Philippines-China Relations in the 20th Century: History Versus Strategy (2000)*

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Abstract

This paper looks at the development of relations between these two neighbors [Philippines and China] through time, especially throughout the twentieth century. It then describes relations at the present conjuncture, exploring the issue of how contemporary diplomacy between the Philippines and China reflects each side's attempt to channel their respective emerging nationalism, even as both try to make an unpredictable external security environment less uncertain.

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Philippine relations with China face serious challenges at the dawn of the 21st century. Bound by the accidents of history and geopolitics to be neighbors who are dissimilar in worldviews and asymmetrical in size, strength and influence, the Philippines and China are challenged to define and then periodically redefine their ties in relation to both internal factors and changes in the broader external environment.

History has bequeathed a legacy of both strong trade, cultural and people-to-people ties dating back to the precolonial period, but also one of mutual suspicion brought on by more recent ideological differences, entanglement in the Cold War and disputes over territories and ocean resources.

Since the end of the Cold War, strategic factors have become a core issue in relations. The Philippine state, having shunned permanent United States military presence on its soil in 1991 and casting its lot with Asia, has taken the first steps towards a truly independent foreign policy. This, however, comes at a time when its colossal neighbor, China, is taking decisive steps to establish itself as a regional power, raising uncertainties for its relations both with other major powers and with smaller states of the region. Their two paths cross and come into conflict over certain disputed islands and waters of the South China Sea.

This paper looks at the development of relations between these two neighbors through time, especially throughout the twentieth century. It then describes relations at the present conjuncture, exploring the issue of how contemporary diplomacy between the Philippines and China reflects each side's attempt to channel their respective emerging nationalism, even as both try to make an unpredictable external security environment less uncertain.

Relations Prior to the 20th Century

Chinese written records indicate that Filipinos had gone to China as early as 982, when Ma-yi (Mindoro) traders appeared on the coast of Guangzhou, and in 1001 when the first recorded Philippine tribute mission

came, apparently from Butuan. At the end of the twelfth century, Visayan pirates were raiding Fujian from bases in the Pescadores.[1]

Anthropological and archaeological findings, however, point to Chinese traders visiting the islands of the South Seas before the tenth century, presumably including islands that now belong to the Philippines. A Song Dynasty edict of 972 mentions Ma-yi as part of the luxury trade in foreign exotica. By 1206, written records showed that Mindoro, Palawan, Basilan, and other nearby islands were known to China.[2]

Relations between early Philippine kingdoms and China were rich and colorful. Chinese sources report that Admiral Zheng He's men landed in Sulu in 1409. In 1417, a Muslim delegation led by the east King of Sulu, Paduka Batara, paid a visit to China, where he was admired and befriended by the Emperor. Unfortunately, on his way back to Sulu, the king died and was buried in Dezhou, Shandong province. Members of his family remained to tend his grave in Dezhou, where to this day his descendants continue to practice Islam and have established strong ties with Chin's Islamic Hui minority.[3]

When the Spaniards arrived, they already found Chinese settlers and Chinese ships bringing merchandise to Manila.[4] Miguel Lopez de Legaspi opened direct trade with China, with Chinese merchants bringing textiles, industrial products, raw materials, and food. This not only helped sustain Spanish colonial rule, it also boosted the development of trade between the Philippines and the distant Spanish colony of Mexico.[5]

The immigrant Chinese and their descendants came to play an important role in the colonial economy for the next three centuries, especially as traders. With the growth in their numbers and economic wealth, they also became a source of taxation income for the colonial bureaucracy. In time, however, the colonial government began to fear them and doubt their loyalty, especially when they sided with the English, who occupied Manila from 1762 to 1764.

As early as 1582, there were attempts to control the presence and influence of the Chinese in the Philippines. The Spanish Governor-General built an enclosed quarter in the northeastern part of Manila, where all newly arriving Chinese would live together. This became known as the Parián.[6] The Parián was meant in part to facilitate tax collection and control of trade. It was also to keep Chinese pirates from intermingling with merchants, following persistent attacks on the islands by the pirate Limahong (Lin Feng).

Chinese in the islands, including in the Parián, were massacred by Spanish soldiers on several occasions. Survivors were encouraged to intermarry with the Catholic *indios* and to convert to Christianity. New immigration from China became severely restricted for a long time, until the end of the Galleon trade forced Spain to look to the Manila-China trade as a new source of revenue.

