
SUMMARY

Philippine policy towards regional co-operation in Southeast Asia during the period from 1961 to 1969 has attempted to reconcile the values of anti-communism and anti-colonialism. Both of these values are derived from the internal and external environment in which Philippine foreign policy has been formulated. Anti-communism, which has formed a theme of Philippine policy towards Asian regionalism since 1946, has emanated from the doctrines of the Catholic Church as well as from the Philippine government's adherence to the American 'line' in foreign policy during the Cold War era. Resentment of the economic role of the Chinese minority in the Philippines has also contributed to the perception of a threat from Communist China.

Philippine participation in the Association of Southeast Asia (ASA), which was formed in 1961, was in large part due to dissatisfaction with SEATO and the hope that ASA would prove more effective than SEATO in countering the threat of Communist 'subversion'. Anti-communism also manifested itself clearly in Philippine policy towards regional co-operation during the Macapagal administration (1961-1965). During the first year of this administration, Philippine policy was confused, largely because of the impact of the Philippine claim to Sabah (North Borneo) on ASA. By January 1963, however, the outlines of the 'Maphilindo strategy' had emerged. This strategy was designed mainly to include Indonesia in a tacitly anti-Chinese and anti-communist association, and thus to help neutralize the influence of the Indonesian Communist Party (P.K.I.) on Indonesian politics. In effect, the goals of this policy were very similar to those of the American aid programme in Indonesia. Philippine policy seemed to have achieved its goals when the governments of Malaya, Indonesia and the Philippines agreed to form Maphilindo in August 1963; this development was welcomed by the U.S. government.
The agreement to establish Maphilindo, however, did not prevent Indonesian confrontation of the new Federation of Malaysia, which was formed in September 1963. The Philippine claim to Sabah, which was responsible for Philippine non-recognition of Malaysia, also placed ASA in 'cold storage'. Soon after Malaysia was formed, it became apparent that Sukarno was attempting to turn Macapagal's 'Maphilindo strategy' on its head, and to use Maphilindo as a vehicle for removing Western influence from the region. As Indonesia's confrontation of Malaysia heightened, the Philippine government became increasingly concerned that Indonesia was being drawn into the communist orbit. Macapagal reacted to these fears by seeking reassurances of American support during his state visit to the United States in October 1964. Philippine policy towards the confrontation question, however, did not become an important issue in the 1965 Presidential elections, partly because the October coup removed the perceived danger of a communist Indonesia.

President Marcos's foreign policy stance was not fundamentally dissimilar from that of his predecessor. He did not share Macapagal's longstanding interest in foreign policy, but anti-communism remained a basic element in the policy of the new administration. His close adherence to American policies was also indicated by his decision to send the Philippine Civic Action Group (PHILCAG) to South Vietnam. Marcos's decision to normalize relations with Malaysia, which permitted the revival of ASA in 1966, must also be seen in the context of American policy. As American intervention in the Vietnam war heightened, encouragement of regionalism became an important aspect of U.S. policy. Associations such as ASPAC were ostensibly non-political, but were formed by anti-communist states which openly or tacitly supported American policies in Vietnam. The revival of ASA was clearly a welcome development for U.S. policy.

The relationship between American policy and the formation of ASEAN in August 1967 is more tenuous. Both the Indonesian and Singapore governments were formally non-aligned, and the ASEAN statesmen vigorously denied that the new association
was 'ideological'. The formation of ASEAN, nevertheless, was officially welcomed by the State Department and denounced by the governments of China and the Soviet Union. In the months preceding ASEAN's formation, the Philippine government had not taken a strong foreign policy stand. This apparent lack of initiative by Marcos, which contrasted with the intense effort which Macapagal had expended prior to the Maphilindo Summit, was to some extent a product of his preoccupation with the 1967 Senate election campaign, and with the Philippines' severe economic problems. Marcos's reservations regarding ASEAN also seem to have stemmed from preference for his Asian Forum concept, and from fears that the new association would be dominated by the Indonesian army. The Sabah claim also continued as a source of friction between the Philippine and Malaysian governments.

Changes in American policy following the election of Richard Nixon in November 1968 indicated that America's client states in Asia might have to fend for themselves if faced by a conventional attack, and increased speculation that some kind of defence arrangement in ASEAN might eventuate. The revival of the Sabah issue in March 1968, however, proved an impediment to co-operation in ASEAN. By 1969, the changes in American policy were leading to a reassessment of the Philippine policy of rigid anti-communism. Marcos's references to a possible modus vivendi with China, and his relaxation of the prohibitions on travelling to and trade with European communist states were an indication of this trend. In short, by 1969 the Marcos administration was moving away from the rigid anti-communism which had characterized Philippine foreign policy. These changes, however, were not solely products of the 'innovative approach' of Marcos and Romulo, but were basically reactions to the changes in American policy resulting from the Vietnam debacle.

The second major component of Philippine policy towards regional co-operation has been nationalism. The need to assert the 'Asian identity' and 'independence' of the Philippines has been manifest in the policies of both Macapagal and Marcos. In the former administration, the slogan of the 'Macapagal-Sukarno' doctrine of Asian solutions for Asian problems was constantly
reiterated by government spokesmen. Marcos has placed similar emphasis on his concept of an Asian Forum. The emphasis on the Asian identity of the Philippines has been basically a reaction to the inequalities of the 'special relationship' with the United States. In the period under discussion, however, the Philippine claim to an 'independent' foreign policy has clearly been suspect in the eyes of many of the leaders of the other underdeveloped states. Whether the scepticism with which Philippine claims to 'independence' have been regarded will alter in the future will obviously depend mainly on the state of Philippine relations with the U.S. In a possible future situation in which the Philippines is relatively unimportant economically or strategically to the United States, Philippine governments will have no choice but to follow a policy which is 'independent' in more than a rhetorical sense.

This study indicates that contradictions in foreign policy statements have been a feature of both the Macapagal and Marcos administrations. To a large extent, the attempt to reconcile the values of anti-communism and anti-colonialism has been responsible for the 'confusion' which often seems to characterize Philippine policy. The study also demonstrates the strong similarities between the policies of Macapagal and Marcos. This is to be expected in a political system in which the ideological differences between the two parties are more rhetorical than real, and in which both parties are drawn from the same socio-economic elite.

In the light of this study of Philippine policy, the need for caution when assessing the prospects of associations such as ASEAN is obvious. The Sabah issue in particular has indicated the continuing possibilities of intra-regional conflict. Despite the verbal commitment to regionalism of the Macapagal and Marcos administrations, the level of Philippine interaction with the other ASEAN states has not appreciably increased. It seems fairly safe to assume that the logic of American withdrawal from Asia will push the Philippine government into closer co-operation with ASEAN in both security and economic matters. The history of Philippine behaviour in Southeast Asian regional associations, however, indicates that such co-operation will not be achieved easily.
PHILIPPINE POLICY TOWARDS REGIONAL
COOPERATION IN SOUTHEAST ASIA, 1961-1969

by

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Thesis submitted for the degree of Doctor of Philosophy
in the Department of International Relations,
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April 1972
This thesis is my own original work

Relyn J. Abell.
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<table>
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<tr>
<th>Abbreviation</th>
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<tr>
<td>ASA</td>
<td>Association of Southeast Asia</td>
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<td>ASAS</td>
<td>Association of Southeast Asian States</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<td>ASPAC</td>
<td>Asian and Pacific Council</td>
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<td>ECAFE</td>
<td>Economic Commission for Asia and the Far East</td>
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<td>GANEFO</td>
<td>Games of the New Emerging Forces</td>
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<td>PHILCAG</td>
<td>Philippine Civic Action Group</td>
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<tr>
<td>PKI</td>
<td>Indonesian Communist Party</td>
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<td>PMIP</td>
<td>Pan Malay Islamic Party</td>
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<td>SEAARC</td>
<td>South East Asian Association for Regional Cooperation</td>
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<td>SEAFET</td>
<td>South East Asian Friendship and Economic Treaty</td>
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<td>SEATO</td>
<td>South East Asia Treaty Organization</td>
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<td>USIS</td>
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A NOTE ON SOURCES

The difficulties of dealing with a contemporary period are acute in relation to source material. Official publications have been used where available; in this respect, six months spent in the Department of Foreign Affairs library in Manila was invaluable. Unfortunately, the Philippine government does not publish a great deal of material on foreign policy. The Department of Foreign Affairs Review, for instance, has only appeared irregularly. Publications by other governments have been used where appropriate. Unavoidably, however, newspapers have provided a considerable amount of the source material for this study.

The Manila press has been the major source of information, although newspapers from other Southeast Asian states as well as the U.S.A. have been used extensively. It should be pointed out that the Philippine press, which is mainly English-language, has both advantages and drawbacks for the purposes of the researcher. It is uninhibited and highly critical, and often provides valuable insight into events and personalities. On the other hand, the researcher must be aware of the bias of a particular newspaper. The ownership of the Manila Chronicle by the Lopez family, which has long been prominent in national politics, is an obvious case in point. For this reason, the Manila Chronicle was checked against the Manila Times, the Manila Bulletin, and, where possible, the Philippines Herald. Moreover, the reliability of the Manila press is frequently open to question, and the terms 'reportedly' and 'allegedly' are sprinkled liberally throughout this study. More prestigious newspapers such as the London Times, the Washington Post and the New York Times were frequently consulted, but it must be recognized that the Western press is frequently misleading and sketchy in its
treatment of Southeast Asian events. Interviews also have their limitations, but proved useful in the attempt to assess the accuracy of information gleaned from press reports.
PART ONE: THE CONTEXT

This study examines Philippine policy towards regional cooperation in Southeast Asia from 1961 to 1969. As yet, few analyses of Philippine foreign policy have been undertaken, and it is necessary to place the topic in its context. Part One relates the topic to the foreign policy formulation process in the Philippines, and places it in historical perspective. The body of the thesis concentrates on the political aspects of the Philippine approach to regional cooperation, but frequently alludes to the economic issues involved. For this reason, the nature of the economic problems confronting attempts at regional cooperation in Southeast Asia is briefly examined in the Introduction.

Part One consists of Chapter One (Introduction) and Chapter Two (The Immediate Background, 1946-1961). Chapter One is divided into three sections. Section One (The Problem) defines the topic, and outlines the scope of the thesis. Economic problems confronting attempts at regional cooperation in Southeast Asia are briefly examined in Section Two. Section Three outlines the foreign policy decision-making process in the Philippines.

Chapter Two is also divided into three sections. Section One summarizes the Philippine approach to Asian regionalism during the period 1946-1957. The background of Philippine relations with Malaya, Thailand and Indonesia is discussed in Section Two. Section Three consists of an analysis of Philippine policy towards the formation of the Association of Southeast Asia in 1961.
CHAPTER ONE

INTRODUCTION

I. THE PROBLEM

A Definition of Terms

Defining the term 'regional cooperation' presents some difficulties which arise from the ambiguity of the term 'region'. 'Region' has at times been used to refer to entities such as the Southeast Asia Treaty Organization, which are composed of states that are not physically contiguous.¹ A recent attempt to re-examine the term has analysed five kinds of regions using the criteria of social and cultural homogeneity; similarity of political attitudes or external behaviour; political interdependence; economic interdependence; and geographical proximity.² As has been pointed out,³ however, use of the concept to refer to areas whose component units are not necessarily physically contiguous tends to lead to confusion, since 'a conception of region that abandons the notion of physical contiguity as a necessary characteristic opens up the possibility that any entities related to each other with respect to one or more attributes will meet the requirements for consideration as a region. This leads to a situation in which the term


"region" is apt to become so inclusive that it is useless.'

For the purposes of this study, 'region' is defined simply as a group of states linked by a close geographical relationship. 'Regional cooperation' is defined as the activity of member states of a region in working together to meet commonly experienced needs and to satisfy common interests. The term 'regionalism' is closely related to 'regional cooperation.' It does, however, have a doctrinal connotation which does not always apply to the term 'regional cooperation'.¹ In other words, 'regionalism' has a slightly more emotive 'flavour' than 'regional cooperation'.

The term 'regional integration' is sometimes confused with 'regional cooperation' when it is applied to Southeast Asia. As Haas has stated, this is an incorrect usage of the term:

the study of regional integration is concerned with explaining how and why states cease to be wholly sovereign, how and why they voluntarily mingle, merge and mix with their neighbours so as to lose the factual attributes of sovereignty while acquiring new techniques for resolving conflict between themselves. Regional cooperation, organization, systems and subsystems may help describe steps on the way; but they should not be confused with the resulting condition.²

¹ Nye states: 'International regionalism in the descriptive sense is the formation of interstate associations or groupings on the basis of regions; and in the doctrinal sense, the advocacy of such formations.' Nye, op.cit., p.vii.

The term 'Southeast Asia' also required some elucidation. A term of recent origin, it is commonly used to refer to ten states - the Philippines, Indonesia, Singapore, Malaysia, Thailand, Laos, Cambodia, North Vietnam, South Vietnam, and Burma. This study, however, is confined to an examination of Philippine policy in the sub-region composed of the Philippines, Indonesia, Singapore, Malaysia and Thailand. Strictly speaking, the term 'sub-regional cooperation' should be used throughout the study. Its awkwardness, however, has led to the utilization of the term 'regional cooperation.'

The Scope of the Thesis

The thesis deals with the policy of the Macapagal and Marcos administrations towards regional cooperation in Southeast Asia during the period from 1961 to 1969. It concentrates on the Philippine role in three regional associations: the Association of Southeast Asia (ASA); Maphilindo; and the Association of Southeast Asian Nations (ASEAN). Other regional associations of which the Philippines is a member, such as the Economic Commission for Asia and the Far East (ECAFE) and the Asian and Pacific Council (ASPAC), are examined only inasmuch as they throw light on Philippine policy in ASA, Maphilindo, and ASEAN.

II. ECONOMIC PROBLEMS OF REGIONAL COOPERATION IN SOUTHEAST ASIA: AN OVERVIEW

Some of the beliefs held by advocates of regional cooperation in Southeast Asia derive from the theories of those who propose 'regionalism' as a solution to the problems of world order. A recent exponent of regionalism has argued that 'the great advantage of regionalism is that international disputes can be solved to a large extent regionally, and that the problems confronting a World Authority would simply be those concerning any clash of interest between the superpowers or the organized "regions"
concerned. As Inis Claude has pointed out, however, 'it ain't necessarily so'. Rational regional divisions, Claude argues, are difficult to establish, and boundaries determined for one purpose are not necessarily appropriate for other purposes. Moreover, regional groupings tend to be dominated by the Great Powers, and are often drawn into disputes between the Powers.

The problems associated with Great Power involvement in regional associations are acute in the Southeast Asia region examined in this study. Of the five states in the region, four have formal defence arrangements with outside Powers. The nature of Philippine relations with the United States has been a particular source of difficulty for those who advocate a Southeast Asian region which is 'independent' of the Great Powers. The Philippine government has been anxious to demonstrate its 'independence' of the United States, but at the same time has frequently sought additional 'security guarantees' from Washington.

The frequency with which intraregional conflicts have occurred also does not encourage optimism about the possibility of regional cooperation in Southeast Asia contributing to 'world order'. During the period under examination, Indonesia has 'confronted' Malaysia; since 1965 the Singapore government has periodically been engaged in acrimonious disputes with both Indonesia and Malaysia;

3 Ibid.
4 See below, pp.35-9.
and relations between Malaysia and the Philippines have been strained by the Philippine claim to Sabah.

There are, moreover, substantial economic impediments to cooperation in the region. One of the assumptions behind moves towards regionalism in Southeast Asia has been the belief that the success of economic 'integration' in Western Europe can be repeated in Southeast Asia. The European analogy, however, has serious deficiencies when it is applied to Southeast Asia.

Many of the problems involved in attempts at cooperation can be traced to the legacy of colonialism. Spanish, American, Dutch and British colonial rule left quite different political institutions and languages in the Philippines, Indonesia, Malaysia and Singapore. Colonialism also left its imprint on the trade patterns of the region, and most of the countries of the region tend to conduct a high percentage of their trade with their former colonial rulers. Until recently, trade with the United States accounted for more than 50 per cent of Philippine total trade. The low level of intraregional trade is also partly attributable to the production of similar agricultural products. Economic nationalism has also led to the duplication of industries with inadequate domestic markets which often need high tariff protection and exchange and import controls; this has been an

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2 See below, p.43.
important feature of Philippine economic growth.\(^1\)

The difficulties of increasing trade in the region were demonstrated by an ECAFE study commissioned by a Resolution of the 16th Session in 1960.\(^2\) The study concluded that:

The long-term trade situation confronting the countries of the ECAFE region is not very favourable. The rate of growth of exports of the primary exporting countries of the region has shown a tendency to fall behind not only that of the industrial countries, but also that of primary exporting countries in other regions. The major export commodities of ECAFE countries have been subject to wide fluctuations in volume and prices. The considerable improvement in the economic growth and stability in the industrial countries since the war has not been accompanied by a commensurate improvement in the growth and stability of the region’s exports. On the other hand, the import requirements of the region are rising steadily and there is a widening gap between export earnings and the level of imports required to

\(^1\) The rapid growth in the share of the Philippine national income generated by manufacturing (which increased from 8 per cent in 1949 to 18.5 per cent in 1963) has been attributed 'in substantial part' to 'high levels of protection arising out of import and exchange controls, import taxation, and price increases of competing imports following the devaluation of the peso'. Frank H. Golay, 'Obstacles to Philippine Economic Planning', The Philippine Economic Journal, Vol.IV, No.2, 1965, p.289.

\(^2\) The term 'region' in ECAFE studies refers to the region formed by the members of ECAFE, which include the five ASEAN states.
ensure a reasonable rate of economic growth.¹

Despite the analogies frequently drawn between Southeast Asian regionalism and the European Economic Community, a later ECAFE study by Hiroshi Kitamura has indicated that trade liberalization along the lines of the EEC's system of progressive linear tariff reductions would be fraught with difficulties for Asian developing countries if it were mechanically applied.² Experience in regional


2 Four main difficulties were pointed out by Kitamura:

Firstly, in almost all countries, planning is recognized as the main instrument of development policy; and, where national plans are not geared deliberately to the requirements of the new situation, trade liberalization is bound to give rise to certain disturbances and disruptions in the national production and consumption programmes. Secondly, the market mechanism tends to favour investment in countries where the initial conditions are favourable and the profit prospects are bright; hence free trade might lead to undue concentration of investment in some specially favoured countries.

Thirdly, the existing pattern of production and trade in the ECAFE region is not such that the mere lifting of trade barriers among the countries in the region would considerably increase the intraregional trade flow.

Fourthly, even assuming that mutual liberalization can expand the volume of intraregional trade to some extent, in view of the prevailing supply rigidities it is rather doubtful whether this approach could have much impact on the economic growth of the developing countries.

cooperation in other developing areas, such as the Latin American Free Trade Association (LAFTA) would seem to indicate that the establishment of a free trade area through gradual liberalization of traditional exports and imports on the basis of selective negotiation does not ensure the rapid realization of ambitious targets of cooperation.\(^1\) Frequently no other method of 'cooperation' is acceptable to the developing countries, which inevitably encounter great difficulties in abandoning their restrictive trade practices.\(^2\) This procedure, however, involves the risk that each country will agree to free only those items in the production of which it has no interest. Experience in Latin America has shown that 'the aims of economic integration cannot be achieved through the mere liberalization of trade'; trade liberalization must be accompanied by 'other agreements that constitute a real programme for the achievement of a series of major common objectives'.\(^3\)

A 1964 ECAFE study also indicated that it was doubtful whether the developing countries of ECAFE would be able to reap the full advantages of economies of scale.

1 Ibid.

2 The political problems involved in attempts to reduce tariffs in the Philippines have been particularly acute. Donald Keesing has argued the case for a common market between Malaysia and Thailand which would exclude the Philippines basically on the grounds that 'the Philippines is protection-minded for both agriculture and industry; and its political system with its Congress is relatively inflexible and sensitive to vested interests. Philippine participation would impart an unwarranted upward bias to tariffs and inject economically unsound calculations into common action.' Donald Keesing, 'Thailand and Malaysia: A Case for a Common Market', Malayan Economic Review, Vol.X, No.2, October 1965, p.108.

3 Kitamura, op.cit., p.4.
simply as a result of spontaneous specialization ensuing from trade liberalization. Effective exploitation of economies of scale, the study concluded, would require 'deliberate planning of joint efforts among countries of the region for establishing efficient plants of economic size in some of the key industries.'\footnote{1} For the countries which were to form ASA and later ASEAN, the possibilities of such joint planning were made more attractive by the limitations of import substitution as a means of achieving industrialization and reducing imports of manufactured goods.\footnote{2} In 1959 the economist Benjamin Higgins wrote:


2 Kitamura has pointed out that:
in the industrial field, reference is often made to the inefficiency of import substitution policies based on a narrow national market. We should avoid being dogmatic in this respect; for a respectable number of production processes, each of the ASEAN countries except for Singapore constitutes a sizable enough market to support efficient production. This means that the legitimate scope for successful industrialization through import substitution should not be underrated even for relatively small and poor countries in Southeast Asia. But the list of light consumer goods industries to be established to replace imports will soon be exhausted in many relatively small countries. The weakness of the traditional industrialization strategy is rather reflected in the shallow vertical structure of the manufacturing sector in which the forward and backward linkage effects of the individual sub-sectors are extremely limited. The industrial structure thus lacks the ability to generate self-sustaining growth by inducing investment in interrelated sub-sectors directly or indirectly.

Kitamura, op.cit., p.5. See also H. Myint, 'The Inward and Outward Looking Countries of Southeast Asia', Malayan Economic Review, Vol.XII, No.1, April 1967, pp.9, 11.
regional planning among countries in Asia and Africa is long overdue. Industrialization is not tantamount to every country's endeavouring to produce everything, and some integration of national plans to avoid overlapping is surely desirable. For example, both countries might benefit if Indonesia leaves iron and steel production to the Philippines, while the Philippines stays out of rubber and aluminium, and does not expand its petroleum refining capacity.¹

This kind of harmonization of planning can be effected more easily by sub-regional groups such as ASA and ASEAN than by wider regional associations such as ECAFE.² The 1964 ECAFE study considered that the starting point of negotiations to achieve regional harmonization of development plans should be a sectoral or commodity approach. With accumulated experience and the habit of cooperation acquired during negotiations, 'the work of sectoral co-ordination may finally lead to recognition of the need for over-all harmonization and facilitate the task of wholesale co-ordination of development plans as a whole.'³ At the time of writing, ASEAN is moving towards the negotiation of complementarity agreements to effect a more 'rational' usage of industrial resources.

It must be stressed, however, that progress in economic cooperation will be slow. The countries of Southeast Asia, which achieved their independence comparatively recently, experience great difficulty in relinquishing even a small part of their national sovereignty. There is

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2 Kitamura, op.cit., p.5.

3 'Approaches to Regional Harmonization...', p.40.
a great deal of verbal commitment to regionalism, but relatively little 'action'. This gap between rhetoric and reality applies particularly to the Philippines.

III. THE FORMULATION OF FOREIGN POLICY IN THE PHILIPPINES

Except for a recent work, little attempt has been made to study the determinants of foreign policy in the Philippines. This paucity of analytical work is partly attributable to the difficulties of the undertaking. The literature on economic, social and political processes in the Philippines is increasing, but much work remains to be done.

A detailed attempt to analyse the formulation of foreign policy in the Philippines would be inappropriate to the purposes of this study, which concentrates on a particular aspect of Philippine foreign policy. It is necessary, however, to examine briefly the salient features of the external and internal factors which contribute to the foreign policy decision making process. This involves a discussion of the physical environment and the internal environment, particularly the nature of the social and political systems. It also necessitates an examination of the 'special relationship' with the United States.

A. The Physical Environment

The Philippines consists of approximately 7,100 islands scattered over 500,000 square miles of the Western Pacific Ocean. Its total land area is 115,600 square miles.


or approximately one-thirtieth that of Australia.¹

The northern islands of the archipelago are less than 150 miles from Taiwan, while the southern islands are less than thirty miles from North Borneo. The South China coast is approximately 500 miles from Northern Luzon.

As will be indicated, this proximity to Taiwan to the north, and to North Borneo and Indonesia to the south, has had important implications for Philippine foreign policy. The problem of defining the national boundaries of an archipelago has also presented difficulties. The most important case has been the Philippine claim to North Borneo (Sabah). Since 1956, there has also existed a dispute between the Philippine government and the governments of Nationalist China, Communist China, and South Vietnam over the jurisdiction of the Spratly Islands in the South China Sea.² The difficulty of delineating the borders between the Philippine and Indonesian archipelago has also been a recurring problem for the two governments.

B. The Internal Environment

(i) The Economy

As Wernstedt and Spencer point out, 'almost all generalizations concerning the agricultural economy of the Philippines emphasize the unbalanced pattern by which an overconcentration upon commercialized export crops results in an underproductive domestic sector and a significant dependence upon imported food products.'³ This 'imbalance'

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³ Wernstedt and Spencer, op.cit., p.178.
in Filipino agriculture is largely a product of American colonialism. The most important exports crops are coconuts, sugarcane, abaca, and tobacco. Staple crops consist mainly of rice, corn, and yams. Per-capita yields, however, are among the lowest in the world. The introduction of the IR 8 'Miracle Rice' has led to self-sufficiency in rice production, which is an important political issue; the 'Green Revolution', nevertheless, is not without its drawbacks.

The Philippines has an important timber industry, and the export of lumber, logs and plywood normally ranks third in value among the country's exports. Mineral exports are also increasing in importance, although mineral fuels are insufficient for domestic demands. Since the war, the growth of income from manufacturing has been faster than the growth of the economy as a whole, increasing from 8.5 per cent of the total national income in 1949 to 17.7 per cent in 1960. The percentage of the labour force engaged in manufacturing increased from 6.6 in 1948 to 12.2 in 1957. Golay writes:

The Philippine society, for better or for worse, has made an unambiguous decision to

1 See below, pp.40-1.
2 Wernstedt and Spencer, op.cit., p.179.
4 Wernstedt and Spencer, op.cit., pp.238-47.
5 Ibid., pp.248-57.
7 Ibid., p.38.
organize its economy on the basis of private initiative. Central to the analysis of public policy in the Philippines is the fact that the Philippine economy is essentially an enterprise economy in which economic activity by the individual is rewarded liberally.¹

There is, however, a considerable degree of government intervention in the economy. Tax exemptions for 'new and necessary industries' have provided incentives for manufacturers, and various government agencies extend credit to entrepreneurs.² In 1949, a balance of payments crisis created by an excessive demand for imports led to the imposition of import controls. In 1953, government control of foreign exchange replaced direct control of imports.³ The government's maintenance of the rate of two pesos to the dollar, when the real value of the peso was considerably lower, led to an abundance of opportunities for graft and corruption. Soon after his election in November 1961, President Macapagal decontrolled the peso, which soon stabilized at P.3.90 to the dollar. This rate was fixed by the Central Bank in November 1965.⁴ In January 1970, however, serious balance of payments problems led President Marcos to adopt a 'floating rate' for the peso.

There has been considerable debate in recent years on the 'real state' of the Philippine economy. This

² Carroll, op.cit., p.35.
³ Ibid., p.34
⁴ Diosdado Macapagal, A Stone for the Edifice (Mac Publishing House, Quezon City, 1966), pp.64-5.
debate has been complicated by alleged inaccuracies in government statistics. A recent RAND report\(^1\) which delivered a relatively optimistic verdict on the state of the economy has been strongly criticised.\(^2\) To the casual observer, influenced by the 'sensationalist' reporting of the Philippine press, the situation at the end of 1969 seemed little improvement on the 'state of crisis' which President Marcos announced in his Inaugural Address in January 1966.\(^3\)

The seriousness of these economic problems has had an impact on Philippine policy towards regional cooperation. In particular, the de facto devaluation of the peso in January 1970 has created additional difficulties for President Marcos's scheme for an ASEAN payments union. There is also the temptation to create foreign policy 'issues' which divert attention from rising prices and unemployment at home. It has been suggested, for instance, that the virulence of the Philippine government's dispute with Malaysia in 1968 was occasioned by Marcos's desire to divert attention from domestic problems.\(^4\)

(ii) The Social System

(a) The family system

In the Philippines, 'the family is the strongest unit of society, demanding the deepest loyalties of the

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3 See below, p.290.

4 See below, pp.10-14.
individual and colouring all social activity with its own set of demands.\(^1\) The kinship system is bilateral, i.e. socially the child is related equally to his fathers' and his mothers' kin. An important aspect of the family structure is the compadre or extended-family system, by which outsiders become godparents to the children.\(^2\) As will be indicated, the Tagalog concept of utang na loob (debt of obligation) which expresses a system of reciprocal obligations and behavioural expectations, also has important ramifications in Philippine politics.\(^3\) Despite the increase

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in Western cultural influences, the kinship system continues to lie at the root of Philippine social, political, and economic life. A Filipino observer has remarked:

Kinship considerations, including those sometimes described as quasi-kinship in character, continue to exert considerable influence in the many differentiating parts of contemporary Filipino society. The nuclear Filipino family continues to be imbedded within the larger extended family.... The extension of kinship into other sectors of society is clearly evident in the emergence of the family corporation in industry or business, family dynasties in politics, paternalism in formal organizations, the nepotism or the favoritism so vehemently condemned in the behavior of public officials, practices which are very much a part of the system of role-obligations in traditional kinship groups.¹

(b) Social stratification

The Philippine Revolution of 1896-1898, it is often noted, was 'incomplete' in that its social goals were frustrated, and social and economic power remained in the hands of the indigenous elite, the ilustrados.² A recent study has noted:

Philippine society has traditionally been rigidly stratified and leadership has always been closely associated with the top strata of society. Whether under native or foreign rule, this pattern has persisted throughout

¹ Ruben Santos-Cuyugan, 'Socio-Cultural Change and the Filipino Family' in Espiritu and Hunt, op.cit., p.371.

² Teodoro A. Agoncillo, Revolt of the Masses: the Story of Bonifacio and the Katipunan (University of the Philippines, Quezon City, 1956), passim.
the centuries - from pre-colonial times to the present.¹

The class system remains based on land ownership, with an estimated 41.5 per cent of the land being owned by 0.36 per cent of the population.² Despite attempts at land reform, the rate of agricultural tenancy is increasing as land is being alienated as a result of indebtedness to landowners and usurious money-lenders. The 'traditional' two-class system, comprised of the elite and the 'common people' or tao, has to some extent been modified by the growing urban middle class. The growth of manufacturing, however, has not led to the evolution of a new industrial elite, since the same families tend to dominate both the rural economy and the industrial economy. The clear 'gap' between the elite and the poor, which is frequently commented upon by foreign observers, is made more obvious by the 'conspicuous consumption' of the rich. It must be noted, however, that the extended family system and the concept of utang na loob frequently forms a bridge between the two classes. A recent study³ has indicated that one of the causes of rural unrest in central Luzon has been the breakdown of the traditional landlord-tenant relationship. Lachica describes this relationship in Pampanga:

What made this semi-feudal relationship tolerable was the element of personalism.


2 Ibid., p.82.

The landlord traditionally served as the authority figure for his whole community of tenants. He stood sponsor to baptisms and weddings and offered contributions for education of children and deaths in tenant families.

Most importantly, he was there on the farm or lived close to it. He was the father figure of all his charges and he lived up to that responsibility.¹

(c) Education

Education has been regarded as an important means of social mobility. Under American tutelage, literacy was more than doubled; according to the 1960 census, 72 per cent of the population over ten years of age was literate.² Filipinos have been traditionally education-conscious, and families frequently make considerable sacrifices to send their children to school. Private education has played a large role in the Philippines; religious and non-sectarian schools account for 5 per cent of all elementary schools; 79 per cent of all secondary schools; and 83 per cent of colleges and universities. Unfortunately, investment in education has proved highly lucrative, and many of these schools are mere 'diploma mills'; low standards and lack of jobs for graduates have become serious problems.

The education system has been an important means of inculcating Western values.³ The adoption of an

¹ Ibid., p.59.


³ For a criticism of the role of the education system, see 'The Mis-Education of the Filipino', in Renato Constantino, The Filipinos in the Philippines and Other Essays (Malaya Books Inc., Quezon City, 1966).
American-style system has also led to problems when regional associations such as ASA and ASEAN have attempted cooperation in the field of education. Malaya, for instance, has an education system geared to British standards which requires two more years preparation for university than does the Philippine system.1

(d) Religion

The imprint of Spanish colonialism can be clearly observed in the religious affiliation of most Filipinos. In the 1960 census, 83.8 per cent described themselves as Catholic; 5.2 per cent as Aglipayans; 2.9 per cent as Moslems; 2.9 per cent as Protestants; and 1 per cent as members of the Iglesia ni Kristo.3

Particularly in the rural areas,4 some of the old animist beliefs have fused with Catholicism to form 'Folk Catholicism'. Jean Grossholtz has remarked:

Filipino Catholicism is a rich blend of folk tales, anitos, witches, saints and the virgin.5

Although some of the Jesuits have been quite radical in recent years, Catholicism is an important element in the frequently-noted 'conservatism' of Philippine society. It impinges directly on the foreign policy decision


2 The Aglipayans are members of the Philippine Independent Church established by Gregorio Aglipay.

3 John J. Carroll, 'Magic and Religion', in Carroll, Philippine Institutions, p.40.

4 See Jocano, The Traditional World of Maltibog, pp.320-33; Nydegger, op.cit., pp.67-81.

5 Grossholtz, op.cit., p.92.
making process in that it has reinforced the perception of a communist threat to the Philippines.

(e) The mass media

According to a recent study, the Philippines has the third highest claimed literacy rate in Asia, but the second lowest circulation of daily newspapers. The daily press is concentrated in Manila, the four major dailies being the Manila Times, the Manila Chronicle, the Manila Bulletin and the Philippines Herald; these are all English-language. Of the seven Manila dailies, four have publishers who also manage television and radio stations, and have large business interests. The Manila Chronicle, for instance, is owned by the Lopez 'sugar bloc' family, which also controls the Manila Electric Company and many other interests. Only the Times-Mirror-Taliba group is published by a professionalist journalist.

The press has a reputation for freedom which frequently borders on licence, although this image was somewhat tarnished by the Yuyitung case of 1970. The freedom of the press has an important bearing on the conduct of foreign policy. On occasions, Department of Foreign Affairs 'secrets' have been revealed in the press, much to the annoyance of other governments. The press has also frequently emphasized real or imagined insults to Philippine national pride; the virulence of the press campaign during the Sabah crisis of 1968 was an example of

1 Carlos A. Arnaldo, 'Mass Media: Prospects for Development' in Carroll, Philippine Institutions, p.106.

2 Ibid., p.113.

3 The Yuyitung brothers, who are Philippine citizens of Chinese descent, were deported to Taiwan for publishing allegedly 'subversive' material.
this tendency. 'Irritants' in the 'special relationship' between the Philippines and the United States have also been frequently aired in the press.

(f) Ethnic minorities

Small numbers of Europeans, Americans and Indians are resident in the Philippines; the largest foreign group is the Chinese, the majority of whom are Fukienese and Cantonese from Amoy. They have assumed the role of merchants, bankers, and creditors who are engaged in various types of wholesale and retail trade, banking and credit, import and export. Despite the wealth which many have acquired, their social position is rather low. They are frequently accused of maintaining a 'stranglehold' on the retail trade, and the 'Filipization' policies followed by successive administrations have been mainly directed at the Chinese. Although many Filipinos have Chinese ancestry, the Chinese are often accused of maintaining double allegiances by clinging to their own culture and language, and maintaining their own schools.

This resentment at the Chinese role in the economy has an important bearing on Philippine foreign policy. It has affected Philippine relations with Taiwan, particularly

1 Cordero Panopio, General Sociology: Focus on the Philippines (Ken Incorporated, Quezon City, 1969), pp.233-5.

2 Ibid., p.232.


4 Professor H. Otley Beyer estimated that one out of ten Filipinos is of Chinese descent. Panopio, op.cit., p.233.
in relation to the 'overstaying Chinese' problem. It has also contributed to the perception of a threat to the Philippines from Communist China and its 'subversive appeal' to the Overseas Chinese.

(g) Cultural minorities

Approximately two million non-Christian Filipinos, known as National Cultural Minorities, make up 8 per cent of the total population. The largest single minority group, the Muslims, are settled on the 'frontier areas' in Mindanao and in the Sulu archipelago. The Spanish and American regimes failed to weaken the Muslims' intense loyalty to their religion and customs, and they constitute a special problem for the central Philippine government. Until 1950, the Muslim areas were administered as 'special provinces'. In recent years, Muslim complaints of neglect by the central government have contributed to the growth of a secessionist movement, and to plans to set up a Muslim state which would be closely associated with Malaysia and Indonesia. Conflict between Muslims and Christian immigrants in Cotabato and Lanao del Norte has also produced a serious law and order problem. As will be indicated, the 'Muslim problem' has had important implications for Philippine foreign policy in relation to the Philippine claim to Sabah.

1 The controversy involves about 3,000 Chinese nationals who entered the Philippines between 1947 and 1949 and who refused to return to the mainland after the Communist victory. The Nationalist Chinese government refused to accept them. In 1958, the Philippine Foreign Secretary and the Nationalist Chinese ambassador reached an agreement 'in principle'; the formula, however, proved impossible to implement. Vellut, op.cit., p.255.

