

The Ties That Dependency Binds Reforming Philippine-U.S. Relations in the Epoch of Global Economic Recession

No country in the developing world has ever reached progress and equal treatment without fighting for self-determination and choosing an independent foreign policy.

By the Policy Study, Publication and Advocacy (PSPA) Program
Center for People Empowerment in Governance (CenPEG)
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(This Issue Analysis comes in two parts.)

Part I

A rare opportunity to reform Philippine – U.S. relations is unfolding. This is signaled, first, by the start of the term of Barack Obama as the new American president where, in his inaugural speech, he made an oblique reference to the corruption and political persecution under Gloria M. Arroyo. Second is the Supreme Court's (SC) Feb. 11 ruling directing the transfer of detention of convicted rapist U.S. Lance Corporal Daniel Smith from the U.S. embassy in Manila to Philippine authorities. The failure of both the Arroyo government and the U.S. authorities to honor the high court ruling has triggered calls in and outside Congress to review or scrap altogether the U.S.-Philippine 1999 Visiting Forces Agreement (VFA).

Third is the evolving global economic recession that is bound to cause the restructuring of the monopoly capitalist-dominated international system with a specific impact on Philippine-U.S. ties.

The imperative of reforming Philippine-U.S. relations, which takes its roots in the nationalist ferment beginning in the 1950s, is an issue whose ultimate resolution rests not on the Philippine government but on patriotic organizations, civil libertarians, and other sectors. This is because no Philippine president shackled to the reactionary tradition of deference to a colonial master is expected to begin the process of foreign policy reform. Moreover, the Obama presidency, despite its liberal rhetoric, is expected to push a right wing-oriented foreign policy to ensure U.S. global hegemony with a more interventionist tack in the Philippines.

Decline of capitalism

Global capitalism is on decline – and with it the hegemony of the American empire, whose regression became imminent in the 1970s with the U.S. quagmire in the Vietnam War.¹ Capitalism suffers a cycle of periodic crisis that has become more crippling in recent decades. But the financial meltdown of

2007 that led to the global economic recession which now looms as the Greater Depression has a trajectory of at least 15 years. Just as the financial meltdown that begun in the U.S. was a key factor for the defeat of George W. Bush's Republican Party, the current global economic recession is seen to effect a profound political transformation throughout the world.

David Harvey, a professor of the City University of New York (CUNY),² assesses that Obama's \$800-billion worth of stimulus package as a step toward financial recovery will fail. It will fail, he notes among other reasons, not only because the money is short of the \$2 trillion needed every year but also because recovery depends on the willingness of other countries such as China and the Gulf states to lend.³

Citing recent U.S. intelligence reports, Harvey said that “U.S. hegemony had been fading...for some time but its economic, political, and even military dominance was now systematically waning.” Indeed, a declassified intelligence report issued in November 2008 - or right after the election of Obama - by the U.S. National Intelligence Council⁴ projects that by 2025 or 15 years from now, the U.S.' relative power will decline corresponding to the rise to power of China and the other BRIC countries – Brazil, Russia, and India - with China seen as a global economic and military power.

Economic rebalancing

Clearly, the same report concedes, the current capitalist-driven world financial crisis “is accelerating the global economic rebalancing” resulting in a new international system. Although on decline, capitalism will be more state-centered with a dose of protectionist measures, signaling a shift from the failed neo-liberal dictum and the two decades-long finance deregulation. But this will likely fuel more intense rivalry among states over scarce resources, trade restrictions, and food insecurity thus triggering more tensions and wars including nuclear war, however limited in its initial phase.

Obama's director of national intelligence, former commander-in-chief of the U.S. Pacific Command, Dennis C. Blair, characterized the world economic crisis as a top security threat. Blair issued this warning in his report, "Annual Threat Assessment of the Intelligence Community," which he read in a testimony before the U.S. Senate Select Committee on Intelligence last February 19. The report represents the findings of all 16 U.S. intelligence agencies.

"The financial crisis and the global recession," Blair told the U.S. senators, "are likely to produce a wave of economic crises in emerging market nations over the next year" that has the potential of causing "serious damage to U.S. strategic interests." "Instability can loosen the fragile hold that many developing countries have on law and order, which can spill out in dangerous ways to the international community," he added.

Indeed, a fourth of the world's countries have already experienced some form of instability, including regime changes,

linked to the global economic recession. In Asia, the economic crisis is heightening the potential for social unrest in such countries as Indonesia as well as the Philippines. Despite projections of steady growth, China has lost 20 million migrant jobs with possible serious repercussions in the countryside where employment has become scarce.

Of course, the U.S. intelligence assessments on the impact of the global economic recession provide the framework for Obama's executive-level policy makers in defining global strategies that underpin America's national security objectives. Recall that as early as 1992 the Republican Party's neo-conservative wing warned in a secret report about the threat of Islamic terrorism and rogue regimes and spelled out the right of the U.S. to undertake pre-emptive and unilateral military intervention. The report's aggressive policy recommendations were implemented by Bush 10 years later.

