

The Limits of Twenty-First Century Chinese Soft-Power Statecraft in Southeast Asia: The Case of the Philippines*

RENATO CRUZ DE CASTRO

This article examines how China's soft-power diplomacy has dramatically improved Philippine-China relations, a scenario unthinkable ten years ago. Since 2005, the two countries have significantly increased bilateral trade and investment relations as well as conducted close and intense security cooperation. Such developments in bilateral relations have been initiated by China to serve its changing strategic interests in Southeast Asia. Arguably, the general improvement in Philippine-China bilateral relations is part and parcel of China's efforts to shape Southeast Asia's view of its emergence and to apply soft power to erode American strategic preponderance and influence in the region. However, despite its growing economic and political ties with Beijing, Manila has not totally succumbed to China's soft-power diplomacy. Instead of jumping on the Chinese bandwagon, the Philippines continues to foster closer political/security ties with the United States and Japan to balance China's growing political and economic clout in Southeast Asia.

RENATO CRUZ DE CASTRO is a faculty member at the International Studies Department, De La Salle University—Manila, the Philippines. His articles on international relations and international security have been published in various academic journals. He can be reached at <decastro@dlu.edu.ph>.

*This article is a more theoretical, updated, and more comprehensive version of a research paper that was published by the American Enterprise Institute in the July 2007 issue of *Asian Outlook*.

©Institute of International Relations, National Chengchi University, Taipei, Taiwan (ROC).

KEYWORDS: soft power; Philippine-China relations; Philippine foreign policy; China-ASEAN relations; China's peaceful emergence.

* * *



On the heels of the twelfth summit of the Association of South-east Asian Nations (ASEAN) and the second East Asian summit, Premier Wen Jiabao (温家宝) of China made an official visit to Manila from January 13 to 16, 2007. This visit took place against the backdrop of a dramatic and rapid improvement in Philippine-China relations. During their meetings, Premier Wen and the Philippine President Gloria Macapagal Arroyo agreed that the Philippines and China are experiencing a "golden age of partnership," noting the breakthrough in bilateral cooperation between the two countries, and their vigorous political, defense, and sociocultural dialogues.¹ After President Arroyo's state visit to China in 2005, Beijing agreed to finance and construct the US\$400 million North Luzon Railway project, while Chinese agricultural experts are helping the Philippines achieve self-reliance in food production and supply.

These positive developments in the two countries' bilateral relations were unimaginable a decade ago. In 1997, the Philippines and China were locked in a dispute over territories in the South China Sea. Two years earlier, Filipino fishermen had discovered Chinese-built structures on Mischief Reef (美济礁)—a rocky islet located 135 miles west of the island of Palawan and well inside the Philippines' 200-mile exclusive economic zone. The Philippine government immediately condemned the structures as inconsistent with international law and the spirit of the 1992 ASEAN Declaration on the South China Sea to which both countries are signatories. However, China ignored the Philippine protest and the demand that the structures be dismantled. The impasse became worse in late 1998 when China repaired and fortified the structures, and the Philippines pointedly accused the Chinese of expansionism.

¹See Office of the President, "Press Release on the Official Visit to the Philippines of Chinese Premier Wen Jiabao" (Manila, January 15-16, 2007), 1.

E.P.S.

Less than seven years later, the dispute seemed forgotten as President Arroyo and her Chinese counterpart, President Hu Jintao (胡锦涛), declared that their countries' bilateral partnership had reached new heights.² Both leaders also stressed that the further amelioration of diplomatic ties between the two countries would serve not only their respective national interests, but also the overall peace, stability, and prosperity of the region.³

On the surface, it appears that the Philippines has gravitated further into China's political and economic orbit. Like other Southeast Asian countries, the Philippines seems to have established a workable, amiable, and cooperative relationship with an emergent China. However, this is far from the truth. Since the early 1990s the Philippines has bolstered its security relations with its old and traditional security partner—the United States. And while it maintains security relations with Beijing, Manila is also exploring tentative non-military security ties with Tokyo, China's emerging rival in East Asia.

This article examines the role of soft or co-optive power in fostering a Philippine-China entente in the twenty-first century. It argues that China's application of soft power has dramatically changed the contentious nature of Philippine-China relations over the past decade. In particular, soft power has dramatically diminished the Philippine perception of a threat from China and, apparently, has gradually weaned the country away from its closest security ally, the United States. Thus, the article addresses this central question: How did China's use of soft power transform the Philippine-Chinese relationship from an adversarial to a cooperative one? It also attempts to answer these attendant queries: What are the key factors that hastened the general improvement in Philippine-China relations in the twenty-first century? How is this improvement in relations manifested? What are the motives of China—as the bigger and more influential actor

²See "Joint Statement of the Republic of the Philippines and the People's Republic of China following the State Visit to the Philippines of H.E. Chinese President Hu Jintao" (Manila, April 28, 2005), [l. file://Japan/Philippine-China%20Bilateral%20Agreements%20-Philippine%20Embassy%20in%20](#)

³Ibid.

in this bilateral partnership—in applying soft power on the Philippines? How is the Philippines responding to China's moves to improve the two countries' relations? And what are the future prospects of the Philippine-China entente?

Chinese Soft Power in the Twenty-First Century

Power is a central concept in international relations and strategic studies. However, it is a complex social phenomenon often equated with the weather.⁴ A prominent U.S. international relations scholar puts it aptly: "Everyone talks about it, but few understand it."⁵ Power is demonstrated through various forms of actions ranging from subtle diplomatic gambits to the amount of national resources a state can deploy in a total war. It is usually measured by a state's ability to alter and channel the behavior of other states.⁶ It likewise involves a state's ability to achieve its purposes or goals in the international system as well as its capacity to control events, including the decisions and actions of other states. Power is analyzed in terms of how state actors maximize its use for their own national aggrandizement, for the psychological satisfaction involved in controlling other states, and for the glory, wealth, territory, and strategic advantages that go with it. Overwhelming strength in one instrument or element of power will not create a great power, nor will weakness in one destroy or undermine a state. Military capability, despite its destructive power, is only one of the elements of statecraft.

The application of power in international affairs is a complicated undertaking. Power can be exercised in different ways, from diplomatic

⁴Joseph S. Nye, Jr., "The Changing Nature of Power," in Joseph S. Nye, Jr., *Power in the Global Information Age: From Realism to Globalization* (London and New York: Routledge, 2004), 53.

⁵Ibid.

⁶Chas W. Freeman, Jr., *Arts of Power: Statecraft and Diplomacy* (Washington, D.C.: United States Institute of Peace, 1997), 33.



influence or the availability of resources for economic statecraft or the attractiveness of a culture to the overall national strength a state can deploy in a total war. A useful framework is the spectrum between hard and soft power. Hard power is often considered as coercive and targeted, and its effects are often immediate and physically destructive. Soft power is seen as indirect and working through persuasion, and its effects are generally considered long-term. To consider one as more effective than the other is simplistic and short-sighted. This is because power is like an alloy. It is formed from the interaction of many elements, each of which is necessary to the whole, none of which is sufficient for it.⁷ In his 2004 book *Soft Power: The Means to Success in World Politics*, Joseph Nye notes that soft power, which involves the transmission of a society's values, policies, and institutions, can be projected externally through public diplomacy and bilateral and multilateral institutions.⁸ Nye is, however, ambiguous on the role of economic capabilities in effecting soft power. In his diagram of the three types of power, he categorizes economic power as separate from both hard power (military/coercive) and soft power (public diplomacy/ attractive). In his other work on soft power, however, Nye insinuates that economic power can also be categorized as soft power if it is used as a co-optive power. He describes soft power as a state's ability to structure a situation so that other states develop preferences or define their interests in ways consistent with its own.⁹ According to Nye, this form of power emanates from such resources as cultural and ideological attraction as well as the rules and institutions of international (economic) regimes. He also points out that economic phenomena such as multinational corporations and a country's economic success are also important sources of co-optive power.

⁷John Ferris, "Power, Strategy, Armed Forces, and War in International History," in *The Palgrave Book of International History*, ed. Patrick Finney (New York: Palgrave Macmillan, 2005), 61.

⁸Joseph S. Nye, Jr., *Soft Power: The Means to Success in World Politics* (New York: Public Affairs, 2004), 30-31.

⁹Nye, *Power in the Global Information Age*, 77.

In his work, *The Changing Politics of Foreign Policy*, Christopher Hill provides a broader concept of soft power and its applications in international relations as he argues that "carrots are currently replacing sticks in international relations."¹⁰ He observes that states now have a wider range of foreign policy instruments which enable them to shape the images and values of targeted states through cooptation. According to Hill, soft power can be generated as an externally projectable power by foreign policy instruments which include diplomacy, economic diplomacy and statecraft, and the export of culture. He further argues that the slow-acting application of soft power and opinion-shaping can still be a form of coercion, albeit barely understood as such by the targeted state. Hill maintains that soft or persuasive power can be engendered by technological capacity, levels of education, patterns of trade and diplomatic representation, and the general strength of the economy.

The efficacy of soft or co-optive power in international relations is manifested by the way that Beijing has altered the Philippine perception of China as a threat. As originally coined and defined by Nye, soft power emanates from only three sources, namely: the national culture, the state's political values, and the legitimacy of its foreign policy. This excludes economic relations and diplomacy (both bilateral and multilateral). In the context of its current statecraft in Southeast Asia, China's application of soft power has a broader meaning including the use of economic assistance, security and trade relations, bilateral and multilateral diplomacy, and various confidence-building measures. China utilizes these instruments to mold or reshape to its liking or advantage the images and perceptions formed by the Southeast Asian states. These foreign policy instruments constitute a form of bribery and persuasion, short of the actual use of coercion. In this respect, soft power has a slow-acting and opinion-shaping effect that can still be a form of coercion, albeit barely understood as such by the targeted state—in this case the Philippines.

