# Philippines Game Changer Analysis + Project Myoushu

Sealed With A Handshake: No Armed Patrols, Movement For WPS Peace In Duterte-Xi Talks (archived)

# SeaLight

Why Should We Care About the Indo-Pacific? Podcast (Apple Podcasts)

Ray Powell and Jim Carouso (CSIS)

Jim:

"Jim Carouso has been at the forefront of economic diplomacy in the Asia-Pacific for much of his career. His 25 years with the U.S. Department of State included postings as senior foreign policy adviser to the U.S. Indo-Pacific Command, deputy chief of mission and chargé d' affaires at the U.S. Embassy in Canberra, and charge d'affaires at the U.S. Mission to the Association of Southeast Asian Nations (ASEAN). In addition, Jim served in a variety of economic and commercial roles in the Dominican Republic, South Africa, Australia, Thailand, Indonesia, and Cyprus, including acting as a member of the U.S. teams negotiating free trade agreements with Australia and Thailand. While director of the State Department office responsible for relations with the Philippines, Indonesia, Malaysia, Brunei, Singapore and East Timor, Jim conceived and made real U.S.-ASEAN Connect, a new means of economic interaction between the two economies that was announced by President Obama at the 2016 Sunnylands summit. In 2019, he received the State Department's Distinguished Honor Award. Prior to joining the State Department in 1995, Jim worked in international banking and finance. Since retiring as a diplomat, Jim has served as managing director of strategic consultancy Bower Group Asia in Singapore and currently serves as a senior adviser to that firm. He holds a degree in economics from Hamilton College and a master's degree in international finance from the American Graduate School of International Management."

# US-PH Mutual Defense Treaty

"Article V of the 1951 MDT states that 'an armed attack on either of the Parties is deemed to include an armed attack on the metropolitan territory of either of the Parties, or on the Island territories under its jurisdiction in the Pacific Ocean, its armed forces, public vessels or aircraft in the Pacific." - <u>Source</u>.

# US-PH Bilateral Defense Guidelines

"The <u>fact sheet</u> for the Bilateral Defense Guidelines states: 'The guidelines reaffirm that an armed attack in the Pacific, including anywhere in the South China Sea, on either of their public vessels, aircraft, or armed forces – which includes their Coast Guards – would invoke mutual

defense commitments under Articles IV and V of the 1951 U.S.-Philippines Mutual Defense Treaty.'" - <u>Source</u>

The <u>origin</u> of Stanford University's <u>Gordian Knot Center for National Security Innovation</u>. It was sponsored by the <u>Office of Naval Research</u>, an organization within the Department of Navy.

Video clip on YouTube

SCS: ONR funded the Stanford GKC - info in description

Video clip on Rumble

Full video

The <u>Office of Naval Research</u> is an organization within the US Department of Navy. Ray Powell's Project Myoushu started at <u>Stanford's GKC</u>. Funny how Powell's <u>information</u> has disappeared from Stanford's GKC. The internet never forgets, though!

About SeaLight Project Myoushu at Standford's GKC (archived) ONR's Press Release

InfoOps in the South China Sea: Project Myoushu (Stanford GKC), SeaLight (archived), South China Sea NewsWire.

As part of Ray Powell's information operation, he 'feeds' information to the Philippines press via his <u>appearances</u> on their newscasts, stories on the <u>SeaLight</u> website, and his social media. He calls this "<u>assertive transparency</u>." What it actually does is create sensationalist stories and fearmongers the local public. These stories have even made it into the <u>US-funded propaganda</u> mouthpiece, <u>Voice of America</u>, and corporate media in the United States. [<u>CNN, NewsWeek</u>, <u>NewsWeek</u><sup>2</sup>]

WaPo: <u>Rising Philippine-China tensions in South China Sea: 5 moments from 2023</u> (original)- Quotes Ray Powell, **Victor Andres Manhit** (<u>Stratbase Albert del Rosario</u> Institute), and Rafaela David.

<u>Albert del Rosario</u> represented the Philippines at Permanent Court of Arbitration In 2022, Stratbase received a \$20,000 grant from the US Department of State to organize a series of hybrid round-table discussions to emphasize the importance of multilateral cooperation and strategic alliances in collectively tackling security challenges in the region.

- Chinese Coast Guard Blasts Philippine Boats With Water Cannons | WSJ News
- Watch: Chinese Coast Guard Collides With Philippine Boat in Disputed Sea | WSJ ...
- China Installs 'Floating Barrier' in South China Sea, Philippines Says | WSJ News

- Near-Collision Between Chinese, Philippine Ships in South China Sea | WSJ
- Chinese Vessel Sprays Water Cannon on Philippine Boat in Disputed Sea | WSJ N...

#### Dwarfed by China, Philippines Weaponizes Info in Sea Standoff

USG-Funded Propaganda - The Philippines' Information Operations task force, 'looks for violations' and uses embedded journalists.

# "'China is escalating,' said **Ray Powell, a retired U.S. Air Force colonel who now** works at Stanford University's Gordian Knot Center for National Security Innovation.

"What remains to be seen is whether the reputational harm China is suffering will bite hard enough to convince them to seek an off-ramp, or whether they believe their current course can convince Manila to veer from its own course,' Powell told VOA.

"The Philippines has little choice but to continue its current strategy, in the view of **Victor Andres Manhit**, managing director for the Philippines at advisory firm <u>BowerGroupAsia</u>."

CSIS: Victor Andres Manhit

BowerGroupAsia received a <u>loan</u> through the Paycheck Protection Program (PPP).

# ADRi Special Study: "Game Changer: The Philippines' Assertive Transparency Campaign Against China (How the Philippines Rewrote the Counter Gray Zone Playbook)" By Ray Powell and Ben Goirigolzarri, PhD

Ray leads Project Myoushu at Stanford University's Gordian Knot Center for National Security Innovation and is in charge of SeaLight. A 35-year veteran of the U.S. Air Force, he was a fellow at Stanford's Distinguished Careers Institute in 2021.

Ben Goirigolzarri is an active duty member of the United States Air Force and holds a doctorate degree in Policy Analysis from Pardee RAND Graduate School, as well as a Bachelor of Science degree in Operations Research from the U.S. Air Force Academy. His research includes using game theory to identify the effects of relative acquisition timelines on space conflict, identifying methodologies for agile space acquisition, and identifying general officer management strategies. His military service includes stints as a program manager, speechwriter, and trainer. Additionally, Goirigolzarri is a member of the <u>Project Myoushu</u> team.

The 30-meter BFAR vessels carried no weapons, but what they did carry was a small bevy of embedded journalists, who soon would have quite a story to tell. For over 12 hours on December 9<sup>th</sup>, the BFAR vessels would be blocked, harassed, and water-cannoned at least eight times by China's much larger ships, which also reportedly used a long-range acoustic device to bombard their crews with deafening noises. One of the BFAR boats also suffered damage to its communications and navigation gear.<sup>5</sup>

https://adrinstitute.org/2024/01/12/adri-special-study-game-changer-the-philippines-assertive-transparency-campaign-against-china-how-the-philippines-rewrote-the-counter-gray-zone-playbook/

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#### Embedded Journalism:

The original purpose of embedding was to control journalists, according to Helen Benedict, author of "The Lone Soldier: The Private War of Women Serving in Iraq" and a professor at the Columbia Journalism School. The two authors both cited Phillip Knightley's classic 1975 book "The First Casualty: The War Correspondent as Hero, Propagandist, and Myth Maker From the Crimea to Vietnam," which describes how the government invented embedded journalism in response to critical coverage of the Vietnam War. As civilian casualties in Afghanistan reached 5,000, the Pentagon sought a media strategy that would bring attention back to the military's role in the war, especially the role played by ordinary American service men and women. This would require bringing war correspondents on side. - <u>Why Are CNN, ABC, and NBC Reporters Embedding With the Israeli Military?</u>

China's most audacious current project is its Second Thomas Shoal blockade, by which it hopes to eventually achieve the *BRP Sierra Madre's* disintegration and the Philippines' abandonment of its outpost. Just 30 kilometers to the west of the rusty ship, Mischief Reef has become the lynchpin of this blockade strategy. By artificially building the reef into an artificial island and turning it into a huge military base—complete with a massive harbor, port, and airfield—China has been able to forward-stage the swarms of ships needed to isolate the *BRP Sierra Madre* and deny access to any vessel it deems a threat to either repair or replace it before its looming demise.

