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ENVELOPE

(b)(3):10 USC 424;(b)(3):50 USC 3024(i)

HEADER

(b)(3):50 USC
3024(i)

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240603Z AUG 91
FM JOINT STAFF WASHINGTON DC

(b)(3):50 USC 3024(i)

RUCQVAB/USCINCSOC
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(b)(3):10 USC 424

220716Z AUG 91

TO RUEKJCS/DIA WASHDC
INFO RUEHQQA/USCINCPAC HONOLULU HI

RUHGSJA/USCINCPAC
RUEAHQA/IIQUSAF WASHDC
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(b)(3):10 USC 424;(b)(3):50
USC 3024(i)

(b)(3):50 USC 3024(i)

CONTROLS

(b)(3):50 USC
3024(i)

~~CONFIDENTIAL~~ SECTION C1 OF 08

~~CONFIDENTIAL~~ 367

(b)(3):10 USC 424

/***** THIS IS A COMBINED MESSAGE *****/

BDDY

(b)(3):10 USC 424

SUBJECT: ASSESSMENT

1. ~~CONFIDENTIAL~~ -- ENTIRE TEXT.

(b)(3):10 USC 424;(b)(6);(b)(1);Sec. 1.4(c)

3. (b)(3):10 USC 424 THE PHILIPPINES WENT THROUGH DIFFICULT TIMES. THE POLITICAL LANDSCAPE WAS CHANGED BY THE OCCURRENCE OF YET ANOTHER ATTEMPTED COUP D'ETAT IN DECEMBER 1989 AND A MAJOR REBELLION IN OCTOBER 1990, A DEFENSEMINISTERIAL WHICH TURNED INTO A DEBACLE, A DEVASTATING EARTHQUAKE WHICH ENERGIZED THE FULL CAPABILITY OF U.S. MILITARY DISASTER ASSISTANCE THROUGH CLARK AND SUBIC, A WORLD-CLASS TYPHOON (WORST TO HIT THE PHILIPPINES IN TEN YEARS) WHICH AGAIN CALLED INTD ACTION THE U.S. MILITARY FOR BOTH LIFE SAVING AND DISASTER RELIEF EFFORTS, AND FINALLY, THE ERUPTION OF MT. PINATUBO IN JUNE 1991 WHICH FORCED THE EVACUATION OF OVER 16,000 AMERICANS. IRONICALLY, THE VOLCANO OCCURRED BEFORE THE FINAL ROUND OF BASE

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NEGOTIATIONS AND GAVE THE U.U. PANEL FULL JUSTIFICATION FOR CLOSING DOWN CLARK, EXTENDING THE DURATION AT SUBIC AND REDUCING THE TOTAL AMOUNT OF BASE COMPENSATION. AS THIS ASSESSMENT IS BEING WRITTEN, THE OUTCOME OF THE BASES AGREEMENT IS STILL UNCERTAIN, BUT I WILL ATTEMPT TO FORETELL HOW IT WILL TURN OUT -- AND WHAT WILL BE THE US/RF RELATIONSHIP OF THE FUTURE.

(b)(3):10 USC 424

4. THIS ASSESSMENT RECAPS THE PERSONAL VIEWS AND JUDGMENTS OF [REDACTED] IT WILL ADDRESS THE FOLLOWING TOPICS:

THE ARMED FORCES OF THE PHILIPPINES
AFP LEADERSHIP TRENDS
THE INTELLIGENCE EFFECTIVENESS OF THE AFP
AFP MODERNIZATION
GRAFT AND CORRUPTION IN THE AFP
POLITIZATION OF THE AFP
THE AFP: THE GOOD, THE BAD AND THE UGLY

THE PHILIPPINE NATIONAL POLICE
PNP LEADERSHIP
PNP ROLES AND MISSIONS
THE PNP: PROSPECTS FOR THE FUTURE

THE THREATS TO PHILIPPINE NATIONAL SECURITY
CPP/NPA/NDP
THE MNLF/MILF: A DYING MOVEMENT
THE THREAT FROM THE RIGHT
THE POTENTIAL FOR A SUCCESSFUL COUP D'ETAT

CHALLENGES AND DOMINANT ISSUES
THE THREAT TO AMERICANS
AMNESTY AND NATIONAL RECONCILIATION
BASE NEGOTIATIONS
THE 1992 ELECTIONS
THE DIRECTION OF THE US/RF RELATIONSHIP

- THE ARMED FORCES OF THE PHILIPPINES

AFP LEADERSHIP TRENDS. A NEW BREED OF LEADERSHIP IS GRADUALLY EMERGING IN THE AFP. WITH THE APPOINTMENT OF GENERAL LISANDRO C. "BOY" ABADIA AS THE CHIEF OF STAFF, AFP, AND MAJOR GENERAL ARTURO "BOY" ENRILE AS COMMANDING GENERAL, PHILIPPINE ARMY, THE BEGINNING OF BOLD MOVES TO PUT THE BEST QUALIFIED MAN IN THE JOB HAS BEGUN. MANY HAVE ARGUED THAT THESE APPOINTMENTS ARE THE EPITOME OF A POLITICIZED PROMOTION AND ASSIGNMENT PROCESS. IN FACT, THE DEPUTY CHIEF OF STAFF, AFP, MGEN ALEXANDER P. AGUIRRE RESIGNED IN CONTEMPT, OPENLY CHALLENGED THE WISDOM OF THE PRESIDENT IN APPOINTING ABADIA (2#9 8 JUNIOR TO HIM), AND TESTIFIED AT THE COMMISSION ON APPOINTMENT

/***** BEGINNING OF SECTION 002 *****/

HEARINGS ON THE APPOINTMENTS OF ABADIA AND ENRILE, AMONG OTHERS. THAT THE APPOINTMENTS OF ABADIA AND ENRILE WERE SUPPORTED BY THE VAST MAJORITY OF PERSONNEL IN THE AFP, INCLUDING SEVERAL OFFICERS SENIOR TO ABADIA, IS ENCOURAGING.

