

# Chapter 24

## Responsive Foreign Policy

### I. SITUATIONER

The Philippines faces eight realities that characterize its international and regional environment to which it has to respond in order to achieve its development goals.

The first reality is that the United States, China and Japan, and their relationship with one another, are the determining influence in the security situation and economic evolution of East Asia.

Second, more Philippine foreign policy decisions have to be made in the context of the Association of South East Asian Nations (ASEAN).

Third, the international Islamic community will become more and more important to the Philippines.

Fourth, the coming years will see the redefinition of the role of multilateral and interregional organizations in promoting common interests.

Fifth, the defense of the nation's sovereignty, and the protection of its environment and natural resources can be carried out to the extent that it gets others to respect the Philippine rights over its maritime territory.

Sixth, the country's economic growth will continue to require direct foreign investment.

Seventh, a country like the Philippines can benefit most quickly from international tourism.

And, eighth, overseas Filipinos will continue to play a critical role in the country's economic and social stability.

### II. GOALS, STRATEGIES AND ACTION PLANS

The foreign policy of the Arroyo administration consists of protecting the interests of the Philippines by responding to eight realities in the global and regional environment.

These eight realities underscore the three pillars of foreign policy: (a) preservation and enhancement of national security; (b) promotion and attainment of economic security; and

(c) protection of the rights, and the promotion of the welfare and interests, of Filipinos overseas. These pillars overlap and cannot be considered apart from each other. Together with the eight foreign policy realities, they reinforce each other and must be addressed as one whole.<sup>1</sup>

**A. The United States, China and Japan**

**1. *The United States***

While the US is a determining influence in East Asia by virtue of its dominant military and economic power, for the Philippines, its importance is more than that. The Philippines values a strong relationship with the American government. The bonds of over a century are tightened by a common political tradition and by world wars fought together, and today by the three million Filipinos who live in America.

After the terrorist attack on the US on September 11, 2001, the bonds became even stronger. The Philippines committed to the fight against global terrorism that erupted as a result of the tragedy. The government joined the war against global terrorism because it has felt the pain of terrorism in the country for many years, and the people who are most often terrorized are the poorest.

The Philippines shall work to keep the relationship with the US firm in propelling the common commitment to fight terrorism domestically, regionally and worldwide. The government will continue to conduct joint training, joint civic action, and intelligence fusion with American troops in the Philippines (Chapter 23: Defense Against Threats to National Security).

**2. *China and Japan***

China and Japan have emerged as the most powerful nations in the region. The Philippines, together with the rest of Asia, has a stake in ensuring that the China-Japan relationship exerts a beneficial influence on the region's economic and political stability.

**a. China**

China is an economic power with the largest growing economy in the world. Its recent membership in the World Trade Organization (WTO) makes China a major market.

China is a major politico-strategic player in international and regional politics. It is a nuclear power and the permanent member of the United Nations Security Council from Asia. It is the only country with direct involvement and stake in the three potential flashpoints in the region – the South China Sea, the Taiwan Strait and the Korean Peninsula.

The Philippine government recognizes the government of the People's Republic of China as the sole legal government of China and

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<sup>1</sup> DFA, "Secretary Romulo Pursues Foreign Policy Interest In Partnership With House of Representatives" ([www.dfa.gov.ph/news/pr/pr2004/sep/pr538.html](http://www.dfa.gov.ph/news/pr/pr2004/sep/pr538.html), September 13, 2004)

respects the position of the Chinese government that there is but one China. The Philippines desire a healthy, comprehensive, long-term relationship with China that transcends the specific matters at issue between the two countries, the South China Sea issue and the constant arrest and detention of Chinese fishermen caught in Philippine waters. This strategy of comprehensive, long-term engagement involves the development of all-around, multidimensional and far-sighted relations with China. It involves taking advantage of China's growing economy and entry into the WTO by expanding trade with China and by attracting Chinese tourists to the Philippines.

Relative to the cross-strait issues, the Philippines desires that cross-strait issues be solved through peaceful means. It adheres to the consensus in ASEAN that peace and stability should be maintained in the Asia-Pacific region and that China and Taiwan should be encouraged to dialogue.

b. Japan

The Philippines should move to strengthen bilateral economic and political relations with Japan. This will be done through the conclusion of the Japan-Philippines Economic Partnership Agreement (JPEPA) (Chapter 1: Trade and Investment).

**B. Association of South East Asian Nations (ASEAN)**

As a founding member of the ASEAN, the Philippines fully supports the vision for a more united and integrated ASEAN Community, working together towards economic growth, social progress, and cultural development in the region.<sup>2</sup> The government considers the large market of ASEAN as responsive to its economic development; however, it cannot be denied that ASEAN is also becoming more and more an instrument towards the security of the region. Thus, the Philippines shall continue to share intelligence and operational information with its allies in Indonesia and Malaysia to curtail the movements of the Jemaah Islamiyah and the Al Qaeda cells in the region (Chapter 23: Defense Against Threats to National Security).

**C. Islamic Community**

The government will seek to form stronger relations with the Organization of Islamic Communities (OIC) beyond the overseas workers related issues. It will strengthen and broaden mutually supportive arrangements to advance reconciliation and secure abiding economic prosperity in Southern Philippines.<sup>3</sup> The country shall continue to forge peace in Mindanao through third party facilitation, through the deployment of an international monitoring team to seal stability on the ground and the sustained deployment of multilateral development partnerships<sup>4</sup> ( Chapter 14: National Harmony: The Peace Process).

