Philippines

 A Risk Assessment Brief

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Background
The root causes of much of the current conflict in the Philippines are ethnic in nature. Comprising five percent of the Filipino population, Muslims are an ethnic minority in the nation as a whole, but are concentrated in the southern islands of Mindanao in the Sulu archipelago. The federal government, which has historically favoured the majority Christian population, encouraged the migration of Christians to Muslim-dominated areas after the Japanese occupation. Growing discontent among Muslims, compounded by widespread poverty in the region, led to revolutionary violence during the 1970s, with the Muslim MNLF and the Communist NPA both waging campaigns of guerrilla warfare against the government. The 1976 Tripoli agreement dampened the violence, but did not end it. After sporadic fighting in the eighties and nineties, a peace agreement between the MNLF and the government was reached in 1996. Recent conflict has in part stemmed from governmental failure to comply with the 1996 agreement. Failure of the government to provide resources for regional development, and the refusal of Muslim splinter groups such as the MILF and Abu Sayyaf to acknowledge the peace process, has made resolution of the conflict difficult. In 1991, Abu Sayyaf attracted US attention by kidnapping and murdering American citizens in the Philippines. Also, alleged Abu Sayyaf links to the al-Qaeda network has made them a US target after September 11th. The result has been renewed US military involvement in the Philippines, a substantive reversal of the Philippine decision to dismantle US bases in 1991.

Actors
MNLF: Moro National Liberation Front, main Muslim resistance group, officially at peace with government since 1996
MILF   Moro Islamic Liberation Front - splintered from MNLF in 1978, advocated more militant posture towards government, rejoined MNLF recently
OIC: Organization of Islamic Conference, helped to negotiate Tripoli Agreement and 1996 peace accords
NPA: New People's Army, Maoist guerrila movement, engaged in armed conflict with government since 1969, support based mostly in Mindanao, but operations also conducted in urban areas
ARMM: Autonomous Region in Muslim Mindanao, relatively autonomous governments set up in 1989 by Aquino in the four provinces which voted for autonomy; substantial Christian populations complicated referendums in other provinces
Abu Sayyaf: Radical Islamic group with alleged connections to al-Qaeda, uses kidnapping and assassination, with the mixed goals of raising funds through exorbitant ransoms and eventually creating an Islamic state in Muslim Mindanao

Time Line
1946, July 4 –The Philippines becomes a Republic.
1965 – Ferdinand Marcos elected president. Disputes grow in the South
1972 – MNLF and NPA violence in Mindanao; labour strikes and student protest. Marcos declares Martial Law, which is not lifted until January 1981. Corruption and nepotism in Marcos regime begins to grow exponentially.
1973 – 1975 – Worst years of violence between religious and ethnic groups.
1976 – Tripoli Agreement provides foundation for peace in the region based on limited autonomy for Muslim areas
1986 – EDSA gathering and army revolt force Marcos to flee to Hawaii. Corazon Aquino named president and implements constitutional and democratic reforms.
1990 – Four Muslim provinces accept autonomy and elect governors.
1991 – Formation of Abu Sayyaf, a splinter group of MNLF
1992 – Fidel Ramos elected President, implements economic reforms, improving business climate but poverty not addressed
1996, Sept. 2 – MNLF signs peace agreement with the Filipino government.
1998 – Actor Joseph Estrada elected president; becomes involved in numerous scandals.
2000 – Abu Sayyaf goes on kidnapping spree, Estrada launches major offensive against Abu Sayyaf and MILF, 100,000 civilians displaced, several hostages beheaded
2001, April – President Estrada impeached by congress, ousted by a military-backed popular revolt, and detained with charges of 'plunder'. Vice-President Gloria Macapagal-Arroyo is sworn in as new president.
2002 – Six months of US military 'exercises' in Philippines directed at fighting Abu Sayyaf, followed by US troops staying to provide military aid.