¹⁰Christopher Hill, *The Changing Politics of Foreign Policy* (New York: Palgrave Macmillan, 2003), 135.



An in-depth examination of twenty-first century Philippine foreign policy, however, reveals that there are constraints to China's current soft-power statecraft in Southeast Asia. Despite its growing economic and political ties with Beijing, Manila has not seriously considered either jumping on the Chinese bandwagon or being weaned from its close ties with the United States. The Philippines has not actually gravitated toward China, but has rather adopted a policy which involves fostering closer security and economic relations with other powers to balance Beijing's growing political and economic influence in Southeast Asia.

Soft Power and Preventing Strategic Containment, 1996-2000

Diplomatic/political relations between Manila and Beijing were officially established on June 9, 1975, upon the signing of a joint communiqué in which the two countries agreed to conduct their politico-diplomatic relations at ambassadorial level. In 1986, the mechanism for bilateral consultations on regional and international issues was established. High-level visits and exchanges of officials began in the early 1990s. After almost of a decade of diplomatic exchanges and political consultations, however, the two countries' overall relations were described as "cordial at the political level and only limitedly successful at the economic level."¹¹ The lukewarm Philippine-China relationship could be attributed to the fact that relations were based on sheer hard-nosed realpolitik.

Manila found it expedient to establish diplomatic ties with Beijing in the mid-1970s to reduce Chinese support for the local communist movement and to boost its non-aligned credentials in international affairs by establishing ties with socialist countries. However, these realpolitik motives were constrained by an overriding strategic consideration—Manila has

¹¹Aileen Baviera, "Turning Predicament in to Promise: A Prospective on Philippines-China Relations," in *Comprehensive Engagement: Strategic Issues in Philippines-China Relations*, ed. Aileen Baviera (Quezon City: Philippine-China Development Resource Center, 2000), 23.

always viewed Beijing as a long-term security challenge. China's long-term strategic intentions made the Philippines (along with other ASEAN member states like Malaysia and Indonesia) extremely wary of Beijing's assistance to the local communist insurgency, its naval build-up, and its irredentist claims in the South China Sea.¹² This fear, and the pervasive view that Beijing had nothing substantive to offer to Manila, prevented the blossoming of a vigorous and dynamic bilateral relationship between the two countries.¹³ However, developments in the mid-1990s forced both countries to examine the state of their bilateral relations.

The PRC's promulgation of a territorial law claiming a large portion of the South China Sea in 1992 and the Mischief Reef incident of 1995 changed the Philippines' view of its relations with China. Prior to these events, both countries avoided direct confrontation in the South China Sea and limited their entente cordiale to economic cooperation. This relationship gradually evolved free from any developments in U.S.-China relations.¹⁴

In January 1995, a Filipino fishing vessel was detained by Chinese troops on Mischief Reef. Subsequent reconnaissance flights conducted by the Philippine Air Force (PAF) yielded astonishing photographs of four octagonal structures with a satellite dish on the contested reef. President Fidel Ramos immediately condemned the construction on the reef and ordered the reinforcement of the token Philippine garrison in the South China Sea. The tension over Mischief Reef temporarily subsided in May 1996 when Beijing and Manila signed a code of conduct regarding the deployment of forces in the area. China reportedly ordered its warships to steer clear of the disputed maritime territory. Tension flared up again,

¹²Abdul Razak Abdullah Baginda, "PRC-ASEAN Relations: Strategic and Security Implication," in *China-ASEAN Relations: Political, Economic, and Ethnic Dimensions*, ed. Theresa Carino (Manila: China Studies Program, 1991), 89.

¹³For an interesting account of this lack of mutual interest, see Rizal C. K. Yuyitung, "Philippine Perception of the People's Republic of China," in Carino, *China-ASEAN Relations*, 138-40.

¹⁴Daojong Zha and Mark J. Valencia, "Mischief Reef: Geopolitics and Implications," *Journal of Contemporary Asia* 31, no. 1 (2001): 86-103.



however, in early 1997, when a skirmish erupted between Chinese and Philippine warships over reports that the structures on Mischief Reef had been upgraded.¹⁵ The following year, the tension was exacerbated when eight Chinese warships were sighted off the contested reef and a new structure was built six miles off the Philippine-held Kota Island in the Spratlys (南沙群島). The Philippine defense secretary Orlando Mercado accused China of "creeping assertiveness" and adopting a "talk and take" policy in the South China Sea. Creeping assertiveness refers to the Chinese plan to establish a greater presence in the South China Sea without resorting to actual military confrontation.¹⁶ This further reinforced the Philippine view that China is indeed a long-term security challenge. By the mid-1990s, Manila had realized that a militarily strong and irredentist China was knocking on its door. Consequently, the Philippine government recognized the importance of the American military presence in maintaining the balance of power in the Southeast Asian region.¹⁷ Furthermore, the Philippine government saw its revitalized security ties with Washington as crucial in securing American support for the modernization of the Armed Forces of the Philippines (AFP).¹⁸

The Mischief Reef episode caused public opinion in the Philippines to shift in favor of a proposed Visiting Forces Agreement (VFA) with Washington, despite pronouncements from Pentagon officials that the United States would not automatically come to the aid of its ally in the event of a conflict in the South China Sea. Nevertheless, in 1999, the Philippine Senate ratified the VFA, and the agreement formally and effectively revived military cooperation between the two allies. The VFA provides the legal framework for the treatment of American troops taking part in defense-related activities covered by the 1951 Mutual Defense

¹⁵Ian James Storey, "Creeping Assertiveness: China, the Philippines, and the South China Sea Dispute," *Contemporary Southeast Asia* 21, no. 1 (April 1999): 98.

¹⁶*Ibid.*

¹⁷VFA Will Ensure Security," *The Philippine Star*, May 16, 1999, 5.

¹⁸Marichu Villianueva, "Pentagon: VFA Ratification First, Then AFP Modernization," *The Philippine Star*, January 9, 1999, 2.

Treaty. In February 2000, a large-scale military exercise called *Balikatan* (Shoulder-to-Shoulder), an annual undertaking that had been suspended in 1996, was staged. The agreement also reinvigorated the two countries' security relations by developing an effective program to meet the requirements of the AFP in the face of an emerging Chinese "threat." Washington also began extending modest assistance to develop the AFP's operational and maintenance capabilities through the Excess Defense Articles program, the continued funding of the Philippine military through the Foreign Military Financing program (for equipment purchases), and the International Military Educational Training (IMET) program.

Beijing, however, did not allow its political ties with the Philippines to deteriorate as a result of the disputes over the Spratlys and Manila's reinvigorated security relations with Washington. Obviously, it was alarmed when the Philippine government openly argued, during the VFA deliberations in the Philippine Senate, that the U.S. presence in East Asia serves as a deterrent against Chinese expansion in the South China Sea.¹⁹ Quickly and quietly, the Chinese leadership defused the Mischief Reef incident. From 1996 to 2000, Beijing consistently disavowed any intention to dominate Southeast Asia and campaigned for the ASEAN member states to accept a substantial Chinese naval presence in Southeast Asian waters without offending these states' sensitivities. Beijing was also extra tactful in pressing its claim to sovereignty over the Spratlys. In March 1996, China and the Philippines held their first annual vice-ministerial talks to resolve problems caused by the conflicting claims to the Spratlys.²⁰ The year before, Beijing had agreed to discuss the South China Sea issue on a multilateral basis with ASEAN. Beijing also indicated that China would abide by international law in settling the territorial dispute with other claimant states. In addition, Beijing also agreed to pursue further confidence-building measures and to shelve the dispute temporarily in favor

¹⁹Zha and Valencia, "Mischief Reef: Geopolitics and Implications," 88.

²⁰Joseph Y. S. Cheng, "Sino-ASEAN Relations in the Early Twenty-First Century," *Contemporary Southeast Asia* 23, no. 3 (December 2001): 424.

of joint development.²¹

In July 1996, as a result of a visit to China by the Philippine defense secretary Renato de Villa, an exchange of defense and armed forces attaches took place in Manila and Beijing. This marked the beginning of an informal defense and military relationship between the Philippines and China, just a year after the Mischief Reef incident. The Philippine and Chinese defense establishments began a series of high-level official visits, intelligence exchanges, and ship visits.²² In September 1996, the chief of the general staff of the People's Liberation Army (PLA) Fu Quanyou (傅全有) visited the Philippines and a month later, the AFP chief of staff Arturo Enrile went to Beijing. Then in March 1997, two ships of the PLA Navy—the *Qingdao* (青島) 113 destroyer and the *Tongling* (銅陵) 542 frigate—made a port call in Manila for the first time. In October the following year, the AFP and the PLA held their first intelligence exchange in the Philippines. Beijing hosted the second such exchange in October 1999.

From 1998 to 2000, China and the Philippines conducted frequent but low-key high-level contacts and official/state visits to exchange views and coordinate positions on bilateral matters and on major international and regional issues of mutual concern. President Joseph Estrada made a state visit to Beijing in May 2000 during which the two countries signed a joint statement on the framework of bilateral cooperation in the twenty-first century. The agreement laid down a strategic direction for Philippine-China cooperation in defense, trade and investment, science and technology, agriculture, education and culture, the judiciary, and other areas. More significantly, it provided the political framework for strengthened bilateral consultations on military, defense, and diplomatic affairs. In 2001, Manila and Beijing conducted a table-top search-and-rescue exercise during the third Philippines-China experts group meeting on confidence-

²¹Alice D. Ba, "China and ASEAN: Reinvigorating Relations for a 21st-Century Asia," *Asian Survey* 43, no. 4 (July/August 2003): 633.

