

NAVAL POSTGRADUATE SCHOOL Monterey, California



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**THE POTENTIAL ROLE OF THE PHILIPPINES IN U.S.
NAVAL FORWARD PRESENCE**

by

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**THE POTENTIAL ROLE OF THE PHILIPPINES IN U.S. NAVAL FORWARD
PRESENCE**

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Lieutenant, United States Navy
B.S., University of Arizona, 1995

Submitted in partial fulfillment of the
requirements for the degree of

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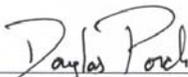
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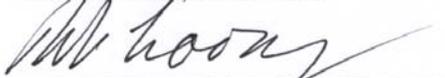
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ABSTRACT

This thesis argues that the U.S. Navy should attempt to re-establish a presence in Subic Bay, Republic of the Philippines, because Subic Bay offers the best base from which to support U.S. Naval forward presence in the Asia-Pacific region. With the shift of defense focus from the European to the Asia-Pacific region, and the current “War on Terrorism,” the problem of finding more secure bases for U.S. Naval forward presence has increasingly become a problem. Four main arguments are used to support this thesis: The Philippines served as the linchpin of U.S. Naval forward presence for almost a century. Second, the Philippines, especially Subic Bay, offers the best basing arrangements in the Asia-Pacific region potentially available to the U.S. Navy. Alternative options, such as U.S. territory of Guam, the countries of Australia, Singapore, Thailand, Malaysia, Vietnam, and the Mobile Offshore Base, present problems of a geographic, political, security, or technical nature. Third, it will suggest that the strategic and political considerations that led to a U.S. departure from the Philippines in 1992 have changed with the increasing assertiveness of the People’s Republic of China (PRC), the destabilization of Indonesia, and the Islamic insurgency that affects several southern islands of the Philippines. Finally, the benefits of a U.S./Philippine rapprochement far outweigh the disadvantages.

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TABLE OF CONTENTS

I.	INTRODUCTION.....	1
A.	U.S. INTERESTS IN THE ASIA-PACIFIC REGION.....	1
B.	U.S. NAVAL FORWARD PRESENCE IN THE ASIA-PACIFIC REGION.....	3
II.	HISTORICAL BACKGROUND OF U.S. NAVAL FORWARD PRESENCE IN THE ASIA-PACIFIC REGION AND THE PHILIPPINES	5
A.	U.S. INTERESTS IN THE REGION	5
B.	U.S.-PHILIPPINE RELATIONS.....	6
C.	ROLE OF THE PHILIPPINE BASES IN THE REGION	10
D.	REASON THE UNITED STATES LEFT IN 1992.....	11
III.	EVOLVING SECURITY ENVIRONMENT.....	13
A.	SHIFT OF FOCUS FROM EUROPE TO THE ASIA-PACIFIC REGION.....	13
B.	TENSIONS IN THE REGION.....	15
1.	Rise of China.....	15
2.	China-Taiwan	16
3.	Korean Peninsula	18
4.	South China Sea	19
5.	The War against Terrorism and its Effects in the Region.....	19
a.	<i>India-Pakistan</i>	20
b.	<i>Indonesia</i>	21
c.	<i>Philippine Islands</i>	22
C.	FUTURE FLEET LEVELS AND U.S. NAVAL FORWARD PRESENCE IN THE REGION	23
IV.	A RETURN TO THE PHILIPPINES	27
A.	THE FOUNDATIONS FOR A MATURE BILATERAL RELATIONSHIP	28
B.	THE RE-CONVERSION OF SUBIC BAY	29
C.	A PHILIPPINE PERSPECTIVE ON SUBIC BAY RE-CONVERSION.....	31
D.	ALTERNATIVE LOCATIONS.....	37
1.	Guam	37
2.	Australia.....	38
3.	Singapore.....	39
4.	Thailand	39
5.	Malaysia	41
6.	Vietnam	41
7.	Mobile Offshore Base (MOB).....	42
V.	CONCLUSION.....	45
	ACRONYMS	49

BIBLIOGRAPHY	51
INITIAL DISTRIBUTION LIST	57

LIST OF FIGURES

Figure 1.	U.S. Pacific Command Area of Responsibility.....	3
Figure 2.	Location of ports in Thailand.....	40
Figure 3.	One of the Alternative Concepts of the MOB.....	43

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EXECUTIVE SUMMARY

As stated in the 2001 Quadrennial Defense Review (QDR), the Asia-Pacific region is becoming increasingly important to the United States. Asia contains a concentration of some of the world's most powerful economies and largest military forces, some which are nuclear armed. The problem from a security standpoint is that the enormous size of the region, which covers over fifty percent of the world's surface and contains nearly sixty percent of the world's population, means that only a large and well-prepared naval force can police it. The role of U.S. Naval forward presence has been a central part of the National Security Strategy to protect commerce and trade routes, while promoting peace and security in the Asia-Pacific region.

Since the removal of forces from the Philippines in 1992, U.S. Naval forward presence has been divided between Japan, South Korea, Guam, and in a few other countries throughout the Southeast Asian region with whom we have concluded access agreements. In the post-Cold War era, the United States, its allies and friends face new challenges throughout the region. Some analysts perceive that the rise of the People's Republic of China, as an economic and military power will inevitably challenge American influence in the region. This combined with the ongoing tensions on the Korean Peninsula, in the Taiwan Strait, Indonesia, and the "War on Terrorism," creates a delicate security situation throughout the Asia-Pacific region that will require an increased deployment of U.S. Navy ships to deal with crises as they arise.

The improvement of relations between the United States and the Philippines has opened the door to increased military interaction and cooperation between the two

countries. Therefore, this thesis will argue that now it is clearly time to consider a return of the U.S. Navy to Subic Bay, because the political, security and military situation has changed for both the United States and the Philippines. The re-establishment of a naval presence in Subic Bay would not be a return to the grand infrastructure of the past. This discussion of how the U.S. Navy might utilize a Philippine base suggests a joint U.S./Philippine venture to build and improve the facilities in Subic Bay. The U.S. Navy would require the use of only a small logistical facility currently utilized by the commercial ship industry, and the port infrastructure of berths and the airfield already in place. The United States must be forthright and honest about conditions for use and agree to pay a fair price for access to the facilities.

At the current rate, the Navy's new ship construction program will in the future fail to maintain 2001 strength level at about the 318 ships. Consequently, it is evident that there will be a impending short fall in the number of ships the U.S. Navy can deploy for missions and operations worldwide, not to mention for an increased role in homeland defense that will invariably follow from the events of September 11th 2001. Of no region is this truer than the Asia-Pacific, where distances are great, instability looms, and where the fight against terrorism may eventually expand. A reduced number of ships will still be required to steam the same vast distances to reach the Asia-Pacific region and the Middle East. This will lead to manpower strains and increased demands on the navy's operational tempo (OPTEMPO) of a decreasing and aging fleet. Therefore, the need for additional forward bases and secure logistical facilities will become an increasing requirement. The Philippines offer the best solution to the problem of locating suitable sites to establish a forward operating base in the Asia-Pacific region.

I. INTRODUCTION

This thesis will argue that, given the evolving political environment in the Western Pacific and changing attitudes in the Philippines, the U.S. Navy should attempt to re-establish a presence in Subic Bay. Four main arguments are used to support this thesis: First, historically the Philippines have anchored a U.S. Naval forward presence in the Asia-Pacific region. If the past offers a guide to the future, then planners and policy makers should be aware of the importance of Subic Bay, and of healthy U.S./Philippine relations, to both countries for most of the twentieth century. Second, the evolving security environment in the Asia-Pacific region since the end of the Cold War makes it even more crucial that the U.S. Navy find a base to support a forward presence there. Problems on the Korean Peninsula, tensions between the People's Republic of China and Taiwan, and disputes over the Spratley and Paracelles Island chains are three of the more prominent problems that directly affect U.S. interests in the region. Third, this thesis will argue that the Philippines offers the best of several alternative basing arrangements potentially available to the U.S. Navy in the Western Pacific. Finally, it will suggest that the time is right for a U.S./Philippines rapprochement. Both Washington and Manila should be receptive to a return of the U.S. Navy to Subic Bay.

A. U.S. INTERESTS IN THE ASIA-PACIFIC REGION

As stated in the 2001 QDR Report, the Asia-Pacific region is becoming increasingly important to the United States. The region makes up 35 percent of U.S. trade as compared to Europe which makes up only 19 percent.¹ As a crossroad between East, Southeast, and South Asia, it is home to some of the world's busiest shipping

¹ "Area of Responsibility," *PACOM Facts*, Last Updated 26 JUN 01; accessed on 11 OCT 01; available on <<http://www.pacom.mil/about/pacom.htm>>; Internet.

routes. Practically all of the commercial shipping from Europe to the Far East passes through the Strait of Malacca, as does oil traveling from the Arabian Gulf to fuel the Asian economies. In addition to the commercial shipping, the Sea Lanes of Communication (SLOC) are key for the transit of U.S. Naval forces between the Western Pacific and the Indian Ocean and to the Arabian Gulf. Therefore, Asia-Pacific sea-lanes are vital to both the economic well being of the region and to the ability of the U.S. Navy to reach distant theaters of operation.²

Moreover, the region is politically volatile. Six of the world's largest armed forces are located within the Asia-Pacific region: (1) Peoples Republic of China, (2) United States, (3) Russia, (4) India, (5) North Korea, and (6) South Korea, not to mention Japan which has the largest defense budget among Asian countries and one of the most technologically advanced military forces in the region.³ Four, possibly five, of these countries possess nuclear arms. The United States has allies and security partners in the region who look to Washington to provide stability there. The rise of the People's Republic of China as a military power and Beijing's increasing assertiveness in the South China Sea is a worry to many of the smaller states. Indonesia has appeared to exist on the edge of anarchy over the course of the past several years. Terrorist threats continue to destabilize the region, in particular those areas with Islamic populations, to include some of the southern islands of the Philippines.

² Sokolsky, Richard, Angel Rabassa, and C.R. Neu. *The Role of Southeast Asia in U.S. Strategy Toward China*. Rand Publication, 2000; accessed on 14 May 01; available on <<http://www.rand.org/publications/MR/MR1170/MR1170.pdf>>; Internet.; p 10-11.

³ "Area of Responsibility," *PACOM Facts*, Last Updated 26 JUN 01; accessed on 11 OCT 01; available on <<http://www.pacom.mil/about/pacom.htm>>; Internet.

B. U.S. NAVAL FORWARD PRESENCE IN THE ASIA-PACIFIC REGION

The role of U.S. Naval forward presence has been a central part of the National Security Strategy to protect commerce and trade routes, while promoting peace and security. The U.S. Navy in the Pacific also stands ready to respond to crises around the world. A forward presence also presents an opportunity to interact with other countries and demonstrate a firm commitment by the United States “to defend U.S., allied, and friendly interests in this critical region.”⁴ The problem from a security standpoint is the enormous size of the region, which covers over fifty percent of the world’s surface and contains nearly sixty percent of the world’s population. For naval planning purposes, the Asia-Pacific region reaches from the west coast of North and South America to the western shores of Asia and into the Indian Ocean, and from the Arctic in the North on down to Antarctica in the South (see figure 1).



Figure 1. U.S. Pacific Command Area of Responsibility
Source: USCINCPAC website <<http://www.pacom.mil/about/about.htm>>.

⁴ “The United States Security Strategy for the East Asia-Pacific Region 1998,” *DefenseLink Publication*, Last Updated 25 NOV 98; accessed on 25 NOV01; available on <<http://www.defenselink.mil/pubs/easr98/easr98.pdf>>; Internet.