2 See Peter G. Gowing, Mosque and Moro: A Study of Muslims in the Philippines (Philippine Federation of Christian Churches, Manila, 1964), passim.
The Political System

(a) The formal structure

One of the most striking features of the Philippine Constitution, which is modelled on that of the United States, is its extreme centralization. The President has more specific constitutional authority to govern than does his American counterpart. He is elected for four years, but is not permitted to serve for more than eight years. The President has control over all executive departments, bureaus, and offices as well as the powerful Office of the President; he also exercises general supervision of all local governments. He is Commander-in-Chief of the Armed Forces, and has the right to suspend the writ of habeas corpus in national emergencies. He nominates, and with the consent of the Commission on Appointments, appoints the heads of executive departments and bureaus, officers of the army from the rank of colonel and officers of the navy and air force from the rank of captain or commander. The Constitution also empowers the President to veto legislation; such a veto can be overridden only by a two-thirds vote of all members of each House of Congress. He can also convene Congress in special session to consider important legislation. His role in the foreign policy decision-making process is set down in Article VII Section 10 (7):

The President shall have the power, with the concurrence of two-thirds of all the Members of the Senate, to make treaties, and with the consent of the Commission on Appointments, he shall appoint ambassadors, other public ministers, and consuls. He shall receive ambassadors and other public ministers duly accredited to the Government of the Philippines.

The Vice-President has no official function, but is usually a member of the cabinet. The President and the Vice-President are elected separately. Legislative power
is vested in Congress, which consists of a Senate and the House of Representatives. The Senate is composed of twenty-four Senators who are elected for six years; one-third are elected every two years. The House of Representatives is composed of 120 members who are elected for four years. The Senate and House of Representatives each have an Electoral Tribunal which is the sole judge of electoral contests. There is also a Commission on Appointments consisting of twelve Senators and twelve members of the House of Representatives, elected by each House on the basis of proportional representation of the political parties. The power to declare war is vested in Congress, provided that two-thirds of all members of each House concur.

The Supreme Court, which is appointed by the President, also has a role in the conduct of foreign policy. Article VIII Section 10 of the Constitution states:

All cases involving the constitutionality of a treaty or law shall be heard and decided by the Supreme Court in banc, and no treaty or law may be declared unconstitutional without the concurrence of two-thirds of all the members of the Court.

(b) The political parties

The main features of Philippine politics are the stability of the two-party system; the 'identicality' of the two parties; the lack of ideological 'issues' between them; and the looseness of party affiliations. These characteristics derive mainly from elite domination of the

1 In contrast to American practice, the Senators are elected at large.

political system. The first political party, the Federalista Party, was established in 1900. It was the only party allowed to exist by the American authorities and was dominated by members of the principalia class, the upper class during the Spanish regime.\(^1\) The Nacionalista Party, which was established in 1907 and dominated the political scene until 1946, was also composed mainly of the principalia class.

As Landé points out, the party system closely resembles that of 18th century England.\(^2\) Politics at the local level revolve around a few prominent families, such as the Cojuangos and Aquinos in Tarlac, and the Lopezes in Iloilo. The extended family system, compadre ties, and utang na loob form the bases of political organization. The 'factional' nature of Philippine politics also accounts for the identicality of the two parties. Landé writes:

> The membership of the typical faction, being found not by categorical ties but by a network of dyadic relationships between patron and client, landowner and tenant, or leader and follower, will usually be a cross section of the community with representatives in every social class, occupation, religious affiliation, and point of view. These circumstances all but preclude the formation of ideologically distinguishable groups.\(^3\)

The unimportance of ideological issues has also contributed to the maintenance of the two-party system. Where the interest of most politicians is to hold public office and little else, politics becomes basically a contest between the 'ins' and the 'outs', with various

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1 Simbulan, op.cit., p.265.
2 Lande, op.cit., p.2.
3 Ibid., p.18.
factions aligning with the party which happens to be in office.\(^1\) Third parties, such as the Democratic Alliance of the 1950s, or the Peoples' Progressive Party, have had very little success. The failure of third parties is partly attributable to the inducements which the party in power can offer to leaders of third parties. The electoral system also discriminates against third parties.\(^2\) Landé further attributes the ephemeral nature of third parties to the strength of bifactionalism at the local level.\(^3\)

Since the two parties are loosely-knit constellations of factions, with no ideological divisions between them, it is not surprising that their history has been characterized by frequent bifurcation and refusion. 'Party switching' or 'turncoatism' is common, and 'the Philippines is probably the only country where the party system breeds defectors in abundance'.\(^4\) Magsaysay, for instance, resigned from the Liberal Party before the 1953 Presidential elections and won as a Nacionalista. Similarly, Ferdinand Marcos was President of the Liberal Party before he switched parties and won as a Nacionalista in 1965.

The nature of the party system has important implications for foreign policy. Since there are virtually no ideological differences between the two parties, foreign policy issues do not usually feature in elections. The Nacionalista Party has traditionally claimed a more 'nationalist' outlook in both domestic and foreign policy,

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1 Ibid., p.32.
2 Ibid., p.84.
3 Ibid., p.86.
but the differences between Nacionalista and Liberal Party platforms tend to be more rhetorical than real. The perennial electoral issues are 'personalities', graft and corruption, unfulfilled promises, rice shortages and rising prices; foreign policy problems generally play a very minor role indeed.

(c) Pressure groups

Since the political system revolves around factions, pressure groups tend to be of less importance than in Western states. In particular, the labour movement has little political significance. The unions have legal protection, but labor organizations are a threat not only to the landlord's income but to the whole traditional pattern of relationships, and many have responded with the bitterness of outraged parents. Violence has been employed against labor organizers, together with all the resources of landlord-controlled courts and police; and workers who joined the organizations have been deprived illegally of their homes and livelihood.¹

On the other hand, interest groups dominated by landlords and industrialists are politically powerful; the Catholic church and the Iglesia ni Kristo are also formidable pressure groups.² After an election, the interest groups which supported the winning presidential candidate, or whose support he now needs, manoeuvre to gain the cabinet posts and key offices important to them. The Secretary of Education is usually a man acceptable to the Catholic hierarchy; the sugar bloc is interested in the

¹ Carroll, 'The Economy: Rising Expectations, Limited Fulfilment' in Carroll, Philippine Institutions, p.28.

² The Iglesia is a Christian sect with a reported membership of 270,104 in the 1960 census. It is noted for its 'bloc voting' in elections. Corpuz, The Philippines, p.116.
post of Secretary of Commerce; the coconut producers are concerned about the Secretary of Agriculture; and so on.  
The sugar bloc, which opposed Macapagal in 1961 and helped considerably in the election of Marcos in 1965, is one of the 'oldest, most influential, and most stable' pressure groups.  
It exerts great influence as a major foreign-exchange earner, through contributions to political parties, and through the ownership of its members, such as the Lopez brothers, of important sections of the media and industry. It also had lobbyists in the American Congress, through which it can have a major influence on Philippine-American relations.

(d) Patronage

The kinship or extended-family system forms the basis of the relationship between the government and its citizens. Government is manipulated through connections or through the personal intervention of the elite, and kapit (pull) from someone who is malakás (powerful) is often necessary to obtain a job, promotion, or a transfer.  
In addition to his formidable constitutional powers, the President has a powerful patronage system at his disposal through his appointative powers, and his control of public works and calamity funds.

The kinship system also has an important impact on the bureaucracy, and 'a great majority of Filipino civil servants have gained their positions through means other

2 Carroll, 'The Economy' in Philippine Institutions, p.29.
3 Ibid.
4 Simbulan, op.cit., p.265.
than the competitive examination.¹ In this way, the patronage system impinges directly on the foreign-policy decision making process. Despite recurrent attempts to 'clean up' the foreign service, patronage and nepotism remain rife. A career in the foreign service is regarded as a prestige job with abundant 'perks' such as overseas allowances and foreign travel. The numbers of misfits in the service is a frequent source of complaint for the press, and has done little to improve the Philippine image abroad. The patronage system can also affect negotiations with other states, since 'the President and his envoys abroad start from a position of weakness whenever they face negotiators who are familiar with the President's relatively tenuous control over his civil servants.'²

(e) Elections
The popular saying that 'politics is the national sport of the Philippines' seems to have some validity. Despite formal restrictions on election spending, the money³ and energy which are expended on elections are


2 Onofre D. Corpuz, 'Realities of Philippine Foreign Policy' in Frank H. Golay (Ed.), Philippine-American Relations (Solidaridad Publishing House, 1966), p.64. The case in the 1950s involving the feud between Serrano, the Foreign Secretary, and Fuentebella, the Philippine Ambassador to Indonesia, was a good illustration of this tendency. See below, p.67.

3 In his 1965 study, Simbulan estimated that it costs roughly one million to three million pesos to be elected President; half a million to one million to be elected Vice-President; 150,000 to 500,000 to be elected Senator; and 80,000 to 300,000 to be elected Representative. Simbulan, op.cit., p.273. In 1965, the value of the peso was 3.9 to the U.S. dollar.
considerable by any standards. Such funds as 'pork barrel', 'contingency' and 'calamity' funds are freely dispensed, and the party in power has great advantages in the distribution of patronage, particularly in the allocation of jobs during the campaign. Allegations of vote-buying, poll frauds, and intimidation have accompanied most elections since the war. The frequency with which elections occur, and the length of the campaigns, have an impact on the formulation of foreign policy. A President who is spending vast amounts of time, money and energy in an attempt to ensure his own re-election or the election of his party's Senatorial candidates does not have much time to expend on foreign policy problems.

(f) The 'insurgency problem'

The 'resurgence' of the Huks since 1965 has led President Marcos and others to emphasize the 'Communist threat' to the Philippines. Opinions vary widely as to the nature and membership of the Huk movement, and whether it poses a 'threat'. The Armed Forces of the Philippines

1 'Huk' is the name for various groups of armed dissenters claiming descent from the Hukbo ng Bayan Laban sa Hapan (Army of Resistance against Japan), or its postwar successor, the Hukbong Magpapalaya ng Bayan (People's Liberation Army), Lachica, op.cit., p.11.

2 The Huks have sometimes been regarded as modern versions of 'Robin Hood', or alternatively as a Philippine Mafia. The Rand corporation study concluded that 'in general, the HMB are viewed as an unappetizing organization' and that they 'have largely expanded on the basis of terror and coercion, not by moving into areas seething with popular discontent.' Averch, Denton and Koehler, op.cit., pp.200; 220. During hearings before the U.S. Senate Foreign Relations Committee in 1969, the Deputy Chief of Mission in the U.S. Embassy in Manila estimated that the Huks numbered between 30,000 and 35,000. Hearings before the Subcommittee on United States Security Arrangements and Commitments Abroad of the Committee on Foreign Relations, United States Senate, 91st Congress, 1st Session. (Hereafter cited as the Symington Report), pp.226-7.
(AFP) has frequently been accused of creating 'budgetary Huks' in order to inflate the Army budget, which reached a record 147 million pesos in 1970. Lachica's study suggests that Marcos has precipitated the 'resurgence' by virtually declaring war on the Huks, who had campaigned for Macapagal in the 1965 elections.\(^2\)

Lachica emphasizes that the Huks are almost exclusively to be found in the Pampango-speaking areas of central Luzon. The area is characterized by a history of dissidence, high population growth, the highest percentage of tenancy in the Philippines, and a high percentage of absentee landlords. The Huk movement is also noteworthy for its fragmentation. At present it is believed to be divided into three main factions: the group led by 'Commander' Sumulong which operates round Angeles City, near Clark Air Base; the group of younger Huks led by 'Commander' Dante, which has adopted the title of 'New People's Army' and has staked out its territory in southern Tarlac and southwestern Nueva Ecija; and the Army ng Bayan (Army of the Nation) which is pro-Soviet and led by 'Commander' Diwa. There has also been a split between the Maoist 'ideologues', led by Jose Ma. Sison, who founded the Kabata-ang Makabayan (Nationalist Youth), in 1964, and the 'peasant Huks'.

The extent of the Huk 'threat' is almost impossible to calculate, particularly as it is in the President's interest to exaggerate it. Such tactics enable him to accuse his

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1 Lachica, op.cit., p.7.
2 Ibid., p.17.
3 Commander Sumulong was captured in 1970.
political opponents of 'Huk coddling', and in the past had proved useful in securing additional military funds from the U.S. government. The Rand Corporation study concluded that:

In our estimate, the HMB are likely to remain a major nuisance. They are not currently a great threat to the government. On the other hand, they have shown some resiliency and they do have access to a considerable flow of resources. Yet even if there were signals of widespread discontent that we have not picked up and this were a precondition of insurgency, the HMB do not now appear to be an organization that could mobilize and exploit that unrest.¹

Lachica also states that:

The Huks do not constitute a communist conspiracy, nor are they an insurrectionary hand out to topple the government. They assume dissident roles only in their own terrain, in most cases the barrios and immediate neighborhood where they were born. They do not normally overextend beyond these sanctuaries unless there are native-born leaders there ready to take charge. Given these restraints, the Huks are not an expansionist force which has to be 'constrained'.²

(g) The role of rhetoric

Rhetoric plays an important role in Philippine politics. Particularly during an election campaign, slogans, rituals and symbols abound. Almost every politician claims to have come from 'the masses', and verbal commitment to 'democracy' and 'social equality' is mandatory. Even the term 'revolution' has been much used by Presidents Magsaysay, Macapagal and Marcos. Rhetoric is thus a device for bridging the gap between the ideal of 'democracy' and the

¹ Averch, Denton and Koehler, op.cit., p.220.

² Lachica, op.cit., pp.36-7.
reality of a political system dominated by a numerically small but powerful elite.¹

Such slogans need not be consistent. Simbulan writes of the 'typical' politician:

The political formulas are the rituals, symbols and slogans that he creates to elicit support from the masses. They need not be consistent, for they are usually eclectic, also vague.... Hence, they may all at the same time be 'paternalistic', 'democratic', socialistic' or even 'revolutionary.'²

This tendency towards rhetoric which is not necessarily consistent is also a prominent feature of Philippine foreign policy.

(C) The 'special relationship' with the United States

(i) Security arrangements

For more than three decades, 'American policy towards the Philippines...has been dominated by American economic interests in the Philippines and by security considerations identified and assessed by the military.'³ American security commitments to the Philippines consist of three major agreements - the Military Bases Agreement of 1947, the Military Assistance Agreement of 1947, and the Mutual Defense Treaty of 1951; there are also American obligations under SEATO and a number of 'executive agreements' between Philippine and American Presidents.

After World War II, the Philippine leaders were almost completely dependent on American assistance in restoring the shattered economy; 'utterly defenceless,

¹ Simbulan, op.cit., p.328.
² Ibid.
³ Golay, Philippine-American Relations, p.4.
this was no time for them to insist on neutrality as a national policy or to resist the re-establishment of American bases on Philippine soil. Under the terms of the Military Bases Agreement of 1947, the U.S. government secured a ninety-nine year agreement providing for twenty-three army, navy or airforce bases in the Philippines, and the right to use part of the Manila port area on the same basis as any private party. The Military Assistance Agreement of 1947 stipulated that the United States would provide a Joint Military Advisory Group (JUSMAG) and military assistance in the training of troops and the loan of weapons and equipment. The Philippine government agreed to purchase the bulk of its military equipment in the United States, and to secure U.S. approval of purchases made elsewhere.

The Philippine government, however, apparently feared a repetition of its 'abandonment' by the United States at the beginning of World War II. It pressed for a binding guarantee from the United States to come to its defence in case of attack, but such a guarantee was not forthcoming until after the outbreak of the Korean war. In August 1951, the Mutual Defence Treaty provided that:

Each Party recognizes that an armed attack in the Pacific area on either of the Parties would be dangerous to its own peace and


2 Ibid., p.128.

3 Ibid., p.129.

4 Ibid.
safety and declares that it would act to meet the common dangers in accordance with its constitutional processes.¹

An 'armed attack' was defined as 'an armed attack on the metropolitan territory of either country or on the island territories under its jurisdiction in the Pacific, or on its armed forces, public vessels, or aircraft in the Pacific.'² The reference to 'constitutional processes', however, was regarded in the Philippines as a 'watering down' of the assurance of automatic assistance. After the French defeat in Vietnam in 1954, the American government's perception of a communist threat to Asia gave the Philippine government an opportunity to press for an alliance with an 'automatic' provision for aid in case of attack. In particular, the Philippine government argued for what it mistakenly considered to be a 'NATO-type automatic clause'.³ The American Secretary of State, Dulles, pledged 'automatic' U.S. reaction if the Philippines were attacked, but the language of the SEATO treaty of 1954 was regarded by the Philippine government as weaker than that of NATO.⁴ Since 1954, successive Philippine administrations have attempted to secure a stronger U.S. commitment to the defence of the islands. The United States government, however, continually pointed out that an attack

¹ Ibid., p.147.
⁴ Ibid.
on the Philippines could not fail to be also an attack on U.S. forces stationed there. In 1954, Dulles stated in a Note to the Philippine Foreign Secretary:

Under our Mutual Defense Treaty and related actions, there have resulted air and naval dispositions of the United States in the Philippines, such that an armed attack on the Philippines could not but be also an attack upon the military forces of the United States. As between our nations, it is no legal fiction to say that an attack on one is an attack on both. It is a reality that an attack on the Philippines is an attack on the United States.¹

When President Garcia visited President Eisenhower in 1958, a joint communique stated that:

President Eisenhower made clear that, in accordance with these existing alliances and the deployments and dispositions thereunder, any armed attack against the Philippines would involve an attack against United States forces stationed there and would be instantly repelled.²

In 1959, the American Ambassador Bohlen and Philippine Foreign Secretary Serrano concluded a formal memorandum of agreement in which the United States government expressly reaffirmed the Dulles note and the Eisenhower-Garcia communique.³ These commitments were also reaffirmed during the state visits of Presidents Macapagal and Marcos to the United States in 1964 and 1966 respectively.

The Philippine government's dispute with Malaysia in 1968, however, raised the question whether the United States would be obligated to aid the Philippines if an attack did not involve an attack on American installations

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¹ The Symington Report, p.6.
² Ibid.
³ Ibid.
in the Philippines, since Mactan on Cebu is the only important base south of Luzon. During the U.S. Foreign Relations hearings on American commitments in the Philippines in 1969, the following dialogue took place between Senator Symington and Mr Wilson, the Deputy Chief of Mission of the U.S. Embassy in Manila:

Senator Symington: If one of these islands were attacked by another country, do you believe...that this language means that if they were attacked by another country, the Philippines were attacked say in one of the southernmost parts of their islands, this would require an instantaneous response on our part...?

Mr Wilson: My personal answer to that would be, Senator, that it would not. This... is based on what I think is implicit in the entire structure of our arrangements with the Philippines. It does not retain for us a series of options, a certain flexibility on what our response would be. 1

Although Philippine governments have constantly sought reassurance from the United States, the presence of American bases has been a frequent source of friction. The Military Bases Agreement of 1947 gave the U.S. government virtual extraterritorial jurisdiction over U.S. military personnel; the Philippine government could exercise jurisdiction only in cases involving crimes against Filipinos by U.S. servicemen who were off base and off duty. A series of incidents in the early 1950s, involving killings of Filipinos on American bases, created friction

1 Ibid., p.18.

between the two governments. In 1959, the Bohlen-Serran Agreement provided that the U.S. would return to the Philippine's jurisdiction approximately 118,000 hectares of land; Olongapo City, and the Manila Port Area; the U.S. government also agreed to a reduction in the term of the lease from ninety-nine to twenty-five years.

Problems continued between the two governments, however, particularly as a result of killings of Filipinos on U.S. bases by American military personnel who were then flown to the U.S. to escape Philippine courts. In recent years, the Marcos administration has stated its intention to renegotiate the 1947 Bases Agreement. The Philippine dilemma, however, was clearly indicated in 1970 when the U.S. government agreed to return the Sangley Point base to the Philippines, and there was an immediate outcry from the residents of Cavite City, many of whom depended on the base for their livelihood. The Symington Report also indicated that there would be a reduction of approximately fifty million dollars in the Philippine economy at the end of the Vietnam war owing to the decreased activity on the American bases.

(ii) The economic relationship

As Taylor points out, the United States government prepared the Philippines for political, but not economic,

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independence. The establishment of free trade in 1909 bound the Philippine economy closely to that of the United States. It stimulated the production of cash crops for export to the United States, but gave American manufactured imports a competitive advantage. By 1940, American policies had led to the emergence of a classic colonial-type economy, heavily dependent on agricultural raw material exports. Trade with the United States accounted for eighty-three per cent of the islands' exports, and two-thirds of export earnings were heavily dependent on American trade preference. The United States also accounted for seventy-seven per cent of Philippine imports.

After the war, the Philippine Trade Act provided for eight years of free trade between the two countries beginning in July 1946, and for gradually increasing tariffs for the following twenty years. It contained provisions such as the granting of parity rights to Americans in the exploitation of Philippine natural resources, which many Filipinos considered onerous. The Act also restricted the power of the Philippine government to control its own currency. Since the Philippine Rehabilitation Act, which provided for American war damage payments to assist in the rebuilding of the economy, was made dependent on the acceptance of the 'parity provision', the Philippine Trade

1 Taylor, The Philippines and the United States, p.81.
2 Ibid., p.85.
4 Ibid., p.131.
Act was reluctantly accepted by the Philippine government.\(^1\) The 'parity provision' also necessitated an amendment to the Philippine Constitution.

The heavy demand for American goods in the postwar period led the Philippine government to impose import and foreign exchange controls, and the disadvantages to the Philippines of tariff-free imports from the United States far outweighed the benefits derived from tariff-free exports to the U.S.\(^2\) In 1954, President Quirino requested a re-examination of the 1946 Trade Agreement. Under the terms of the Laurel-Langley Agreement of 1956, the Philippines gained unfettered control over its currency. The 'parity rights' clause of the 1946 Act was made reciprocal, and tariff preferences for U.S. goods entering the Philippines were increased. Customs duties were to be applied gradually over the period beginning on 1 January 1956 and ending on 4 July 1974. Absolute quotas for Philippine sugar and cordage were preserved, but the Agreement provided that the quotas should not constitute an impediment to any increase which the U.S. Congress might grant to the Philippines.\(^3\)

In the period since 1956, the U.S. share of Philippine total trade, although declining, has remained high. The following table indicates the percentages of Philippine imports and exports from and to the U.S. in the period from 1964 to 1970 in comparison with Philippine

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1 The State Department was opposed to the 'parity rights' clause. See Taylor, *The Philippines and the United States*, pp.126-7.

2 Legarda and Garcia, op.cit., p.134.

3 Ibid., p.135.
trade with Northwestern Europe, Japan, Indonesia, and other Asian countries.

### EXPORTS

Percentages (by value)

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>N.W. Europe</th>
<th>Japan</th>
<th>Indonesia</th>
<th>Other Asian Countries</th>
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<tr>
<td>1946</td>
<td>47.7</td>
<td>19.6</td>
<td>25.3</td>
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<td>3.9</td>
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<tr>
<td>1965</td>
<td>45.4</td>
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<td>28.2</td>
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<tr>
<td>1966</td>
<td>41.8</td>
<td>17.8</td>
<td>31.7</td>
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<td>5.5</td>
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<tr>
<td>1967</td>
<td>43.2</td>
<td>11.9</td>
<td>33.7</td>
<td>2.0</td>
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<tr>
<td>1968</td>
<td>45.6</td>
<td>10.2</td>
<td>33.0</td>
<td>0.6</td>
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<tr>
<td>1969</td>
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<td>7.9</td>
<td>39.2</td>
<td>0.1</td>
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<td>1970</td>
<td>41.5</td>
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### IMPORTS

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<td>1964</td>
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<td>20.4</td>
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The Roces Report of the Philippine Congress in December 1968 noted that seven of the ten leading Philippine exports depended primarily on the U.S. market. In view of this dependence, the Roces Committee recommended the renegotiation of the Laurel-Langley Agreement when it expires in 1974. It recommended the adoption of the principle of 'non-reciprocal'

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preferences put forward by the developing states at the UNCTAD conference at New Delhi in 1968.¹ The desire for decreased dependence on the U.S. has, however, been an impetus towards Philippine cooperation with neighbouring states. The Roces Report concluded:

Unless new overseas markets and new export products can be developed in advance of the 1974 termination of U.S. tariff and quota preferences on R.P. products, the Philippines may face the grim possibility of substantially reduced export earnings.²

American aid has also been a significant factor in economic relations between the two countries. According to a study in 1965, the Philippines in the period from 1946 to 1965 ranked tenth on a per capita basis among major recipients of U.S. economic assistance; for the period 1956 to 1965, it ranked eighteenth. Economic assistance to the Philippines in the period from 1945 to 1965 was estimated at $1,268 million.³ The Symington Report, however, pointed out that Philippine benefits from preferential treatment for sugar on the U.S. market, as well as war damage and veterans payments should be added to aid figures; the benefits from these sources were estimated at a total of $1,607.6 million since 1946.⁴

¹ Ibid., p.47.
² Ibid., p.130.
The role of American investment in the Philippines has been a considerable source of controversy. Despite the 'parity clause' in the Laurel-Langley Agreement, the level of American investment in the Philippines is not high when compared with American investments in other countries. The Roces Report stated:

American investments in the Philippines have increased (from $149 million in 1950 to 306 million in 1965), but have declined in their share of total U.S. direct investments in all countries (from 1.26% in 1950 to 1.21% in 1957 and to 1.07% in 1965). U.S. direct investment in countries other than the Philippines have grown more rapidly, in spite of the fact that it is only in the Philippines where U.S. citizens enjoy parity rights.1

The Report concluded that the parity question 'is less of an economic issue than a political issue and a nagging irritant in the so-called "special relations" between the Philippines and the United States.'2 These 'irritants' have been a prominent factor in the upsurge of Philippine nationalism, particularly since 1965.

1 The Roces Report, p.116. A recent study has also concluded:

...there is no evidence...that supports allegations of economic imperialism in the Philippines, much less of the American sort of imperialism. What is true is this: that a fair share of industrial production in this country gets generated by foreign operators, and some of it happens to be in such strategic areas as the production of industrial fuel like petroleum and coal products. Moreover, of that which they do produce, foreign operators appear to do so more efficiently than Filipino operators.


2 The Roces Report, p.121.
Allegations of 'colonialism' and American intervention in elections have been frequent; as has been pointed out, this phenomenon is common to many developing states.¹ The omnipresence of the United States is resented in many quarters, and the memories of wartime comradeship seem to be fading rapidly. The 'colonial mentality' of many Filipinos has been attacked by the nationalists, particularly by student groups such as the Kabata-ang Makabayan. Constantino sums up this feeling in his analysis of the Filipino 'inferiority complex':

Our subordinate status exercises a subtle corrupting influence on all of us. By constantly comparing the achievements of America with our own, we develop an inferiority complex which manifests itself in servility and blind imitation. In government, this servility is revealed by the alacrity with which we follow the suggestions of foreign advisers, official or not. So closely have we paralleled American foreign policy that we are often accused of not having a foreign policy of our own.²

IV. PHILIPPINE FOREIGN POLICY: A SUMMARY

It is almost a tautology to state that the geography and history of the Philippines are at odds. Much has been written on the 'schizophrenia' and 'search for national identity'³ of the Philippines. This study develops...
the theme that Philippine policy towards regional cooperation in Southeast Asia has been basically a product of a conflict between two values: 1 those of 'anti-communism' and 'anti-colonialism.' The anti-colonialist value derives from Filipino pride in having led Asia's first anticolonial revolution, and from a desire to achieve 'respectability' in the eyes of the leaders of the rest of the underdeveloped world. It also derives much of its impetus from the frustrations of the 'special relationship' with the United States, and from the humiliation of being regarded as American stooges by some of the leaders of the Afro-Asian states. Strengthening of ties with Asia in general and with Southeast Asia in particular has been seen as a means of developing 'independence' of the United States. 2

On the other hand, the influence of the Catholic church has contributed towards the 'anti-communist' strain in Philippine foreign policy. Successive Presidents attempting re-election have found it necessary to emphasize their implacable hostility to 'atheistic communism'. Philippine reliance on the U.S. in defence matters, particularly during the Cold War period, reinforced the perception of a 'communist threat'. Resentment at the

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1 'Value' is defined as a 'conception, explicit or implicit, distinctive of an individual or characteristic of a group, of the desirable which influences the selection from available modes, means and ends of action'. See Clyde Kluckholm, 'Values and Value-Orientations in the Theory of Action: An Exploration in Definition and Classification' in Talcott Parsons and Edward A. Shils (Eds), Toward a General Theory of Action (Harvard University Press, 1959), pp.388-434.

economic role of the Chinese in the Philippines also seems to have contributed to the 'fear of China'.

The difficulty of reconciling these two values has almost inevitably led to contradictions which successive administrations have attempted to disguise with the kind of rhetoric which is a feature of Philippine domestic politics. Unfortunately for Philippine policymakers, frequently the rhetoric has not been taken seriously by the governments of neighbouring states.
CHAPTER TWO

THE IMMEDIATE BACKGROUND, 1946-1961

I. THE PHILIPPINES AND ASIAN REGIONALISM, 1946-1958: AN OVERVIEW

In the period from 1946 to 1961, successive Philippine governments attempted unsuccessfully to take a leading role in attempts to form Asian regional organizations. As early as 1949, President Quirino devised a scheme for an Asian regional bloc which General Romulo proposed at the New Delhi conference on Indonesia. The Philippine delegation emphasized the Republic's credentials as an anti-colonialist state, and the role which the Philippines had played in the struggle against imperialism. At the same time, Romulo indicated that the purpose of the Asian bloc would be to resist communism. It became clear, however, that the Philippine credentials as an 'anti-colonialist' state were suspect to many of the other recently independent Asian nations, and at both the New Delhi Conference and the Baguio conference in May 1950 Philippine proposals for the creation of permanent machinery for regional cooperation met with little success. In 1954, Philippine membership in SEATO, as one of only two Southeast Asian nations in a purportedly 'Southeast Asian' military arrangement, emphasized the Republic's adherence to the 'Western camp'. Despite Quirino's efforts, the

1 See Vellut, op.cit., pp.94-8.
2 Ibid., pp.104-09; see also Milton W. Meyer, A Diplomatic History of the Philippine Republic (University of Hawaii Press, 1965), pp.152-4.
3 Vellut, op.cit., pp.177-89.
Philippines had won little recognition for its self-appointed role as initiator of an Asian regional group. The Philippine government's interest in regionalism was not sustained after Ramon Magsaysay's election in November 1953, and at the Bandung Conference of 1955, the Philippines assumed the role of spokesman for the West. Attempts by Philippine governments to realize the values of 'anti-communism' and 'anti-colonialism' in establishing an Asian regional grouping had failed to produce concrete results, and as Pelaez, one of the Philippine delegates to the Bandung Conference, put it, the Philippines was 'suspect in international councils.' Despite the emphasis which the Philippines had given to its role in the nineteenth century anti-colonialist revolution, the Republic's close military, political and economic relationship with the United States made any Philippine regional initiatives vulnerable to accusations of being inspired by Washington. Philippine preoccupation with relations with the United States had also impeded the development of close relationships with such immediate neighbours as Malaya, Thailand, and Indonesia.

II  THE PHILIPPINES AND ITS NEIGHBOURS

The Philippines and Malaya

For more than a year after Malaya attained its independence, Philippine-Malayan relations appeared to be characterized by mutual disinterest. Although the Philippines had sent a delegation to the Merdeka celebrations, and was one of the first countries to recognize the Federation of


Malaya when it was established on 31 August 1957, it was not until two years later that diplomatic representatives were exchanged. The habits of colonial separatism were deeply ingrained, and the two countries had little to offer each other in terms of trade. Both had relatively stable governments, and before the Philippine claim to North Borneo was made in mid-1962, neither seemed to pose a threat to the other.

Despite their relative lack of interest in each other, however, the Philippines and Malayan governments had much in common. Both had retained close economic and defence ties with their former colonial rulers; both had adopted Western-style political systems; and the common use of English facilitated communication between them. Both attempted to adopt an 'Afro-Asian' stance in the United Nations, and in 1961 the Philippines government expressed its support for Malaya's leadership in the fight

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2 In 1959, 1960 and 1961, the value of Philippine imports from Malaya totalled $US5.79 million, 14.94 million and 5.64 million respectively, compared with corresponding figures of $231.77, 255.30 and 312.23 for imports from the United States and $104.41, 159.46 and 109.51 for imports from Japan. The Philippines, in the same years, exported to Malaya $US.50 million, .82 million and .62 million worth of goods. United Nations Yearbook of International Trade Statistics 1961, p.515. Philippine exports to Malaya were mainly rope, sugar and medicinal products; imports from Malaya were mainly rubber, tin and palm oil. Straits Times, 11 February 1961.
against South Africa's apartheid policy. There was also
the nebulous link of 'pan-Malay brotherhood' which was
occasionally alluded to, particularly when the Malayan
Prime Minister, Tunku Abdul Rahman, visited the Philippines
in January 1959 and when President Garcia returned the visit

1 During his state visit to Malaya in 1961, President
Garcia indicated his approval of Malaya's anti-apartheid
stance, and claimed that his government 'had taken a
similar stand no less firm and unequivocal'. Straits
Times, 10 February 1962. This statement was not strictly
accurate. In July 1960 the Tunku had appealed in a
personal note to President Garcia for Philippine support
for Malaya's boycott of South African goods. The
Philippine government, however, was unwilling to join in
the boycott. Foreign Secretary Serrano explained that
such action would be useless in view of the negligible
quantity of trade between the Philippines and South
in February 1961.¹

These links were not insignificant, but the most important tie between the two governments was the legacy of

¹ In an article in the Manila Times, former Supreme Court Justice Dr Jorge Bocobo claimed that the Tunku's visit gave new strength to the dream of many Filipinos and other Malays of a Malayan Confederation which would eventually become a world power. 'Our common blood', he wrote, 'is more significant than geographical boundaries fixed by our former invaders for their colonial aggrandizement.' Manila Times, 5 January 1959. The idea of a Pan Malay Union was endorsed by Senator Emmanuel Pelaez, who was later to become Philippine Foreign Secretary. Manila Bulletin, 6 January 1959. In the Joint Communique released at the end of the visit, the President and the Prime Minister 'made emphatic cognizance of the racial kinship of their two peoples, geographical propinquity, and firm determination to meet the challenge of communism.' Department of Foreign Affairs Review, Manila, Vol.III, No.2, October 1959, p.21. This emphasis on ethnic ties carried with it the possible implication that the economic pact envisaged in the communique would attempt to limit the economic power of the Chinese in Malaya and the Philippines. In April 1959, a Malayan official visiting Manila openly expressed approval of the 'Filipino First' policy designed to place alien (i.e. Chinese) businesses in the hands of Filipinos, and remarked that 'we in the Federation are watching with keen interest the impact of this policy to determine if it can be made applicable in my country.' Manila Bulletin, 10 April 1959. The Pan-Malay theme was also heavily accented when President Garcia visited Malaya in 1961. Pointing out that Filipinos and Malays came from the same racial stock, the Yang di-pertuan Agong declared that 'despite the mists of history and circumstances, this link still endures.' Manila Bulletin, 9 February 1961. President Garcia, in an address to the Malayan parliament, alluded to the 'barangay' settlements which Malay seafarers had established in the Philippines before the Spanish conquest, and to Malay influences in Philippine law and culture. Manila Times, 10 February 1961.
the communist insurgencies in both countries in the mid-1950s which had left their ruling elites with the common conviction that 'communist subversion' was a threat to their region. The disagreements between the two governments on two specific issues - the importance of membership in SEATO; and the question of Communist China's admission to the United Nations - did not disguise the importance of this mutual perception of the communist threat.

For successive Philippine governments after 1954, membership in the Southeast Asian Treaty Organization was a cornerstone of the Republic's foreign policy. The Malayan government, however, preferred to adopt a posture of independence from regional 'blocs'. Despite the anti-communist tenor of Malayan foreign policy, Tunku Abdul Rahman described SEATO in 1960 as 'ineffective, negative, outmoded and under the stigma of Western domination.'

The Malaya government's aloofness from the organization was partly due to the conviction that its defence arrangements with Britain were adequate. Its attitude towards SEATO was also conditioned by the considerable domestic opposition to the organization, particularly among the Federation's


2 The Tunku said in June 1960: 'As an independent country, Malaya does not consider it necessary to be a member of SEATO as we are quite satisfied with our individual Defence Agreement with the United Kingdom and our confidence in the United Nations.' Far Eastern Economic Review, 28 July 1960.
large Chinese minority. It was the importance of this domestic opposition which was largely responsible for the difference between the policy towards SEATO of the Malayan and Philippine governments during the Laotian crisis of 1961-1962. Both governments expressed fears of a communist victory in Laos, and when the 'rightist' Prince Boun Oum visited Manila and Kuala Lumpur in mid-1962, he was given assurances of strong support in both capitals. It was clear, however, that the Philippine and Malayan governments had different views about the United States government's attempts to persuade Boun Oum to join a 'neutralist' coalition in Laos. President Macapagal took the opportunity to denounce both neutralism, 'which we regard as the gateway to communism', and United States policy on Laos. For some time the Philippines had been supporting the Thai government's advocacy of a SEATO military intervention in Laos. On the other hand, the Malayan government confirmed its 'full sympathy and full moral support for...a truly independent and neutral Laos.'


2 At this time, the United States was withholding aid from the 'rightwing' government led by Boun Oum and Phoumi Nosavan in an attempt to persuade it to join in a coalition with the 'neutralist' Prince Souvanna Phouma, and the 'left-wing' Pathet Lao. See Roger Hilsman, To Move a Nation (Doubleday, New York, 1967), pp.138-40.