²²Armed Forces of the Philippines, Office of Plans (1-5), *AFP Strategic Papers, 2004-05* (Quezon City, January 2006), 1-8.

building measures in Manila. The exercise was meant to build mutual trust between Manila and Beijing, and it led to a maritime cooperation agreement on April 27, 2005.

These diplomatic concessions to the Philippines were extended mainly because of Beijing's calculation that Manila (along with other Southeast Asian states) might align with Washington against China in a possible future crisis in the Taiwan Strait.²³ Beijing did not expect its territorial dispute over the Spratlys to be resolved in the near future and believed that any major armed clashes affecting freedom of navigation in the South China Sea could invite an American military response. Chinese officials also reckoned that since the Taiwan Strait crisis of 1996, there had been a gradual formalization of the policy of U.S. military access to Philippine territory, while senior Philippine defense officials had consistently played up the link between the U.S. military presence and the Spratly dispute.²⁴ With this in mind, Beijing chooses to maintain a peaceful and stable regional environment that, hopefully, will prevent Washington from increasing its forward military presence and strengthening its bilateral security alliances leading to the containment of China. This goal can be achieved only by fostering dialogue and mutual trust between Beijing and Manila. Such a strategy may avert future disputes over the Spratlys that could seriously damage relations between the two sides.²⁵

Jumping on the Counter-Terrorist Bandwagon

The terrorist attacks in New York and Washington of September 11, 2001, and the consequent American response in forming a global coalition against international terrorism cemented a revitalized U.S.-Philippine al-

²³Michael Yahuda, *The International Politics of the Asia-Pacific* (London and New York: Routledge, 2004), 298.

²⁴See Greg Austin, "Unwanted Entanglement: The Philippines' Spratly Policy as a Case Study in Conflict Enhancement?" *Security Dialogue* 34, no. 1 (March 2003): 49.

²⁵See note 20 above.



liance. In the aftermath of September 11th, President Arroyo quickly offered Washington access to its former facilities in the Philippines—Clark Air Base and Subic Bay Naval Base—for exigent military operations. Her declaration of support for the American anti-terrorism campaign injected a new dynamism into the fifty-year-old alliance. Earlier, during their November 2001 summit meeting in Washington, D.C., President George W. Bush and President Arroyo had discussed how U.S. forces could help train Philippine forces and provide them with logistic, intelligence, and communication support in their campaign against a local Islamic terrorist group operating on the island of Basilan—the Abu Sayyaf.

After the September 11th attacks, the two allies formulated an integrated plan that included a robust training package for the AFP, provision of equipment to improve the Philippine military's mobility, and the creation of a new bilateral defense consultative mechanism. Washington also pledged to increase its military aid to Manila from US\$1.9 million to US\$19 million for fiscal year 2002. The Bush administration also sent 200 U.S. troops for a two-and-a-half-week joint exercise with Filipino forces, and 190 Special Forces officers and troops to train the AFP in counter-terrorism tactics. These moves were part of Washington's effort to bolster American military links in Southeast Asia to prevent the region from becoming a haven for international terrorists after September 11th.²⁶ These developments resuscitated the Philippine-U.S. alliance, which had been moribund since the withdrawal of American forces from the Philippine bases in November 1992.

Undaunted by the revitalization of Philippine-U.S. security relations, China decided to jump on the counter-terrorism bandwagon. A year after September 11th, Beijing offered to cooperate with Manila in "all fields of defense and the armed forces, which facilitate stability and the development of the region and the world at large."²⁷ During his visit to Manila on

²⁶Michael Richardson, "U.S. Seeks More Access to Bases in Southeast Asia," *International Herald Tribune*, February 8, 2002, 9-10.

²⁷"China and Philippines to Advance Military Cooperation," *China Daily*, September 27, 2002, 1.

September 27, 2002, the Chinese defense minister Chi Haotian (遲浩田) announced that the PLA would undertake measures to further promote long-term stable and cooperative relations of good-neighborliness and mutual trust between the two countries.²⁸ Chi also assured his Philippine counterpart, Angelo Reyes, of China's commitment to maintain regional peace and stability and friendly relations with the Philippines. The two defense chiefs expressed their mutual satisfaction with their countries' defense/security relations in recent years.²⁹ Beijing proposed broader joint defense ventures with Manila, ranging from military training, student exchange programs, information sharing on counter-terrorism, and the provision of military equipment.

Counter-terrorism cooperation with the Philippines is also part of China's confidence-building measures, and includes visits by high-ranking defense and military officials of the two sides. In October 2001, during her first state visit to Beijing, President Arroyo and her Chinese counterpart Jiang Zemin (江澤民) signed two bilateral agreements addressing non-traditional security challenges such as transnational crime and illicit drug trafficking. They also signed an extradition treaty. In 2003, Beijing invited Manila to join a counter-terrorism coalition—the Shanghai Cooperation Organization (SCO). Through the ASEAN Regional Forum (ARF), both countries intensified their military exchanges and cooperation in the area of international terrorism and transnational crime. Furthermore, the PLA regularly invites AFP officers to attend courses in PLA schools and the National Defense University. As a goodwill gesture, Beijing holds military exchanges with Manila and provides the AFP with personnel training and logistics.³⁰ This politico-security engagement with the Philippines has thwarted—deliberately or otherwise—any designs the United States might have had to strategically "box-in" China through an increased U.S.

²⁸Ibid.

²⁹Ibid.

³⁰See PRC State Council Information Office, *China's National Defense in 2004* (2004), 101-2.

military presence in South and Southeast Asia as part of Washington's war on terror.³¹

Twenty-First Century Philippine-China Entente

Defense cooperation between China and the Philippines peaked dramatically when Philippine troops withdrew from Iraq in July 2004. President Arroyo's decision to do this in order to save the life of kidnapped Filipino truck driver Angelo de la Cruz elicited an angry response from Washington and chilled Philippine-U.S. relations. A few weeks later, Arroyo went to China on a state visit, fueling speculation that she was playing the "China card" to gain some diplomatic leverage against Washington.³² In a high-level dialogue, Premier Wen Jiabao and President Arroyo identified key areas of defense cooperation such as sea rescue, disaster mitigation, and training exchanges. Setting aside their territorial claims to the Spratlys, the two countries espoused the joint development of the disputed area.

In November 2004, Philippine defense secretary Avelino Cruz and his Chinese counterpart signed a memorandum of understanding on defense cooperation in Beijing. Reportedly, the PLA proposed more military exchanges, a consultation mechanism, enhanced cooperation against terrorism and internal security threats, and the holding of a joint military exercise. The AFP has availed itself of ten courses in China, including language training, military security management, and a special operations command course. China has donated a total of 20 million *yuan* (approximately US\$2.5 million) in military equipment and supplies (chiefly consisting of twelve items of engineering equipment) in the last two years

³¹J. Mohan Malik, "Dragon on Terrorism: Assessing China's Tactical Gains and Strategic Losses after 11 September," *Contemporary Southeast Asia* 24, no. 2 (August 2002): 273.

³²Raisa Robles, "Warming Ties Mark Arroyo's Beijing Visit: China Emerges as the Philippines' New Foreign Ally after Manila's Pullout from Iraq," *South China Morning Post*, September 1, 2004, 7.

to the Philippines. With this assistance, relations between the PLA and the AFP have increasingly improved.

The armed forces on the two sides have also been conducting intelligence exchanges. In May 2007, high-ranking PLA and Philippine defense department officials held their third bilateral defense and security dialogue in Manila, during which they discussed counter-terrorism, the situation in Northeast Asia, and mutual concerns and interests related to maritime security, national defense, and military construction.³³ At the end of the dialogue, the Chinese delegation promised more security assistance to intensify defense relations between the PLA and the AFP. On the Philippines' side, defense officials reaffirmed Manila's adherence to the "one China" policy and acknowledged China's important contribution to international and regional peace. Ian Storey has explained Beijing's motive for improving security relations with Manila thus: "The PRC has looked askance at the reinvigorated U.S.-Philippine alliance, particularly the military component. Perturbed by these developments, China has tried to offset increased U.S. influence, both by increasing its economic profile and by stepping up security cooperation [with the Philippines]."³⁴

Security ties between China and the Philippines thrive alongside intensified economic and political relations. Since 2001, bilateral trade between the two countries has increased by 41 percent.³⁵ In 2003, bilateral trade was worth US\$9.4 billion, up 78.7 percent from US\$5.26 billion the previous year. From 2005 to 2006, bilateral trade increased 33.3 percent, from US\$17.6 billion to US\$23.4 billion. Trade between the Philippines and China is growing faster than trade between any other two countries in Southeast Asia, making China the Philippines' third largest trading partner after the United States and Japan. Interestingly, the Philippines has en-

³³Xinhua, "China, Philippines Attain Agreement over Security, Defense," May 25, 2007. <http://proquest.umi.com/pqdweb/index=11&did=1278753411&SrchMode=1&sid=1&Fmt>.

³⁴Ian James Storey, "China's Rising Political Influence in Southeast Asia" (Unpublished monograph, September 2005), 8.