I BELIEVE THE LEADERSHIP QUALITIES OF THE TWO "BOYS" ARE PRECISELY WHAT IS NEEDED IN THE AFP TODAY -- DIRECT, FORCEFUL LEADERSHIP BASED ON ACCURATE ASSESSMENT OF THE SITUATION AND CAPABILITY TO INFLUENCE OTHERS. ABADIA IS FOLLOWING THE PRINCIPLE OF PUTTING THE "BEST QUALIFIED" IN POSITIONS DOWN THE LINE IN THE SERVICES. THE AFP BOARD OF GENERALS IS SELECTING OFFICERS FOR PROMOTION IN EACH MAJOR SERVICE BASED ON PROVEN ABILITY TO PRODUCE RESULTS, AND THEY ARE APPOINTING YOUNGER OFFICERS AS BATTALION AND SQUADRON COMMANDERS. THE PEOPLE SQUAWKING THE LOUDEST ARE THOSE MOST DIRECTLY AFFECTED BY THE CHANGES AND THOSE WHO HAVE BENEFITED FROM A SYSTEM WHICH PROMOTES BASED ON SENIORITY AND PERSONAL FAVORITISM, NOT

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NECESSARILY ONE'S CAPABILITIES. AS THE NEW AFP LEADERSHIP IMPLEMENTS CHANGES IN THE PROMOTION SYSTEM, THE AFP WILL BECOME MORE PROFESSIONAL, LESS POLITICAL -- A MAJOR KEY TO COUNTERING THE THREAT FROM OFFICERS ASSOCIATED WITH THE ORIGINAL REFORM THE ARMED FORCES MOVEMENT (RAM) AND THE RECENTLY FORMED YOUNG OFFICER'S UNION (YOU).

THE INTELLIGENCE EFFECTIVENESS OF THE AFP. A MAJOR SUCCESS STORY OVER THE LAST 18 MONTHS. THE AFP INTELLIGENCE ORGANIZATION HAS DONE EXCELLENT WORK AGAINST BOTH THE LEFT AND THE RIGHT. FOR EXAMPLE, SINCE JAN 91, THEY HAVE NEUTRALIZED 57 CPP/NPA MEMBERS INCLUDING EIGHT TOP LEADERS; THEY HAVE NEUTRALIZED 43 MEMBERS OF THE RAM/YOU, INCLUDING ALL EXCEPT FIVE OF THE CORE GROUP. THESE ARRESTS HAVE SIGNIFICANTLY REDUCED THE CAPABILITY OF THESE GROUPS TO ACT AGAINST THE COUNTRY FOR THE TIME BEING. IN ADDITION, THERE IS IMPROVED COORDINATION AMONG INDIVIDUAL INTELLIGENCE UNITS THROUGH THE JOINT INTELLIGENCE COMMITTEE (JIC). PREVIOUSLY THERE WAS LITTLE OR NO SHARING OF INTELLIGENCE INFORMATION AMONG SERVICE UNITS, AND IN FACT, AN UNHEALTHY COMPETITION FOR RECOGNITION AND RESOURCES EXISTED. NOW THEY ARE ACTUALLY WORKING TOGETHER AND PRIORITIZING TARGETS. EVEN WITH THE CREATION OF THE PNP, THERE IS BETTER COORDINATION OF THE INTELLIGENCE EFFORT. RECENT SUCCESSSES AGAINST THE CPP/NPA AND THE RAM/YOU ARE EXAMPLES OF IMPROVED INTELLIGENCE OPERATIONS.

AFP MODERNIZATION. A MAJOR CHALLENGE FOR THE AFP. THE PAF IS WOEFUL, THE PN FOURTH OR FIFTH RATE, THE PA A BIT BETTER BY COMPARISON, BUT STILL IN NEED OF OVERHAUL IN THE EQUIPMENT AND LOGISTICS AREAS. THE PAF WANTS THE F-16. THEY ARE AT LEAST A DECADE AWAY FROM AN AIRCRAFT SIMILAR TO THE F-16. AT THE TRAINING CENTER AT FERNANDO AIR BASE, NONE OF THE TRAINING AIDS AND SYSTEMS MOCK-UPS ARE OPERATIONAL. EVEN MORE TELLING, THEY ARE FOR THE F-4 WHICH WAS PHASED OUT OF THE PAF INVENTORY OVER TWENTY YEARS AGO. THERE IS NO WAY THE PAF IS READY TO BRING ON A MODERN FIGHTER. THEY HAVE TO FIRST DEMONSTRATE CAPABILITY TO KEEP THEIR MD-520'S, S-211'S, THE NEWLY ACQUIRED C-130'S AND OV-10'S OPERATIONAL. AN INTERIM FIGHTER LIKE THE F-5E, UPGRADED WITH A MORE MODERN AVIONICS PACKAGE, MAKES MUCH MORE SENSE FOR THE PHILIPPINES FOR THE NEXT DECADE. THEN THEY MAY BE READY TO BEGIN PHASING IN ANOTHER FIGHTER. NOW IT IS OUT OF THE QUESTION BECAUSE NOT ONLY CAN THEY NOT AFFORD TO ACQUIRE A NEW JET FIGHTER, THEY CANNOT MAINTAIN THE SYSTEMS REQUIRED TO OPERATE AND EMPLOY IT. EVEN AN UPGRADED F-5E MAY BE TOO EXPENSIVE FOR THE PAF AT THIS POINT.

GRAFT AND CORRUPTION IN THE AFP. STILL A MAJOR PROBLEM. EXAMPLES ARE EVERYWHERE AND NO ONE SEEMS TO BE DOING MUCH ABOUT IT. ON MY LAST TRIP TO CLARK, FOR EXAMPLE, A USAF JUNIOR OFFICER TOLD ME OF SOME INITIAL HORROR STORIES OF STRIPPING FACILITIES FOLLOWING TURNOVER. APPARENTLY PHILIPPINE AIR FORCE PERSONNEL AFTER THE BUILDING AFTER THE TURNOVER AND TAKE EVERYTHING THEY CAN: LIGHT FIXTURES, FIRE EXTINGUISHERS, TOILETS, WALL PANELING -- WHILE THE PAF LOOKS THE OTHER WAY.

