

Notes



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PHILIPPINE-AMERICAN RELATIONS BEYOND THE BASES

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I should like to thank the authorities of the University of Hawaii in Manoa, in particular Dean Thomas W. Gething and Professor Belinda Aquino, for inviting me to give the 1988 Macaulay Distinguished Lecture on Asia and the Pacific.

May I say at the outset that I am speaking in my capacity as a Senator of the Republic of the Philippines and not as Chairperson of the Committee on Foreign Relations. The topic which I have been asked to speak about is a complex one with many sign posts still undefined and question marks along the way. I shall try, however, to bring out some important components of this unfolding drama. It is my intention to shed some light and understanding as we enter into a new period of Philippine-American relations. It is important that those who genuinely care for this relationship will detect the changing configuration it is now taking and recognize new elements which have entered into it.

Let us first take a look at the Philippine situation.

The Philippine Situation, 1988

The EDSA Revolution brought back liberty and freedom to our islands under the leadership of President Corazon Aquino. Those unforgettable four days from 22-25 February 1986 brought an end to the martial rule which the Philippines suffered since 1972. However, the people and leaders of the country soon discovered after liberation that their economy had been plundered.

As of 10 April 1988, the Philippines' external debt stands at \$28.950 billion. The Philippines has the seventh highest debt to gross national product (over GNP) ratio in the world. This means that its total external debt is almost 87 percent to GNP ratio. Living standards have deteriorated and as a World Bank Report says: "Almost 30 million of our people out of 58 million live below the poverty line, absolute poverty, meaning that they have no means of meeting their basic needs." In a comparative study of countries in the Asian region, including China, India, Malaysia, South Korea and the Philippines, the World Bank Report stated that the Philippines has the highest percentage of people living in absolute poverty and the lowest calorie intake per capita. The report continues to say that even if the Philippine economy keeps growing constantly by six percent a year until the end of the century, Filipino minimum wages will fall by 3 percent from

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current level. The following reasons are given for the poverty of the Filipinos: unequal asset ownership; rapid population growth; and lack of new jobs.

The current rate of population growth is too rapid for the economy to bear. The population in 1988 stands at 58 million with the current birth rate of 2.4; by the year 2000, that is, in less than 12 years, we shall be 84 million. In 29 years, that is by the year 2016, our population will double so that there will be 116 million Filipinos. There are, indeed, massive problems faced by the country and its leaders in addition to the major challenge of the insurgency movement which, fortunately, at present, is under better control.

Of all the ASEAN countries, the Philippines is the weakest performer, along with Indonesia. The fact that their country is among the poorest in Asia today confuses and perplexes many Filipinos when they remember the prouder days when the Philippines was second to Japan in GNP in the 1950s. Taiwan, South Korea, Malaysia, Thailand are now way ahead of her. The culprits of the Philippines' present crisis are easy to identify — the past administration, which practiced what Professor Aquino so aptly called the "politics of plunder;" the factions of the left and right who wish to overthrow the present Government, those citizens of "good standing" who suck the life blood of the country today with their greed and apathy.

America's Economic Colonial Policy

But let us not forget that America has contributed to the unimpressive economic development of the country. In saying this, I do not deny the benefits which American rule has brought to the Philippines but there is a need to study the economic policy of the American Governors-General to understand the present state of emergency in the Philippines.

The economic life of the Philippines is a classic example of a nation, endowed with rich natural resources and a generous, unsophisticated people, exploited by Spain and the United States over 450 years. Through the simple relationship of a metropolitan power forcibly restricting its development in industrialization and manufacturing, the Philippines became a good source of cheap raw materials, cheap labor as well as agricultural products. At the same time, the colony served as a lucrative market for the colonizer's finished or manufactured goods. Unlike the British or the Dutch, the Spaniards and the Americans did not teach the Filipinos to grow diversified cash crops or develop plantations for export products with the exception of sugar, tobacco and coconuts, which crops did not require daily care and intense maintenance.