Since the removal of forces from the Philippines in 1992, U.S. Naval forward presence has been divided between Japan, South Korea, Guam, and in a few other countries throughout the Southeast Asian region with whom we have concluded access agreements. At present, only Japan offers a location for a pre-positioned aircraft carrier and supporting warships. However, Japan will not permit the United States to homeport a nuclear powered aircraft carrier and Guam does not come without its drawbacks for power projection in the region. As this thesis will argue, other options have too many disadvantages, including commercial harbors that, since the October 2001 attack on the *USS Cole* in Aden, Yemen, are vulnerable to terrorist attacks. For all of these reasons, a return of the U.S. Navy to Subic Bay offers the best option that will allow the U.S. Navy to support national interests in the Asia-Pacific region.

II. HISTORICAL BACKGROUND OF U.S. NAVAL FORWARD PRESENCE IN THE ASIA-PACIFIC REGION AND THE PHILIPPINES

The historical relationship that the United States shares with the Philippines traces its origins to the end of the 19th century. During this century, the two countries have moved from an imperialist to an alliance relationship. The transition has not always been an easy one. A war with Spain in 1898 brought the United States to the Philippines. Economic and geographical arguments were mustered to convince the anti-imperialist United States to take up what the English poet Rudyard Kipling called the “White Man’s Burden.”⁵ Many of the arguments used by the United States for remaining in the Philippines were self-serving and have left many Filipinos feeling that they were taken advantage of. The main Philippine criticism had been that the large U.S. presence in the islands was a violation of Filipino sovereignty. National resentment focused on the largest military bases at Subic Bay and Clarke Air Field. These bases served as a reminder of the colonial ties and what many Filipinos felt to be unfair treaties and agreements imposed on Manila by Washington. America’s backing of President/dictator Ferdinand Marcos, who guided the Philippines into financial ruin, was deeply resented, especially because Washington’s policy seemed at odds with America’s professed democratic ideals.

A. U.S. INTERESTS IN THE REGION

When the United States expanded across the continent of North America to settle in California, Oregon, and Washington in the mid-19th century, it became a Pacific as well as an Atlantic power. Prior to World War II, the United States deployed forces

⁵ Kipling, Rudyard, “White Man’s Burden,” *McClure*, FEB 1899; accessed on 10 DEC 01; available on <<http://www.cwrl.utexas.edu/~benjamin/316kfall/316ktexts/whiteburden.html>>; Internet

overseas for many purposes including the protection of trade routes, deterring and punishing piracy, enhancing prestige, cultivating relations with foreign governments and defending American citizens and interests overseas during regional disputes.⁶ Most of these same missions remain valid tasks for today's U.S. Navy.

The United States proudly claimed that it wanted no part of becoming an imperialist power in the manner of several European nations who intervened in the Asia-Pacific region. Americans argued for an "Open Door" policy in the Western Pacific, one which disavowed "unequal treaties," extraterritoriality, and European enclaves. As a result of the Spanish-American War in 1898, the United States became an imperialist power in spite of itself with the acquisition of Spanish colonies in the Pacific and the Caribbean. The Philippines, together with Guam, Puerto Rico, and Cuba, fell under control of the United States largely out of reactive fear that another nation would move in and take over the vulnerable islands.⁷ President McKinley did not easily decide to maintain a U.S. presence in the Philippines. In fact, his administration did not have any idea how to dispose of the acquired Spanish colonies.⁸ Washington decided to retain possession of the Philippines after many predicted that, if the United States left, then it would most likely be taken over by Japan, Germany or a returning Spain.⁹

B. U.S.-PHILIPPINE RELATIONS

When the United States took possession of the Spanish colonies in 1898, it had no intention of maintaining the Philippines indefinitely. Washington planned to build up the Filipino government into a working democracy as a prelude to independence and

⁶ Yost, David S., "The Future of U.S. Overseas Presence," *JFQ*, Summer 1995; p 72.

⁷ Dudden, Arthur P., *The American Pacific*, New York: Oxford University Press, 1992; p 82-87.

⁸ Karnow, Stanley, *In Our Image*, New York: Random House, Inc, 1989; p 106-10.

⁹ Karnow, *Ibid.*, p 128-130.

eventual self-rule. This vision differed from that of the European colonial powers in the region as well as with that of Japan, that saw colonies as sources of raw materials to feed homeland economies. The United States had seemingly unlimited resources at home and was able to limit American exploitation of the Philippines by its corporations and individuals. Yet, the United States did force unfair trade agreements on the Philippines that made them dependent on American goods.¹⁰

Throughout this period of American rule, Filipinos maintained the desire to be an independent nation free from colonial rule. Many, in fact, fought the U.S. takeover during the Filipino insurgency (1899-1902). In 1934, the United States Congress passed the Tydings-McDuffie Act, which promised to make the Philippine Islands an independent nation in 1944, following a 10-year period to allow the government time to mature.¹¹ During World War II, Philippine forces fought along side Americans to fulfill MacArthur's vow to return and liberate the Philippines. Following the war in accordance with the original act, on July 4th, 1946 the Philippines finally raised its own flag as an independent nation.

An independent Philippines entered into a series of agreements and treaties with the United States. The 1947 U.S.-Philippines Military Base Agreement (MBA) authorized the United States to maintain bases in the Philippines for ninety-nine years.¹² These pacts created a "neocolonial" relationship that Filipino nationalists denounced as a continued infringement of Philippine sovereignty by the Americans. With the onset of

¹⁰ Karnow, *Ibid.*, p 12-13.

¹¹ Gregor, A. James and Virgilio Aganon, *The Philippine bases*, Lanham, Maryland: University Press of America, 1987; p 6.

¹² Buss, Claude A., *Cory Aquino and the People of the Philippines*, Stanford California: The Portable Stanford, 1987; p 143-145.

the Cold War, the presence of the U.S. military bases brought the Philippines' interests, by default, into line with those of the United States. Although now out from under American colonial rule, the Philippines understood from its experience with Japanese occupation that it needed the protection of the United States. The United States, in turn, realized that its military presence would serve as a stabilizing power in the region.¹³ The United States was able to dictate the negotiations for the base agreements by threatening to locate them elsewhere in the region, either on the islands of Okinawa or Guam. Therefore, Philippine leaders had to back off their nationalistic ideals and acquiesce to terms dictated by the United States. These terms included U.S. legal jurisdiction over all American military personnel and over Filipinos who worked on U.S. bases, in effect a revival of "extraterritoriality" and "enclaves" denounced by Washington in the past. Also, many Filipinos noted that the Philippines, a former colony and ally, received far less aid and support from the United States than did Japan, the common former enemy of World War II.¹⁴

The American support of the Philippine President/dictator Ferdinand Marcos (1965-1986) created additional feelings of Filipino resentment towards the United States. Marcos left the Philippines in a shambles by destroying the industrial and economic base with rampant corruption and cronyism, all the while embezzling millions of dollars from the country. Marcos left the Philippines virtually bankrupt. The Armed Forces of the Philippines courted unpopularity by supporting Marcos' unjust policies and protecting the Marcos family.¹⁵

¹³ Karnow, *op. cit.*, p 330-331.

¹⁴ Karnow, *op. cit.*, p 332.

¹⁵ Buss, *op. cit.*, p 87-90.

Despite corruption and misrule, Marcos was seen in Washington as an essential ally. President Lyndon Johnson described Marcos as “my right arm in Asia,” while President Ronald Reagan called him an “old friend.” The Vietnam War raised the fear of the spread of communism throughout Southeast Asia. Marcos skillfully leveraged this fear to gain large amounts of economic aid from the United States. President Johnson needed support from an Asian country, and Marcos was willing to give it so long as the United States footed the bill. Marcos used the fear of communism to gain United States support to fight the communist rebels and prevent the overthrow of “democracy” in the Philippines. This fear was especially acute after the fall of Saigon and the American withdrawal from Vietnam. Marcos cast his spell on the future President Ronald Reagan from 1969 when Reagan was President Richard Nixon’s personal representative to the Philippines. Marcos invited Nixon to the inaugural concert at the Philippine Cultural Center in Manila, and impressed him with lavish banquets and hospitality that Reagan never forgot.¹⁶

Even when Marcos was finally ousted from power, he was spirited out of the country on a U.S. Air Force transport to Hawaii, where he eventually died. Reagan found it hard to denounce Marcos and endorse his successor Cory Aquino until he finally became convinced that there was no alternative to Marcos’ removal from power. As the transition to a democracy was taking place in the Philippines, the Aquino government had delicately to balance nationalistic sentiment with much needed support from the United States. The most contentious issue dividing the two countries would continue to be that of the status of the U.S. military bases on Philippine soil.¹⁷

¹⁶ Karnow, *op. cit.*, p 376-377.

¹⁷ Buss, *op. cit.*, p 163-170.

C. ROLE OF THE PHILIPPINE BASES IN THE REGION

In the early part of the twentieth century, the American naval presence in the Philippines was seen as a balance and stop gap measure against the rising aggression of Japan in the Pacific.¹⁸ The U.S. Navy's attempts to develop Subic Bay into a modern naval base were thwarted by Congress in 1908. Because of the Washington Naval treaties that followed World War I, Philippine bases were never fortified. Therefore, in 1941 at the onset of the Second World War, the Japanese were able to easily defeat the smaller, strategically exposed U.S. and Philippine forces. Following World War II, the Philippines now an independent country, fell under the U.S. umbrella of protection. The United States found it important to maintain naval bases in the Philippines as Cold War tensions firmed up a U.S. Containment Strategy. During the Korean War (1950-1953), the Philippines served as a stepping-stone to the battlefield. In the 1960s and '70s, the bases served as a staging area, logistical base, and popular rest and relaxation point for the United States forces during the Vietnam War. During the height of the operations in Vietnam, Subic Bay witnessed an average of over 200 ship visits a month with an average 30 ships a day in port.

Following South Vietnam's collapse in 1975, the fear of the spread of communism throughout Southeast Asia brought the Philippines strategically to the forefront. The U.S. naval forward presence in the Philippines became a major element in military operations other than war (MOOTW) that include freedom of navigation through critical Pacific SLOCs, peacekeeping operations and enforcing embargoes. In November 1978, the Soviet Union signed an agreement with Vietnam. The Soviets provided the Vietnamese with economic assistance in return for access to port facilities at Cam Ranh

¹⁸ Gregor, *op. cit.*, p 3.

Bay. This extended the Soviet Navy's reach right into the heart of the South China Sea and the Indian Ocean. Vital shipping lanes upon which the world's economy depended were now under a potential threat by the Soviet naval presence. During the 1991 Gulf War, Subic Bay served as the staging ground and transit point for the largest U.S. military operation since the Vietnam War.

D. REASON THE UNITED STATES LEFT IN 1992

In 1989, the Cold War ended and left the United States as the world's sole superpower in the world. This change brought the perceived need for a phased reduction of U.S. Naval forces. The eruption of Mount Pinatubo and the rejection of a negotiated 10-year lease agreement for the continued use of the Subic Bay Naval Base in 1991 marked the beginning of an end to the United States Naval presence in the Philippines. The Philippine Senate rejected the Treaty of Friendship, Cooperation, and Security in 1991 that would have extended the U.S. Naval bases agreement for another ten years. This came at a time of political turmoil in the Philippines when the nationalist movement to remove U.S. military bases was at its peak. Several factors played into the rejection of the base agreement and removal of U.S. forces from the Philippines. Filipinos believed that the Philippines was never given the same respect by the United States as other countries such as Japan and those in Europe. Nor did many Filipinos consider themselves to be completely independent so long as the Americans continued to occupy bases in their country.