3 Manila Chronicle, 30 May 1962.

4 Straits Times, 10 May 1962. Editorials in the Straits Times, usually regarded as being close to government policy, called for a coalition government as the only solution for the Laotian crisis. See, for instance, Straits Times, 16 May 1962.
The Malayan government also refused to allow British bases in Malaya to be used for operations in Laos.¹

The Malayan government did, however, have an indirect connection with SEATO through its 1957 Defence Treaty with Great Britain.² The problem of the possible use of the Singapore base for SEATO purposes was to prove one of the thorniest questions in the negotiations for the formation of Malaysia, which was to be formed by a merger of Malaya, Singapore and the British Borneo territories.³

¹ In June 1962, Tun Razak, the Deputy Prime Minister and Minister of Defence, denied allegations by a Socialist Front member in the Malayan Parliament that Commonwealth troops had been flown from Malayan bases to fulfil SEATO commitments in Thailand and Laos. Tun Razak made it clear that the British government had been forced to fly the troops from Singapore. Ibid., 27 June 1962. It should be pointed out, however, that the Malayan government took this stand for domestic political reasons, and that it did not greatly inconvenience the British and Australian governments to fly their aircraft from Singapore rather than from bases in Malaya.

² Winks concludes:

This writer finds it difficult to avoid evidence of de facto Malayan participation in SEATO.... SEATO goals were served by the war on the terrorists, and redeployment of Commonwealth troops to SEATO bases may be achieved so quickly as to make Malaysia a staging area for SEATO operations.

Robin W. Winks, 'Malaysia and the Commonwealth' in Wang Gungwu, op.cit., p.381.

³ The Tunku announced plans for the formation of Malaysia in May 1961. Under the terms of the 1957 Anglo-Malayan Defence Treaty, Britain was bound to assist Malaya but could not use the bases in Malaya for operations outside Malaya without permission of the Malayan government. No such restrictions applied to the Singapore base, and the 1957 treaty provided that troops could be withdrawn from Malayan bases to Singapore for any purpose. There was strong opposition in Singapore, particularly from the Socialist Front and the Peoples Action Party, to the use of Singapore as a SEATO base under the terms of the Malaysia agreement.
The formula finally agreed upon permitted British use of the bases for the purposes of assisting in the defence of Malaysia, defending the Commonwealth, and preserving the peace in Southeast Asia; but not for 'SEATO purposes'. The distinction between 'SEATO purposes' and 'preserving the peace in Southeast Asia' was not clear, and the Tunku admitted that the Federation 'would not, in fact, if the security of Malaysia demanded it, oppose the use of Singapore for SEATO purposes'.

A second problem on which the Philippine and Malayan governments did not completely agree was that of the admission of mainland China into the United Nations. The Malayan government argued that mainland China should be admitted to the United Nations provided that Taiwan be allowed to remain a member. This 'two-China' policy was combined with a refusal to recognize either mainland China or Taiwan. In an interview in July 1960, Tunku Abdul Rahman argued that it was unrealistic to ignore the Peking regime and recognize the government of Formosa as the Government of China. This statement reportedly caused consternation in Manila, since the Philippines adhered firmly to the United States' policy of recognition of Taiwan and opposition to mainland China's entry into the United Nations. A few months later, the Philippine


2 The Tunku said: 'In the light of the existing situation with a de facto government on the mainland, Formosa would be recognized as a state, not as China but as Formosa'. Far Eastern Economic Review, 28 July 1960.

3 Malay Mail, 30 July 1960.
Foreign Secretary, Felix Felixberto Serrano, wrote to the Tunku restating the Philippine position on the 'China problem'. This disagreement between the Philippine and Malayan governments was aired when President Garcia visited Kuala Lumpur in February 1961. The Tunku reportedly tried to convince him of the need to reconsider the question, but the President firmly maintained Philippine opposition to mainland China's entry into the world organization.

The two governments, however, were not as far apart on this question as their public statement may have indicated. A recent study has shown that Malaya's voting on the 'China question' in the United Nations frequently paralleled that of the United States, and that after the formation of Malaysia, 'Malaysia's formal stand on the China issue, as well as its voting record, suggests that in the annual ritual at the U.N. it has fairly consistently striven to navigate the narrow straits between the two major powers while keeping as close to the Western shore as it dared.'

Although the Philippine and Malayan governments did not completely agree on the issues of SEATO membership and the admission of mainland China to the United Nations, they shared the perception of a communist threat to Asia. Both were quick to condemn China's action in the Sino-Indian

1 Ibid., 7 September 1960. In October 1960, Senator Ferdinand Marcos reaffirmed that the Philippines would vote against the seating of Communist China in the United Nations, claiming that it was an absurdity to suggest that the U.N. should accept regimes openly committed to inevitable war and the destruction of the 'Free World'. Manila Chronicle, 9 October 1960.


border conflict, and both supported the government of South Vietnam. This mutual perception of a communist threat contributed significantly to the formation of the Association of Southeast Asia (ASA) in August 1961.

The Philippines and Thailand

Diplomatic relations between the Philippine and Thai governments were established in April 1949, but 'these remained little more than expressions of mutual friendship.' There were no border problems between the two countries as there were between the Philippines and Indonesia, and except for Philippine rice imports from Thailand, trade between them was insignificant.

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1 Manila Chronicle, 1 November 1962; Straits Times, 2 November 1962.
2 Malayan aid to South Vietnam took the form of shipments of surplus arms and the training of Vietnamese officers in intelligence work, although it was stressed that Malaya's actions were completely independent of U.S. policy. Straits Times, 1 February 1961; 16 May 1962. The Tunku's first state visit was to South Vietnam, and when Ngo Dinh Diem visited Malaya in February 1960, it was agreed that the two governments would cooperate to fight the 'ever-menacing threat of communist subversion'. Straits Times, 20 February 1960. Similar sentiments of anti-communist solidarity were expressed when Diem visited the Philippines in March 1958, and when President Garcia went to South Vietnam in April 1959.
3 Meyer, op.cit., p.115.
4 In 1959, 1960 and 1961, Philippine imports from Thailand were worth $US0.11, 0.07 and 1.17 million respectively. Exports to Thailand were worth $0.02, 0.15 and 0.23 million respectively. United Nations Yearbook of International Trade Statistics 1961, p.515.
Unlike the Philippines, Thailand had never been colonized, and the Thai military government with a hereditary monarch in titular authority contrasted with the more Westernized republicanism of the Philippines.

Despite these differences of political style, the most significant aspect of Philippine-Thai relations in the postwar period was the perception by the ruling elites of both countries of a communist threat. It was this mutual perception of a communist menace which led both governments to contribute troops to the Korean war, and soon after the war both concluded military assistance agreements with the United States. When SEATO was formed in 1954, Thailand and the Philippines became the only Southeast Asian members of the alliance. Both governments, however, became disillusioned with the inactivity of SEATO in the Laotian crisis of 1961. To policymakers in Bangkok and Manila, the unwillingness of the British and French governments to become militarily involved in Indochina seemed to point to the need for an alliance of Asian states, supported by the United States, which could counter communist 'expansionism' in Southeast Asia and which would not be rendered ineffective by the Western powers' preoccupation with Europe. ASA was the logical outcome of this perception of a mutual need.

The Philippines and Indonesia

Geographically closer to the Philippines than either Thailand or Malaya, Indonesia had a population

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three times that of the Philippines,¹ and the border between the two archipelagoes was a frequent source of difficulty. The existence of a large Muslim state to the south was also a problem for the Manila government in view of its neglect of the Muslim southern islands of the Philippines. Whereas the Thai, Malayan and Philippine elites shared the perception of a communist threat to the region, the Indonesian government pursued a 'non-aligned foreign policy which successive Philippine governments regarded as vulnerable to communist domination. Willard Hanna has aptly described the national stereotypes which underlay the latent hostility between the two governments in the 1950s:

In the Philippines, Indonesia has been very commonly regarded...as a nearby strategic area dangerously infiltrated with Communist ideology, woefully unstable in politics and economy, unsafe for travel, sticky about visa and trade regulations, and probably unhealthful. In Indonesia, on the other hand, the Philippines has been very commonly branded...as the tool of American manipulations, an Asian front to Western designs, phenomenally corrupt and extravagant. The recurring suggestion in the Philippines that Indonesia is both subject and agent of Communist infiltration, and the equally recurrent suggestion in Indonesia that the Philippines is a stooge for the United States have become, consequently, the two reckless stereotypes which serve most to exacerbate relations.²

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¹ In 1960, Malaya's population was 6,909,000, while that of Thailand was 26,258,000. Indonesia's population in 1960 was 92,600,000 compared with 27,792,000 for the Philippines. *United Nations Demographic Yearbook 1961*, pp.130-2.

This mutual hostility had not always been endemic in Philippine-Indonesian relations. Before World War II, the relations between the two countries, both of which were still under colonial rule, were not close but were fairly cordial. The Philippine government showed a considerable degree of sympathy for the Indonesian republican cause during the Indonesian independence struggle after 1945, and at the New Delhi Conference of 1949 called for support of the Indonesian nationalists. The Philippine government also participated in the Security Council debates on Indonesia in 1947-1949, during which General Romulo took a strong stand against the two Dutch 'police actions.' Soon after Indonesia achieved its independence, the Philippine government proposed the establishment of diplomatic relations at the ambassadorial level, and an Indonesian embassy was established in Manila.

In soon became clear, however, that the foreign policy orientation of the new state would be very different from that of the Philippines. Profoundly affected by their protracted and bitter struggle against the Dutch, the new Indonesian leaders saw their state as surrounded by the same imperialist forces against which they had been fighting, and their foreign and domestic politics were both moulded in the framework of the revolution and the continuing

1 When the Philippines gained its independence in 1946, President Sukarno congratulated the new republic and called for close cooperation between the two countries in the struggle against imperialism. Meyer, op.cit., p.58.

2 Fifield, The Diplomacy of Southeast Asia, p.92.


4 Hanna, 'New Starts in Indonesian-Philippine Relations', p.16.
struggle against colonialism.¹ The differing world-views of the Philippine and Indonesian political elites became apparent at the Baguio conference in 1950. The Indonesian delegate, Ali Soebardjo, indicated that his government would not accept Philippine leadership in an attempt to form an Asian regional bloc closely associated with the United States, and argued that the only basis for Asian unity was anticolonialism.²

The relationship between the two countries deteriorated steadily during the 1950s. President Sukarno's state visit to the Philippines in January 1951 provided a clear indication of the widely differing views of the two governments on the question of colonialism. Whereas Sukarno attacked the record of Western colonialism in Asia, President Quirino stressed the pro-American alignment of the Philippines.³ President Quirino's return visit in July 1952 was apparently no more successful.⁴ The ill-defined territorial border between the two republics was also a frequent source of friction. For centuries groups of Indonesians had migrated from the northern Indonesian islands to the southern islands of the Philippines, particularly Mindanao. Since many of them were illegal entrants, the status of these immigrants became

1 See Donald E. Weatherbee, Ideology in Indonesia: Sukarno's Indonesian Revolution, Monograph Series No.8, Southeast Asia Studies, Yale University, 1966.

2 Hanna, 'New Starts in Indonesian-Philippine Relations', p.17.

3 Ibid., p.18; Meyer, op.cit., p.123.

4 Hanna, 'New Starts in Indonesian-Philippine Relations', p.18.
an issue in the mid-fifties.¹

The refusal of the Indonesian government to accept Philippine initiatives in forming an Asian regional association also dissipated the goodwill engendered by Philippine support for the Indonesian independence struggle. The Philippine government reacted unenthusiastically to an Indonesian invitation to attend the 1955 Afro-Asian conference at Bandung.² At the conference, the Philippine delegation argued for an Asian regional grouping, with United States support, to fight the communist menace. General Romulo, the leader of the Philippine delegation, went as far as to call for increased American military aid for Asian nations threatened by communism.³ Romulo also defended SEATO against criticism by Nehru, and stated that 'it must be recognized that the fundamental source of existing world tensions...is the aggressive expansionist

¹ Accusations by Philippine army investigators that many of the illegal immigrants were communist infiltrators led to a dispute with the Indonesian government, which made counter-charges of Philippine Moro pirate raids against Indonesian villages. After lengthy negotiations, a draft treaty was prepared; its ratification, however, was delayed for two years, mainly because of complaints by Senator Recto that the concessions granted to the Indonesians might apply to illegally resident Chinese. Ibid., pp.2-9.

² Vice-President and Foreign Affairs Secretary Garcia at first declined the invitation on the grounds that the conference would be dominated by India and the neutralist bloc, and that the Philippines was unwilling to have any official contact with communist China. This decision was later reversed on the grounds that the Philippines could not afford to absent itself from such an Asian gathering if it wanted to refute allegations of being a U.S. 'puppet'. Ibid., pp.9-13.

nature of international communism.¹

By joining SEATO, the Philippine government had aligned itself with the very forces which Sukarno saw as encircling Indonesia with a ring of foreign military bases. This conviction was heightened during the P.R.R.I.² rebellion in Sumatra and the Celebes in 1958-1959. President Garcia and his Foreign Secretary, Serrano, were openly sympathetic towards the anti-Sukarno rebels, although the Philippine Ambassador to Indonesia, Fuentebella, supported the central government.³ In March 1958, Serrano accused the Indonesian government of accepting arms from the Soviet Union, and the Army Chief of Staff, General Vargas, revived allegations of Indonesian communist infiltration into Mindanao. Indonesian charges that the rebel forces were being allowed to use Clark Air Base in the Philippines were made credible when Alan Pope, an American pilot working for the Central Intelligence Agency, was shot down in May.⁴ Philippine-Indonesian relations reached their nadir when a Huk leader, Alfredo Saulo, was granted political asylum in the Indonesian embassy in Manila.⁵

¹ Ibid., p.81.
² Pemerintah Revolusioner Republik Indonesia. This was the revolt led by anti-Sukarno army officers in Sumatra and the Celebes.
³ See Willard Hanna, 'Recent Developments in Indonesian-Philippine Relations', American Universities Field Staff, Southeast Asia Series, Vol.7, No.11, passim.
⁵ Hanna, 'Recent Developments in Indonesian-Philippine Relations', pp.13-15.
After 1958, Philippine-Indonesian relations improved slightly, partly as a byproduct of an improvement in American-Indonesian relations. CIA intervention in the P.R.R.I. revolt had proved counterproductive; the regionalist forces in Indonesian politics had been discredited, and Sukarno was firmly in control. In 1958, Howard Jones was appointed as American Ambassador to Indonesia. Deciding that the American government had misunderstood the nature of Indonesian nationalism, Jones established a warm personal relationship with Sukarno and recommended a change in American policy.\(^1\) The main feature of this new policy was the supplying of arms to the Indonesian army in the hope that it would counterbalance the increasing power of the communists. After the 'Pope incident', the Eisenhower administration authorized the sale of rice to Indonesia and lifted an embargo on the shipment of military equipment.\(^2\) In the first few months of the Kennedy Administration, Sukarno made a successful state visit to the United States which helped erase the memory of the snub he received when Eisenhower pointedly omitted Indonesia from his Far Eastern tour in 1960.\(^3\)

The improvement in American-Indonesian relations was accompanied by a relaxation of the mutual hostility between the Philippine and Indonesian governments, although


\(^2\) Ibid. In 1960, however, General Nasution turned to the Soviet Union for assistance after Washington refused a request for further assistance to the Indonesian army.

\(^3\) Ibid., p.373.
the activities of Fuentebella in Djakarta\(^1\) and further problems arising from illegal migration to Mindanao\(^2\) continued to provide sources of friction. Senator Pelaez visited Indonesia in March 1959, and negotiated a cultural treaty with Dr Subandrio, the Indonesian Foreign Minister.\(^3\) A Philippine trade mission visited Djakarta in May, and there were suggestions of joint efforts to market common products, particularly copra. In view of its unfavourable trade balance with Indonesia, the Philippine government was anxious to increase its exports to Indonesia.\(^4\)

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1 Fuentebella, the 'lynchpin' of the Nacionalista Party in Bicol, had a longstanding feud with Serrano, but could not be removed because of the political debt which the President owed him. The Department of Foreign Affairs more than once accused Fuentebella of corruption and unbecoming conduct in connection with his alleged gambling den in the Philippine Embassy in Djakarta and other activities. Fuentebella spent much of his time mending his political fences at home and was frequently absent from his post. The Manila Bulletin commented on 20 April 1959 that:

> high officials of the Indonesian government are silently critical of the continuous absence of Fuentebella from his diplomatic post. They have been commenting they simply could not understand why the government had been tolerating such an attitude from an ambassador.

2 In July 1960, a joint Patrol Agreement was signed for the two navies to cooperate in patrolling the Sulu Sea against piracy and smuggling.


4 In 1959, 1960 and 1961, Philippine imports from Indonesia were worth $US43.70 million, 28.98 million and 23.79 million; exports to Indonesia were worth only .22 million and .09 million in 1960 and 1961 respectively. United Nations Yearbook of International Trade Statistics 1961, p.515.
Despite the decrease in hostility between the two governments, however, there was little indication of any bridging of the gap between their political outlooks.¹

The slight rapprochement between the two governments was also hindered by Philippine support for the U.S. position on the West Irian issue. Under the Eisenhower administration, the United States was unsympathetic to the Indonesian claim to West Irian. Unwillingness to alienate the Dutch and Australian governments, which were allies of the United States in NATO, SEATO and ANZUS, was partly responsible for this position.² There was some indication of a reorientation of American policy following Kennedy's election,³ but this policy change was not effected until 1962. Although it seemed unlikely that the Garcia administration would deviate significantly from American policy, in 1961 the Indonesian government appeared to be anxious to secure Philippine support on the West Irian issue. In April, General Nasution was sent to Manila to seek support for the Indonesian position, and in the United Nations in November, Subandrio made an

1 During a goodwill visit to Manila in October 1959, Subandrio stated that his government respected the 'national identity' of the Philippines, but stressed that 'the injection of methods of western body politic [sic] will not work in our part of the world. We have to modify and adapt them to Asia, instead of becoming copybooks.' *Times of Indonesia*, 18 October 1960.


3 Soon after Kennedy's election, the U.S. government declined a Dutch invitation to attend the opening of the newly elected New Guinea Council at the capital of Hollandia. This action was applauded by the Indonesian government. Ibid., p.29.
apparent bid for Philippine support.\footnote{At the General Assembly Meeting on 9 October, Subandrio said 'I believe I can speak here for Asia and Africa from Dakar to Manila. Yes, to Manila.' United Nations General Assembly Official Records 1030th Meeting, 16th session, Plenary meetings, 9 October, p.325. He also denied that his government had any territorial claims against Malaya or the Philippines. Ibid., 1050th Meeting, 9 November, p.618.} Although Senate President Rodriguez\footnote{Manila Chronicle, 28 April 1961.} and Ambassador Fuentebella\footnote{Ibid., 13 February 1961.} urged the government to vote with Indonesia, on two draft resolutions on West Irian in the 1961 General Assembly session, the Philippines voted with the United States, Australia and the United Kingdom against Indonesia.\footnote{On draft resolution A/L 368, which the Indonesians opposed, the Philippines voted with the United States, United Kingdom, Australia and New Zealand, although Thailand and Malaya voted with Indonesia. United Nations General Assembly Official Records 1066th Meeting, 27 November 1961, p.875. On draft resolution A/L 367 Rev 1, sponsored by India, the Philippines again voted with the United States, United Kingdom, Australia and New Zealand against Indonesia; Thailand and Malaya again supported Indonesia. Ibid., p.876.} The disappointment felt by the Indonesian delegation was expressed when Subandrio stopped over in Manila on his way back to Djakarta in December.\footnote{Manila Bulletin, 5 December 1961.}

By 1961, Philippine relations with Indonesia were more amicable than they had been in 1958-1959. The continuing divergence between the foreign policy outlooks of the two governments, however, was clearly indicated by Indonesia's refusal to join ASA on the grounds that its 'non-aligned' foreign policy precluded membership in regional
'blocs'.

III. THE PHILIPPINES AND THE FORMATION OF ASA

'The Mainsprings of our Asian Identity'

Philippine policy towards the formation of ASA demonstrated the attempt to reconcile the values of 'anti-communism' and 'anti-colonialism' which had characterized the Republic's policy towards Asian regionalism since 1946. In December 1960, the Philippine Foreign Secretary, Serrano, indicated his government's desire to promote an 'independent' foreign policy outlook:

...In a political sense, we have what has been described as a split personality, undesirably so, as far as our ties with Asia are concerned. The West views us as a part of Asia but our Asian neighbours regard us as western, and in particular as American. The unhappy result is that we are not trusted by our own neighbours and we are occasionally taken for granted by our Western friends....

We need to revive the mainsprings of our Asian identity, maintaining at the same time the friendliest relations with the United States and preserving the permanent values of that relation.¹

Serrano also recognized the economic impetus towards closer ties with other Asian states, particularly in view of the expected termination of the Laurel-Langley Agreement in 1974.² The emphasis on the Philippines' 'Asian identity' also reflected problems in Philippine-American relations during the administration of a President who was less amenable to American 'suggestions' than Magsaysay had been. 'Irritants' in the relationship included Philippine dissatisfaction with

¹ Interview in the Far Eastern Economic Review, 1 December 1960.

² Ibid.
the American government's rejection of huge 'omnibus' war claims; disputes over questions of jurisdiction on American bases; and problems of trading relations.1

Other spokesmen of the Garcia administration (1957-1961) emphasized the Philippine role as a 'bridge between East and West' and a 'window of democracy in

1 In 1958, the U.S. Congress proposed restrictions on the importation of Philippine plywood. The Philippine government also expressed dissatisfaction at the U.S. government's refusal to extend its sugar quota. There was resentment in the United States, particularly from Senator Byre of Virginia (Chairman of the Senate Committee on Finance) and Congressman Cooley (Chairman of the House Committee on Agriculture) because of Philippine embargoes on imports of certain kinds of American tobacco. See Meyer, op.cit., pp.249-60. The Philippine government also expressed dissatisfaction at the release in the United States of abaca from the U.S. stockpile. Manila Chronicle, 5 January 1960.
Asia'.

This rhetorical emphasis on Asian ties also served a useful purpose in Philippine domestic politics in that it helped deflect criticism from the nationalists led by Claro Recto who urged a closer involvement in Asian affairs. Despite the stress on the Philippines' 'Asian identity', however, it was not President Garcia but Tunku Abdul Rahman who first suggested the formation of an association of Southeast Asian states.

An Anti-Communist Bloc?

At Colombo in February 1958, the Tunku called for a meeting of Southeast Asian leaders in the 'not far distant future' to forge unity in the region. It was apparent that the proposed association would be firmly opposed to both communism and big-power intervention in

1 During the President's state visit to South Vietnam in April 1959, his Executive Secretary, Juan Pajo, declared in Manila that it was 'but natural' that the Philippines should be the rally-point in the fight for political and economic emancipation of the region since the Republic had more experience in the democratic process than any other Southeast Asian country. Manila Bulletin, 25 April 1959. Not all members of the government, however, agreed with the idea of Philippine leadership in Southeast Asia. In an address to the Manila Rotary Club in July 1959, the Philippine Ambassador to France, Salvador P. Lopez, strongly opposed Philippine membership in a Southeast Asian regional association. It was an oversimplification, he said, to suppose that since the Philippines belonged to the region of Southeast Asia, it should orientate itself towards its neighbours politically, culturally and economically. Pointing out that Philippine economy competed with rather than complemented those of its Asian neighbours, Lopez warned that 'it would be an error to believe that the promotion of our economic interests and the interests of our security at the moment lie with our neighbours in Asia', Manila Bulletin, 7 February 1959; Meyer, op.cit., p.244.

2 Straits Times, 5 February 1958.
Southeast Asia.\(^1\) Two months later, a Foreign Ministry spokesman in Kuala Lumpur confirmed that the Tunku was 'toying' with the idea of a collective security pact outside SEATO, which Malaya had refused to join.\(^2\) The members of this pact were to include Burma, Thailand, Cambodia, Laos, South Vietnam and the Philippines.\(^3\) President Garcia took up this idea in an address to the Manila Overseas Press Club in December 1958. He elaborated on the communist threat to Asia, remarking that the Malayan Minister of Commerce had recently attacked Chinese Communist dumping practices in south Asia as naked use of slave labor for economic warfare.\(^4\) SEATO, he said, had proved an effective deterrent against military aggression, but the communists had changed their tactics to the economic front. This necessitated collective action by the 'free Asian states':

> It is difficult to say at this time what form collective Asian defence against Communist economic and political aggression should take. An essential precondition of such effort, however, is obvious. Among the members of the free Asian community there must develop a broad and sympathetic understanding of each other's thinking, problems and national objectives. Only with such understanding can we explore the common ground upon which

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1 In the previous month, the Tunku had stated that he regretted that Southeast Asian countries had not taken a definite stand against communism. *(Straits Times, 29 January 1958).* In his speech at Colombo, he stated that 'if we drift apart the danger will be that we may have to lean for support on big nations with the result that independence, on which we set so much value, will come to have very much less meaning.' *Ibid.*

2 See above, p.54.

3 *Straits Times*, 22 April 1958.

a common economic, political and spiritual
defence may be based and collective action
undertaken. To achieve this understanding
for ourselves and to encourage our neighbours
to seek it is what motivates the current
emphasis of our foreign policy.\textsuperscript{1}

The President stated that the Philippines was not seeking
regional leadership, and offered only the 'wholesome
Filipino concept of the barangay'.\textsuperscript{2} During the Tunku's
first state visit to the Philippines in January 1959, he
discussed the possibility of forming a Southeast Asian
regional association. The Joint Communique released after
the visit referred to the 'urgent need' to seek ways of
improving the material welfare of their peoples and to
invite other countries of the region to subscribe to this
idea; to this end, representatives of the two governments
were to meet 'as soon as practicable.'\textsuperscript{3}

Behind the facade of unanimity, however, were
indications that the kind of regional association the
Philippine government wanted was not what the Tunku had in
mind. The Tunku no longer mentioned the 'defence' aspects
of the proposed group, and stressed that the achievement of
economic stability was the only way to combat communist
infiltration.\textsuperscript{4} In order to secure the adherence to the

\textsuperscript{1} Ibid.

\textsuperscript{2} Ibid. 'Barangay' was a term originally referring to
the canoes in which the Malay peoples arrived in the
Philippines. It was later used to describe the villages
which were established in the coastal areas.

\textsuperscript{3} Department of Foreign Affairs Review, Manila Vol.III,
No.2, October 1959, p.21. As a consequence of the Tunku's
visit, diplomatic representation at the legation level
was established between the two countries in September
1959.

\textsuperscript{4} Straits Times, 3 January 1959.
new association of the 'neutralist' states of Indonesia and Burma, the Tunku was apparently anxious to 'downgrade' the anti-communist aspects of the association. He had stressed before leaving for Manila that he had no intention of signing an anti-communist pact with the Philippines, since such a pact would antagonize the 'neutral Asian nations.'

President Garcia, on the other hand, was reluctant to abandon the idea of an anti-communist alliance, and stated in a press conference in January 1959 that during his proposed state visits to Malaya and South Vietnam he would discuss the idea of a non-military alliance of Asian countries against the encroachments of communism. He also expressed the view that Taiwan and South Korea should be invited to join the proposed Southeast Asian association. This suggestion could hardly have been welcomed by the Tunku, who was already encountering Indonesian suspicions that the association would be connected with SEATO.

1 Ibid.
3 Straits Times, 18 February 1959.
4 Vernon Bartlett commented in the Straits Times of 28 January that the Tunku must have read with dismay President Garcia's statement that the proposed pact might be extended to include Japan, South Korea, and Formosa. Nobody could claim that a pact including these countries would be compatible with his dislike of 'military alliances anti-somebody.' But much more important was the Indonesian reaction for a Malaysian pact is obviously of little use without the adherence of the largest group of the Malays. Dr Djuanda, the Indonesian Prime Minister, suddenly discovered that he had no time to come to Kuala Lumpur to sign a previously-planned pact of friendship. Dr Subandrio, the Foreign Minister, said he could see no point in the Tunku's proposal. The 'Times of Indonesia' announced that its value was 'precisely nil'.

In October 1959 the Tunku sent letters to the governments of the Philippines, Thailand, Indonesia, South Vietnam, Burma, Laos and Cambodia, suggesting a meeting to discuss the proposed association which was to be given the name South East Asia Friendship and Economic Treaty (SEAFET).\(^1\) Despite the Tunku's emphasis on cultural and economic cooperation and his downgrading of the 'political' aspects of the proposed association, only the governments of Thailand and the Philippines sent favourable replies.\(^2\) The Tunku apparently decided to go ahead with an association which would include only Malaya and two members of SEATO, and in April 1960 Inche Mohammed Sopiee was sent to Manila and Bangkok as the Tunku's personal representative. As a result of this visit, agreement was reached to set up working groups in the three countries.\(^3\) Sopiee stressed that the association would be non-political and not identified with ideological blocs, and that it would be unconnected with existing defence arrangements in the region.\(^4\) In July 1960 the Tunku changed the name of the proposed group from SEAFET to ASAS (Association of Southeast Asian States) since SEAFET sounded too much like SEATO.\(^5\)

President Garcia, who was facing an election in November 1961, was apparently content to allow the Tunku to undertake the 'spadework' for the new association. At the 16th session of ECAFE in March 1960, however, the

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2 For the text of the Tunku's message to Sukarno, see Bernard Gordon, *Dimensions of Conflict*, op.cit., pp.170-1.


4 *Straits Times*, 9 April 1960.

5 *Far Eastern Economic Review*, 28 July 1960. The name 'SEAFET' also had unfortunate connotations in Cantonese.
Undersecretary of the Philippine Ministry of Commerce, Dr Perfecto Laguio, outlined an ambitious scheme for economic cooperation in a Southeast Asian 'bloc'. The Malayan delegate stated that his government was 'sympathetic' to this proposal, but felt that caution was indicated to guard against over-ambitious schemes in the early stages.

The Laotian crises of 1960-1961 also indicated differences of opinion between the Philippine and Malayan governments on the purposes of the proposed ASAS. Both the Philippine and Thai governments expressed intense dissatisfaction at the reluctance of the British and French governments to support SEATO intervention in Laos.

The SEATO Council met in Bangkok in March 1961 in a crisis atmosphere, but despite Philippine and Thai criticism of SEATO inaction, made no pledge to intervene in Laos.

Philippine dissatisfaction with SEATO manifested itself in an apparent attempt to convert the ASAS into a security arrangement.

1 ECAFE Summary Records, 16th Session, 9-21 March 1960, pp.50-51.

2 Ibid., pp.78-9.


4 In a meeting with the American Ambassador to the Philippines, Serrano reportedly stated that 'SEATO would go to pieces in no time at all if the Western members should continue taking actions affecting the treaty area without consulting their Asian allies.' Manila Chronicle, 1 February 1961. Dr Thanat, the Thai Foreign Minister, also criticized the 'powerful countries in the SEATO' for their slow action in regard to a Laotian request for a SEATO observer team. Ibid., 1 February 1961.

In January 1961 it became apparent that the Tunku had been unsuccessful in his attempts to wean the Garcia administration away from its predilection for a Southeast Asian anti-communist bloc. With the Laotian crisis at its height, a conference was hastily convened in Manila of representatives of anti-communist Asian states. It was announced that Serrano would meet the Foreign Ministers of South Korea, Taiwan and South Vietnam, and that he would later consult representatives of the governments of Malaya, Thailand and Pakistan. According to press speculation, it was expected that the conferences would re-examine regional security arrangements to prevent communist expansion in case the new Kennedy administration withdrew U.S. military forces from Asia.

This Philippine initiative was not welcomed by the Tunku, whose government supported the neutralization of Laos and had not permitted British bases in Malaya to be used for the sending of SEATO forces into Laos. The Tunku declined to attend the conference on the grounds that he had not been given sufficient time to consider the matter, and a Malayan government spokesman confirmed speculation that his government had not been consulted on the convening of the conference. As the Straits Times commented, the Malayan government had no desire to become involved in an anti-communist military alliance; nor was the four-nation

3 See above, p.56.
4 Straits Times, 18 January 1961.
conference's declaration of opposition to mainland China's admission to the United Nations compatible with the Malayan government's policy.¹ The Thai government also displayed little enthusiasm for the conference,² and there was some domestic criticism in the Philippines at the government's convening of the conference.³

Despite the Malayan government's failure to attend the Manila conference, in February Serrano was sent to Kuala Lumpur to attempt to persuade the Tunku to convert

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1 See above

2 The Bangkok Post commented:

...While responsible authorities are watching out for developments in U.S. foreign policy, Thailand, it is learned, is not going to plunge into any attempted regional arrangements until and unless a firm base of common interests makes possible genuine cooperation among all the countries of Southeast Asia.

It is felt that any defense alliance without the United States cannot succeed, because countries in the region either have too small armies to make the alliance effective, or already have bilateral pacts with America.

It is also believed that before any regional discussions are held, plans must be laid for constructive conversation to ensure some real success.


3 Senator Paredes, a member of the Senate Foreign Relations Committee, stated that the conference was equivalent to a public admission that the Philippines had lost confidence in SEATO. Ibid., 17 January 1961.
ASAS into an anti-communist bloc outside SEATO.\(^1\) A communique released after the conclusion of the talks stated that "general agreement was reached on the procedure for implementation of proposals for the formation of an ASAS"\(^2\) but it was clear that the two governments held different views on the 'nonpolitical' nature of the proposed group. During President Garcia's state visit to Malaya in February, the Tunku stressed that ASAS would not be an anti-communist bloc:

Some of our neighbours shun it for fear it might break up an Afro-Asian understanding, others fear it might constitute an anti-communist bloc. Far be it from the truth - the idea behind it, as in the Scandinavian organization of European countries, is to get together and work for the economic survival of member countries of ASAS.\(^3\)

The Tunku's de-emphasis of 'political' objectives did not prevent President Garcia from closely linking anti-communism with the new association in his address to a Joint Session of the Malayan parliament.\(^4\) The Philippine President also indicated that he would have no objections to the participation in ASAS of Japan, South Vietnam, South Korea and Taiwan, although he said

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1 Manila Times, 5 February 1961. On a stopover in Bangkok, Serrano expressed confidence that Thailand would join ASAS, despite reports that the Thai government believed that the new association would not succeed without Indonesian and Burmese membership. Bangkok Post, 3 February 1961.

2 Manila Times, 5 February 1961.

3 Straits Times, 11 February 1961.

that the proposed ASAS would confine its membership exclusively to the region of Southeast Asia. Immediately after Garcia left for Manila, Serrano, the Tunku and the Thai Foreign Minister Thanat Khoman held a conference in Kuala Lumpur and decided to proceed with the new association. The Joint Communique indicated that the Malayan government's insistence on the 'non-political' nature of ASAS had prevailed:

...They reaffirmed their ideal was close cooperation, which should be non-political in character, independent in every way of every power bloc and essentially one of joint endeavour for the common good of the region in economic and cultural fields.¹

In response to Subandrio's comment that the Indonesian government considered ASAS to be an unrealistic endeavour which could easily be used as a forum to discuss political issues,² Serrano gave assurances that 'ASAS will be used exclusively for the purpose of economic, cultural and technological cooperation and will resist any possible temptation to become a forum of political issues.'³ This disavowal was hardly convincing in the light of Garcia's expressed willingness to allow South Vietnam, South Korea and Taiwan into ASAS.⁴ The Philippine Foreign Secretary also refuted Pravda criticism of ASAS as a 'reactionary bloc', and denied that the proposed association

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1 Bangkok Post, 14 February 1961.
4 During a visit to Manila in late February, the South Korean Foreign Minister, Chung Il Hyung, stated that his government would join ASAS if and when it was invited. Straits Times, 25 February 1961.
was an offshoot of Philippine dissatisfaction with SEATO.\(^1\) A few weeks later, however, Serrano stated that his government would consider calling another meeting of anti-communist Asian Foreign Ministers if the situation in Laos and South Vietnam continued to deteriorate.\(^2\)

The Tunku, Serrano and Dr Thanat had agreed at their meeting in February to appoint a panel of experts from each state to make reports to their respective governments on the kinds of projects to be undertaken by ASAS.\(^3\) In June representatives of the three governments met in Bangkok as a Joint Working Party. The communique released after the talks again emphasized the 'non political' nature of ASAS.\(^4\) On 31 July, the Tunku, Serrano and Thanat Khoman met at Bangkok to form the new association,

\(^1\) Although the British and French governments were reluctant to become militarily involved in Laos, the 7th Foreign Ministers meeting of SEATO in March 1961 called for 'appropriate action' in Laos if negotiations broke down. *Straits Times*, 30 March 1961. In May, Serrano informed SEATO that the Philippines was ready to contribute combat troops for a SEATO intervention in Laos to meet the communist threat.' Vice-President Macapagal, who was running against Garcia for the Presidency, indicated support for SEATO military action in Laos. *Manila Chronicle*, 8 June 1961.


\(^3\) The Philippine panel was composed of: Minister Pura Castrence (Department of Foreign Affairs); Mrs Cortez Garcia (Central Bank); Isidro Macaspac (National Economic Council); Enrique Perez (Civil Aeronautics Administration); Ramon Herman (National Science Development Board) and Delfin Chanco. *Manila Chronicle*, 12 April 1961.

the name of which was changed to Association of Southeast Asia (ASA).\textsuperscript{1} The Tunku pointed out in his opening address that:

as we have stated many times before, this organization is in no way intended to be an anti-Western bloc or anti-Eastern bloc, or, for that matter, a political bloc of any kind. It is not connected in any way with the various organizations which are in existence today; it is a purely Southeast Asian Economic and Cultural Cooperation Organization and has no backing whatsoever from any foreign source.\textsuperscript{2}

The Tunku had succeeded in forming a regional association which was not formally anti-communist. As it included in its membership two members of SEATO, however, the new association could hardly be other than tacitly anti-communist. The voting record of the three ASA nations in the United Nations on 'East-West' issues was a further indication of their common view of the 'Communist menace' in Asia.\textsuperscript{3} For the Philippine government as for its Thai counterpart, ASA was in large part an outgrowth of dissatisfaction with SEATO and Western 'softness' towards a perceived communist threat in Laos and South

\textsuperscript{1} 'ASAS' was rejected because it could be pronounced in English as 'asses'. Bangkok Post, 29 July 1961.