Those 450 years paralyzed the Filipino people's will to sacrifice for long-term goals which could have engendered the industrialization process and modernized agriculture. This long period of colonialism made them passive, interested mainly in consuming imported goods and giving up easily their natural resources. Despite millions of dollars spent in so-called technical assistance from the United States, the Filipinos today are severely handicapped in their ability to industrialize and manufacture their basic needs. To date, Filipinos still use imported American toothbrushes, Taiwanese toothpicks, buy Palmolive soap and Colgate toothpaste for their daily use, import wheat to make their staple bread-

shrinking *pandesal*, a taste acquired during the colonial period and, of course, cannot exist without Coca-Cola.

Fortunately, the nationalist spirit has been kept alive and is now asserting itself in a more determined manner. There is a growing sentiment of nationalism, an increasing awareness of the need for independence in deciding one's own national destiny. There is a recognition that the special relations with the United States have not been so special after all and what matters for survival in the community of nations is to forge one's national spirit in order that we can maintain a greater degree of equality with others. It has not been easy for a poor and young country like ours to deal on a daily basis with the Colossus of the North. The miracle of it is that somehow we are surviving.

Pillars of Our Security Alliance

But let us now review the pillars of Philippines-US security alliance, keeping in mind the disparity in economic power of the two countries and of the wide gap between their priorities: as a superpower with global ambitions and responsibilities as a struggling democracy in the Third World.

Right after the Second World War, the Philippines was in another situation of economic hemorrhage and the United States was the principal architect of its recovery. Although Filipinos became independent from America in 1946, they were compelled to vote to give parity rights to the Americans in the development of their natural resources as well as in the opening of economic ventures. It was a precondition for the American grant of war damage payments to an economically prostrate country. The majority of the Filipinos during those early years of independence were grateful for American assistance. America was symbolized by G. I. Joe, a generous, helpful soldier always with chocolates and chewing gum to give away, even serious enough to marry pretty Filipino girls.

It is now 41 years since the security alliance between the Philippines and the United States was forged through the Military Bases Agreement (MBA) in 1947. To complement the "doctrine of containment" against communism proclaimed by American President Harry Truman in 1946, the US adopted the military strategy of "forward defense". This required the inter-positioning of substantial American forces in the Western Pacific Ocean on or adjacent to the coast of mainland Asia, including the Philippines, where the United States maintains two of its largest military installations outside the US, namely, Clark Air Base and Subic Naval Base.

The Philippines signed a Military Assistance Pact with the US also in 1947. Under this Pact, the US has been extending military assistance as well as military training to the Philippine Armed Forces. In 1951, the RP-US Mutual Defense Treaty was likewise signed. This was later followed in 1954 by our membership to the American-inspired South East Asia Treaty Organization (SEATO). Though SEATO was phased out in 1975, its Operational Charter, the Manila Pact remains in effect through the Rusk-Thanas Agreement of 1962. Through this bilateralized SEATO, utilized to assure the Thai Government, successive US administrations have regularly stressed that the Pact remains in force.

These bilateral and multilateral agreements, all concluded during the Cold War Era, which is now coming to a close, remain the pillars of Philippine-American security alliance to this day.

In such a way, the Philippines became an active participant in the Cold War. Let us not forget that the Communist movement of the Philippines was a child of the social injustice and feudal economic structures of the Spanish-American colonial period and grew stronger during the domestic struggle against Communism engendered by the Cold War.

Changing Security Environment

The question needs to be raised - does this alliance still serve this purpose? That nothing is permanent except change is a truism in the dynamics of international relations. This is a fact worth noting as Philippine-American relations enter a crucial phase when significant changes are taking place in the global arena, in the Asia-Pacific region and in our respective domestic fronts.

Over the years, we have witnessed the gradual transformation of a rigidly bipolar world into a multi-polar one. The international stage saw the rise of new power centers represented by Japan, Western Europe, specifically the European Economic Community (EEC), the oil-producing Middle East countries and the Third World Bloc of Asia, Africa and Latin America. Shattering the myth of a Communist monolith were the ideological rifts between the Soviet Union and Yugoslavia and later on China; the trend towards polycentrism among socialist countries continues up to today although neighboring fences are again being mended.