Since the signing of the original MBA in 1947, Philippine nationalists had worked to remove the United States bases from their country. The Philippine people resented the nearly century-long presence of the United States in their country and the continuing support for the Marcos "dictatorship." These two factors contributed to the eventual

rejection by the Philippine Senate of the base renewal agreement in September 1991. After several unsuccessful attempts to negotiate a more prolonged schedule of departure, the U.S Navy finally withdrew its remaining personnel in November 1992.

III. EVOLVING SECURITY ENVIRONMENT

A. SHIFT OF FOCUS FROM EUROPE TO THE ASIA-PACIFIC REGION

The 2001 QDR states “Asia is gradually emerging as a region susceptible to large-scale military competition.”¹⁹ This potential for military competition has become acute, and arguably more devastating, because of significant economic development in the Asia-Pacific region over the past two decades. This economic growth has been accompanied by the heightened possibility of an arms race in the region.²⁰ The shift of defense focus by the United States from Europe to the Asia-Pacific region, the anticipated rise of China as an economic and military power, combined with the volatile instability in the Asia-Pacific region (Taiwan Strait, Korean Peninsula, and Indonesia), and fallout from the U.S. led “War on Terrorism,” mean that defense missions of the U.S. military are likely to grow. This will put increasing strain on America’s forward presence posture. The problem of maintaining assured access to regional waters and finding bases to support U.S. naval forward presence is already a preoccupation for U.S. military planners.

The non-transparency of China’s policy toward the region, combined with the Association of Southeast Asian Nations’ (ASEAN) current state of instability, one fueled by a weak economic performance among a number of its members, has added to the volatility of the region. Indonesia, seen a leader within ASEAN, is again experiencing major political disorder in the wake of the impeachment of its president (Abdurrahman Wahid) on July 2001, and the election of a new regime. The addition of less-developed

¹⁹ “Report of the Quadrennial Review,” *DoD Publication*, 30 SEP 01; accessed on 15 OCT 01; available on <<http://www.defenselink.mil/pubs/qdr2001.pdf>>; Internet.

²⁰ Khalilzad, Zalmay, et al., *The Untied States and Asia*, RAND Publication, 2001; accessed on 16 MAY 01; available on <<http://www.rand.org/publications/MR/MR1315>>; Internet; p 4-5.

countries, such as Vietnam, Cambodia, Laos, and Burma, to the membership of ASEAN has also weakened the fabric of an already diverse group that will find it even more difficult in the future to make collective security decisions.²¹ Attempts to create a successful multilateral security mechanism in the Asia-Pacific region have floundered. The ASEAN Regional Forum (ARF) has so far been unable to create a cohesive and functional working group. This failure stems from the fact that the region is, in the opinion of Southeast Asian specialist Desmond Ball, “too large and diverse, in terms of the sizes, strengths, cultures, interests, and threat perceptions of its constituent states, to support any meaningful region wide security architecture.”²² The ARF has produced a few initial resolutions, such as the “Declaration on the South China Sea.” Yet this is only a bland statement of multilateral cooperation that fails to address head-on the overarching issue of regional cohesion and enforcement. ASEAN’s inability to transform itself into an effective regional actor can be attributed in large part to its brittle foundation composed of the different types of political systems. This has meant that there is no basis for solidarity, no feeling of common interests, no ideological “glue” that can foster a sense of solidarity among the ASEAN states.²³

21 Hubbard, Thomas, “Philippines and the New Asia,” *Testimony before the Senate Foreign Relations Committee, Subcommittee on East Asia & Pacific Affairs*, 06 MAR 01; accessed on 04 MAY 01; available on <http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107_senate_hearings&docid=f:71542.wais>; Internet.

22 Ball, Desmond, “Multilateral Security Cooperation in the Asia-Pacific Region,” in Hung-mao Tien and Tun-jen Cheng, ed., *The Security Environment in the Asia-Pacific*, London, England: M. E. Sharpe, Inc., 2000; p 130.

23 Hernandez, Carolina G, “ASEAN Responds to an Emerging China: A Philippine Perspective,” in Hung-mao Tien and Tun-jen Cheng, ed., *The Security Environment in the Asia-Pacific*, Ed. London, England: M. E. Sharpe, Inc., 2000; p 122-125.

B. TENSIONS IN THE REGION

1. Rise of China

In addition to being the most populated country in the world, China has experienced a high level of economic growth for the past fifteen years. Some analysts suggest China is projected to become the world's leading economy by the year 2020.²⁴ This economic development has allowed China to embark on an increase in military spending calculated to realize Beijing's aspirations to become the leading power in the Asian-Pacific region. Since the end of the Cold War and the removal of U.S. forces from the Philippines, China, in the view of many American analysts, has set out to become a regional hegemon. China desires to weaken the influence and presence of the United States in the Asia-Pacific region in order to assert its own.²⁵

“As China becomes economically and militarily stronger, it will seek to be treated with greater deference by its less powerful neighbors,” RAND researcher Zalmay Khalilzad predicts.²⁶ China will continue to make its case to regional countries that the United States is heir to the old Western imperialists powers whose only interest is to exploit the region for its own benefit. If Chinese leaders can encourage other regional countries to form a stronger Asian partnership under Beijing's leadership and thus draw support away from the United States, then American military influence in the region could be seriously undermined.²⁷ This summer a pact signed by China and Russia, together with four other countries of the Central Asia region, called the Shanghai Cooperation Organization (SCO), aimed to create an economic and security forum to target terrorism and Islamic extremism.²⁸ The SCO can be seen as a first successful step in realizing the greater long-term goals of the Chinese leaders.

Although the September 11th terrorist attacks against the United States have forged new alliances and coalitions throughout the world and even brought together the

²⁴ Hernandez, *Ibid.*, p 110.

²⁵ Flournoy, Michele A. ed., *QDR 2001 Strategy-Driven Choices for America's Security*, Washington D.C.: National Defense University, 2001; p 252-253.

²⁶ Khalilzad, *op. cit.*, p 160.

²⁷ Khalilzad, *op. cit.*, p 148-149 and 160.

²⁸ Pomfret, John, “In Its Own Neighborhood, China Emerges As Leader,” *Washington Post*, 18 OCT 01; accessed 18 OCT 01; available on <<http://ebird.dtic.mil/Oct2001/e20011101inits.htm>>; Internet.

United States and China with the common purpose of fighting terrorism, significant issues continue to divide Washington and Beijing. At present, Beijing has helped in the effort by giving verbal support and sharing intelligence with the United States. China, along with Russia, is seen as supporting the coalition due in large part to their own Islamic extremist concerns in the same region of Central Asia.²⁹ However, the SCO security mechanism has also taken a common stance against the proposed U.S. missile defense plans. China is attempting to seize the opportunity to extract concessions from the United States over issues such as Taiwan, missile defense, and separatists' movements in Xinjiang and Tibet.³⁰ Therefore, the changing U.S./China relations are at a crossroads "beyond the knowledge of the best trained experts."³¹ Even though the U.S./ China interests converge in the "War on Terrorism," the two countries remain seriously divided over the future of Taiwan and U.S. missile defense plans.

2. China-Taiwan

The China-Taiwan conflict is at the forefront of U.S. regional concerns. The Taiwan Strait has, three times in the past, been the scene of serious military confrontations between the PRC and the United States. "Reunification" of Taiwan with Mainland China is Beijing's key objective, one that will increase the PRC's legitimacy in the eyes of its own people, demonstrate the hollowness of the U.S. Naval forward presence, and thus become a stepping-stone to China's ambition to regional hegemony in Asia. Beijing's goal of "reunification" was made clear during Jiang Zemin's address celebrating the 80th Anniversary of the founding of the Chinese Communist Party on July 1st 2001.

The status of Taiwan as a part of China shall in no way be allowed to change. The Chinese Communists are rock firm in their resolve to safeguard state sovereignty and territorial integrity. While we do have the greatest sincerity to work for a peaceful reunification, we cannot and will not undertake to renounce the use of force.³²

²⁹ "China and Russia begin anti-terrorism talks," *Yahoo News*, 28 NOV 01; accessed on 29 NOV 01; available on <<http://sg.yahoo.com/reuters/asia-75209.html>>; Internet.

³⁰ Baculinao, Ericson, "Beijing embraces war on terrorism." *MSNBC News*, 19 NOV 01; accessed on 26 NOV 01; available on <<http://msnbc.com/news/658916.asp>>; Internet.

³¹ Goldstein, Avery, "September 11th, The Shanghai Summit, and the Shift in U.S. China Policy," *Foreign Policy Research Institute E-notes*, Philadelphia, PA, NOV 01.

³² Berry, Nicholas, "China Travels a New Road," *Center for Defense Information*, 21 AUG 01;

Current U.S. policy as defined in the Taiwan Relations Act (TRA) of 1979 recognizes “One China,” and supports a peaceful unification of China and Taiwan. There is an unambiguous interest in the commitment to peace and stability in the Taiwan Strait by the United States, and Washington maintains close ties to Taipei. But, Washington will not support a unilateral declaration of independence by Taiwan.

Beijing believes that Washington’s strategy is to “encircle” China with a U.S. led security alliance that includes Australia, Japan, and South Korea.³³ This view was reinforced by the July 2001 Australia-U.S. Ministerial meeting in Canberra, when the subject of creating a multilateral organization, that would include the United States, Australia, Japan, and South Korea, “to come together and talk more often.”³⁴ Continued support of the United States for the Republic of China (ROC) on Taiwan in the form of arms sales (the April 2001 package include Kidd class destroyers, diesel submarines, and surveillance aircraft) are seen as a major obstacle to China’s efforts to “reunify” Taiwan with the motherland. This has further poisoned relations between the two countries.³⁵ If this were not enough, the collision of the Navy EP-3 with a Chinese interceptor, and President Bush’s April 2001 promise to defend Taiwan against Chinese aggression, followed by the Taiwan President’s visit to the United States in May 2001, have combined to create an uneasy relationship between Washington and Beijing. Regional countries in Asia are carefully monitoring the Taiwan issue and U.S. reactions. If China were once again to attempt to intimidate Taiwan, and the United States failed to come to Taipei’s rescue, this would be seen as a sure sign of Washington’s unwillingness to confront China over Taiwan. Asian countries would naturally begin to doubt U.S. willingness to support them against an emerging Chinese threat.³⁶

accessed 02 OCT 01; available on <www.cdi.org/asia/fa082101.html>; Internet.

³³ “Australia-U.S. Mull NATO-like Security For Asia-Pacific,” *Asian Defence Journal*, SEP 2001; p 1.

³⁴ “Press Conference by Secretary of State Colin L. Powell, Secretary of Defense Donald H. Rumsfeld, Admiral Dennis C. Blair, Foreign Minister Alexander Downer, Minister of Defense Peter Reith, and Admiral Chris Barrie,” *Australian-U.S. Ministerial 2001*, July 30, 2001; accessed on 29 NOV 01; available on <<http://www.usis-australia.gov/ausmin/jointpc.html>>; Internet.

³⁵ Hubbard, Thomas. “Philippines and the New Asia.” *Testimony before the Senate Foreign Relations Committee, Subcommittee on East Asia & Pacific Affairs*, 06 MAR 01; accessed on 04 MAY 01; available on <http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107_senate_hearings&docid=f:71542.wais>; Internet.

³⁶ Khalilzad, *op. cit.*, p 20.

3. Korean Peninsula

The Korean Peninsula remains one of the most volatile spots in East Asia as the governments from both the North and South see themselves as the rightful leaders of a unified Korea. The security situation on the peninsula has exhibited considerable continuity for over fifty years since the end of the Korean War. Nevertheless, the economic decline of the Democratic People's Republic of Korea (DPRK), and the apparent willingness of the communist regime to develop nuclear weapons continues to be an important unresolved issue.