\textsuperscript{3} See Robert O. Tilman, Malaysian Foreign Policy, Research Analysis Corporation, McLean, Virginia, 1969, p.23.
Vietnam. Although the Tunku had insisted that ASA not be presented as a formal anti-communist bloc, the formation of the new association represented the achievement of a long-standing objective of Philippine foreign policy. The initiative had come from the Malayan and not the Philippine government, and the new association did not include such states as South Korea and Taiwan which President Garcia would have liked to be members; nevertheless it was an association of Asian states whose governments perceived a common threat from the 'Godless ideology' of communism. Philippine membership in the new association also presented opportunities to stress the 'Asian identity' of the Republic.

The Aims and Structure of ASA

The Malayan Government White Paper released after the First Meeting of Foreign Ministers of ASA from 31 July to 1 August 1961 set out the aims and structure of the new association. The aims and purposes of the association were:

(i) to establish an effective machinery for friendly consultations, collaboration and mutual assistance in the economic,

1 Serrano took the opportunity while he was in Bangkok to reiterate his dissatisfaction at SEATO's role in Laos. Manila Chronicle, 2 August 1961. In an address to the American Association in Bangkok on 19 July, Dr Thanat criticized the Western powers' 'softness' over Laos and stated that 'it was perhaps a mistake to cast our glance too far away; the immediate neighbours should receive greater attention and be more closely cultivated. Even though they share our weakness and our want, there is a heartening feeling that their fate and ours are unmistakably linked together.' Far Eastern Economic Review, Vol.XXXIII, No.5, 3 August 1961, p.199.

2 This phrase was used by President Garcia in his address to the Malayan parliament on 9 February 1961. Manila Chronicle, 10 February 1961.
social, cultural, scientific and administrative fields;

(ii) to provide educational, professional technical and administrative training and research facilities in their respective countries for nationals and officials of the associated countries;

(iii) to exchange information on matters of common interest or concern in the economic, cultural, educational and scientific fields;

(iv) to cooperate in the promotion of Southeast Asian studies;

(v) to provide a machinery for fruitful collaboration in the utilization of their respective natural resources, the development of their agriculture and industry, the expansion of their trade, the improvement of their transport and communication facilities and generally raising the living standards of their peoples;

(vi) to cooperate in the study of the problems of international commodity trade; and

(vii) generally, to consult and cooperate with one another so as to achieve the aims and purposes of the Association, as well as to contribute more effectively to the work of existing international organizations and agencies.¹

The organizational structure of ASA was to revolve around an annual meeting of Foreign Ministers in one of the capitals of the member countries, prior to the commencement of the United Nations General Assembly meeting. Approximately one month before the meeting, there was to be a meeting of the Joint Working Party which was to report to the annual meeting of Foreign Ministers. A Standing Committee was set up, to be composed of the Foreign Minister of the country in which it was meeting, plus the ambassadors of the other members. Ad hoc or permanent committees of experts were to

to be set up to report to the Standing Committee. It was decided that a central secretariat was unnecessary:

Instead, each member shall set up a National Secretariat responsible for the work of the Association. The National Secretariat of each member country will serve as the Secretariat of the Association held in that particular country.  

The White Paper also enumerated the fields of envisaged cooperation - technical cooperation, trade promotion, promotion of tourism, cooperation in the fields of transport and communications. No mention was made of a possible multilateral payments system, and the reference to trade liberalization indicated that the association was to have modest and limited aims. The Foreign Ministers agreed that:

a multilateral agreement on trade and navigation be concluded among member countries. This agreement will serve as a framework for expanded trade among member countries, and should embody the accepted principles in international trade such as

1 At the Second Meeting of Foreign Ministers in Manila in April 1963, three permanent committees were established - ASA Economic Committee, the ASA Social and Cultural Committee, and the ASA Technical Cooperation and Research Committee. Association of Southeast Asia, Report of the Second Meeting of Foreign Ministers (Manila, 1963), p.7.

2 Bernard Gordon has remarked that 'clearly, the effort that established ASA was not exerted by an ad hoc "international secretariat" but came from within each nation. This style, which emphasized intensive national participation by involving a relatively large segment of the bureaucracy, and which continued to characterize ASA, may help to explain the organization's relative survivability.' Dimensions of Conflict, p.173. At the Second Ministerial Meeting in April 1963, however, the Foreign Ministers agreed to study the possibility of setting up a Central Secretariat. Report of the Second Meeting of Foreign Ministers, op.cit., p.9.
the granting of most-favoured-nation treatment on customs tariff, foreign exchange and shipping. It should provide arrangements for consultation on matters relating to trade and navigation among member countries either bilaterally or multilaterally which are not specifically mentioned in the agreement.\footnote{Report of the First Meeting of Foreign Ministers, op.cit., p.11.}

An examination of the possibility of the 'establishment of joint industrial projects' was to be 'immediately undertaken', but in essence the aims of ASA as set down in the First Ministerial Meeting were less ambitious than those Laguio had proposed in 1960 for a Southeast Asian 'bloc'. The membership of the Association was also smaller than that originally envisaged by President Garcia, and this fact carried important implications for American policy towards ASA.

\textbf{ASA and United States Policy in Southeast Asia}

The view expressed by Tass that ASA was a trap to entice Southeast Asian countries into SEATO has been
There is little evidence to support the contention that ASA was an American creation. In June 1961 the Bangkok Post reported that United States officials had 'welcomed' the Joint Working Party meeting in Bangkok, but added that 'one official said the three organizing members will find it difficult to make a practical reality of the economic side of the plan unless other neighbouring countries join in'. The establishment of ASA in July 1961 did not attract a great deal of attention in the American press, although the New York Times commented editorially that:

1 In May 1963, an article in Eastern World alleged that: ....It was evidently decided in the United States to give a new try to implementing the plans of establishing all sorts of alliances under the ASA aegis. The projects of setting up economic and cultural associations previously conjured up by America's SEATO allies have invariably ended in failure. The non-aligned nations justly saw a trap in these alliances and associations and declined all proposals of participating in them.

That is why the United States decided to use Malaya's initiative, which envisaged at one time the creation of an economic alliance of a number of South-East Asian countries, having modified the original plan. As far as the facts are concerned, it is possible to see that the most devoted US allies in Southeast Asia - Thailand and the Philippines - were advised to urgently support and develop Malaya's initiative along the lines most suitable to the Americans.


ASA represents a move toward regional cooperation and self reliance.... Its formation has been inspired, in part, by the dissatisfaction of Thailand and the Philippines with SEATO and their feeling that Britain and France, with no vital interests to defend in Southeast Asia, condemn SEATO to softness towards Communist aggression. This feeling applies also, but in less degree, to the United States....

Congressman Judd of Minnesota, a member of the 'China lobby' inserted into the Congressional Record an article which described ASA as the nucleus of a new Far Eastern

1 New York Times, 7 August 1961. The Christian Science Monitor ran a 'straight' news piece of ASA on 3 August (Western Ed.) under the subheading -Anti-Red Alliance'.
defence system against communism, but State Department officials testifying before the House Committee on Foreign Affairs and the Senate Committee on Foreign Relations in 1961 on Southeast Asian affairs seem not to have been aware of ASA's existence.

1 The article stated:

...the birth of ASA...could, in my judgement, mark the turning point in the successful defense of the Far East against further Communist advances there....

They may have taken another first vital step toward the consolidation of all the defense arrangements of the Far East, from Japan to New Zealand, into a single sort of Pacific NATO, able to concert its defense efforts effectively. Such a consolidation could be the greatest victory for freedom since the creation of NATO back in 1959.

...For ASA...is a first link between the Philippines, bilaterally lined to the U.S., Thailand (part of the SEATO), and the Malayan Federation, which has no links to the U.S.

If this link should grow into an impregnable chain, the credit would go to the Philippines. For back in 1950...in holding the Baguio Conference, President Quirino hoped to plant the seed of some sort of 10-country defense pact.

...ASA could become the nucleus of an effective Far Eastern defense organization stretching a quarter of the way around the globe.

I believe some such group is going to be increasingly needed. Should it happen, the credit should go to the three governments that, in their frustration over the nondefense of Laos by the Western countries, took a first step toward real cooperation by establishing ASA.


2 The writer was unable to find any reference to ASA in the hearings before these committees in 1961.
While there is little evidence of active American interest in ASA in 1961, it should not be assumed that the United States government was uninterested in President Garcia's attempts to form a Southeast Asian anticommunist bloc. In May 1961, Vice-President Johnson was sent to Southeast Asia to reassure America's allies that they would not be abandoned. When Johnson visited Manila, Serrano complained that the 'free and friendly countries of Southeast Asia' were in an atmosphere of general apprehension because of decisive communist gains in the face of apparent United States unwillingness to 'resist the enemy's will to conquer.' Johnson assured Serrano that 'as long as we have the Philippines as an ally and as long as there is America, we are not going to permit freedom to wither away.'¹ Similar assurances were made to the Thai government, and Johnson recommended to Kennedy that U.S. military and economic assistance to Thailand be substantially increased.² According to the Pentagon Papers published in 1971 by the New York Times, in his report to Kennedy the Vice-President stated:

...The struggle is far from lost in Southeast Asia and it is by no means inevitable that it must be lost. In each country it is possible to build a sound structure capable of withstanding and turning the Communist surge. The will to resist - while now the target of subversive attack - is there. The key to what is done by Asians in defense of Southeast Asia freedom is confidence in the United States.

There is no alternative to United States leadership in Southeast Asia. Leadership

¹ Manila Chronicle, 14 May 1961.

in individual countries - or the regional leadership and cooperation so appealing to Asians - rests on the knowledge and faith in United States power, will and understanding.

SEATO is not now and probably never will be the answer because of British and French unwillingness to support decisive action. Asian distrust of the British and French is outspoken. Success at Geneva would prolong SEATO'S role. Failure at Geneva would terminate SEATO's meaningfulness. In the latter event, we must be ready with a new approach to collective security in the area.

We should consider an alliance of all the free nations of the Pacific and Asia who are willing to join forces in defense of their freedom. Such an organization should:

(a) have a clear-cut command authority
(b) also devote attention to measures and programs of social justice, housing, land reform, etc.¹

This reference to development programmes was apparently occasioned by long-standing Philippine and Thai suggestions that SEATO should take a more active role in increasing economic well-being in Southeast Asia in order to combat subversion.² Johnson went on to state that 'Asian leaders' did not want American ground troops, and stressed that 'any help - economic as well as military - we give less developed nations to secure and maintain

¹ Ibid., p.128 (my emphasis).

² In his Independence Day Address on 4 July 1960, for instance, President Garcia stated that 'during the recent meeting of the SEATO Council of Ministers in Washington, the Philippines underscored the need for the members of that organization to undertake unflinchingly the task of extricating Southeast Asia from the state of underdevelopment.' Manila Bulletin, 5 July 1960.
their freedom must be part of a mutual effort.¹ He concluded his report with the statement that

the fundamental decision required of the United States...is whether we are to attempt to meet the challenge of Communist expansion now in Southeast Asia by a major effort in support of the forces of freedom in the area or throw in the towel.²

In order to help the Diem regime resist the 'communist threat', on 11 May President Kennedy secretly ordered 400 Special Forces troops and 100 other American advisers to be sent to South Vietnam.³ One of the important

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¹ Ibid., p.129.

² Ibid., p.130. See also Hilsman, op.cit., p.420. Kennedy's own views on Johnson's envisaged 'alliance of the free nations of Asia and the Pacific' are unknown. Hilsman writes:

There was one imaginative proposal - a notion put forward by Chester Bowles to enlarge the area of neutrality far beyond both Laos and Vietnam, to include Burma, Thailand, Malaya, in fact the whole of Southeast Asia. So far as I know, President Kennedy did not make any specific comment on this suggestion, but my sense of his attitude is that he accepted the concept as a farseeing expression of the ultimate goal for Southeast Asia toward which we should work, but that its time had not yet come. I think he would have said that our policy should lead toward the goal of a neutral Southeast Asia and avoid getting United States prestige so thoroughly pinned to 'victory' in Vietnam as to preclude that goal, but that until Communist ambitions had been blunted against the realities of native resistance from within Southeast Asia we could not do much more than continue to support that resistance.


³ The Pentagon Papers, p.79.
factors in this decision was apparently the belief that the United States had 'stepped back' in Laos, and had to take a firm stand in Vietnam to reassure its Asian allies.¹

Preoccupied as it was with the crises in Laos and Vietnam, it was hardly surprising that the United States government took little apparent interest in the formation of ASA. The available evidence also lends itself to the interpretation that the U.S. government was not particularly impressed by ASA because of its limited membership. Despite President Garcia's urgings, it did not include Taiwan, Japan, South Vietnam, or South Korea, and was a poor imitation of the 'alliance of all the free nations of the Pacific and Asia' envisaged by Vice-President Johnson. If the Malayan government had not opposed the membership of these countries, it is possible that the United States might have regarded ASA as an important step in the construction of a new SEATO sans Britain and France. ASA had another important deficiency from the point of view of American policy in Southeast Asia; it did not include the most populous and potentially powerful Asian state - Indonesia.

Indonesia and ASA

Despite the slight improvement in Philippine-Indonesian relations after 1958,² the kind of anti-communist bloc which the Garcia administration tried to promote had very little appeal to the Indonesian government. As has been indicated, it was the Malayan government which exerted

¹ Ibid., p.87.
² See above, pp.66-8.
most effort in trying to secure Indonesian participation in the proposed regional association. Serrano, did, however, make some attempts to persuade the Indonesians to participate. When the Philippine–Indonesian immigration treaty was ratified in February 1961, Serrano expressed the hope that Indonesia would join the proposed ASAS, but the Indonesian Ambassador was non-committal. A few days later, Suluh Indonesia, the newspaper of Sukarno's P.N.I., stated that any Southeast Asian pact without Indonesian participation would not have much meaning, and that the sponsors of the pact should pay more attention to Afro-Asian solidarity instead of forming a new association.¹

The attitude of the Indonesian government was made explicit on 14 February when Subandrio stated that his government was anxious to conduct bilateral agreements, and that:

...If we cannot agree to ASAS it is not because we are afraid or suspicious as if ASAS will become an alliance against any ideology or a defence pact. We, in Indonesia, only consider ASAS as being unrealistic endeavour as long as bilateral relations between states have not yet been given its full contents so that this alliance can easily be used as a forum to discuss political issues.

What we ought to note is that at the present time Indonesia indeed does have a policy which is rather different from those of our neighbours....²

Serrano's attempts to deny that ASAS could be used as a forum of political issues fell on deaf ears in

¹ Bangkok Post, 8 February 1961.

² Indonesian Observer, 15 February 1961.
Djakarta where there were vivid memories of U.S. bases in the Philippines being used to support the rebels in 1958-1959. General Nasution, when he visited the Philippines in April, 'brushed aside' suggestions that Indonesia's lukewarm attitude had killed the ASAS proposal, and Subandrio predicted that ASAS would be an organization without substance. After the Working Party had met in Bangkok in June, the Indonesian Ambassador to the Philippines, Nazir Pamontjak, reiterated his government's rejection of ASAS. It was against Indonesia's policy, he said, to join any bloc for the same reason that 'we refuse to join any of the existing political blocs for we believe that our participation might only result in aggravating the danger to peace.'

Despite Indonesia's aloofness, the formation of ASA was claimed as a foreign policy 'success' of the Garcia administration. ASA was a tacitly anti-communist organization, but the Philippines could also claim that membership in the new association demonstrated the Republic's 'Asian identity'. This attempt to combine the values of anti-communism and anti-colonialism was to be continued by the Macapagal administration.

1 See above, p.65.
2 Manila Times, 29 April 1961.
PART TWO - THE MACAPAGAL ADMINISTRATION

The Sabah claim, and its effects on regional cooperation, is one of the central concerns of this study. For this reason, the complicated circumstances in which it was presented in June 1962 are analyzed in Chapter Three. Chapter Four discusses a number of issues - the diplomatic exchanges on the Sabah issue between the Malayan, British and Philippine governments between June and December 1962; the impact of the claim on ASA; the improvement in Philippine relations with Indonesia during this period; the Philippine government's reaction to the Brunei revolt; and the negotiations between representatives of the Philippine government in January 1963.

The sub ministerial and ministerial meetings which led to the Manila Summit in August 1963 are dealt with in Chapter Five. Philippine policy towards ASA is discussed in Chapter Six, which is also concerned with Philippine policy towards Maphilindo between August and December 1963. This chapter focusses on the impact of confrontation on both Philippine and American policy towards Indonesia. Chapter Seven deals with the direct intervention of the U.S. government in the confrontation dispute, and the collapse of Macapagal's 'Maphilindo strategy' in the period from January 1964 to November 1965.
CHAPTER THREE

THE SABAH CLAIM

Macapagal and ASA

In November 1961, Diosdado Macapagal defeated President Garcia in a bitterly fought election campaign which swept the Nacionalista Party out of presidential office. To many Filipinos, the election 'marked the end of a fourteen-year-long political bacchanalia and the dawn of that long-awaited new day, the era of Juan de la Cruz, now more nationally known as the "New Era" of the tao, the common man.'

Macapagal was more of an authentic 'poor boy' than Magsaysay had been and had defeated the


2 Macapagal was born in barrio San Nicholas in Pampanga in 1910. His family was poor, but the help of a wealthy patron enabled him eventually to achieve doctoral degrees in Law and in Economics at the University of Santo Thomas. In 1936 he topped the Philippine bar examinations; an achievement which has become almost a prerequisite for high public office. He then entered an American law firm, and after the war joined the newly-established Department of Foreign Affairs. In 1948 he became First Secretary of the Philippine Embassy in Washington, and in 1950 chairman of the Philippine delegation to the United Nations General Assembly in Paris. He entered politics in 1957 when he successfully ran for Vice-President on the Liberal Party ticket. President Garcia, a Nacionalista, made no secret of his dislike of Macapagal, and gave him no official duties. This neglect, however, enabled Macapagal to begin his campaign for the 1961 elections as early as 1958. Hanna, op.cit., passim.
firmly-entrenched Nacionalista machinery by a sustained attack on graft and corruption. The post election euphoria was shared by the American press and at least some American officials, who regarded the 'New Era' with some optimism.¹ The new President chose as his Secretary of Foreign Affairs the Vice-President, Emmanuel Pelaez. Pelaez, who had been a member of Magsaysay's 'brains trust', had represented the Philippines at several important international conferences, including the Manila Conference in 1954 and the Bandung Conference in 1955.²

Despite fears in some sections of the Philippine elite that the 'New Era' would have a radical flavour, Macapagal, who came from an impoverished area of Pamganga where the Huks had long been active, had the reputation of

¹ In testimony before the Committee on Foreign Affairs of the U.S. House of Representatives in March 1962, Avery F. Peterson, Deputy Assistant Secretary of State for Far Eastern Economic Affairs, stated: 'I personally, and I think the State Department, generally, feel greatly encouraged by the new administration.' One of the committee members, Congressman Pilcher, was more sceptical, and commented: 'We have had the same presentation every year on the Philippines. Yet [security deletion] people in the Philippines [s.d.] have told us that they weren't only stealing half that we were giving them but that this government was getting half of what they were collecting from their peoples.' Hearings before Foreign Affairs Committee of the House of Representatives. 87th Congress, 2nd Session, Part 1, 19 March 1962.

² Unlike Macapagal, Pelaez had a middle class background. He was born in Misamis Oriental in Mindanao, and topped the Philippine bar examinations in 1938. He then joined a law firm, and entered politics in 1949. Following dissatisfaction with the Liberal Party in 1953, he left it and joined the Nacionalistas. He was a member of the Philippine panel that negotiated the immigration agreement with Indonesia in 1955; spokesman for the Philippine panel that renegotiated the bases agreement with the U.S. in 1956; and acting chairman of the Philippine delegation to the United Nations session in 1957. In 1961, he ran for Vice-President on the 'Alliance for Progress' ticket, which was affiliated with the Liberal Party. Manila Chronicle, 30 December 1961.
a dedicated anti-communist.¹ One of his priority projects was his five year socio-economic programme, designed to achieve land reform and reduce the appeal of 'subversive' elements.² The new President also dedicated himself to a rigid policy of anti-communism in foreign affairs. In a major foreign policy address in September 1962, he stated, inter alia:

...We are inflexibly opposed to communism and all its works, and nobody is left in any doubt about it. We have no relations with any communist State and we do not propose to have any such relations in the foreseeable future.³

The President also emphasized that relations with the United States would continue to be the primary foreign policy concern of the Philippines, and said:

Because ours is a developing country strongly attached to freedom in a crucially important region of Asia, and because the United States is a Great Power having the means and the will to assist free peoples and to defend the ramparts of freedom everywhere, the two countries are destined to share the same fundamental purposes and objectives in domestic and foreign affairs.⁴

¹ Hanna, 'Honest Mac, the tao of Malacanang', p.129.

² The five year plan was a revised version of Macapagal's doctoral thesis. In January 1962, the five year socio-economic plan was presented to Congress. An economic mission was sent to Washington, and secured promises of 300 million dollars in loans. On the strength of these assurances, the administration abolished import controls, raised tariffs, imposed restrictions on credit and devalued the peso. The five year plan anticipated a growth rate rising from 5.5% in the first year to 7.0% in the fifth year. Starner, op. cit., pp.42-3.


⁴ Ibid., p.56.
He did not, however, seem to attach much importance to ASA. In a foreign policy statement on 23 November, the President-elect pledged that his administration would honour its treaty commitments to other countries, including SEATO and the Philippines-U.S. Mutual Defence Pact, but did not mention ASA.\(^1\) During the election campaign, Macapagal had criticised the ASAS proposal, which he said had a limited range 'since it was based primarily on "ethnic" criteria.' He reportedly urged a 'more expanded horizon' for ASAS if it was to be a 'more meaningful Southeast Asian alliance.'\(^2\)

Since ASA had been claimed as a foreign policy 'success' of the Garcia administration, it was not surprising that Macapagal did not appear very enthusiastic about it. It is also possible that Macapagal believed that ASA's membership was not large enough to form an effective anti-communist bloc in Southeast Asia. He has related in his memoirs, *A Stone for the Edifice*, that during the early months of his administration he was 'sounded out by responsible leaders in Nationalist China, Thailand, Korea, Vietnam, and other Asian countries on the idea of taking the lead for a concert of action among some Asian nations.'\(^3\) This presumably was the kind of alliance of 'free' Asian and Pacific countries which Johnson had advocated in his report to President Kennedy after his Southeast Asian tour in 1961.\(^4\) There is also considerable evidence to suggest that Macapagal, and in particular his Undersecretary of Foreign

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1 *Manila Chronicle*, 24 November 1961. As has been indicated in Chapter Two, the name 'ASAS' was changed to 'ASA' in July 1961. See above.

2 Ibid., 8 June 1961. It should be pointed out that the *Chronicle* was owned by the lopez 'sugar bloc' which supported Garcia.


4 See above, pp.91-2.
Affairs, Salvador P. Lopez, by 1963 saw the opportunity to create some kind of anti-communist regional association which Indonesia could be persuaded to join. Since Indonesia had already refused to join ASA, it would be necessary to form some new association which was not openly identified with anti-communism. Pelaez, on the other hand, was more anxious to retain ASA, which he described in March 1962 as 'a very important project' which would help to 'show others in Asia that we don't need Communist China, that we can do things through our own selves.'

The Claim to Sabah

If it is accepted that Macapagal did not have an intense personal commitment to ASA, his presentation of the Sabah claim in June 1962 appears more 'rational' than many Western observers have supposed. The circumstances in which the claim was presented fall into three main categories: the activities of the heirs of the Sultan of Sulu and their supporters; the imminent formation of Malaysia; and problems in American-Philippine relations in 1962.

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1 See below, p.212. S.P. Lopez, it should be pointed out, was not related to the Lopez 'sugar bloc' clan.


3 Bangkok Post, 13 March 1962
The historical background to the claim is extremely complex and will be merely outlined here. In 1877, Alfred Dent, an Englishman, and Baron Gustav von Overbeck, an Austrian, concluded an agreement with the Sultan of Brunei and were granted a portion of the territory of North Borneo. The territory, however, was also claimed by the Sultan of Sulu on the grounds that in 1704 the Sultan of Brunei had ceded it to the Sultan of Sulu in return for assistance in a local war. In January 1878, Dent and Overbeck also concluded an agreement with the Sultan of Sulu, Mohammed Jamalul Kiram, to obtain the territory in return for an annual payment of 5,000 (Malayan) dollars. Subsequently, Dent and Overbeck successfully petitioned the British government for a Royal Charter, and in March 1882 the British North Borneo Company was

established. In May 1888 North Borneo became a British Protectorate, and in 1946 the British government asserted full sovereignty over the territory when it was annexed as a Crown Colony after the North Borneo Company had sold its interests to the Crown.

Shortly after the Sultan of Sulu granted the territory to Dent and Overbeck, he was forced to cede Sulu and all its dependencies to Spain. In an agreement signed in 1885, Spain renounced all claims to sovereignty over Borneo, while Britain and Germany recognized Spain as supreme in the Sulu islands. This line of demarcation between the Philippines and North Borneo was recognized by a treaty drawn up between Britain and the United States, as successor to Spain in the Philippines, in 1930.¹

The Heirs of the Sultan of Sulu and their Supporters

The case put forward by the Philippine government in 1962 rested essentially on a claim by the heirs of the Sultan of Sulu that the 1878 document was a lease and not a cession. From 1946 to 1961, the heirs of the Sultan and their supporters in Congress actively but unsuccessfully attempted to persuade successive Philippine governments to recognize their claim to North Borneo.² Until 1962, however, no Philippine government was willing to challenge British authority in North Borneo.

A number of critics have also pointed out that, despite the evidence of continuing official interest in the Sabah question since 1946, the Philippine government on several occasions had tacitly recognized British sovereignty over the territory. From 1946 to 1962, the

¹ Wright, op. cit., pp.477-79.
² For an examination of the activities of the heirs and their supporters, see Appendix I.
Philippines, as a member of the ad hoc committee which examined reports by colonial governments on non self-governing territories, examined annual summaries on North Borneo submitted by the United Kingdom. It was not until December 1962 that Philippine representatives expressed a reservation.¹ In 1948, the Philippines and Britain signed an Air Services Agreement in which the phrase 'British North Borneo' appeared, but there was no Philippine objection to the usage of the term.² The same words appeared in a similar agreement signed in January 1955. The British government also used the term 'British North Borneo' in the 1946-48 correspondence regarding the transfer of the Turtle Islands without encountering any objections from Manila.³

Not only did successive Philippine governments tacitly recognize British sovereignty over Sabah on these occasions; they also neglected a number of opportunities for presenting a claim to the territory. In August 1955, Vice-President Garcia and the British Ambassador to the Philippines signed a labour agreement which provided for the employment of Filipino workers in North Borneo. The British government made some sort of offer to 'bring North Borneo into a closer relationship with the Philippines'⁴ but as Salvador Lopez said in October 1962, 'The Philippine authorities concerned apparently failed to react positively

¹ Sumulong, op. cit., pp.7-8.
² Marston, op. cit., p.213.
³ Ibid.
to this move and thereby neglected a unique opportunity to advance the national interest'. ¹ This statement was corroborated in 1966 by Raul Manglapus, who in 1955 was Under-secretary for Foreign Affairs.² As late as June 1961, the Philippine Congress passed the 'Tolentino Resolution' which delineated the baselines of the Philippine territorial sea and referred to the 1930 Anglo-United States convention. No reference was made to the possible extension of Philippine sovereignty to North Borneo.³

Soon after Macapagal's election, the North Borneo issue was raised in the Philippines Free Press in a series of articles and editorials from December 1961 until June 1962. The Free Press campaign was apparently primarily due to the activities of Nicasio Osmeña, one of the heirs' attorneys, who convinced Napoleon Rama of the Free Press that he had obtained additional evidence from the archives of the Spanish Ministry of Foreign Affairs.⁴ Other newspapers took up the issue and called for an official government claim to North Borneo.⁵

For the first few months of the new administration, the Congress was preoccupied with the power struggle

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¹ Ibid.
² Manila Bulletin, 10 July 1966. Manglapus was under the impression that Britain had intended to relinquish control of Sabah to the Philippines, but that 'the insistence of other departments of our Government on the observance of technical details of our laws prevented the implementation of the agreement'.
³ Marston, op. cit., p.212.
⁴ Nisperos, op. cit., Chapter 6, p.5.
⁵ Ibid., pp.22-39.
between the Liberals and the Nacionalistas,\(^1\) and with Macapagal's attack on the 'sugar bloc.' It was not until Cornelio Villareal, a Liberal, was elected to the House Speakership that the Sabah issue was raised in the House. Two resolutions were presented to the House dealing with the Sabah issue - House Resolution No.32, sponsored by 106 members of the House, and House Concurrent Resolution No.11, sponsored by Congressman Ocampo.\(^2\) In its meeting on 10 April, the House Committee on Foreign Affairs considered the two resolutions, and a subcommittee composed of Congressman Salonga (Liberal), Bagatsing (Liberal) and Ocampo (Liberal) decided to seek the necessary authority which would allow the Philippine government to represent the heirs of the Sultan. On 24 April, Congressmen Salonga and Ramos witnessed the signing of a formal instrument by which the heirs 'accepted' the 'right' of the Philippine government to prosecute their claim.\(^3\) On the same day, the House of Representatives unanimously adopted House Resolution No.32 which stated:

Whereas, it is the sense of the House of Representatives that the claim of the Republic of the Philippines upon a certain portion of the Island of Borneo and adjacent islands is legal and valid: Now, therefore, be it

Resolved by the House of Representatives, To urge, as it hereby does urge, the President of

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1 In the 1961 elections, the Liberals won six of the eight Senate seats at stake. Senator Sumulong was the only Nacionalista Senator to be re-elected. The Nacionalistas, however, won two-thirds of the seats in the House of Representatives. After months of wrangling, Macapagal was successful in having Villareal elected as Speaker.

2 Nisperos, op.cit., Chapter 7, p.17.

3 See Appendix II.
the Philippines to take the necessary steps consistent with international law and procedure for the recovery of a certain portion of the Island of Borneo and adjacent islands which appertain to the Philippines.\(^1\)

A similar measure was introduced in the Senate, but was left pending until the adjournment of Congress. The relative lack of interest in the claim in the Senate was apparently due to the Upper House's preoccupation with the election of its President, and to the influence of Senator Sumulong, Chairman of the Foreign Relations Committee, who was opposed to a Philippine government claim to North Borneo.\(^2\)

Despite the clamourings of the press and the resolution passed in the House of Representatives, President Macapagal seemed unwilling to take a public stand on the issue, although his longstanding interest in the case was well-known. This apparent lack of interest may have been due to the President's preoccupation with domestic issues during his first months of office. It was Vice-President and Foreign Affairs Secretary Pelaez who gave the first indication of the administration's interest in the matter. After the Governor of North Borneo, Sir William Goode, had dismissed the possibility of a Philippine claim,\(^3\) Pelaez indicated in mid-January that his government had not yet decided what to do about the North Borneo question, since there had not been sufficient time to study the matter. He stated, however, that if the government decided not to take action 'it will not be because its claim to North Borneo is without foundation'.\(^4\) Early in February, the

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3 Manila Times, 5 January 1962.
4 North Borneo News and Sabah Times, 12 January 1962.
Colonial Office issued a statement that the British government was 'quite satisfied' as to its legal position in the territory. Pelaez was clearly irritated by what was regarded in Manila as the condescending attitude of the British government. Asserting that the Philippine government had the right to ascertain its own stand on a possible claim to British North Borneo, Pelaez retorted: 'They cannot brush it off just like that'.

Pelaez's statements to the press, however, carried a note of restraint. In answer to a question on television regarding his attitude to the formation of Malaysia, he assured viewers that the government was considering the North Borneo issue 'very seriously' and that 'in weighing this problem, the Philippines will consider national interests as well as the international aspects involved'. At the end of March, Pelaez departed for a meeting of ASA in Malaya. His absence from Manila apparently removed an element of caution from the Department of Foreign Affairs. The new Undersecretary, Salvador P. Lopez, arrived in Manila after vacating his ambassadorial post in Paris and asserted that the Philippine claim to North Borneo would stand up in any world court. Emphasizing that he was speaking in his capacity as Acting Secretary of Foreign Affairs, Lopez stated that the Philippines should commence negotiations with Britain before North Borneo was incorporated into Malaysia. He was supported in this view by Simeon Roxas, legal counsellor of the Department of Foreign Affairs.

1 Manila Times, 4 February 1962
2 Ibid.
4 Manila Times, 2 April 1962.
5 Ibid.
At a press conference on 4 April, Lopez indicated that the Department of Foreign Affairs would shortly announce its position on the North Borneo question. There were hints of a disagreement between Lopez and Pelaez when press reports from Kuala Lumpur quoted the Vice-President as saying that his government had taken no stand on the North Borneo question.¹ In informal discussions with the Tunku, Pelaez had given assurances that a Philippine claim to North Borneo would not endanger Philippine-Malayan relations.² Lopez admitted that he had exchanged a number of cablegrams with Pelaez, but insisted that there was no disagreement between himself and the Vice-President. It is unlikely that President Macapagal would have permitted Lopez to make such an important statement on the North Borneo issue without presidential sanction. He did not publicly reprimand the Acting Secretary, merely contenting himself with the remark that Lopez's assertion that there were sufficient legal grounds for a claim to North Borneo was Lopez's 'personal opinion'.³ That Lopez was allowed to make such an assertion in the absence of the Secretary of Foreign Affairs suggests that Pelaez was reluctant to take precipitate action. The personal rivalries endemic in Philippine politics may have played some role in the apparent difference of opinion between Pelaez and Lopez, since Pelaez was reported to have preferred Jose Ingles, Philippine Ambassador to West Germany, as his Undersecretary, but had

¹ Manila Bulletin, 4 April 1962.
² Manila Times, 6 April 1962.
³ Manila Times, 3 April 1962.
been overruled by the President.¹

By the end of April it was evident that the Philippine government was about to make some kind of claim to North Borneo, but two important points had not been clarified. The first was whether the government would claim Philippine sovereignty over the territory; or whether it would ask that the proprietary rights of the heirs of the Sultan be recognized by the British government.² The distinction between the sovereignty of the Philippine Republic and the proprietary rights of the heirs of the

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¹ It is also possible that Macapagal suspected that Pelaez had political ambitions which might lead to a future clash between them. Although he had been Macapagal's running-mate in the 1961 elections, Pelaez was not a member of the Liberal Party, and there had been some speculation during the elections that Pelaez might hope to benefit more from the victory of President Garcia than that of President Macapagal, since in the Philippines the President and Vice-President are elected separately. Manila Chronicle, 29 July 1961.

² The heirs themselves gave the impression that they were claiming sovereign as well as proprietary rights. In a letter to the Manila Chronicle, on 13 April, Tarhata Kiram asserted that the heirs were not asking the Philippine government to claim sovereignty over North Borneo, but were requesting that it 'recognize a rightful successor to the late Sultan Jamalul Kiram who shall be sovereign head of the ancient Sultanate of Sulu so that this sovereign successor...can go to Borneo and govern the territories of the Sultanate....' Similar sentiments were expressed by Esmail Kiram, who stated that the Sultan's heirs 'are prepared to go to Borneo and govern these territories as sovereign or negotiate direct with the British authorities for the return of the territories to the sultanate'. Manila Bulletin, 16 April 1962. This statement appears to have been directly contradictory to his assertion that the growing menace of communism in Southeast Asia would continue to threaten the southern frontier of the Philippines 'unless North Borneo is placed under the firm control of our republic'. Ibid.
Sultan of Sulu has provided fertile ground for controversy among international lawyers.¹ The Instrument of 24 April, moreover, was of dubious validity because the Sultanate of Sulu was no longer in existence and its ability to 'cede' Sabah to the Philippine government was open to question.² Despite the confusion on this point, the Philippine government did not clarify the issue. Another point on which clarification was not forthcoming was the exact extent of the territory to which the Philippines intended to lay claim. The second Congressional resolution in April vaguely referred to 'a certain portion of the Island of Borneo and adjacent islands.' Since the text of the 24 April Instrument had not been published, the only statement referring to the territorial limits of the claim was made by Esmail Kiram, one of the claimants to the title of Sultan of Sulu. In April 1962 he stated that the Sultanate claimed:

seven islands of the Turtle group that remained under the administration of the British Crown.

territories from the Kimanis river on the north-west coast fo the Sibuko river on the east coast of Borneo, including the island of Sibatik and other islands within nine miles from the coasts.

territories from the Sibuko river to Balikpapan, including the island of Tarakan.³

Much of the territory claimed by Esmail Kiram (from the Sibuko River to Balikpapan) lay in Indonesian Borneo. There was, however, no public denial by the Philippine government that it would refrain from claiming part of Kalimantan.

¹ See Jayakumar, op.cit.; Marston, op.cit.; Sumulong, op.cit.

² Ariff, op.cit., p.38.

³ Manila Bulletin, 16 April 1962.
Despite the lack of clarification on these two vital points, on 22 May President Macapagal held a conference on the North Borneo question with Pelaez, Lopez, Ambassador Abello, Minister Simeon Roxas, Minister Romeo Busuego and Representative Jovito Salonga. It was announced that the President would also have discussions with Senator Lorenzo Sumulong and Representative Godofredo Ramos, respective chairmen of the Senate and House Committees on Foreign Affairs, and that the Philippine government's policy on Sabah would then be announced.¹

The British government, convinced as it was that the Philippines had no valid claim to the territory, became concerned lest further offence be given to Filipino sensitivities. After Pelaez's February outburst, the British attitude appeared to become more conciliatory. The British Ambassador to the Philippines, John Pilcher, stated in an interview on 20 February that:

> if any formal protest or claim is officially made by the Philippines on North Borneo to Britain, the matter will be carefully examined and studied by the British Government.