³⁵Office of the Asia-Pacific Affairs, Department of Foreign Affairs, *R.P.-China Trade* (Pasay City: Department of Foreign Affairs, 2007), 1.



joyed a trade surplus with China, a result of the huge volume of semi-conductors it has exported to Beijing (almost 85 percent of China's total imports of semi-conductors).³⁶

The Philippine Export Development Plan for 2005-07 recorded that exports of goods and services to China increased by 9.4 percent in 2006, outpacing the increase in Philippine trade with its traditional trading partners, Japan and the United States. For this reason, the plan advised that the Philippines maintain a strategic business partnership with China.³⁷ To further improve their economic ties, Manila and Beijing signed a framework agreement on deepening bilateral economic and trade cooperation in early 2007. This agreement sets a targeted increase in bilateral trade to US\$30 billion by 2010, and calls for the further improvement of the trade structure, promotion of mutual investment, and the exploration of new areas of economic cooperation.³⁸

China has invested heavily in the Philippine agricultural and mining sectors. Beijing funded the US\$8.75 million Philippine-China Center for Agricultural Technology in the province of Nueva Ecija, the country's rice basket, and the Philippine-Fuhua Sterling Agricultural Technology Development Corporation. These two projects are designed to assist the Philippines in developing self-sufficiency in rice and corn production. China's most important investment in the Philippines, however, is in infrastructure development. Beijing has poured US\$450 million into the rehabilitation of the North Luzon Railway system.³⁹ Linking Metro Manila with Angeles City in the central Luzon province of Pampanga, this railway will greatly enhance the development of the rural areas adjacent to Metro

³⁶Ibid.

³⁷Carmelito Q. Francisco, "ASEAN Subgroup to Strengthen Cooperation, Target China," *BusinessWorld*, December 29, 2006. <http://proquest.umi.com/pqweb/index=107&did=1187274601&SrchMode=1&si=1&Fm>.

³⁸"China, Philippines Issue Joint Statement during Wen Jiabao Visit," *BBC Monitoring Asia-Pacific*, January 16, 2007. <http://proquest.umi.com/pqdweb?index=64&did=1194915241&SrchMode=1&sid=1&Fmt>.

³⁹Xinhua, "Sino-Philippine Ties Undergoing Quick Development," April 25, 2005. <http://proquest.umi.com/pqdweb?index=6&did=826999641&SrchMode=1&sid=2&Fmt>.

Manila and possibly ease the problems of overpopulation and traffic congestion in the capital city. The provision of a US\$450 million loan for the rehabilitation project, in addition to US\$500 million in soft loans (for the construction of a dam, an elevated highway, and a provincial airport), makes Beijing the biggest provider of concessionary loans to the Philippines, overtaking Tokyo for the first time.⁴⁰ In 2007, Beijing indicated an interest in upgrading the Southern Luzon rail system as well. The China National Technical Import-Export Corporation (CNTC) and the China National Machinery and Equipment Import and Export Corporation offered to conduct a feasibility study on the renovation of the line from the southern city of Calamba in Laguna province to the southernmost province of Sorsogon. China also committed US\$200 million to finance this major infrastructure project.

China's economic relations with the Philippines are buttressed by the framework of the ASEAN-plus-Three (APT) process and other multilateral arrangements. Chinese diplomats consider the APT as the "main channel of East Asian regional cooperation."⁴¹ Through the APT, China has consolidated its bilateral economic links with the ASEAN member states, including the Philippines. It has donated US\$1 million to the ASEAN Development Fund, and committed to train eight thousand ASEAN professionals in five years. It will also sponsor a number of agro-technology training programs for the member states this year.⁴² During the fifth China-ASEAN summit in November 2001, China offered a free-trade deal. During the sixth summit the following year, the Framework Agreement on China-ASEAN Comprehensive Economic Cooperation was signed, paving the way for the formation of a China-ASEAN free trade zone by 2010.

⁴⁰Raissa Robles, "China Will Be Biggest Lender to Philippines: New Deal Puts Beijing Ahead of Tokyo in Loans for First Time," *South China Morning Post*, January 14, 2007, 1-2.

⁴¹Thomas G. Moore, "China's International Relations: The Economic Dimension," in *The International Relations of Northeast Asia*, ed. Samuel S. Kim (Lanham, Md.: Rowman & Littlefield, 2004), 118.

⁴²China for Intensifying Strategic Ties with ASEAN," *The Hindustan Times*, January 12, 2007, 1. <http://proquest.umi.com/pqweb/index=87&did=1194426781&SrchMode=1&sid=1&Fmt>.

Since 2005, China and the ASEAN member states have agreed to lower tariffs on more than seven thousand products.⁴³ Consequently, China-ASEAN trade has grown rapidly, reaching US\$160.8 billion in 2006, a 23.4 percent increase over the previous year.⁴⁴ China and ASEAN are now the fourth biggest global trading partners. In July 2007, China and the ten ASEAN member states signed the ASEAN-China Agreement on Trade and Services, which provides for cooperation in high-technology services, energy, and construction, and the eventual establishment of a comprehensive free-trade area in East Asia.

During the 2007 ASEAN-China summit in the Philippine city of Cebu, China hinted that it was planning to create trade zones with sound infrastructure and complete industrial chains in a number of ASEAN member states and to link them with its own coastal economic zones. China has also provided the ASEAN member states with US\$750 million in loans and other investments. Also in 2007, Chinese companies signed a US\$2.8 billion contract to build coal-fired power plants in Indonesia, after out-bidding other foreign companies.⁴⁵ Chinese agricultural technology has been assisting the Philippines in developing hybrid rice and hybrid corn as the country seeks self-sufficiency in food production and supply.⁴⁶ Since 2002, China has also extended its economic assistance and investment to Cambodia, Laos, Myanmar, Thailand, and Vietnam through the framework of the Greater Mekong Subregional (GMS) program.⁴⁷ During the 2003 ASEAN summit in Bali, China proposed to revitalize the moribund Brunei-Indonesia-Malaysia-Philippines East Asian Growth Area (BIMP-

⁴³Carlos H. Conde, "China and ASEAN Sign Broad Trade Accord," *International Herald Tribune*, January 15, 2007, 11.

⁴⁴Xinhua, "10th China-ASEAN Summit Opens in Cebu," January 14, 2007. <http://proquest.umi.compqdweb?index=95&did=1195104871&SrchMode=1&sid=1&Fmt>.

⁴⁵Yaroslav Trofimov and Paul Beckett, "Politics and Economics: Singapore Prime Minister Urges U.S. Bolster Its Ties with Asia," *Wall Street Journal*, April 18, 2007, A-9.

⁴⁶Xinhua, "Roundup: China-Philippine Relations See Full Development," January 14, 2007, 1. <http://proquest.umi.compqdweb?index=94&did=1195104151&SrchMode=1&sid=1&Fmt>.

⁴⁷"China Wins Hearts in Southeast Asia," *The Jakarta Post*, February 5, 2007, 1.

EAGA) through technical and capital assistance for its projects, strengthened socioeconomic relations, and intensified trade relations with the subregional group.⁴⁸

China engages the Philippines in several regional economic forums. The notion that regionalism elsewhere benefits member economies, and the fear of damage to domestic economic interests if access to foreign markets similar to that enjoyed by competitors is not negotiated are the primary reasons behind China's enthusiasm for regional economic arrangements. Most prominent among these are the Asia-Pacific Economic Cooperation (APEC) forum, APT, the SCO, the Boao Forum (博鳌論壇) for Asia, and the Tumen River (圖們江) Area Development Program. For China, each regional forum has a slightly different political and economic dynamic, but they all serve China's foreign policy goals. In November 2006, on the fifteenth anniversary of the establishment of the China-ASEAN Dialogue, Beijing and the ASEAN member states issued a joint declaration on a secured and deepened China-ASEAN strategic partnership based on peace and prosperity.⁴⁹ Similarly, during the tenth China-ASEAN summit in Cebu City, Beijing presented a five-point proposal to consolidate the ASEAN-China strategic partnership for peace and prosperity. The five points were: (1) strengthening of political trust; (2) elevating economic and trade relations to a new level; (3) more intense cooperation in nontraditional security fields; (4) China's active support for ASEAN community building and integration; and (5) the expansion of social, cultural, and people-to-people exchanges.⁵⁰ China has also opened its markets to ASEAN businesses and encourages established Chinese companies to invest in ASEAN member states. Aside from this, China extends economic assistance to its neighbors through multilateral organizations. In 2006, Beijing donated US\$30 million to projects sponsored by the Asian Development Bank and another US\$20 million to the bank's poverty allevia-

⁴⁸See note 37 above.

⁴⁹*Ibid.*

⁵⁰Office of the ASEAN Affairs, "Chairman's Statement of the 10th ASEAN-China Summit, Cebu, Philippines, January 14, 2007" (Pasay City: Department of Foreign Affairs, 2007), 1.

tion and regional cooperation programs.⁵¹

The massive influx of economic assistance, incentives, and resources into the Philippines and other Southeast Asian countries is part of China's effort to build its image as a constructive and responsible economic actor in the region. In the short run, China's purpose is to cultivate an image as a benign regional actor that can also be an important economic partner for all the Southeast Asian states. It also seeks to demonstrate that China's growing economic prowess does not threaten any country in Southeast Asia and that as it becomes more developed it will not attempt to impose its hegemony in the region. Regarding China's short-term goal of using its economic largesse to co-opt the Southeast Asia states, one U.S. analyst comments thus:

China's economic tools also have become more sophisticated... China's aid to the Philippines was roughly four times greater than America's. China's aid to Laos was three times greater, its aid to Indonesia was nearly double, and its aid to Cambodia nearly matched U.S. levels.