Advances toward resolution of these issues made during the Clinton Administration have not been immediately followed up and further developed by the Bush administration. The Bush administration has had little success in forging ahead in talks with the North Korean government due mainly to the fact that President Bush is on record as distrusting North Korean motives.³⁷ The economically weak North Korean government has used the threat of weapons proliferation to gouge financial aid out of Washington.³⁸ In testimony given on April 17, 2001, Deputy CIA Director John McLaughlin warned that North Korea challenges the stability in the Asian region in two ways. First is Pyongyang's pursuit of weapons of mass destruction (WMD) and long-range missiles and its willingness to sell them to other rogue regimes. Second, is the economic and humanitarian disaster that threatens to implode the North Korean regime.³⁹ In November 2001, Washington called for an inspection of North Korea's suspected production of WMD, and also "threatened to take unspecified 'necessary countermeasures'" if Pyongyang did not comply.⁴⁰

The North Korean government states that they have "frozen their nuclear power industry" as agreed to in the DPRK-US Agreed Framework of 1994. Nevertheless, the United States is well aware that fully half of North Korea's budget is devoted to military

³⁷ Sengupta, Prasun K., "Security Challenges For The Korean Peninsula," *Asian Defence Journal*, July 2001; p 5.

³⁸ Khalilzad, *op. cit.*, p 8.

³⁹ Lintner, Bertil, "Coming In From the Cold?," *Far Eastern Economic Review*, 25 OCT 01; accessed on 29 NOV 01; available on <<http://www.feer.com/2001/0110-25/p060money.html>>; Internet.

⁴⁰ "U.S. Call Irks North Korea," *New York Times*, 29 NOV 01; accessed on 29 NOV 01; available on <<http://ebird.dtic.mil/Nov2001/e20011129call.htm>>; Internet.

spending, while Pyongyang continues to develop and export ballistic missiles. Inter-Korean summit meetings have sought to reduce tensions on the peninsula through trade, cross border visits and letter exchanges between separated families. An agreement to demine an area of the demilitarized zone (DMZ) and connect a railway between the two countries was hammered out, although implementation remains problematic. Ministerial level meetings between the two Korean governments held in 2001 have met with little success. In fact, there has been a definite regression with the nullification of prior agreements on family reunions.⁴¹

4. South China Sea

The South China Sea lies in the heart of Southeast Asia and is a strategic area because it contains two of the world's most important SLOCs connecting the Middle East, East Asia, Australia, and Northeast Asia. It is also potentially rich in resources, particularly oil. Any significant tensions over rival territorial claims could adversely affect the military balance in the region, and have a destabilizing effect on global economies. Southeast Asian countries do not want to witness the spread of Chinese influence in the region, especially in the wake of the 1997 financial crisis that has left a number of countries economically, politically, and militarily weakened.

The Chinese advance territorial claims in the South China Sea that extend to almost the entire area, including the Spratley and Parcell Islands. Previously, Chinese claims only had to counter those of Vietnam in the Spratleys and Paracelles. Yet, in February 1995, Manila discovered that China's military had occupied Mischief Reef, an islet within the claimed waters of the Philippines. China has also built up its military forces in other areas of the South China Sea.⁴² Currently, Chinese claims to portions of the South China Sea overlap all -- or in part -- with those of Taiwan, Brunei, Malaysia, Vietnam, and the Philippines.⁴³

5. The War against Terrorism and its Effects in the Region

The September 11th terrorist attacks on the United States placed Afghanistan in Washington's cross-hairs because the Taliban government stood accused of harboring the

⁴¹ "Another Korean Crisis?" *The Korean Herald*, 29 NOV 01; accessed on 29 NOV 01; available on <http://www.koreanherald.co.kr/SITE/data/html_dir/2001/11/30/200111300053.asp>; Internet.

⁴² Khalilzad, *op. cit.*, p 144.

⁴³ Khalilzad, *op. cit.*, p 36.

terrorist Osama bin Laden and of supporting his activities. Currently, responsibility for Afghanistan falls under the U.S. Central Command (CENTCOM), while Diego Garcia, a key logistical location for the operations against Afghanistan, is located within U.S. Pacific Command (PACOM) jurisdiction. Indeed, a majority of the forward deployed U.S. naval forces used in the operations against Afghanistan come from PACOM. Afghanistan operations, combined with the continued requirement to support sanctions against Iraq, have left U.S. forces in the Asia-Pacific region thinly spread.

Bin Laden has made several pleas for Muslims worldwide to join a Holy War against the United States and its supporting coalition. Networks that support Al Qaeda Islamic radicals with funds reach deep into the Southeast Asian region. The region is home to many religions other than Islam, including Christianity, Hinduism, and Buddhism. However, Islamic influence is strongest in areas stretching from southern Thailand, through Malaya, into a great portion of Indonesia and the southern Philippines. These areas are most vulnerable to destabilization by Islamic fundamentalists. Fear of a popular backlash has caused leaders from Indonesia and Malaysia, both predominately Muslim countries, to criticize the military strikes by the United States against Afghanistan.

a. India-Pakistan

The South Asia region is another link between the Middle East and the rest of the Asia. The height of tensions in this part of Asia involves the ongoing dispute between India and Pakistan over Kashmir. Because both countries have nuclear weapons, this confrontation makes South Asia one of the most dangerous places in the world.⁴⁴ At present, the United States is walking a fine line between maintaining the support of Pakistan as an access and launching point into Afghanistan, while trying to cultivate improved relations with India, which is perceived as the major emerging force in the South Asian region.

In addition to conflicts with Pakistan, India is also concerned about Chinese attempts to gain access to ports in Myanmar, as well as close links and military technology transfers between the PRC and Pakistan. Pakistani President Pervez

⁴⁴ Sipress, Alan. "Chinese Arms Firm Faces U.S. Sanctions." *Washington Post*, 1 SEP 01; accessed on 6 SEP 01; available on <<http://ebird.dtic.mil/Sep2001/e20010904chinese.htm>>; Internet.

Musharraf attempts to strike a balance between the support given by Pakistan to the U.S.-led “War on Terrorism” and the Islamic protests from within his own country against U.S. bombing. Popular support for the Taliban regime, especially in Pashtun areas of Pakistan, remains strong.

b. Indonesia

Once seen as a leader of ASEAN, Indonesia’s leadership has faltered, as the country has become prey to political, economic, and territorial instability. Although it is the world’s most populous Muslim country, Indonesia is faced with partial fragmentation, as the example of East Timor has proved contagious to autonomy movements in Irian Jaya and Aceh provinces.⁴⁵

The Asian economic crisis, which devastated the Indonesian economy, also encouraged the political instability that led to the ouster of longtime leader Suharto in May 1998. The economic downturn also fueled the ethnic confrontations that caused many ethnic Chinese businesses to flee the country and that have dampened reinvestment. The leaders who have followed Suharto have done little to stabilize Indonesia’s political situation, which continues to fester due to continued corruption and agitation by those with lingering ties to Suharto’s regime.⁴⁶ The current president, Megawati Sukarnoputri, has promised sweeping institutional changes and a return to political and economical stability. However, those bright promises have encountered bureaucratic roadblocks and a lack of political will.

The conservative Megawati was ineffective in dealing with fallout over the September 11th events. Washington became annoyed by Jakarta’s tardiness in condemning the attacks and its tolerance, not to say encouragement, of anti-American protests at home. In Indonesia, she is at odds with Muslim and political leaders who see her as overly supportive of Washington’s “War on Terrorism.”⁴⁷ In order to give herself political cover after initially supporting Washington’s campaign, Megawati, as well as

⁴⁵ “Australia,” in ASEAN Regional Forum *Annual Security Outlook 2001*; accessed on 02NOV01; available on <<http://www.aseansec.org/view.asp?file=/amm/aso/aso01/australia.htm>>; Internet.

⁴⁶ Rabassa, Angel and Peter Chalk, *Indonesia’s Transformation and the Stability of Southeast Asia*, RAND Publication, 2001; accessed on 08 AUG 01; available on <<http://www.rand.org/publications/MR/MR1344>>; Internet. p 10-13.

⁴⁷ McBeth, John, “Nothing Changes,” *Far Eastern Economic Review*, 01 NOV 01; accessed on 25 OCT 01; available on <www.feer.com/2001/0111_01/p061region.html>; Internet.

Malaysian Prime Minister Mahathir Mohammad, has since condemned the U.S. strikes against Afghanistan. But such back talking has failed to appease the large Muslim population at home while she has spent much needed political clout that is needed to push forward economic reforms. So far, anti-American Demonstrations in Indonesia have remained limited. But if the campaign drags on, as is forecast, and if economic instability continues, Islamic radicals may gain momentum in their campaign to recruit the poor, and may yet become a force to be reckoned with in Indonesia.⁴⁸ There is also an overriding concern in Washington that Indonesia may become a base for international terrorists who can move easily among Indonesia's many islands. Admiral Dennis Blair, USCINCPAC, conveyed this concern during a visit to Indonesia in November 2001 to discuss security matters with his counterparts there.⁴⁹

c. *Philippine Islands*

The Philippines is a predominately Christian country long challenged by Islamic factions in the southern islands. During the Afghan War against the Soviet Union in the 1980s, more than 1,000 Philippine Muslim fighters, many allegedly recruited by the CIA, volunteered to fight in Afghanistan.⁵⁰ Inspired by this experience, many Filipino Muslims returned and joined the efforts of other Islamic groups in the southern Philippines to create a separate Islamic state.

In 1991, hard-line Islamic fundamentalist Abdurajik Abubakar Janjalani created an organization called Abu Sayyaf, a splinter from the Moro National Liberation Front (MNLF).⁵¹ Abu Sayyaf is thought to have received training and money from the Al Qaeda network, and even a visit by Osama bin Laden. Islamic fundamentalists from Indonesia and Malaysia have been trained on southern Philippines islands, part of a conspiracy to create a network of Islamic extremists that extend throughout the region. The Abu Sayyaf has carried out bombings, killings, and a number of kidnap for ransom

⁴⁸ Djalal, Dini and John McBeth, "All Talk, No Action," *Far Eastern Economic Review*, 25 OCT 01; accessed on 03 NOV 01; available on <www.feer.com/2001/0110_25/p051region.html>; Internet.

⁴⁹ "Journalist Roundtable, Lemhannas, National Resiliency Institute, Jakarta, Indonesia," in U.S. Pacific Command, *Speeches and Testimony*, 27 NOV 01; accessed on 04 DEC 01; available on <<http://www.pacom.mil/speeches/sst2001/011127roundtable.htm>>; Internet.

⁵⁰ Ressa, Maria, "Tracing the Asian Terror," *CNN.com*, 22 SEP 01; accessed on 4 OCT 01; available on <<http://asia.cnn.com/2001/WORLD/asiapcf/southeast/09/22/gen.terrorism.asia/index.html>>; Interent.

⁵¹ Ressa, Ibid. and "Abu Sayyaf Group" *Patterns of Global Terrorism, 2000*, APR 2001; accessed on 05 NOV 01; available <<http://web.nps.navy.mil/~libaray/tgp/asc.html>>; Internet.

operations. The money gained from the abductions has enabled the group to obtain advanced weapons and equipment that has increased its ability to resist counter-insurgency operating by the less well-equipped Philippine military.⁵² The United States lists Abu Sayyaf as one of the terrorist groups associated with bin Laden's al Qaeda network.