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Militarization of South China Sea:

The "relevant construction activity China is undertaking in the Nansha Islands doesn't target or affect any country, and there's no intention to militarize," Xi said, referring to the Chinese name for the disputed Spratly islands. - Xi denies China turning artificial islands into military bases, 2015

Li said that China's facilities, such as Chinese islands and reefs, are mostly for civilian purposes. Even if there is a certain amount of defence equipment or facilities, it is for keeping the freedom of navigation free. -<u>China is not militarising South China Sea, Premier Li says</u>, 2017

It's surprising that, despite all the talk, China hasn't militarized the South China Seas. Le Kejiang said this in 2017 and, despite what some in the West might think, when a Chinese Premier says something, it's actually true. Western news keeps saying it, but there is no proof. Look for a photo or video of a military installation in the area, you will find a couple of airstrips, but none of them will show a military aircraft, with the exception of a single incident many years ago when a military craft landed to rescue two injured workers from the island. In 2016, this event made international headlines because of its exceptional nature. The truth about China's militarization of the South China Seas is simply misinformation. - <u>The threats from China explained</u>, Jerry Grey, 2023

For years, the world's response to this outrage has not been outrage but rather a collective shrug. The election of President Rodrigo Duterte in 2016 played a role in that indifference, as he immediately declared his intent to ignore a simultaneously issued West Philippine Sea arbitration ruling, which undermined a unique opportunity for Manila to cement its hard-fought lawfare victory over China.<sup>17</sup> The ensuing period was one of relative quiet as his administration largely acquiesced to the blockade, accommodating China's demand that the *BRP Sierra Madre* not be improved by relying on small wooden boats like *UM1*, *UM2*, and *M/L Kalayaan* to carry out its minimalist rotation and resupply missions.

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#### South China Sea Arbitration:

Why the US is Picking a Fight with China in the South China Sea Beijing rejects tribunal's ruling in South China Sea case

"**Paul Reichler**, of the law firm Foley Hoag LLP, who who coordinated the Philippines' legal team, said: 'The tribunal's ruling not only benefits the Philippines, it also benefits other states bordering the South China Sea like Indonesia, Malaysia and Vietnam. If China's nine-dash line is invalid as to the Philippines, it is equally invalid to those states and, indeed, the rest of the international community."

Paul S. Reichler, Foley Hoag, based in the United States

<u>China issues white paper on SCS: Arbitral court not an UN agency, unjust and guestionable judges...</u>

Arbitral court not a UN agency

United Nations stresses separation from Hague tribunal

"The Permanent Court of Arbitration rents space in the same building as the UN's International Court of Justice, but the two organisations are not related."

<u>Rosario Manalo on South China Sea Arbitration Tribunal</u>. She was the Special Representative of the Philippines to the ASEAN Intergovernmental Commission on Human Rights and an Ambassador to the United Nations.

<u>Alberto Encomienda on South China Sea Arbitration</u>. He was a career foreign service officer from the Philippines and served as his nation's ambassador to Greece, Malaysia, and Singapore. He held LLM degrees from the University of London and Columbia University, focusing on oceans law and policy. The final decade of his diplomatic career was centered around the maritime concerns of the Philippines as an archipelagic state. He was in charge of the Maritime and Ocean Affairs Center (MOAC) at the Department for Foreign Affairs until 2008. He passed away on December 26 of 2021.

A novel concept emerged from a relatively new and little-known corner of Stanford University in the United States. Project *Myoushu*, an all-volunteer effort operating under a methodology taught by Stanford's Gordian Knot Center for National Security Innovation, began using commercially available technology to regularly report on South China Sea incidents.<sup>19</sup> Inspired by the success of the Center for Strategic and International Studies' Asia Maritime Transparency Initiative in illuminating China's artificial island-building campaign during the previous decade, Project *Myoushu* undertook to use open-source intelligence to fill the voids frequently left when a country's overly bureaucratic, cautious or politically constrained government agencies are slow to release important information into the public.<sup>20 21</sup>

The <u>Southeast Asia Program and Asia Maritime Transparency Initiative at the Center for</u> <u>Strategic and International Studies</u>, headed by Gregory B. Poling, is linked to IO <u>Project</u> <u>Myoushu</u>. The Center for Strategic and International Studies receives <u>funding</u> from the <u>US government</u> (as does <u>Project Myoushu</u> via <u>Stanford University</u>) and other corporate <u>donors</u>.

The group's first public dispatch, delivered in January 2023 to a conference organized by the Stratbase Albert Del Rosario Institute (ADRi) in Manila, highlighted a previously unreported December 2022 encounter between

# POWELL & GOIRIGOLZARRI 11

Philippine Navy and CCG vessels near Scarborough Shoal.<sup>22</sup> The incident itself was not especially noteworthy, but the media response was nevertheless dramatic. Information-starved Philippine journalists eagerly documented the incident, while official government sources, lacking any new guidance, demurred. The event could have ushered in yet more tension over the government's lack of transparency, but other forces were already at work.

This is because President Marcos was at the same time making significant changes to his national security team, bringing in retired General Eduardo Año as his National Security Advisor and elevating retired General Carlito Galvez to Secretary of National Defense.<sup>23</sup> The new appointments foreshadowed a dramatic shift in the government's approach to maritime transparency and security policy, and a reset in its relationship with Philippine civil society.

On February 6<sup>th</sup>, 2023, Project *Myoushu* issued a series of social media posts speculating about the harassment of a PCG ship, the *BRP Malapascua*, in the

# Figure 9. Project Myoushu's Ray Powell Suggesting Harassment of BRP Malapascua (February 6, 2023)





7/Until CCG 5205 reappeared at Mischief Reef I hesitated to voice my theory directly. Now I think the preponderance of evidence I have suggests it had a protracted confrontation with BRP Malapascua, which looks to be rejoining BRP Teresa Magbanua north of Jackson Atoll. [7/7 END]



Source: X, https://x.com/GordianKnotRay/status/1622666599080808448?s=20

# 12 GAME CHANGER: THE PHILIPPINES' ASSERTIVE TRANSPARENCY CAMPAIGN

vicinity of Sabina Shoal. The group based its assessment on a nearby China Coast Guard ship "going dark" and what the group judged to be unusual activity by the *BRP Malapascua*.<sup>24</sup> As evidence, it was rather thin, but the story was picked up by a few media outlets as journalists again sent inquiries to government officials seeking confirmation of the account.

Manila was primed for a change in its accommodationist policy, and after a full week of internal deliberations, the Marcos administration boldly chose to embrace transparency.

On February 13<sup>th</sup>, the PCG released photos and video of the CCG ship *Haijing 5205* pointing a "military-grade laser" at the *BRP Malapascua*.<sup>25 26</sup> Its accompanying statement asserted that "[t]he deliberate blocking of the Philippine government ships to deliver food and supplies to our military personnel on board the *BRP Sierra Madre* is a blatant disregard for, and a clear violation of Philippine sovereign rights in this part of the West Philippine Sea."<sup>27</sup>

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Myoushu - Vietnam (PLA Navy's AIS going "dark")

US Merchant Marine going "dark" (see description)

IMO Guidelines for AIS

Paragraph 22 outlines the use of Automatic Identification System: International Maritime Organisation (IMO) Circular A1106(29).

"If the master believes that the continual operation of AIS might compromise the safety and security of his/her ship or where security incidents are imminent, the AIS may be switched off."

Video shows 'Chinese coast guard ship pointing laser at Philippines patrol boat'

Powell clarifies, <u>here</u>, that the CCG used a dazzler. <u>Dazzlers</u> are considered non-lethal weapons, as are <u>water cannons</u>.

The incident received worldwide attention, and support for Manila's position—together with opprobrium for China's actions—poured in from several foreign capitals. The Philippines' longtime treaty ally, the United States, was especially forthright:

"The United States stands with our Philippine allies in upholding the rules-based international maritime order and reaffirms an armed attack on Philippine armed forces, public vessels, or aircraft, including those of the Coast Guard in the South China Sea, would invoke U.S. mutual defense commitments under Article IV of the 1951 U.S. Philippines Mutual Defense Treaty."<sup>28</sup>

p25 - Possible Article IV triggers: CSIS - SCS Conflict, CSIS - SCS Conflict, China's Professional Militia 'harassing' Philippines

A ship collision, or a midair collision, similar to the <u>Hainan Island incident</u>, could trigger Article IV of the Mutual Defense Treaty between the Republic of the Philippines and the United States of America. Article IV says that an attack on either party will be dealt with according to their constitutions and that any armed attack on either party will be brought to the attention of the United Nations for immediate action. All hostile actions between the signatories of this treaty and the opposing parties will cease once the United Nations issues such directives.

