

## A Renewed Philippine-United States Alliance

By Julio Amador III & Lisa Marie Palma

In 2023, after tumultuous relations during the Duterte administration, the Philippine-United States alliance was [reinvigorated](#) under President Ferdinand “Bongbong” Marcos Jr. and his “friend to all, enemy to none” foreign policy. The alliance’s strong footing is exemplified by high-level meetings and dialogues, defense cooperation, and coordination on non-traditional issues.

Several high-level meetings were held in the first half of 2023. The [Bilateral Strategic Dialogue](#) set the tone for the alliance, with Washington reaffirming its commitment to Manila. This was followed by the [2+2 Ministerial Dialogue](#) in April and a state visit by Marcos in May, resulting in \$1.3 billion in pledges. The dialogues revolved around four main areas: reaffirming the alliance and enhancing defense relations, promoting a rules-based international order, exploring economic cooperation, and supporting green energy and environmental protection.

At the forefront of the alliance is security and defense cooperation. Expanded US access to four additional military sites under the Enhanced Defense Cooperation Agreement (EDCA) is a significant development that provides a tangible example of US commitment to expanding the alliance. Military exercises have also showcased [increased defense cooperation](#). The Balikatan held its largest-scale exercise to date, and both the [Kamandag](#) and [Sama-Sama](#) exercises were conducted with the observation and participation of like-minded states. Another important defense development is the establishment of the Bilateral Defense Guidelines, which recognizes the changing strategic environment of the region and specifically mentions that any incidents or attacks on non-military public vessels, aircraft, or armed forces in the South China Sea would invoke the 1951 Mutual Defense Treaty. With Chinese aggression increasing in the West Philippine Sea (WPS), the Guidelines and Washington’s commitment to “ironclad support” serve as an assurance for the Philippines should a hostile scenario occur.

On the diplomatic side of the alliance, there were sustained high-level engagements and multiple affirmations of the US stance, particularly in response to Chinese aggression in Ayungin Shoal. [Defense Secretary Austin](#) and [Vice President Harris](#) reaffirmed US support for a rules-based international order. This commitment materialized in plans to [conduct joint patrols in the South China Sea](#) and the establishment of a [trilateral partnership](#) with Japan. [The United States also called out China’s dangerous maneuvers in the WPS](#) and reiterated its support for Manila’s sovereignty and exclusive economic zones.

Philippine-US engagement stretches beyond the diplomatic and security fronts. The Biden administration has made a conscious effort to expand ties to encompass trade and environmental concerns. Subsequently, [a presidential trade and investment delegation](#) will be sent to Manila by next year. Over [\\$3 billion in public and private financing](#) has been promised for sustainable Philippine infrastructure projects. This is separate from the funds allocated to [military infrastructure projects](#), such as upgrading Manila’s Basa Air Base. To date, a [technical partnership](#) for developing critical materials and a grant for a feasibility study to develop reliable and secure [5G deployment](#) have been inked. In August, an [Energy Policy Dialogue](#) was launched to advance bilateral environmental cooperation. US-Philippines cooperation in civil nuclear energy is being explored via the [123 Nuclear Deal](#), which allows US companies to export nuclear material to the Philippines. Under the 123 Deal, a [cooperative agreement](#) will evaluate the feasibility of deploying small modular reactors in the Philippines.

**Julio Amador III and Lisa Marie Palma**, the Executive Director of the Philippine-American Educational Foundation and a Project Assistant at FACTS Asia, respectively, explain that “the Philippine-United States alliance was reinvigorated under President Ferdinand ‘Bongbong’ Marcos Jr. and his ‘friend to all, enemy to none’ foreign policy.”

While the renewed alliance takes on a multidimensional form, there is opposition to improved relations. Upon the announcement of new EDCA sites, local leaders and lawmakers expressed [reservations](#) about the purpose of the expansion. The deepening alliance also garnered an adverse reaction from China, which condemned the Philippines for enlisting other forces to “[stir up](#)” trouble and “[stoking the fire](#)” by offering access to military bases near the Taiwan Strait. Conversely, both the [US House](#) and [Senate](#) agreed to boost funding to the Philippine military and Coast Guard in response to increased Chinese harassment in the WPS. Unfortunately, China could potentially escalate its dissatisfaction by implementing measures akin to [economic sanctions](#). As China is the Philippines' third-largest trading partner, such measures would [far exceed the impact](#) of similar actions by the European Union or the United States. The Philippines could stand to [lose millions of dollars](#) in export earnings, which play a crucial role in driving local economic growth. Nevertheless, amidst uncertainty, a glimmer of hope stems from the Biden Administration's launch of the IPEF. This initiative raises the prospect of expanding commercial and investment ties with other prominent external actors, which could help reduce the Philippines' dependency on China.

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The revitalization of the alliance is a cornerstone of Marcos' foreign policy. Nevertheless, it is not the end all and be all of his government's foreign relations. The Philippines continues to engage with China while also making a conscious effort to ramp up its capabilities through the support of the United States and other like-minded nations. Hence, if Beijing's aggression and harassment continue to intensify, the Philippines will be further incentivized to seek partners to protect its interests. The United States is a natural choice, considering its history as Manila's long-standing ally. The Philippines will utilize US support to augment its capabilities to protect its territory and sovereignty.

The revitalization of the alliance starts the new year on a positive and forward-looking note, with US support for multidimensional initiatives that augment the Philippines' needs beyond the security and defense realm. However, diplomatic engagements and security assurances have their limits. Both countries must be clear on their stances and expectations in order to move the alliance forward.

Manila should consider the WPS and external defense as its top security concerns. This means instituting proactive national security policy and defense postures, as it is clear that China intends to play by its own rules. This also involves fast-tracking the modernization of defense assets and capabilities and promoting institutional reforms that will enable the modernization effort to survive the horrors of the defense bureaucracy. Manila should continue to develop coordinating mechanisms and crisis-management measures with allies. The Philippines lags behind in [cyberinfrastructure](#) compared to its Southeast Asian neighbors, as evidenced by [government agency data breaches](#) this past year. The Philippines must strengthen its cyberinfrastructure as advanced technologies pose risks and challenges that the country must anticipate. Manila should prepare itself for economic coercion from China; it should, therefore, balance its relations with Beijing by diversifying imports, seeking out partners for exports, and identifying potential vulnerabilities and areas for embargo.

For Washington, a renewed commitment to dialogue signifies its interest in understanding Philippine security goals. Still, it must make an effort to sustain its pledges on both the defense and economic fronts. The Biden administration should keep in mind that domestic politics bears considerable implications for the alliance. Regarding economic relations, the United States needs to remain committed to policies that diversify supply chains and create opportunities for business and investment projects in the Philippines.

2024 is the moment for alliance institution-building, including improving operational efficiencies in response to shared threats, routinizing bilateral cooperation, and insulating the alliance from politics. Both Manila and Washington are responsible for upholding the alliance—the former cannot be dismissive and hostile as before, and the latter cannot shirk away from its commitments.

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