Philippine president Gloria Macapagal-Arroyo was among the first leaders in the region to condemn the September 11th attacks and remains one of the United States' most supportive allies in the war on terrorism. Almost immediately following the September 11th attacks, Arroyo authorized the U.S. military to utilize the former American facilities at Clark and Subic Bay for transit and refueling operations. Military advisors from the United States traveled to the Philippines in November 2001 to observe the Armed Forces of the Philippines (AFP) operate while in pursuit of the Abu Sayyaf. During President Arroyo's November 2001 visit to the United States, she met with President Bush to reinforce the pledge of support and also gained much needed economic and military aid for the Philippines. There is still plenty of nationalistic rhetoric to challenge the increased interaction between the United States and the Philippines that is held over from the pre-1992 bases era.⁵³

C. FUTURE FLEET LEVELS AND U.S. NAVAL FORWARD PRESENCE IN THE REGION

Long gone are the days of the 600-ship navy concept of the Reagan-Cold War era, that included fifteen aircraft carrier battle groups (CVBG) and four battleship battle groups centered around the revival of the Iowa class battleships. The current post-Cold War fleet has leveled out at about 318 ships, with 12 CVBGs and approximately 116 surface warships, as mandated by the 1997 QDR.⁵⁴ But, the Navy's new ship construction fails to maintain current strength levels, which will put further strains on an

⁵² Hookway, James, "Philippine Military Chief To Visit U.S. To Discuss Aid For Fighting Rebels," *Wall Street Journal*, 05 NOV 01; accessed on 05 NOV 01; available on <<http://ebird.dtic.mil/Nov2001/e20011105philippine.htm>>; Internet.

⁵³ Hookway, James, "Just Say 'No' to U.S. Troops," *Far East Economic Review*, 06 DEC 01; accessed on 10 DEC 01; available on <http://www.feer.com/articles/2001/0112_06/p024region.html>; Internet

⁵⁴ "Shipbuilding Challenge." *21st Century Navy Power Point Presentation*, LAST UPDATED; accessed on 01 NOV 01; available on <<http://www.defenselink.mil/specials/transform/intro.html>>; Internet.

already over-stretched infrastructure as demands on the Navy increase. Of no region is this truer than the Asia-Pacific, where distances are great, instability looms, and where the fight against terrorism may eventually expand. The demand for the navy to increase the OPTEMPO of a decreasing and aging fleet will mount.

In the 1980s, the fleet level of the U.S. Navy peaked at approximately 550 ships, as the end of the Cold War and the draw down of U.S. military forces meant that the goal of Reagan's 600-ship navy was never attained. The Navy struggled to find the optimum number of ships that should make up the fleet in the absence of another super power and peer competitor. During the post-Cold War draw down, or "right sizing" as some proclaimed, a great number of ships were decommissioned and many navy personnel were separated in an attempt to reduce manning and adjust to a smaller defense budget. As the United States became the sole super power, and the roles and missions of the Navy adjusted to a post-Cold War environment, a shrinking fleet experienced an increased OPTEMPO to meet forward presence demands. The Navy was called upon to maintain a continuous CVBG presence in the Arabian Gulf (which continues to this day) and to enforce U.N. sanctions on Iraq following the Gulf War in 1991. In addition to the presence in the Middle East, the Navy has also participated in and responded to a great number of operations and missions around the globe. These include places such as the Somalia, the Balkans, the Taiwan Strait, East Timor, the Philippines, Sierra Leone, and Haiti.

At present, the war on terrorism and operations against the Taliban regime in Afghanistan, a land locked country, has placed a significant new demand on naval resources. Three CVs now are assigned to the Middle East region, and CENTCOM has

requested a forth. The fight against terrorism is not expected to lead to a short, quick campaign similar to the Gulf War. Secretary of Defense Donald Rumsfeld has stated that “We are fighting a new kind of war...Many things about this war are different from wars past but, as I have said, one of those differences is not the possibility of instant victory.”⁵⁵ The shipbuilding plan and report to Congress indicated that the procurement rate and ship mix to maintain the current size of the fleet falls short of its target for the third straight year. The budgets for Fiscal Year (FY) 2000-2002 have provided the funds to produce six ships a year.⁵⁶ In order to maintain the fleet level at about 300-plus ships, the shipbuilding program would need to fund nine ships this year and every year for the foreseeable future. Continuing on the trend of six ships a year will lead to a fleet of about 230 ships.⁵⁷ The Navy has announced a change to the Future Surface Combatant Program⁵⁸ that will delay it for one year. Current plans call for the rapid decommissioning of the remaining DD-963 Spruance class destroyers. The combination of these measures will reduce the size of the fleet to approximately 286 ships by 2007.⁵⁹

⁵⁵ “Statement of the Secretary of Defense,” *United States Department of Defense News release No. 560-0*, 01 NOV 01; accessed on 02 NOV 01; available on http://www.defenselink.mil/news/Nov2001/b11012001_bt560-01.html>; Internet.

⁵⁶ The six ships in the FY2001 include: 3 DDG-51 Arleigh Burke Class Destroyers; 1 Virginia Class submarine; 1 Auxiliary Cargo & Ammunition ship (T-AKE); and an incrementally funded LHD-8 amphibious ship, in addition to advanced funding for future ship procurement and maintenance. Testimony of John J. Young, Assistant Secretary of the Navy (Research, Development, and Acquisition), “Fiscal Year 2002 Defense Authorization; Shipbuilding Programs” Hearing of the Senate Armed Services Seapower subcommittee (31 JUL 01), Congressional Universe Website through the Knox Library Database web page; accessed on 25 SEP 01.

⁵⁷ Rumsfeld, Donald. “Fiscal Year 2002 National Defense Authorization Budget Request.” *Testimony before the House Armed Services Committee*, 28 JUN 01, accessed on 25 SEP 01; Congressional Universe Website through the Knox Library Database web page; Internet.

⁵⁸ On November 1st 2001, the Navy announced that it will issue a revised Request for Proposal (RFP) for the Future Surface Combatant Program. Formerly known as DD 21, a land attack destroyer for the new century, the program will now be called "DD(X)" to more accurately reflect the program purpose, which is to produce a family of advanced technology surface combatants, not a single ship class.

⁵⁹ Brown, David, “Navy Announces Change in Shipbuilding Plans,” *Navy Times*, 5 NOV 01.

It is evident that there will be a forthcoming short fall in the number of ships in the U.S. Navy to respond to missions and operations worldwide, not to mention an increased role in homeland defense, that will invariably follow from the events of September 11th 2001. A reduced number of ships will be required to steam the same vast distances to reach the Asia-Pacific region and the Middle East. This will lead to manpower strains. Therefore the need for additional forward based and secure logistical facilities will become an increasing requirement if U.S. Navy forward presence is to retain even its current level of effectiveness.

IV. A RETURN TO THE PHILIPPINES

It has now been almost a decade since U.S. Naval forces left Subic Bay, officially turning the base over to the Philippine government in November 1992. The catch phrase used to justify the pullout at this time was “places not bases.”⁶⁰ This meant that, although the United States Navy would continue to maintain ships on station, we intended to reduce the overseas infrastructure by eliminating the largest naval facility outside of the United States. At that time, the abandonment of Subic Bay was seen as a logical part of the post-Cold War draw down. Unfortunately, the post-Cold War era has witnessed an increase in the missions of the U.S. Pacific Naval forces. Of no time has this been truer than immediately following the terrorist attacks of September 11th and the inauguration of the “War on Terrorism.” Furthermore, the increase in missions coincides with a decrease in fleet size, with further ship reductions on the horizon. In this “post bases” era, the navy has had to rely on a series of access agreements and the use of foreign facilities throughout the Southeast Asian region in order to make up for the loss of Subic Bay. Currently, force protection measures for forward deployed ships require that port facilities possess safe and secure access to logistical support, as well as rest and relaxation opportunities for crews. In an area of growing political turmoil, Subic Bay offers a base that is both logistically adequate and as physically secure as any potential base in the Asia-Pacific region. These considerations suggest strongly that now is the time to revive U.S. Naval interaction with the Philippines to create a mature bilateral relationship.

⁶⁰ “Singapore Changi Naval Base,” *Global Security.org*, Last modified on 21 OCT 01; accessed on 30 OCT 01; available on <<http://www.globalsecurity.org/military/facility/singapore.htm>>; Interent.

A. THE FOUNDATIONS FOR A MATURE BILATERAL RELATIONSHIP

The United States and the Philippines are compatible partners for reasons both political and geographic. The Philippines is a mutual defense treaty partner and a long-time ally of the United States. There has been a marked improvement in the relations between the governments of the two countries over the course of the past five years, one that has led to the signing of a Visiting Forces Agreement (VFA) and resumption of bilateral exercises and training between the navies of the two countries. Both countries are actively engaged in a mutually assisting the campaign to combat terrorism. In July 2001, Philippine President Arroyo and her administration floated the idea of reconverting a part of Subic Bay into a naval base and invite “foreign militaries” to hire out and utilize the port facilities. The only “foreign military” expected to take advantage of this offer is that of the United States.⁶¹

Subic Bay’s location and assets, deemed superfluous in 1992, have become far more attractive at the dawn of the 21st century. The Philippines lies along the SLOCs between the United States and Asia, and running North/South through the South China Sea. For this reason, General Douglas MacArthur called the Philippines “the key that unlocks the door to Asia.”⁶² Subic Bay is a natural deep-water harbor, naturally sheltered from typhoons because of the mountain ranges that surround it. The port has many shipyard facilities already in place that are under utilized. During the Cold War, Subic Bay provided “one-stop shopping” whereby U.S. ships, and entire CVBGs, could get

⁶¹ Fuller, Thomas, “Base-For-Hire Plan Could Put The U.S. Navy Back In Subic Bay,” *International Herald Tribune*, 13 JUL 01; accessed on 17 JUL 01; available on <<http://ebird.dtic.mil/Jul2001/e20010714base.htm>>; Internet.

⁶² McGurn, William, “Anchors Aweigh! – Subic Bay Naval Station,” *The American Spectator*, JAN 1992; accessed on 18 OCT 01; retrieved from Lexus/Nexus; Interenet.

everything from supplies to parts, and receive repairs. Subic Bay also has the capability to land aircraft at the former Naval Air Station (NAS) Cubi Point, and taxi to pierside.

B. THE RE-CONVERSION OF SUBIC BAY

Recreating a U.S. Naval presence in the Philippines should in no way mean a return to the large base infrastructure of the past. On the contrary, the U.S. Navy would require the use of only a small logistical facility currently utilized by the commercial ship industry, and the port infrastructure of berths and the airfield already in place. As the Philippine government has opened the door to the idea of a return of warships to Subic Bay, the U.S. Navy should gradually step up the frequency of port calls, while expanding opportunities to interact with and participate in military exercises with the Philippine Navy. The facilities in Subic Bay should remain under the jurisdiction of the Philippine government to avoid a revival of the nationalistic resentment against U.S. naval presence that drove the Americans out a decade ago. Needless to say, the U.S. government should pay a fair price for the use of Subic Bay amenities.

There is no requirement for the U.S. Navy to acquire a base in the Philippines and the costs associated with running and maintaining it.⁶³ The acquisition of a facility by the U.S. Navy in Subic Bay should be based on U.S./Philippine commercial and military partnerships. This idea is being considered by the Filipino leadership as a way to pay for the much needed modernization program of the AFP.⁶⁴ In July 2001, Admiral Blair assured the Philippine people that the United States does not seek to establish a permanent base in Subic Bay, but instead seeks “flexible arrangements” in order to

⁶³ Fargo, Thomas B. “Remarks delivered at the AFCEA and U.S. Naval Institute Western Conference and Exposition, San Diego, Ca.” *Speeches*, 25 JAN 01; accessed on 18NOV 01; available on <<http://www.cpf.navy.mil/speech/speeches/010125afcea.html>>; Internet.