<sup>2</sup> DFA, "ASEAN The Key To Regional Integration And Cooperation In Trade —Secretary Albert" ([www.dfa.gov.ph/news/pr/pr2004/aug/pr472.htm](http://www.dfa.gov.ph/news/pr/pr2004/aug/pr472.htm), August 12, 2004)

<sup>3</sup> From the President's Departure Speech for Malaysia, August 7, 2001.

<sup>4</sup> From the President's speech during the Philippine National Police Change of Command Ceremony of PNP Dir. Gen. Edgardo B. Aglipay, Vice Dir. Gen. Hermogenes Ebdane, Jr. (Ret.), August 23, 2004.

**D. Regional Arrangements and Multilateral Organizations**

The Philippines shall promote its national interest in regional arrangements and multilateral organizations through development diplomacy in the areas of trade, investment, and technology transfer, among others, with the ASEAN, Asia Pacific Economic Council (APEC), Asia-Europe Meeting (ASEM), Forum for East Asia-Latin America Cooperation (FEALAC), United Nations (UN) and WTO. Diplomatic initiatives will be pursued through active involvement in negotiations in the multilateral trading regime to promote the country's interest in agriculture, rules of origin, nontariff barriers, infrastructure projects and intellectual property matters (Chapter 1: Trade and Investment).

The country will continue to support peacekeeping operations of the UN in war-torn areas such as Kosovo, East Timor, Liberia, Haiti, and Sudan. The government shall also continue to actively participate in regional/international cooperation exercises that seek to echo its concern for the rights of the child, women's rights and human rights as well as to address transnational crimes. It shall pursue the strengthening of legislation and legal frameworks as well as the structures of institutions involved in the fight against domestic and transnational crimes. The Philippines will also push for the immediate ratification of the UN Convention Against Corruption (Chapter 20: Anti-Corruption).

**E. Territorial Rights: The Spratlys in the South China Sea**

Some 64,976 square miles in the South China Sea, inside of which are 33 islets, atolls, cays, reefs, shoals and others, are claimed by the Philippines, calling them the Kalayaan (freedom) island group. The Philippines and China and others like Vietnam, Malaysia, Brunei and Taiwan have conflicting claims over the area or some part of it.

The country's policy towards the South China Sea adheres to the 2002 Asean-China Declaration of Conduct in the South China Sea, whereby the parties agreed to settle disputes in a peaceful and friendly manner through consultation and refrain from using force or threat of force to resolve disputes. While the Declaration of Conduct was being negotiated, President Arroyo of the Philippines and President Jiang Zemin of the People's Republic of China agreed in 2001 to transform the South China Sea from a region of conflict to a region of cooperation. Accordingly, the Philippines and China agreed to conduct joint research undertakings in the South China Sea.

The defense of the state is primordial. The Armed Forces of the Philippines (AFP) shall ensure the national sovereignty and territorial integrity of the Republic and meet the challenges of international terrorism and other threats to national security. The Philippines is committed to combat terrorism and to support international efforts that address the root causes of terrorism.

**F. Direct Foreign Investment**

Investments in infrastructure and export-oriented enterprises shall be promoted. A more competitive incentives package with focus on priority areas, namely, infrastructure, information technology, automotive, electronics, mining, agribusiness, health care, tourism, housing and shipbuilding shall be drawn up. Europe, along with the US, China, Japan, and ASEAN will be tapped as major sources of foreign direct investments, technology transfer and trade through development diplomacy (Chapter 1: Trade and Investment; Chapter 2: Agribusiness; Chapter 6: Infrastructure; Chapter 5: Tourism; Chapter 4: Housing Construction; and Chapter 12: Responding to Basic Needs of the Poor).

## **G. Tourism**

Cebu-Bohol-Camiguin, Metro Manila-Tagaytay, Northern Palawan, Boracay, Clark-Subic, Cordillera, Ilocos and Davao shall be enhanced as tourism hubs. The airline industry shall also be liberalized to boost tourism (Chapter 5: Tourism).

## **H. Overseas Filipinos**

The fact that the Philippines gets a tenth of its gross national product (GNP) from its overseas workers, many of these in the Middle East, resonates throughout government's foreign policy.

The Philippine commitment to the coalition against global terrorism must take into account that the Philippines is a special circumstance. Unlike other countries, 8 million Filipinos live and work abroad. Some 1.5 million Filipinos live and work in the Middle East and more than 4 thousand are in Iraq as Overseas Filipino Workers (OFWs). The life and livelihood of these OFWs involves some hazard in the war against terrorism. Many of them are truck drivers and construction workers vulnerable to terrorist attacks. Combat troops of other coalition members are by definition not as vulnerable. The government's policy is to reduce that vulnerability.

The government will continue to provide progressive consular and legal assistance to Filipinos abroad. It shall also strengthen the welfare mechanisms for OFWs by aggressively forging new bilateral agreements with host countries. OFWs shall be tapped as sources of capital, new skills and technology by implementing the entrepreneurship program under an expanded OFW Reintegration Program (Chapter 1: Trade and Investment; Chapter 12: Responding to Basic Needs of the Poor; and Chapter 19: Science and Technology).

The Philippines will push for the review and amendment of the Foreign Service Act, the Migrant Workers Act, the Passport Law, and the Overseas Absentee Voting Law that will help in the pursuit of protecting the interest of the Filipinos overseas.