Beijing has revamped its aid programs to better tie assistance to discrete policy goals including promoting Chinese companies abroad, cultivating important political actors, and bolstering China's benign regional image.... China's embrace of free trade in the region and its promotion of the idea that it will become a major source of foreign direct investment also bolster its image.⁵²

However, he argues, in the long term, China's goal is "to shift influence away from the United States to create its own sphere of influence, a kind of Chinese Monroe Doctrine for Southeast Asia. In this sphere, countries would subordinate their interest to China's, and would think twice about supporting the United States should there be a conflict in the region."⁵³

The effect of China's economic statecraft in Southeast Asia is reflected in the way it has influenced close U.S. allies and friends like the Philippines, Thailand, and Singapore, as well as other states extremely suspicious of its motives and actions in the past, i.e., Malaysia, Indonesia,

⁵¹Conde, "China and ASEAN Sign Broad Trade Accord," 2.

⁵²Joshua Kurlantzick, "China's Charm Offensive in Southeast Asia," *Current History* 105, 692 (September 2006): 273-74.

⁵³*Ibid.*, 274.

and Vietnam. Prior to the 1990s, these six ASEAN member states excluded China from their foreign policy priority agenda either because they perceived it as a threat to their security interests or simply because it had nothing to offer them. This changed, however, during the 1997 Asian financial crisis. While Japan and the United States were slow and calculating in their response to the general economic slowdown in Southeast Asia, China responded dramatically by immediately promising not to devalue its currency, and offering financial packages to Thailand and Malaysia. The crisis created the opportunity for China to demonstrate its importance and value to the ASEAN member states as an economic partner, and even as a regional leader.⁵⁴ This gesture impressed upon the ASEAN political elite the image of a China eager to help and act responsibly. Gradually, this image became translated into a powerful political advantage that made China less feared under dire circumstances, and rendered its influence in the region more acceptable.

The Chinese application of soft-power statecraft on Thailand, Indonesia, Malaysia, Singapore, Vietnam, and the Philippines has followed a common, familiar pattern—an emphasis on economic cooperation as the driving force behind bilateral relations; the skillful exploitation of changes in the strategic environment of bilateral ties; and to a large degree, taking advantage of a perception of American negligence (or intransigence in some cases). Consequently, these six ASEAN member states now consider China as top priority in their foreign policy.

With this trend toward intensified bilateral and multilateral economic ties with China, the Philippines will have to consider Chinese political and strategic interests in making any major decision that may affect Beijing. This situation constrains the Philippines' ability to enter into any security arrangement with the United States that may be construed as thwarting Chinese strategic moves in East Asia or which may smack of "being an anti-China alliance."⁵⁵ Furthermore, the single-minded focus of the Philip-

⁵⁴Ba, "China and ASEAN," 635.

⁵⁵Manila's behavior vis-à-vis Beijing reflects the general pattern of ASEAN policy when it comes to dealing with China. Most ASEAN countries have taken steps to facilitate a



piners and China on terrorism and other nontraditional threats will without doubt infringe on any effort by Washington and Manila to reorient their alliance from internal security concerns to stabilizing the regional security environment.⁵⁶

Beijing's Charm Offensive and the Philippine-China Entente

The general improvement in Beijing's relations with Manila is a result of China's overall charm offensive in Southeast Asia. Through economic links and adroit diplomacy, Beijing was able to erase the perception among Southeast Asian states that China was a regional security threat bent on building up its military capability. The image of a non-threatening and benign state was made apparent during the first China-ASEAN workshop on regional security, held in mid-July 2006. More than thirty senior defense officials from the PLA and the ASEAN member states met in the Chinese capital and discussed issues of mutual concern, such as regional security, East Asian maritime cooperation, counter-terrorism, and peacekeeping.⁵⁷ China's success in demonstrating the benign nature of its presence in the region could be attributed to its use of soft power. This approach complements or blends well with the "ASEAN way" of dealing with security matters premised on non-interference, consensus building through consultation, and the non-use of force, or threat of force, to settle international disputes.⁵⁸ China's New Security Concept (NSC) clearly supports ASEAN

continued U.S. military presence in the region but they have been generally unwilling to join any effort that smacks of an "anti-China alliance."

⁵⁶Rita Gerona-Adkins, "U.S. Wary of New Philippine Ties with China," *PhilippineNews.Com*, June 1, 2005, http://us.f504.mail.yahoo.com/ym/ShowLetter?MsgId=9626_717861_11288_450258_0_67185.

⁵⁷Robert Sutter and Chin-Hao Huang, "China-Southeast Asia Relations: Chinese Diplomacy and Optimism about ASEAN," *Comparative Connections* 8, no. 3 (October 13, 2006). http://www.csis.org/media/pubs/0603qchin_seasis.pdf.

⁵⁸Alex J. Bellamy, "The Pursuit of Security in Southeast Asia: Beyond Realism," in *Contemporary Southeast Asia: Regional Dynamics, National Difference*, ed. Mark Beeson (New York: Palgrave, Macmillan, 2004), 170-72.

efforts to formulate a set of ideas and rules of acceptable conduct, rather than an arms build-up or alliances, as the principal means of deterring aggressive behavior while preserving regional equilibrium and preventing a concert of power.⁵⁹ Furthermore, the NSC supports these states' attempt to develop an East Asian norm constraining the use of force in intra-regional conflicts. Evidently, China is advocating an international order and an attendant new security concept predicated on norms that are also espoused by ASEAN.⁶⁰

In their regional dealings, Chinese leaders subscribe to the doctrine of "win-win relations." Accordingly, China will not encroach on other nations' sovereignty or interfere in their economic models, governance, and political culture. The bottom line is that these smaller Southeast Asian states can benefit from their relations with China even as China benefits from its relations with them. This policy direction, in a way, reinforces the Southeast Asian states' core security values, such as political survival, economic security, sociocultural autonomy, and general reluctance to use force or the threat of force to foster economic growth and safeguard prosperity.⁶¹ China's soft-power statecraft, in turn, could render American strategic preponderance and initiatives in the region anachronistic. Moreover, this prudent diplomatic gambit may inhibit the United States from using its naval superiority in any East Asian security crisis

⁵⁹The NSC provides Beijing's vision of a new order and direction for East Asia. Announced in 1998, the NSC is premised on cooperative and coordinated security and proposes a pattern of diplomatic-defense relationships to countries that are neither allies nor adversaries of China. According to Beijing, the new concept is well-suited to what it claimed to be a new post-Cold War environment, which is characterized by peace and development but threatened by nontraditional (non-state) security challenges, i.e., transnational crime, international terrorism, etc. The NSC subtly conveys the idea that American security alliances belong to a previous era and are indicative of a Cold War/realpolitik mentality. See Yahuda, *The International Politics of the Asia-Pacific*, 300. For discussion of how the NSC complements the ASEAN approach to security, see Amitav Acharya, *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of a Regional Order* (London and New York: Routledge, 2001), 181-82.

⁶⁰Jürgen Haacke, *ASEAN's Diplomatic and Security Cultures: Origins, Development, and Prospects* (London and New York: Routledge Curzon, 2003), 138.

⁶¹See Muthiah Alagappa, *Asian Security Practice: Material and Ideational Influences* (Stanford, Calif.: Stanford University Press, 1998), 624-29.



involving China.

As China reaches out with its soft power, the Southeast Asian states have reciprocated and have recast their views of Beijing. Most, if not all, of them consider China as a good neighbor, a constructive partner, and a responsive status quo power that pursues a peaceful emergence in the region.⁶² Earlier, these states were daunted by the prospect of China's becoming a domineering naval power that could threaten their maritime interests. Now, the same Southeast Asian states take China's views and sensitivities into serious account. All these developments have occurred at the expense of the United States and, to a certain degree, Japan. In sharp contrast, the United States appears as a unilateralist, an interventionist non-Asian power asserting its military preponderance and pushing a totally different agenda not in sync with Asian values and interests. China has consistently emphasized this in its conduct of regional and international security affairs. During the 2007 Shangri-La Dialogue, Prime Minister Lee Hsien Loong of Singapore expressed the ASEAN member states' changing view of China when he said that "most Asian countries do not

⁶²Despite its focus on fostering domestic economic development, establishing a good-neighbor policy with the ASEAN member states, and maintaining a cordial working relationship with Washington, Beijing is very much aware that the United States intends to remain a global hegemon bent on disrupting China's irredentist and strategic agendas in the process. Many members of the Chinese political elite are convinced that the United States is opposed to China's emergence as a regional power that can reduce or even displace American power and influence in East Asia. Deng Xiaoping (邓小平) himself concluded that China must fully and comprehensively prepare for the possibility that the United States might launch a military attack against China, manipulate another country into starting a war, or provoke a war by fostering pro-independence forces in Taiwan. However, mobilizing its economy and building up its naval and air power-projection capabilities to balance American power and influence in the region will generate an economic and military cost that, at this point in time, China appears unwilling to pay. This calculation constrains China from assuming the role of a revisionist power bent on challenging or balancing U.S. power in East Asia. Under the framework of peaceful development, China can focus on rapid economic growth, foster friendly relations with neighboring states, and actively participate in multilateral organizations. At the same time, however, it is also cultivating the necessary strategic opportunities for the development of comprehensive power and is distracting the global community's attention away from its military modernization. See Alastair Iain Johnston, "China's International Relations: The Political and Security Dimension," in Kim, *The International Relations of Northeast Asia*, 65-101; and Yang-Cheng Wang, "China's Defense Policy and Military Modernization," *The Korean Journal of Defense Analysis* 19, no. 2 (Summer 2007): 89-112.

see China's [military spending] as a threat to regional security."⁶³ He said that China's military actions were regarded "not as a threat to regional security, but as a specific response to the cross-Straits situation."⁶⁴ According to Lee, "the ASEAN countries should focus more on China's economic might as they compete for foreign direct investment, export markets, and production and manufacturing bases."⁶⁵

Perhaps the best indications of the ASEAN member states' modified view of China are the extent and manner by which these states engage and accommodate Beijing in multilateral arrangements such as the SCO, ARF, and APT. The SCO incorporates China's approach to nontraditional security challenges and fosters a confidence-building regime with the ASEAN member states.⁶⁶ In 2006, China hosted the sixth meeting of the SCO Council during which the member states signed a friendly, long-term, "good-neighborly" agreement to enhance their cooperation in economic, trade, and security matters.⁶⁷ Furthermore, through the ARF, Beijing has organized and hosted various symposia and workshops on counterterrorism, nontraditional security challenges, and on the non-proliferation of weapons of mass destruction in China and in various parts of Southeast Asia.⁶⁸ Under the auspices of the ARF, China also assisted Indonesia in dealing with its avian influenza epidemic in 2006. In 2007, Beijing announced that it would host a China-ASEAN symposium on avian influenza. It is also planning to conduct training courses on the reconstruction and management of disaster-hit areas for ASEAN officials and experts.