# Assertive Transparency as State Policy

This diplomatic coup, taken together with strong contemporary expressions of support from Tokyo, Canberra, Berlin, and Ottawa, appeared to validate Manila's decision and shatter the long-standing information dam.<sup>30</sup> The Philippine government was not merely pressured into being more forthcoming but purposefully decided on a daring new course.

Within ten days of releasing the photos of the laser incident, the PCG was fully empowered to pursue a strategy of publicly and assertively seeking out and exposing Chinese maritime aggression for the world to see, and it undertook its new mandate with keen enthusiasm. It quickly dispatched its ships and aircraft—

#### p25 - Assertive Transparency

many with Philippine journalists embarked—to seek out the CCG and PAFMM vessel swarms it had long been tracking, with the specific intent of sharing the extent of China's perfidy with the Philippine public and the world.<sup>31 32</sup>

Of course, the Marcos administration is hardly the first government to release visual evidence of malign activity. Simple transparency is not what made the Philippines' tactic revolutionary. Rather, Manila moved from a disjointed series of reactive bureaucratic government responses and transformed them into a highly focused and proactive information operations campaign—one which has, at least for the moment, routed China's sophisticated narrative warfare machine on the international stage.

The speed, decisiveness, and effectiveness with which the Philippines turned into assertive transparency were remarkable. The government's initial choice to publicize February's laser incident was a reaction to a single incident. Its decision to follow that up by empowering its maritime security forces to systematically seek out, document, and publicize Chinese vessel swarms, restrictions on Filipinos' lawful fishing activity, and environmental damage to marine ecosystems has transformed it into a startlingly successful assertive transparency campaign.<sup>33</sup>

Soon after the government began releasing its own evidence, it instituted a policy of systematically embedding reporters on its missions, which helped both expand and legitimize its program. Using embedded media leveraged the power of a free press and an open society—those very features of a democratic system are generally treated as weaknesses in a propaganda fight. So ubiquitous is Manila's embedding program now that Beijing is compelled to consider that any Philippine ship or aircraft it harasses will likely have media on board.<sup>34</sup>

#### **Strengthening National Resilience**

Especially in a democracy, strengthening national resilience against a comprehensive gray zone strategy is imperative, and it begins with marshalling civic support for government action. Under normal circumstances, the public is naturally inclined to prioritize "kitchen-table" issues over national defense and is receptive to arguments that complying with an aggressor's demands for the sake of stable relations is the most prudent move. This is especially true when the adversary operates in the shadows and where the issues at stake seem vague and esoteric, such as who enjoys sovereign rights over unseen maritime expanses and coral reefs.

Assertive transparency enables ordinary citizens to viscerally experience the full measure of gray zone aggression, which gives the government increased political latitude to take the hard steps required to push back. These steps may include accepting more risk of conflict or economic retaliation, the threats of which are well-recognized weapons in Beijing's coercion arsenal.<sup>36 37</sup> Absent such a

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Investing in maritime capacity is central to building resilience against a maritime threat, and the Philippines' new abundance of visual evidence has generated the kind of strategic clarity and political support needed to make these investments. Within the past two months, the administration has announced its intention to build 40 new 15-meter patrol vessels and to acquire five additional 97-meter coast guard vessels from Japan. <sup>36 37</sup> The government is also considering an Indian offer to sell it seven Advanced Light Helicopters for the coast guard.<sup>40</sup>

Meanwhile, the Philippine legislature is considering large increases in funding for the military and coast guard, and for the development of Pag-Asa Airport on Thitu Island, the Philippines' largest West Philippine Sea outpost. House Speaker Ferdinand Martin Romualdez explained, "This allocation demonstrates our dedication to maintaining a strong and credible defense posture, one that sends a clear message that we will not compromise when it comes to safeguarding our national interests."<sup>41</sup>

p28 - China, Taiwan, and Vietnam all claim Thitu Island.

The Philippines' assertive transparency campaign has already achieved significant gains on this front. This has included ample moral support from across Asian, North American, and European capitals. Its American ally has since February 2023 repeatedly reaffirmed its Mutual Defense Treaty obligations, and even United States President Joe Biden has recently clarified both their geographical reach into the West Philippine Sea and their comprehensive application to all manner of Philippine public vessels.<sup>43</sup>

Not only has the Philippines' campaign solidified commitments with the United States, but it also reenergized its security partnership with Japan, as recently announced by its Prime Minister Fumio Kishida. "In the South China Sea, trilateral cooperation to protect the freedom of the sea is underway," Kishida told the Philippine legislature. "Through these efforts, let us protect the maritime order, which is governed by laws and rules, not by force." During the same visit, Kishida and Marcos agreed to begin negotiations on a reciprocal access agreement to facilitate mutual troop rotations between the two nations.<sup>44</sup>

France has likewise entered into negotiations with the Philippines for a visiting forces agreement, intended to "create interoperability or a strategic closeness between both armed forces," according to French Minister of the Armed Forces Sebastien Lecornu. The two countries also agreed to increase intelligence and information sharing.<sup>45</sup>

Even the famously non-aligned Indian government recently eased off the sidelines to express its support for "adherence to international law," specifically the landmark Arbitral Tribunal decision that awarded Manila such a sweeping legal victory over Beijing in 2016. Indian External Affairs Minister Subrahmanyam Jaishankar signed a joint statement with the Philippines'

Just as importantly, Manila's campaign has begun to yield commitments of material assistance, beginning with separate offers by the United States, Japan, and Australia to conduct joint patrols in disputed waters with the Philippine Navy to demonstrate their common commitment to West Philippine Sea security.<sup>47</sup> Recent Philippine exercises have also drawn stronger foreign military involvement, with its October 2023 Exercise *Sama Sama* drawing participation from Australia, Canada, France, Japan, Malaysia, the United Kingdom, and the United States.<sup>48</sup>

Moreover, there have been several foreign government pledges to increase military and civilian maritime security equipment in the months since the campaign began. The aforementioned purchase of coast guard vessels from Japan was made possible by grants and favorable loan terms from Tokyo, and those offers were accompanied by USD4 million in funding to acquire additional coastal radars.<sup>49</sup>

Canada recently began providing state-of-the-art satellite feeds to enable the Philippines to monitor "dark" vessels operating illegally within its exclusive economic zone, while also sending a resident defense attaché to Manila for the first time. Canada's Ambassador to the Philippines explained the need for these steps by referring directly to the gray zone activity that Manila's assertive transparency campaign has been exposing: "We've seen a rise in behavior in the West Philippine Sea and the South China Sea that we have determined to be worrisome."<sup>50</sup>

#### p30 - Discrete Lions and Tigers and Bears! Oh My! -Philippines' radar, "dark" detection, joint patrols.

Informed by the Philippines' evidence, the intergovernmental G7 grouping of the world's leading free economies has become more pointed in its criticism of China's maritime aggression:

"There is no legal basis for China's expansive maritime claims in the South China Sea, and we oppose China's militarization activities in the region. We emphasize the universal and unified character of the UN Convention on the Law of the Sea (UNCLOS) and reaffirm UNCLOS's important role in setting out the legal framework that governs all activities in the oceans and the seas. We reiterate that the award rendered by the Arbitral Tribunal on July 12, 2016, is a significant milestone, which is legally binding upon the parties to those proceedings, and a useful basis for peacefully resolving disputes between the parties.<sup>\*51</sup>

#### p31 - The US hasn't ratified UNCLOS.

#### Why the US hasn't ratified UNCLOS

Moreover, assertive transparency may be replicable not only across national boundaries but also across gray zone domains. For example, the occasional practice of embarking videographers and journalists aboard surveillance flights into contested airspace is maturing and expanding to the point that perpetrators of dangerous aerial maneuvers must increasingly expect their antics to be shared and condemned internationally.<sup>57</sup>

# **Epilogue: A Resilient Nation's Lonely Fight**

Just after midnight on December 10<sup>th</sup>—one day after the latest Second Thomas Shoal resupply drama and two days after BFAR's Scarborough Shoal confrontation—an extraordinary convoy made its way out to sea from the popular tourist destination of El Nido at the northern tip of Palawan Island. The so-called "Christmas Convoy," organized by a civil society coalition of West Philippine Sea advocates calling itself "*Atin Ito!*" (*Tagalog* for "It's Ours!"), was en route to deliver holiday cheer to Filipino troops stationed at remote West Philippine Sea outposts. Nothing quite like it had been seen before.