⁶⁴ Fuller, *op. cit.*

establish a working relationship to meet the future challenges of security in the Asia-Pacific region.⁶⁵

A commercial military arrangement would greatly benefit both countries. A commercial infrastructure will provide a means of developing the relatively underutilized facilities in Subic Bay that include: “transportation facilities (an airport, berths and internal road network), large fuel storage, public utilities (power plants, electricity, water and sewerage systems), buildings for warehousing, offices, accommodations for transients, sports and medical facilities, and residential pockets with their concomitant community facilities such as schools, shopping and commercial centers.”⁶⁶ These facilities can be owned and operated by Philippine companies or some other form of commercial investment strategy, providing the economic boost to the country and alleviating the U.S. Navy’s budget of the requirement to support a large base infrastructure. If the intent of the Philippine government is to create a naval facility to maintain ships, then the Philippine Navy should be located there to make it a Philippine base, and not an American one. A Philippine Naval facility in Subic Bay would provide secure access to U.S. Navy ships as well as increase U.S.-Philippine naval interaction.

In the future, as relations improve, the possibility of U.S. support ships, pre-positioning ships, and even a surface action group (SAG) may be located in Subic Bay to help alleviate the heightened OPTEMPO made necessary by decreasing fleet size as well as the rising cost of fuel. A logistical facility in the Philippines will give the supply and pre-positioning ships another location from which to work. Since 1993, the U.S. Army

⁶⁵ Romero, Paul, “US Seeks Return Of Troops to RP But Not Of Bases,” *Philippine Star*, 14 JUL 01; accessed on 19 JUL 01; available on <http://ebird.dtic.mil/Jul2001/e20010714usseeks.htm>; Interent.

⁶⁶ “Subic Bay Metropolitan Authority,” *Freeport Attractions and Investors*; accessed on 18 NOV 01; available on <<http://www.bcda.gov.ph>>; Internet.

and the Marine Corps have embarked on a plan to increase the number of pre-positioning ships. However, the over-riding impediment to the realization of this goal has been the limited number of ports in which to locate them. Diego Garcia is handicapped both by a limited number of anchorages and by the fact that ships stocked with ammunition must be spaced further apart for safety purposes.

The benefits of Subic Bay as a base for U.S. Navy deployed ships could be maximized through the implementation of a program similar to the Navy's "Horizon" concept of rotating crews. The forward basing of a SAG and/or other smaller shallow draft ships would allow for an even more efficient use of a blue/gold/silver⁶⁷ crew rotation through Guam or the continental United States. The central location of the Philippines will allow for increased patrol times on station. The elimination of the transit time across the Pacific will conserve fuel and reduce the wear and tear on the ship. The facilities in Subic Bay will provide a secure and cost effective means for routine maintenance and minor ship repairs. Major overhauls and repairs can be completed in other U.S. shipyards stateside on a rotational basis.⁶⁸

C. A PHILIPPINE PERSPECTIVE ON SUBIC BAY RE-CONVERSION

Since the United States departed the Philippines in 1992, relations between the two countries have improved significantly. The Philippine government has strongly supported the U.S. led "War on Terrorism." Former Philippine Presidents, Fidel Ramos and Joseph Estrada, the current President Gloria Macapagal-Arroyo, and government

⁶⁷ A blue/gold/silver rotation would interchange portions of the crew at one time. While two crews are responsible for the operation of the ship, the third is at a forward base in Guam, Pearl Harbor, or on the west coast of the United States, taking time for leave, team trainers, schools or other professional development courses. Specialized teams stationed in port at the home base would handle the bulk of routine preventative maintenance, to facilitate time off the ship to allow crewmembers onboard to take care of personal business and upkeep.

⁶⁸ Kosial, Steven, Andrew Krepinevich, and Michael Vickers, *A Strategy for a Long Peace*, Washington D.C.: CSBA, January 2001.

officials have long advocated a U.S. Naval presence in the Philippines and acknowledged the importance of the mutual defense treaty and VFA with the United States. They have done this despite vocal nationalistic opposition and left leaning politicians.⁶⁹ This Philippine government's support for a U.S. military presence stems from the realization that Manila faces significant regional and domestic security challenges. While political opposition to the return of the U.S. Navy to Subic Bay may be deep rooted, it is more than compensated for by the advantages of a U.S. naval presence for both the Philippines and the United States. In light of the increased working relationship between the United States and the Philippines, Washington will have to be more up front to quell the nationalistic rhetoric and be more transparent with its intentions and actual use of facilities in Subic Bay or elsewhere in the Philippines.⁷⁰

In 1991, a strong nationalist opposition led the Philippine Senate to reject a ten-year extension of the U.S. lease on Subic Bay. But, by 1992, as American forces prepared to surrender Subic Bay to the Philippine government, President Ramos had initiated a new round of negotiations under the terms of a proposed arrangement called the Acquisition and Cross-Servicing Agreement (ACSA).⁷¹ The nationalists objected to the large U.S. presence, an agreement that disadvantaged the Philippines financially, posed a challenge to Philippine sovereignty, and resurrected bad memories of colonialism.⁷² When U.S. military officials at the Philippine-U.S. Mutual Defense Board

⁶⁹ Hookway, James, "Just Say 'No' to U.S. Troops," *Far Eastern Economic Review*, 06 DEC 01; accessed on 10 DEC 01; available on <http://www.feer.com/articles/2001/0112_06/p024region.html>; Internet.

⁷⁰ Hookway, *Ibid.*

⁷¹ Fisher, Richard D. "Can U.S.-Philippine Relations improve After Aquino Departs." *Heritage Foundation Report*, 01 MAY 92; retrieved from Lexus/Nexus on 18 OCT 01.

⁷² Schirmer, Daniel B., "Part 1: The Origins of ACSA," *U.S. Bases by Another Name: ACSA in the Philippines*, FEB 1995; accessed on 10 NOV 01; available on

signed the ACSA, they argued that this was an executive agreement and not a treaty. Nationalists, however, were outraged, charging that the manner in which the ACSA had been negotiated violated the 1987 Philippine Constitution, which required the Senate to ratify agreements with foreign powers. The Philippine Senate agreed and killed the ACSA.

What Ramos could not achieve during his administration, President Estrada accomplished during his short-lived presidency (1998-2001), despite the fact that as a Senator, Estrada had led the fight to reject the negotiated 1991 base agreement.⁷³ In 1997, when the ACSA proposal was revived, under the name of the Visiting Forces Agreement, there was a heated debate again between nationalists and proponents of the new proposal. Nationalist bitterness toward the agreement received wide media coverage. The issue was defined as a fight between those who were “anti-VFA and pro-people” or “Pro-VFA and anti-people.”⁷⁴ Nevertheless there was also a great deal of popular support for ratification of the VFA. For instance, leaders from the southern island of Mindanao passed resolutions in favor of the agreement.⁷⁵ Despite the vocal nationalist campaign to pressure government officials, the Philippine Senate voted in favor of the VFA in January 1998. In September 2001, the Philippine government granted the United States full access to its ports and airfields to assist the U.S.-led campaign against terrorism.

<http://senate.hypermart.net/Bases_by_Another_Name.html>; Internet.

⁷³ “The Magnificent Twelve,” *Visiting Forces Agreement*; accessed on 10 NOV 01; available on <<http://senate.hypermart.net/vfa.html>>; Internet.

⁷⁴ Labog-Javellana, Juliet, “US rejects Senate bid to review VFA,” *Philippine Daily Inquirer*, 30 JAN 01; accessed on 10 NOV 01; available on <http://senate.hypermart.net/pdi_30jan99.html>; Internet.

⁷⁵ Maglalang, Ferdie J., “Mindanao leaders back VFA,” *Manila Bulletin*, 7 FEB 99; accessed on 16 NOV 01; available on <<http://senate.hypermart.net/gensan.html>>; Internet.

Despite an initial cooling off of relations following the withdrawal of American forces, the United States remained a mutual defense treaty partner and the largest trading partner of the Philippines.⁷⁶ Nevertheless, efforts to revive the Philippine economy have been unsuccessful, so that the Philippines have yet to recover from the years of economic plunder during Marcos' rule. The Base Conversion Development Authority (BCDA) devised by the Philippine government to transform the former naval base into the Subic Bay Metropolitan Authority (SBMA) or Freeport Zone has failed to live up to expectations. The dream in 1992 was that the SBMA would attract foreign investors and so become the next economic boomtown. Yet, the SBMA has been more of a bust. The weak Philippine economy and consequent lack of funds has delayed the implementation of a fifteen-year force modernization program that began in 1993. Therefore, the AFP, unable to acquire new equipment or maintain its current inventory remains in a delicate state of readiness and in severe need of modernization.

Philippine security concerns consist of both external and internal challenges. The major threat externally lies in the disputed claims with the Chinese over portions of the Spratley Islands. The Chinese have advanced what they contend are historic claims in the South China Sea including islands within the Philippine Exclusive Economic Zone. To reinforce its claims, Beijing has set up military outposts on Mischief Reef.⁷⁷ There have been some efforts by ASEAN and those nations with competing claims in the South China Sea to work out a diplomatic solution. But negotiations have been met little

⁷⁶ Sheehan, Deidre, "Turn of the Tide?" *Far Eastern Economic Review*, 01 NOV 01; accessed on 29 NOV 01; available on <http://www.feer.com/articles/2001/0111_15/p058econmon.html>; Internet.

⁷⁷ Fisher, Richard D. Jr., Senior Fellow Jamestown Foundation, "The Philippines: Present Political Status and its Role in the New Asia," *Testimony before the Senate Foreign Relations Committee, Subcommittee on East Asia and Pacific Affairs*, 06 MAR 01; accessed on 30 MAR 01; available on <<http://www.senate.gov/~foreign/hearings/hrg010306.html>>; Internet.

success. An agreement between China and the Philippines hammered out during a state visit to Beijing by then President Estrada in 2000, is questionable because the Philippines was in no position to bargain while in search of greater economic cooperation to aid its ailing economy and the weak state of the AFP to enforce its claims in the South China Sea. The future of relations between the Philippines and the PRC are hinged on the settlement of the dispute over the Chinese outposts on Mischief Reef and the direction ASEAN takes in its approach to relations with China. President Arroyo stated in July 2001 that the Philippines would work through bilateral and multilateral diplomatic channels to solve the dispute between the two countries.⁷⁸

A more pressing internal security challenge that has consumed almost the entire effort of the AFP is the terrorist movement in the Southern Philippines. Islamic separatists groups are attempting to break from the country and create an independent state (see Chapter 3). The AFP has been embarrassed since 1995 by their inability to stop the most radical Islamic group, the Abu Sayyaf, that operates on several islands in the south. This insurrection has added to the Philippines' reputation for instability and damaged prospects for foreign investment, further weakening economic reform plans.⁷⁹

Given the Philippines' weak economy and crumbling security situation, it is hardly surprising that President Arroyo and others in the Philippine government have stated that the military alliance and defense treaty with the United States is a "pillar in our

⁷⁸ Thayer, Carlyle, "Developing Multilateral Cooperation," *China-Southeast Asia Relations, Comparative Connections*, 3rd Quarter 2001; accessed on 10 DEC 01; available on <http://www.csis.org/pacfor/cc/0103Qchina_asean.html>; Internet.