In the first 200 years under Spain, 14 major Chinese uprisings were recorded. During this time and until the later part of the 19th century, imperial China did not take an interest in protecting its nationals overseas. Imperial edicts in the 1700s even prohibited the Chinese from trading with or residing in Southeast Asia.[7]

In the 1880s, Chinese immigration had increased to about 100,000.[8] For the first time, the immigrants appealed to the Chinese imperial government to set up consular representation in the Philippines, citing how they suffered from "excessive and inequitable taxation, insecurity of property against theft or damage, and the extortionate practices of Spanish officials."[9] Spain ignored the request until the revolution broke out, but the United States, as the new colonial power in Manila, did agree to the establishment of a permanent consulate in 1899.[10]

It was the Chinese mestizos who eventually became the Philippine entrepreneurial middle class by the mid-19th century. Many of them were educated in Spain and elsewhere, had assimilated freely and become part of the social, economic, and political elites.[11] From their ranks also rose the intellectual leaders of the revolution against Spain—with the likes of

Paterno, Sanciangco, and Rizal. General Emilio Aguinaldo was also of Filipino-Chinese descent, and during the Filipino-American war, many mestizo families were among the *insurrectos.*

When we speak of the role of the Chinese in the revolution against Spain, one person also stands out—a pure-blooded Chinese named Jose Ignacio Paua (Liu Heng Po), who became a general of the revolutionary army.[12] When Aguinaldo declared independence on June 12, 1898, Paua cut off his long braid to signify new-found freedom, preceding similar actions by millions of Chinese in his native land after the Manchus were toppled in 1911.

Political Links in the Early 20th century

The Philippine struggle for independence against Spain and the United States did not only influence the Chinese in the Philippines, it also indirectly influenced the history of China. Both Spain and the United States saw the Philippines as a staging ground for their entry into China, the former for Christianization and the latter for trade. At the end of the 19th century, some American troops were pulled out from the Philippines, where they were suppressing the revolution, to fight against the Boxer Rebellion in China.

Liang Chi-chao, one of China's most famous reformers, wrote an article entitled "America, the Philippines, England's Battles and their Relation to China," where he pointed out that: "The Philippines, in evicting the Spaniards and fighting the Americans, is the vanguard of the struggle for independence in Asia. The victory of the Philippines will also help us, the yellow race, in our fight and put fear in the hearts of the white race... The Philippine independence is watched closely by the Chinese because its influence on China will be great."[13]

Au Ji-jia, on the other hand, said, "Alas, looking at the Philippines, we have a lot to learn and gain... First, the Philippines is such a small

country but can become independent and roust the United States. China is big so it should also achieve its independence, continue the spirit of struggle without fear of death... China is big but is afraid of the small while the Philippines is small fighting the big... the {fighting} spirits of these two people are as disparate as heaven and earth. The people of our country must therefore not despair, quickly follow the Philippines to achieve victory."[14]

It is therefore not surprising that the revolutionary movements of the two countries had early linkages. In June 1898, Mariano Ponce who was at that time Aguinaldo's representative to Japan, met Dr. Sun Yat Sen in Yokohama and solicited his assistance in acquiring military arms. Sun agreed to help procure arms as well as to send members of his revolutionary party to the Philippines, purportedly to help against invading Americans. The ship Nonubiki Maru carrying the arms unfortunately sunk somewhere near Zhejiang in July 1899 after hitting some reefs.[15]

Aguinaldo, as head of a revolutionary government, was likewise known to have supported the Chinese struggle, at one time giving Sun Yat Sen 100,000 Japanese yen and offering to help initiate China's armed struggle by sending soldiers after the Philippines achieved independence.[16] But Aguinaldo's revolution failed, while Sun's flourished, and Sun said: "...there is no first or last in this big struggle. Our party decided to establish its revolutionary army and pursue its own task. When we succeed in our objective, then we can also look into the cause of Philippine independence."[17]

With the failure of the Philippine revolution, a number of Filipino patriots even escaped to Xiamen, Hong Kong, and Shanghai.

The Ethnic Chinese in 20th Century Philippines

The American colonial regime was far more tolerant of Chinese presence than Spain. Under American control, the Philippines at first took a neutral position on issues pertaining to politics in China itself.[18] It was

principally the Chinese in the Philippines who continued to take a high level of interest and, by then, they had grown significantly in numbers.

The inflow of Chinese immigrants to the Philippines from 1913 through 1930 followed peak periods in Philippine exports. This suggested that a surge in demand for Philippine exports helped to keep Chinese traders in business.[19]

After Japan attacked Manchuria in September 1931, the Philippine Chinese General Chamber of Commerce implored the warring groups in China to unite against Japan. On behalf of Chinese residents, they appealed to US President Hoover to "take action in the interest of justice, humanity and world peace in restraining further Japanese encroachment..."[20]

The Chinese merchants and their families also raised money for the resistance against Japan. By January 1932, they had raised $250,000 for "national salvation" efforts and another $400,000 specifically for the war in Manchuria. Young Chinese men from Manila, Davao and Cebu in the Philippines even volunteered to fight, while those who remained behind campaigned for a boycott of Japanese goods.[21]

