspire to become a regional hegemon, i.e. a great power dominating a distinct geographical area.<sup>4</sup> Once a great power achieves regional hegemony, however, it seeks to prevent other great powers from achieving a similar

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### NDCP Executive Policy Brief (EPB)

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feat because of what Mearsheimer subsequently called as the “freedom to roam”<sup>5</sup> – “a rival great power that dominates its own region will be an especially powerful foe that is essentially free to cause trouble in the fearful great power’s backyard.”<sup>6</sup>

If a great power is the only the regional hegemon in the world, it effectively becomes the status quo power in the international system. Mearsheimer stressed that a regional hegemon will “go to considerable lengths to preserve the existing distribution of power.”<sup>7</sup> Hence, a regional hegemon assumes the role of an “offshore balancer” in order to “weaken and maybe even destroy its distant rival...[B]oth regional hegemons would be motivated by [the same] logic, which would make for a fierce security competition between them.”<sup>8</sup>

A critical component of being an offshore balancer is pursuing alliances with other countries in order to maintain a favorable balance of power. Such alliances are established with other great and middle powers, as well as small powers. It must be noted, however, that small powers, like the Philippines, are governed by different geopolitical dynamics than those of great powers like the U.S. Maass pointed out that small powers “must not be assumed [as]...simply downsized version of larger states.”<sup>9</sup> In his study of small states, Maass argued that “small [power] survival is governed by different rules from those that govern great powers.”<sup>10</sup>

In this regard, the behavior of small powers has different characteristics. These include the recognition that it is “both futile and reckless” to rely solely on their own limited capabilities to pursue their national security interests, and by extension their ability to influence the dynamics of international politics to their advantage.<sup>11</sup> Small powers, in general, favor the status quo instead of “plotting to thwart and revise” the current order.<sup>12</sup> Moreover, small states appear to “display high levels of paranoia” as a result of their size and relative position in the international system.<sup>13</sup>

Cognizant of these theoretical underpinnings, this EPB argues that the U.S. Indo-Pacific Strategy seeks to ensure America’s continued preeminence in the region and constrain China’s efforts to alter the balance of power in Beijing’s favor. Manila and Washington have shared strategic interests in this regard. However, there are nuances in the policies and considerations of the allies when it comes to two key potential flashpoints in the region: the South China Sea and Taiwan.

## **America’s Indo-Pacific Strategy in Transition**

President Biden’s Indo-Pacific Strategy builds on the efforts of his two immediate predecessors: Obama’s Pivot/Rebalance strategy; and Trump’s Free and Open Indo-Pacific (FOIP) strategy.

In a 2011 speech before the Australian parliament, then-President Obama declared: “After a decade in which we fought two wars that cost us dearly, in blood and treasure, the United States is turning our attention to the vast potential of the Asia-Pacific region...Our enduring interests in the region demand our enduring presence in the region. The United States is a Pacific power, and we are here to stay.”<sup>14</sup> This pronouncement, subsequently referred to as either the “Pivot” or the “Rebalance” strategy, has been the cornerstone of U.S. policy in the region.<sup>15</sup>

The strategic dimension of the Pivot sought to reposition sixty percent of U.S. forces in favor of the Indo Asia-Pacific, strengthen alliances and partnerships, and the development of the “Air-Sea Battle” concept to counter Anti-Access/Area-Denial (A2/AD).<sup>16</sup> Overall, the U.S. Department of Defense (DOD) stressed that the mission of Washington is “sustaining U.S. global leadership.”<sup>17</sup>

On the diplomatic front, the Obama administration became more active in multilateral platforms of dialogue and

cooperation, particularly those led by the Association of Southeast Asian Nations (ASEAN). In 2010, ASEAN, U.S., and other Dialogue Partners that held the first ASEAN Defence Ministers' Meeting-Plus. The following year, Washington joined the East Asia Summit (EAS). On the economic front, the Obama administration strongly supported the negotiations for the Trans-Pacific Partnership (TPP) free trade agreement which included eleven other countries in the region.<sup>18</sup>