The US and the Soviet Union are currently striving towards a reciprocal relaxation of tensions manifested by their signing the INF Treaty and cooperation in many fields as well as by their common efforts to resolve regional sources of tensions as in Afghanistan, in Angola, in the Middle East and in Kampuchea. Becoming more apparent is the fact that inflexible ideological considerations are slowly giving way to pragmatic and more human approaches to political problems. It is in their common interest that the two superpowers have to cooperate with each other.

Against this backdrop, the context of Philippine-American relations is likewise changing. The United States is realizing the heavy toll that is being exacted by its "imperial overstretch" as Paul Kennedy described in his book *The Rise and Fall of the Great Powers*. Despite America's renewed commitment to remain as an Asian and Pacific power, it has in fact been urging for "burden-sharing" with its allies since the Nixon doctrine was enunciated in Guam in 1969.

As I had already pointed out, the Philippines, imbued with a new sense of self-confidence after its triumphant People's Power Revolution is becoming increasingly keen in pursuing its quest for full national independence and sovereignty. Whereas, during the Marcos regime, foreign-policy making was virtually an executive prerogative, today, the reactivation of a legislature and a judiciary, jealous of their own mandates, have opened new sources of decisionmaking. It is within this context that the review of Philippine-American relations is currently taking place. Also emerging as an important related theme

is the shape of a possible new security alliance America and its friends in the region will forge, in the light of changing events, what role the Philippines will play in this "alternative" alliance, if any, is a matter which deserves study of the leaders of the country.

The Constitutional Factor

Most important, the 1987 Philippine Constitution, unlike its antecedents, define the parameters of our bilateral security relations. Most relevant to the status of the US military bases is the provision which declares: "The Philippines, consistent with its national interests, adopts and pursues a policy of freedom from nuclear weapons." (Article II, Section 8).

The nuclear-free provision remains controversial because of varying interpretations to it. Even the framers of the Constitution differ in their interpretation of the said provision. If interpreted as a total prohibition of nuclear weapons, this provision would run counter to the standard U.S. policy of neither confirming nor denying the presence of nuclear weapons in its military facilities. The Philippine Senate has passed a bill entitled "Freedom from Nuclear Weapons Act" with a vote of 19 in favor, 3 against and 1 abstention. It was passed on the premise that it is consistent with Philippine national interest to prohibit the presence of nuclear weapons on Philippine territory, that is, its territorial fluvial and aerial domains, including its territorial sea, the seabed, the subsoil, the insular shelves and other submarine areas. This bill is still being discussed at the House of Representatives. Secretary of Justice of the Philippines, Sedfrey Ordoñez, in his legal opinion on the nuclear-free provision in the Constitution, concluded that the phrase "consistent with its national interest" was meant to give the President the flexibility of deciding whether to allow or not nuclear weapons in Philippine territory. The Ordoñez opinion did not put the issue to rest. This might eventually require a definitive decision by the Supreme Court. The resolution of this issue shall, however, become moot and academic if the Philippines decides not to enter into a new military bases treaty with the US after 1991.

By virtue of the 1987 Constitution, the continued use of the Philippine military bases by the United States after 1991 will only be allowed in a new agreement in the form of treaty duly concurred in by at least two-thirds of all members of the Philippine Senate and, when Congress so requires, ratified by a majority of the votes cast by the people in a national referendum held for that purpose. Such an agreement must be recognized as a treaty by the United States Senate.

The 1988 MBA Review

Since April of this year, the Philippines and the US have been negotiating over the terms and conditions of the MBA. This is in consonance with an amendment to the Agreement that stipulates its five-year periodic review until its termination in 1991. It is, however, expected that the outcome of the present review will largely determine the shape of Philippine-American relations beyond 1991.