THE MEDIA REPORTS ALMOST DAILY THE CHARGES OF AFP INVOLVEMENT IN ILLEGAL ACTIVITIES. NO SENIOR OFFICER IS IMMUNE. FORMER SECRETARY OF NATIONAL DEFENSE (SND), FIDEL V. "EDDIE" RAMOS IS FENDING OFF CHARGES OF IMPROPER INVOLVEMENT IN ILLEGAL LOGGING. RENATO S. DE VILLA, WHO IS RELATIVELY CLEAN, IS FACING STIFF CHALLENGES FROM THE COMMISSION ON APPOINTMENTS OVER HIS APPOINTMENT AS SND. IT GOES ON

AND ON; IT GOES DOWN TO THE LOWEST LEVELS. GRAFT AND CORRUPTION IS

/***** BEGINNING OF SECTION 003 *****/
SYMPTOMATIC OF THE CULTURE OF THE ENTIRE COUNTRY.

POLITIZATION OF THE AFP. HAS ALWAYS BEEN A PROBLEM IN THE AFP. THE UPCOMING ELECTION WILL BE ONE OF ITS GREATEST TESTS. THE PRESIDENT HAS DIRECTED ABADIA AND PHILIPPINE NATIONAL POLICE DIRECTOR CESAR P.

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NAZARENO TO KEEP THE AFP/PNP OUT OF THE ELECTIONS. THE ROLE OF THE MILITARY AND THE POLICE IS TO ENSURE SAFE AND ORDERLY ELECTION, NOT TO ENTER THE POLITICAL FRAY AND EXERT INFLUENCE ON THE OUTCOME.

POLITIZATION HAS BEEN ONE OF THE ROOT CAUSES OF DISUNITY IN THE AFP. A STRONGLY POLITICAL JUNIOR OFFICER CORPS CONTRIBUTED TO THE 1986 REVOLUTION WHICH REMOVED PRESIDENT MARCOS FROM POWER. ONCE TOUCHED WITH THE SENSE OF POLITICAL POWER, THESE YOUNGER, IDEALISTIC OFFICERS WERE HUNGRY FOR MORE. WITHOUT AN INFLUENCE IN THE POLITICAL CURRENTS IN THE COUNTRY, THEY BECAME RESTLESS AND IMPATIENT. THE RESULT WAS AN ATTEMPTED COUP D'ETAT IN AUGUST 1987 AND AGAIN IN DECEMBER 1989.

THE AFP: THE GOOD, THE BAD AND THE UGLY.

THE GOOD: THE AFP HAS BEEN INSTRUMENTAL IN PRESERVING AN INFANT DEMOCRACY. IT HAS LEAD A CAMPAIGN FOR STABILITY IN GOVERNMENT TO PAVE THE WAY FOR ECONOMIC AND SOCIAL GROWTH. THROUGH STRONGER LEADERSHIP, THE AFP HAS MADE PROGRESS AGAINST THE CPP/NPA, 8.8, 8#3\$ THE THREAT FROM THE ULTRA RIGHTISTS AND IMPROVED ITS INTELLIGENCE EFFECTIVENESS.

THE BAD: GRAFT AND CORRUPTION IS STILL A MAJOR PROBLEM IN THE AFP. HUMAN RIGHTS ABUSES STILL OCCUR. THERE IS LITTLE DISCIPLINE FOR THE MAINTENANCE AND CARE OF VALUABLE EQUIPMENT. AS AN ARMED FORCES, THE AFP IS IN BAD SHAPE IN TERMS OF MAJOR EQUIPMENT AND ITEMS SUCH AS AIRCRAFT AND NAVAL VESSELS. MODERNIZATION OF THE PHILIPPINE AIR FORCE AND THE PHILIPPINE NAVY ARE TOP PRIORITY FOR THE AFP.

THE UGLY: SENIOR OFFICERS LINE THEIR POCKETS WHILE THE SOLDIERS IN THE FIELD SURVIVE ON NOTHING. ATROCITIES OCCUR AND THE LEADERSHIP LOOKS THE OTHER WAY.

NOTWITHSTANDING THE BAD AND THE UGLY, WHICH ARE PROBLEMS THROUGHOUT THE PHILIPPINE CULTURE, THE AFP IS BECOMING MORE PROFESSIONAL THROUGH BETTER LEADERSHIP. THE KEY TO THE FUTURE FOR THE AFP IS MODERNIZATION WHICH IS TIED TO A CONTINUED PRESENCE OF U.S. FORCES IN THE COUNTRY.

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PHILIPPINE NATIONAL POLICE (PNP)

PNP LEADERSHIP. GOING THROUGH GROWING PAINS AND AN IDENTITY CRISIS. GENERAL NAZARENO AND MOST OF THE RANKING PNP OFFICERS CAME FROM THE PHILIPPINE CONSTABULARY. THEY ARE MILITARY OFFICERS FIRST, POLICE OFFICERS SECOND. THEY DO NOT LIKE THEIR NEW CIVILIAN POLICE RANKS AND ARE ATTEMPTING TO RETAIN THE LEGITIMATE USE OF THEIR MILITARY RANK. IN PRACTICE THEY DO ANYWAY.