The Trump administration continued its predecessor's objective of focusing on the Asia. Indeed, the Trump administration, through the U.S. DOD, issued the *Indo-Pacific Strategy Report* in 2019 which embodies largely the same strategic dimensions of the Obama-era Pivot strategy.<sup>19</sup> While there may be some forms of continuity, the Trump administration also ushered in some changes. On the diplomatic front, the Trump administration was not as active as its predecessor when it comes to attending high-level summit meetings. Except in 2017, then-President Trump did not attend ASEAN meetings for the rest of his tenure.<sup>20</sup> However, it is noteworthy that the Trump administration played a key role in revitalizing the Quadrilateral Security Dialogue (QSD or Quad) in 2017 at the sidelines of the ASEAN meetings in Manila.<sup>21</sup> By the end of the Trump presidency, the Quad met for its first standalone foreign ministers-level in 2020.<sup>22</sup>

However, the biggest break from the Obama administration – and arguably from every U.S. administration since Richard Nixon's – was the Trump government's approach to the People's Republic of China (PRC): from engagement to strategic competition. In its 2017 National Security Strategy (NSS) openly criticized the bipartisan engagement policy with China: "policies based on the assumption that engagement with rivals and their inclusion in international institutions and global commerce would turn them into benign actors and trustworthy partners. **For the most part, this premise turned out to be**

**false.**"<sup>23</sup> If the previous U.S. governments called on Beijing to become a "responsible stakeholder,"<sup>24</sup> the Trump administration labelled China as a "revisionist power."<sup>25</sup> Alongside his decision to withdraw from TPP, President Trump also waged a trade war against PRC.

While engagement may not totally be abandoned, the Trump administration made it clear that strategic competition will take center stage in Washington's security calculation. Indeed, the 2018 Summary of the National Defense Strategy (SNDS) stressed that "[i]nter-state strategic competition, not terrorism, is now the primary concern in U.S. national security."<sup>26</sup> Beijing, according to the SNDS, is pursuing modernization of its armed forces, "predatory economics," as well as the militarization of the South China Sea (SCS), among others, to "reorder the Indo-Pacific region to [its] advantage."<sup>27</sup> The long-term objective is the "displacement of the [US] to achieve global preeminence in the future." As such, the SNDS's objective is to "ensure [that] the balance of power remain in [America's] favor."<sup>28</sup>

President Biden succeeded Trump after a tumultuous transition which culminated in an attempted armed insurrection at the U.S. Congress in January 2021. While Biden has sought to distinguish himself from his predecessor in the domestic scene, there is a significant degree of continuity when it comes to foreign policy, particularly in the Indo Asia-Pacific. As of this writing, the Biden administration has yet to issue its NSS. However, it is interesting to note that the administration released its Indo-Pacific Strategy (IPS) in February 2022. Nonetheless, the IPS stressed that the **"PRC is combining its economic, diplomatic, military, and technological might as it pursues a sphere of influence in the Indo-Pacific and seeks to become the world's most influential power.** The PRC's coercion and aggression spans the globe, but it is most acute in the Indo-Pacific. From the economic coercion of Australia to the conflict along the Line of Actual Control

with India to the growing pressure on Taiwan and bullying of neighbors in the East and South China Seas, our allies and partners in the region bear much of the costs of the PRC's harmful behavior."<sup>29</sup>

In the 2021 Interim National Security Strategic Guidance (INSSG), the Biden administration announced that America's national security requires the promotion of a **"favorable distribution of power** to deter and prevent adversaries from directly threatening the United States and [its] allies, inhibiting access to the global commons, or **dominating key regions"**<sup>30</sup> – an apparent echo from the Trump-era SNDS. Indeed, as pointed out earlier, a status quo power such as the U.S. does not want the emergence of another great power from dominating another region. Thus, one of the strategic ways of the IPS is to "[s]trengthen the U.S. role and build collective capacity with allies and partners and with regional institutions."<sup>31</sup> In other words, the U.S. needs to become an offshore balancer.