Conflicts broke out involving members of the Chinese and Japanese communities in Manila, these two being the main merchant groups and rivals in the retail trade.[22] Philippine authorities appealed to both sides not to disturb the peace and order but, otherwise, the government took a very lenient attitude and was even reported to be sympathetic to the Chinese.[23]

In the meantime, Filipino resentment against foreign domination of the economy grew as Filipino nationalism grew. As the Commonwealth government was set up to pave the way for a ten-year transition to independence, the Kuomintang government in Nanjing realized the need to secure the continued safety and prosperity of its merchants. Under American rule, the Chinese had been equal with Filipinos before the law. The impending departure of the Americans raised apprehensions that Japan's influence over the Philippine economy would strengthen at their expense. One Chinese newspaper article mused:

> The proximity of the new Commonwealth to China and our long historical association with the Islands, coupled with the investment of over one hundred thousand Chinese living in the islands, should make us study the new development with intense interest. When the ten years of Commonwealth government come to an end, it will be our manifest interest to keep close watch over the Philippine government's foreign policy, and its domestic policy towards foreigners and Chinese in particular. This is the time for us to devise ways and means for the future protection of our compatriots in the Philippines and at the same time to improve the feeling of friendship between the two governments.[24]

During the Japanese occupation of the Philippines from 1942 to 1945, Chinese residents in the Philippines were among those who suffered atrocities at the hands of the new masters. They were made to pay for their financial, material, and other forms of support to China during Sino-Japanese conflicts. In the Philippines, many joined the underground and even formed their own guerilla units[25] or joined the Philippine Army and other regular Filipino-American guerilla units.[26]

When the end of the Pacific War and Japan's surrender led to a resumption of the civil war in China, the Chinese in the Philippines were likewise divided once more into pro-Kuomintang and pro-Communist groups. The political factionalism became violent, manifested by a wave of kidnappings, harassment and killings that swept Chinatown and thus merited attention by the local police. This contributed to the Filipinos' negative image of the Chinese.

After 1949, overseas Chinese began to be perceived in the Philippines as "agents" or "unwitting instruments" of mainland China out to spread communism. Leftist Chinese organizations, including newspapers, were accused of having links with the communist-inspired Hukbalahap movement.[27]

Effects of the Establishment of the People's Republic of China and of the Philippine Republic

The Republic of China (ROC) was one of the first countries to recognize the Philippine Republic after the latter became independent in July 1946. Negotiations for a Treaty of Amity by the Roxas government became prolonged over the issue of, according to Chinese nationals, the same treatment given to US citizens under the parity agreement, and ROC claims of discriminatory treatment against the Chinese in immigration policy and in the practice of trade and the professions.[28]

The Philippines established consulates in Shanghai and Xiamen in 1947, and a legation to the Nationalist government in Nanjing in March 1948. As communist forces closed in on Nanjing in February 1949, a liaison office was set up in Guangzhou. This office was closed after the proclamation of the People's Republic of China (PRC) on October 1, 1949, when the Philippine legation transferred to Taiwan.[29]

The Quirino government at first avoided entanglement in the PRC-Taiwan conflict, and did not take an explicitly anti-communist posture. President Quirino only bowed to US and Taiwan pressure to recognize Taiwan, as a consequence of the upswing of local communism and China's entry into the Korean War. Accordingly, the Philippines elevated its legation in Taipei to a full embassy in December 1950.

The role of Chinese traders and settlers in Philippine-China relations became subsumed under questions affecting relations with Taiwan. While they continued to play an important role in the national economy and in trade and cultural linkages with China, they ceased to be politically significant in subsequent Philippine history, especially after 1975, when many of them became naturalized Filipinos.

The Korean War was a turning point in the new republic's policy towards China. The Philippines allied itself with the United States and fought against the forces of the PRC and North Korea. From then on,

Manila's foreign policy became staunchly anticommunist and hewed closely with that of Washington. Quirino also signed a Mutual Defense Treaty with the US in August 1951 and, in 1954, the Philippines under Magsaysay became a member of the short-lived anti-Communist Southeast Asia Treaty Organization (SEATO). In 1955, it declared support for the US commitment to the defense of "Formosa."[30]

Anti-communism in foreign policy was strengthened in subsequent Philippine administrations. Travel and other links with Beijing by Filipino nationals were prohibited by the Garcia, Macapagal and the early Marcos administrations. On the PRC side, their leadership was preoccupied with internal problems, while the violent events in Beijing's then-ally Indonesia in the mid-1960s, led to a debacle that discouraged other foreign policy initiatives by China in the region.