THE LEADERSHIP OF THE PNP IS EFFECTIVE BECAUSE IT DERIVES ITS STRENGTH FROM YEARS OF SERVICE IN THE CONSTABULARY AND THE NOW DEFUNCT INTEGRATED NATIONAL POLICE. THE RELATIONSHIPS AND CONNECTIONS IN THE PNP ARE TIGHT. THE INTELLIGENCE NETWORKS ARE EXCELLENT, AND BECAUSE CHIEF SUPERINTENDENT GERARDO N. FLORES (PMA 62) MAINTAINS CLOSE LIAISON WITH HIS CLASSMATES IN THE AFP (BG CARLOS "CHARLIE" TANEGA, CHIEF, INTELLIGENCE SERVICE OF THE AFP AND MG ALFREDO L. MILLER, J-2, AFP), THE PNP AND AFP INTELLIGENCE ORGANIZATIONS MAINTAIN GOOD COMMUNICATION.

GRAFT AND CORRUPTION IN THE PNP ARE PROBABLY AT EPIC PROPORTIONS, BUT CHARGES AGAINST ANY LEADERS IN THE PNP WILL PROBABLY NEVER STICK. EVEN WHEN EXPOSED AND CHARGED, PNP OFFICERS ARE SELDOM TRIED AND CONVICTED. THERE HAVE BEEN NUMEROUS EXAMPLES OF PNP PERSONNEL BEING INVOLVED IN ILLEGAL ACTIVITIES -- DRUGS, GAMBLING, ILLEGAL LOGGING, SALE OF ARMS AND AMMUNITION, EXTORTION -- YET THE CASES JUST SEEM TO EVAPORATE. IT IS AS IF THERE IS AN UNSPOKEN AGREEMENT NOT TO PURSUE THE PROBLEM ANY FURTHER.

ON THE SURFACE, THINGS LOOK PRETTY GOOD. THE LEADERSHIP SAYS THE

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RIGHT THINGS AND THEY HAVE DONE A GOOD JOB RESULTING IN THE PHILIPPINES IMPROVING ITS IMAGE AND INFLUENCE AMONG THE SOVEREIGN NATIONS OF THE PACIFIC REGION.
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/***** BEGINNING OF SECTION 004 *****/

PNP ROLES AND MISSIONS. WITH THE FORMATION OF THE PNP EFFECTIVE JANUARY 1, 1991, MAJOR POLICY DECISIONS IN BOTH THE PHILIPPINES AND THE UNITED STATES ARE AFFECTED. THUS FAR, THE ADMINISTRATION OF FORMING THE PNP IS NEARLY COMPLETE. THE MOST SIGNIFICANT CHANGE IS FOR THE PNP TO TAKE OVER RESPONSIBILITY OF THE INTERNAL SECURITY OF THE COUNTRY. OPERATIONALLY, THIS CHANGE HAS HAD LITTLE REAL CHANGE IN HOW THE AFP AND THE PNP ARE COUNTERING THE INSURGENCY IN THE COUNTRY.

THE AFP, WHICH PROFFESSES TO BE IN A SUPPORT ROLE, IS STILL HEAVILY ENGAGED THROUGHOUT THE COUNTRY IN COUNTERINSURGENCY OPERATIONS. GENERAL KAZARENO IS STATING THAT THE PNP IS TAKING OVER, AND HE IS TALKING ABOUT ACQUIRING AIRCRAFT, NAVAL VESSELS AND ADDITIONAL GROUND EQUIPMENT AS THEY TRANSITION TO FULL RESPONSIBILITY FOR INTERNAL SECURITY. THE PNP HAS SET UP TWO AREAS FOR TESTING THEIR STRATEGY AND TACTICS AGAINST THE NPA IN MINDORO AND LEYTE. SO FAR, THE RESULTS HAVE BEEN DISAPPOINTING.

THE PNP: PROSPECTS FOR THE FUTURE. IT WILL TAKE LONGER THAN THE TWO YEARS PROGRAMMED FOR THE PNP TO BE READY FOR FULL RESPONSIBILITY FOR THE COUNTERINSURGENCY. CHANCES ARE GOOD THAT THE ADDITIONAL TWO YEARS PROVIDED FOR TRANSITION WILL BE NECESSARY. IF THE INSURGENCY HAS NOT BEEN ELIMINATED BY 1995, IT IS UNLIKELY THE PNP WILL BE ABLE TO COMPLETE THE JDB BY ITSELF. THE AFP WILL CONTINUE TO OPERATE AGAINST THE INSURGENCY AS LONG AS IT EXISTS IN THE COUNTRY.

ONE OF THE ASSUMPTIONS UNDERLYING THE SHIFT OF RESPONSIBILITY FOR THE INSURGENCY FROM THE AFP TO THE PNP WAS THAT IT WOULD BE DEFEATED BY 1992. THAT IS NOT GOING TO HAPPEN. FOR THE NEXT SEVERAL YEARS, THERE WILL BE A DIVISION OF EFFORT BETWEEN THE AFP AND THE PNP OVER FIGHTING THE NPA IN THE FIELD -- AND FOR A SHARE OF THE SECURITY ASSISTANCE MONIES ACCRUING FROM THE BASE COMPENSATION PACKAGE. A MAJOR POLICY DECISION FOR THE US IS WHETHER THE PNP IS ENTITLED TO ANY SECURITY ASSISTANCE AT ALL BASED ON ITS RESPONSIBILITY FOR COUNTERINSURGENCY. WITHOUT SOME ACCESS TO SECURITY ASSISTANCE MONEY, THE PNP WILL NOT BE ABLE TO TRAIN, EQUIP AND OPERATE AGAINST THE NPA.

THE PNP WILL BE ABLE TO PERFORM ITS OTHER RESPONSIBILITIES FOR CRIME PREVENTION, CIVIL LAW AND ORDER, COUNTERNARCOTICS, AND INTERNAL SECURITY ON A NATIONWIDE BASIS. IT MUST OVERCOME THE PROBLEMS OF CRAFT AND CORRUPTION AND DECENTRALIZED COMMAND AND CONTROL IF IT IS TO IMPROVE ITS EFFECTIVENESS AS THE NATIONAL POLICE FORCE.