⁷⁹ Sheehan, Deidre and David Plott, "Philippines - A War Grows," *Far Eastern Economic Review*, 11 OCT 01; accessed on 9 OCT 01; available on <http://www.feer.com/2001/0110_11/p024region.html>; Internet.

national security and defense.”⁸⁰ Although the Arroyo administration strongly supports the U.S./Philippine security relationship, it is not advocating a return of American bases.⁸¹ While it is doubtful that Washington wishes to rescue Manila’s ailing economy, nor take on its internal or external quarrels, the September 11th attacks nevertheless have drawn the United States and the Philippines closer together. Manila sees the events of 11 September as an opportunity to build a relationship based on a regional economic objective rather than just one based on inequality and dependency. This was evident during the November 20th, 2001 state visit by President Arroyo to the United States.⁸² Increased, mature political and military-to-military relations will help foster new ties and diminish perceptions of the resurrection of a neo-colonial relationship, an anathema to Philippine nationalists. These political changes pave the way for a greater role played by the Philippines in the future of U.S. Naval forward presence. If time does not heal all wounds and foster an atmosphere that welcomes a renewed presence by the U.S. Navy, then maybe the overriding security concerns, internally and externally, together with the inability of the AFP to confront these issues, will create a more accepting attitude in the Philippines. But in Washington’s eyes, the Spratley Islands are not Taiwan, nor is the Abu Sayyaf, al Qaeda. Any perceived deception by Manila about the American commitment to Philippine security concerns may yet prove to be the Achilles heel of the new rapprochement between the United States and the Philippines.

⁸⁰ Ng-Gadil, Mirasol, “War vs terror GMA focus in US visit,” *The Manila Times Internet Edition*, 11 NOV 01; accessed on 10 NOV 01; available on <http://www.manilatimes.net/national/2001/nov/11/top_stories/20011111top4.html>; Internet. and Fuller, Ibid..

⁸¹ Hookway, James, “Just Say ‘No’ to U.S. Troops,” *Far Eastern Economic Review*, 06 DEC 01; accessed on 10 DEC 01; available on <http://www.feer.com/articles/2001/0112_06/p024region.html>; Internet.

⁸² “Joint Statement Between the United States of America and the Republic of the Philippines,” *Office of the Press Secretary*, 20 NOV 01; accessed on 26 NOV 01; available on <<http://www.whitehouse.gov/news/releases/2001/11/20011120-13.html>>; Internet.

D. ALTERNATIVE LOCATIONS

The resurrection of Subic Bay as a base for U.S. Naval forward deployment certainly has its drawbacks and shortcomings. However, many of these are diminished when one considers the alternative basing options.

1. Guam

The base closest to the Southeast Asian region that must be considered the best alternative to Subic Bay is the U.S. territory of Guam. This island was ceded to the United States at the same time as the Philippines as a result of the Spanish-American War in 1898. Guam has been hailed as “the crossroads of the Pacific,” and the place “where America’s day begins.”⁸³ Because it is a United States territory, Guam offers the navy all the advantage of a forward deployed base without the inconvenience of having to deal with a foreign government. Guamanian Governor Carl Gutierrez and Representative Robert Underwood express overwhelming support for an increased presence of naval forces in Guam.⁸⁴ Amenities available in Guam include a deep-water port with pierside berths for deep-draft ships (Apra harbor), that include ship repair facilities (the former Navy ship repair facility), a large airfield (Anderson AFB), and sizeable fuel storage services at the harbor and airfield. Also in the vicinity of Guam, the Farallon De Medinilla target range and the island of Tinian offer fleet exercise areas available for training in anti-submarine warfare, naval surface fire support, aerial gunnery, amphibious warfare, and expeditionary-airfield operations.⁸⁵ The navy has set in motion plans to relocate and homeport three submarines in Guam. The first two are expected to arrive in April 2002, and the third in 2004.

While Guam does have its advantages, it also counts its share of drawbacks. Some of the downsides to Guam as an expanded base include its distance from Southeast Asia, which is approximately 1,200 nautical miles (NM) east of the Philippines. Nor is Guam free of political opposition. For instance, in January 2001, an activist group filed

⁸³ Peterson, Gordon I., “A Port of Choice for the U.S. Seventh Fleet,” *Sea Power*, MAY 2001; p 42.

⁸⁴ Brown, David. “Wanted: One carrier Group,” *Navy Times*, 7 MAY 2001; p 8. and Peterson, *op. cit.*, p 43.

⁸⁵ Peterson, *op. cit.*, p 41-42.

suit against the use of the live fire exercise areas on Farallon De Medinilla Island.⁸⁶ Although the ship repair facility in Guam does provide adequate support, it is neither manned nor equipped to handle required maintenance of forward deployed ships. The requirement to bring these ship facilities up to standard would be costly for the navy.⁸⁷ Nor could the infrastructure necessary to support a forward deployed presence be built overnight. Guam could certainly be reinforced in such a way as to supplement and support Subic Bay. But it is unlikely that it could supplement it altogether. The optimal situation would be a burden-sharing situation between the two sites.

2. Australia

Australia is a strong ally and supporter of U.S. presence in the Asia-Pacific region, with an excellent military-to-military relationship with the United States. At a ministerial meeting in Canberra in July 2001, American and Australian ministerial officials discussed the idea for greater security cooperation between the United States and its principal allies, Australia, Japan, and South Korea. These proposals have caused some analysts to label Australia as Washington's "deputy sheriff" in the Asia-Pacific region.⁸⁸ But Australia does not see itself in this role, because it is working to enhance its position by cooperating with those countries in the region whose interests are compatible with its own. Nevertheless, the U.S.-Australian alliance within ANZUS is an important relationship that enhances the overall security in Southeast Asia.

The U.S. Navy continually makes port calls and conducts training exercises in various places throughout Australia. However, Australia is located too far south to effectively support U.S. Naval forward presence in the Western Pacific. Furthermore, the restrictive waters through the Torres Straits between Northern Australia and Papua New Guinea are inaccessible to deep draft ships. This means that aircraft carriers must pass south of the massive continent between Sydney and Perth in order to transit between the Pacific and Indian Oceans.

⁸⁶ Fargo, *op. cit.*

⁸⁷ Brown, *op. cit.*, p 8.

⁸⁸ "Australia-U.S. Mull NATO-like Security For Asia-Pacific." *Asian Defence Journal*, SEP 2001; p 1.

3. Singapore

A very strong supporter of the United States' active participation in the regional security of Southeast Asia, Singapore has been very hospitable in giving access to the United States forces. In 1990, the United States and Singapore signed an Access Memorandum of Understanding providing a place to host U.S. Naval presence in the region.⁸⁹ Since 1992, Singapore has become home to Commander, Logistics Group Western Pacific (COMLOGWESTPAC). The U.S. Naval Regional Contracting Center, also located in Singapore, is responsible for coordinating repairs and for the procurement and resupply of ships and aircraft operating with the U.S. Fifth and Seventh Fleets, as well as coordinating bilateral exercises in the region.⁹⁰ In March 2001, Singapore opened a new naval base and pier facility that will accommodate and increase accessibility for U.S. Navy aircraft carriers and other large vessels. While Singapore is in a prime location at the tip of the Malayan Peninsula, at the crossroads to the Pacific and the Indian Oceans, it is restricted by its size and therefore puts limits on an increased use by the navy. It is also positioned in an area where Muslim fundamentalists may find bases from which to carry out terrorist attacks on U.S. ships.

4. Thailand

Thailand is the United States' only defense treaty partner that is located on Southeast Asian mainland. Thailand also plays host to one of the largest multilateral exercises in the Asia-Pacific region.⁹¹ Access to ports and facilities in Thailand have afforded the U.S. Navy important refueling, transit, and rest and relaxation arrangements.⁹² The ports routinely used by the U.S. Navy located in Pattaya and Phuket have either inadequate berthing facilities or none at all. Moreover, the Thai government has denied the United States permission to preposition ships in its ports because of reluctance by the United States to help Thailand get over the 1997 financial crisis.⁹³ In

⁸⁹ "Singapore Changi Naval Base," *Global Security.org*, Last modified on 21 OCT 01; accessed on 30 OCT 01; available on <<http://www.globalsecurity.org/military/facility/singapore.htm>>; Interent.

⁹⁰ Burgess, Richard R, "Singapore Hosts First U.S. Carrier At New Changi Naval Base Pier," *Sea Power*, May 2001; p 19.

⁹¹ Khalilzad, *op. cit.*, p 182-183.

⁹² Mahmud, MG, "US Naval Relationships With Asia-Pacific Nations," *Asian Defence Journal*, MAY 2001; p 5.

⁹³ "Moving U.S. Forces: Options for Strategic Mobility," *Congressional Budget Office*, FEB 1997; accessed on 15 MAY 01; available on <<ftp://ftp.cbo.gov/0xx/doc11/Stratmob.pdf>>; Internet.; p 39-40.

addition, the geography of Thailand and the location of these ports come with their own drawbacks (see Figure 2). Pattaya is located in the extreme northern part of the Gulf of Thailand well outside of the shipping lanes that traverse the region. The small island of Phuket, positioned on the west coast of Thailand in the Andaman Sea, is only suitable for liberty parties of up to 3,000 personnel. Therefore, large ships such as aircraft carriers do not make port calls in Phuket. Pierside berths are also limited and normally not accessible to U.S. ships.⁹⁴ Neither location in Thailand is considered suitable as a typhoon haven as both offer only exposed anchorages to wind and waves. For this reason, ships would have to set out to sea if they needed to ride out a heavy storm.

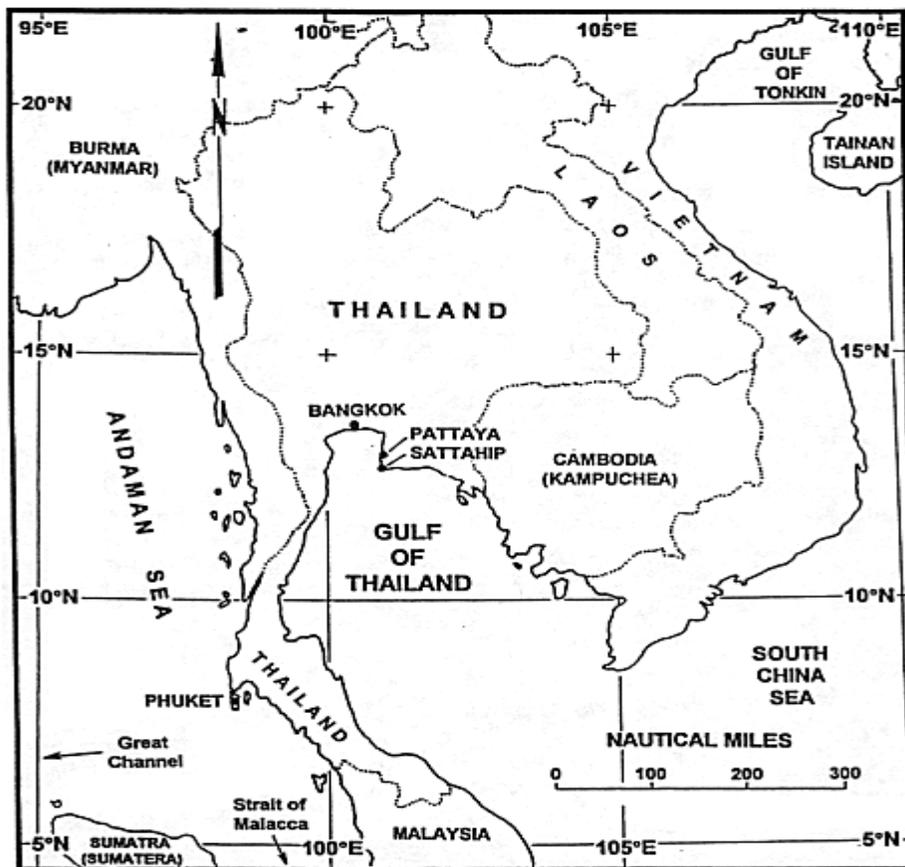


Figure 2. Location of ports in Thailand

Source: GlobalSecurity.org website

<<http://globalsecurity.org/military/facility/images/Pattaya.html>>.

⁹⁴ "Phuket," *Global Security.org website*, Last modified on 21 OCT 01; accessed on 30 OCT01; available on <<http://www.globalsecurity.org/military/facility/phuket.htm>>; Interenet.