Moreover, China condemned the 1967 establishment of the ASEAN, of which the Philippines was a founding member, as following in the footsteps of SEATO. The official mouthpiece *Peking Review* described the new association as "an out and out counter-revolutionary alliance rigged up to oppose China, communism and the people, another instrument fashioned by US imperialism, and Soviet revisionism for pursuing neo-colonist ends in Southeast Asia."[31]

Establishment of Diplomatic Relations with the PRC

It was under President Marcos in 1967 that the Philippine government began exploring the idea of opening-up to the socialist countries, ostensibly for considerations of expanding trade partners to reduce dependence on traditional markets, but also because of security concerns. In January 1969, Marcos declared in his State of the Nation address: "We in Asia must strive toward a modus vivendi with Red China. I reiterate this need, which is becoming more urgent each day. Before long, Communist China will have increased its striking power a thousand-fold

with a sophisticated delivery system for its nuclear weapons. We must prepare for that day. We must prepare to co-exist peaceably with Communist China."[32]

From this statement, it was clear that the rapprochement with Beijing did not come from an ideological change of heart by Manila but from purely realist considerations. The strategic environment was changing fast. There were indications of an impending Sino-US detente. Efforts were afoot to terminate the war in Vietnam, and the United States had not emerged the victor as it had expected. The establishment of the ASEAN was a response to this shifting strategic ground. Along with other leaders of the ASEAN, Marcos began to espouse a new policy of neutrality for the region, *i.e.*, that it should be kept free from intervention and involvement in the ideological battles of the superpowers.

By 1971, Beijing had reassumed its seat as a Permanent Member of the United Nations Security Council. The Philippines took a two-China position on this matter of China's return to the United Nations—*i.e.*, that admission of the PRC should not jeopardize the position of the ROC.[33] Soon, Beijing became one of only five avowed nuclear powers. It was also the world's largest country in terms of population.

Following the surprise Nixon visit arranged clandestinely by Kissinger, and in consideration of the Sino-Soviet conflict, Washington ceased to isolate Beijing and Beijing began to open-up to Washington. One early indication of this was that the then Chief of Staff of the People's Liberation Army, General Huang Yungsheng, expressed that China could accept the presence of US bases in the Philippines, in a marked departure from Beijing's earlier posture opposing all foreign military bases.[34]

The opening of Manila-Beijing diplomatic relations began with a series of secret visits by Benjamin "Kokoy" Romualdez, brother of then First Lady Imelda Marcos, from January 1972. Imelda Marcos herself went on a visit in September 1974, one highlight of which was her kissing a startled Mao Zedong on the cheek, dealing a culture shock to the Chinese. The 1973 oil crisis gave added impetus to Manila's desire to open ties, as China was an oil producer.

On June 9, 1975, Marcos and Premier Zhou Enlai signed a joint communique normalizing relations between Manila and Beijing. Relations with Taiwan were to be downgraded as part of the process, with the embassies to be replaced by "private" offices, and ties henceforth limited to such matters as civil aviation, commerce and other economic transactions, as well as people-to-people contacts.

The decision to recognize Beijing was part of an explicit foreign policy shift undertaken by the Marcos government. In contrast to an almost exclusive bilateral diplomacy with the United States, Marcos resolved to intensify relations with the ASEAN states, seek closer identification with the Third World "with whom the Philippines shares similar aspirations," and support the Arab countries "in their struggle for a just and enduring peace in the Middle East." He also committed to "continue beneficial relations" with Japan and to find a new basis, "compatible with emerging realities in Asia," for a continuing healthy relationship with the United States.[35]

The domestic imperative for the normalization of ties with Beijing also increased with the growing strength and popularity of the Maoist Communist Party of the Philippines, founded in 1968 and by the mid-1970s the only thriving revolutionary movement in the region. By establishing official relations, the Philippine government hoped to undercut any support Chinese communists might have been extending to Filipino counterparts. It had been earlier believed that China offered only moral and political support to the Philippine underground left, but subsequent information confirmed that material assistance was also extended in the 1970s.

In a throwback to Sun Yat Sen's failed dispatch of arms for Aguinaldo aboard the Nonubiki Maru in 1899, modern-day Chinese sympathizers also sent arms shipments to guerilla fighters of the Maoist New People's Army. The venture was also doomed to fail under similar circumstances. In mid-1972, a shipment of Chinese war materiel on board the Kishi Maru, rechristened *M/V Karagatan*, found its way from Fujian to Digoyo Point,

but rebels were unable to unload the whole shipment before government troops arrived. Then in early 1974, the ship *Andrea* which was on the way to China for a similar purpose ran aground on some reefs and never reached its destination.[36]

The Chinese presumably had other reasons for preferring relations with the government of the Philippines after that but, by 1975, China seemed to have altogether eschewed the export of revolution to the Philippines and opted to befriend Marcos instead.