⁶³Quoted in U.S. Fed News Service, "U.S. Defense Secretary Sounds Softer Note on China's Military Build-Up," June 2, 2007, 2. <http://proquest.umi.com/pqdweb?=-index&did=1281621561&SrchMode=1&sid=3&Fmt=>

⁶⁴Quoted in Robert Sutter and Chin-Hao Huang, "China's Activism Faces Persistent Challenges," *Comparative Connections* 9, no. 2 (July 13, 2007): 81. <http://www.csis.org/pacific/cccjournal.html>.

⁶⁵*Ibid.*

⁶⁶Information Office of the State Council of the PRC, *China's National Defense in 2006* (Beijing: Information Office of the State Council of the PRC, December 2006), 87.

⁶⁷"HK Paper Carries Excerpt of White Paper on China's 2006 Diplomacy," *BBC Monitoring Asia Pacific*, January 26, 2007, 1. <http://proquest.umi.com/pqdweb?index=687&did=1203169131&SrchMode=1&sid=1&Fmt=>

⁶⁸*China's National Defense in 2006*, 88.



The ASEAN member states' active participation in these multilateral endeavors reflects their growing confidence in and trust of China as a reliable and trustworthy partner in addressing nontraditional security challenges.

Recently, the ASEAN member states have reciprocated China's efforts to forge a closer political relationship. In January 2007, during the tenth China-ASEAN summit in Cebu City, the Philippines, China was given center stage despite the presence of U.S. allies, such as Australia, Japan, and to a certain degree, India.⁶⁹ Apart from signing several agreements, China indicated its support for ASEAN's regional community building and economic integration. Furthermore, Beijing was emphatic in declaring that economic and strategic partnership (which is non-aligned, non-military, and non-exclusive in nature) in such areas as transnational crime, maritime security, disaster reduction and relief, the prevention and control of communicable diseases, and environmental protection is what links China with ASEAN.⁷⁰ China and the ASEAN member states also issued a joint declaration on energy security that indicated a common policy on energy issues, including the development and use of alternative and renewable forms of energy.⁷¹

One example of the relative success of China's soft-power diplomacy in Southeast Asia is Philippine-China relations. Since 2005, bilateral relations between the two states have dramatically improved as evidenced by their security, economic, and sociocultural cooperation. There are frequent high-level exchanges of visits, and an increasing number of bilateral agreements and sister-province/city links. On April 26-28, 2005, President Hu Jintao reciprocated President Arroyo's state visit to China the previous year. Hu predicted that Philippine-China trade would double in the next five years. He stated that the Chinese-funded North Luzon Railway project was the symbol of "new and friendly relations and cooperation between

⁶⁹Conde, "China and ASEAN Sign Broad Trade Accord," 2.

⁷⁰Wen Jiabao Proposes China-ASEAN Cooperation," *BBC Monitoring Asia-Pacific*, January 14, 2007. <http://proquest.umi.com/pqdweb?index=86&did=1193914901&SrcMode=1&sid=1&Fmt>.

⁷¹Xinhua, "2nd East Asia Summit Closes with Signing Cebu Declaration on Energy Security," January 15, 2007.

the Philippines and China.⁷² Challenging Manila to bring to fruition cooperative ventures based on peace and economic development, he proposed the following measures: more frequent exchange visits of officials; increased bilateral trade; continued cooperation in the development of the South China Sea; intensified cooperation in addressing international terrorism and transnational crime; and policy coordination in implementing the ASEAN-China Free Trade Agreement.⁷³

President Arroyo, in return, promised more exchange visits of officials and expanded cooperation in the areas of energy, infrastructure, agriculture, and mining. She also reiterated her government's adherence to the one-China policy and respect for Beijing's position vis-à-vis Taipei. In the aftermath of President Hu's visit to Manila, the former Philippine president Fidel Ramos commented that the Philippine-China relationship was "now at its best in history and China has become an important partner in the Philippines in trade and investment for the first time in history."⁷⁴

In May 2005, Manila hosted the first ever Philippine-China Annual Defense and Security Dialogue during the visit to the Philippines of General Xiong Guangkai (熊光楷), vice defense minister and deputy chief of staff of the PLA. The meeting yielded confidence-building measures in functional areas such as fisheries and the protection of the marine environment until military exchanges could be regularized. In August that year, the two countries conducted their first joint marine seismic survey (along with Vietnam) of the South China Sea. The survey involved a three-phase program of gathering, consolidating, and interpreting about 11,000 kilometers of two-dimensional seismic data. The initial phase ended in November 2005, the second phase began early in 2007, and the project is

⁷²Chinese President Predicts China-Philippine Trade Relations," *BBC Monitoring Asia Pacific*, April 28, 2005. <http://proquest.umi.com/pqdweb?index=49&did=828416651&SrchMode=1&Fmt=3>.

⁷³Xinhua, "Chinese President Calls for Further Expanding and Deepening Cooperation with Philippines," April 27, 2005. <http://proquest.umi.com/pqweb?index=54&did=828380501&SrchMode=1&si=1&sid=1&Fmt=3>.

⁷⁴Xinhua, "Sino-Philippine Ties Undergoing Quick Development," April 25, 2005. <http://proquest.umi.com/pqdweb?index=58&did=826999641&SrchMode=1&sid=1&Fmt=3>.



expected to be completed in June 2008. In December 2005, President Arroyo met separately with Premier Wen Jiabao in Kuala Lumpur during the first meeting of the East Asian summit, where they reaffirmed their commitment to Philippine-China strategic and cooperative relations. The Chinese premier promised to expedite Chinese participation in the development of infrastructure, energy, and agriculture in the Philippines.⁷⁵

The East Asian summit of December 2005 was the culmination of China's efforts to advance its New Security Concept in the region. The summit was sponsored by Malaysia with the support and active encouragement of China. The timing of the summit seems appropriate in the light of China's emergence as a regional power in East Asia. The summit notably excludes Washington, although by virtue of its Pacific coast and vast economic and strategic interests in the region, the United States has always regarded itself as part of East Asia. The summit's aim is to smooth China's relations with its immediate neighbors through confidence-building measures, pragmatic diplomacy, and a regional security environment without the United States. The summit has been described as an "emblem of a quiet consolidation of Chinese influence in the region at the expense of the United States."⁷⁶

The East Asian summit has reinforced China's image as a good and reliable friend of Southeast Asia at a time when the United States is focused elsewhere in the world. Increased Chinese trade and investment, and regular consultation between ASEAN and Chinese leaders on regional and international issues have definitely accentuated the perception that Washington lacks interest in the region and a calculation that closer links with Beijing may cause Washington to "reengage" with East Asia. This calculation might have influenced President Arroyo when she admonished the ASEAN member states not to rely heavily on the West for markets

⁷⁵Chinese Premier Meets Philippine, Cambodia PM," *BBC Monitoring Asia Pacific*, December 11, 2005. <http://proquest.umi.com/pqdweb?index=10&did=939921311&srchMode=1&sid=1&Fmt=3>.

⁷⁶Roger Cohen, "Asia's Continental Drift Changes Terrain for U.S. Globalist," *International Herald Tribune*, November 16, 2005, 2.

but to start promoting their economic ties with China.⁷⁷ On the heels of her five-day official visit to China, she called on the ASEAN member states to free themselves from their dependence on Western trade and investment partners via the ASEAN-China Free Trade Area (FTA). She also urged China to increase its investments in the Philippines, specifically in the agriculture, fisheries, and infrastructure sectors. President Arroyo thanked China for providing loans for the North Luzon Railway project. She asked China to conduct more joint exploration activities in the South China Sea to strengthen its partnership with the ASEAN member states and emphasized China's role in the economic development and security situation in the Asia-Pacific region.

In January 2007, the Philippines hosted the second East Asian summit in Cebu City. Again, the gathering highlighted ASEAN strategic partnerships with China. China practically set the agenda for the summit and received most of the attention, especially when President Arroyo openly declared that "we are happy to have China as our Big Brother in this region," in connection with ASEAN's free trade deal with Beijing.⁷⁸ The conspicuous non-participation of the United States in the summit "underlined how far America's preoccupation with the Middle East has weakened its role in East Asia, at the very time that countries in the region would look for more U.S. engagement to facilitate or balance the emergence of China."⁷⁹

Shortly after the summit, Premier Wen met President Arroyo and key members of the Philippine Congress in Manila. He signed fifteen agreements, mostly economic and cultural. The two leaders also ordered the formulation of a joint action plan to provide strategic direction for Philippine-China bilateral relations in the twenty-first century. In the aftermath of the visit, a U.S. news service curtly observed: "The visit underscores the growing Chinese influence in the Philippines and the region. Premier

⁷⁷Josefa L. Cagoco, "GMA Pitches China Market (ASEAN Urged to Reduce Dependence on the West)," *Agence France Press*, November 1, 2006. <http://proquest.umi.com/pqdweb?index=15&did=115497029&1&SrchMode=1&sid=3&Fmt=>

⁷⁸Philip Bowring, "America's Low Profile in Asia Spells Trouble," *International Herald Tribune*, June 16, 2007, 2.