*Atin Ito*'s original stated intent—to bring supplies directly through the Chinese blockade to the *BRP Sierra Madre*—was quickly squelched by government officials, who recognized the clear peril in the plan. At the same time, these same officials also recognized the importance of the enterprising and patriotic spirit shown by the volunteers, and they offered to escort the convoy safely past Second Thomas Shoal and then on to its less sensitive outpost locations. Thus, one of the PCG's two largest ships, the 97-meter *BRP Melchora Aquino*, came to lead the convoy out of El Nido on December 10<sup>th</sup>.

#### p36 - Atin Ito Coalition

Enter the <u>Atin Ito Coalition</u>, led by Edicio dela Torre and Rafaela David. Rafaela has connections to groups that have been funded by the <u>Oxfam International</u>, Sida, the European Union, the Friedrich-Ebert-Stiftung (Friedrich Ebert Foundation), and the National Endowment for Democracy, which gets the majority of its funding from US Congress. According to NED founder <u>Allen Weinstein</u>, "A lot of what we do today was done covertly twenty-five years ago by the CIA." <u>Edicio dela Torre</u> is the current President and Vice Chairperson of the Philippine Rural Reconstruction Movement (PRRM), which is linked to the former US Information Agency, through Eisenhower's <u>People-to-People Program</u> and the Rockefeller family. The PRRM is likewise connected to <u>CIVICUS</u>, which is supported by the Open Society Foundations, the Ford Foundation, the David and Lucile Packard Foundation, Freedom House, and the governments of Sweden, Netherlands, Norway, and Denmark.

#### 2024: "Atin Ito's" exploits poor fisherfolks (archived)

But it's not only the oligarchic exploitation we must add, it's the Western-funded Filipino NGO communities who have exploited the poor farmers and fisherfolks as "do gooder" projects to raise funds among Western "philanthropic" (such as Philippine Rural Reconstruction Movement, put in quotes because they all have geopolitical motives) funding agencies like USAID, Caritas, AusAid, etc.

On May 15 the NGO coalition "Atin Ito" led by the "Yellow" Akbayan (leftists associated with the EDSA I pro-West neo-liberal political values) and aging cleric-cum-activist and lifelong EU funding mendicant Edicio de la Torre, launches its "100 boats to join 2nd West

PH Sea civilian mission" in a "symbolic" action to highlight Philippines claims to Scarborough Shoal.

In the first "Atin Ito" foray into the Ayungin Shoal in December 2023 the convoy of ships and boats led by Edicio de la Torre quickly turned tail at the first sign of Chinese Coast Guard's shadowing.

... The "Atin ito" forays are part of the "assertive transparency" strategy of "Project Myoushu" crafted by the US Office of Naval Intelligence through the Gordian Knot Center for National Security Innovations in Stanford University led by ex-USAF colonel Raymond Powell, a name you will see regularly interviewed on ANC and 24 Oras news shows and leading PCG spokesman Commodore Tarriela's public statements.

Atin Ito:

Atin Ito website

'Atin Ito Coalition' ('Atin Ito' translates to 'This is Ours')

'Atin Ito' coalition kicks off West PH Sea journey | ANC

The English translation of 'This is ours!' does not specify the addressee. However, the original Tagalog 'Atin Ito!' addresses Filipinos. Edicio dela Torre, one of the leaders of the new advocacy group Atin Ito Coalition, makes clear that this is a call to deepen Filipinos' awareness of the contentious issues surrounding that portion of the South China Sea. China claims sovereignty over almost the entire SCS, including many features that are several hundred miles away from the Chinese mainland.

As more people learn about what's happening in the water in the Philippines' exclusive economic zone (EEZ), we want a new generation of Filipinos to respect their country's history and help shape and protect its future. The country's future is a noble objective, especially in a society that has tended to value closeness to relatives and clans more than to the intangible entity called the state. The lead convenor of this new movement, <u>Akbayan</u>, is no surprise, as active citizenship has always been its core advocacy. - <u>'Atin Ito': The birth of active citizenship</u>



#### 1,788 views Feb 21, 2011

Edicio de la Torre was an activist priest who fought for farmers' rights and land reform in the '70s. He got involved in various urban poor community organizing programs and helped mobilize students and the Christian youth against the Marcos dictatorship. During the time of President Marcos, he joined the underground left in 1972, just four years after he was ordained as priest. He was captured twice and spent over nine years in various prisons. As one of the former prisoners and activists targeted by the extra-judicial killings in the 1980s, he left the country and spent four and a half years in Europe working with solidarity groups and Filipino migrants. He had since left the priesthood.

He returned home in 1992 and founded the "Education for Life Foundation," an NGO that trains new grassroots leaders in the politics of participation. In 1998, under the Estrada administration, De la Torre, became director general of the Technical Education and Skills Development Authority.

De La Torre is also a founding fellow of the non-government organization La Liga Policy Institute, vice-president of the Association for World Education, and chairperson of the Boards of Empowering Civic Participation in Governance, Institute for Popular Democracy and Asia-Pacific Communication Forum. He works with NGOs in the fields of democratization and development, emphasizing education and leadership formation, project design, and implementation and evaluation using participatory methods.

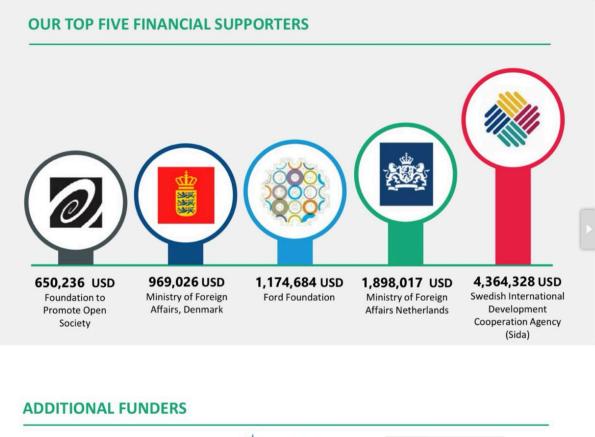
#### Source: YouTube.

Edicio dela Torre is the current President and Vice Chairperson of Philippine Rural Reconstruction Movement (PRRM). A small group of prominent educators, journalists, politicians, industrialists and bankers, led by Dean Conrado Benitez of the University of the Philippines, founded PRRM in 1952. The initial objective of the organization was to establish a civic movement dedicated to the advancement of grassroots democracy and the liberation of the Filipino peasantry. The origins of this movement can be traced back to China, where, in the early 1900s, Dr. Y. C. James Yen, initiated and spearheaded the rural reconstruction movement. Yen, educated in schools founded by Western Christian missionaries, began requesting financial backing for his movement in 1928. John D. Rockefeller Jr. made a \$100,000 personal donation, which served as a catalyst for others to contribute. The Rockefeller family had lent their support to Dr. Yen's endeavors for a long time. The Japanese invasion of China prompted Dr. Yen's return to the U.S. in search of assistance for rural reconstruction. Washington approved a \$27.5 million program called the Sino-American Joint Commission on Rural Reconstruction. When the Chinese Civil War began, the commission's work moved to Taiwan. In 1983, Yen was <u>awarded</u> the People to People Eisenhower Medallion. The <u>People-to-People</u> Program was initiated by President Dwight D. Eisenhower, with initial connections to the

U.S. government through the United States Information Agency. The USIA's public diplomacy <u>activities</u> were ultimately transferred to the U.S. Department of State, while its propaganda operations were transferred to the Broadcasting Board of Governors, which has since become the U.S. Agency for Global Media.

Isagani Serrano was a former President of PRRM. - <u>Source</u>. He was also actively involved in <u>CIVICUS</u>, a global alliance of civil society organizations devoted to promoting citizen action throughout the world. - <u>Source</u>.