Changing Worldviews: China's Reform and Opening up; the Philippines Turns to Asia

After internal power struggles following the death of Mao Zedong in 1976, reformist leaders in China gained the upper hand. Deng Xiaoping in 1978 announced a "strategic shift" in the direction of China's economic development strategy. From then on, pragmatism and innovation would prevail over the dogma of socialist revolution, an outlook exemplified by Deng's famous words: "It doesn't matter if the cat is black or white, as long as it catches mice." Deng's reform policy opened China's doors to foreign trade and investment, and at that point, China decidedly turned its friendly face to the rest of the world.

From a Philippine perspective, relations with the People's Republic of China in the first 20 years (1975-1995) can be generally characterized as cordial at the political level, warm in the cultural and people-to-people aspect but only of limited success in its economic objectives.[37] The main *raison d'etre* for establishing diplomatic ties had been served by the 1970s: Chinese communist support for the Filipino underground communist party had been undermined, China became a source of relatively cheap crude oil at a time of energy crisis, and the Philippines was able to project nonalignment by expanding its relations with socialist countries. However, trade relations remained at very modest levels, with the Philippines suffering from persistent trade deficits.

Through most of the 1980s, the Philippines was beset by political instability and economic malaise and was therefore not in a position to take advantage of China's economic liberalization or the investment boom in the East Asian region. The country fell behind most of its ASEAN neighbors whose trade and investment ties with China expanded remarkably during the period. However, cultural and other people-to-people exchanges with the People's Republic of China were very active from 1975 to 1995, prompting former Foreign Affairs Undersecretary and now ASEAN Secretary-General Rodolfo Severino to say, "With no country has the Philippines had more active interaction at the officially organized level than with China."[38]

One of the principal reservations the Marcos government had in opening relations with the PRC was the potential security threat that might arise from Beijing's links with Chinese in the Philippines—who, it was feared, could become a veritable "fifth column." The government therefore enacted a mass naturalization law in 1974 that was meant to encourage the ethnic Chinese to choose Filipino citizenship. Unlike the ROC government in Taipei, which maintained close links with the Chinese community in the Philippines, Beijing affirmed that the loyalties of people of Chinese descent should lie first and foremost with the countries which had taken them in.

The perceptions of both China and the Philippines in their relations with each other continued to be influenced by regional developments. The Vietnamese occupation of Cambodia in 1979 brought China and the ASEAN closer together in a campaign supported by the US and Japan to put an end to Vietnam's control of Indochina. The Philippines went along with the ASEAN-China collaboration against Vietnam.

However, ideological animosities and sharp differences in our political systems during the Cold War period had resulted in a generalized perception by many Filipinos of China as at least a potential threat. This "sleeping dragon" image of China appeared to have been exacerbated by the distinctive influence of American policy and media.

Periodic tensions would arise between the Philippines and China over two important issues: the disputes in the South China Sea and the Taiwan question. From a Philippine point of view, China maintained excessive claims on the islands and waters of the South China Sea that belied its assurances of its non-expansionist nature. On the Taiwan issue, Manila sought Beijing's understanding on its need to maintain active unofficial relations with Taipei, given Taipei's proximity, their close historical association, and the economic opportunities Taiwan presented for the Philippines.

Frictions over the Taiwan issue were particularly frequent under the Aquino administration. The new post-dictatorship government in Manila faced a double challenge of achieving a stable democracy and recovery from economic crisis. In the meantime, Taiwan itself had just refuted military rule in favor of a multiparty democracy, opened-up its thriving economy and lifted foreign exchange controls, and embarked on an aggressive "flexible diplomacy," pursuing high-level relations with neighboring countries. The Philippines, because of its devastated economy and the promise of Taiwan investments, became vulnerable to Taiwan's attempts to challenge the "one-China policy."

High-level official exchanges between Manila and Taipei took place in apparent violation of the one-China policy, and at one point it seemed that the Philippine Congress was on the brink of signing a bill that would upgrade relations with Taiwan. More farsighted statesmen ultimately prevailed; it was realized that to risk antagonizing a powerful neighbor such as Beijing would not serve the long-term security interests of the nation.

Relations in the Post-Cold War Setting

The Ramos administration came into power in 1992 amidst drastic changes in the strategic situation of the Philippines and of the region. The end of the Cold War and the collapse of communism in Eastern Europe

led to the conclusion that superpower conflict was no longer the potential source of world war or nuclear holocaust that it had earlier been made out to be. It was hoped that long-term peace and security would prevail. From the Philippine perspective, this justifies its closure of American bases that had put an end to a century of so-called "special relations" between Manila and Washington.

East Asian economies grew robustly in the 1980s, with improved living standards helping to arrest social conflict and political instability. The distinction of having the world's fastest growing economy went to China, and while other economic powers began to worry about the competition, it was felt that the more market oriented and globally-integrated China became, the better for the region's peace and stability.