Among the key issues being discussed for the final three-year period of the agreement include nuclear weapons, unhampered American military operations, ownership of the structures and improvements within the bases and the compensation package in exchange for the base presence.

The last issue has been stalling the progress of the MBA talks. Traditionally, US military and economic assistance has been a tacit *quid pro quo* for the Philippines' hosting of the US bases. The Philippine panel is now demanding at least US\$1.2 billion per year until 1991 while the US is prepared to make a "best effort" pledge of approximately \$540 million annually.

Due to possible limitations of American military presence beyond 1991 and due to its own economic problems, the US reportedly might not be forthcoming in extending higher levels of economic and military assistance. The possibility of locating the bases elsewhere in the Pacific is said to be receiving serious study. For its part, the Philippines, because it attaches priority to its economic reconstruction, views the US bases less as instrument for global or mutual defense but one of the most valuable existing assets to cushion its economic difficulties. It is my hope nevertheless, that a formula acceptable to our two countries will be found for the current review of the MBA..

It is my considered view that sooner or later, the bases will have to go. However, the Philippines needs to buy time to put its hard-hit economy in order. The key question is - what is the time frame for the phase-out of the US bases? Failure on the US, therefore, to understand the dilemma of thoughtful Filipinos and of their desire to provide without further delay the basic needs of the masses would, only tend to confirm the perception that the US is more interested in preserving its strategic interest in the Philippines and in counting dollars rather than in the revitalization of a struggling democracy in the Third World. These, I believe, are the cross-currents that beset the present state of affairs in the Philippine-American relations stemming from the bases issue.

Alternatives

Some alternatives have been put forward to revitalize the Philippine economy. I have in mind specifically the "Mini-Marshall Plan" now called the Philippine Aid Plan.

This was originally proposed by Senators Allan Cranston and Richard Lugar and Congressmen Stephen Solarz and Jack Kemp in their letter to President Reagan in November 1987.

It seeks to raise US\$1 billion annually for the next five years for the Philippines from donor countries which include the US, Japan, Australia, the European Community and ASEAN. Each donor country would be assigned a special area of economic development program in the Philippines to assist. This could be in the form of grants, low-interest loans, debt-restructuring program and investments.

The plan is programmed to start in Fiscal Year 1990 coinciding with the start of the last two-year period of the Military Bases Agreement. Since the bases compensation package, at its expected level, will not be able to cover the "payments gap" which the Philippines will suffer in the next five years, the

benefits offered by this American initiative are important but many details and conditions have yet to be clarified. Furthermore, a great responsibility lies on the Philippine side to implement the plan efficiently and without the taint of graft and corruption.

To break the impasse over the issue of compensation, it was recently reported in the news wires dated 20 September 1988 in Manila that Secretary of Foreign Affairs Raul Manglapus offered a new proposal that could also alleviate the Philippine debt problem. The proposal would include about \$460 million in US aid bonds and another \$100 million that would be used to buy U.S. Treasury bonds in a "debt swap". Moreover, this scheme would be close to the \$1 billion the Philippine panel wants, without costing the US so much.

Gradual Disengagement

But let us not lose our view of the forest because of the trees. Notwithstanding the current irritants raised by the bases review, there is, as I had already alluded to, an emerging consensus in the Philippines that eventually the US bases will have to go.

The results of a poll survey on the issue of the US bases recently conducted by the *Philippine Daily Globe*, one of our leading national dailies, are instructive to note in this regard. This was how the respondents voted on the matter: 16.95 percent are for the retention of the bases without conditions; 44.17 percent are for their conditional retention in exchange for compensation from the US ranging from \$.5 to \$1 billion a year and limiting the duration of the MBA from a minimum of five to a maximum of ten years; 20.14 percent believe that the bases should go after 1991 and 15.82 percent believe that they should go now. Thus, a total of 35.95 percent are for the removal of the bases. As time goes on, it is my opinion that the number of Filipinos in favor of the removal of the bases will increase. When and how to realize this ultimate goal is now the crux of the present national debate. Needless to say, the feasibility of this objective on a near-term basis requires careful examination.