While the Indo-Pacific strategic outlook and objectives of the Trump and Biden administrations are largely similar, the latter again pursued a more active role in ASEAN-led multilateral diplomacy. In May 2022, the Biden administration, even with the ongoing Russia-Ukraine war, hosted an in-person ASEAN-U.S. Summit which, for the first time, was held in Washington, D.C. Nonetheless, in other areas of foreign policy, the Biden administration sustained and even built on the gains of its predecessor. Indeed, President Biden hosted the first summit-level meeting of the Quad, and played a key role in the formation of the Australia-United Kingdom-United States (AUKUS) security partnership, an initiative in which Washington and London will help Canberra acquire conventionally armed nuclear-powered submarines.<sup>32</sup>

Based on the foregoing, it is clear that the U.S., even across different administration, has become increasingly aware of the changing balances of power in the Indo Asia-Pacific. Ensuring that

America's preeminence is sustained as China emerges to challenges such primacy is now the major foreign policy concern of Washington. This preeminence is prominent in two key potential flashpoints: the South China Sea and Taiwan.

## **Two Potential Flashpoints: South China Sea and Taiwan**

The SCS and Taiwan are two potential flashpoints that are connected in four closely intertwined ways. **First, Chinese officials have labelled both Taiwan and the SCS as part of Beijing's "core interests."** In official Chinese discourse, the term "core interest" has three key components: 1) the preservation of China's basic state system and national security, which effectively means ensuring that the Chinese Communist Party (CCP) remains in power; 2) the protection of territorial integrity and national sovereignty; and 3) the continued stable development of the Chinese economy and society.<sup>33</sup> Emphasizing the second component, Chinese officials have used core interests in geopolitically contentious area such as Tibet, Xinjiang, and Taiwan.<sup>34</sup> In the case of Taiwan, Beijing's Communist rulers view the island as an unfinished business of the Chinese Civil War. Indeed, the preamble of the PRC Constitution in part provides: "Taiwan is part of the sacred territory of the People's Republic of China. It is the sacred duty of all the Chinese people, including our fellow Chinese in Taiwan, to achieve the great reunification of the motherland." In 2005, China promulgated its "Anti-Secession Law" which authorized Beijing to use force should Taiwan declare its independence from the Mainland.<sup>35</sup>

The SCS is a relatively more recent addition to the category of Chinese "core interest." While there is ambiguity as to whether or not the CCP regime now officially considers the SCS (and arguably the East China Sea as well) as part of China's core interests, there are strong indications that it has effectively done so.<sup>36</sup> China has

consistently mentioned that it has “indisputable sovereignty over the islands in the South China Sea and the adjacent waters, and enjoys sovereign rights and jurisdiction over the relevant waters as well as the seabed and subsoil thereof.”<sup>37</sup> Moreover, Beijing created artificial islands in the SCS and transformed the same into military bases.<sup>38</sup> In pushing for maritime expansionism, Beijing is using the People’s Liberation Army Navy (PLAN), China Coast Guard (CCG), and its maritime military to advance its claims, and to harass other claimants in the SCS.<sup>39</sup> China is also employing gray zone coercion tactics to advance its claims.<sup>40</sup>

**Second, Taiwan and the SCS are part of the “Chinese Dream” of “great rejuvenation of the Chinese nation,” and the narrative to avenge the “Century of Humiliation.”** The latter refers to a period in Sino history when huge portions of the Chinese territory were occupied by foreign powers during the 19<sup>th</sup> to the 20<sup>th</sup> centuries. Indeed, during this period, China was forced to sign unequal treaties, and lost control of Manchuria, Hong Kong, Macau, Taiwan, among others. This century of humiliation narrative still affects China’s geopolitical thinking – or at least used as a strategic communications tool to justify its assertive foreign policy behavior. As one observer pointed out: “The narrative has created a never again mentality in China, which dictates that the Century of Humiliation is not just a grim lesson of the past, but also a warning about a possible future. China must not only learn from history, but also actively work to prevent a second century of humiliation.”<sup>41</sup>