CIVICUS 2022 Financials:





Rafaela David is the current president of the Akbayan Citizens' Action Party. She received her Political Science degree from the Ateneo de Manila University as Magna Cum Laude in 2009. After her graduation, she joined the Government Watch (G-Watch)

and the Political Democracy and Reforms (PODER) Program of the Ateneo School of Government (ASoG) where she learned and practiced constructive engagement among civil society organizations. She was a Board Member and later Executive Director of the Center for Youth Advocacy and Networking, Inc., a youth-led and youth-serving non-government organization. Through CYAN, she spearheaded capacity-building and advocacy programs on democracy and human rights for young people, including young progressive politicians, young farmers, campus journalists, student leaders, and youth activists. Paeng has also been responsible for overseeing the Academy of Political Management (APM) of the Friedrich-Ebert-Stiftung (FES) Philippine Office since 2013, facilitating the leadership development of second-line leaders of progressive organizations from across the Philippines. Paeng is also an international youth leader. She previously held the position of Asia-Pacific Vice President of the International Union of Socialist Youth (IUSY), which is the oldest political and labor youth network in the world. In her position, she acted as a champion for a global youth movement aimed at promoting climate justice and environmental response. - Source: Facebook

The Akbayan Citizens' Action Party is commonly referred to as Akbayan. It is linked to the <u>Center for Youth Advocacy and Networking (CYAN</u>), which has been funded by the National Endowment for Democracy. Other funders include the European Union, Friedrich-Ebert-Stiftung (Friedrich Ebert Foundation), <u>Oxfam International</u>, and the Swedish International Development Cooperation Agency (an agency of the Swedish Ministry for Foreign Affairs).

#### CYAN: BASIC SECTOR LINKAGES AND SOLIDARITY

The Center for Youth Advocacy and Networking (CYAN) ensures youth integration with the marginalized sector of society and with international struggles through various forms. It links up with groups like Alliance of Progressive Labor (APL), Pambansang Katipunan ng mga Samahan sa Kanayunan (PKSK) and Akbayan Citizens' Action Party, Young Progressives of Southeast Asia (YPSEA), Global Youth Leadership Alliance (GYLA), Friedrich Ebert Stiftung (FES), International Union of Socialist Youth (IUSY), Social Democratic Student of Sweden (SSU) and European Union (EU). Since it was created, it has hosted many study visits and youth exchange programs.

NED2021: Center for Youth Advocacy and Networking (CYAN) Inc. \$74,991 (archived) - there are discrepancies between the two.

Pambansang Katipunan ng mga Samahan sa Kanayunan (PKSK) - is allied with <u>Asian</u> <u>Farmers' Association for Sustainable Rural Development (AFA)</u>. AFA's partners include: the International Fund for Agricultural Development (IFAD), a UN agency, the European Union, the <u>Global Agriculture and Food Security Program (GAFSP)</u>, the <u>International</u> <u>Land Coalition (ILC)</u>, the <u>World Rural Forum</u>, and the <u>Forest and Farm Facility</u>.

The <u>Global Agriculture and Food Security Program (GAFSP)</u> is funded by the Bill & Melinda Gates Foundation and various governments.

ILC's <u>strategic partners</u> include: the European Commission, The International Fund for Agricultural Development, The Ministry of Foreign Affairs of the Netherlands, The Swedish International Development Cooperation Agency, The Swiss Agency for Development and Cooperation, Irish Aid, and Germany's Federal Ministry for Economic Cooperation and Development.

The National Federation of Peasant Organizations (PAKISAMA) and the <u>World Rural</u> <u>Forum</u> are also members of the <u>International Land Coalition</u>.

Finland, Germany, Norway, FAO, Sweden, the Netherlands, the United States of America, and IKEA <u>fund</u> the Forest and Farm Facility.

<u>Center for Agrarian Reform for Empowerment and Transformation (CARET)</u> received a <u>grant</u> from Voice (Ministry of Foreign Affairs of the Netherlands, <u>Oxfam International</u>, and <u>Hivos</u>).

The National Anti-Poverty Commission (NAPC) is a government-affiliated organization under the jurisdiction of the Republic of the Philippines.

#### Concerned Artists of the Philippines

<u>Rise Against Hunger</u> is funded by Kraft Heinz, the Catholic Medical Mission Board, Heart to Heart International, MAP International, Zambrero, AMD, FedEx, The Hershey Company, Johnson & Johnson, JPMorgan Chase & Co, Northrop Grumman, Pfizer, Thermo Fisher Scientific, United Airlines, Western Digital, and various religious organizations.

#### National Youth Movement for the West Philippine Sea

Dr. Celia Lamkin, a retired medical doctor in Saipan, initiated the movement, which has since spread to numerous locations worldwide. There are chapters in New York, California, Florida, Illinois, Oregon, Pennsylvania, Georgia, and Hawaii.

#### G-Watch

G-Watch was established in 2000 to address the avalanche of corruption scandals involving Philippine government officials. G-Watch has been doing pioneering work on social accountability and citizen monitoring for fifteen years, training hundreds of citizens to check the delivery of public services. It has held various forums and conferences, facilitating dialogues and sharing of experience and reflections among reform and development actors. Along with its sister initiative, Political Democracy and Reforms (PODER), it has produced numerous publications on citizen involvement and political and governance reforms.

Over the course of its existence, G-Watch has built up a substantial collection of collaborators, friends, and acquaintances in the Philippines and around the globe. The organization has established links with a wide variety of organizations in the civil society

and development community, as well as with government agencies at the national, sub-national, and local levels. G-Watch's experience has been presented at numerous international conferences across the globe and documented in various publications. G-Watch has been collaborating with international research organizations, becoming a close associate of the newly-established Accountability Research Center (ARC) based in the School of International Service at American University, to undertake action research on transparency, participation, and accountability strategies and approaches.

#### Luminate Group (Omidyar Network) grant to PODER:

Development Office, <u>21<sup>st</sup> Century ILGWU Heritage Fund</u>, <u>Margaret A. Cargill</u> <u>Philanthropies</u>, <u>Wallace Global Fund</u>, <u>Humanity United</u> (<u>Omidyar Nexus</u>), Education Out Loud (<u>Oxfam International</u>), Funders



In 1893, Congress authorized the establishment of the American University. The U.S. military divided American University into two distinct camps in 1917, namely Camp American University and Camp Leach.In the 1990s, Camp American University became the birthplace of the United States' chemical weapons program and the site of chemical weapons testing. This required a major cleanup effort. Camp Leach was the location of advanced research, development, and testing of contemporary camouflage techniques. The Army Corps of Engineers was still removing ordnance including mustard gas and mortar shells in 2014. - Wikipedia

Sources: Facebook post 1, Facebook post 2, Atin Ito Christmas Convoy to Ayungin: My Personal Chronicle, 2023 Betrayal: 2024 Return of Sovereignty, Coalition delivers supplies to WPS in support of sovereignty, Fil-Am advocates for PH sovereignty vow support for the next convoy to Ayungin Shoal, West PH Sea Christmas convoy planners eye 'summer mission', USASpending.gov -Stanford University

According to a <u>recent survey</u>, nearly half of Filipino families consider themselves to be poor. The <u>fight against poverty</u> is a priority for these Filipinos, despite the government <u>increasing</u> its military expenditures.

# Philippine Says Armed Forces to Ensure 'Unimpeded and Peaceful' Exploration in South China Sea

"We are evolving into a defence concept which **projects our power** into areas where we must, by constitutional fiat and duty, protect and preserve our resources,' Defense Secretary Gilberto Teodoro told the Manila Overseas Press Club on Tuesday night." "Teodoro also said the Philippines will **'increase the tempo' of activities with allies and major partners in the West Philippines Sea** and other parts of the country and 'exercise these partnerships to the full'."