Indicators of conflict and peace:

Government
Since the 1960s, the Filipino Government has gone through a number of changes. The long time corruption and influence of Marcos has had long-term consequences since: 1) he did not sufficiently deal with domestic conflict and tensions, allowing them to fester; 2) he set a precedent for corruption and for greater military involvement in government, which are patterns not easily changed; and, 3) he impeded the development of the country through corruption and mismanagement. Although Corazon Aquino's term in power (1986-1992) helped establish a more stable and democratic government, numerous coups were attempted as military strength continued to constitute a significant challenge to the autonomy of the civilian government. While her successor Ramos (1992-1998) has been praised for his economic development of the Philippines, competing accounts point to rampant corruption within the government. Joseph Estrada's rise to power drew on anti-corruption sentiment as well as popular disenchantment with Ramos' economic record, which was seen as having failed to improve the lives of ordinary Filipinos. Elected in 1998, Estrada quickly lost public favour as allegations of corruption and plunder led to his impeachment and fall from power in 2001. His successor and former Vice-president, Gloria Macapagal-Arroyo, faces a number of challenges. She has to find a way to justify

increased American involvement in the region to a volatile public with nationalist tendencies. She also has to put the economy on a surer footing, ameliorating conditions for the many Filipinos trapped in poverty without threatening the interests of powerful domestic forces which have the capacity to jeopardize the nation's political and economic stability. Military influence in the government has been a long standing problem, which some fear could complicate negotiations with rebel groups. Finally, the Filipino political structure, in which parties draw their support based on personalist networks rather than ideological or policy platforms, creates an inherently unstable political environment. This problem is magnified by the one-term limit on the presidency, which severely limits the time period during which a government can be an effective policy-making body, until upcoming elections and shifting coalitions throw it into disarray (Economist).

Militarization

Military spending in the Philippines has been limited by competing economic priorities, but available military resources have generally been concentrated in areas where insurgencies are strongest. The military is rife with corruption, as are most Filipino institutions, and has a poor human rights reputation. Indigenous groups complain that they are forced by the military to join civilian militias and fight insurgents (Bantugan & Redulla), are sometimes forced from their homes when the military chooses to conduct operations nearby, and are subject to various human rights abuses including rape and summary executions (Adraneda). Military spending has been supplemented recently by increased US military aid of over US$100M (ASMP). American troops have been invited to conduct joint exercises in combat zones in the southern Philippines to train the military to fight Abu Sayyaf. Increased military resources available to the Philippine military could just as easily be turned on elements of the NPA (Communist rebels) or the more moderate MNLF. This possibility may make government negotiators more reluctant to seek a peaceful resolution with these groups, and an escalation of the conflict may increase local popular support for resistant movements. Peace zones, areas declared to be conflict-free, have at times been used by both sides to protect areas under their control from attack, but have the potential to provide relief to local populations from the fighting and, where community support is substantial, to create the foundations for the expansion of peace to neighbouring districts.

International Linkages

The Philippines is well-integrated in regional economic and political fora such as APEC and ASEAN. However, these organizations have traditionally shown a reluctance to involve themselves in the security affairs of member states. Instead, the Organization of Islamic Conference (OIC) has served as a viable neutral party vis-a-vis Muslim groups and the Philippine government, and was key in negotiating the 1976 Tripoli Accord and the more recent 1996 peace agreement ("Philippines"). Bilateral relations with the United States have historically been both important and sensitive for the Philippine government. The signing of a Visiting Forces Agreement in 1999 and the deployment of US troops in the country earlier this year is a reversal of the Philippine government policy which ejected US bases from the country in response to nationalist pressure in 1991. The presence of US troops in the country has to some extent divided the government, with the Vice-President in opposition (Corben), and could prove a legal issue, since it is against the Constitution for American troops to conduct operations in Philippine territory (Sicat et. al). The continued presence of US troops, with new training exercises scheduled for October 2002, could galvanize anti-American elements, which may try to use the Constitution as a basis for a move to eject US troops, destabilizing Arroyo's presidency in the process. While US losses have been minimal and primarily accidental, a bomb attack on October 3, resulting in the death of an off-duty US soldier (Alexander), points to the potential for further American casualties and the possibility of conflict escalation as a result.