He was anxious to stress that Britain would avoid any clash or controversy with the Philippines on the issue, as 'we are both good friends and allies'.²

On 25 May, three days after Malacañang had announced that a government decision on the North Borneo issue was imminent, Pilcher presented to Pelaez an aide-memoire from the Foreign Office which 'noted with appreciation' that the Philippine government had not associated itself publicly with the efforts of certain of the heirs of the Sultan of Sulu to dispute British sovereignty in North

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¹ Manila Bulletin, 22 May 1962.
² Manila Times, 20 February 1962.
and stated that Her Majesty's Government was convinced that the British Crown is entitled to and enjoys sovereignty over North Borneo and that no valid claim to such sovereignty could lie from any other quarter, whether by inheritance of the rights of the Sultan of Sulu (the only right of his heirs being to continue to receive their shares of the cession money) or by virtue of former Spanish and American sovereignty over the Sulu Archipelago.

In the interests of the people of British North Borneo, no less than because of its undoubted legal rights, H.M.G. 'would be bound to resist any claim to part of North Borneo, whether advanced by the Philippine Government or by private persons in the Philippines'. The aide-memoire continued:

Moreover, the Governments of the United Kingdom and Malaya have welcomed in principle proposals for a new and independent Federation of Malaysia which unite [sic] the present independent Federation of Malaya with North Borneo, and Brunei, Sarawak and Singapore. The Commission set up by the Government of the United Kingdom and the Federation of Malaya is shortly to report on these proposals insofar as they affect North Borneo and Sarawak. A public dispute with the Philippine Government about North Borneo might have undesirable repercussions in Malaya and Borneo at a critical juncture in the political development of North Borneo. It could impair the present friendly relations between Great Britain and her ally, the Philippine Republic, and it might even lead to territorial claims being put forward by other Southeast Asian countries. Its repercussions might involve and embarrass other friendly governments. Such developments would impair the stability of Southeast Asia and the capacity of the peoples concerned for resolute united resistance to Communist encroachment and subversion.

Her Majesty's Government accordingly hope that the Philippine Government will appreciate the force of these considerations and conclude that a continuance of their present policy of restraint
will be as much in the interests of the Philippines as in those of the peace and stability of Southeast Asia.¹

Although the British aide-memoire was addressed to Pelaez, it was Lopez who signed the reply which was delivered to Pilcher on 22 June. The Philippine government noted the position which Her Majesty's Government has taken with respect to any claim of sovereignty that may be advanced either by the Philippine Government or by the Sultanate of Sulu.

It also noted the proposed formation of Malaysia and that the Cobbold Commission² was about to complete its report. The Philippine government, however, was unable to share the view of Her Majesty's Government that a public dispute with the Philippine Government about North Borneo might have undesirable repercussions in Malaya and Borneo; that such a dispute could impair the present friendly relations between the Philippines and Great Britain; and that it might lead to territorial claims being put forward by other Southeast Asian countries and impair the capacity of the peoples concerned for resolute united resistance to Communist encroachment and subversion.

The British government was reminded of the Philippine House of Representatives resolution on North Borneo, and was informed that on 5 February 1962 the attorneys of the heirs of the Sultan of Sulu had informed the Philippine government of their desire to see the territory included as part of the Philippine Republic. The Note declared:


² See below, pp.120; 124.
It is clear from Your Excellency's note of 25 May 1962 and from the letter of the attorneys for the heirs of February 5, 1962, that there is a dispute between the Sultanate of Sulu and the Philippine Government on the one side and Her Majesty's Government on the other regarding the ownership and sovereignty over North Borneo.

After referring to the membership of both the United Kingdom and the Philippines in SEATO and the United Nations, the Note concluded with the assurance that the Philippine government believed that any dispute between the two countries could be settled 'peacefully and in an atmosphere of good will and amity'; and with the request that conversations be held either in Manila or London so that 'the matter of ownership, sovereignty and jurisdiction and all other relevant points at issue in the North Borneo question may be fully discussed'.

President Macapagal, who read the entire Philippine Note at a press conference on 22 June, seemed content to allow Lopez to manage the publicity surrounding the claim, and on 29 June departed for a good-will visit to Spain, Italy and Pakistan. That such an important diplomatic Note had been despatched in the absence of the Foreign Secretary is a further indication that Pelaez may have dissented from the views of Lopez and Macapagal. At the time Pelaez was in the United States for the inauguration of the Philippine Air Lines services to the U.S. and for discussions with American officials regarding the rejection of the Philippine war claims bill by the American Congress. After the Philippine aide-memoire had been sent, Pelaez stressed in New York that the Philippines was firmly

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1 Note of Secretary of Foreign Affairs dated 22 June 1962, addressed to the British Ambassador. Philippine Claim to North Borneo, Vol.I, pp.153-5.
committed to a peaceful settlement of the claim and was quick to point out that there was no comparison between the Indonesian claim to West Irian and the Philippine claim to Sabah. Lopez insisted that Pelaez had seen the draft of the Note, but the statements of the Vice-President in New York suggest that this was not the case. Although there is no concrete evidence on this point, it is possible that Pelaez believed that the North Borneo issue would divert attention from more important issues, particularly the 'cleaning-up' of the Foreign Service, which under the Garcia regime had become a haven for nepotism and political appointments. There were other indications of dissension within Philippine official circles. Senator Sumulong denied Lopez's claim that he had been consulted about the Note, and indicated that the Senate Foreign Relations Committee had favoured a Philippine claim of proprietary rights on behalf of the heirs of the Sultan rather than a government claim of sovereignty.

By virtually forcing the Philippine government to define its position on the North Borneo issue and Malaysia, the British Note 'cleared the air' and made the Sabah claim official Philippine policy. If its references to the Philippines' 'policy of restraint' had been intended to induce Manila to drop the claim, the Note sadly failed in its objectives. The Philippine government was determined to achieve maximum publicity on the issue, and Lopez made it clear that despite the British affirmation of goodwill towards the Republic, Filipino pride had been insulted. Even before it received the official text of the Philippine aide-memoire, the British government released a statement

2 Ibid., 23 June 1962.
that it was entirely satisfied with its sovereignty over North Borneo, and that it 'would feel bound to resist' a Philippine claim. Officials of the Department of Foreign Affairs in Manila described this statement as indicative of the 'condescending attitude' of the British government.\footnote{Manila Bulletin, 25 June 1962.} The text of the British Note was not published, but Lopez described it as 'not only condescending but stiff and characteristic of British diplomacy.'\footnote{Manila Times, 23 June 1962.}

By mid-1962, the activities of the heirs of the Sultan and their supporters, combined with the 'supercilious' attitude of the British government, seem to have convinced Macapagal that his government should make a formal claim to Sabah. As he stated in his State of the Nation address in January 1963, his own previous involvement with the claim was also an important consideration. The imminent creation of Malaysia was a further important element in the making of this decision.

The Malaysia Proposal

The Tunku's statement of 27 May 1961\footnote{See above, p.56.} was a complete reversal of his government's previous rejection of the idea of merger with Singapore on the grounds that such a federation would be dominated by the Chinese. On the other hand, the Peoples Action Party in Singapore had come to power in 1959 pledged to seek merger with an 'independent, democratic, non-communist, socialist Malaya.'\footnote{See R. Catley, 'Australia, Malaysia and the Problem of Confrontation', Unpublished Doctoral Thèsis, Australian National University, 1967, p.41.}
The change in the Federation's attitude to merger was occasioned mainly by fear of Singapore's turning communist at a time when Laos and South Vietnam seemed under communist attack. In April 1961, the PAP candidate in the Hong Lim by-election was soundly defeated by Ong Eng Guam, a bitter opponent of the PAP leader Lee Kuan Yew. This defeat by the PAP occurred a reversal of the Tunku's previous attitude towards merger with the island, and Lee Kuan Yew was quick to point out that Singapore had no alternative but to accept the Tunku's Malaysia proposal. The PAP's ability to govern seemed in further doubt after the defeat of the PAP candidate in the Anson by-election of 15 July. A few days later, thirteen PAP members split from the party to form the Barisan Socialis, which was opposed to 'British imperialism' and external control of Singapore's security. The Prime Minister, however, denounced the Barisan as a communist front. 

In September 1961, the details of Singapore's 

1 In October 1961, the Tunku warned that Singapore would become 'another Laos or Vietnam' if it did not merge with Malaya. Bangkok Post, 11 October 1961.


3 Straits Times, 26 June 1961.

4 See Catley, op. cit., p.47.

The Barisan stood for 'full and unreserved merger' with the Federation, in which Singapore would become one of the constituent states of the Federation, and Singapore citizens would automatically become Malayan citizens. Lee Kuan Yew, however, said that complete merger was impossible because Singapore's citizenship laws were different from those of the Federation. Straits Times, 25 September 1961.
merger with the Federation were agreed upon, and it was announced that a referendum would be held in Singapore on the merger issue. In October, the Tunku's merger proposal was approved by the Malayan Parliament. The Singapore government in the following month released details of the merger proposals which the Tunku and Lee Kuan Yew had agreed upon in September.

In November, the month of Macapagal's election, the Tunku held talks with the British government on the Malaysia proposal. He stressed the communist threat to Southeast Asia, and indicated that he would not agree to merger with Singapore unless the British Borneo territories also came into Malaysia. The clear implication was that the admission of the Borneo territories was necessary to redress the 'racial imbalance' which would be created by merger with Chinese-dominated Singapore. It was decided in London that a commission should be sent to the Borneo territories to ascertain the views of the peoples of North Borneo and Sarawak.

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1 Straits Times, 18 September 1961.

2 Ibid., 22 September 1961.

3 The main opposition came from the far 'left' and the far 'right'. The Pan Malay Islamic Party (PMIP) argued that Malaysia would not safeguard the rights of the Malays, and that Singapore would not accept Islam as its official religion. On the left, the People's Progressive Party (PPP) and the Socialist Front argued that only a complete merger could meet with the wishes of the people of Singapore. Straits Times, 18 October 1961.


5 Ibid., 18 November 1961.
Although the immediate response of the Borneo territories to the Tunku's proposal was one of rejection,\(^1\) the proposal accelerated political development in the territories. The Tunku and the Yangdi-Pertuan Agong\(^2\) visited Brunei and Sarawak in July 1961, but their visit incited opposition to, rather than support for, the Malaysia plan.\(^3\) The leaders of the political parties in the territories\(^4\) on 9 July 1961 formed a United Front which declared that any plan in accordance with the pronouncements made by Tunku Abdul Rahman in Brunei and Sarawak would be totally unacceptable to the people of the three territories.\(^5\) This declaration did not appear to unduly upset the Tunku, who said that he personally saw no difficulty in bringing


\(^{2}\) The King of Malaya.

\(^{3}\) Ongkili, op.cit., p.22.

\(^{4}\) These were Ong Kee Hui of Sarawak, the chairman of the Sarawak United Peoples Party (SUPP); A.M. Azahari, the president of the Party Ra'ayat of Brunei; and Donald Stephens, who was soon to form the United National Kadazan Organization (UNKO) in North Borneo.

\(^{5}\) In an open letter to the Tunku, in his *North Borneo News and Sabah Times*, Stephens wrote:

> ...We too have our pride, dear Tunku, and even though we are only colonies it is natural that we want to obtain our own independence. To join Malaysia while we are still colonies can mean only one thing - that we would merely cease to be British colonies and become Malayan colonies instead.

*Straits Times*, 8 July 1961. The belief that the Borneo territories should form some sort of confederation before seeking merger with Malaysia was shared by the Governor of Sarawak, Sir Alexander Waddell, and the Governor of North Borneo, Sir William Good. See Ongkili, op.cit., pp.24-6.
the Borneo territories into the Malaysia Federation, adding that the communists were among the largest elements opposing the creation of Malaysia.¹ He had already given assurances that Malaya had no intention of 'colonizing' the Borneo territories.² Later in July, the Borneo leaders went to Singapore for the meeting of the Commonwealth Parliamentary Association, during which Lee Kuan Yew stressed that the problems facing the Malaysia plan were not insuperable.³ At the conference, Donald Stephens, Sabah's most prominent political leader, seemed to become more willing to consider the Malaysia issue.⁴

The conference delegates decided to form a Malaysia Solidarity Consultative Committee (MSCC) to continue discussions on the Malaysia plan.⁵ After talks with the Tunku, Stephens announced that all misunderstandings over the Malaysia proposal had been cleared, and stated that the target date for the Malaysia Federation was 1963.⁶ He also reversed his previous position that a confederation of the Borneo territories should precede the formation of Malaysia.⁷

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1 Straits Times, 12 July 1971.
2 Ibid., 5 July 1971.
3 Lee said, 'We know that our friends in Borneo and Sarawak welcome political association in principle with Singapore and the Federation. The only question is why and how.' Ibid., 22 July 1961.
4 Stephens said that although suspicions that Borneo might become a colony of Malaya were genuine, the time had come for serious thinking 'quietly and in a spirit of friendship and understanding.' Ibid., 25 July 1961.
5 Ibid., 28 July 1961.
7 Ibid., 18 August 1961.
The first meeting of the MSCC was held in August 1961 in Jesselton and was attended by delegates from Sabah, Sarawak, Singapore and Malaya. The communique stated that a number of delegates had expressed fears that Malaysia would mean domination of weaker and smaller territories by the stronger, but had been reassured by the Malayan delegates and promised that the component states of Malaysia would have considerable local autonomy. From 18-20 December, the second MSCC meeting was held in Kuching with all five territories represented. The communique stated that all the Borneo delegates supported the objectives of Malaysia but felt that more clarification of details was needed. The final meetings of the MSCC were held in Kuala Lumpur in January 1962 and in Singapore in February. By that time, the Borneo leaders regarded the Malaysia plan much more favourably than they had in July 1961, and

through the work of the MSCC, through the friendly and no less persuasive bargaining by the Federation and Singapore delegates, through the willingness of the Borneo

1 Brunei did not send a delegation, but Inche Ismail bin Yusooof, Assistant Minister of the Interior in Malaya, announced that Brunei had already indicated its willingness to consider the Malaysia plan. Straits Times, 24 August 1961. The socialist parties of Malaysia, Singapore and Brunei, however, announced opposition to the terms of the merger which Lee Kuan Yew and the Tunku had decided upon in September. Leaders of the Socialist Front of Malaya, the Party Ra'ayat of Brunei, and the Barisan Sosialis of Singapore issued a joint statement which said:

it is a matter of urgency that the Borneo territories should achieve self-determination before they decide on the nature of their association with Malaya and Singapore.

Ibid., 19 September 1961.
leaders to continue to discuss the proposal, the Malaysia plan passed from being a mere idea to partial realization.¹

Shortly after the final MSCC meeting, the Commission of Inquiry led by Lord Cobbold arrived in Kuching on 19 February. Its members included Sir Anthony Abell and Sir David Watherston, nominated by the British government, and Dato Wong Pow Nee and Mohammed Ghazali bin Shafie, who were nominated by the Malayan government. The terms of reference for the commission were:

(a) to ascertain the views of the peoples of North Borneo and Sarawak on this question (i.e. that of Malaysia) and
(b) in the light of their assessment of those views to make recommendations.²

The Cobbold Commission's report was not made public until August, but there were clear indications long before then that it would not hinder the Malaysia proposal. The Tunku had had a disagreement with the British government on the appointment of the Commission's chairman, and made the revealing comment that:

if you appoint the wrong type of commission and get certain recommendations which you find it is not possible to accept, then the whole question of Malaysia will collapse.³

The Commission's report was sent to London on 21 June, and a few days later the Tunku said it had revealed that a majority of the population in the Borneo territories were in favour of the Malaysia proposals.⁴

¹ Ibid., p.57.
³ Straits Times, 6 December 1961.
⁴ North Borneo News and Sabah Times, 29 June 1962.
The Garcia administration had indicated no opposition to the Malaysia proposal, and in October 1961 the Philippine Ambassador to Malaya had stated that his country was watching the progress towards Malaysia with great interest.\(^1\) Macapagal, on the other hand, had long been interested in a possible Philippine claim to Sabah, and the importunings of the heirs of the Sultan apparently helped to convince him that the Philippine government should make a claim on the territory. The timing of the claim was clearly influenced by the Cobbold Commission, and the Philippine Note of 22 June mentioned that the Commission was about to make its report.\(^2\) As Macapagal stated in his State of the Nation address in January 1963, the claim had to be filed 'now or never.'\(^3\)

**Philippine-American 'Irritants'**

A further consideration in Macapagal's decision to present the claim was the nature of the problems in Philippine-American relations during the first months of his administration. During the 1961 election campaign, Macapagal had accused Garcia of being 'soft on communism.'\(^4\) The charge had little validity, but the Nacionalistas retaliated with thinly-veiled accusations that Macapagal was a colonialist 'stooge.'\(^5\)

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2. See above, p.115.
5. As Wurfel points out, no party has yet won an election in the Philippines on the basis of anti-Americanism. Ibid., p.29.
Although Macapagal's victory was regarded as a victory for the 'pro-American' forces in Philippine politics, this impression was soon shattered by the furore caused by his impounding a shipment of American tobacco on the grounds that former President Garcia had admitted it illegally. In retaliation, the Chairman of the U.S. House of Representatives Agricultural Committee threatened to embargo Philippine sugar.¹ Philippine-United States relations were already strained by the announcement that the United States would adopt a global quota system for sugar at the world market price, which was currently half of that paid to the Philippines. When he presented his credentials in Washington, the new Philippine Ambassador, Emilio Abello, expressed fears that the entire Philippine sugar industry would be destroyed.²

On 25 January 1962, the American Assistant Secretary of State, Averell Harriman, protested to the Philippine Embassy in Washington about the impounding of the tobacco shipment, and requested the lifting of the prohibition or the release of the shipment, or 'if this is impossible under Philippine law', requested permission to re-export it.³ According to Macapagal's memoirs, Harriman pointed out that 'the congressmen and others representing the tobacco districts will play a decisive role in the passage of pending United States sugar legislation.'⁴ Macapagal decided to permit the re-export of the tobacco, only to

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2 Ibid.
3 Macapagal, A Stone for the Edifice, p.313.
4 Ibid.
discover that the American exporters would not now agree to such a move. On 9 February, Abello relayed information from Harriman that the 'Kennedy Administration continued committed to support the pending $73 million war damage bill but its passage at this time was endangered by the tobacco groups and their sympathizers in Congress.' Harriman suggested that Macapagal place the tobacco under bond. Macapagal refused to do this on the grounds that the release of the tobacco was 'immoral and illegal', but the Supreme Court ordered that it should be released. In his memoirs, Macapagal comments that 'this case illustrated the area of conflict of interests between the Philippines and the United States.'

A few weeks later, the United States House of Representatives rejected a Philippine War Damages bill for 73 million dollars, despite administration support for the bill. A resolution introduced in the Philippine Congress immediately called for the severance of diplomatic relations with the United States. Macapagal indignantly stated that 'we are not beggars', and recalled Abello 'for consultations.' He also cancelled a proposed State visit to the United States, explaining in a letter to President Kennedy on 14 May that:

...Unfortunately, the disapproval of the $73 million war damage bill by the U.S. Congress shortly before my scheduled arrival in your country has caused nationwide disillusionment and indignation among our people. This regrettable action has been interpreted as a denial of legal and moral commitments to our...
country and as indicating a growing indifference on the part of the American people to the successful solution of the economic problems of a steadfast ally in the struggle against communism...\(^1\)

As a further expression of indignation, Macapagal took the opportunity to rename Dewey Boulevard as Roxas Boulevard, and changed the date of Philippine Independence Day from 4 July to 12 June, the day on which General Aguinaldo had proclaimed the independence of the Philippines in 1898.\(^2\)

The Laotian crisis also provided Macapagal with a source of complaint against the United States. As had the previous administration, Macapagal supported the 'right-wing' elements in Laos and opposed the American preference for Souvanna Phouma and the neutralists. The suspicion that the United States might again\(^3\) sacrifice the Philippines for its interests in Europe was apparently one which Macapagal shared with Garcia. Macapagal writes in his memoirs that:

> if the Philippines were to agree to an American shift of policy in a country in Asia from a firm pro-democratic stand toward support of neutralism because it is in the American interest to do so, the United States would never alter its 'Europe first over Asia' defense policy, to the detriment of the security of the Philippines and other Asian nations. The previous partition of Korea and Vietnam into states would continue as a pattern because of American reluctance to make a determined stand against communist expansion in the region.\(^4\)

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2 Ibid.,
3 As has been indicated above (p.36) this fear seemed to stem from the experiences of the Second World War.
4 Ibid.
He found the opportunity to express dissatisfaction with the American policy of supporting neutralism in Laos when Boun Oum and Phoumi Nosavan, representatives of the 'right-wing' in Laos, visited Manila in May during a tour of Asian capitals to enlist support for their cause. The Joint Communique released after the visit stated, inter alia:

President Macapagal...said that the Philippines Government and people sympathize with the struggle of the Laotian people to safeguard the independence and territorial integrity of their country. The President deplored the fact that the anti-communist forces in Laos have been receiving less support from the West than the neutralists. He declared that this policy can only weaken the defenses of the Free World since a so-called 'neutral' Laos under a coalition regime runs the risk of falling under communist control. In the particular context of the situation in Laos, the President affirmed that neutralism would serve as the gateway to communism.1

A Malacañang press release also stated that Macapagal's avowals of support for Phoumi 'carried undertones of the deteriorated relations between the peoples of the Philippines and the United States.'2

Particularly in view of the difficulties the


2 Manila Chronicle, 31 May 1962. Macapagal said 'that is Press Secretary Rufino Hechanova's statement, not mine.' This was an unlikely explanation, particularly in view of previous press reports that Macapagal personally wrote his press releases, and then asked Hechanova to type them. Manila Chronicle, 11 February 1962.
State Department was having with Phoumi, this statement was not well received in Washington. Abello reported on 31 May that:

I conferred with Gov. Harriman today at his request regarding President's Laotian statement. President Kennedy was very distressed over our opposition to his Laotian policy which heretofore he assumed carried our support in the light of your previous conference with Ambassador Stevenson on the subject and over charge that West has given less support to the Government of Boun Oum than neutralists.... President Kennedy resentment so deep I am afraid it might weaken his enthusiasm for actively supporting our pending requests.

Macapagal, however, continued to oppose neutralism for Laos, and sent a telegram to Abello on 1 June which stated: President desires to inform he does not recall having indicated support for pro-neutralism

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1 The Kennedy administration had been putting pressure on Phoumi to join with Souvanna Phouma's neutralists and Souvanavong's Pathet Lao to form a coalition government. Phoumi, however, proved intransigent. Early in May, Phoumi's forces were decisively defeated at Nam Tha. The Laotian crisis flared up again, and there were deep differences among Kennedy's advisers as to whether U.S. ground troops should be committed. On 12 May, the U.S. government announced it was sending the Seventh Fleet to the Gulf of Siam; three days later, it announced that troops were being sent to Thailand. On 25 May, Krushchev announced that the USSR continued to support the establishment of a neutral Laos, although the American landings had hindered a settlement. Phoumi was 'persuaded' to join a coalition, and on 11 June, Souvanna Phouma announced that agreement had been reached on the composition of a government of national union. The Geneva agreements neutralizing Laos were signed on 23 July. Hilsman, op. cit., pp.138-51. See also George Modelski, International Conference on the Settlement of the Laotian Question, 1962-62 (Department of International Relations, A.N.U., 1962).

Laos policy in conference with Ambassador Stevenson. President declined also state his position thereon to Governor Harriman pending availability of more information. President's expressed view on Laos which conforms to traditional Philippine policy against neutralism is universally supported by our people.1

The Sabah claim was a further issue on which Macapagal could display his 'independence' of the United States and refute Nacionalista allegations that he was a colonialist 'stooge'. In February 1962, the Counsellor of Political Affairs of the U.S. Embassy in Manila, Max C. Krebs, informed Simeon Roxas of the Department of Foreign Affairs that his government desired the avoidance of adverse relations between Britain and the Philippines, 'mutual friends' of the United States. He further stated that the U.S. government had not 'acquired title to North Borneo under the Treaty of Paris....or under the subsequent sovereignty over the Philippines from Spain,' and that in 1904, the U.S. government adopted the position that 'Spain had renounced sovereignty over the Borneo territories belonging to the Sultan of Sulu in favour of Great Britain.' Moreover, Krebs stated, the Washington Convention of 1930 'declared the state of North Borneo to be under a British Protectorate.'2

Seen in the light of 'irritants' in Philippine-American relations early in 1962 and explicit American disapproval of a Philippine claim to Sabah, the Sabah issue was at least partly an attempt to 'tweak the feathers of the American eagle.' It was, moreover, a 'low-risk' gesture in that it did not affect American installations, investments

1 Ibid., p.15.
2 Nisperos, op.cit., Chapter 8, p.20.
or markets in the Philippines. Nor did it seem likely to present serious difficulties for American policy in Asia. As Leifer has pointed out, it was much easier for Macapagal to 'select as the object of nationalist abuse a country whose power had noticeably declined'\(^1\) than to directly threaten American interests in the Philippines. In this way, Macapagal could try to achieve 'respectability' in the eyes of the leaders of the Afro-Asian states without sacrificing the 'special relationship' with the United States.

There were undoubtedly other considerations which influenced the decision to lay claim to North Borneo. By mid-1962, the 'Stonehill scandal', caused by the activities of an American businessman, had implicated members of Macapagal's cabinet, and led to the dismissal of his Secretary of Justice.\(^2\) It is possible that Macapagal believed that the North Borneo claim would help to divert attention from the embarrassments which the Stonehill affair had created for an administration which had pledged itself to end graft and corruption. As had been pointed out,\(^3\) there was also an aura of private greed which surrounded the claim, particularly as a result of Osmeña's somewhat dubious activities and the reputed wealth of Sabah.\(^4\) Macapagal himself appeared to lend some credence to the views of the critics who viewed Filipino greed as being a motive for the claim when he wrote that 'aside from being important to the national security, the territory, if reacquired by the Philippines, would be

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2 See Hanna, 'Honest Mac, the tao of Malacanang', p.145.
3 Leifer, op.cit., p.1.
4 The Philippine press often referred to Sabah as 'timber-rich' and, erroneously, as 'oil-rich'.
a boon to future generations of Filipinos. ¹

The motives for the Philippine claim to Sabah appear to be as complex as the historical background of the dispute itself. It seems clear, however, that among the most important considerations was the desire to promote a sense of Philippine national identity and independence of the United States. As has been demonstrated, Philippine policy towards the formation of ASA had been greatly influenced by a sense of dissatisfaction with British and American policies in Southeast Asia. In this sense it was somewhat ironic that the Sabah claim almost inevitably was to lead to a suspension of ASA's activities. The evidence strongly indicates that Macapagal was not particularly interested in ASA, but it should not be assumed that he had no interest in Southeast Asian regional cooperation.

The Philippine government was anxious to demonstrate its 'independence' of the United States, but at the same time feared abandonment by the West in the face of a perceived communist threat. It was this perception of a communist menace which was to lead Macapagal to attempt to secure Indonesian participation in a tacitly anti-communist regional association.

¹ Macapagal, A Stone for the Edifice, p.269.
CHAPTER FOUR

PRELUDE TO MAPHILINDO: THE MALAYAN
CONFEDERATION PROPOSAL AND ASSOCIATED EVENTS

Philippine policy in Southeast Asia during the period from July 1962 to January 1963 presents a picture of considerable confusion. This confusion arose partly from the impact of the Sabah claim on ASA, especially after the British and Malayan governments had rejected the claim. It was also a reflection of growing indications of Indonesian opposition to the formation of Malaysia at a time when Philippine relations with Indonesia were improving. These developments meant that Macapagal was increasingly emphasizing the 'anti-colonialist' nature of Philippine foreign policy without relaxing his rigid anti-communist stance. Above all, the uncertainties in Philippine policy stemmed from the fact that for the first time the Republic had taken a major foreign policy initiative in the face of explicit American disapproval. For some months after the presentation of the Sabah claim, Philippine foreign policy seems to have been basically a reaction to decisions made in London, Kuala Lumpur and Djakarta.

Despite the apparent confusion in Philippine policy, there was no change in the administration's insistence that 'communist expansionism' posed a threat to the region. In an address to the United Nations in September 1962, Pelaez said:

In the field of international security, the position of the Philippines remains basically unchanged. We are committed, in the sense of belonging to a collective security organization - the SEATO - operating within the framework of the United Nations Charter for mutual protection
against the menace of Communist subversion and thinly disguised aggression, which is very real and pressing in Asia today.¹

Although Macapagal, like Garcia, had expressed dissatisfaction with American policy on Laos, the increasing American commitment to South Vietnam seemed to assure the Philippine government that the United States would not abandon Southeast Asia. The Philippine government regarded itself as something of an authority on counter-insurgency, and the Undersecretary of Defence indicated in October that his government might extend technical advice to South Vietnam on the problem of communist insurgency; he stressed that such aid would be given within the framework of SEATO.²

The Malayan Confederation Proposal

The anti-communist tenor of Philippine policy remained unchanged, but the Sabah claim threatened to create a dispute between the Philippines and Britain. The presentation of the claim did nothing to hamper the British government's plans for the 'tidying-up' of the remnants of its colonial possessions in Southeast Asia. Duncan Sandys, the British Minister for Commonwealth Relations, who according to Hilsman had the reputation of an 'international tough guy',³ regarded the Borneo territories as a British responsibility and would brook no outside interference in their disposition. In its Note of 27 June, the Philippine government had requested conversations to discuss the North Borneo issue. The British government did not reply to this Note until 7 August, six days after Malayan and

² Ibid., p.31.
³ Hilsman, op.cit., p.385.
British representatives in London had announced that Malaysia would be formed on 31 August 1963. It was this 'bull-in-the-China-shop'\(^1\) treatment of the Philippines by Sandys that exacerbated nationalist sentiments in the Philippines and made the government's position less flexible.

The Malayan government, on the other hand, was unwilling to alienate a co-member of ASA and professed a more conciliatory attitude to the Philippine claim. Early in July it was announced that the Tunku and Lee Kuan Yew would go to London for discussions on the recommendations of the Cobbold Commission.\(^2\) Although Lee said that the Philippine claim would not prevent North Borneo from joining Malaysia, the Tunku was apparently more conscious of Filipino sensibilities. He maintained the view that the claim was entirely a matter between the British and Philippine

\(^1\) Ibid.

\(^2\) Not surprisingly, the Commission found that Malaysia was not opposed by a majority of the peoples of the Borneo territories. Its assessment stated that 'About one-third of the population in each territory strongly favours early realisation of Malaysia without too much concern about terms and conditions. Another third, many of them favourable to the Malaysia project, ask, with varying degrees of emphasis, for conditions and safeguards varying in nature and extent.... The remaining third is divided between those who insist on independence before Malaysia is considered and those who would strongly prefer to see British rule continue for some years to come. If the conditions and reservations which they have put forward could be substantially met, the second category referred to above would generally support the proposals. Moreover once a firm decision was taken quite a number of the third category would be likely to abandon their opposition and decide to make the best of a doubtful job. There will remain a hard core, vocal and politically active, which will oppose Malaysia on any terms unless it is preceded by independence and self-government: this hard core might amount to near 20 per cent of the population of Sarawak and somewhat less in North Borneo.' Report of the Commission of Inquiry, North Borneo and Sarawak, p.50.
governments, but added that his government was willing to mediate if necessary. Pelaez 'appreciated' the offer of mediation, but indicated that his government would not accept it because it was still awaiting the British reply to the Note of 22 June.

The London negotiations were still in progress when on 25 July Lopez summoned the Malayan Ambassador, Inche Zaiton, and specifically denied that the Sabah claim was aimed at obstructing the formation of Malaysia. According to a Malayan government White Paper, Lopez gave an assurance that his government fully supported the principle which formed the basis of the Malaysia proposal, but stated that the North Borneo claim was a long-standing affair which had been neglected by previous governments but was now being taken up by the Macapagal administration. He 'regretted' that it came at a time when the Federation was putting forward the Malaysia proposal but hoped that the dispute could be resolved by the time Malaysia was formed. Lopez informed the Malayan Ambassador that President Macapagal was so taken up with the principle of Malay States coming together that he intended to 'announce an even bigger proposal in the form of a Confederation of Malay States consisting of the Federation, Singapore, the Borneo territories and the Philippines.' It was significant that it was Lopez and not Pelaez who informed the Malayan Ambassador of Macapagal's intention to propose a wider Confederation of Malay States. There is every indication that it was Lopez who was pressing for the Confederation proposal, while

2 Ibid., 14 July 1962.
3 Malaya/Philippine Relations (Kuala Lumpur, 1963), p.4.
4 Ibid.
Pelaez continued to hold the view that it was more important to maintain and strengthen ASA.\(^1\) At the Special Meeting of ASA Foreign Ministers in the Cameron Highlands in April, Pelaez had been placed in an embarrassing position by Lopez's statement that the Philippines should commence negotiations with Britain before North Borneo was incorporated into Malaysia.\(^2\) The Foreign Secretary had expressed strong support for ASA, and agreed with the Tunku that it was the communists who were trying to wreck both ASA and the Malaysia plan.\(^3\)

Two days after Inche Zaiton's meeting with Lopez, President Macapagal held a press conference at Malacañang. After expressing his confidence that the British government would agree to hold discussions on the Philippine claim to North Borneo, he stated that the claim had been criticized by the foreign press on two main grounds: that the Philippines was deliberately hampering or sabotaging the Malaysia project; and that it was preventing the creation of a stable Malaysia Federation which would stand as a powerful bulwark against communism. The second accusation, the President said, was clearly unfounded in view of the fact that 'the anti-Communist records of Malaya and the Philippines are equally outstanding, and that their

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1 Interview with Salvador P. Lopez, Canberra, 7 May 1970.

2 See above, p.109.

3 Pelaez urged that ASA become a 'vibrant reality' and not a 'gravestone for committee reports and recommendations... buried in tombs of inaction'. Manila Chronicle, 4 April 1962. Dr Thanat took the opportunity to castigate the critics of ASA who 'nurture evil designs to see us weak and divided' and 'immediately launched against us a wicked campaign of smear and misrepresentation.' ASA Report of the Special Meeting of Foreign Ministers, (Kuala Lumpur, 1962), p.17.
cooperation in this field is certain to continue.' Equally baseless was the charge that the Philippines was hampering the formation of Malaysia. The Tunku, he pointed out, had said that he wanted North Borneo to come into the Federation on a 'clean slate', and the Philippines 'too would like earnestly to see this dispute settled peacefully as soon as possible, preferably before any final decision is taken in regard to the future of the territory.' Having clarified these two points, the President observed that the Philippines was loyally committed to the principle of self-determination of the peoples. 'Therefore, if the necessity of ascertaining the wishes of the inhabitants of North Borneo regarding their future should arise at any time, the Philippines would support their desire to exercise this right, preferably in a plebiscite under the auspices of the United Nations.'

The President continued:

The unity of the Malay peoples is an objective that goes back to the beginning of their history. Realised once or twice in historic times, this unity was destroyed, first by dissension among themselves and in more recent times by the coming of the Western colonial powers.

Now that the colonial powers are on the point of finally liquidating their empires in our region, the time has come when we, the Malay peoples, must try to discover anew a broader basis for more effective cooperation and unity.

I do not believe that we should leave this vital task to the outgoing colonial powers. This is a task which we Malay peoples must ourselves do. If they have a project for territorial integration, let us go them one better by having our own broader project for political, economic and cultural unity. If they advance a project for national federation, let us go beyond that and think in terms of a regional confederation.

Accordingly, I suggest the idea of a greater Malayan Confederation comprising, to begin with, the Federation of Malaya, the Philippines, Singapore, Sarawak, Brunei and North Borneo. In this way, the great arc of islands consisting of the Philippine archipelago, North Borneo, Singapore and the Malay peninsula would form a formidable geographical, cultural, economic and political unity that would be a power force for freedom, progress and peace not only in Asia but in the world.

I submit this idea of a Greater Malayan Confederation to the serious consideration of everyone concerned. This is decisive proof against the sophistry and deception of those who would accuse us of trying to sabotage the unity of Malaysia. The unity of the Malay peoples is the business of the Malay peoples. We must forge it ourselves by our own efforts, out of our sense of history and our recognized community of interests. We should not accept a European project as a substitute for an Asian project, planned and carried out by Asians themselves, in the true and enduring interest of the Asian world.¹

Two of the most striking features of Macapagal's proposal were that it appeared to have been hastily conceived; and that it did not include Indonesia. The idea of a Confederation of Malay States was not a new one, and the concept had been discussed during Tunku Abdul Rahman's visit to the Philippines in 1959 and during President Garcia's visit to Malaya in 1961. In Malaya, a section of the Pan Malay Islamic Party (PMIP) had proposed that Indonesia and the Philippines be brought into the Malaysia plan.² President Macapagal's plan, however, was nothing more than a vague outline of an idea. For fourteen months the Malayan government had been working on the Malaysia plan, and had set a definite

¹ Ibid.
² Straits Times, 2 July 1962.
date for the creation of the new federation, yet Macapagal stated that the Confederation of Malay States would 'supersede' Malaysia.\(^1\) In response to criticism by Senator Sumulong that the Philippine plan had not been presented in detailed form, the President said that the Department of Foreign Affairs was preparing the details and that it would not be useful 'at this stage to go into the matter step by step.'\(^2\) Macapagal's proposal stemmed from a request by Lopez that the University of the Philippines prepare an outline of a plan for a Malay Confederation.\(^3\) The study prepared by a faculty committee, entitled 'Proposed Outlines of a Greater Malayan Confederation', made it clear that the primary purpose of the Confederation proposal was to prevent the formation of Malaysia and 'keep open the avenue to a negotiated settlement of the status of North Borneo.'