- THREATS TO PHILIPPINE NATIONAL SECURITY

CPP/NPA/NDF. THE CPP/NPA/NDF IS STILL THE MAIN THREAT TO THE COUNTRY'S SECURITY. THEIR OBJECTIVE IS TO SEIZE POWER AND THEIR COUNTRYWIDE CAMPAIGN TO WAGE WAR CONTINUES. HOWEVER, RECENT ACTIONS ON THE PART OF THE AFP HAVE SERVED TO WEAKEN THE LEADERSHIP AND PLACED THE CPP/NPA/NDF IN A CRUCIAL CONDITION. SINCE JANUARY 1991, THE AFP HAS NEUTRALIZED 57 MEMBERS OF THE CPP/NPA, INCLUDING EIGHT HIGH RANKING OFFICERS OF THE CENTRAL COMMITTEE AND THE NPA GENERAL COMMAND. THESE SETBACKS FOR THE CPP/NPA FURTHER EXACERBATE AN UNRESOLVED LEADERSHIP CRISIS AND THE IDEOLOGICAL DIFFERENCES EMERGING AS A RESULT OF WORLDWIDE EVENTS.

THE AFP CONTINUES TO USE "QUICK LOOK" PARAMETERS FOR MEASURING TRENDS AGAINST THE INSURGENCY. AS OF 30 JUN 91, THE NUMBER OF CPP/NPA INSURGENTS IS DOWN ANOTHER FIVE PERCENT TO 16,360, AND THE NUMBER OF CPP/NPA FIREARMS DECLINED EIGHT PERCENT. THE NPA LOST 48 GUERRILLA FRONTS AND REGAINED 31 FOR A NET DIFFERENCE OF 17 FEWER FRONTS; THERE WERE 73 GUERRILLA FRONTS IN JAN 91 AND THERE WERE 56

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EVENTS AS OF 30 JUN 91. THERE HAS BEEN AN ESCALATION OF NPA-INITIATED ARMED CONFLICTS IN THE FIRST SIX MONTHS OF 1991 TO COUNTER THE EFFECTIVENESS OF THE AFP. IN ADDITION, THERE HAVE BEEN MORE FREQUENT MASS PROTEST ACTIONS AND URBAN PARTISAN WARFARE HAS INCREASED THROUGHOUT THE COUNTRY INDICATING THAT THE CPP/NPA/NDF HAS NO INTENTION OF RENOUNCING ITS BID TO SEIZE POWER.

THE MNLF/MILF: A DYING MOVEMENT. THE SECESSIONIST MOVEMENT OF THE MORO NATIONAL LIBERATION FRONT (MNLF) AND THE MORO ISLAMIC LIBERATION FRONT (MILF) IS WEAKENED, FRACTIONALIZED AND DEMOCRATIZED. MORE THAN 1200 MEMBERS HAVE SURRENDERED SINCE THE BEGINNING OF 1991. THE AFP BELIEVES THE THREAT FROM THE MNLF AND MILF WILL CONTINUE TO DECLINE AS THE ARAB NATIONS CONTINUE TO EXCLUDE THEM FROM THE ORGANIZATION OF THE ISLAMIC CONFERENCE. THE MNLF IS RESORTING TO CRIMINALITY FOR RECOGNITION AND MEANS FOR SURVIVAL.

THE THREAT FROM THE RIGHT. THE THREAT FROM ULTRA RIGHTIST GROUPS IS

/***** BEGINNING OF SECTION 005 *****/

SIGNIFICANTLY DIMINISHED. BOTH THE MARCOS LOYALISTS AND THE RAM

SUFFER FROM REDUCED SUPPORT OF CIVILIAN BACKERS. RECENT ARRESTS OF RAM/YOU MEMBERS, (8, 117\$8, & 3;34-) 9! 3 .95 3!13:58;3 13-\$34, HAVE HURT THESE GROUPS. THE YOU CONTINUES TO FOCUS ON A LONG TERM BUILD UP OF ORGANIZATION AND STRUCTURE, DEVELOPMENT OF A MASS BASE OF SUPPORT, AND EQUIPAGE OF THEIR ARMY COMPONENT. THE LATEST ROUND OF EXPLORATORY TALKS BETWEEN REBEL OFFICERS AND AFP INTERMEDIARIES INCLUDED THE CSAFP'S WARNING TO THE RAM LEADERSHIP TO ENTER A DIALOGUE WITHIN 72 HOURS OR OPERATIONS AGAINST THEM WOULD RESUME. ABADIA HAS KEPT THE DOOR OPEN FOR DIALOGUE WITH HDNASAN AND COMPANY AND HAS ALLOWED DETAINED REBEL OFFICERS TO LEAVE CONFINEMENT TO TALK TO THEM. THREE TIMES THE AFP HAS CEASED OPERATIONS AGAINST THE REBELS TO DEMONSTRATE ITS SINCERITY IN PROPOSING A DIALOGUE. THE MOST RECENT WARNING BY THE CSAFP WENT UNHEEDED AND ABADIA SAID HE WOULD RESUME OPERATIONS AGAINST THE REBELS AS OF NOON ON 10 AUG 91. THE RECENT ATTEMPTED JAILBREAK BY SEVERAL REBELS WEAKENED THE HOPE OF A SUCCESSFUL DIA&73 285# 5*3 -10. HOWEVER, THE CSAFP STILL HOPES TO DRAW "THE MODERATES" AMONG THE RIGHTISTS AWAY FROM "THE VIOLENCE-PRONE RADICALS." MY ASSESSMENT IS THAT THE RIGHTISTS WILL CONTINUE TO WEAKEN OVER TIME AS THE AFP RESUMES ITS OPERATIONS AGAINST RAM/PJVVXI

COUP D'ETAT BETWEEN NOW AND SEPTEMBER 1992 WILL NOT SUCCEED. FOR THE NEXT YEAR, COUP PLOTTERS WILL NOT HAVE MUCH SUPPORT FOR AN ACTUAL COUP ATTEMPT. SYMPATHY? YES. SUPPORT. NO. THE NEW ADMINISTRATION MUST PROVIDE STRONG LEADERSHIP, DIRECTION AND VISION WHICH GIVES IMPETUS TO THE ECONOMY AND DELIVERS MORE GOODS AND SERVICES TO THE COUNTRYSIDE. IF LIFE DOES NOT IMPROVE FOR THE AVERAGE FILIPINO IN THE FIRST SIX MONTHS OF THE NEW ADMINISTRATION, THEN THERE WILL LIKELY BE ANOTHER COUP ATTEMPT. IT WILL PROBABLY SUCCEED.