In what is seen as partly a response to the Century of Humiliation, CCP General Secretary and PRC President Xi Jinping articulated his “Chinese Dream” of “great rejuvenation of the Chinese nation.”<sup>42</sup> In his 2021 speech commemorating the CCP’s 100<sup>th</sup> founding anniversary, President Xi said the communists “united and led the Chinese people in fighting bloody battles with unyielding determination, achieving

great success in the new-democratic revolution....[This] revolution put an end... **to all the unequal treaties imposed on our country by foreign powers and all the privileges that imperialist powers enjoyed in China.** It created the fundamental social conditions for **realizing national rejuvenation.**”<sup>43</sup>

**Third, Taiwan and the SCS are closely connected by geography.** The two potential flashpoints are part of the First Island Chain, which includes the Aleutians, Kyushu and Okinawa of Japan, Taiwan, the Philippines, Borneo, thus encapsulating both the East China Sea and the SCS. As pointed out earlier, a regional hegemon seeks to prevent the rise of another regional hegemon. From the U.S. perspective, there is a strategic imperative to ensure that the countries in the First Island Chain have a close security relationship with Washington in order to ensure American preeminence. Hence, during the Cold War, the U.S. established alliances in countries in and near the First Island Chain – in particular Japan, the Republic of Korea (ROK), Taiwan, the Philippines, Thailand, and Australia – in order to contain communist expansion by the Soviet Union and China. From China’s perspective, it is surrounded by America’s allies and partners which prevent Beijing from expanding its military and geopolitical influence in the Pacific. If China establishes preeminence in the SCS and/or successfully reunifies Taiwan with the Mainland, Beijing will be in a position where it can shift the balance of power in its favor.

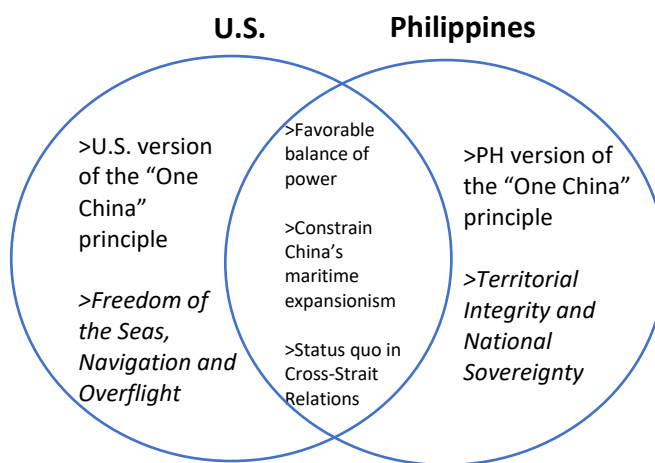
The U.S. maintains close security relationship with both the Philippines and Taiwan. However, while the Mutual Defense Treaty (MDT) with Manila remains in force, the formal alliance with Taiwan has been terminated. Nonetheless, before the U.S.-Taiwan alliance formally ended in 1980, Washington enacted the Taiwan Relations Act (TRA) – a domestic legislation which continues to guide the informal U.S.-Taiwan relationship. Serving as the basis in which the U.S. provides Taiwan with arms, this law

also provides that Washington considers “any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States.”<sup>44</sup> This provision have led to what has been termed as America’s policy of “strategic ambiguity,” i.e. the TRA does not require Washington to come to Taipei’s defense in the event of armed attack from Beijing but nonetheless leave the possibility from doing so.<sup>45</sup>

**Fourth, Taiwan is also a claimant in the SCS.** Beijing’s infamous 9-dash line claim the SCS was actually inherited by the CCP from the Republic of China (ROC) when it was still based in the Mainland under the rule of the Kuomintang (KMT)/Nationalists. In 1947, the ROC released a “Map of the Location of the South China Sea Islands” which included the then 11-dash lines. Through this map, ROC claimed sovereignty over Pratas, Paracels, Macclesfield Bank, and Spratlys.<sup>46</sup> When the KMT fled to Taiwan where the ROC was re-established following their defeat in the Chinese Civil War, the Nationalists continued to have such an expansive SCS claim. To date, Taiwan administers Pratas, and Itu Aba – the largest natural feature in the Spratlys.<sup>47</sup> In July 2016, the Arbitral Tribunal released its decision on the *Philippines v. China* South China Sea Arbitration case. The Arbitral Tribunal, in part, ruled that there is “no legal basis for China to claim historic rights to resources within the sea areas falling within the ‘nine-dash line.’”<sup>48</sup>