Oil exploration - Reed Bank SCS (see description)

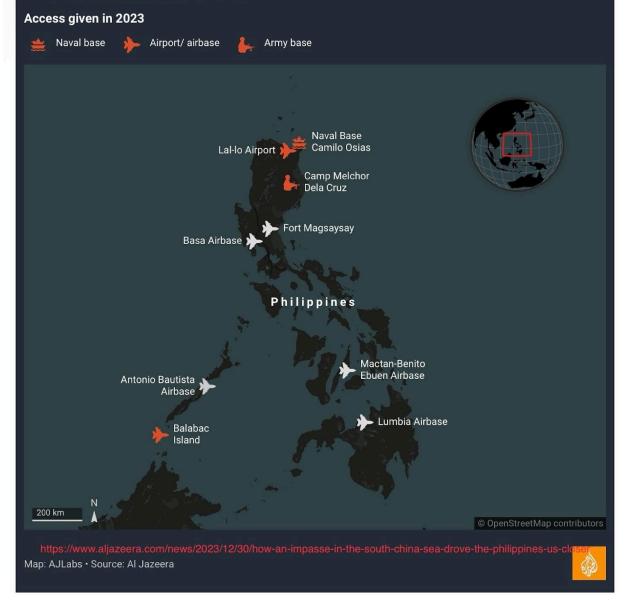
# US-China Policy Is Not Going According to Plan

"China has also surprised American plans by calming the waters of the South China Sea. The U.S. Indo-Pacific Strategy of 2022 says that America's greatest strength in the region is its 'network of security alliances and partnerships' and that it 'will work with allies and partners to deepen our interoperability and develop and deploy advanced warfighting capabilities as we support them in defending their citizens and their sovereign interests.' The deterrence is aimed at China. <u>A key</u> <u>country identified in the strategy is the Philippines</u>.

"In February 2023, the United States announced the completion of a deal with the Philippines that expands U.S. access to Philippine military bases. The U.S. will gain access to four more bases in addition to the five which they already have access. 'With the deal,' the BBC <u>reports</u>, 'Washington has stitched the gap in the arc of U.S. alliances stretching from South Korea and Japan in the north to Australia in the south,' encircling China."

# US expands military presence in the Philippines

The Philippines has granted the US military access to nine sites in the archipelago, including bases facing Taiwan and the contested South China Sea.

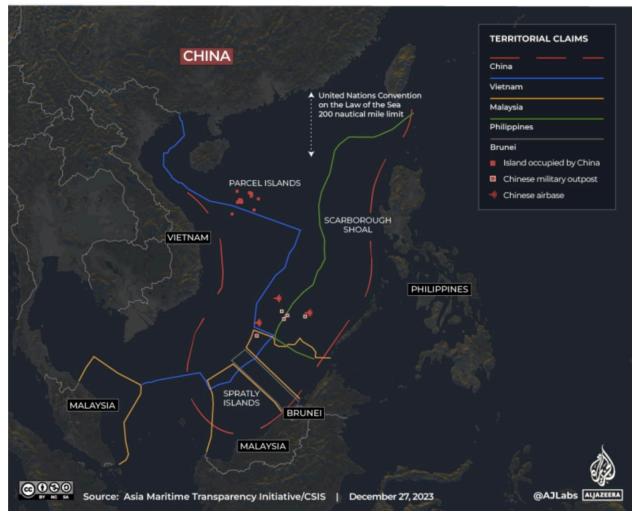


Source.

#### SOUTH CHINA SEA

# Territorial disputes in South China Sea

China's territorial claims over the strategic waterway overlap with exclusive economic zone claims of Brunei, Malaysia, the Philippines and Vietnam



#### Source.

#### Who has Sovereignty in the South China Sea?

China claims sovereignty over the entire South China Sea, a claim that predates the UNCLOS (United Nations Convention on the Law of the Sea). China asserts that history has bestowed upon it sovereignty and maritime rights. China <u>claims</u> its presence in the region dates back more than two thousand years. The group of islands in the South China Sea, known as the Nanhai Islands in China, was discovered, named and developed by China. For centuries, the Chinese government had assumed responsibility for the administration of the islands by transferring them to the jurisdiction of local governments, conducting military patrols, and providing rescue services. The Nansha [Spratly] and Xisha [Paracel] Islands, which were

occupied by Japan during World War II, were subsequently returned to China as a part of the territories that were seized from China. This has been explicitly stated in international documents such as the Cairo Declaration and the Potsdam Proclamation. Government and military officials from China were sent to recover the islands and deploy troops there.

•••

Territorial sovereignty is at the center of the dispute in the South China Sea. Yang Yanyi, the Head of the Chinese Mission to the EU, <u>asserts</u> that the potential for hydrocarbons has sparked interest among neighboring nations. He states, "It has been widely recognised by the international community that the Nansha Islands and the adjacent waters belong to China, and no country ever challenged this during a long course of history.

"It was only since the 1960s and 1970s, especially after the discovery of abundant oil reserves in the Nansha waters and the coming into being of the United Nations Convention on the Law of the Sea (UNCLOS), that some countries in the region illegally occupied 42 of China's islands and reefs as part of the Nansha Islands in violation of the charter and fundamental principles of governing international relations."

• • •

The Council on Foreign Relations (CFR) is a US organization that <u>describes</u> itself as "an independent, nonpartisan membership body, think tank, and publisher." The CFR is <u>described</u> as an influential ruling class organization whose members are primarily from the corporate business community, which provides financial support for the CFR. <u>The CFR states</u>:

"Of the many conceivable contingencies involving an armed clash in the South China Sea, three especially threaten U.S. interests and could potentially prompt the United States to use force.

"The most likely and dangerous contingency is a clash stemming from U.S. military operations within China's EEZ that provokes an armed Chinese response. The United States holds that nothing in the United Nations Convention on the Law of the Sea (UNCLOS) or state practice negates the right of military forces of all nations to conduct military activities in EEZs without coastal state notice or consent. China insists that reconnaissance activities undertaken without prior notification and without permission of the coastal state violate Chinese domestic law and international law. China routinely intercepts U.S. reconnaissance flights conducted in its EEZ ...

"If nations in the South China Sea lose confidence in the United States to serve as the principal regional security guarantor, they could embark on costly and potentially destabilizing arms buildups to compensate or, alternatively, become more accommodating to the demands of a powerful China. Neither would be in the U.S. interest."

The "Freedom of Navigation" Claimed by the United States is Not "Freedom of Navigation" under International Law

Videos: SCS InfoOp Playlist

- China could legally close the Taiwan Strait to foreign warships through UNCLOS.
- Guess who he works for (see commentary in description)

- SCS InfoOp: How it Started
- Not So Transparent InfoOps
- Information Warfare and Freedom Tours
- SeaLight (see description)
- Indo-Pacific Political Warfare NDAA

<u>DoD Indo-Pacific Campaigning Initiative Political Warfare</u> - US Global Engagement Center, etc

- NDAA24-DoD-PLA-Competition-SCS-First Island Chain-A2/AD -NDAA (also see ACE Concept-Island Chain Strategy, below)
- USMC-First Island Chain-USN-Shipbuilding

Who is stirring up trouble in the South China Sea?

- US behind SCS tensions (IO) <u>Herman Laurel</u>, <u>AsianCenturyPH</u>
- InfoOps-Sensationalism-Fearmongering Herman Laurel, AsianCenturyPH

PLA water cannons:

- What kind of logic is this?! Water cannon ≠ lethal weapon!
- This is what the US wants to start WWIII over?!

• Guess who he works for (see commentary in description) - Here, he talks about water cannon regulations and the sham South China Sea Arbitration tribunal.

- US & PH Military Drill in the SCS (PLA, too) -joint patrols
- US/PH Show of Force in SCS -US news report on joint patrols.
- Philippines, not Taiwan, next?!

Sierre Madre:

- You wouldn't have that problem if you didn't intentionally plant that decaying ship t...
- Odds are that ship's going to break apart, first.
- Berlin Blockade 2.0 -all options are on the table.
- I don't think it'll take WWIII to sink that ship.

Forward operating base being built:

PH—US to build FOB on Second Thomas Shoal (see description)

She gives the game away (see description) -Here, she claims the Philippines is building infrastructure for fishermen, then admits it's for the Coast Guard.