⁷⁹Ibid.



Wen Jiabao's visit to Manila was relatively low-key, but during the trip, he witnessed the signing of several development and trade deals worth billions of dollars.⁸⁰

Jumping on the Chinese Bandwagon?

Despite its increasing economic and strategic ties with China, however, the Philippines has not yet jumped on the Chinese bandwagon nor has it hedged its bets between Beijing and Washington. Like most ASEAN member states, the Philippines relies on the regional organization's traditional and proven survival strategy of "equi-balance." Equi-balance involves small states accepting and facilitating the big powers, and pitting them against each other in an international situation where the latter will eventually balance each other out. This strategy affords small states not only the ability to maneuver and survive but also the chance to use the situation to their own advantage. Manila is conscious of China's main motive of weaning the Philippines away from its traditional security ally—the United States. From Manila's calculation, a healthy and dynamic relationship with the United States creates a red herring for China, encouraging it to enter into cooperative ventures and distribute economic largesse. In a way, China's soft-power diplomacy in Southeast Asia is becoming a classic example of the law of unintended consequences in international politics. Beijing's political objectives are obviously to change the ASEAN member states' image of China and to draw them away from the United States and Japan. However, the more China deepens and broadens its relations with the ASEAN member states, the more these states feel that they need stronger and closer relationships with the United States and other outside powers like Japan and India.⁸¹ Small as they are, these states are still wary

⁸⁰U.S. Fed News Service, "VOA News: Chinese Premier Ends Philippine Visit, after Signing Billions of Dollars in Projects," January 16, 2007. <http://proquest.umi.com/pqdweb?index=34&did=1195558101&SrcID=1&sid=1&Fmt>.

⁸¹Sheng Lijun, "Beijing's Soft Power in Southeast Asia and Its Neighbors," *International Herald Tribune*, January 18, 2007, 6.

of an economically emergent and politically assertive China and see the United States as insurance in the event of any unforeseen geo-strategic development in East Asia.

The Philippine application of this foreign policy strategy is clearly stated in President Arroyo's *Eight Realities of Philippine Foreign Policy*.⁸² According to Arroyo, the first reality that the Philippines faces in the twenty-first century is that "China, Japan, and the United States and their relationship will be the determining influence in the security situation—and economic evolution of East Asia." This means that Philippine foreign policy should engage all the three major powers and seek to play one power off against the other. Since the Arroyo administration took office in 2001, it has engaged the United States, Japan, and China in a dynamic and delicate pattern of equi-balancing. The Philippines has revitalized its alliance with the United States to counter domestic insurgencies and international terrorism. Conveniently, Manila has also established an entente with China. Manila is also engaging Tokyo as the latter attempts to link the Japan-U.S. security alliance with the Philippines-U.S. defense ties. This is in response to Beijing's moves to widen the cleavages between the two American bilateral alliances and to render them irrelevant.

To deepen security links with Washington, Manila in 2005 allowed the U.S. military to deploy troops in a joint military exercise with the Philippine Army in Central Mindanao, a stronghold of the secessionist Moro Islamic Liberation Front (MILF). The following year, Philippine and U.S. military officials formulated a comprehensive plan for joint security exercises until 2009 as well as policy direction for the two countries' bilateral security relations.⁸³ The plan provides for a number of combined U.S.-Philippines military exercises in Central Mindanao, which is considered by the U.S. Pacific Command as "a window of terrorism not

⁸²See President Gloria Macapagal Arroyo's speech on July 12, 2001. <http://www.opnet.ops.gov.ph/speech-2001july12.html>.

⁸³Jose T. Barbiato, "R.P.-U.S. Military Exercise," *BusinessWorld*, February 4, 2005. <http://proquest.umi.com/pqdweb?did=789060131&sid=2&fmit=3&clientId=47883&RQT=309&VName=PQD>.

only in the Philippines but also in the entire Southeast Asia region.⁸⁴ The two countries also drafted a new agreement that expanded the existing Mutual Defense Treaty and Status of Forces Agreement (the U.S.-Philippine Visiting Forces Agreement or VFA) by including provisions on counter-terrorism and transnational crime.⁸⁵ In March 2006, the Security Engagement Board (SEB) was formed as a new security consultative mechanism for Philippine-U.S. cooperation on nontraditional security concerns.⁸⁶ The SEB recommends joint activities focused on addressing nontraditional security challenges in accordance with the Philippine-U.S. VFA. It also complements the Philippine-U.S. Mutual Defense Board that was established in 1958 to coordinate the two countries' response to traditional or conventional threats. Significantly, Washington has increased its military assistance to the Philippines from US\$11.1 million in 2007 to US\$30 million for fiscal year 2008.⁸⁷ The increase in security assistance is aimed at supporting Manila's campaign against terrorism and providing infrastructure, health care, education, and other basic services to the people of Mindanao.

Despite increasing trade and investment with China, the Philippines cannot easily downplay its economic relations with the United States. According to Philippine government sources, 16 percent of the country's imports in 2005 originated from the United States, while 18 percent of its exports were bound for America.⁸⁸ U.S. aid to the Philippines is essential

⁸⁴Jaime Laude, "R.P.-U.S. War Games Set in Cotabato." *The Philippine Star*, January 14, 2006, 1, 8.

⁸⁵Karl Lester Yap, "R.P., U.S. Officials in Talks for New Defense Treaty." *BusinessWorld*, February 22, 2005. <http://proquest.umi.com/pqdweb?did=796671611&sid=2&Fmt=3&clientId=47883&RQT=309&VName=PQD>.

⁸⁶U.S. Embassy, Manila, "The Philippines and the United States Establish Security Engagement Board." March 24, 2006. <http://manila.usembassy.gov/whr824.html> (accessed October 2, 2007).

⁸⁷Xinhua, "Philippine to Receive More U.S. Military Aid: Spokesman." July 6, 2007, 1. <http://proquest.umi.com/pqdweb?index=52&did=1302167431&SrchMode=1&sid=1&Fm>.

⁸⁸U.S. Fed News Service, "State Department Issues Background Note on Philippines," October 1, 2007. <http://proquest.umi.com/pqdweb?index=15&did=1369156001&SrchMode=1&sid=1&Fm>.

to reduce poverty, root out corruption, generate more economic opportunities, and provide basic health services and education. Other U.S. aid programs have bolstered the Philippine government's efforts to resolve internal conflicts, launch livelihood development programs, and develop the poorest areas of Mindanao, the site of a four-decade-old Muslim secessionist insurgency. As an ASEAN member, the Philippines has participated in a number of U.S.-sponsored regional programs, such the 2002 Enterprise for ASEAN Initiative (EAI) and the 2005 Enhanced Partnership Program. The EAI offers the prospect of a free trade deal with any ASEAN member state committed to economic reform and liberalization, while the latter provides guidelines for more effective U.S.-ASEAN cooperation in economic development, health, education, information and communication technology, transportation, energy, disaster management, and environmental management.⁸⁹ In 2006, the Bush administration extended a US\$21 million grant to the Philippines through the Millennium Challenge Corporation to address corruption associated with tax or revenue collection in the country.⁹⁰ In May 2007, U.S. and Philippine economic officials met in Washington, D.C., to agree on steps to enhance market access for a range of products and to review tariff and customs policies to facilitate enhanced trade ties between the two allies.⁹¹ The meeting was held under the United States-Philippine Trade and Investment Framework Agreement (TIFA), to bolster U.S.-Philippine cooperation at the regional level in ASEAN and as part of the APEC.

Manila also engages Tokyo in a number of politico-military dialogues to promote confidence-building measures between the two countries. These dialogues include enhancing joint efforts in countering international terrorism. An interesting feature of these dialogues is the participation

⁸⁹Bureau of Public Affairs, U.S. Department of State, "The United States and the Association of Southeast Asian Nations: Thirty Years of Dialogue and Cooperation," July 31, 2007, 1-2. <http://www.state.gov/tr/pa/scp/89845.htm>.

⁹⁰See note 88 above.

⁹¹U.S. Fed News Service, "U.S., Philippines Meet under Trade, Investment Framework Agreement," May 9, 2007. <http://proquest.umi.com/pqdweb?index=29&did=1268905351&SrehMode=1&sid=1&Fm>.



of the military. The two allies of the United States have also discussed bilateral security concerns through forums such as the Nikkei International Conference on the Future of Asia, the Philippine-Japan Sub-Ministerial Meeting, the ASEAN-Japan Forum, the ASEAN-Japan summit, and APT. The two countries cooperate to strengthen their enforcement capacity against the proliferation of weapons of mass destruction and missile technology. Interestingly, both sides are aware that their alliance with the United States provides a common ground for them to take the same position on key security issues. Japan is also actively involved in the Mindanao peace process. Tokyo has deployed Japanese personnel in the international monitoring team tasked to oversee the cease-fire agreement between the Philippine government and the MILF since 2004. The Japanese monitors specifically observe the rehabilitation of the conflict-affected areas of Mindanao and the economic situation there.