In response, Taiwan, which also anchors its claim on the 9-dash line, underscored that the decision is “completely unacceptable to the government of the [ROC].”<sup>49</sup> Seemingly echoing Beijing’s position, Taipei also stressed that the “ROC is entitled to all rights over the South China Sea Islands and their relevant waters in accordance with international law, and the law of the sea is beyond dispute.”<sup>50</sup>

Mindful of how Taiwan and SCS are closely related, it is also useful to know how the convergence and divergence of interests in potential flashpoints in the Indo-Pacific shape the policy complexities for Manila and Washington. Figure 1 summarizes the convergence and divergence of interests of the two countries.



**Figure 1.** Convergence and Divergence of U.S. and Philippine Interests

(Note: Those in italics are interests which they also share but is more important to the other)

Manila and Washington share the broad security interest of ensuring a favorable balance of power for both countries. A critical component of this interest is the military alliance between the two countries. During the Cold War, the alliance of both countries – together with Washington’s other bilateral alliances in the region – ensured that distribution of power tilted in favor of the U.S. and like-minded countries. As the international system enters into another era of great power competition, the same geostrategic imperative figures prominently in their relationship. The reemergence of China as a major geopolitical player poses a threat to the U.S.-led order that has been in place since the end of the Second World War. Ironically, while China seeks to upend that order, it has benefited greatly from the same.

To be clear, China’s increasing role in international affairs should not come as a surprise. Rising powers have often sought to

match their economic wealth with geopolitical influence. Emerging powers may be more assertive in pursuing certain interests that may be different to the interests of other countries. Strategic adjustments, decided to a large degree by major powers, need to reflect new geopolitical realities. Small powers generally support the international order, a status-quo arrangement from which they benefit. In this international context, small powers must pursue two strategic objectives which may not be compatible with each other: adapting to the changing geo-strategic environment and protecting core interests.

The strategic environment engendered by major power competition amplifies a small power's sense of vulnerability. Other observers have argued that U.S. presence in the Philippines exposes the latter to major power competition since Beijing's actions are driven by Washington's desire to encircle China. But even if the Philippines wishes to be insulated from strategic rivalry, geography dictates that the archipelagic nation will inevitably be influenced by big power competition.

The Philippines and the U.S. share the strategic interest of constraining China's maritime expansionism. The maritime domain is one of the areas in which China is challenging U.S. primacy in the region. However, there are nuances as far as this shared interest is concerned. For the U.S., its primary interest is ensuring freedom of navigation and overflight. Indeed, the 2020 U.S. naval strategy, *Advantages at Sea*, noted that "China has implemented a strategy and revisionist approach that aims at the heart of the United States' maritime power. It seeks to corrode international maritime governance, deny access to traditional logistical hubs, **inhibit freedom of the seas, control use of key chokepoints, deter our engagement in regional disputes, and displace the United States as the preferred partner in countries around the world.**"<sup>51</sup>

In other words, the U.S. seeks to promote the "Freedom of the Seas" which it defines as "all the rights, freedoms, and lawful uses of the sea and airspace, including for military ships and aircraft, recognized under international law."<sup>52</sup> One of the ways by which Washington seeks to advance Freedom of the Seas is through its Freedom of Navigation Operations (FONOPs) program. First established in 1979, the FONOPs program seeks to operationally challenge excessive maritime claims through the exercise of U.S. maritime rights and freedoms.<sup>53</sup> Echoing his predecessors, U.S. Secretary of Defense Lloyd Austin announced in the 2022 Shangri-La Dialogue that America "will fly, sail, and operate wherever international law allows."<sup>54</sup>