The timing of Macapagal's proposal, which had been made while the Tunku was negotiating with the British government, was an indication that his main concern was to prevent North Borneo from being incorporated into Malaysia. In an interview with the *Straits Times*, the President stated that if the British declined to hold talks on the North Borneo question, Malaysia should 'go ahead without

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2. Ibid.

3. The University of the Philippines organized an *ad hoc* research committee headed by Professor Cesar Adib Majul, and with Estrella D. Solidum, Reynaldo J. Gregorio and Alejandro M. Fernandez as members. *Philippines Free Press*, 22 June 1963. B.K. Gordon quotes from this study on pages 22 and 23 of *The Dimensions of Conflict*. 
North Borneo.¹ Officials of the Department of Foreign Affairs were quoted as saying that the 'least' the Tunku could do would be to include the territory in Malaysia with reservations. An alternative suggestion was that he could ask for the transfer of the 'lease' of North Borneo from the United Kingdom to the Malaysia Federation so that negotiations could later be held between the Philippines and Malaysia.²

How important the 'pan-Malay' idea was to Macapagal and Lopez is difficult to judge. In the 1930s both had been members of a youth organization Young Philippines, whose leading theorist, Wenceslas Q. Vinzons, envisaged a Malaya 'Irredenta' which would bring the Malay nations together.³ Whether the pan-Malay idea was a product of genuine conviction or a rhetorical device, it provided Lopez and Macapagal with a means of demonstrating their 'independence' of the United States.

It was hardly surprising that the Malayan and British governments did not enthusiastically embrace Macapagal's proposal. From London, the Tunku referred to the Greater Malayan Confederation proposal as 'an extremely good idea', but said that 'such a big project must take a lot of time. There must be problems galore. I don't think I am in a position to tackle them as yet.'⁴ The Malayan Ambassador to the Philippines described the project as 'very good' but indicated that his government was still waiting for the details. He made it clear that Macapagal's

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¹ Straits Times, 1 August 1962.
² Manila Bulletin, 1 August 1962.
³ Macapagal, A Stone for the Edifice, p.254.
⁴ Straits Times, 28 July 1962.
proposal could be considered only after the formation of Malaysia. The attitude of the Singapore government was expressed by the Acting Prime Minister, Dr Toh Chin Chye, who stated that it was necessary first to establish Malaysia before attempting to form a wider confederation. The British government, which at the time was engaged in a dispute with the Philippines regarding landing rights for Philippine Air Lines in Hong Kong, declined to comment, and the London Times remarked editorially that London had shown little interest in Macapagal's suggestions.

The British Rejection of the Claim

On 1 August 1962, the British and Malayan representatives in London reached agreement on the Malaysia plan and announced in a communique that 31 August 1963 would be the date of the formation of the new Federation. The Philippine government was not informed whether or not North Borneo was to be included without reservation in the Malaysia plan. Its anxiety on this point was reflected in an aide-memoire which Pelaez handed to the Malayan Ambassador on 2 August. Expressing his 'satisfaction' at the London agreement 'insofar as it represents a step forward in the

1 Manila Chronicle, 30 July 1962. Press comments in Malaya and North Borneo were cool towards the Philippine proposals. The Malay Mail stated in an editorial that 'though Tunku Abdul Rahman has been too polite to say so, there is a distinct lack of finesse about the timing of President Macapagal's call for a Confederation.' (Malay Mail, 30 July 1962). At opposite ends of the Malayan political spectrum, both the PMIP and the Socialist Front favoured the inclusion of Indonesia in any proposed Malay Confederation. (Manila Chronicle, 29 July 1962).

2 Manila Times, 29 July 1962. Thanat Khoman was also reported to have indicated that he favoured the original Malaysia scheme.

3 The Times, 31 July 1962.
direction of increased co-operation and unity among Asian peoples', Pelaez stated his belief that this step would ultimately lead to a broader integration of the Malay peoples, as envisaged by President Macapagal in his 'historic declaration of 27 July 1962 advocating the establishment of a Malayan Confederation.' The Note continued:

The Secretary of Foreign Affairs expresses the hope that the signing of the agreement in London for the establishment of a Greater Federation of Malaysia does not constitute, on the part of the Government of the Federation of Malaya, a desire or intention to ignore the Philippine claim to North Borneo of which it is fully aware.

The Secretary of Foreign Affairs requests the Malayan Ambassador to convey to his Government these views and considerations of the Philippine Government as well as the hope that the actions and decisions on his Government in regard to the disputed territory of North Borneo will in no way effect adversely the fraternal relations existing between the two countries as evidenced by the strong support they have given to ASA.¹

The 'sting in the tail' of this Note was the reference to the possibility that the North Borneo claim could disrupt ASA if the Malayan government continued to ignore the Philippine arguments; it was also noteworthy that the aide-memoire had been sent not by Lopez but by Pelaez, whose concern with ASA was known to be greater than that of his Undersecretary. In Manila impatience was increasing because of the British government's tardiness in replying to the

¹ Malaya/Philippine Relations, pp.19-20.
Philippine Note of 22 June. On 7 August, the British reply to the Philippine Note was handed to the Philippine Ambassador in London. The Note pointed out that the Sulu Sultanate was no longer in existence, and that the Philippine government had not recognized the spiritual authority of the Sultanate after Jamalul Kiram's death in 1936. The Note also flatly rejected the Philippine claim and request for discussions on the issue:

The view of Her Majesty's Government regarding the present sovereignty over Borneo was set out in the aide-memoire handed to His Excellency the Philippine Ambassador in London on the 24th of May, 1962. Her Majesty's Government have not been made aware of any grounds on which the view expressed in that aide-memoire could be called in question and they observe that none is suggested in the present Note from the Philippine Government. Her Majesty's Government therefore find it difficult to understand what propositions the Government of the Philippines would seek to advance in conversations of the kind they have suggested.2

The Malayan government indicated some anxiousness to prevent

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1 At a conference with Lopez, Ambassador Romeo Busuego, Ambassador Eduardo Quintero and Representatives Godofredo Ramos and Jovito Salonga, Pelaez said that the British government had not yet replied to the Philippine Note which had been sent five weeks previously. Ramos pointed out that the British government had answered within forty-eight hours a Philippine Note concerning the PAL/BOAC controversy. He and Salonga stated that they regarded the British attitude as 'an affront to the dignity of the Philippines' and that they had asked Pelaez to send a second Note demanding an answer 'one way or another'.

an open dispute with the Philippines, but the activities of Nicasio Osmeña in Kuala Lumpur did little to improve matters.

The Instrument of 12 September

After the British rejection of the claim, Macapagal was apparently irritated by the 'condescending' attitude of the British government and became more resolved in his determination to press the issue. Some officials of the Department of Foreign Affairs, however, were doubtful that the Philippine government could put forward a convincing legal argument, particularly as the Instrument of 24 April 1962 appeared to have two major defects. There was some doubt whether Esmail Kiram had the authority to transfer sovereign rights over the territory without the authority of his council, the Ruma Bechara. The second limitation

1 Following delivery of the British Note, Ambassador Zaiton called on Pelaez to deliver a clipping of a Straits Times article of 2 August which discussed the Tunku's willingness to mediate in the North Borneo dispute. Pelaez acknowledged the offer as 'very interesting and reassuring.' Manila Chronicle, 9 August 1962. In Kuala Lumpur, Mohammed Sopiee stated that it was possible that Malaysia would take over the 'lease' on North Borneo from the British and continue to pay the annual payments. Ibid.

2 According to the Malayan White Paper, Osmeña attempted to see the Tunku with a view to obtaining a cash settlement of the North Borneo claim, which he alleged he had full authority to do. The Tunku refused to see him on the grounds that the dispute over the sovereignty of North Borneo was strictly between the Philippine and British governments (Malaya/Philippine Relations, p.5.). Lopez, however, denied that Osmeña's activities were sanctioned by the Philippine government (North Borneo News and Sabah Times, 21 September 1962). The more dubious activities of the Sultan's heirs were also highlighted by accusations by Representative Ramos that he had been offered a million dollar bribe to favour an 'unnamed group' in the North Borneo controversy (Manila Chronicle, 22 August 1962).

3 See above, p.107.
of the 24 April document was that it did not include the signature of Ombra Amilbangsa, who was also claiming the title of Sultan. In May 1962 Ambassador Eduardo Quintero had been recalled from the United States and designated Ambassador in charge of the North Borneo case. Quintero was apprehensive about the Philippine government's legal position, and the Note of 22 June reflected this uncertainty in the imprecision of the phrase 'there is a dispute between the Sultan and the Philippine Government on the one side and Her Majesty's Government on the other regarding the ownership and sovereignty over North Borneo.' In August 1962, Quintero travelled to Jolo to achieve two objectives: namely, the selection and recognition of a legitimate Sultan of Sulu, and the execution of a formal instrument of cession of the territory from the Sultanate of Sulu to the Republic of the Philippines. On 12 September, Esmail Kiram signed a document which stated, *inter alia*:

> The Territory of North Borneo and the full sovereignty, title and dominion over the territory, are hereby ceded by His Highness, Sultan Mohammad Esmail Kiram, Sultan of Sulu, acting with the advice and authority of the Ruma Bechara, to the Republic of the Philippines, fully confirming and ratifying the stipulations in the Instrument of April 24, 1962....

Quintero also succeeded in persuading Ombra Amilbangsa to formally associate himself with this Instrument. This document, which was not made public at the time, did not forestall possible objections to the Philippine claim. There was, for instance, the problem of the lapse of five months between the two Instruments, which meant that the Instrument

1 Nisperos, op. cit., Chapter 8, p.40.

2 See above, pp.115-6.

3 See Appendix III.
of Cession could not be given an exact date. This possible
difficulty notwithstanding, on 12 September the Philippine
government replied to the British Note of 7 August. Since
Pelaez was about to join the Philippine delegation to the
United Nations, Macapagal was apparently anxious that the
Vice-President should be in Manila when the Note was delivered
to avoid further speculation that the government was divided.\(^1\)
The Note contained a lengthy defence of the rights of the
Sultan of Sulu over North Borneo, and the Philippine government
indicated that it was basing its case on the 1939 decision
of the High Court of North Borneo; the contention that the
1878 document was a lease and not a cession; and 'not only
on the letter of February 6, 1962, but on a number of other
documents whose contents will be revealed at the proper
time.' The Note reiterated that the Philippine government
would not accept the London agreement as a \textit{fait accompli}
tending to set aside the Philippine claim, and repeated the
Philippine request for talks on the issue.\(^2\) After the Note
had been delivered, a British Foreign Office spokesman was
quoted as saying that the British government still had
nothing to talk about.\(^3\)

\textbf{The Future of ASA}

As Malaysia Day drew closer, it became apparent
that the Philippine government was unwilling to drop the
claim in the interests of ASA solidarity. On 25 September,
the Tunku made his first major public statement on the

\begin{itemize}
  \item \textbf{1} Manila Bulletin, 12 August 1962.
  \item \textbf{2} Philippine Claim to North Borneo, Vol.I, pp.159-61.
  \item \textbf{3} Manila Bulletin, 22 September 1962. This statement
clearly irritated Lopez, who said at a press conference
on 21 September that 'we must get away from this stance
of nothing to talk about.' Manila Chronicle, 21 September
1962.
\end{itemize}
North Borneo issue. The Borneo claim, he said, was 'indeed unfortunate' since the Philippines and Malaya were both members of ASA. When the territory became part of Malaysia, it would be handed over on a 'clean slate.' 'We are', he said, 'in no position to question the British right to this territory because for nearly 100 years their right to it was never questioned.... If we are clear on what the Philippines really want, we might, when merger takes place, discuss the matter with them. But at the moment we would not like to be drawn into this dispute.' The Tunku was also reported as having stated in an interview with a Malay newspaper that he might not attend the ASA Foreign Ministers Meeting in Manila in December if the dispute between Britain and the Philippines continued. Lopez reacted sharply to this statement by informing the Malayan Ambassador that the Tunku's failure to come to Manila would 'introduce an element of crisis in Philippine-Malayan relations.'

The Tunku's response to Lopez's reference to the possibility of a crisis in Philippine-Malayan relations was to issue a statement that 'at present it is my intention to attend the ASA conference of Foreign Ministers in Manila because I have great faith in this organization for the upliftment of the standards of living of the peoples of this region. On the other hand, if the feeling about the dispute over North Borneo continues to mount, my presence there would be embarrassing to the Governments concerned and it

1 Straits Times, 25 September 1962.
2 Ibid., 26 September 1962.
3 Philippines Herald, 26 September 1962.
would be better if I did not go.' In Manila, Lopez regretted that the Tunku had linked ASA with the North Borneo question, stating that 'if the future of ASA should...be adversely affected by the development of the North Borneo question, the Philippine Government must recall that the attempt to connect the two is not of its own making.' The statements of Lopez and the Tunku clearly indicated that the North Borneo question was leading the Philippines towards an open dispute with Malaya as well as with Britain and that the survival of ASA was in doubt.

On 3 October 1962, the Malayan government handed to the Philippine Ambassador an aide memoire in reply to the Philippine Note of 2 August. The Note stated that the Malaysia proposal was in accordance with the wishes of an overwhelming majority of the peoples of the Borneo territories, and that the new Federation would be formed by 31 August 1963. The aide memoire denied that the Philippine claim had any validity whatsoever and concluded that:

It may be pointed out that there has been no intention on the part of the Federation of Malaya to link the issue of the Philippine claim to North Borneo with ASA. However in view of the fact that undue excitement has been aroused in the Philippines over this matter the Prime Minister of the Federation of Malaya does not consider it advisable for him personally to attend the ASA Conference in which case the Federation of Malaya will be represented by another Minister unless of course the excitement will have died down by then.

Lopez's answer to the Malayan aide memoire took the form of a lengthy interview with the Philippine Free Press.

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1 Straits Times, 26 September 1962.
3 Malaya/Philippine Relations, p.21.
on 7 and 9 October 1962. Asked to comment on the Tunku's claim that the Philippines did not seem to know what it wanted, Lopez retorted 'What we want is very simple. We want North Borneo back!' He reiterated that in March the Tunku had told Pelaez that he would accept North Borneo on a 'clean slate', but the Prime Minister had recently changed his attitude 'and is now eager to accept North Borneo at all cost, and later discuss the Philippine claim.' By stating that 'we are in no position to question the British right to this territory because for nearly 100 years their right to it was never questioned', the Tunku, Lopez said, had shown himself to be virtually an 'apologist for imperialism.'

This interview was also significant because Lopez, for the first time, indicated the geographical extent of the Philippine claim when he stated that 'the Philippine Government's claim to North Borneo is limited to the area that formed part of the Sultanate as of the deed of 1878. Any accretions to the territory, if any, cannot properly be claimed by us, unless the British themselves voluntarily include these areas with the rest of North Borneo in the settlement.'

Referring to ASA, the Undersecretary stated that the Philippine government had been seriously studying the question of North Borneo before ASA had been formed; 'indeed, the dream of a Malaysia Irredenta had obsessed for decades many of our intellectuals and political leaders, so that when ASA was established, we looked upon it as a first downpayment on the realization of that dream. Actually whether North Borneo goes to the Philippines or to Malaya, it will remain within ASA or within the Greater Malayan

Confederation conceived by President Macapagal.' Lopez, it appears, was uncertain whether or not the Confederation would replace ASA as well as Malaysia.

The North Borneo Referendum Issue

The appearance of hasty improvisation in Philippine policy was emphasized by the confusion over the issue of a referendum in North Borneo. President Macapagal, in the press conference at which he announced his Greater Malayan Confederation scheme, had stated that if the necessity of ascertaining the wishes of the people of North Borneo regarding their future should arise at any time, the Philippines would support their desire to exercise this right, preferably in a plebiscite under United Nations auspices. It was not clear whether the referendum was to be held before or after the legal claim was settled. In his address to the United Nations General Assembly on 27 September, 'Pelaez stated that the claim had been put forward 'without prejudice to the exercise of the right of self-determination by the inhabitants of North Borneo, preferably under United Nations auspices.'

The Vice-President was also quoted as saying that 'if the people of North Borneo choose to be part of a Malayan federation - and say so in a plebiscite - then we will have no objection whatsoever.' The Tunku welcomed Pelaez's suggestion of a referendum, but was careful to point out that such a referendum should be held after the formation of Malaysia.

The statements of Lopez and Macapagal in Manila did not carry the same conciliatory note towards Malaya as


2 Manila Chronicle, 2 October 1962.

3 Straits Times, 2 October 1962.
did those of Pelaez in New York. Lopez said that North Borneo should be handed over to the Philippines to strengthen the bulwark of democracy in Southeast Asia, and insisted that the holding of a referendum should not prejudice the proprietary claims of the heirs of the Sultan of Sulu.¹

The contradiction between the reported views of Pelaez and those of Lopez on the North Borneo referendum question became explicit on 7 October, when Pelaez was accused of misrepresenting the views of his government. The Vice-President's chief critic, however, was not Lopez but Senator Ferdinand Marcos, the President of the Liberal Party. Before leaving for New York to join the Philippine U.N. delegation, Marcos stated that Pelaez 'was not authorized to commit the Philippine Government to a referendum by the inhabitants of North Borneo before the Philippine claim is settled.'²

1 Manila Bulletin, 3 October 1962. In his Free Press interview in October, Lopez said:

We are committed to a plebiscite, but after the Philippine claim to North Borneo is settled. North Borneo is not Antarctica, inhabited by penguins. This is a land with people, whose feelings must be considered. The logical thing to do is to settle the question of ownership but let the owner, whoever it is, pledge himself to respect the wishes of the inhabitants regarding the future.

If we hold a referendum now, while the dispute remains, then we are proposing a political solution in advance of the determination of the legal issue. The process should be reversed; there should first be a legal, then, a political solution.

I am merely reiterating the President's view of the matter. In my opinion what the President had in mind in his July 27 statement was to conduct the referendum after our North Borneo claim is settled and before North Borneo is incorporated into the Malaysian federation.


2 Manila Chronicle, 7 October 1962, p.4.
This statement was reportedly authorized by the President himself. Marcos claimed that in his July press conference the President's position was 'to the effect that the Government supported self-determination by a referendum in North Borneo to be conducted upon the settlement of our claim.' Macapagal, however, had in fact stated that the Philippines would agree to a referendum in the territory 'at any time.' The Department of Foreign Affairs was quick to rally to Pelaez's defence and denied that the Vice-President had committed the Philippines to a referendum in North Borneo before the Philippine claim was settled.

As Senator Tolentino pointed out, the public feud between the two Government officials had further confused the Philippine position. The clash between Marcos and

1 Ibid.
2 Ibid.
5 Ibid., 10 October 1962. Macapagal attempted to settle the matter by sending identical telegrams to the disputants, and later in October Marcos issued a statement that 'upon motion of Senator F.E. Marcos, the Philippine delegation to the United Nations recommend to the Philippine Government in Manila the sending of a Note to the British Government for the Philippine and British Governments to agree to the compulsory jurisdiction of the International Court of Justice for the settlement of the dispute. Vice-President Pelaez concurred in the motion.' (Manila Bulletin, 24 October 1962).
Pelaez seems to have been primarily due to political rivalry between them, as both were likely contenders for the Presidency in the 1965 elections.\(^1\)

Despite the confusion in Philippine policy statements on ASA and the Malay Confederation as well as on the Borneo referendum question, there were indications that Macapagal and Lopez were thinking of a wider confederation which would include Indonesia. Macapagal had stated that the Confederation would consist of Malaya, Singapore, the Borneo territories and the Philippines 'to begin with'; the implication was that the other 'Malay state' in the region might be persuaded to join. This hope reflected the considerable improvement in Philippine-Indonesian relations which had followed Macapagal's election.

**Philippine-Indonesian Relations 1961-1962**

The Macapagal administration came to office during the height of the West Irian dispute. During the first few months of his administration, the new President was preoccupied with domestic politics, but he could not ignore the crisis virtually on the Philippines' southern doorstep. On 19 December 1961, Sukarno announced the mobilization of the 'Peoples Triple Command for the Liberation of West Irian' and despatched small guerrilla groups into the disputed territory.\(^2\)

\(^1\) Marcos stated that Pelaez had called the President a liar by saying that he believed that Macapagal would seek re-election, despite an agreement between Marcos and the President that Macapagal would not stand for re-election. The President's press secretary found it necessary to deny that the President had instigated Marcos's attack on Pelaez. *Manila Bulletin*, 9 October 1962.

\(^2\) Hilsman, op.cit., p.374.
The policy which the Macapagal administration adopted towards the West Irian issue must be seen against the background of American policy towards Indonesia at this time. For some months prior to the December crisis, the influence of the pro-Dutch faction in the State Department had been waning, and after the appointment of Averell Harriman as Assistant Secretary of State for Far Eastern Affairs, 'the balance of power promptly shifted, and United States policy began to move from "passive neutrality" to a more active role in trying to head off actual hostilities and in bringing the two disputants into face-to-face negotiations.'

In mid-December, President Kennedy wrote to Sukarno offering to help find a solution by direct negotiation, and also asked Prime Minister Macmillan to persuade the Dutch and Australian governments to take a more flexible position. Robert Kennedy, the U.S. Attorney General, visited Indonesia in February 1962 and delivered a letter from the President urging the Indonesian government to come to the conference table without preconditions. As a result of American pressure, both the Dutch and Indonesian governments agreed in March to conduct direct preliminary negotiations in the presence of the American diplomat Ellsworth Bunker. Lengthy negotiations resulted in an agreement in August 1962 which provided that West Irian be transferred to United Nations jurisdiction, and then to Indonesian control by May 1963.

1 Ibid, p.378.
In an attempt to continue the improvement of U.S.-Indonesian relations which had resulted from U.S. intervention in the West Irian affair, the U.S. offered aid for the Indonesian stabilization programme.¹

The improvement in U.S.-Indonesian relations was paralleled by a significant acceleration of the rapprochement between the Philippines and Indonesia.² In particular, Pelaez's appointment as Foreign Secretary seemed to augur well for friendlier relations between the two states.³

A change in Philippine policy towards Indonesia was presaged when Subandrio stopped over in Manila early in December 1961 and expressed disappointment at the Philippines' voting on the West Irian issue in the 1961 General Assembly session.⁴ The new Philippine President stated that differences in cold war positions 'should not deter both countries from forging the closest possible relations in all fields of endeavour.'⁵ In January 1962, Pelaez denied reports that the Philippines would support a U.N. trusteeship for West Irian, stating that the position of his government was that the disputants should be encouraged

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1 Schlesinger, op.cit., p.466.
2 See above, pp.66-8.
3 Pelaez had resigned from the Philippine U.N. delegation in 1957 on the grounds that he had been given secret instructions to vote with the Australian and Dutch delegations on the West Irian question. (Manila Bulletin, 5 December 1957; interview with Pelaez, Manila, 25 November 1970). He had also made a successful visit to Indonesia in 1959, and had been a member of the Philippine delegation at the Bandung conference. Soon after assuming office as Foreign Secretary, he promised to 'clean out' the Philippine Embassy in Djakarta, which had long been a source of scandal.
4 See above, p.69.
to negotiate a settlement. Philippine misgivings at Sukarno's bellicosity were expressed by Pelaez when he said that 'while the Philippine government firmly supports the policy of decolonization and, therefore, understands the Indonesian attitude, it is also gravely concerned about the use of force in the settlement of an issue, which, it is convinced, can be resolved by peaceful negotiations.' Despite continuing qualms about Sukarno's use of force, from March until August 1962 the Philippine government appeared to give increasing support to the Indonesian position; it is likely that this policy was influenced by the knowledge that the U.S. government was pressing the Dutch to come to terms with Indonesia.

Soviet aid to Indonesia, however, was a source of anxiety in Manila. Philippine fears of communist assistance to Indonesia in the event of war over West Irian were partly allayed when Sukarno sent a special envoy, Madame Supeni, to the Philippines early in 1962. Sukarno was anxious to obtain an assurance that American bases in

2 Ibid., 17 January 1962.
3 The new Philippine Ambassador to Indonesia, Narciso Reyes, delivered a message to Sukarno in April expressing support for Indonesia's claim to West Irian. (Manila Bulletin, 19 April 1962.) During an address to the United Nations Committee on Information from Non-Self Governing Territories in May, the Philippine delegate emphasised the 'anti-colonial record' of the Philippines, and expressed hope that the issue would be settled peacefully. (Manila Chronicle, 9 May 1962.) Philippine support for Indonesia was further evidenced when three members of a Papuan mission opposed to an Indonesian take-over in West Irian visited Manila in June 1962 and Pelaez refused to receive them. (Manila Chronicle, 14 June 1962.)
the Philippines would not be used to aid the Dutch as they had been used to aid the PRRI rebels in 1958. As a quid pro quo for this assurance, Pelaez received a promise from Sukarno that he would not bring in a 'third party' in his conflict with the Dutch.¹ Macapagal and Pelaez were obviously relieved at the settlement of the dispute in August 1962, and offered technical assistance to Indonesia to develop West Irian.² Pelaez stated that he was particularly happy because his government had made a modest contribution through diplomatic channels to bring the disputants together,³ and predicted that the Philippines could now expect 'stability in our region of Southeast Asia.'⁴ Any illusion that political stability could be achieved in the region in the near future, however, was dispelled by the Philippine claim to North Borneo and Indonesia's opposition to the formation of Malaysia.

The effect of the presentation of the Borneo claim on Philippine-Indonesian relations was closely connected with the Indonesian government's attitude towards the formation of Malaysia. For some months after the Tunku's announcement of 27 May 1961, Indonesian reactions to the

² Manila Chronicle, 2 August 1962.
³ Ibid., 2 August 1962.
⁴ Ibid., 17 August 1962.
Malaysia plan were 'not unfriendly', although in December the Indonesian Communist Party (PKI) denounced the plan as an imperialist plot to encircle Indonesia with SEATO bases.

In the United Nations in November, Subandrio denied that Indonesia had designs on the British Borneo territories, but at least some sections of press opinion in

1 Malaya/Indonesia Relations, p.11. In June 1961, Subandrio stated that Indonesia considered the Malaysia plan a 'matter for the countries concerned to decide for themselves', and reiterated his government's policy of 'bilateral cooperation' with friendly countries. Straits Times, 14 June 1961. Lord Selkirk, the British Commissioner General for Southeast Asia, visited Indonesia in August to inform the government of the plans for Malaysia, and the Indonesian government seemed relatively unconcerned about the formation of the new federation. Hilsman, op.cit., p.385.

2 The Tunku had openly stated during his talks in London with the British government in November that Malaysia was intended to strengthen the anti-communist forces in Southeast Asia, and that the Singapore base could be used for SEATO purposes 'if it happened that SEATO is committed to certain duties in that area. That obviously does not exclude the use of the base to discharge our obligations to SEATO, which exists for the precise purpose of preserving peace in Southeast Asia.' Bangkok Post, 29 November 1961.

3 He said on 20 November 1961:

We are not only disclaiming the territories outside the former Netherlands East Indies, though they are of the same island, but - more than that - when Malaya told us of its intentions to merge with the three [sic] British Crown Colonies of Sarawak, Brunei and British North Borneo as one Federation, we told them that we had no objections and that we wished them success with this merger so that everyone might live in peace and freedom.

Similar sentiments were expressed in a letter to the New York Times on 13 November 1961. Malaya/Indonesia Relations, pp.11-12.
North Borneo believed that once West Irian was under Indonesian control, an Indonesian claim to North Borneo would follow.\textsuperscript{1} Presumably these fears were noted in Manila. They were certainly not ignored in London. In its *aide memoire* of 25 May 1962, the British government stated that a public dispute over North Borneo 'might even lead to territorial claims being put forward by other Southeast Asian countries.'\textsuperscript{2} Although Philippine-Indonesian relations had considerably improved during the first few months of the Macapagal administration, there is evidence to suggest that some members of the Philippine government were apprehensive about possible Indonesian reactions to the Philippine claim to North Borneo. The territorial limits of the claim had not been defined, but in April 1962 Esmail Kiram indicated that it included territory from the Sibuko River to Balikpapan which was under Indonesian jurisdiction.\textsuperscript{3} Pelaez, whose lack of enthusiasm for the claim has been indicated,\textsuperscript{4} seemed particularly concerned lest offence be given to the Indonesian government, and stated in January 1962

\begin{enumerate}
\item The *North Borneo News and Sabah Times*, owned by Donald Stephens, commented editorially on 29 December 1961 that: Indications have been given by Indonesian leaders that they consider the Borneo territories of Sabah, Sarawak and Brunei a natural part of Indonesia. If they can claim that West Irian is Indonesian by virtue of their claim that it was once part of the Empire of Majapahit, a similar and stronger claim can also be made in respect of the Borneo territories; it may have been forgotten here but many such claims have already been made by Indonesian leaders.

\item See above, p.114.

\item See above, p.112.

\item See above, pp.116-7.
\end{enumerate}
that 'if the Philippines decide to forgo the claim it will not be because the claim lacks substance but because of political relations, such as reluctance to have a land border with a foreign state and the problems this may entail in the future.'\textsuperscript{1} After the claim had been made, Pelaez seemed extraordinarily anxious that the Indonesian government should reiterate its pledge not to seek additional territory in Borneo. He received this assurance during a conference in July 1962 with the Indonesian Chargé d'Affairs, Antonio Harsojo, who stated that Indonesia's territorial claims would be restricted to former portions of the Dutch East Indies.\textsuperscript{2} The Indonesians had stated their position on this question several times; that Pelaez thought it necessary to seek additional reassurances is indicative of his anxiety regarding possible Indonesian reactions to the claim. This apprehension was hardly surprising in view of the mutual suspicion that had characterized Philippine-Indonesian relations in the past, and the fears expressed by some 'hard-line' anti-communists in Manila that Indonesia was coming under increasing communist pressure.\textsuperscript{3}

The rapprochement between the two governments was demonstrated when Subandrio visited the Philippines in August en route to the United States for final talks on the resolution of the West Irian dispute. He expressed appreciation for Philippine support on the West Irian issue,

\textsuperscript{1} North Borneo News and Sabah Times, 12 January 1962.

\textsuperscript{2} Manila Times, 18 July 1962.

\textsuperscript{3} In August 1962, the Chairman of the Philippine Anti-Communist Movement urged an early settlement of the dispute between Britain and the Philippines over North Borneo 'to prevent the Communist-inclined Sukarno Government from taking over the territory.' (Manila Bulletin, 7 August 1962.)
and said that Macapagal and Pelaez had been 'very instrumental' in the resolution of the dispute. He also reiterated his pledge that Indonesia would not make any claim to North Borneo, although he was non-committal when asked whether his government would support the Philippine claim. When questioned on the Malay Confederation proposal, Subandro was also non-committal. He made it clear that his government remained wary of joining regional associations in Southeast Asia, explaining that 'there existed a difference in approach between Indonesia and other countries in this region regarding the unification of peoples.'

The importance which the Macapagal administration attached to relations with Indonesia was also indicated during the Fourth Asian Games in Djakarta in August and September 1962. The Indonesian government's refusal to invite competitors from Israel and Taiwan created controversy, but Pelaez refused to withdraw the Philippine team. Shortly afterwards, a mission led by House Speaker Cornelio Villareal visited Indonesia. Villareal praised 'guided

1 Ibid., 11 August 1962.

2 Pelaez issued a statement that his government 'condemns the intrusion of politics into the Asian Games', but that the position taken by the Department of Foreign Affairs, with the approval of President Macapagal, was based 'on respect for the principles underlying the Asian Games now going on in Djakarta, on regard for our friendly relations with Indonesia, but above all, on the supremacy of our enduring and long range national interests.' Manila Chronicle, 29 August 1962. Subandrio conveyed to the leader of the Philippine contingent his government's appreciation of the Philippines' 'cooperation in preventing the controversy from disrupting the Games.' Philippine Embassy in Djakarta, Annual Report 1962-1963, p.11.
democracy' in Indonesia, but ventured the opinion that it would not work in the Philippines. During his visit, the Speaker proposed that the two countries explore opportunities for economic cooperation, and stressed the ethnic ties between their peoples. He was warmly received in Djakarta, and Dr Ali Sastroamidjojo, leader of the PNI stated that if the Philippine government thought the North Borneo claim was reasonable, it should go ahead with it.¹

Suggestions had already been made in the Manila press that the Philippine government was seeking Indonesian support for the Borneo claim as a quid pro quo for Philippine support for Indonesia on the West Irian issue.² In his Free Press interview in October, Lopez appeared to give credence to these suggestions. Asked whether his government was seeking Indonesian support for the claim, he said:

1 Manila Chronicle, 26 September 1962. The Indonesian Observer commented editorially on 25 September that:

Though having quite a different view on certain basic problems, the two countries nevertheless jealously respect each other's stand, a fact which may probably be the prime mover for a deeper and wider contact between the two peoples.

The current visit of the Philippine congressional mission to our country...underlines the real state of friendship which exists. There is no doubt that the policy of President Macapagal of clearcut support to [sic] Indonesia's rightful claim to West Irian has contributed much to greater affinity between the peoples of Indonesia and the Philippines.

2 The Indonesian Observer on 15 October quoted Nestor Mata of the Philippine Herald:

The Philippines has already done a good turn for Indonesia in the settlement of the West Irian problem. Now it is the Philippines' turn to seek Jakarta's support for the Philippine claim to North Borneo. Jakarta has already given vague hints of sympathetic support for the Philippine cause. Besides, secret fears have been expressed, although privately, in government circles, of Indonesian 'designs' on the territory of North Borneo.
The truth and validity of our claim cannot depend on the support of any third party. The fact is that the southern three-fourths of the Island of Borneo belongs to Indonesia, a country with which the Philippines has had close historical, racial and cultural ties for many centuries. It is a country, moreover, with which the Philippines desires to cultivate relations of friendship and cooperation. Therefore, it would be in the spirit of such friendly relations that we would expect Indonesia to understand that our claim to North Borneo is part of the inevitable process of de-colonization and liquidation of the remaining pockets of imperialism in our part of the world - an objective which our two countries share. It is out of respect for the same principle of de-colonization that the Philippine Government supported Indonesia.¹

Despite the possibility that the Indonesian and Philippine governments might have claims on the same territory, the North Borneo issue gave the two governments a common purpose - the prevention of the formation of Malaysia. Growing Indonesian opposition to the Malaysia concept was indicated when Subandrio stated in an interview with the Straits Times on 27 September that if the United States was allowed to set up a military base in Malaysia, Indonesia might invite the Soviet Union to set up a base in the Indonesian half of Borneo.² During a stopover in Manila in November, Sukarno indicated to Macapagal his distaste for the Malaysia plan. He reiterated assurances that Indonesia had no further territorial ambitions, and reportedly told Macapagal that he favoured the Malayan Confederation proposal as the basis for an expanded organisation of

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² Asked for an assurance that Indonesia would make no claim on North Borneo, Subandrio said 'as things stand today, I am not prepared to commit my Government.'
Malayan peoples. This was the first suggestion that Indonesia might be willing to join in an expanded Confederation. The response of the Philippine and Indonesian governments to the Brunei revolt in December 1962 was a further indication of their growing common interest in opposing the formation of Malaysia.

The Brunei Revolt

The British Protectorate of Brunei was ruled by its Sultan, Sir Omar Ali Saifuddin, who in 1959 had promulgated a constitution which provided for the gradual development of self-government under a constitutional monarchy. The British government was anxious that Brunei, with its large oil revenues, should join Malaysia, and in December 1961 the Sultan announced a tentative decision to join the new Federation. The opposition to Malaysia in Brunei was led by A.M. Azahari, who formed the Party Ra'ayat in 1956. The Party stood for socialism and nationalism, and for the restoration of Brunei sovereignty over Sabah and Sarawak. Dissatisfied with the Sultan's statement that the people of Brunei agreed in principle to the concept of Malaysia, the Party Ra'ayat fought the August 1962 elections on a platform which included opposition to Malaysia and the demand for the creation of Kalimantan Utara, a Federation of Brunei, Sabah and Sarawak. The Party won a landslide victory, and captured all the sixteen elected

3 Ibid., p.8.
4 Ibid.
Azahari, who allegedly had contacts with socialist and communist parties in Indonesia, Sarawak and Singapore,\(^1\) apparently believed that the Philippine government was a likely source of support in his struggle against Malaysia. Early in November, he visited Manila with the avowed intention of obtaining support for the concept of Kalimantan Utara. It was not clear how the Kalimantan Utara idea and the Philippine claim to Sabah were reconcilable objectives, but Azahari used a number of arguments to make his proposal attractive in Manila. He echoed the Philippine government's claim that if Malaysia were established, the Chinese were likely to spread communism to the Borneo territories, and also asserted that the creation of an independent Borneo Federation would hasten the formation of the Greater Malayan Confederation proposed by President Macapagal.\(^2\) He stated that if the Philippine government supported the Kalimantan Utara concept, it would acquire a friendly neighbour and "perhaps ensure the proprietary claims of the Sulu Sultanate over North Borneo."\(^3\) The question of the sovereignty claim of the Philippine government after the formation of Kalimantan Utara was obviously a delicate matter, and Azahari confined himself to the statement that it could be discussed amicably.\(^4\) In an address to the National Press Club in Manila, he appealed to Philippine national sentiment by declaring that the Brunei nationalist

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3 Ibid.