THE MOST PROMINENT FACTION FAVORING OVERTHROWING THE GOVERNMENT IS STILL THE RAM/SFP/YOU. THEIR RANKS HAVE BEEN HARD HIT BY A COMBINATION OF LACK OF RESOURCES AND CIVILIAN SUPPORT FOR THEIR "DREAMS THAT WILL NEVER DIE." A TOUGHENING OF THE GOVERNMENT'S HANDLING OF THOSE CHARGED WITH REBELLION APPROPRIATE BY THE AFP/PNP IS A SERIOUS THREAT TO THE GOVERNMENT AT THIS TIME.

SIMILARLY, OTHER FACTIONS SUCH AS THE CPP/NPA, THE MNLF AND THE MARCOS LOYALISTS DO NOT HAVE THE POTENTIAL TO OVERTHROW THE GOVERNMENT. NONE OF THE GROUPS WILL BE IN A POSITION TO LAUNCH ANOTHER COUP ATTEMPT PRIOR TO SEPTEMBER 1992. BEYOND THAT TIME FRAME, THE POTENTIAL FOR ANOTHER COUP IS A FUNCTION OF HOW EFFECTIVE IS THE NEXT ADMINISTRATION.

- " CHALLENGES AND DOMINANT ISSUES

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THREATS TO AMERICANS. THE THREAT STILL EXISTS ALTHOUGH IT DOES NOT "FEEL" AS MENACING NOW AS IT HAS IN PREVIOUS MONTHS. COMPLACENCY AND CARELESSNESS ARE DEFINITE FACTORS IN THE SECURITY SITUATION FOR AMERICANS AT THE MOMENT.

5#3 3:13:5 9! .5. PINATUBO HAVE NO DOUBT ALTERED THE THREAT AREAS. WITH THE CLOSURE OF CLARK IN PROGRESS, THE FOCUS OF THE THREAT TO AMERICANS WILL PROBABLY SHIFT TO SUBIC AND MANILA. RECENT SETBACKS SUFFERED BY THE CPP/NPA LEADERSHIP, MOST NOTABLY THE CAPTURE OF ROLLIE KINTANAR, COULD ALSO INFLUENCE THE THREAT TO AMERICANS.

IN THE NEAR TERM, THE THREAT IS POSSIBLY REDUCED WHILE THE CPP/NPA RECOVERS FROM LEADERSHIP LOSSES, SELECTS NEW LEADERS AND ASSESSES THEIR CURRENT SITUATION IN LIGHT OF THE OUTCOME OF THE BASE NEGOTIATIONS. ASSUMING THERE IS GOING TO BE AN AGREEMENT WHICH PROVIDES FOR CONTINUED U.S. PRESENCE IN THE PHILIPPINES, THE CPP/NPA WILL REVISE THEIR STRATEGY ON TARGETING AMERICANS AFTER THE AGREEMENT IS RATIFIED. THAT WILL BE THE TIMEFRAME WHEN AMERICANS COULD BE AT GREATEST RISK. THE CPP/NPA HAS BEEN HIT HARD BY THE AFP/PNP. THEY HAVE NOT SCORED A MAJOR PROPAGANDA VICTORY FOR A LONG TIME AND THEY

/***** BEGINNING OF SECTION 086 *****/

MAY BE FACED WITH A NEW BASE AGREEMENT WITH SUBSTANTIAL ASSISTANCE GOING FROM THE U.S. TO THE AFP. WHAT THEY WILL DO IS UNCERTAIN, BUT AN ATTACK ON U.S. PERSONNEL OR FACILITIES IS A DISTINCT POSSIBILITY.

AMNESTY AND NATIONAL RECONCILIATION. WILL BE AN ISSUE IN THE UPCOMING PRESIDENTIAL ELECTION. THERE HAS TO BE SOME FORM OF NATIONAL RECONCILIATION TO CLEANSE THE SLATE. THE GOVERNMENT HAS BEEN CONSUMED WITH PROSECUTING ENEMIES OF THE STATE AT THE EXPENSE OF DEVOTING VALUABLE TIME AND RESOURCES TO DEVELOPMENTAL AND GROWTH AREAS.

THE CPP/NPA/NDF IS SENDING SIGNALS TO THE GOVERNMENT THAT THEY ARE WILLING TO ENTER A UNILATERAL CESSATION OF HOSTILITIES IF THE GOP REJECTS A BASES TREATY. HOW THE CAPTURE OF TOP CPP/NPA LEADERS WILL AFFECT THE PROSPECTS FOR PEACE TALKS WITH THE LEFT IS STILL UNCERTAIN. TERMS OF THE RECONCILIATION FOR MEMBERS OF THE LEFT WILL BE DIFFICULT TO DEFINE.

THE RAM LEADERS HAVE INDICATED THAT CLEMENCY FOR ALL DETAINED RAM MEMBERS IS A PREREQUISITE FOR ENTERING A PEACE DIALOGUE WITH THE GOVERNMENT. ABADIA HAS MADE IT A PERSONAL PRIORITY TO RESOLVE THE PROBLEM POSED BY HONASAN AND THE RAM. HIS INITIATIVES TO SEND DETAINED MEMBERS OUT TO CONTACT HONASAN AND OTHER LEADERS AT LARGE IS A GENUINE ATTEMPT AT RECONCILIATION. THOUGH THEY HAVE NOT YET PUBLICLY SAID IT, BOTH RAMOS AND DE VILLA WILL SUPPORT SOME FORM OF AMNESTY AND NATIONAL RECONCILIATION FOR THE MAJORITY OF REBEL OFFICERS IN CUSTODY. WHAT THEY HAVE IN MIND FOR THE CORE LEADERS WHO HAVE LEAD SEVERAL COUP ATTEMPTS AGAINST THEM IS A DIFFERENT STORY.