While sharing the interest in the freedom of the seas, navigation, and overflight, the Philippines main concern vis-à-vis China's maritime expansionism is its territorial integrity, national sovereignty, and maritime rights. The Philippines claims sovereignty over some of the features in the Spratlys – collectively calling the same as the Kalayaan Island Group (KIG) – and Scarborough Shoal. Moreover, the Philippines has much to lose if China successfully establishes dominance over the SCS through its 9-dash line claim. Should Beijing effectively enforce its expansive claim, Manila will lose an estimated 80 percent of its EEZ, which is about 381,000 sq. kilometers, including the Reed Bank and portions of the Philippines' Malampaya gas field.<sup>55</sup> In addition, the Philippines could also lose all of Extended Continental Shelf which estimated to be more than 150,000 sq. kilometers of maritime space.<sup>56</sup> Indeed, Beijing's claims in the SCS "encroaches on over 531,000 sq. kilometers of Philippine [Exclusive Economic Zone] and [Extended Continental Shelf], including all the fishery, oil, gas, and mineral resources found within this vast area, which is larger than the total land area of the Philippines."<sup>57</sup> The U.S. shares these Philippine concerns, but freedom of the seas, navigation, and overflight figure more

prominently in Washington's strategic calculus.

With respect to Taiwan, the Philippines and the U.S. share the strategic interest of maintaining the status quo. Politically, this means that Taiwan remains relatively autonomous from China, and is therefore not unified with the Mainland. Indeed, both Manila and Washington prefer that Taiwan would remain as a strategic buffer against Beijing's intent to dominate the first island chain—thus enabling a balance of power favorable to the Philippines and like-minded countries. Otherwise, a reunified China could potentially achieve preeminence in the first island chain and eventually tip the balance of power in favor of Beijing.

However, it must be noted that the Philippines and the U.S. have a nuanced approach to the "One-China" principle. When Manila and Beijing normalized diplomatic relations, the 1975 Joint Communique provided in part: "The Philippine Government recognizes the Government of the People's Republic of China as the sole legal government of China, **fully understands and respects** the position of the Chinese Government that there is but one China and that Taiwan is an integral part of Chinese territory...."<sup>58</sup> However, when the U.S. and China established formal relations, their 1979 Joint Communique was a bit different: "The United States of America recognizes the Government of the People's Republic of China as the sole legal Government of China.... The Government of the United States of America **acknowledges** the Chinese position that there is but one China and Taiwan is part of China."

In other words, while the Philippines and the U.S. both recognize the PRC Government as the sole government of China, the allies have nuanced views on Taiwan. For the Philippines, Taiwan is a province of China. However, the U.S. position is ambiguous on this matter as it simply "acknowledges" – or notes – the

Chinese position on Taiwan. These nuances can complicate the actions of Manila and Washington in certain situations. Indeed, with respect to the One-China principle, the U.S. position arguably provides more flexibility compared to the Philippine position.

The foregoing discussion on the convergence and divergence of interests of the Philippines and the U.S. have the following implications on their alliance. First, on the SCS, the Philippines should always prepare for contingencies on how to defend itself in the absence of military support from the U.S. This is not to suggest that Manila should terminate the MDT with Washington. To the contrary, the allies need to prepare for various scenarios on how to respond. However, despite clarificatory statements from the U.S. side, there will always be a possibility the Washington may not come to the aid of the Philippines in the event of armed attack. After all, the dynamics of abandonment and entrapment is always present in any alliance. Hence, the focus of the Philippines-U.S. alliance should be on capacity-building not just on conventional warfare, but also on hybrid and gray zone coercion challenges, among others.

Second, the Philippines will play a very delicate balancing act when it comes to Taiwan. On the one hand, Manila needs to abide by its One-China policy. But on the other hand, the U.S. may seek assistance from the Philippines when it comes to certain Taiwan contingencies. After all, the Philippines is Taiwan's closest geographical neighbor. In particular, the U.S. may request access to Philippine military bases in the event of a Taiwan contingency. There are indications that such access may be granted. Indeed, Philippine Ambassador to the U.S. Jose Romualdez announced that Manila is open to such access "if it is important for us, for [Philippine] security."<sup>59</sup> However, Taiwan contingencies will be further complicated if Cross-Strait scenarios spill over to the SCS, where there are a number of claimants – the Philippines, China, and Taiwan included. Even if Manila



wishes to be insulated from Cross-Strait tensions and possible conflict, geographical proximity will affect the Philippines one way or the other. If the Philippines indeed grants such access to its bases, it must do so while publicly being committed to its One-China principle. Carefully worded statements, such as the one issued<sup>60</sup> in the aftermath of U.S. House Speaker Nancy Pelosi's visit to Taiwan, would be crucial.