5. Malaysia

Malaysia in the past several years has opened its ports to the U.S. Navy and progress has been made to improve relations with a view of supporting a U.S. presence in the region. But, while most Southeast Asian leaders have backed the U.S.-led “War on Terrorism,” Malaysia has set itself apart from the rest of its fellow ASEAN members in pushing for a halt in U.S. strikes in Afghanistan.⁹⁵ Unfortunately, terrorist networks are known to have ties to Malaysia.⁹⁶ Port Kelang is located on the west coast of Malaysia, astride the western opening of the Strait of Malacca, offering the only other location currently accessible to U.S. aircraft carriers. Port Kelang is a major commercial port in Malaysia that offers a good staging area for any operations in the Indian Ocean. However, it does not provide a good strategic location for a quick reaction to support operations in the South China Sea or Taiwan Strait. Nor would adequate guarantees of force protection be available there.

6. Vietnam

Although Vietnam is one of a few countries that still remain under communist rule, it has been in a period of significant transformation since the mid-1980s. Over the last decade, the United States and Vietnam have begun to normalize relations on a broad range of issues. This paved the way for President Clinton’s historic visit to Vietnam in November 2000, the first by an American president in almost 30 years. Although the interaction between the two countries remains circumscribed, they have opened the door and laid the foundation for cooperation in business, technology, and education ventures. Initial negotiations concerning U.S.-Vietnamese military relations have made little progress, however. The Vietnamese military has been invited to be an observer to multilateral exercises in an attempt to draw them into regional security arrangements. The most probable type of military interaction with Vietnam in the short term would more likely be a naval one, such as ship visits and exercises.

⁹⁵ “ASEAN won’t back Malaysia over air strikes,” *CNN.com*, 5 NOV 01; accessed on 06 NOV 01; available on <<http://asia.cnn.com/2001/WORLD/asiapcf/southeast/11/04/gen.asean.preview/index.html>>; Internet.

⁹⁶ Gunaratna, Rohan, Phil Hirschhorn, Ed Blanche, and Stefan Leader. “Blowback.” *Jane's Intelligence Review*, 26 JUL 01; accessed on 28 NOV 01; available on <http://www.janes.com/security/international_security/news/jir/jir010726_1_n.shtml>; Internet.

Vietnam became a member of ASEAN in 1995 and is, as of November 2001, the head of the ARF (2000-2001). The Vietnamese have been Russia's continued link to the Southeast Asian region and ASEAN. In 2001, the Vietnamese government announced that it would not extend Russia's lease on Cam Ranh Bay when it expires in 2004. The declining state of the Russian Navy means that the Russian exodus was more likely the result of a mutual agreement. Vietnam intends to transform Cam Ranh Bay into an economic center.⁹⁷ Of course, the question of a new U.S. naval presence in Vietnam is likely to be a sensitive issue for both countries. An agreement for a more permanent use of facilities there is unlikely to be realized in the foreseeable future. The two countries must first get over the initial hurdle of closer military relations before any talk of setting up shop proceeds. This option definitely lies in the distant future, and not in the next five-to-ten years.

7. Mobile Offshore Base (MOB)

Since 1996, the Office of Naval Research (ONR) has examined the MOB concept as one option to alleviate the strategic and political obstacles to identifying and securing bases overseas. The MOB concept envisions a series of adjoined, semi-submersible, modular floating bases that will be able to deploy to any area of U.S. national interest around the world. It will be able to provide U.S. and allied forces with a means to provide air support, the ability to dock cargo ships, adequate space for maintenance and storage of equipment, materials, and fuel, and the accommodation of up to 3,000 transient personnel, in addition to the crew of the MOB. Size and functions of the MOB platform make it incomparable to any other floating structure ever built. It must reach a length approaching 6,000 feet in order to accommodate a runway. One of the 305-meter long platforms will displace approximately 300,000 metric tons. (See Figure 3)

⁹⁷ "ASEAN: Russia to Vacate Cam Ranh Bay," *Asian Defence Journal*, JUL 2001; p 42.



Figure 3. One of the Alternative Concepts of the MOB.
 Source: Mobile Offshore Base website < <http://mob.nfesc.navy.mil>>.

The ONR team states that it is feasible to build a platform of this size and meet all of its design goals. While ships such as CV(N)s and large deck amphibious ships can handle Verticle/Short Takeoff and Landing (VSTOL) aircraft such as the Harrier jet, the overriding issue is whether or not a platform can meet the needs of landings and take offs of larger Conventional Takeoff and Landing (CTOL) aircraft. But doubts remain about the feasibility of the MOB as an engineering concept. The cost of the MOB is also a concern, with estimates from the four concept designers ranging from 5 to 10 billion dollars for a complete MOB platform. Other estimates set the cost of a single module at approximately 1.5 billion dollars.⁹⁸ Proponents of the MOB justify the costs by comparing it with the smaller capacities of current CV(N)s and large deck amphibious

⁹⁸ Zueck, Robert, Robert Taylor, and Paul Palo, "Development Options for Mobile Offshore Base Technology," *Naval Facilities Engineering Service Center report*, 17 JUN 01; accessed on 19 OCT 01; available on <<http://www.nfesc.navy.mil.default.html>>; Interent; p 3-4.

ships. These ships possess only one-quarter the of the storage space that a MOB can provide. Nor do they have the ability to land large aircraft.

All of these comparisons of relative capacity are true. But the MOB is far less mobile than a carrier. For instance, operations against Taliban forces in Afghanistan, a land locked country, have been overcome with aircraft carriers serving in more than one role. The enormous size of the MOB is only one drawback. The operating costs and the large number of personnel needed to maintain the MOB pose significant problems. Much of the advertised storage space in the MOB would be needed just to sustain the crew itself. The MOB will be underway constantly and constitute greater manning requirements in an era when most ships are experiencing a shortage of manning and gapping many critical billets. Until these problems can be resolved, too many roadblocks continue to exist for the MOB to prove operationally feasible in the near future.

V. CONCLUSION

As the focus of the United States in the Asia-Pacific region increases, secure U.S. Naval facilities will be in demand to guarantee access to the region. The Philippines provides the best strategic location for U.S. Naval facilities in the Asia-Pacific region that offer both access to the region as well as suitable force protection. The advantages of creating Naval facilities in the Philippines far outweigh the negatives for both countries and the Asia-Pacific region.

This thesis has also stressed that U.S. Naval forward presence has been and continues to be widely accepted as a vital element in protecting the national interests of the United States in the complex Asia-Pacific region. The Asia-Pacific region is a multifaceted geographic, political and security environment. Geographically, the region spans a great distance that covers more than half of the earth's surface, one that links the Pacific and Indian Oceans, and the Middle East with the Far East and Southeast Asia. It is within this region that a vast amount of the world's trade flows via important sea-lanes of communication. Politically, the United States military, in particular the U.S. Navy, is seen as the stabilizing factor in the region, because it continues to maintain an active presence there. Nevertheless, the Asia-Pacific remains a region of great volatility. The U.S. Navy offers one of the most effective and efficient ways to project a forward military presence. U.S. Naval forward presence provides the flexibility and an array of operational possibilities best adapted to this geographically and politically complex region.

Specific U.S. interests are rooted in the prevention of war and the maintenance of stability in the Asia-Pacific region. A forward deployed overseas presence is a key component of existing U.S. strategy and is a determining factor in the size of certain U.S. forces. From the time the United States obtained possession of the Philippines in 1898, through the Cold War, the United States has relied on overseas presence as a means of containing the threat of Japanese, and later of communist, expansion. At the end of the Cold War, a combination of the United States “drawdown” and Philippine nationalism caused the United States to withdrawal from the Subic Bay. Now, it is clearly time to consider a return of the U.S. Navy to Subic, because the security and political situation has changed for both the United States and the Philippines. The increasing assertiveness of the People’s Republic of China and the threat of terrorism are a worry to both countries. These worries have combined to calm the strident nationalism that drove U.S. forces from the Philippines a decade ago.

It is crucial that the U.S. Navy has assured access to secure port facilities from which to stage forces and provide logistical support to an operation. Subic Bay is clearly the best option available to the U.S. Navy, both geographically and politically. By continuing to rely solely on port access agreements, the United States is vulnerable to countries that may deny the U.S. Navy access to, and utilization of, its ports in times of crisis. A country may feel threatened by a nearby regional aggressor, or from terrorists, were to allow the United States to conduct operations from its ports. The Philippine Islands have a strategic advantage because they do not share borders with a potential aggressor. Washington and Manila are agreed on the need to stand up to Beijing’s more expansionist demands, and on the requirement to oppose terrorism. Furthermore, Subic

Bay offers a relatively secure base from which to operate. The *USS Cole* incident in an unsecured port should stand as an example of how terrorists and disaster can strike in places with inadequate force protection.

However, there are drawbacks to positioning naval forces in the Philippines. The re-emergence of a presence from the United States may resurrect deep-rooted Philippine nationalist sentiment that has been so prominent in the past. Therefore, it is essential that any agreement to place U.S. Naval force in the Philippines should both guarantee a stable presence for U.S. Naval forces, while also taking note of Philippine national sensibilities. Moving to establish a U.S. Naval facility in the Philippines, or anywhere else for that matter, is not going to happen in the immediate future. It will take some time to create and foster a mutual relationship to make possible an agreement for U.S. facilities to the Philippines. The approval of the Visiting Forces Agreement and the execution of successful bilateral training exercises prove that a U.S.-Philippine partnership can be fruitful for both countries. The U.S. Naval presence will create economic growth in the Philippines, and it will enhance militarily the Navy's forward basing in an economically viable fashion.

The Bush Administration currently is engaged in developing new strategies for homeland defense, and continuing a military campaign to retaliate against the terrorist groups responsible for the September 11th 2001 attacks against the United States. This will assuredly further increase the operational tempo of the U.S. Navy. With the rise of Chinese power and influence in the Pacific, the fight against terrorism, and general regional instability, new innovative ways of maintaining a forward Naval presence are vital to ensure American regional and global interests. This argument to establish a

secure naval facility in the Philippines offers one solution to the changing role of the U.S. Navy's Pacific Fleet in the Asia-Pacific region.

ACRONYMS

AFB	Air Force Base
AFP	Armed Forces of the Philippines
ARF	ASEAN Regional Forum
ANZUS	Australia-New Zealand-United States defense treaty
ASCA	Acquisition and Cross-Servicing Agreement
ASEAN	Association of Southeast Asian Nations
CENTCOM	Central Command
CIA	Central Intelligence Agency
COMLOGWESTPAC	Commander, Logistics Western Pacific
CTOL	Conventional Takeoff and Landing
CV(N)	Aircraft Carrier
CVBG	Aircraft Carrier Battle Group
DMZ	Demilitarized Zone
DPRK	Democratic People's Republic of Korea
FY	Fiscal Year
MBA	Military Bases Agreement
MNLF	Moro National Liberation Front
MOB	Mobile Offshore Base
MOOTW	Military Operations Other Than War
NAS	Naval Air Station
NM	Nautical Mile
OPTEMPO	Operational tempo
ONR	Office of Naval Research
PACOM	Pacific Command
PRC	People's Republic of China
QDR	Quadrennial Defense Report
ROC	Republic of China
SAG	Surface Action Group
SBMA	Subic Bay Metropolitan Authority
SCO	Shanghai Cooperation Organization
SLOC	Sea-Lanes of Communication
TRA	Taiwan Relations Act
WMD	Weapons of Mass Destruction
WW II	World War II
USCINCPAC	Commander in Chief, United States Pacific Forces
VFA	Visiting Forces Agreement
VSTOL	Vertical/Standing Takeoff and Landing
WMD	Weapon of Mass Destruction

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