IN MY VIEW, THE COUNTRY NEEDS A FRESH START. RIGHT NOW THE DOMESTIC ENEMIES OF THE STATE, FROM BOTH THE LEFT AND THE RIGHT, ARE SAPPING THE STRENGTH OF COUNTRY AT A TIME WHEN ALL ENERGY SHOULD BE FOCUSED ON UNITY AND NATIONAL GROWTH. A WELL CONCEIVED AMNESTY AND NATIONAL RECONCILIATION PROGRAM COULD GIVE THE COUNTRY THE BREATHING SPACE IT NEEDS TO BEGIN A RECOVERY.

BASE NEGOTIATIONS. ANOTHER ENERGY-SAPPING ISSUE. REGARDLESS OF HOW THE CURRENT NEGOTIATIONS TURN OUT, THE QUESTION OF U.S. PRESENCE IN THE COUNTRY WILL CONTINUE TO BE THE FUNDAMENTAL ISSUE IN THE RP/US RELATIONSHIP. AS THIS PAPER IS BEING WRITTEN, THE FATE OF A NEW BASING AGREEMENT, DEFINED OVER THE PAST 14 MONTHS OF NEGOTIATIONS, RESTS WITH THE PHILIPPINE SENATE. IF THE VOTE WERE TAKEN TODAY, THE TREATY WOULD BE DEFEATED.

IT IS HARD TO IMAGINE THAT THE AGREEMENT FACES POSSIBLE DEFEAT, PARTICULARLY WHEN RATIFICATION IS FAVORED BY 75 - 80 PERCENT OF THE

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FILIPINO PEOPLE, A LARGE MAJORITY OF THE ARMED FORCES AND THE NATIONAL POLICE, THE BUSINESS COMMUNITY, A LARGE MAJORITY OF ELECTED POLITICIANS, THE INTERNATIONAL COMMUNITY AND THE CURRENT ADMINISTRATION, INCLUDING A PRESIDENT WORKING HARD TO COMPLETE A SUCCESSFUL AGREEMENT. IT IS A UNIQUELY FILIPINO SITUATION IN WHICH THE FUTURE OF A RELATIONSHIP BETWEEN TWO SOVEREIGN NATIONS FALLS IN THE HANDS OF 33 SENATORS. ONE OF THEM TOLD ME IT DID NOT MATTER WHO OR HOW MANY PEOPLE ARE FOR THE AGREEMENT. HE IS GOING TO VOTE BASED ON WHETHER HE THINKS IT IS A "GOOD DEAL" AND RIGHT NOW HE DOES NOT THINK IT IS.

I THINK THE AGREEMENT WILL EVENTUALLY BE RATIFIED. SOMETHING -- I CAN'T SUGGEST WHAT -- WILL GIVE THE BORDERLINE SENATORS AN OPPORTUNITY TO VOTE "FOR" THE AGREEMENT. NEVER BEFORE HAVE MOST OF THEM EXPERIENCED SUCH INFLUENTIAL LIMELIGHT. THEY LOVE IT. AND THEY KNOW THAT A "YES" VOTE IN A PRD-BASES ADMINISTRATION MEANS THEIR POLITICAL STOCK WILL INCREASE. I THINK THEY ARE LOOKING FOR A GRACEFUL WAY TO VOTE IN FAVOR OF RATIFICATION. THEY, LIKE MOST OF US ON THE U.S. SIDE, ARE ANXIOUS TO GET THE BASE AGREEMENT SETTLED SO THEY CAN MOVE ON TO THE NEXT BIG EVENT.

THE 1992 ELECTIONS. THE NEXT BIG EVENT. ELECTION FEVER HAS ALREADY STARTED. PRESIDENTIAL CANDIDATES ARE BEGINNING THEIR CAMPAIGNS AND LINING UP LOYALTIES, WHICH WILL CONTINUE TO BE SLIPPERY UNTIL FAVORITES START TO CRYSTALLIZE.

I LIKE EDDIE RAMOS. I THINK HE WILL BE ELECTED IN A RELATIVELY FAIR ELECTION. I BELIEVE HE WILL DO A FINE JOB AS PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES. I WOULD BET MONEY ON IT -- BUT NOT TOO MUCH.

THE DIRECTION OF THE US/RP RELATIONSHIP. THIS IS A CRITICAL JUNCTURE IN THE US/RP RELATIONSHIP. MY CRYSTAL BALL IS MURKY, BUT I DO SEE SOME TRENDS.

/***** BEGINNING OF SECTION 007 *****/

FIRST, THE END OF OUR PERMANENT MILITARY PRESENCE AT U.S. FACILITIES IN THE PHILIPPINES IS INEVITABLE. VIRTUALLY ALL OF THE PRESIDENTIABLES ARE IN AGREEMENT THAT U.S. MILITARY FACILITIES IN THIS COUNTRY MUST EVENTUALLY GO. FROM THE U.S. VIEWPOINT, TOO, PERMANENT BASES ARE NOT NEEDED. WE NEED A STRONG BILATERAL RELATIONSHIP AND ACCESS RIGHTS WHEN NATIONAL SECURITY INTERESTS DICTATE.

SECOND, THE RELATIONSHIP WILL MATURE IN A HEALTHY, BUT PAINFUL WAY. IF EVER THE PHILIPPINES WILL PROSPER AND MATURE, IT MUST SEVER THE DEPENDENT TIES ON THE UNITED STATES' BACK. AGM 9Q9, 5#384 92, 8! 5#36 -43 TO SURVIVE. THEY WILL HAVE IT THEIR WAY.