## Policy Considerations

On 30 June 2022, the Philippines inaugurated its 17<sup>th</sup> President, Ferdinand R. Marcos, Jr. The advent of a new administration provides an opportunity to enhance the alliance after it suffered what arguably was its lowest ebb since the closure of the U.S. bases in the Philippines. Indeed, former President Rodrigo R. Duterte raised the specter of severely downgrading the alliance when his administration abrogated the Visiting Forces Agreement (VFA) in 2020, only to recall the termination the following year.

In his inaugural address, President Marcos alluded to rising geopolitical tensions in the world when he said: "We face prospects of the spread of the war abroad, of which we are totally blameless. We seek friendship with all. But countries like ours will bear the brunt of it. And if the great powers draw the wrong lessons from the ongoing tragedy in Ukraine, the same dark prospect of conflict will spread to our part of the world."<sup>61</sup> In his first State of the Nation Address (SONA), President Marcos underscored his administration's foreign policy thrust: "I will not preside over any process that will abandon even one square inch of territory of the Republic of the Philippines to any foreign power. With respect to our place in the community of nations, the Philippines shall continue to be a friend to all, an enemy to none."<sup>62</sup>

Pursuant to the foreign policy and national security thrusts of President Marcos, the Department of National

Defense (DND) issued its 10-Point Agenda in which the foremost priority is "to guarantee the nation's territorial integrity and sovereignty."<sup>63</sup> In this regard, Senior Undersecretary Jose C. Faustino, Jr., Officer-in-Charge, DND, stressed that the Department "shall heighten [its] cooperation with state and non-state partners to improve domain awareness and maritime security, as well as pursue engagements in the international arena to advance [Philippine] interests on defense and security."<sup>64</sup>

Mindful of the foreign policy and national security thrusts of the Biden and Marcos administrations vis-à-vis the Indo Asia-Pacific, the following are some of the policy considerations in moving forward. First, enhance the implementation of the Enhance Defense Cooperation Agreement (EDCA). Signed in 2014, EDCA is an agreement which supports the implementation of the Mutual Defense Treaty (MDT) and the Visiting Forces Agreement (VFA). In particular, the EDCA provides for an increased rotational presence of U.S. forces in "agreed locations."<sup>65</sup>

Although the Philippine Supreme Court ruled that the EDCA is constitutional in 2016, the implementation of the security pact was stalled when Rodrigo Duterte took office that year. The agreement's future was further placed in limbo when President Duterte announced abrogation of the VFA in early 2020. Nonetheless, following the full restoration of the VFA in 2021, the allies agreed to implement EDCA. Senior Undersecretary Faustino, then-Armed Forces of the Philippines (AFP) Chief of Staff, said that "[t]he final decision on the withdrawal of the abrogation of the VFA now allows us to push forward the delayed activities regarding like the exercise-related constructions, with regards to the EDCA."<sup>66</sup> The allies also agreed to "explore additional sites for further development."<sup>67</sup>

It must be noted that EDCA will reach its ten-year mark in 2024, which is during President Marcos' term. While the

agreement provides that after ten years, “it shall continue in force automatically,”<sup>68</sup> some measure of uncertainty might be expected with others both within and outside government calling for EDCA’s abrogation.<sup>69</sup> Hence, the two sides may issue a statement providing for the continued implementation of EDCA after the initial ten-year period lapses, in accordance with the terms of the agreement. This statement will signify the allies’ commitment to each other, and reassure like-minded countries. Moreover, the statement will send a message to opponents of EDCA – both foreign and domestic – that the allies will continue working with each other in the pursuit of their shared interests.