The Center for Research and Communication, a private "think-tank" in the Philippines, in one of its studies, concluded that "the closure of the US bases would cause only a slight contraction of the Philippine Gross Domestic Product (GDP)" and "this decline will not cause the economy to collapse." The same study said that our per capita GDP of US\$650 would drop to US\$630 immediately if the bases were closed out but that long-term impact would be less.

Evidently, an American withdrawal now would not be fatal to the Philippine economy. But it must be recognized that some dislocation, albeit temporarily, will take place. To begin with, preparing and implementing reconversion plans for the US bases and the base-dependent communities will take some time and entail enormous financial outlays.

Since an interim phase of transition is necessary for both the Philippines and the United States, I have thus previously stated what I believe is the most feasible option — that is, a gradual disengagement or phase-out of the US military bases. I believe that a new agreement of a specified duration and non-renewable, approximately spanning five years would be a realistic time frame for a negotiated

withdrawal. This shall afford both Parties with the means and the time to prepare for an orderly termination of the Agreement. It will also give the opportunity to adjust our bilateral relationship which could continue to be meaningful and important beyond the bases.

Life Without the Bases

In anticipation of the MBA's termination in 1991, we in the Senate have worked out a draft joint resolution allocating a ₱7.5 Billion Bases Contingency Fund and calling for the creation of a Joint-Executive-Legislative Commission to undertake plans and implement programs for the alternative uses of the US bases. The country's Department of National Defense is also proceeding on a high gear in implementing its Self-Reliant Defense Posture so that the Philippines could begin to cope by itself in meeting its defense needs. These are only some of the preparations being made as we look beyond 1991 and eventually to a "life" without the US bases.

Yet much more remains to be done in terms of our changing attitudes as a people.

Cutting the Umbilical Cord

I have said that a growing number of Filipinos demand for a greater assertion of our national independence and sovereignty. Yet, it is paradoxical to note that a substantial number still find it inconceivable to entertain a Philippine future outside the shadow of Mother America. It is a complex psyche that has been deeply ingrained through decades of American colonial rule, coaxed into growth by the Cold War and sustained by the pervasive American influence in all facets of our national life. It is this psyche which stifles our own initiative and hinders us from mustering a national resolve to bear the costs of being fully sovereign. Secretary of Foreign Affairs Raul S. Manglapus has called for the slaying of this "father's image."

It likewise manifests itself in the conduct of our foreign policy. The truth is, the main core of our external relations, is still essentially our bilateral relations with the United States. While momentous changes have transformed the nature of international relations, most Filipinos' image of the world is still of the Cold War vintage. This Cold War point of view concerning Philippine-American relations is still held by prominent members of American society from government and academe.

Filipinos themselves must expel this neo-colonial psyche out of their consciousness. This is one of the prerequisites in the achievement of a self-sufficient economy, a self-reliant defense posture and an independent foreign policy. These goals entail the capacity to endure sacrifice; for a price must be paid but the rewards of liberation will release many creative forces.

"Breathing Spell" From Major Confrontation

Encouraging developments in the Asia-Pacific region are unfolding which

the Philippines must not lose sight of that can hasten its efforts to finally stand on its own.

In the Pacific, the interests of four major powers, namely: the US, Soviet Union, Japan and China intersect. With the shift of the center of economic gravity from the Atlantic to the Pacific, some analysts predict a fiercer competition in the Pacific arena. However, such struggles can be conducted through various modes.

Currently emphasizing the need to put their respective economies on firmer foundations, the major powers seem to be more inclined to pursue their competition and cooperation within the framework of peaceful co-existence. This probably explains their inclination to resolve or mitigate outstanding sources of political animosities that stand in the way of completing economic transactions on mutually advantageous terms.