FOB SCS (see description)

It's Time to Build Combined Forward Operating Base Sierra Madre - War on the Rocks, 09-11-2023

China's response: China's warning over FOB, China's Jiāo

#### Extras:

Hunter Stires, marine strategist for the Secretary of Navy, shared this on LinkedIn: <u>By, With, and</u> <u>Through at the Second Thomas Shoal</u>

Video clip on Project Myoushu

Full presentation by Herman "Ka Mentong" Tiu Laurel from Asian Century Philippines Strategic Studies

Article by Herman Tiu Laurel

<u>Transparency strategy in WPS will continue despite deescalation deal with China, says PCG's</u> <u>Tarriela</u>

Lighting Up the Maritime Gray Zone by Captain Benjamin Goirigolzarri, U.S. Air Force

[01-05-2023] ADRi Town Hall Discussion: "Prioritizing the National Interest in Philippine Foreign Policy: Strengthening Alliances and Strategic Partnerships in the Indo-Pacific" -Video

[01-07-2023–Stratbase ADR Institute] <u>Cooperation amid the evolving security challenges of</u> 2023

Transparency efforts not enough to compel China to obey int'l law

Philippines counts the cost of tough South China Sea stance against Beijing

Press Statement on the 8th PH-China Bilateral Consultation Mechanism on the South China Sea

Marcos: PH needs 'paradigm shift' in dealing with sea row

PCG: Transparency efforts not enough to compel China to obey int'l law

Amid stalled talks, China reaffirms commitment to joint oil exploration

China urges PH to calm down, meet halfway over Ayungin Shoal issue

Top diplomats of China, Philippines discuss tensions in disputed sea

Philippines, China commit to diplomacy, de-escalation in South China Sea

### PH must honor agreements with China

Manuel Pangilinan offers Spratlys to Chinese oil firm in Reed Bank talks

Philippines counts the cost of tough South China Sea stance against Beijing

### Videos referenced:

24 Oras Livestream: February 12, 2024 - Replay

Analyst: DND Chief's 'not your business' remark vs China a clever turn of phrase of China's stance

Potential changes to the Constitution of the Philippines:

<u>Will foreign investment bring growth to the Philippines? Constitutional changes raise concerns</u> over local interests, inflation

Lawmakers are debating the removal of a 40 per cent restriction on foreign ownership of public utilities, educational institutions and the advertising industry.

•••

Foreign direct investments (FDIs) have been pouring into the Philippines even without constitutional changes. Since 2022, the country has passed several laws, including the Foreign Investment Act and Retail Trade Liberalisation Act, and joined the China-backed Regional Comprehensive Economic Partnership, boosting investment in areas including agriculture, telecommunications and transport.

At the end of last year, foreign investments comprised 61 per cent of all approved investments in the Philippines, representing a whopping 455 per cent spike to around 767 billion pesos (US\$13.7 billion) compared with the figures in 2022.

...

Reggie Vallejos, a professor at the University of the Philippines and a spokesman for consumer group SUKI, meanwhile, said he was concerned that global corporations could be **owning public schools and universities** if the restrictions were lifted.

"If foreigners end up owning the sources of our and our families' needs, what power will the government and the public have to make sure that Filipinos' and not **foreign interests will prevail**?" he questioned.

# Philippines Eyes Constitutional Amendments to Ease Economic Restrictions

The amendments, he said, will allow lawmakers to "regulate" economic sectors that can be opened for foreign investors.

Foreign business chambers have been urging Congress to lift current limits to foreign investment, including the so-called 60-40 rule, which caps foreign ownership of local firms at 40%.

Past efforts to rewrite the constitution have failed. Critics have said efforts to amend the constitution could also open doors for lawmakers to lift term limits for elected officials.

AMCHAM Philippines:

# **Good governance for higher growth**

By Dr. Bernardo Villegas

(Following are excerpts from the author's Manila Bulletin column on December 19 and 25, 2023. – Editor)

The Philippine economy may no longer be the "Sick Man of Asia", having registered one of the highest GDP growth rates in the Indo-Pacific region for more than a decade now. Because of more enlightened economic policies and stronger financial institutions accumulated slowly but surely during the last thirty years, we can reasonably expect to grow our GDP by 6 to 7 percent annually during the next five years or so.

That rate, however, even if it may be one of the highest in the region today, is not sufficient in helping the economy to reduce the high rate of poverty incidence still prevailing at 13 percent, using World Bank standards. The BBM Administration must target at least 8 percent annual growth to generate enough resources to be able to bring down the poverty rate to single-digit levels This would require at least three very important accomplishments: increase the rate of private investment (especially coming from Foreign Direct Investments) to 30 percent or over of GDP; increase the productivity of the agriculture sector so that it

can grow at least at 3 percent annually in the next five years; and significantly reduce the leakages due to public and private corruption (estimated by some at P800 billion or more annually) through good governance.

I have written about the first two in previous articles. Let me now address the issue of good governance. There is a healthy worldwide trend towards what is known as ESG investing. E stands for Environment, S for Social and G for Governance. All over the business world, there has been a lot of talk about using environmental sustainability, societal goals and good governance as bases for making investment decisions. What used to be called "impact investing" in the last century was transformed into ESG investing during the present century.

https://amchamphilippines.com/wp-content/uploads/2024/01/DRAFT-6-ABJ-January-2024.pdf

Source: Good Governance for Higher Growth.

#### Another 1987 Constitution framer rejects Charter change: Not now

"We do not need to amend the Constitution, especially as regards [to] **media**, **advertising**, **education**, **and ownership of land** at this stage of our development," he pointed out.

#### 3.17-km Panguil Bay Bridge project 89% complete

The inter-island bridge that connects Tangub City, Misamis Occidental and Tubod, Lanao del Norte, is expected to be finished this year despite funding challenges, Senior Undersecretary Emil Sadain, in-charge of DPWH infrastructure flagship projects, said in a news release.

The project also faced delayes due to bad weather conditions in Mindanao during the past several days.

...

The project is funded by a loan agreement between the Philippines and South Korean governments through the Economic Development Cooperation Fund.

#### Panguil Bay Bridge Project delayed due to Insufficient Funding under the BBM Administration

So why isn't this being prioritized? Is it because this Project was started by former President Rodrigo Duterte and it is in Mindanao? And isn't this Administration spending so much Money for other Things like Charter Change?

They just announced that they were going to spend an incredible Php 2 trillion for the Modernization of the Armed Forces of the Philippines (AFP), and then we get News like these? I have no Problems with the modernization of the AFP, but it shouldn't be at the cost of major Infrastructure Projects like what seems to be happening now.

#### Philippines counts the cost of tough South China Sea stance against Beijing (WordPress)

During Xi's visit to Hanoi last December, both sides vowed to upgrade the Kunming-Haiphong rail line. In contrast, Chinese funding for three rail projects discussed during the previous Duterte government is already dead in the water. China is unlikely to become a strong partner for President Ferdinand Marcos Jnr's Build Better More infrastructure programme.

#### Rethinking the necessity of amending economic provisions of 1987 Constitution

Regarding regulatory frameworks and legal structures shaping the FDI landscape in the Philippines, the nation already possesses a robust and comprehensive set of laws and regulations conducive to attracting FDI. There's a compelling case to be made that the Philippines can effectively court FDI without lifting the economic provisions entrenched in the 1987 Constitution.

During the Duterte administration, recognizing the importance of FDI as one of the key economic drivers that helps the country move forward, the Philippines made headway and significant efforts to improve the country's investment climate through various policy reforms. The Duterte administration pushed legislative measures that further liberalized the country's investment landscape to attract more FDI.

It is worth mentioning that some of the needed legislation that would potentially be instrumental if implemented effectively and fully in shaping the country's competitiveness include the game changer Corporate Recovery and Tax Incentives for Enterprises Act (Create); amendments to the Retail Trade Liberalization Act (RTLA), the Foreign Investment Act (FIA) and the Public Service Act (PSA); and the passage of the Ease of Doing Business Act.

Create was signed into law on March 26, 2021 to attract more FDI by providing fiscal relief. It lowers the corporate tax rate from 30 percent to 25 percent. This number will be reduced by 1 percentage point annually from 2023 to 2027. Before this law, the Philippines had one of the highest corporate income tax among Asean (Association of Southeast Asian Nations) member states, if not the highest. Create intends to rationalize fiscal incentives to attract more local and foreign enterprises to invest in the country. Meanwhile, the RTLA, enacted on Dec. 10, 2021, lowers the paid-up capital requirement for foreign retail enterprises. It will simplify and ease restrictions for foreign retailers that want to set up business in the country.

Likewise, the amendments to FIA, signed into law on March 2, 2022, allow foreign nationals to fully own small and medium enterprises with a minimum paid-in capital of

\$100,000, provided certain conditions are met, such as hiring no less than 15 Filipino employees, which is a reduction from the previous requirement of 50.

The amendments to the PSA under Republic Act (RA) 11659 were enacted into law on March 21, 2022 to liberalize specific sectors of the economy to foreign investment and ownership. The amendments lift foreign equity restrictions on industries not classified as "public utilities." This allows foreign nationals to own up to 100-percent equity in businesses in newly liberalized sectors such as telecommunications, domestic shipping, railways and subways, airlines, expressways, tollways and transport network vehicle services.