There is evidence that radical Islamic elements in the region have been networking through the Jemaah Islamiah group, centred in Indonesia with additional supporters in Malaysia, Singapore, and the Philippines. The goal of this network is the creation of an Islamic nation comprised of sections of each of these states (Sipress & Nakashima). While this could increase the capacity of groups such as Abu Sayyaf to continue terrorist operations in the Philippines, it is likely to also increase support from regional governments for the Philippine government's efforts to fight radical Muslim insurgents. A new level of cooperation can be seen in the Malaysian government's extradition of MNLF leader (and ex- ARMM governor) Misuari to Philippine authorities in November 2001 (Ng-Gadil et. al).

Heterogeneity

Current conflicts in the Philippines stem from as far back as the 1600s with the Spanish conquest of the territory, and the immigration of Christian settlers. The indigenous Muslim peoples of the islands have suffered the loss of independence, displacement and discrimination at the hands of their Spanish and American conquerors. Following independence in 1946, the Filipino government has demonstrated an ongoing bias favouring the Christian population, further alienating the indigenous people from the political process and from the land itself. The post-WWII government, in an effort for further development, sponsored a program to establish Christian settlers throughout the southern part of the country, which has served to further estrange the Moros and Igorots from the nationally-dominant Christian population (CIA). Moreover, there is in-group conflict within the Filipino Muslim population itself. The active mobilization of Muslims in the 1970s into organized (tribal) opposition groups was an attempt by Filipinos to preserve their cultural identity and regain political control over their territory (FEWER). However, it has also brought forth varying degrees of radicalism and militancy within the Muslim population.

While certain government initiatives have diminished the conflict, the true roots of the conflict have yet to be addressed. In 1990 an agreement was reached (ARMM) under which four of the thirteen Muslim provinces voted in favour of and were provided with limited autonomy. Moreover, peace agreements were reached with both the MNLF (in 1996) and the MILF (in 1999) that were

meant to usher in a new era of Government-Muslim cooperation. However, the government has not honoured its part of the bargain, failing to deliver on promised funding for development initiatives (MAR). Furthermore, Christian migration has brought the Muslim-Christian ratio in areas previously dominated by Muslims to the point of near parity, complicating the ratification of autonomy by these provinces (Economist).

Environment

While the Philippines is rich in natural resources, exhaustive use and exploitation have seriously damaged the national environment. Deforestation is occurring in the Philippines at an alarming rate, leading to soil erosion and contributing to air and water pollution. Of the initial 150 million hectors of usable land, less then 2.5 million are still usable today (DENR "Green"). While the government claims to be committed to solving the issue, it also maintains that forestry is one of the main income-earning endeavors of this already impoverished nation. The Philippines also faces a multitude of water related ecological predicaments. The coral reefs and mangrove areas that surround the Philippines are some of the richest and most biologically productive ecosystems on the planet, yet the complete misuse of these resources has had an incredibly detrimental effect on the availability of fish and other water-life (Ibid. "Blue"). While the Philippines also has a vast mineral supply, the ecological repercussions of continued development make sustainable use of this asset impossible. In spite of this, there is domestic conflict over the lucrative mining prospects which remain.

Most devastating is the ecological damage that the people of the Philippines have caused through economic growth and uncontrolled pollution. Human waste, air pollution, urban poverty, and water degradation and shortages have all been caused by the rapid growth of the population and the continual degradation of the land due in part to inadequate infrastructure (Ibid. "Brown"). Moreover, the Philippines has hosted a multitude of natural disasters - from volcano eruptions and tsunamis to monsoons and typhoons. Environmental stresses have the long term potential to create conflict by decreasing the resources available to the economy and population, but they can also have short-term impacts. The drive to develop the forest industry in Mindanao has resulted in the displacement of indigenous groups, and the government's reforestation efforts, aimed at creating a sustainable forestry industry, have resulted in further dislocations. The financial incentives attached to this industry have attracted corrupt elements within the national military, which have appropriated forestry profits badly needed for regional development. The result has been a population increasingly at odds with governmental institutions, and more likely to support resistance groups.