PART II

Philippines Still Vital to Obama's Right Wing Agenda

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Barack Obama's key Cabinet persons in charge of U.S. economic and security objectives are on record as apologists for economic neo-liberalism and right-wing politics. His economic team, led by economic council director Lawrence Summers, Treasury Secretary Timothy Geithner, and chief economic adviser Paul Volcker are accountable to the U.S. financial crisis. His national security team, led by Defense Secretary Robert Gates (a holdover from the Bush administration), State Secretary Hilary Clinton, National Security Adviser former Marines Gen. James Jones, and Blair have a record of being pro-war and pro-Israel with close ties to the mega-corporate world and the powerful military-industrial complex.

An evolving policy recommendation points to the use of multilateral institutions and diplomacy (such as the United Nations) – a tack all but ignored by Bush's pre-emptive and unilateralist approach particularly in the invasion and occupation of Afghanistan and Iraq.⁵ Still, this tack as well as other recent policy recommendations, particularly from a think tank identified with Obama – the Center for a New American Security (CNAS) – stress the imperative "of preserving U.S. power and maintaining its leadership (read: hegemonic) position" in the world.⁶

Central to this strategy – which seeks to confront uncertainties and emerging challenges as a result of the global economic crisis - is the preservation of U.S. military forces and facilities in 150 countries around the world⁷ classified as main operating bases, forward operating sites, and cooperative security locations a number of which are observed to be present in the Philippines. In East Asia, Obama – as he had pledged in a letter to Arroyo in June 2008 in the case of the Philippines – will continue U.S. military exercises and access agreements while shoring up defense partnerships with Japan, South Korea, Taiwan, Singapore, Australia, as well as the Philippines, and other countries.

"Force multipliers"

In the pipeline is a move to deploy more low-profile U.S. advisers and special operations forces – dubbed "force multipliers" - in "micro security projects" (such as Sulu) to promote good governance as well as counter-insurgency "in the mode of Edward Lansdale."⁸

From the U.S. national security lens, the Philippines belongs to the "arc of instability" where social unrest, challenges

to the weak regime, and “extremism” will likely increase in the short term. Thus the country will remain a major chip of the U.S. template to contain China from rising as a hostile regional – or even global – hegemon threatening to alter the balance of power in East Asia and causing the slide of American hegemony. Southern Philippines and other locations of joint war exercises will be preserved as a laboratory for counter-insurgency training to generate lessons and military manuals vital to bigger operations in Iraq, Afghanistan, and other countries where U.S. force engagement is long and intractable.

By the looks of it, there is nothing to expect from the Obama presidency but more U.S. intervention and the preservation of the Philippines as a conduit serving U.S. security interests in the region. Evidence is ample enough showing the costs of maintaining this “special relationship” with the colonial master – a status of underdevelopment, continuing rule by the oligarchy, tying the Philippines as a second-rate state in the world community, anti-terrorism that serves as a tool for political persecution, and so on.

The call for the abrogation of the VFA can prove to be a major leap in the continuing search for an independent foreign policy, however limited the opportunities it will offer. However limited the opportunities were, the dismantling of the U.S. military bases in 1992 led to the economic conversion of the former base locations and peripheral communities, drastically

reduced U.S. military aid, moved the peace process with the armed Left and the Moro rebels several knots ahead, and the crafting of a development-oriented foreign policy. The withdrawal of the bases was, of course, a hard-fought gain of the historic anti-bases struggle of the Left and progressive opposition that ended with the equally landmark Senate rejection of the proposed bases renewal treaty.

But Fidel V. Ramos's neo-liberal mindset led to the rehabilitation of the base areas in favor of foreign investors even as he refused to heed appeals from communities for justice for the atrocities and disease-causing toxic wastes left by the base operators. A few months before stepping down in 1998, Ramos signed the VFA.

The long-term global economic recession opens opportunities for the assertion of people-oriented economic blueprints. The decline of U.S. world hegemony that now suffers from “imperial overstretch” and the lethal blows of financial losses should provide a stimulus for restructuring the country's neo-colonial relations with America as Filipinos continue to build the blocks of alternative democratic governance. No country in the developing world has ever reached progress and equal treatment without fighting for self-determination and choosing an independent foreign policy.

The next 15 years will be crucial.

End notes:

¹ From controlling 50 percent of the global economy after World War II, U.S. economic power has steadily declined to 30 percent in the 1960s and just below 20 percent today.

² Harvey, “Why the U.S. stimulus package is bound to fail,” January 2009. Harvey wrote, “A Brief History of Neoliberalism.”

³ The U.S. is the world's biggest debtor, at around \$50 trillion a large part of it borrowed from China.

⁴ “Global Trends 2025: A Transformed World,” November 2008.

⁵ Also being mulled is a new Bretton Woods system that aims to gather inter-state and institutional efforts to address the global financial crisis.

⁶ CNAS, “Sustainable Security: Developing a Security Strategy for the Long Haul,” April 2008.

⁷ CNAS, “Unfinished Business: U.S. Overseas Military Presence in the 21st Century,” June 2008.

⁸ Col. Edward Lansdale was a deep penetration CIA chief operative in the Philippines during the 1950's and is claimed to be instrumental in elevating Defense Secretary Ramon Magsaysay as president (1953-1957).

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