However, China's rise as an economic power coincided with changes in China's strategic doctrine, which began to emphasize the development of a capability to promote territorial and maritime resource concerns. Nationalism in China was on the rise. Not only was China richer, more stable and more confident than it had ever been, it also became more assertive in its relations with other states, particularly on the issue of reclaiming territories perceived to have been lost during weaker periods in its history. China had, among other actions, been expanding naval activities in the South China Sea, including the occupation in 1995 of a small reef (Mischief Reef) within the Kalayaan islands (Spratlys), an area claimed by the Philippines.

For the Philippines, China's occupation of Mischief Reef was perceived as the most serious external challenge to the country's sovereignty and security since the tiff with Malaysia over Sabah in the 1960s. Such perceptions could be understood best in the context of Manila's heightened sense of insecurity and vulnerability. After all, there was an epidemic of arms build-up going on in some ASEAN members and China, while the Philippine military was in an even sorrier state than before, following the termination of US military aid. Moreover, even though the Mutual Defense Treaty continued to remain in effect, US security commitments to the Philippines remained ambiguous.

Since Mischief Reef, tensions between Manila and Beijing in the Kalayaan or Spratlys area have substantially increased, particularly from Philippine official reactions to fishing operations by Chinese in the Philippines' exclusive economic zone and the presence of PRC naval vessels in the Kalayaan area. In an attempt to prevent an escalation of conflict, the two sides agreed in 1995 on a bilateral code of conduct that would bind them to a peaceful resolution of the problem. The agreement said that the dispute shall not be allowed to affect the normal development of relations, and should be settled in a peaceful and friendly manner, through consultations and on the basis of equality and mutual respect. It also committed both sides to undertake confidence-building measures, and to pursue specific forms of cooperation until the disputes are eventually resolved. It expressed a desire to cooperate for the protection and conservation of maritime resources, and stated that the dispute should be settled by countries directly concerned without prejudice to freedom of navigation in the South China Sea. Furthermore, Manila and Beijing agreed to settle the dispute in accordance with the United Nations Convention on the Law of the Sea (UNCLOS) and recognized principles of international law.[39]

In March 1996, China and the Philippines further agreed to establish a "bilateral consultative mechanism to explore ways of cooperation in the South China Sea." Specifically, three working groups were set up, to look into cooperation in fisheries, marine environment protection and confidence-building measures. Manila and Beijing, during the recent state visit of President Estrada, reiterated the commitment to pursue dialogue on the issue, but it remains to be seen whether the two sides can ultimately come up with substantive cooperation arrangements towards the long-term settlement of the disputes.

In its diplomacy with China concerning the disputed islands, the Philippines has come to rely considerably on the role of ASEAN. Apart from the Philippines, China and Taiwan, fellow-ASEAN members Vietnam, Malaysia, and Brunei also have claims to all or parts of the Spratly islands. Multilateral talks between the ASEAN and China have

been held since 1996, in which the disputes have also been discussed. At present, the ASEAN and China are negotiating a regional code of conduct that would elaborate norms of behavior by the claimant states in the disputed area, with the end in view of conflict prevention and confidence-building.

In contrast to China's reaction to the establishment of the ASEAN in 1967, it has now come to appreciate the strategic value of the ASEAN as a potential ally in the emerging balance of power in Asia. Among China's greatest concerns in the post-Cold War period is the new role being played by the United States as the world's sole superpower. Not only is it the world's largest economy, it is also a state possessing state-of-the-art military technology which, in China's calculus, may in the future be directed against it. The way to counter the preponderance of US power, China appeared to argue, was to create and strengthen a multipolar world order.

China sees the ASEAN as potentially evolving into one "pole" in its vision of a multipolar world order. The ASEAN's fundamental objective of keeping Southeast Asia a peaceful and neutral region, free from dominance by any regional or outside power is something which China says it shares.[40]

The Philippines itself, particularly since the Ramos government, has looked very much to the ASEAN as a pillar of its foreign policy. In this context, ASEAN-China relations are bound to become a very important dimension of Philippine-China relations in the future.

In the wake of China's actions in the Kalayaan Islands, perceptions of a China threat soon paved the way for the Senate's ratification of a new "Visiting Forces Agreement" or VFA, that now allows American troops back into the Philippines for training and other activities in the implementation of the 1951 RP-US Mutual Defense Treaty. In his speech concurring with the VFA, Senate President Pro-Tempore Blas Ople, chairman of the Senate Foreign Affairs Committee argued that:

> "...In our own part of the world, East Asia, the Chinese colossus has awakened.... There is every indication... that this giant has not only awakened but is belching forth a stream of fire—in the direction of the Philippines....
>
> ...(T)oday it is Mischief Reef and the Scarborough Shoal off Zambales. Tomorrow there might be more tempting prizes, including Palawan and the Philippines itself.
>
> ...(T)he one factor that restrains China's military hawks is the realization that the Philippines is bound to the United States by a Mutual Defense Treaty...."[41]

This is an overblown image of a China threat, fanned by an over-imaginative media, that appears to negate 25 years of otherwise cordial relations with the PRC and over a thousand years of people-to-people contact.