The two countries' armed forces also conduct low-key military activities such as table-top exercises and seminars on defense matters that are generally multilateral in nature, for example, U.N. peacekeeping operations. In contrast to China, the Philippines has welcomed Tokyo's growing political/security role as the Japanese government seeks to revise its 1947 pacifist constitution to enable the Japanese Self-Defense Forces to become more active in international peacekeeping and other military roles.⁹² Late in 2006, Manila and Tokyo signed the Japan-Philippines Economic Partnership Agreement (JPEPA) which includes provisions for the mutual reduction of tariffs to boost trade relations and the free movement of health sector workers. This comprehensive trade agreement also contains cooperation initiatives on human resource development, financial services, information technology, energy and the environment (management of hazardous and solid waste), science and technology, trade and investment promotion, small and medium-sized enterprises, tourism, transportation, and road development.⁹³

⁹²"GMA Welcomes Greater Global Role for Japan," *The Manila Times*, May 24, 2007, 1.

⁹³"Free Trade Pact with Japan to Slightly Boost Philippine Economy," *BusinessWorld*,

However, in the delicate game of equi-balance among the three major powers, the Philippines has to consider the increasing suspicion from the United States and Japan of its growing economic and security relations with China. Dependent on the United States for its trade and military needs and on Japan for its official development assistance and trade requirements, Manila has to be very circumspect in dealing with Washington, Beijing, and Tokyo. Any polarization or heightened tension among the three major powers in East Asia would force Manila to face the scenario it dreads most—choosing between its traditional and proven security ally and its new economic and political partner. Eventually, China and the Philippines will realize the limits of their newfound friendship if the latter continues to play its foreign policy gambit of balancing one power against the others.

The Limits of Philippine-China Entente

Clearly, there has been a dramatic improvement in relations between the Philippines and China since 2005. The key question is: How long will this entente last? And what will be its long-term strategic and political implications for the region? China's application of soft power on the Philippines, and the breakthroughs in Philippine-China relations are the consequences of Beijing's realistic calculation of its changing strategic needs in the region. Beijing's decision to engage Manila in détente was triggered by the Mischief Reef incident in the mid-1990s. Apprehensive of a U.S. response to what was then perceived as its creeping occupation of the Spratlys, Beijing granted certain diplomatic concessions to Manila and adopted the ASEAN approach to managing the dispute. Further improvements in bilateral relations became evident as China established defense ties with the Philippines to prevent Washington from fully exploiting its revitalized security relationship with Manila.

January 15, 2007. <http://proquest.umi.com/pqdweb?index=37&did=1194656581&SrchMode=1&si=1&Fmt>.



China provided the Philippines with convenient diplomatic leverage in the aftermath of the Angelo de la Cruz hostage crisis, which caused a near rupture in Philippine-U.S. security relations in 2004. Philippine-China bilateral relations have entered a golden age as China reshapes Southeast Asia's view of its emergence and applies soft power to erode American strategic preponderance and influence in the region. Despite its growing economic and security ties with Beijing, however, Manila has not been weaned politically and strategically from Washington. Even close linkages with China have not prevented the Philippines from engaging Tokyo in security-related activities and dialogues. Instead of being pulled away from its traditional allies and close economic partners, the Philippines now finds it more urgent to strengthen its security and economic relations with the United States and Japan. The case of the Philippine-China entente indicates the limits of China's soft-power statecraft in Southeast Asia. Ultimately, the Chinese political leadership will realize the inadequacy of its current diplomatic gambit in the region and may then decide to focus on developing the country's readily available hard power—the PLA. Such a move, however, would expose the fragility of China's resolve in effecting a peaceful emergence and development in early twenty-first century East Asia.

BIBLIOGRAPHY

- Acharya, Amitav. 2001. *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of a Regional Order*. London and New York: Routledge.
- Alagappa, Muthiah. 1998. *Asian Security Practice: Material and Ideational Influences*. Stanford, Calif.: Stanford University Press.
- Austin, Greg. 2003. "Unwanted Entanglement: The Philippines' Spratly Policy as a Case Study in the Conflict Enhancement?" *Security Dialogue* 34, no. 1 (March): 41-54.
- Ba, Alice D. 2003. "China and ASEAN: Reinvigorating Relations for a 21st-Century Asia." *Asian Survey* 43, no. 4 (July/August): 622-47.

- Baginda, Abdul Razak Abdullah. 1991. "PRC-ASEAN Relations: Strategic and Security Implication." In *China ASEAN Relations: Political, Economic, and Ethnic Dimensions*, edited by Theresa Carino, 84-98. Manila: China Studies Program.
- Baviera, Aileen, ed. 2000. *Comprehensive Engagement: Strategic Issues in Philippines-China Relations*. Quezon City: Philippine-China Development Resource Center.
- Bellamy, Alex J. 2004. "The Pursuit of Security in Southeast Asia: Beyond Realism." In *Contemporary Southeast Asia: Regional Dynamics, National Difference*, edited by Mark Beeson, 198-215. New York: Palgrave Macmillan.
- Bowring, Philip. 2007. "America's Low Profile in Asia Spells Trouble." *International Herald Tribune*, June 16.
- Cheng, Joseph Y. S. 2001. "Sino-ASEAN Relations in the Early Twenty-First Century." *Contemporary Southeast Asia* 23, no. 3 (December): 420-51.
- Cohen, Roger. 2005. "Asia's Continental Drift Changes Terrain for U.S. Globalist." *International Herald Tribune*, November 16.
- Conde, Carlos H. 2007. "China and ASEAN Sign Broad Trade Accord." *International Herald Tribune*, January 15.
- Ferris, John. 2005. "Power, Strategy, Armed Forces, and War in International History." In *The Palgrave Book of International History*, edited by Patrick Finney, 58-79. New York: Palgrave Macmillan.
- Freeman, Chas W., Jr. 1997. *Arts of Power: Statecraft and Diplomacy*. Washington, D.C.: United States Institute of Peace.
- Haacke, Jurgen. 2003. *ASEAN's Diplomatic and Security Cultures: Origins, Development, and Prospects*, London and New York: Routledge Curzon.
- Hill, Christopher. 2003. *The Changing Politics of Foreign Policy*. New York: Palgrave Macmillan.
- Johnston, Alastair Iain. 2004. "China's International Relations: The Political and Security Dimension." In *The International Relations of Northeast Asia*, edited by Samuel S. Kim, 65-101. Lanham, Md.: Rowman & Littlefield.
- Kurlantzick, Joshua. 2006. "China's Charm Offensive in Southeast Asia." *Current History* 105, no. 692 (September): 270-77.
- Malik, J. Mohan. 2002. "Dragon on Terrorism: Assessing China's Tactical Gains and Strategic Losses after 11 September." *Contemporary Southeast Asia* 24, no. 2 (August): 253-76.



- Moore, Thomas G. 2004. "China's International Relations: The Economic Dimension." In *The International Relations of Northeast Asia*, edited by Samuel S. Kim, 101-34. Lanham, Md.: Rowman & Littlefield.
- Nye, Joseph S., Jr. 2004a. *Soft Power: The Means to Success in World Politics*. New York: Public Affairs.
- _____. 2004b. *Power in the Global Information Age: From Realism to Globalization*. London and New York: Routledge.
- Richardson, Michael. 2002. "U.S. Seeks More Access to Bases in Southeast Asia." *International Herald Tribune*, February 8.
- Robles, Raisa. 2004. "Warming Ties Mark Arroyo's Beijing Visit: China Emerges as the Philippines' New Foreign Ally after Manila's Pullout from Iraq." *South China Morning Post*, September 1.
- _____. 2007. "China Will Be Biggest Lender to Philippines: New Deal Puts Beijing Ahead of Tokyo in Loans for First Time." *South China Morning Post*, January 14.
- Sheng, Lijun. 2007. "Beijing's Soft Power in Southeast Asia China and Its Neighbors." *International Herald Tribune*, January 18.
- Storey, Ian James. 1999. "Creeping Assertiveness: China, the Philippines, and the South China Sea Dispute." *Contemporary Southeast Asia* 21, no. 1 (April): 95-118.
- _____. 2005. "China's Rising Political Influence in Southeast Asia." Unpublished monograph.
- Sutter, Robert, and Chin-Hao Huang. 2006. "China-Southeast Asia Relations: Chinese Diplomacy and Optimism about ASEAN." *Comparative Connections* 8, no. 3 (October 13). http://www.csis.org/media/pubs/0603qchin_seasis.pdf.
- _____. 2007. "China's Activism Faces Persistent Challenges." *Comparative Connections* 9, no. 2 (July 13). <http://www.csis.org/pacifor/ccejournal.html>.
- Trofimov, Yaroslav, and Paul Beckett. 2007. "Politics and Economics: Singapore Prime Minister Urges U.S. Bolster Its Ties with Asia." *Wall Street Journal*, April 18.
- Villanueva, Marichu. 1999. "Pentagon: VFA Ratification First, Then Armed Forces of the Philippines (AFP) Modernization." *The Philippine State*, January 9.
- Wang, Yang-Cheng. 2007. "China's Defense Policy and Military Modernization."

The Korean Journal of Defense Analysis 19, no. 2 (Summer): 89-112.

- Yahuda, Michael. 2004. *The International Politics of the Asia-Pacific*. London and New York: Routledge.
- Yuyitung, Rizal C. K. 1991. "Philippine Perception of the People's Republic of China." In *China ASEAN Relations: Political, Economic and Ethnic Dimensions*, edited by Theresa Carino, 138-40. Manila: China Studies Program.
- Zha, Daojiong, and Mark J. Valencia. 2001. "Mischief Reef: Geopolitics and Implications." *Journal of Contemporary Asia* 31, no. 1 (2001): 86-103.