4 Ibid.
movement drew inspiration from the Philippines' independence struggle.¹

In view of the rejection of the Philippine claim to North Borneo by the British and Malayan governments, it was not surprising that Azahari struck a 'responsive chord' in Manila.² He was granted interviews by Pelaez and other officials, and was supported by Nicasio Osmeña. During Azahari's absence from Brunei, the **Party Ra'ayat** introduced resolutions calling for a three State Borneo Federation and for the right of the Legislative Council minority to protest to the United Nations over matters of foreign policy. The situation in Brunei was rapidly growing tense, and as early as 26 May the *Borneo Bulletin* had reported that an Indonesian-led Borneo Liberation Army was hiding in the jungle near Lawas in Sarawak. On 4 December, ten members of the Liberation Army were arrested in Kuching,³ Azahari had reportedly warned Philippine officials that a revolt was being planned during a meeting with Villareal and Defence Secretary Peralta.⁴

On 7 December, Azahari and his chief aide, Zaini Hadji Ahmad, returned to Manila via Singapore from a visit to Malaya. During the night, the **Party Ra'ayat** led an insurrection in Brunei against the Sultan and the revolt spread into both Sabah and Sarawak. At Osmeña's suite in the Manila Hotel, Azahari proclaimed the new state of Kalimantan Utara in the presence of Colonel Vicente Umali, who was an aide to Congressman Pendatun, and Hermenigildo

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³ *North Borneo News and Sabah Times*, 4 December 1962.
⁴ Peralta reportedly 'took the information lightly.' *Manila Bulletin*, 10 December 1962.
Atienza, who was referred to as 'liaison man' between Azahari and the Philippine government. Azahari announced that he would present his case at the United Nations, but would leave his staff in the Philippines since 'it is the nearest friendly country.' The State Department, however, refused him a visa on the grounds that he had no valid passport.

Although the rebels captured the Shell oil installations at Seria, their attack on the Sultan's palace failed. The Sultan invoked the 1959 treaty with Great Britain, and British troops rapidly quelled the uprising. The major political parties in Malaya, Singapore, North Borneo and Sarawak condemned the revolt, but some of the socialist parties supported it. Azahari's main support, however, came from Indonesia. On 10 December, President Sukarno proclaimed the Brunei insurrection as a manifestation of the 'New Emerging Forces,' and the Indonesian Minister for Information, Roeslan Abdulgani, urged the Indonesian press to support the Brunei peoples' 'struggle for independence.' In its emergency edition of 22 December, the Borneo Bulletin stated that 25 per cent of the rebels had been trained in secret jungle camps in Indonesian Borneo. On 11 December, the Tunku told the Malayan parliament that he had informed the British authorities several times about the 'secret army' and the Party Ra'ayat's plans for revolt. The Tunku stated that

1 Manila Chronicle, 9 December 1962.
2 Ibid., 13 December 1962.
4 Straits Times, 12 December 1962.
the ultimate aim of the revolt was to bring the Borneo territories under the control of a 'foreign government' — an unmistakable reference to Indonesia.\(^1\) Counter-charges from Indonesia followed, as well as anti-Malaysia rallies in Djakarta.

The Brunei revolt placed the Philippines government in a difficult position. Support for Azahari would enable the Philippines to claim an 'anti-colonialist' foreign policy outlook, and help to thwart the formation of Malaysia. On the other hand, Azahari's 'left-wing' supporters\(^2\) and increasing evidence of Indonesian involvement revived fears about the vulnerability of the Philippines' 'back door'.\(^3\) Moreover, the concept of Kalimantan Utara clearly conflicted with the Philippine claim to North Borneo. For several weeks after the outbreak of the revolt, Philippine policy was one of waiting on events in Borneo, Indonesia and Malaya. The President described his policy as one of 'watchful waiting', and denied that Azahari had any official connections

1 Ibid.

2 Immediately after news of the revolt was received, both the British and American Ambassadors called on President Macapagal. Ambassador Stevenson reportedly informed the President that U.S. intelligence sources indicated that the revolt may have been 'Communist inspired'. Manila Times, 10 December 1962.

3 The Philippines Free Press commented on 26 January 1963: 'Only a couple of weeks ago the Indonesian Communist Party demanded choice posts in...Sukarno's cabinet, or else. Few doubt that if the Indonesian Communist Party were in power in Indonesia at the outbreak of the Brunei revolt it would have gladly answered Azahari's call for help. Some political analysts say Indonesia covets all of Borneo, surmise that it was only internal trouble, and fear of international repercussions, that kept it from jumping into the Brunei fray. If Indonesia should try to take all of Borneo, who would be safe in Southeast Asia?'
with Malacañang. 1 Azahari's main support in the Philippines came from Moslem leaders, particularly congressmen Rascid Lucman and Salipada Pendatun. The latter urged the establishment of a Confederation of Malayan Peoples composed of Malaya, the Unitary State of Kalimantan Utara and the Philippines; such a confederation, he argued, would secure the Philippines against communist political and economic infiltration. On the other hand, Congressman Manuel Cases of the House Committee on Foreign Affairs and Representative Floro Crisologo of the House Committee on Armed Forces argued that Britain and Malaya were partners of the Philippines in SEATO and ASA, and that the Philippines should not become linked with 'certain Communist groups in a neighbouring country.' 2

Although Azahari remained in Manila, the Tunku appeared anxious to adopt a conciliatory posture towards the Philippines, and stated that he was satisfied that the Philippine government was not involved in the revolt or had previous knowledge of it. 3 On 13 December, the Malayan Chargé d'Affaires in Manila was told that Azahari had not approached the Philippine government for recognition of Kalimantan Utara, and that Azahari and his companions would be permitted to stay in Manila as long as they wished provided that their visit was properly documented. 4 On 12 December, Macapagal stated his position publicly, and said that there was no apparent relationship between the rebellion and the Philippine claim to North Borneo. 5

2 Times of Vietnam, 11 December 1962.
3 Straits Times, 12 December 1962.
4 Malaya/Philippine Relations, p.6.
also indicated that his government was not prepared to recognize the rebellion as a 'liberation movement.'

This latter statement was not consistent with those of Philippine representatives at the United Nations. Jacinto Borja, the Philippine Ambassador to the United States, claimed that the rebellion in Brunei 'strengthens the Philippine position' with regard to its claim to North Borneo, and indicated the extent of the opposition to the Malaysia plan in the Borneo territories. On 12 December, Eduardo Quintero formally expressed the reservation of his government with regard to the transmission of information by the government of the United Kingdom on the territory of North Borneo. This was the first reservation on this question by the Philippines in sixteen years.

Azahari's presence in Manila became an embarrassment to the Philippine government after his passport was withdrawn by the British government. Increasing evidence of Indonesian involvement also caused anxiety in the Philippines, particularly when Osmeña claimed that Indonesian troops were ready to invade North Borneo. On 14 December, Azahari appealed to the Philippine government for recognition of his Kalimantan Utara government. Three days later Pelaez

1 Philippines Herald, 13 December 1962.
2 Manila Chronicle, 12 December 1962. Macapagal reportedly said 'That is his personal opinion, I think.... You know how political ambassadors talk.' Philippines Herald, 14 December 1962.
4 Straits Times, 18 December 1962.
sent the President a memorandum which advised against recognition of the rebel regime,\(^1\) and on 18 December, Macapagal announced that his government was 'not ready to act' on Azahari's request since Pelaez's report had indicated that the rebel group had not fulfilled the requirements for recognition.\(^2\) By this time, the rebels had been cleared from all the main centres of Brunei and Sarawak, and their cause seemed hopeless. Pelaez indicated that the British Ambassador had requested that the Philippines exercise restraint, and 'I told him the best proof of our restraint is the way we have handled the Brunei situation in the past ten days with Brunei rebel Sheik A.M. Azahari here.'\(^3\)

By late December, the revolt had been quelled. It was clear, however, that it had had a significant impact on the Philippine government's attitude towards both Malaysia and ASA. The evidence suggests that the Philippine reluctance to grant recognition to the Kalimantan Utara 'government' was due less to the desire to avoid antagonizing Malaya than to the consideration that Kalimantan Utara would

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2 *Straits Times*, 19 December 1962.

3 *Manila Times*, 19 December 1962. Pelaez also expressed the view that the government would not approve a trade union offer to send troops to Brunei and warned private groups against involvement in the rebellion. (*Manila Chronicle*, 19 December 1962.) A Philippine Constabulary observation post was established on Taganak Island for the purpose of keeping watch on developments in Brunei and apprehending rebels who attempted to enter the Philippines without proper documentation.
encompass North Borneo. The Tunku was sufficiently irritated by Azahari's continuing presence in Manila to request a postponement of the ASA Ministerial Meeting in January. At an emergency session of the ASA Standing Committee, it was decided to postpone the Ministerial Meeting. The communique released stated that the Committee 'noted that the postponement requested was not definite but called for a definite date to be agreed upon. In view of this, the Committee agreed to consider an alternate date after consulting with member governments.'

The drift in Philippine policy after the presentation of the Borneo claim in June 1962 clearly alarmed the United States government. Whether or not the Brunei revolt served

1 Manila Bulletin, 24 December 1962. In an interview with Malaya Merdeka, the official organ of UMNO, the Tunku was reported to have said that Osmena was primarily responsible for the Philippine campaign to claim Sabah; proof of this allegation, he said, was provided by Osmena's possession of a diplomatic passport. Manila Bulletin, 25 December 1962. It was pointed out by Department of Foreign Affairs officials in Manila that Osmena carried a diplomatic passport because this privilege was granted to all children of former Presidents. Pelaez also 'deplored' a statement by the Tunku that he (Pelaez) had failed to influence President Macapagal to abandon the claim to North Borneo. 'I regret that statement because it would seek to drive a wedge between the President and myself.' Manila Times, 25 December 1962.

2 On 13 December, the Manila Chronicle reported that the Philippines was prepared to recognize a Kalimantan Utara government embracing only Brunei and Sarawak.

as an added impetus, there is little doubt that the State Department put pressure on the British government to agree to the long-standing Philippine request for talks on the Sabah issue. A Joint Communique issued by the Philippine government and the British Embassy in Manila on 29 December stated that:

The Philippine and British Governments, being vitally concerned in the security and stability of South East Asia, have decided to hold conversations about questions and problems of mutual interest. The British Government have responded to the Philippine Government's desire for talks, first expressed in their Note of June 22, by inviting the Philippine Government to send a delegation to London for consultations at a mutually convenient date in January, 1963.

Recent developments have made such conversations, in the spirit of the Manila Treaty and the Pacific Charter, highly desirable.

1 According to the New York Times on 22 January 1963, the British note suggesting that talks be held arrived on the same day as the revolt broke out in Brunei. See also Leifer, op.cit., p.41.

2 Speaking in the General Assembly in a debate on colonialism on 27 November, Representative Ramos had said: 'My Government is seriously concerned about the somewhat cavilier treatment which our successive requests over a five-month period have received from the United Kingdom. We are finding it increasingly difficult not to draw the conclusion that the United Kingdom is deliberately ignoring our claim in an apparent effort to present us with a fait accompli.'


3 Senator Sumulong stated in February 1963 that Rusk had 'persuaded' the British Government to agree to holding talks. Manila Bulletin, 5 February 1963. Macapagal's press secretary confirmed that the United States had 'assisted' in persuading the British. Ibid., 6 February 1963.

It was at these talks that the Philippine government first proposed the replacement of the Malaysia proposal with a Greater Malayan Confederation which would include Indonesia.

The London Talks

The wording of the 29 December communique gave rise to suspicion in the Philippines that the British government would refuse to discuss the North Borneo question, and these doubts were increased when press despatches quoted 'leakages' by Whitehall that the British government 'had no intention of raising the question of the Philippine claim to North Borneo.' Macapagal, however, ensured that the question would be discussed during the talks in London by announcing in his State of the Nation Address on 28 January 1963 that the claim to North Borneo was the most important action his government had taken in the field of foreign relations in 1962. In his interview with the Free Press in October 1962, Lopez had argued that the creation of Malaysia would be likely to spread the virus of Chinese communism from Singapore to the Borneo territories and then to the Philippines. This argument was repeated by Macapagal:

> It is vital to the security of the Philippines that North Borneo be not placed under the sovereignty and jurisdiction of another state, particularly a state on the Asian mainland like Malaya. In the event, God forbid, that Malaya succumbs to the potent Communist threat on the Asian mainland, with North Borneo under Malaya, there would be created a situation in which a Communist territory would be immediately at the southern frontier of the Philippines, which would pose a grave and intolerable threat to our country.

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1 Philippines Herald, 1 February 1963.


3 Philippine Claim to North Borneo, Vol.1, pp.6-7.
It is difficult to determine whether or not this 'anti-communist' argument was a convenient rationalization designed to make the Borneo claim more palatable at home and in the United States. In view of the central government's inability to control smuggling and piracy in the south, it seemed somewhat specious to argue that the Philippine government would be able to stop communism 'spreading' from North Borneo over the narrow stretch of water separating Sabah from the Sulu Archipelago. On the other hand, it must be recognized that for nearly twenty years, Philippine governments had feared a Chinese communist threat from the north, and some members of Macapagal's administration may well have feared that an additional threat from the south might surround the 'window of democracy in Asia.'

The anti-colonialist argument used by Lopez was also reiterated by the President, who stated that '...the proposed Federation of Malaysia is not in accordance with the principle of self-determination which is the accepted way out of colonialism, but appears to be a continuation of colonialism based only on an expedient of false security.' The President requested that a referendum be held in North Borneo, but did not make it clear whether such a referendum was to be held before or after the legal claim was settled.

On the same day that Macapagal delivered this address, Pelaez made his opening statement to the London Times. He reiterated the legal bases of the claim, stating that it was 'inevitable' that the North Borneo issue would constitute the central theme of the talks. He went on to state that the Malaysia concept was based on the Tunku's desire to 'sterilize' Singapore as a centre of communist

1 Ibid., p.6.
2 Ibid., p.7.
infection by merger with Malaya, with the Borneo territories thrown in to redress the balance. The artificiality of the Malaysia concept, Pelaez argued, had been demonstrated by the arrangement by which the component states were to control the flow of immigrants from and into each other. 'Any state or nation established on such a foundation of mutual suspicion, fear and jealousy is doomed to fail from the very beginning.' The revolt in Brunei, Pelaez went on, was a clear indication of dissatisfaction with the Malaysia concept in the Borneo territories. He also stated that there had been a tendency to sell the Malaysia idea as an anti-Indonesia scheme, and this had created the danger of two hostile camps being formed in Southeast Asia. The Vice-President also claimed that the interests of the 'free world' would best be served if the Philippines, and not Malaya, controlled North Borneo.¹

After arguing that Malaysia was not the answer to problems of stability in the region, Pelaez stated that an immediate short-range solution would call for arrangements

¹ He said:

The importance of North Borneo to the security of the Philippines within the larger context of the defenses of the free world in the Southwest Pacific can hardly be overemphasized. The island of Borneo forms a part of the chain of archipelagoes which extend from Japan, through Okinawa and Taiwan, to the Philippines and Indonesia - an island chain which is separated from the mainland of Asia by the natural barrier of the China Sea. Britain and the Philippines share a common obligation to help prevent the further expansion of Communist power on the Asian mainland....

We believe that there is a better chance of keeping North Borneo out of Communist control by restoring it to the Philippines. Instead of depending for its security on Malaya and Singapore, which are a thousand miles away on the imperilled mainland, North Borneo would then form part of a compact, well-defended archipelago whose nearest island is only 18 miles away.

Ibid., pp.17-18.
concerning Borneo which Indonesia and the Philippines could not actively oppose. The long range solution, he said, would call for a 'more permanent accommodation among the three Malay countries, Indonesia, Malaya and the Philippines, so that together they may be able to achieve a better life in larger freedom for their peoples through a new-found spirit of unity and cooperation. These three Malay countries must rediscover a new sense of common destiny and brotherhood, and they can best do so under the inspiration of the Bandung Declaration which committed the free nations of Asia and Africa to the principle of self-determination of peoples and to the final liquidation of imperialism in all its forms and manifestations.'

This statement was significant in that for the first time the Malay Confederation idea had been expanded to include Indonesia. At the fifth ministerial meeting held during the talks, Lopez also expounded on the Malay Confederation as an alternative to Malaysia. He spoke, however, of the Confederation as 'initially comprising Malaya, Singapore, Sarawak, Brunei, North Borneo and the Philippines.'

It would appear from these statements that Macapagal was uncertain whether Indonesia would join a Philippine-sponsored association, particularly in view of the ASA experience. The anti-colonial arguments used by the Philippines delegation at London seemed to be pitched to an audience in Djakarta, and in a speech in September, the President had specifically denied that he had ambitions of regional leadership. These actions seem to indicate that Macapagal was anxious to 'downgrade' the fact that the Malay Confederation idea was a Philippine suggestion, and to persuade Indonesia to join it.

1 Ibid., pp.18-19.

2 Ibid., Vol.2, pp.81-2.

The British government, however, insisted that Malaysia was the only viable solution for the security problems of Southeast Asia, arguing that the Defence Treaty between Malaya and Great Britain would be extended to the new Federation, and that Britain would continue to have use of the Singapore base. On the question of the Malay Confederation, the British delegation said it was 'indeed a highly constructive proposal, but...would take a great deal of time and thought and planning to realize.' They thought that it might be something to consider, but only after the Federation of Malaysia. When Lopez protested that the Confederation was being proposed as an alternative to Malaysia, the British delegates repeated that the Confederation could be considered only after *Malaysia* had been established.¹

During the talks, the two governments continued to hold different views on the best method of countering the perceived communist threat to Asia. It was apparent that the British government, having made a gesture towards appeasing Philippine grievances, was determined to proceed with the formation of Malaysia. The Tunku also reiterated his view that the Confederation idea was 'not workable for the present.'² Macapagal, however, was apparently determined to press for the creation of an expanded Malay Confederation which would form a tacitly anti-communist bloc in Southeast Asia. After months of confusion and contradiction on Philippine policy, by early 1963 it had become apparent that Macapagal, like his predecessor Garcia, wanted to establish an indigenous association of Southeast Asian states which would be tacitly anti-communist. The Manila Agreements of August 1963 seemed to ensure that this objective could be realized.

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¹ *Philippine Claim to North Borneo*, Vol.II, p.82.
² *Straits Times*, 15 January 1963.
CHAPTER FIVE

MAPHILINDO

Most analyses of Maphilindo have concentrated on Indonesia's role in the formation of the proposed association,¹ and have emphasized Sukarno's attempts to use Maphilindo as an instrument in the confrontation between the 'New Emerging Forces' and the 'Old Established Forces.' The few studies of the Philippine role in Maphilindo tend to emphasize it as a manifestation of a new, independent foreign policy outlook of the Philippine government. A recent study of Macapagal's foreign policy has concluded that:

Philippine participation in the Association of Southeast Asia, Maphilindo, and other Asian summit conferences were indicative of the fact that Philippine officials wanted to join regional alliances or groupings not dominated by the United States. In other words, close affinity with Asian countries inevitably meant lessening the role of the United States in activities primarily Asian in origin. Thus began Macapagal's suggestion of Asian solutions for Asian problems, an old but untried concept in Asian regional politics.²

This interpretation is derived from the emphasis which Macapagal placed on the 'Asian identity' of the

¹ Although the Malayan, Indonesian and Philippine governments agreed to form Maphilindo in August 1963, the association was never actually established.

Philippines during his administration, and in particular from the series of decisions in 1962 and 1963 which appeared to indicate a 'new nationalism' and emphasis on the importance of relations with the 'Afro-Asian bloc'. It is an interpretation which has sufficiently widespread currency to deserve the title of an 'accepted view'.

The 'accepted view' has emphasized the desire for 'independence' of the United States which had been expressed by successive Philippine governments, and the Macapagal administration's search for 'respectability' in the eyes of the leaders of the Afro-Asian bloc. As has been indicated, this desire for regional 'leadership' had been a feature of Philippine policy since 1946. The 'accepted view', however, does not recognize the importance of the anti-communist strain in Philippine foreign policy, and the Philippine government's desire to further the interests of the 'free world' in Southeast Asia. In particular, the 'accepted view' of Macapagal's policy towards the formation

1 As noted (see above, p.128) in 1962 Macapagal renamed Dewey Boulevard, changed the date of Philippine Independence Day, and postponed his state visit to the United States. In September 1963, he terminated the arrangement made in 1946 that the United States should represent the Philippines in countries in which there was no Philippine diplomatic mission.


3 Martin Meadows, for instance, writes that Maphilindo 'was a logical culmination of Macapagal's independent foreign policy, from the viewpoint both of his personal objectives and of his desire to help resolve the Indonesia-Malaysia dispute.' 'Theories of External-Internal Political Relationships: A Case Study of Indonesia and the Philippines.' *Asian Studies*, Vol.VI, No.3, December 1968, p 299.

4 See above, pp.49-50.
of Maphilindo does not examine the relationship between American and Philippine policies towards Indonesia.

The Philippines and American Policy in the 'Malay World'

Some of the misconceptions surrounding the relationship between Philippine policy towards Maphilindo and American policy in the region have stemmed from the disagreement between the two governments on the Malaysia question. In early 1963, American concern with Southeast Asia was centred on Laos and Vietnam, and Malaysia was regarded as a British responsibility. A report by a Senate study mission in February advocated the maintenance of a position of 'non-involved cordiality' towards Malaysia, and noted that there was no need for an American aid mission in Malaya; 'nor can there be any point in direct involvement in the political complications which are developing in connection with the formation of the Federation.'

The American government had been kept informed on the progress of the British-Malayan negotiations on Malaysia, but, according to Hilsman, it was not until the fall of 1962 that United States support was actively sought and given. While the London negotiations were still in progress, a State Department spokesman said 'we would hope to see progress towards the formation of the Federation of Malaysia, which the United States regards as the best means of promoting the political and economic progress of


2 Hilsman, op. cit., p.385.
the people involved while bringing an orderly conclusion to colonialism in the area. ¹ The Philippine Ambassador to the United States, Amelito Mutuc, described this statement as 'unfortunate', while President Macapagal pointed out that this was not the first time that the Philippine and American governments had disagreed on matters affecting Southeast Asian security, and cited the Laotian crisis as a previous example.²

In its opposition to the formation of Malaysia, the Philippine government's only likely source of support was Indonesia. Indonesian opposition to Malaysia became explicit early in 1963, and was officially declared by Subandrio on 11 February.³ Sukarno stated two days later that Malaysia was 'neocolonialism' and 'an attempt to save rubber, tin and oil for the imperialists.'⁴ Growing communist influence in Indonesia seemed to be indicated when the Chinese Head of State, Liu Shao-chi, made a state visit to Indonesia in April, during which he promised that China would support Indonesia's opposition to Malaysia. A few weeks earlier, the Soviet Defence Minister Malinovsky had also visited Indonesia, and agreement had been reached for further Soviet assistance in modernizing the Indonesian armed services.⁵

These developments did not go unnoticed in either Washington or Manila. After the resolution of the West Irian

³ Malaya/Indonesia Relations, p.13.
⁴ Ibid., p.14.
⁵ Djakarta Daily Mail, 26 March 1963.
dispute, the American government had been attempting to use foreign aid to divert Sukarno's attention from 'foreign adventurism' towards domestic problems, and by the end of 1962 had provided more than $665 million in foreign assistance.\(^1\) Sections of congressional opinion in the United States, however, were opposed to this aid programme when Sukarno appeared to be 'flirting' with the communists and threatened nationalization of British and American oil companies in Indonesia.\(^2\) In March 1963, the 'Clay Committee to Strengthen the Security of the Free World' submitted a report to President Kennedy which stated that 'because of its population, resources and geographical position, it (Indonesia) is of special concern to the free world. However, we do not see how external assistance can be granted to this nation by free world countries unless it puts its internal house in order, provides fair treatment to foreign creditors and enterprises, and refrains from international adventures...'.\(^3\)

Anxiety about the strength of the Communist Party (PKI) in Indonesia was also expressed in Manila. In an article in the \textit{Manila Times} on 20 January, a former Chief of Intelligence of the Philippine Armed Forces warned of the consequences of Indonesia's military buildup. 'In a few years', Captain Carlos Albert warned, 'Indonesia will administer West Irian. More than half of Borneo...is part of Indonesia; what is to stop Indonesia from wanting to have control of Sarawak, Brunei, British North Borneo and

\(^1\) Schlesinger, \textit{op.cit.}, p.41.

\(^2\) Sullivan, \textit{op.cit.}, p.45.

\(^3\) \textit{Complete Report of Clay Committee Appointed by the President to Examine United States Foreign Aid Programs. United States Information Service, American Embassy, Canberra, 1963, p.6.}
perhaps some of the Moslem areas of the Philippines?'
Pointing out that the PKI had a membership of more than two million, Albert stated that 'the Indonesians have affinities with Moslem Filipinos in the South and could easily alienate them from Christian Filipinos, thus creating a serious national security situation for the Filipinos.' Press reports of Indonesian 'infiltration' into Mindanao were frequent in the early months of 1963, and Defence Secretary Peralta was reported to have warned of an Indonesian plan to annex Sulu and Mindanao.¹ Former Secretary of Foreign Affairs Felixberto Serrano also pointed to the dangers inherent in any Philippine attempt to form a common front with Indonesia in its 'confrontation' of Malaysia.²

Despite Macapagal's expressed annoyance at Washington's announcement of support for Malaysia, he and the Kennedy Administration had a common interest in trying to prevent Indonesia from 'turning communist'. Kennedy was apparently convinced that nationalism was the only force which could be effective against Asian communism,³ and as Hilsman has put it, 'the task for United States diplomacy was to use whatever influence it could muster to steer Indonesian nationalism into constructive channels'.⁴ One method of achieving this end was through the American aid programme. Despite growing resistance in the House of Representatives, in May 1963 the United States doubled

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1 Indonesian Observer, 23 February 1963.
2 Manila Times, 1 March 1963.
3 See Hilsman, op.cit., p.423.
4 Ibid., p.395.
its contribution to Indonesia's civic action programme. The main architects of this 'carrot and stick' policy towards Indonesia were Hilsman, Averell Harriman and Howard Jones, the American Ambassador to Indonesia. In a speech to the Philippine-American Chamber of Commerce, Hilsman described Sukarno as 'an obstacle to communist aims' in Indonesia, and stated 'it is in our national interest to assist Indonesia as best we can to establish a free, independent and prosperous nationhood in preparation for the efforts she takes in her own behalf.' Similar interpretations of Sukarno and of American interests in

1 Sullivan, op.cit., p.47. The State Department also took an active role in settling the dispute between the Indonesian government and the oil companies. President Kennedy sent a mission led by Wilson Wyatt to offer 'good offices' and agreement was reached on 1 June. United States assistance was also offered to Indonesia in securing aid from Western Europe and Japan.

2 Sullivan writes that 'Washington...adopted a "carrot and stick" policy; the carrot was the promise of significant foreign assistance once steps toward economic stabilization had been taken, and the stick (much less brandished) was the threat of suspension of other aid programs if reforms were not forthcoming'. Sullivan, op.cit., p.59.

3 At this time, Harriman was Assistant Secretary of State for Far Eastern Affairs, while Hilsman was Director of Intelligence and Research of the Department of State.

Indonesia were made by Harriman.¹

The Philippines was not in a position to offer aid to Indonesia, although Pelaez had offered technical assistance in the development of West Irian. What Macapagal could do was to try to draw Indonesia into a tacitly anti-Chinese regional association. As has been indicated, Indonesia had refused to join ASA because it was 'pro-Western'. The Philippine claim to North Borneo, however, had given Macapagal an opportunity to promote an 'anti-colonialist' foreign policy image; it could also be used as a means of drawing Indonesia into an ostensibly 'exclusively Asian' regional association whose other members were allied, directly or indirectly, to the United States. This would 'sanitize' Indonesia by counterbalancing the influence of the communist powers.

At the London Talks, Pelaez had stated that 'free world' interests in Southeast Asia would best be served if North Borneo were given to the Philippines.² Macapagal pursued this line of argument in a letter to President Kennedy on 20 April 1963.

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¹ In a speech in May, Harriman said:

We have an enormous interest to see that country (Indonesia) develop within the free world. I think those who suggest that we should abandon Indonesia are unnecessarily pessimistic, and to those who think, if there are any, that we are going to have an easy time ahead, I say I think we should work as closely with the Indonesian government as they are willing to work with us, give them a helping hand where it is to our interest to do so, and watch developments and hope that the spirit of nationalism will be stronger than the effect of Communist Propaganda.

Ibid., Vol.XLVIII, No.1245, 6 May 1963, p.697.

² See above, pp.177-8.
This was in reply to a letter from Kennedy on 21 March in which the American President had reiterated his government's belief that Malaysia offered the best solution for security problems in Southeast Asia. In his lengthy reply, Macapagal repeated many of the arguments against Malaysia used by the Philippine delegation in London. He went on to state that American and Philippine security interests were identical in that both governments were concerned lest the 'island chain' between America and Asia should fall into communist hands. Macapagal further argued that if Malaysia were established over Indonesian opposition, Indonesia was likely to move towards the communist powers. He also indicated that he shared the opinions of Sukarno expressed by Hilsman and Harriman:

In connection with the Indonesian opposition to the Malaysia project, one may safely make this evaluation: that the present Indonesian leaders are not communists; that neither they nor the Indonesian people desire to become communists; that the Indonesian leaders have formed an internal alliance with Indonesian communists as a feature of their brand of democracy and in the confidence that Indonesian communists are really nationalists owing no allegiance to Moscow or Peking; in any case, that the ruling Indonesian leaders can maintain political control of the country; and that a strong bulwark against the threat of a communist take-over is the anti-communist Indonesian army. There is also reason to believe that Indonesia and its leaders fear the Chinese as Chinese, regardless of whether they are Red or yellow.¹

Macapagal also argued that it was in the interests of the

'free world' that North Borneo be given to the Philippines,\(^1\)
and emphasized that the 'free world' would benefit by closer relations between the Philippines and Indonesia:

Concerning the view that the veering of Indonesia towards the communist camp is disadvantageous and dangerous to the free world, our thought is that the development of closer relations between Indonesia and the Philippines would be of great benefit and value to the free world. Without any undue claim to self-assurance or optimism, it can be safely asserted that as a consequence of closer Indonesian-Philippine relations, the chances are greater that Indonesia would veer towards the Philippine anti-communist position than that the Philippines would move towards the Indonesian neutral, indifferent, or pro-communist position, whichever this might be.

Concerning the last-named advantage, you are aware that the Philippines is the most steadfast and dependable American ally in Asia, and, indeed, one of the most steadfast

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\(^1\) He stated:

The establishment of Philippine jurisdiction over North Borneo would be of great advantage to the maintenance of the security of the free world and of American leadership in the Pacific region now and in the future. Apart from bolstering its own security as an American ally, the Philippines in North Borneo would strengthen the position of the free world on the important island of Borneo by shutting off communist aggression in that area from any direction. Strengthened militarily while it advances economically, the Philippines, with its manpower and resources, would provide valuable support to the Philippine-American alliance and to American leadership and enhance its efficacy not only in the Borneo region but elsewhere in the Pacific and in Asia. The value of such strengthened support for American responsibilities in the region is underscored by the unique fact, which cannot be said of any other Asian country, that in view of our alliance the Philippines can be counted upon to support American leadership in any security crisis not only in Asia but elsewhere.

Ibid., pp.517-18.
and dependable of America's allies in the world. This fact arises from the strong and indestructible ties of regard, gratitude, and affection that bind the Filipino and the American peoples. This is not an exaggeration, it is a fact attested by events every time the United States faces an international crisis in the Pacific or anywhere else in the world.

We uphold the view that security concepts should not be limited to immediate and current necessities but must be linked to broader long-range considerations. The passing of time changes the requirements and exigencies of national, regional, and international security. Thus, in discharging their responsibilities in the struggle against communism in Asia, the Western powers have to rely less and less on their own manpower and more and more on the manpower of their Asian allies.¹

The assumption that Indonesia could be 'sanitized' was made explicit by Pelaez when he said that the Administration's policy of close ties with Indonesia was based on 'pure common sense'. 'The Philippines,' he said, 'should get closer to Indonesia precisely because of the presence of communists in that country. If Indonesia loses its freedom what will happen then to the rest of Southeast Asia?'² Speaker Villareal, who had recently led a parliamentary mission to Indonesia, went as far as to urge a defence pact between the Philippines and Indonesia, which would 'tighten the defense arc of democratic-loving nations in the region.' Philippine membership in SEATO, he said, would not prevent such an alliance against the expansionist policies of mainland China.³ Villareal

¹ Ibid., pp.516-17 (my emphasis).

² Manila Chronicle, 24 February 1963.

³ Ibid.
envisaged a close-knit anti-communist alliance of states stretching from Japan to Australia and New Zealand which was similar to that advocated by Vice-President Johnson in 1961. Ambassador Farolan, the Philippine Ambassador to South Vietnam, echoed the sentiments of the House Speaker. Pointing out that this was the first time that Indonesia had shown willingness to be associated with fellow Malay nations in a regional cooperation program, he said that 'Indonesia's readiness to cooperate with these two anti-communist neighbours should be a hopeful augury of the future of common defense in the area against Chinese expansionism.'

Howard Jones, the American Ambassador to Indonesia, appeared to lend encouragement to these views when he returned from a regional conference of American Ambassadors in Baguio in March and stated:

> there was general agreement (at the conference) as to the vital importance to the peace and security of the area of increased cooperative efforts, particularly in the socio-economic fields, among the Asian nations concerned and some discussion of ways and means in which my country could helpfully support such mutual efforts. There was a full realization of the important role of Indonesia and the fervent hope that current conflicts and misunderstandings could be resolved promptly and peacefully.

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1 See above, pp.91-2.


3 Indonesian Herald, 15 March 1963. The Indonesian Herald commented that 'of all the "sources of differences" referred to by Ambassador Jones, Indonesia's differences with America over the Malaysia dispute are perhaps the most fundamental. Indonesia...considers this neo-colonialist project as a direct threat to its very existence. America has chosen to magnify this threat through political, economic and military assistance.'
The Future of ASA

To persuade Indonesia to join a regional association clearly would not be an easy task in view of the Indonesian government's refusal to join ASA and its unwillingness to join any organization which appeared to be promoted by the Philippines. Macapagal was also confronted with the problem of what to do with ASA. There had been clear indications in 1962 that Macapagal and Pelaez disagreed on the question of ASA's importance, and these differences continued during the following year. Although Pelaez continued to express faith in ASA, Macapagal publicly expressed doubts about the viability of the association. ASA, he said in March 1963, 'faces some unusual difficulties in view of the Malaysia project. One difficulty is that Malaysia may mean the cessation of Malaya as this state will be replaced by a new state. Since it is Malaya that is a member of ASA, then that will be a difficulty.'

Despite this rebuff, the Malayan government continued to allude to the importance of ASA. When Tun Razak went to Manila early in March for the 19th Session of ECAFE, he stressed that the Philippine claim to North Borneo would not affect his government until Malaysia was formed, and that the matter could be settled amicably.

1 When he left for the London talks, Pelaez reiterated his government's 'continuing support for ASA despite passing difficulties with Malaya'. Manila Times, 23 January 1963. He repeated this pledge during a stopover in Bangkok on his return, adding that the Thai government was working hard to continue ASA. Manila Chronicle, 14 February 1963.

2 Manila Chronicle, 1 March 1963.

3 Straits Times, 6 March 1963.
In his opening address to the session, Macapagal referred to Filipino pride in having led the first national anti-colonial revolution in Asia, and went on to emphasise the need for regional economic cooperation. He did not, however, refer to ASA, although the Malayan and Thai delegates drew attention to ASA's potential and Razak continued to insist that ASA was as strong as ever.

Macapagal's interest in ASA appeared to be minimal, but Pelaez apparently hoped that the association could be expanded to include Indonesia. In late March the Foreign Secretary expressed the view that ASA might eventually include all the free nations in Southeast Asia, and that 'a successful conference of the ASA may encourage Indonesia to join the organization and unite Southeast Asia with its almost 200,000,000 people against the threat posed by Communist Chinese expansionism.' This unduly optimistic statement may have been occasioned by a remark made by the Indonesian Ambassador when he was proposing a vote of thanks to Macapagal for inaugurating the ECAFE session. Pamontjak referred to his country's firm belief in the concept of regional cooperation, and said that 'much had already been achieved through the Association of Southeast


2 Straits Times, 6 March 1963. Razak also stated that the Philippine and Indonesian positions on Malaysia were 'two different things'. Manila Bulletin, 11 March 1963. Peter Thomas, the British Parliamentary Undersecretary of State for Foreign Affairs, also visited Manila for the ECAFE conference. He held talks with Pelaez on the Borneo claim, but a proposed exchange of documents did not take place.

Asia, whose objectives were in keeping with those of ECAFE.\(^1\)

If Pelaez cherished any hopes that Indonesia might join ASA, these were dashed by the Tunku's opening remarks to the ASA Ministerial Meeting on 2 April, in which he made a thinly-disguised attack on Indonesia.\(^2\)

The Malayan Prime Minister went on to stress the need for ASA unity in the face of the perceived communist threat:

Separately the countries of Southeast Asia are small and weak, but together they have a potential for development which is great and strong. If we stand divided we will fall one by one. That is what the communists hope for, and that is what we must avoid. We are determined to make a success of this organization because we believe sincerely that the best possible way of preventing the communists from trying to destroy the lives and souls of nations is by improving the lot of our peoples.\(^3\)

In his address, Thanat Khoman dwelt on the threat to ASA unity posed by the Sabah claim, and warned that if the Ministers were not wise and prudent enough, 'this Meeting may prove to be the last one we shall attend together.'\(^4\)

Pelaez also alluded to the dispute, but expressed

\(1\) ECAFE Summary Records, 1963, p.44.

\(2\) See Report of the Second Meeting of Foreign Ministers ASA Manila, 2-4 April 1963, p.35. The Indonesian Ambassador was reported to have been dissuaded from walking out of the Luna Hall only after an appeal by Pelaez and Khoman. Indonesian Herald, 4 April 1963. U.S. State Department officials were reported to have been somewhat taken aback by the Tunku's attack on Indonesia, and to have said that the United States government would regard any breakup of ASA with the greatest of regret. Bangkok Post, 3 April 1963.

\(3\) Report of the Second Meeting of Foreign Ministers ASA, p.35.