China places great priority on its drive to be a major industrial power by the year 2000. The Soviet Union, through its Far Eastern flank, desires economic integration into the Pacific mainstream especially with East Asia. The United States as well needs to stem the tide of its declining economic power. Japan's experience as Japan, Inc. has taught that country the wisdom of pragmatism in conducting business despite political differences. These are important stabilizing factors, which if sustained, promise a "breathing spell" from major power confrontation in the region by the turn of the century.

Accentuating this trend is Mr. Gorbachev's seven-point peace plan for the Asian-Pacific region which he unveiled in the Siberian City of Krasnoyarsk last 16 September. The Soviet leader made these proposals and I quote them in full to place Mr. Gorbachev's position on the US bases within the proper perspective:

1. Aware of the Asian and Pacific countries' concern, the Soviet Union will not increase the amount of any nuclear weapons in the region - it has already been practicing this for some time and is calling upon the United States and other nuclear powers not to deploy them additionally in the region.
2. The Soviet Union is inviting the main naval powers of the region to hold consultations on non-increase in naval forces in the region.
3. The USSR suggests that the question of lowering military confrontation in the areas where the coasts of the USSR, the People's Republic of China, Japan, the Democratic People's Republic of Korea and South Korea converge be discussed on a multilateral basis with a view to freezing and commensurately lowering the levels of naval and air forces and limiting their activity.
4. If the United States agree to the elimination of military bases in the Philippines, the Soviet Union will be ready, by agreement with the Government of the Socialist Republic of Vietnam, to give up the fleet's material and technical supply station in Cam Ranh Bay.
5. In the interests of the safety of sea lanes and air communications of the region, the USSR suggests that measures be jointly elaborated to prevent incidents in the open sea and air space over it. The experience of the already existing bilateral Soviet-American and Soviet-British accords as well as the USA-USSR-Japan trilateral accord could be

- used during the elaboration of these measures.
6. The Soviet Union proposes that an international conference on making the Indian Ocean a zone of peace be held not later than 1990. Preparatory work for it is known to have been completed, in the main, at the United Nations Organization.
 7. The USSR suggests discussing at any level and in any composition the question of creating a negotiating mechanism to consider Soviet and any other proposals pertaining to the security of the Asia-Pacific region. The discussion could be started between the USSR, the People's Republic of China and the United States as permanent members of the United National Security Council.

In principle, the Philippines should welcome this move which merits careful study as it could, if properly implemented, diminish military build up and the rivalry between the superpowers in the region. I hope that this could be the beginning of the strategic arms reduction talks or START as was envisaged during the Reagan-Gorbachev Summit. I am aware that the United States, with reason, does not consider the exchange of Subic and Clark commensurate with the Soviet facilities in Danang and Cam Ranh Bay. But the Soviet proposals, so comprehensive and general as they are, can be tested on a step-by-step basis. What was begun in Europe could be repeated in Asia through careful negotiated disarmament among all concerned. Will the American bases in the Philippines then eventually lose their significance? Much will depend on negotiated agreements which could take place among Parties concerned, which could include the superpowers, the Philippines, Vietnam and others. The time perhaps has also come for the ASEAN countries to take steps to implement the principle they adopted in 1971, of making Southeast Asia a zone of peace, freedom and neutrality (ZOPFAN).

Suffice it to say at this stage that a decrease in sophisticated military hardware and deployments in our region on the part of the stronger powers would provide relief for the Philippines, with the spectre of external threats, so long the reason for the military shield, now diminishing. It would mean a welcome respite from involvement in matters too advanced for its own evolution and would enable it instead to give highest priority to its domestic problems; low technology for its teeming masses; the elimination of poverty, the generation of jobs, the termination of the insurgency movement. Let us get back to basics: people not missiles; decentralization not globalization; let us not forget that for the Filipinos: "small is beautiful."

So much have the Filipinos suffered throughout their history as a pawn of the stronger powers! For us, it is not a matter of being so pro-Soviet or anti-American, or being pro-American or anti-Soviet but rather choosing what is the long-term good for the Filipino people and nation.