Another recent irritant in relations is the illegal entry of many Chinese from the mainland into the Philippines, whether they are here to improve their income opportunities, or as a transit point for other destinations. Unfortunately, the corruption and poor law enforcement in the Philippines attract many undesirable aliens, the result being that transnational crime is now a major problem in Philippine society.

Possibly the greatest foreign policy challenge facing China in post-Cold War Asia is for it to manage its rise to great power status in a manner that will guarantee peace, rather than threaten instability; ensure mutual benefit rather than impose hegemony among smaller neighboring countries. As a rising power, China will find itself caught between its desire to stand up to and be at par with other great powers, and on the other hand the apprehensions of smaller neighbors that it will become an unfriendly hegemon.

For the Philippines, a major foreign policy question is how it can uphold national sovereignty and security, as well as pursue its quest for an independent foreign policy, in the face of lack of resources and pressures from competing national interests of neighboring countries, including China. Moreover, Philippine foreign policy, like that of other small powers, tends to be pulled in different directions as a consequence of shifting relations among bigger powers.

We have seen in this paper how the Chinese and Filipino peoples have long shared a common history of anticolonial and anti-imperialist struggle, as well as centuries of mutually beneficial trade and cultural exchanges. We have seen how they parted ways in 1949 when their governments chose to be guided by opposing ideologies in their respective nation-building efforts. Attitudes and interests converged once more as both China and the Philippines undertook adjustments in foreign policy in the 1970s. Henceforth, for both sides, pragmatic national interests would prevail over ideological considerations. Such interests dictated that the Philippines cease to rely exclusively on old allies such as the United States, and pursue friendly relations with all neighbors, including socialist governments, thus helping it on the road to a more independent foreign policy. On the other hand, pragmatism dictated that China, as a large country with a huge population, abandon ideological constraints and concentrate instead on strengthening its economy. So successful was China in this program that in a span of 20 years, it was being touted as the rising new power, and true to form, China has declared its intent of recovering its lost glory, beginning with the recovery of lost territories.

This growth of Chinese power, fueled by enhanced nationalism, is again bringing it into potential conflict with the Philippines, in light of competing claims between the Philippines and China over certain islands and waters in the South China Sea. However, despite the acrimony that has come to characterize exchanges between the two sides regarding the disputed territories, both sides continue to persist in a peaceful settlement of the disputes. They have pledged to improve comprehensive cooperation,

especially in matters pertaining to economic development, through various bilateral and multilateral mechanisms.

It is fortunate indeed that the leaders in Manila and Beijing can continue to invoke the centuries-old ties of friendship built by their peoples as the basis for charting the future course of relations. However, the time has also come for the two governments and the two peoples to take stock of where each of them stands in relation to the emerging new regional and global environment, to consciously strive to continue the best legacies of the past, and in so doing, to make new and even more glorious history.

End Notes

1 This led William Henry Scott to conclude that Filipinos may have gone to China even before the Chinese came to the Philippines. William Henry Scott, *Filipinos in China before 1500* (Manila: De La Salle University China Studies Program, 1989), pp. 1-2. An earlier version of this work was published in *Asian Studies*, Vol XXI (Quezon City: University of the Philippines Press, 1983).

2 Scott, *ibid.*

3 Julkipli M. Wadi, "The Philippines and the Islamic World" in Aileen Baviera and Lydia Yu-Jose, eds. *Philippine External Relations: A Centennial Vista* (Manila: Foreign Service Institute, 1998).

4 Ch'en Ching-ho, *The Chinese Community in the Sixteenth Century Philippines* (Tokyo: Centre for East Asian Cultural Studies, 1968), p. 29.

5 *Ibid.*, p. 36.

6 *Ibid.*, p. 67.

7 Benito Lim, "A History of Philippine-China Relations" in Aileen Baviera and Lydia Yu-Jose, eds. *Philippine External Relations: A Centennial Vista* (Manila: Foreign Service Institute, 1998), p. 210-211.

8 Antonio S. Tan, *The Chinese Mestizos and the Formation of the Filipino Nationality* (Quezon City: Asian Center). Reprinted by Kaisa Para sa Kaunlaran, 1987, p. 8.

9 Benito Lim, *ibid*, citing Wickberg, pp. 212-213.

10 *Ibid.*, p. 214.