Economy and Human Development

The Philippine economy was not affected as badly by the Asian financial crisis as other Asian countries; however, efforts to revive the economy have taken a back seat to security issues since September 11th (Socialwatch). High unemployment rates (10% in 2000) have resulted in a rising crime rate (Ibid.). As an export based economy, the Philippines is vulnerable to fluctuations in exchange rates and commodity prices, but recent positive balances of trade (exports: $38 billion, imports: $35 billion (CIA)) are a good sign. On the other hand, external debt ($52 billion in 1999) combined with a projected budget deficit may cause problems for the government, as President Arroyo may be unwilling to cut spending or raise taxes in order to maintain necessary levels of popular support (Economist). The local currency has fallen by over 30% against the US dollar over the last three years, from a rate of 40 pesos to the dollar in October 1999 to the current rate of close to 53:1 (Oanda).   A high population growth rate of 2.03 percent (2001) continues to contribute to increasing population density (CIA). The large income gap between the rich and the poor has narrowed slightly, but this was mostly due to an overall decline in wealth. Equitable regional distribution remains a problem, as Mindanao continues to be the poorest region, with over one-third of GDP being generated by the National Capital Region (Economist). While the incidence of poverty fell substantially from 34% in 1991 to 25% in 1997, progress has stagnated with poverty in 2000 increasing slightly to 26% (World Bank). Poverty in the Philippines is concentrated in rural areas, and it has helped to create a pool of dissatisfaction from which resistance groups such as the NPA and the MNLF draw their support.

Best Case Scenario

I. A military solution to Abu Sayyaf, and a negotiated settlement with the MLNF; part of the settlement could include U.S. economic development aid, creating a deal that supplements autonomy with social funding administered at the local level.
II. A plan is constructed to deal with deforestation and sustainable development, and to hold accountable corrupt elements of the military responsible for environmental and human rights infractions.
III. Autonomy expanded to all Muslim provinces. Political reform and the decentralization of power to include a form of power sharing, reducing the concentration of corruption in centralized power structures and increasing transparency.
IV. Continued freedom for the media helps to enforce accountability.
V. Peace zones expanded and developed.
VI. U. S. military role is limited to providing support for Philippine-conducted operations against Abu Sayyaf.
VII. Decrease in poverty rate; increased employment.

Worst Case Scenario

I. Environmental degradation continues unabated – deforestation results in the continued displacement of people.
II. The escalation of violence expands to include the involuntary involvement of civilians through forced recruitment.
III. Increased collaboration between extremist Islamic groups, along with increased support from civilian Muslim groups for hard line positions. The pursuit of a military solution by the Philippine armed forces against all Muslim resistance groups bridges the rift between Abu Sayyaf and the MNLF and results in increased cooperation between these groups in violent struggle against the government, including the expanded use of terrorist tactics.
IV. U.S. involvement increases to the point where it destabilizes the government and foments civilian unrest.
V. Wider economic disparity causes deeper ethnic rifts in Mindanao and unrest among other impoverished groups.
VI. Internal schisms in government lead to destabilisation and paralysis within decision-making structures, and possibly even to a military coup.
VII. Growth of capacity of, and popular support for NPA, leading to increased violence.
VIII. Displacement causes increases in poverty rate and unemployment.

Most Likely Scenario

I. US troops stay in the Philippines in the short run as long as there is terrorist violence directed at foreigners.
II. In the long run, current high Filipino support for American involvement falls and sentiments against American involvement will rise. The Filipino government may be forced to revoke the Visiting Forces Agreement.
III. Lack of significant environmental pressure due to the policy focus on terrorism leads to a lack of environmental development and protection.
IV. Moderate constituents of the MNLF negotiate with the government for increased autonomy and limited increases in development funding from NGOs
V. Radical Muslim elements continue their independent struggle against the government, as does the NPA.
VI. Muslim groups continue to be internally fractured making a comprehensive settlement with the government difficult.

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