Second, continue capacity-building efforts. Both the MDT and VFA provide for the capability of both sides to address security challenges. EDCA, in particular, provides: “Supporting the Parties’ shared goal of improving interoperability of the Parties’ forces, and for the [AFP], addressing short-term capabilities gaps, promoting long-term modernization, and helping maintain and develop additional maritime security, maritime domain awareness....”<sup>70</sup> Building the allies’ capability has another imperative. For a time, the U.S. was rather reluctant to publicly declare if the MDT covers the SCS. It was not until 2019 when then-U.S. Secretary of State Mike Pompeo publicly declared that the “South China Sea is part of the Pacific” and that “any armed attack on Philippine forces, aircraft, or public vessels in the South China Sea will trigger mutual defense obligations under Article 4 of our Mutual Defense Treaty.”<sup>71</sup> This commitment was later included in U.S. domestic legislation.<sup>72</sup> Moreover, as reaffirmed by the Biden administration, Washington also changed its SCS policy which, among others, publicly called out China over its excessive and illegal 9-dash line maritime claims.<sup>73</sup>

One of the likely reasons why Washington was reluctant to provide such public reassurance was the lack of a

significant presence of U.S. forces in the Philippines to help Manila in responding to various contingencies. Compared to other U.S. alliances in the region, U.S. forces have significant presence in Japan and South Korea which allow Washington to be more clear-cut in making public statements of support with respect to their respective geopolitical concerns.

Indeed, there is a strategic imperative to boost the capabilities of both sides – the Philippines in particular – to respond to a whole range of security challenges. Beijing may test the public commitment of Washington to the Philippines, and if the U.S. fails to adequately respond, the same could provide a dent on the credibility of U.S.-led alliances. Implementing EDCA is crucial in this regard.

Third, enhance bilateral cooperation and dialogue mechanisms. The Philippines-U.S. alliance has a number of dialogue platforms, such as Bilateral Strategic Dialogue (BSD), the Two-Plus-Two Ministerial Dialogue, the Mutual Defense Board-Security Engagement Board (MDB-SEB), among others. Summit-level meetings are likewise important in strengthening the alliance. Indeed, the summit meeting of Presidents Marcos and Biden at the sidelines of the United Nations General Assembly (UNGA) in September 2022 was the first in-person meeting between the leaders of both countries in half a decade. Advancing cooperation, there are numerous bilateral exercises such as Balikatan, Salaknib, Marine Aviation Support Activity (MASA), among others. The allies could also enhance contingency planning for both SCS and Taiwan.

Beyond bilateral cooperation, there are also initiatives to strengthen cooperation between and among members of the U.S.-led hub-and-spokes system of alliances and partnerships. Indeed, in September 2022, the Philippines, the U.S., and Japan inaugurated the Trilateral Defense Policy Dialogue (TDPD). The three countries “exchanged views on common defense and

security challenges to include maritime security challenges with an emphasis on the importance of upholding freedom of navigation and overflight, and the rules-based order to ensure peace and stability in the region.”<sup>74</sup> Convened at the Director-level, the TDPD also identified the following issues as possible areas of cooperation: maritime security and maritime domain awareness, cyber security, information sharing, and humanitarian assistance and disaster response (HADR).<sup>75</sup>

## Conclusion

This paper examined the implications of the evolving U.S. Indo-Pacific strategy for the Philippines. Focusing on the SCS and Taiwan, this paper examined how



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the two potential flashpoints are closely related. Thereafter, the EPB identified the areas where U.S. and Philippine strategic interests converge and diverge, and how the same shape the policy complexities for both sides vis-à-vis the SCS and Taiwan. Mindful of the foregoing, this paper concludes that the U.S. seeks to ensure a favorable balance of power in the Indo Asia-Pacific. The Philippines needs to leverage its alliance with the U.S. as Washington turns its strategic focus in the region. Cognizant of the dynamics that govern geopolitics, there is a need to ensure that the Philippines itself is a credible and reliable ally – not just the U.S. More importantly, Manila should not expect another country to carry the heavy burden of advancing Philippine national interests on its behalf.

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