11 Lingayen, Pangasinan, where members of the Limahong expedition had briefly put up a colony in the 1570s, was recorded to have had the most number of Chinese mestizo residents. Rosario M. Cortez, *Pangasinan, 1572-1800* (Quezon City: UP Press, 1974), p. 61; cited in Antonio S. Tan, *ibid.*

[12] Paua had arrived in the Philippines from China at the age of 18 in 1890, but in a very short time, he had so internalized his new Filipino identity that he joined the Katipunan and later became a young general. By 1896, he had built a munitions factory in Imus, Cavite, using funds raised from fellow Chinese. In 1897, Paua was one of the signatories of the Biak-na-Bato Constitution. Liu Yuan Yan, "The Contributions of the Overseas Chinese in Developing the Philippines," in Yong Cheng Tong, ed. *1935 Philippine-Chinese Yearbook* (Shanghai: Shanghai Society, 1935), p. 17, cited in Teresita Ang See and Go Bon Juan, *The Ethnic Chinese in the Philippine Revolution* (Manila: Kaisa Para sa Kaunlaran, 1996), pp. 12-13.

[13] Zhou Nanjing, "The Philippines' Struggle for Independence and the Chinese People" quoting from *Qing-Yi Pao Compilations*, Vol. IV. Cited in Teresita Ang See and Go Bon Juan, *ibid*, p. 21.

[14] *Ibid*., quoting Au Ji-jia, "The Independence of the Philippine Islands" from *Qing Yi-pao* Compilation, Vol IV.

[15] *Ibid*, quoting Peng Ziyou, "History of the Revolution" (Commercial Press, 1936).

[16] Zhou Nanjing, *ibid*.

[17] *Ibid*. Also cited in Carlos Quirino's "Dr. Sun Yat Sen and the Philippine Revolution," *Fookien Times Yearbook*, 1963, pp. 267-268.

[18] Antonio S. Tan, *The Chinese in the Philippines During the Japanese Occupation 1941-45* (Quezon City: University of the Philippines Press, 1981).

[19] Daniel F. Doeppers, *Manila 1900-1941: Social Change in a Late Colonial Metropolis* (Quezon City: Ateneo de Manila University Press, 1984), p. 41.

[20] Tan, *ibid*.

[21] Tan, *ibid*.

[22] About 25,000 Japanese residents were in the archipelago in 1932, up from only 7,000 in 1918. Between 1931 and 1935, Japanese share in retail trade increased from 5% to 35%, with the Chinese losing from a position of 80-90% share. Antonio Tan, *ibid*., p. 8-9.

[23] Tan, *ibid*., p. 7.

[24] N.S. Cheng, "The Chinese in the Philippines," *China Critic*, Vol XI, No. 9, Nov 28, 1935, p. 203; cited in Tan, *ibid*., p. 11.

[25] Among the prominent Chinese guerilla groups were the Chinese Overseas Wartime Hsuehkan Militia (COWHM), the Philippine Chinese Youth Wartime Special Service Corps, the Philippine Chinese Volunteers, the Philippine pro-Communist Chinese Anti-Japanese guerilla Force or Wah Chi, and the United States-Chinese Volunteers in the Philippines.

[26] Tan, *ibid*., Chapter IV.

[27] Lim, *ibid*., p. 221.

[28] Lim, *ibid*., p. 223.

[29] Rodolfo C. Severino, "Philippine-China Relations: As I See Them." Unpublished paper, 2000.

[30] Severino, *ibid*.

[31] Derek McDougall, *The International Politics of the New Asia Pacific* (Singapore: Institute of Southeast Asian Studies, 1997), p. 221.

[32] Ferdinand E. Marcos, "New Filipinism: The Turning Point," *State of the Nation Message to the Congress of the Philippines*, cited in Lim, *ibid*., p. 235.

[33] Lim, *ibid.*, p. 237.

[34] Severino, *ibid.*

[35] *Diplomatic Agenda of Philippine Presidents 1946-85* (Manila: Foreign Service Institute, 1986).

[36] Gregg R. Jones, *Red Revolution: Inside the Philippine Guerilla Movement* (Westview Press, 1989), pp. 75-78.

[37] Aileen San Pablo-Baviera, "Turning Predicament Into Promise: A Prospective On Philippine-China Relations" in *The Philippines and China in the 21st Century* (Manila: Carlos P. Romulo Foundation For Peace And Development, 1999).

[38] Severino, *ibid.*

[39] Aileen S.P. Baviera, "The Kalayaan Islands (Spratlys) in Philippine Foreign Policy," *Panorama* No. 2/1999 (Manila: Konrad Adenauer Foundation, 1999).

[40] Hao Yufan and Huan Guofang, eds., *The Chinese View of the World* (New York: Pantheon Books, 1989), p. 221.

[41] Senate President Pro Tempore Blas F. Ople. "The VFA: Paradigm Shifts in the Security and Freedom ofNations." Full text of the speech delivered on the floor of the Senate sponsoring the concurrence of the Senate in the RP-US Visiting Forces Agreement on 03 May 1999. *Sanggunian* 1(9), May 1999.