THIRD, OUR SUPPORT FOR THE PHILIPPINES WILL CONTINUE BUT IT WILL BE LINKED TO THE VALUE OF THE BILATERAL RELATIONSHIP. THE BENEFITS FOR THE PHILIPPINES OF THE SO-CALLED SPECIAL RELATIONSHIP WILL CONTINUE AS LONG AS WE HAVE A SPECIAL RELATIONSHIP. IF THEY CHOOSE TO CHANGE THE TERMS, THEN SO WILL U.S. SUPPORT FOR THE PHILIPPINES CHANGE PROPORTIONATELY.

FOURTH, AS U.S. PRESENCE AND INFLUENCE IS REDUCED, OTHER COUNTRIES' PRESENCE AND INFLUENCE WILL INCREASE. THE HOPE FOR THE PHILIPPINES IS THAT THEY WILL BE STRONG ENOUGH TO STAND ON THEIR OWN BY THE TIME THE U.S. PHASES OUT ITS MILITARY PRESENCE. IF THEY ARE NOT, AND THE U.S. LEAVES, THE PHILIPPINES WILL TURN TO OTHER COUNTRIES FOR HELP. THE GROUNDWORK FOR THAT EVENTUALITY IS ALREADY BEING LAID.

5. THIS ASSESSMENT IS BASED ON GUT FEELINGS AS WELL AS SOME FACTS AND PERSONAL OBSERVATIONS. THE PAST TWO YEARS HAVE BEEN CHOCK FULL

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F CHALLENGES AND INTERESTING TIMES FOR THE PHILIPPINES. WE ARE AT A CRITICAL JUNCTURE IN OUR RELATIONSHIP WITH THIS COUNTRY AND, AT THIS MOMENT IN TIME, IT IS VERY DIFFICULT TO PREDICT WHICH WAY IT WILL GO.

A. ONE THING IS CERTAIN -- THE RELATIONSHIP HAS BEEN STRAINED, PERHAPS TO IRREPARABLE LIMITS. THE PROCESS OF NEGOTIATING A TREATY BASED UPON A NEW RELATIONSHIP OF FRIENDSHIP, COOPERATION AND SECURITY HAS TAKEN ITS TOLL ON THE EXISTING RELATIONSHIP. IT HAS BEEN AN INTERESTING DOSE OF REALITY FOR THE PHILIPPINES.

B. THE US/RP RELATIONSHIP HAS GRADUALLY ERODED SINCE THE BEGINNING OF THE 1988 MBA REVIEW. IT TOOK A SIGNIFICANT TURN FOR THE WORSE AS A RESULT OF THE CHENEY VISIT IN FEBRUARY 1990 WHEN, AS A RESULT OF STRANGE FILIPINO LOGIC, PRESIDENT AQUINO REFUSED TO SEE SECRETARY CHENEY. THE CHENEY SNUB ACCELERATED THE DETERIORATION OF THE OFFICIAL RELATIONSHIP AT A TIME WHEN THE PHILIPPINES COULD LEAST AFFORD IT.

6. SINCE I WILL BE LEAVING THE PHILIPPINES ON SEPTEMBER 16, 1991, I WILL HAVE TO FOLLOW PHILIPPINE EVENTS FROM MY LIVING ROOM IN PHOENIX. I MAY WATCH ANOTHER COUP D'ETAT OR NATURAL DISASTER, AND OF COURSE, I WILL WATCH WITH INTEREST THE RESULTS OF THE 1992 ELECTIONS.

7. AS A PARTING SHOT, I'LL MAKE ONE FINAL PREDICTION. I BELIEVE THE PHILIPPINES WILL FIND A WAY TO KEEP THE U.S. PRESENCE HERE FOR ANOTHER DECADE. THE PHILIPPINE SENATE WILL PROBABLY RATIFY THE AGREEMENT 16-7... BEGRUDGINGLY. THERE WILL BE A VERY BRIEF PERIOD OF HOLLOW EUPHORIA FOLLOWED BY A COUPLE OF YEARS OF PAINFUL MATURING FOR THE PHILIPPINES AND THE RELATIONSHIP.

A. THE NEXT ADMINISTRATION WILL CONTINUE THE TRANSITION TO A FUNCTIONING DEMOCRATIC SYSTEM. AFTER TWO TO THREE YEARS OF ADJUSTMENT TO THE NEW RELATIONSHIP, THINGS WILL BEGIN TO NOTICEABLY IMPROVE. THE ECONOMY, THE INTERNAL SECURITY SITUATION, CONFIDENCE IN THE GOVERNMENT AND THE ARMED FORCES, AND EVEN THE RELATIONSHIP WITH THE UNITED STATES. IT WILL TAKE THAT LONG FOR THE PHILIPPINES TO ACCEPT THAT THE U.S. REALLY IS LEAVING AT THE END OF THE DECADE. THEY WILL FINALLY REALIZE THAT THEIR SOVEREIGNTY AS A NATION HAS NEVER BEEN IN QUESTION... CERTAINLY NOT IN THE EYES OF THE UNITED STATES.

B. THE UNITED STATES AND THE REPUBLIC OF THE PHILIPPINES WILL REMAIN GOOD FRIENDS AND ALLIES FOR A LONG, LONG TIME -- WELL INTO THE TWENTY FIRST CENTURY. THERE WILL ALWAYS BE PEAKS AND VALLEYS IN THE

/***** BEGINNING OF SECTION 008 *****/

RELATIONSHIP. WE ARE IN A DEEP VALLEY NOW, BUT WITH A SUCCESSFUL AGREEMENT FOR FRIENDSHIP, COOPERATION AND SECURITY, THE RELATIONSHIP WILL BEGIN TO MATURE. BY THE TURN OF THE CENTURY, THE US/RP RELATIONSHIP SHOULD BE MOVING TOWARD ANOTHER PEAK WHILE THE PHILIPPINES IMPROVES ITS IMAGE AND INFLUENCE AMONG THE SOVEREIGN NATIONS OF THE PACIFIC REGION.

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