Note that "public utility" refers to specific sensitive sectors/industries that must be protected from foreign control for the sake of national interest and security, like the distribution and transmission of electricity, water pipeline distribution, seaports, public utility vehicles, etc.

RA 11032, or the "Ease of Doing Business Act," was signed into law on May 28, 2018. It streamlines the process of setting up and running a business in the Philippines. It improves the regulatory environment for businesses, thereby creating an FDI-friendly climate, less bureaucratic resistance and a more transparent business environment.

# Constitution of the Republic of the Philippines

#### ARTICLE XII National Economy and Patrimony

SECTION 2. All lands of the public domain, waters, minerals, coal, petroleum, and other mineral oils, all forces of potential energy, fisheries, forests or timber, wildlife, flora and fauna, and other natural resources are owned by the State. With the exception of agricultural lands, all other natural resources shall not be alienated. The exploration, development, and utilization of natural resources shall be under the full control and supervision of the State. The State may directly undertake such activities, or it may enter into co-production, joint venture, or production-sharing agreements with Filipino citizens, or corporations or associations at least sixty per centum of whose capital is owned by such citizens. Such agreements may be for a period not exceeding twenty-five years, renewable for not more than twenty-five years, and under such terms and conditions as may be provided by law. In cases of water rights for irrigation, water supply, fisheries, or industrial uses other than the development of water power, beneficial use may be the measure and limit of the grant.

The President may enter into agreements with foreign-owned corporations involving either technical or financial assistance for large-scale exploration, development, and utilization of minerals, petroleum, and other mineral oils according to the general terms and conditions provided by law, based on real contributions to the economic growth and general welfare of the country. In such agreements, the State shall promote the development and use of local scientific and technical resources.

...

SECTION 10. The Congress shall, upon recommendation of the economic and planning agency, when the national interest dictates, **reserve to citizens of the Philippines or to corporations or associations at least sixty per centum of whose capital is owned** 

by such citizens, or such higher percentage as Congress may prescribe, certain areas of investments. The Congress shall enact measures that will encourage the formation and operation of enterprises whose capital is wholly owned by Filipinos. In the grant of rights, privileges, and concessions covering the national economy and patrimony, the State shall give preference to qualified Filipinos.

The State shall regulate and exercise authority over foreign investments within its national jurisdiction and in accordance with its national goals and priorities. SECTION 11. No franchise, certificate, or any other form of authorization for the

operation of a public utility shall be granted except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines at least sixty per centum of whose capital is owned by such citizens, nor shall such franchise, certificate, or authorization be exclusive in character or for a longer period than fifty years. Neither shall any such franchise or right be granted except under the condition that it shall be subject to amendment, alteration, or repeal by the Congress when the common good so requires. The State shall encourage equity participation in public utilities by the general public. The participation of foreign investors in the governing body of any public utility enterprise shall be limited to their proportionate share in its capital, and all the executive and managing officers of such corporation or association must be citizens of the Philippines.

SECTION 12. The State shall promote the preferential use of Filipino labor, domestic materials and locally produced goods, and adopt measures that help make them competitive.

SECTION 19. The State shall regulate or prohibit monopolies when the public interest so requires. No combinations in restraint of trade or unfair competition shall be allowed.

UNCLOS (Article 19 - Innocent Passage)

A Century of the Philippine Cooperative Movement

PHILIPPINES: Additional Funding and Grant for Rural Development to Benefit More than 300,000 Residents

Prioritizing the National Interest in Philippine Foreign Policy: Strengthening Alliances and Strategic Partnerships in the Indo-Pacific

Unveiling Asymmetric Challenges through Assertive Transparency

Stratbase Group's YouTube channel



The <u>Stratbase ADR Institute for Strategic and International Studies</u> is part of the <u>Stratbase</u> <u>Group</u> (as is <u>BowerGroupAsia</u>). Australian Aid is the brand name used to identify <u>projects in</u> <u>developing countries</u> supported by the Australian Government.

Washington's Expanding Military Footprint on China's Doorsteps

The Truth About The Philippines' New Strategy Against China

Jill I. Goldenziel

National Defense University; University of Pennsylvania

"The Coast Guard has also <u>invited Western journalists</u> aboard its craft to witness Chinese aggression firsthand."

"The Philippines have adopted a strategy of <u>information lawfare</u>, the purposeful use of law to control the narrative of a conflict."

"As I have <u>noted elsewhere</u>, it is much easier to win a war when you have already prevailed in the court of public opinion. Hopefully, kinetic warfare will never occur in the South China Sea. But the players are getting ready by preparing the legal and information battlespace. To garner public support for a conflict, the parties will need to win in the courtroom and in the media both first and last. Ultimately, the courts of law and public opinion matter most for victory in the history books. Since its the landmark 2016 arbitration victory, the Philippines has been at the cutting edge of lawfare strategy. Its new strategy of combining lawfare with information warfare will make it more lethal for the long term."

Law as a Battlefield: The U.S., China, and Global Escalation of Lawfare (PDF)

# DECLARATION ON THE CONDUCT OF PARTIES IN THE SOUTH CHINA SEA - ASEAN

(signed by the Philippines):

"4. The Parties concerned undertake to resolve their territorial and jurisdictional disputes by peaceful means, without resorting to the threat or use of force, through friendly consultations and negotiations by sovereign states directly concerned, in accordance with universally recognized principles of international law, including the 1982 UN Convention on the Law of the Sea;"

# Warning: Marcos may be walking Ukraine's path

And there may be many more EDCA sites, as the AFP said last April, to enable "360-degree protection" of the country.

That's also in line with Washington's Agile Combat Employment (ACE) strategy of dispersed bases. Explained Gen. Kenneth Wilsbach, who commands US air assets in the Pacific: "The whole big picture purpose of ACE is... to have jets spread out over many, many islands [so as] to make the targeting problem for the adversary more difficult. It makes them use more munitions."

Translation: Many more EDCA bases would make America's adversaries use up more firepower and targeting all across our country. US warplanes would be harder to hit. Guess who wouldn't be?

What about protecting bases? Wilsbach does not favor massive defenses. "In lieu of hardening places, what we're spending our infrastructure dollars on this year is sustainment of our main facilities," he told a Colorado conference after Marcos granted access to nine EDCA sites in February 2023.\*

# \*Wilsbach: No PACAF Airman Is Excused from Practicing ACE

"Instead, Wilsbach endorsed a strategy of defending bases using systems designed to shoot down incoming threats—and simply having increased numbers of widespread facilities to minimize the impact of any one strike."

<u>Ground-Based Intermediate-Range Missiles in the Indo-Pacific: Assessing the Positions</u> of U.S. Allies\*\*

# Ground-based Intermediate-Range Missiles

"Of course, [Enrique] Manalo was avoiding the issue. When EDCA was signed in 2014, the rules were clear – there should be **no nuclear weapons** deployed to the country. However, the Philippines lacked the capability and capacity to verify if US planes and ships entering the country carried nuclear weapons. It also cannot determine whether rockets and missiles sent to be pre-positioned in the country under the EDCA pact were conventional or nuclear tipped. The Philippines will be a potential magnet for attack by US adversaries, like China and North Korea, should that happen, or when conventional and nuclear GBIR missiles are deployed in the country.

It increases the risk of dragging the Philippines into potential conflicts in the region, including a war between the US and China over Taiwan.

Communities around EDCA locations will bear the brunt of the conflict. Moreover, there are also risks of accidents, putting in grave danger civilian lives.

It infringes into the country's Constitution, territory and sovereignty.

...

After all, the Philippines is simply enforcing what it wrote in its **nuclear weapons-free** Constitution as well as following the principles enshrined in the Southeast Asian Nations Nuclear Weapons-Free Zone (SEANWFZ) treaty."

Treaty on the Southeast Asia Nuclear Weapon-Free Zone

\*\*<u>Army Activates Latest Land-Based SM-6, Tomahawk Battery Based on Navy Tech</u>

U.S. Army Pacific commander Gen. Charles Flynn told reporters that Typhon will <u>be deployed to</u> the Indo-Pacific in 2024, but did not specify where.

Visualizing the ACE Concept (China) - Island Chain Strategy

Island Chain Strategy: Containment of China (link in description)

USPACOM: <u>Sierra Madre</u>, <u>Second Thomas Shoal</u>, and the US commitment to defense of Philippines