New Economic Nationalism Towards Industrialization

The very fundamental question in 1988 is whether the Filipino people can organize a body-politic or a social organization, develop a collective psyche,

achieve a unity of purpose and vision; in other words, create the historical momentum which is so necessary to bring forth an economic awakening as well as moral and political determination comparable to the advancement of their Asian neighbors like Japan, the Republic of the Korea, India, the People's Republic of China, Singapore and Taiwan.

In the past, the Filipino people did not possess the political will to prevail over the neo-colonial impositions of the United States acting through the International Monetary Fund, the World Bank and the American Chamber of Commerce in the Philippines. The more powerful Filipino traders of finished goods and exporters of raw materials served as effective deterrents to the proponents of industrialization and a more sophisticated type of agriculture. The anti-communist witch-hunt also stifled voices of genuine nationalists who wanted to see the nation progress on a more self-reliant basis but who were branded pro-communist in the process.

The nationalist programs, however, of Recto, Quirino, Garcia, Laurel and other economic nationalists need to be adjusted in 1988 to fit today's changing global political and economic conditions. A new kind of economic nationalism must now be designed to attune the Filipinos' desire for a better material life to the actual opportunities offered in the competition of industrial countries. The past economic nationalism which was addressed solely against American neo-colonial policies is no longer adequate; we must adjust to the achievements of our Asian and Pacific neighbors. Ironically, the backwardness caused by American neo-colonial economic policy is today the great attractive asset of the Filipinos, such as cheap labor, to bring forth their industrial expansion if the leaders of Philippine society will know how to attract the surplus capital and industrial capacities flowing out of Europe, North America and Asia through efficient management practices and the establishment of conditions of domestic peace and security. In this context, Philippine trade with the United States remains an important component of the former's progress.

A new industrial strategy for the Philippines which can take advantage of the competition of the industrial and commercial powers appears to be more appropriate than the old nationalist programs which were designed primarily to free the Philippines from the stranglehold of the United States. The fashioning of this new strategy must be given the highest priority in the agenda of the government and Filipino intellectuals. It is a strategy that must take advantage of and utilize the best opportunities offered by the restructuring of the world order as offered by the recent peace offensives initiated by the United States and the Soviet Union.

Multipolar Diplomacy

Through a long-term commitment and astute conduct of multipolar diplomacy that is no longer fettered by Cold War political rigidities, the Philippines can revitalize and eventually plan its priorities and programs within the mainstream of the economic vitality of the Pacific region. The Philippines is endowed with rich natural resources and its people are highly-skilled and talented. Given its strategic location, lying as it does at the heart of the Pacific and at the crossroads

of international lanes it can also create a role for itself as maritime power and as a transshipment centre for regional and global trade. Among the developing countries in the area, it can assume an activist role in a regional version of collective self-reliance underscored in the Group of 77's Arusha Declaration. These are only some prospects towards which the Philippines can work for.

Beyond the US bases, we, therefore, look forward to a Philippines which shall no longer be a passive object of the major powers' strategic calculations but as a key player in the Century of the Pacific. On the basis of mutual respect and with the relationship of superpower and client state considerably diminished, Philippine-US relations will become healthier, grow sturdier roots and can even become stronger in the next years to come.

This audience before me, I know, will instinctively understand what I am trying to say. The Filipinos in Hawaii have experienced the difficulties and frustrations in our homeland. They have known on this beautiful island the qualities which make the USA a dynamic and great society - creativity, justice, freedom and cooperation. Yet, I am sure they and their American friends who understand the Philippines have their own dreams for my country - that the Philippines shall not be a mere copy of Hawaii or California - but a country developing a unique national personality of its own. The Philippines is struggling, under great odds, to be free and to grow on its own terms as a nation in an independent world. Do not kill it by eagerly fashioning it in America's own image. Help it instead to find its rightful place and dynamic role in Asia and the Pacific. This is the present challenge before all of us - Filipinos and Americans as we move beyond the bases and on to the Pacific Century.