\(4\) Ibid., p.42.
determination that ASA would survive. In contrast with Dr Thanat's warning in his opening address, Pelaez exhuded confidence in his closing remarks that 'we will within a year hold another meeting of the ASA Ministers and similar meetings in the years to come.'\(^2\) Events of the next few months were to prove such optimism in relation to ASA ill-founded.

**The Subministerial Meetings**

Despite Pelaez's apparent preference for an enlarged ASA, the President continued to press his concept of a Greater Malayan Confederation which would include Indonesia. There were, however, formidable obstacles to be overcome. The Borneo claim had given Macapagal an opportunity to project an 'anti-colonialist' foreign policy image, but the Republic was still firmly committed to SEATO at a time when Sukarno was accusing SEATO of 'encircling' Indonesia. A few days after the ASA Ministerial Meeting, Pelaez represented the Philippines at the Eighth SEATO Council of Ministers Meeting in Paris, and reiterated his

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1 He said:

> Our solidarity in ASA, rather than being torn assunder by difficulties, misunderstandings and disagreements outside ASA, shall become so strong as to enable us to overcome our honest differences of opinion among us whether within or outside the scope of ASA. On the other hand, I believe that we owe it to each other that we should eschew any line of action outside ASA that should tend to weaken its effectiveness or destroy the unity we have found in it.

> Beyond all this, we hope that the day is not far distant when ASA shall encompass not only the borders of our three countries but of other Southeast Asian countries as well. Thus will we secure on a permanent foundation the peace and freedom and happiness of the peoples of our region.


country's renewed faith in SEATO after the difficulties experienced during the Laotian crises.

Philippine membership in SEATO was not the only difficulty confronting Macapagal in his attempts to create a regional association to include Indonesia. It was unlikely that Indonesia, the most populous of the Southeast Asian states, would be willing to join any organization initiated by a smaller state. In a major foreign policy address in September 1962, Macapagal had specifically denied any ambitions of regional leadership:

In world affairs, our inspiration is not for the President of the Philippines to be a leader in Asia, much less in the world, but for the Filipino people themselves to fulfil their obligations and play their role among nations in good faith and...by the efficient and effective administration of their affairs and the solution of our national problems on the basis of freedom, prove that democracy can work successfully in an Asian country like the Philippines as an effective instrument for the prosperity of the masses....

This may have been an attempt to assure Indonesia that

1 See SEATO Record, Vol.II, No.2, April 1963, pp.10-11. Thailand's anxieties about SEATO inaction in the Laotian crises were in large part assuaged by the Rusk-Thanat communique of March 1962, which stated that 'the United States regards the preservation of the independence and integrity of Thailand as vital to the national interest of the United States and to world peace.' It was also declared that 'the United States intends to give full effect to its obligations under the (SEATO) Treaty to act to meet the common danger in accordance with its constitutional processes. The Secretary of State reaffirmed that this obligation of the United States does not depend upon the prior agreement of all other parties to the treaty, since this Treaty obligation is individual as well as collective.' Department of State Bulletin Vol.XLVI, No.1187, 24 March 1962, p.498.

Macapagal was not repeating the previous administration's mistake of 'inviting' Indonesia to join an association sponsored by the Western-aligned Southeast Asian states.

From January to August 1963, the Philippine government worked assiduously towards the convening of a summit meeting of the leaders of the three Malay states which would bring about Macapagal's Malay Confederation. Suggestions that the Philippine government would seek such a summit conference had been made before the London Talks convened,¹ and Pelaez confirmed this in his opening address to the Talks. Neither the Malayan nor the Indonesian government immediately responded to this suggestion, but the Tunku stated on 18 February that he was prepared to take part in a summit conference provided the talks were initiated by a 'neutral' power. A few days later, the President disclosed that two 'important concepts' of his Confederation proposal were that each country would remain sovereign, and that all member countries would agree on specific matters on which they would act in concert.² Lopez stated in mid-March that the President was proposing tripartite subministerial talks among representatives of Malaya, Indonesia and the Philippines 'out of his desire to reduce the mounting tension over the proposed Federation of Malaysia and to promote enduring peace between the three countries of Malay origin which must learn to live together after their foster parents have departed.'³

After weeks of intricate negotiations, Indonesia's First Deputy Foreign Minister Suwito Kusmowidagdo, Ghazali

¹ Bangkok Post, 24 January 1963.
² Manila Chronicle, 1 March 1963.
³ Ibid., 10 March 1963.
Shafie, Malaysia's Permanent Secretary for Foreign Affairs and Lopez met in Manila on 9 April. The subministerial meeting agreed, after considerable wrangling, that the agenda for the tripartite ministerial meeting should be:

- a general exchange of views on current problems concerning stability, security, economic development and social progress of each country and of the region as a whole and exposition of the efforts being exerted by the three countries either individually or jointly to solve them,
- discussions of ways and means by which the three countries can achieve closer cooperation and assist one another in solving the problems referred to above on the basis of mutual respect and consistent with their national, regional and international responsibilities or obligations.¹

The Joint Communique stated that the Foreign Ministers meeting should be held in Manila before the middle of May. Despite the 'brotherly sentiments' expressed in the communique, the Indonesian government gave no sign of moderating its attitude towards Malaya. On 12 April, while the subministerial talks were in progress, the Indonesians made their first armed raid into North Borneo and attacked Tebedu in Sarawak. Sukarno also renewed his verbal attacks on Malaysia.² As tension between Malaya and Indonesia increased, both sides appealed to the Philippines for support. In an apparent attempt to appeal to latent Filipino misgivings vis-a-vis Indonesia at a time when Liu Shao-chi was visiting Indonesia, the Tunku said that Sukarno's outbursts were 'not conducive to peace in this region of Asia which is the aim of President Macapagal

¹ Malaya/Philippine Relations, p.9.
² Bangkok Post, 19 April 1963.
through our meeting in Manila.¹ On 21 May, the Straits Times reported that the Malayan government might 'offer Indonesia and the Philippines a mutual non-aggression pact to guarantee the peace and security of Southeast Asia', and that Malaya was prepared to enter a non-aggression pact with the Philippines alone should Indonesia decide not to be a party to it.² The Indonesians also seemed to be bidding for Philippine support when Subandrio visited Manila in March and stated that he would discuss 'expansion of cooperation (with the Philippines) in all fields - including security in this area.'³ At the end of May Sukarno conferred briefly with Macapagal during a brief stop-over in Manila en route to Tokyo for a holiday. The Joint Communique stated:

...After reviewing developments since their last meeting in Manila last year, particularly the problems affecting the region of Southeast Asia, the two Presidents expressed satisfaction over the close relations between Indonesia and

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¹ The Manila Times commented on 21 April 'Malaya, shivering in a new cold war blast from Indonesia, turned toward Manila in hopes of finding signs of some compensating warmth. Tunku Abdul Rahman, in answering President Sukarno's latest threat to frustrate the formation of Malaysia, made an indirect appeal to President Macapagal for support. Sukarno apparently made an effort to counteract the Tunku's strategy, and in mid-April General Achmad Jani, Commander-in-Chief of the Indonesian Army, made a three day state visit to the Philippines. Jani strenuously denied suggestions that the Indonesian army had aggressive intentions in Borneo. Indonesian Herald, 20 April 1963.

² There was no reaction from the Philippine government, although the Manila Times warned: 'the Philippines does not intend to let the inclusion of North Borneo in Malaysia without a murmur provided that a tripartite aggression pact comes into being.' Manila Times, 24 May 1963.

³ Ibid., 8 March 1963.
the Philippines.... They reiterated their determination to move towards the objectives of forging the closest ties of friendship between the two peoples. Both Presidents agreed to go ahead with the preparations for a meeting of the Heads of Government of Indonesia, the Philippines and Malaya and expressed complete agreement on the goal of understanding and harmony between Malay peoples as the genuine foundation for the peace and stability of their region, President Sukarno informed President Macapagal that he was ready to meet with the latter and the Prime Minister of Malaya Tunku Abdul Rahman, in order to thrash out problems existing between the three countries and that Foreign Minister Subandrio was also ready to meet with the Foreign Ministers of the Philippines and Malaya to lay the ground work for the meeting of the Malay Heads of Government. 1

Apparently anxious to play the role of mediator between Sukarno and the Tunku, Macapagal reportedly urged Sukarno to meet the Tunku in Tokyo, but the former declined. Once he reached Tokyo, however, Sukarno changed his mind. 2 During a brief meeting with Macapagal en route to Tokyo, the Tunku agreed that the tripartite ministerial meeting should be held on 7 June, but made it clear that he would not change his mind on the North Borneo question. 3 The Tokyo meeting between Sukarno and the Tunku was more successful than had been anticipated, and the Joint Statement

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1 Malaya/Philippine Relations, p.25.

2 The Straits Times reported on 31 May that the Japanese Foreign Ministry had also helped to bring about the meeting.

3 The Tunku said: 'I always believe in giving the people of North Borneo a chance to express themselves. They have agreed to join the Federation of Malaysia.' Manila Chronicle, 31 May 1963.
declared that the two Heads of Government 'decided that their respective governments would take every possible measure to refrain from making acrimonious attacks on and disparaging references to each other.' The communique also stated that the tripartite ministerial meeting would be held in Manila on 7 June, although the Tunku continued to insist that Malaysia would be proclaimed on 31 August.

The Tripartite Ministerial Meeting

During the Foreign Ministers' meeting in Manila from 7-11 June, the Philippine government's emphasis was on the need for 'security' against the Chinese in general and the Chinese communists in particular. This strategy seemed to be based on two assumptions about Indonesian politics: that the Indonesians feared Chinese economic penetration and were wary of Chinese communist 'subversion'; and that Sukarno was basically a 'neutralist' rather than a communist. This latter assumption was one shared by Hilsman, Harriman and Howard Jones. Before the conference, Pelaez stated that the conferees must 'face squarely the central problem of our area', which he defined as 'security', both internal and external. This theme was also taken up by the Manila press. In its editorial of 8 June, the Manila Times commented:

1 Malaya/Indonesia Relations, p.44.

2 Straits Times, 1 June 1963.

3 In an interview in the Bangkok Bank Monthly Review published in July 1963, Macapagal was asked: 'Do you think a lasting alliance could be brought about between a strongly anti-communist Philippines and left-leaning Indonesia?". He replied: 'I do not consider Indonesia as "left-leaning". I feel that it is more of a neutral country than anything else....'
...All regional alliances so far attempted in this part of the world have not been able to take off beyond the cultural stage. Although economic cooperation is also one of their aims, this is nullified by the fact that economic affairs are closely linked with political, not to mention military affairs.

The proposed Malay Confederation would presuppose that the members had loosed themselves completely from colonial shackles. It may sound visionary to some now, but a time may come when even the West would see it as the most effective means of containing communism in the area....

At the Foreign Ministers' conference, Macapagal formally proposed the establishment of a Malay Confederation. Paragraph Eight of the proposal, which was published in A Stone for the Edifice, dealt with regional security:

The Confederation will afford a broad basis for effective cooperation among members by promoting the general welfare of the peoples through workable economic and other arrangements beneficial to all, especially to the members that need assistance, and through cultural cooperation and exchange. In addition the Confederation will enable the members to strengthen their security through mutual defense arrangements against outside aggression in any form as well as against internal subversion instigated or supported from outside. The Confederation will also serve as a medium for the peaceful settlement of disputes among members.¹

The security emphasis of the proposal was reiterated in Paragraph Twelve, which stated:

History has shown that nations and peoples have tended to group together for mutual defense in the face of a common threat of aggression.²

The fundamental assumption of the proposal was that the Indonesians, Malayans and Filipinos shared a

¹ Macapagal, A Stone for the Edifice, pp.484-5.
² Ibid.
'definable core of compatible values' which were enumerated as 'a common recognition of the dignity of the individual, respect for human rights and fundamental freedoms, and desire for economic and social progress.' The difficulties confronting attempts at regional cooperation were recognized, but were described as 'not insurmountable. The time has come when these have to be faced realistically and boldly so as to achieve peace, stability and progress in the area.'

The proposal emphasized that the Confederation plan was a long-range project, and that it did not envisage that any of the members should surrender any portion of their sovereignty. It was stated that the plan should be agreed upon only in principle; nevertheless, the organization of a Permanent Consultative Machinery was outlined. It was to consist of a Supreme Council composed of Heads of Government to meet once or twice a year; a Council of Foreign Ministers to advise the Supreme Council on foreign affairs and defence matters; a Council for Economic Cooperation at Ministerial level; a Council for Social and Cultural Cooperation, and a Permanent Secretariat. Macapagal's proposal was accepted in general terms by Razak and Subandrio, and the Joint Communique stated:

...The three Ministers examined the Philippine proposal embodying President Macapagal's idea for the establishment of a confederation of nations of Malay origin and agreed on the acceptance of the idea as a means of bringing together their countries into the closest association. Initial steps were agreed upon by the Ministers in order to implement the proposal. For this purpose, they agreed to recommend to the forthcoming Meeting of Heads of Government the establishment of machinery for regular consultations among their governments at all levels on problems of common concern, such as security, stability, and economic, social and cultural development. The Ministers were of one mind that the three countries share a primary responsibility for
the maintenance of the stability and security of the area from subversion in any form or manifestation in order to preserve their respective national identities, and to ensure the peaceful development of their respective countries and of their region, in accordance with the ideals and aspirations of their peoples.¹

The Ministers also agreed that a meeting of their respective heads of government should be held in Manila not later than the end of July 1963.

The Manila press proclaimed the 'success' of the meeting but Lee Kuan Yew and the Taiwanese government expressed reservations about the Malayan Confederation plan.² These warnings were not surprising in view of the emphasis which the Philippine press gave to the 'anti-Chinese' aspects of the plan.³ The sinophobia of the Manila press, which created some difficulties for Tun Razak on his return to

1 Malaya/Philippine Relations, pp.26-7.

2 Lee warned that Singapore 'must reserve its position if the proposed confederation of Malaysia, Indonesia and the Philippines meant the political absorption of the island in an unknown identity.' Manila Chronicle, 14 June 1963. The President of the Overseas Chinese Affairs Commission in Taiwan also warned that it would be a 'tragic mistake' if the nations of the projected Malayan Confederation launched a joint drive against the overseas Chinese. Manila Bulletin, 24 June 1963.

3 In a series of articles in the Manila Times, the largest circulation newspaper in the Philippines, Benedicto David stressed the common threat which the economic power of the Chinese in Southeast Asia posed to the Maphilindo countries. He wrote in the last article on 21 June 1963 that the confederation plan proposed by Macapagal would 'dilute the 10 million Chinese in the 3 countries and Borneo within a Malayan community of 130 million strong.'
Kuala Lumpur,\(^1\) apparently reflected the Philippine government's desire to emphasize that the three governments had a common interest in defending the region against 'Chinese expansionism', whether of the mercantile or communist variety.\(^2\) After the meeting, Lopez reiterated that the 'Malay states' should shoulder the burden of defending the region against a perceived threat from Communist China; and that the Malay confederation idea was 'a reorganization of the security system of Southeast Asia. Up to now, we have had only the SEATO, but you know it has become practically a dead horse. The responsibility for the security of Southeast Asia has to be shifted to our shoulders. We can't leave it to the Western powers any more. After all, the threat here is not Soviet Russia but Red China. The only defence is to get together.'\(^3\)

On 12 June, President Macapagal emphasized the significance of the tripartite ministerial meeting in his Independence Day address. The talks which had been 'conceived amid undertones of apparently irreconcilable conflict' had 'assured the security and stability of the three countries of the area in which Divine Providence has placed the three sister peoples together.' He alluded to the need to do away with the evils of colonialism and to complete the Philippines' 'unfinished revolution'; at the same time, however, he reaffirmed the importance of

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1 Razak stated that there was no question of the Confederation being anti-Chinese as had been 'mischievously' suggested. **Straits Times**, 17 June 1963.

2 The *Manila Chronicle* reported on 14 June that 'an early crack-down on Communists and on Chinese merchants who control Southeast Asia will be among the first common actions of the three nations joining the Malay Confederation.

Philippine ties with the United States. The assumption that regional cooperation could prevent Indonesia from alignment with the communist powers was implicit in the President's commitment to a 'foreign policy based on closer association with our neighbours and with the other countries of the free world.' Pelaez made this assumption explicit when he stated to the Philippine Free Press that 'if Indonesia is with us, then we can keep this region from being dominated by outsiders, including the communists.'

The ministerial meeting had appeared to be an unqualified success for Macapagal, but it soon became clear that the three governments had different understandings on exactly what had been agreed upon concerning the Borneo territories. The Joint Communique had stated in Paragraph 6:

In the same brotherly spirit the three Ministers discussed the Philippine claim to North Borneo and arrived at a common understanding and agreement on how this problem should be resolved justly and expeditiously.

The Report of the Foreign Ministers, which was published after the conference, dealt with the North Borneo question in more detail in Paragraph 12:

The Philippines made it clear that its position on the inclusion of North Borneo in the Federation of Malaysia is subject to the final outcome of the Philippine claim to North Borneo. The Ministers took note of

1 Manila Chronicle, 13 June 1963. Commenting on the apparent change in Indonesian foreign policy, the Philippines Free Press on 22 June 1963 stated that 'the marvel here is that where the West has failed, the Philippines has succeeded.'

2 Ibid.

3 Malaya/Philippine Relations, pp.26-7.
of the Philippines claim and the right of the Philippines to continue to pursue it in accordance with international law and the principle of the peaceful settlement of disputes. They agreed that the inclusion of North Borneo in the Federation of Malaysia would not prejudice either the claim or any right thereunder.

Moreover, in the context of their close association, the three countries agreed to exert their best endeavours to bring the claim to a just and expeditious solution.

In particular, considering the close historical ties between the peoples of the Philippines and North Borneo as well as their geographical propinquity, the ministers agreed that in the event of North Borneo joining the proposed Federation of Malaysia the government of the latter and the Government of the Philippines should maintain and promote the harmony and friendly relations subsisting in their region to ensure the security and stability of the area.

On his return to Djakarta, Subandrio declared that the Foreign Ministers had agreed that an independent impartial authority should decide whether the peoples of the Borneo territories wanted to join Malaysia. He added that the agreements would not prevent his government from continuing its support of the 'independence struggle' in the Borneo territories. Tun Razak confirmed that the conference had agreed that an independent authority could ascertain the views of the people of the Borneo territories at any time before the formation of Malaysia, but added that Malaysia Day would continue to be 31 August. Ghazali Shafie, however, stated that there would be no referendum

1 Straits Times, 16 June 1963.
3 Straits Times, 14 June 1963.
in the Borneo territories. When Pelaez was questioned on the issue, he said 'everything is in our communique', although there was no mention of a referendum in either the Joint Communique or the Report of the Foreign Ministers.

After considerable difficulties between the Malayan and Singapore governments had been settled, the Malaysia Agreement was signed in London on 9 July, and Malaysia Day was set as 31 August. Sukarno immediately condemned the Malaysia agreement as a breach of faith. The Foreign Ministers meeting, he said, had agreed that Malaysia would not be formed until the will of the people of the Borneo territories had been ascertained. Sukarno added that he doubted the usefulness of the summit conference scheduled in Manila from 31 July to 2 August. The Philippine government was apparently concerned less with the question of self-determination in the Borneo territories than with the protection of its Borneo claim. On 9 July, Pelaez wrote to the Malayan Ambassador to draw his attention to Paragraph 12 of the Report of the Foreign Ministers. The Note concluded:

1 Ibid., 15 June 1963.

2 The major problems between the Malayan and Singapore governments concerned the financial contribution which Singapore was to make to Malaysia, and Singapore's insistence on a common market. Under the terms of the agreement, Singapore was to pay forty per cent of its national tax revenue to the Federation, and make a fifteen year loan of M.50,000,000 to the Federation Government for the development of North Borneo and Sarawak. The proportion of taxes paid by Singapore was to be reviewed at the end of the first year of the Federation's existence.

3 Bangkok Post, 11 July 1963. On 17 July, the Indonesian government announced that an 'Alertness Fleet' had been formed as a mobile unit that could be quickly despatched to any area. Philippines Free Press, 10 August 1963.
In consonance with the brotherly spirit and sense of common dedication which underlined the above common understanding and agreement reached by our three countries on how the Philippine claim to North Borneo should be resolved justly and expeditiously, I have therefore the honour to request the assistance of Your Excellency's Government in our endeavour to secure the agreement of the British Government to the submission of the dispute over North Borneo to the jurisdiction of the International Court of Justice or alternatively to conciliation or arbitration or other peaceful means in conformity with the Charter of the United Nations and the Bandung Declaration.¹

In an attempt to salvage the summit meeting, President Macapagal sent cables to both the Tunku and Sukarno requesting 'moderation' in their statements, and Pelaez expressed 'disappointment' at Sukarno's outburst.² The Malayan government justified the 9 July agreement by stating that it was 'another step in a series of legal and constitutional procedures in preparation for the establishment of Malaysia and does not in any way conflict with the understanding reached by the foreign ministers in Manila.'³

Although Malaysia Day was only six weeks away, Tun Razak stated that there was still time for the Secretary-General of the United Nations or his representative to ascertain the wishes of the people of North Borneo and Sarawak regarding Malaysia.

On 16 July, the Philippine Department of Foreign Affairs announced that the summit meeting would commence

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² Manila Chronicle, 12 July 1963.
³ Straits Times, 16 July 1963.
on 30 July. Two immediate problems, however, confronted President Macapagal. One of these was the resignation of Pelaez following allegations that he was involved in the Stonehill affair.\(^1\) Macapagal, who emerged from this episode with little credit, immediately sent messages to Sukarno and the Tunku to reassure them that Philippine foreign policy would not be affected by Pelaez's resignation as Foreign Secretary.\(^2\)

The second major problem Macapagal had to deal with was the criticism in the Indonesian press of the Philippines' failure to condemn the Tunku's alleged breach of faith. On 23 July, the Philippine Embassy in Indonesia issued a statement that the Philippines was 'standing firmly' by the Manila agreement.\(^3\) Subandrio said a few days later that Macapagal had sent Sukarno a letter stating that the Philippine and Indonesian governments had identical views on the question of self-determination in the Borneo

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1 In response to allegations by his predecessor José Diokno, Secretary of Justice Marino listed fifteen prominent persons involved in the Stonehill case. The list included Diokno; Arsenio Lacson, the late Mayor of Manila; Melchor Aquino, the Philippine Ambassador to Germany; former President Carlos Garcia; and former Executive Secretary Juan Pajo. Marino also alleged that Pelaez had received ten thousand pesos from Stonehill. Pelaez immediately accused the President of using a 'polluted source' to defame him, and resigned as Secretary of Foreign Affairs on 21 July. *Philippines Free Press*, 27 July 1963.

2 *Indonesian Herald*, 25 July 1963. Pelaez, it should be noted, had established a good personal relationship with the Tunku, and it would not have been surprising if the Malayan government had regarded his replacement by Lopez with some misgivings.

3 *Straits Times*, 19 July 1963.
territories. Salvador Lopez, now Foreign Secretary, confirmed this statement in a press conference on 28 July in which he said that the view that 'self-determination in British Borneo must precede the formation of Malaysia was 'the implication of our foreign minister's meeting.' He would not, however, commit himself to support of the Indonesian demand for a referendum.

The Manila Summit

The summit conference began on 30 July in an atmosphere of tension following Sukarno's announcement at a rally in Djakarta on 28 July that he would go to the conference to 'continue our confrontation policy in order to wreck the formation of Malaysia.' In his opening address to the conference, Macapagal made elaborately flattering references to both Sukarno and the Tunku. The


2 Lopez had been a member of the Young Philippines group at the University of the Philippines in the 1930s, and had become interested in Asian nationalist movements under the influence of D.N. Roy. When Carlos Romulo founded the Herald in 1933, Lopez joined it as a journalist. He served as a guerrilla during the war, and joined the Department of Foreign Affairs at its inception in 1946 as Head of the Cultural Department. He spent eight years with the Philippine mission in New York, and seven in Paris. After a term with the Philippine mission to the United Nations, in 1955 he was sent to head the legation in Paris. He became an ambassador in 1956, and in 1961 was appointed Undersecretary of Foreign Affairs in the new administration of Macapagal, with whom he had worked in the U.N. mission in 1949. His appointment as Foreign Secretary in 1963 broke a tradition of political appointees rather than career diplomats being appointed to the post. Philippines Free Press, 17 August 1963.

3 Bangkok Post, 27 July 1963.

4 Manila Times, 29 July 1963.
theme of his address was 'stability' and 'security' against an unnamed threat, and the 'deliberate reorientation' of Philippine foreign policy towards Asia. Neither Sukarno nor the Tunku spoke at the opening ceremony in case either contributed to the tension.

According to Macapagal's memoirs, the problem of 'ascertainment' in the Borneo territories was raised when the Tunku proposed that Malaysia be established on 31 August, 'without prejudice to the Philippines and Indonesia satisfying themselves later that the Borneo territories favoured Malaysia, upon which the Philippines and Indonesia could then welcome Malaysia.' Sukarno would not agree to this, stating that he understood that the 'ascertainment' would precede the establishment of Malaysia. When the Tunku stated that the British government would oppose the postponement of Malaysia,

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1 If we are able today to exercise the initiatives and play a constructive role in international affairs, it is because the shape and the substance of our freedom have been rendered more meaningful. The Philippines has embarked upon a new stage in its development as an independent nation. Our neighbours sense and recognize this welcome change, and the best proof of it is that they are here with us working with us in brotherly solidarity towards the attainment of our common aspiration of a free, secure and prosperous community of sovereign nations in Southeast Asia.

In the regional level, we are in the last stages of the liquidation in Southeast Asia of the remaining pockets of the 'classic' type of colonialism. This has given rise to the opportunity for the independent countries in this area to begin to assume their rightful share of responsibility for the security and stability of this part of the world....

Department of Foreign Affairs Review, Vol.IV, No.3., December 1964, p.111.

2 Macapagal, A Stone for the Edifice, p.257.

3 Ibid.
a collapse of the summit meeting was averted only by Macapagal's timely invitation to lunch. Macapagal sent for the American Ambassador, William Stevenson, who conveyed a message to the British government requesting that Malaysia Day be postponed. The message indicated clearly Macapagal's concern with the interests of the 'free world':

Malaya, Indonesia and the Philippines are agreeable to a plebiscite conducted by or under the supervision of the Secretary-General of the U.N. beyond August 31, 1963, which means postponement of Malaysia as scheduled on August 31, 1963. Malaya agrees if the United Kingdom will also agree.

As the insistence of the U.K. to go ahead with Malaysia on August 31, 1963, despite the joint wishes of Malaya, Indonesia and the Philippines is the obstacle to successful agreement among the three states in the tripartite summit, the consequent failure of agreement will in all probability antagonize Indonesia against the United Kingdom with prolonged undesirable consequences.

It is very important to accede to Indonesia's position vis-a-vis Malaysia, i.e., to form Malaysia after a plebiscite supervised by the U.N. Secretary-General because this in all probability will pave the way for Indonesia's working more closely with the West while a dispute over Malaysia between Indonesia and the U.K.-Malaya or between Indonesia and the U.K. may constrain Indonesia, against its present inclination, to enlist Soviet Russia and/or Red China on its side in such dispute.

Suggestion: Weighing the implications of either contingency, it is to the interest of the free world in general and of peace in Southeast Asia in particular that the U.K. go along with the agreement of Malaya, Indonesia and the Philippines and not insist on legal barriers to what the three states are ready to agree upon.¹

¹ Ibid., p.259 (my emphasis).
A spokesman for the British Embassy in Manila stated that no change in the date for Malaysia was envisaged; this statement reportedly caused some embarrassment in London.¹ U Thant promised U.N. cooperation in the 'ascertainment' in Borneo, but stated it could not be completed by 31 August. On 4 August, a compromise agreement was reached. The Tunku agreed that he would no longer insist on 31 August as the foundation date for Malaysia, and the Indonesians dropped their demand for a referendum in the Borneo territories.² Three documents were released after the summit meeting - the Manila Accord, the Manila Declaration, and the Joint Statement. Paragraphs 4 to 7 of the Joint Statement dealt with the question of ascertaining in Borneo. It was agreed that the U.N. Secretary-General or his representative should ascertain the wishes of the peoples of Sabah and Sarawak prior to the establishment of Malaysia 'by a fresh approach'.³

² Ibid., 5 August 1963.
³ U Thant or his representative was to take into account:
   (i) the recent elections in Sabah (North Borneo) and Sarawak but nevertheless further examining, verifying and satisfying himself as to whether
      (a) Malaysia was a major issue, if not the main issue;
      (b) electoral registers were properly compiled;
      (c) elections were free and there was no coercion; and
      (d) votes were poorly polled and properly counted; and
   (ii) the wishes of those who, being qualified to vote, would have exercised their right of self-determination in the recent elections had it not been for their detention for political activities, imprisonment for political offenses of absence from Sabah (North Borneo) or Sarawak.

The Malayan government undertook to request the British government to cooperate with the Secretary-General and extend to him the necessary facilities to carry out his task, which was to be observed by representatives of the three governments. The question of the Philippine claim was dealt with in paragraphs 12 and 13 of the Manila Accord, and paragraph 8 of the Joint Statement; these paragraphs repeated almost verbatim paragraph 12 of the Report of the Foreign Ministers in June.¹

The three Heads of Government also agreed on the establishment of a new association to be known as 'Maphilindo', which was to be modelled on the Malayan Confederation Plan of Macapagal. The organizational aspects of the new association were dealt with in paragraphs 6 to 9 of the Manila Accord and paragraph 9 of the Joint Statement. It was decided that frequent and regular consultations, known as Mushawarah Maphilindo, were to be held at all levels, and that each country should set up a National Secretariat for Maphilindo affairs. Pending the establishment of a Central Secretariat, the National Secretariats were to coordinate and cooperate with one another. The 'security' aspects of the new association were set down in paragraph 3 of the Manila Accord:

The Ministers were of one mind that the three countries share a primary responsibility for the maintenance of the stability and security of the area from subversion in any form or manifestation in order to preserve their respective national identities, and to ensure the peaceful development of their respective countries and of their region, in accordance with the ideals and aspirations of their peoples.²

¹ See above, pp.207-08.

This statement was repeated in the 4th clause of the Manila Declaration. The influence of Sukarno could be clearly discerned in paragraph 11 of the Joint Statement:

The three Heads of Government further agreed that foreign bases - temporary in nature - should not be allowed to be used directly or indirectly to subvert the national independence of any of the three countries. In accordance with the principle enunciated in the Bandung Declaration, the three countries will refrain from the use of arrangements of collective defence to serve the particular interests of any of the big powers.¹

Macapagal repeatedly emphasised that Maphilindo represented increasing Philippine awareness of its 'Asian identity.' In his closing address to the summit conference, he stressed that Maphilindo drew its inspiration from Bandung, and represented for the Philippines the realization of the dreams of Rizal, Quezon, and Vinzons of a Malaya Irredenta. The Manila Declaration, Macapagal said, 'expresses the determination of our three countries to safeguard this area from subversion in any form or manifestation. It contains their solemn pledge to combine their efforts in the common struggle against colonialism and imperialism in all their forms and manifestations.'² Lopez also emphasised the 'anti-colonial' aspects of Maphilindo in a speech to the Manila Rotarians on 29 August in which he stated that in turning towards Asia from its Westward direction, Philippine foreign policy had taken a ninety degree turn.³

¹ Ibid., p.109.
² Ibid., p.113.
³ Manila Chronicle, 30 August 1963.
This rhetorical emphasis on 'independence' and 'anti-colonialism' should not be taken at its face value, and did not represent a radical change in Philippine foreign policy. In the face of a perceived Communist Chinese threat, Macapagal was unwilling to abandon the Philippines' 'special relationship' with the United States, and clearly indicated his belief that Maphilindo would serve the interests of the 'free world' in Southeast Asia in an address to the Manila Overseas Press Club on 21 August:

...Maphilindo has enabled us to gain new friends without losing old ones. It is safe and reasonable to say that our old friends will remain our friends because it is inconceivable that they should oppose a movement which can only serve to give to each country in the region its just share of responsibility for the peace, security and well-being of the area. On the contrary, it is in their own interest to encourage us to assume our share of the responsibility. Recent and current developments in Southeast Asia prove beyond doubt that the most modern military equipment and the most advanced military know-how will yield maximum results in the struggle against communist subversion and attack only if the struggle enjoys the loyal and devoted support of the masses of the people.\(^2\)

If the reaction of the United States government to Maphilindo is examined, it is clear that Philippine policy was not inimical to American interests in the region.

The United States and Maphilindo

American officials were cautious in their statements about the three meetings between representatives of Malaya,

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1 In his closing speech to the Summit Conference, the Tunku also emphasized the communist menace, stating that 'Communist imperialism is more destructive and more fearful than any the world has ever known.' Ibid., p.117.

2 Macapagal, The Philippines Turns East, p.42.
Indonesia and the Philippines from April to August since any suspicion of American interference was highly likely to provoke an outburst from Sukarno. Roger Hilsman has described American policy towards Indonesia at this time as a 'walk on eggs'.

Although the State Department had announced support for Malaysia in February, Tun Razak's visit to Washington in April indicated that the Malayan government could expect little more than moral support from the United States. The Kennedy Administration was deeply concerned with the 'Buddhist crisis' and the growing unpopularity of the Diem regime in South Vietnam, and continued to regard Malaysia as a British responsibility.

American treaty commitments in the Pacific area, however, militated against 'cordial non-involvement' in the Malaysia issue. Shortly before the ANZUS Council Meeting in Wellington on 5-6 June, Averell Harriman assured the Australian government that the ANZUS Treaty would be operable if Indonesia had designs on Australian New Guinea. The Ministers also reaffirmed their support for Malaysia as

1 Hilsman, op.cit., p.391.

2 Leifer, 'Anglo-American Differences over Malaysia', p.158. When the American Ambassador to Malaya, Charles Baldwin, was asked whether the U.S. would give aid to Malaysia, he replied, 'not that I know of. Tun Razak's visit was merely to clarify the reasons behind the formation of Malaysia'. Straits Times, 7 June 1963.


The final communique of the Council confirmed that anything that happens in the Pacific area is of concern to all three powers, and that a threat to any of the partners in the area, metropolitan and island territories alike, is a threat to the others.' Current Notes on International Affairs (Department of External Affairs, Canberra), Vol.34, No.6, p.5.
a 'major event in orderly decolonization', and expressed the hope that the Foreign Ministers meeting between the Malayan, Philippine and Indonesian governments would 'promote renewed relations of mutual friendship and regional stability on which economic development planning can be securely and successfully based.' The United States government had also expressed hope that the Tripartite Foreign Ministers meeting would be successful when Pelaez visited Washington in May.

After the Tripartite Ministerial Meeting in June, U. Alexis Johnson, the Departmental Under-Secretary of State for Political Affairs, indicated that his government was encouraged by the successful meeting in Manila. He emphasized that it was U.S. government policy to encourage regional cooperation among the 'free countries' of the area. Influential sections of the American press interpreted the apparent success of the Foreign Ministers meeting as an indication that Indonesia was veering away from Communist China. Robert Trumbull wrote in the New York Times on 12 June that the Tripartite Ministerial Meeting was an indication that Liu Shao-chi's visit to Indonesia had been a failure. The agreement reached by the three Ministers, Trumbull said, was implicitly aimed at Communist China; 'the accord is regarded as a significant shift in favor of the West in the power alignments of Southeast Asia'. In its editorial on 15 June, the New York Times said:

...A prime motivation for Malay unity is concern among the three Malaya nations over

1 Ibid., p.6.
2 Manila Chronicle, 4 May 1963.
the threat from communist China and over subversive activities of Chinese minorities in the Malay nations.

The Manila meeting represents an especially important new shift in foreign policy for Indonesia. A nation that has hitherto been pro-communist in its neutralism has now taken a step toward alignment against Peking....

Similar editorial opinion was expressed by the Washington Post. The press also carried optimistic reports of Indonesia turning to the West for assistance in building its economy. As has been pointed out, these stories may well have been inspired by State Department officials who were battling against the 'Broomfield amendment' which sought to suspend all economic and military assistance to Indonesia.

The extent of American influence on the outcome of the Manila Summit is difficult to determine. Hilsman has stated that American influence was 'marginal' but

1 In its editorial on 13 June, the Post stated: '...ethnic affinity, abetted by Communist Chinese aggressiveness, seems to have assured the success of the conference....'

This is an enormously hopeful development in terms of the security of Southeast Asia. The statement of the foreign ministers agreeing to share a common responsibility for combating 'subversion in any form or manifestation' reflects a new orientation. The lessons of Laos and India have apparently been understood by the Malay peoples.'


3 See Sullivan, op. cit., p.50.

4 See Hilsman, op.cit., p.395.

5 Ibid., p.396.
there is evidence to suggest that American diplomats were far from inactive during the meeting. The American Ambassador to Indonesia, Howard Jones, was in the Philippines at the time of the meeting, and presumably was in contact with Sukarno. According to the 

*Straits Times* of 6 August, President Kennedy wrote a personal letter to Sukarno before the meeting 'mentioning' the importance of American aid to Indonesia. Hilsman himself refers to the communications difficulties between Ambassador Stevenson and the State Department during the meeting, and indicates his Department's intense interest in the proceedings. ¹

The references in the Manila Agreements to the 'temporary nature' of foreign bases and the pledge to abstain from the use of 'collective arrangements to serve the interests of the big powers' appeared to be inimical to American and SEATO interests in Southeast Asia, and Hilsman was called before the Far East Subcommittee of the House Foreign Affairs Committee to explain the implications of Maphilindo. ² These clauses were, however, the price which Macapagal had been willing to pay to secure Indonesian membership in a tacitly anti-communist regional association. Macapagal had already given public assurances that his

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¹ Hilsman writes: 'It was not very likely that we could have done much about it if a snag developed, for whatever influence of either carrot or stick we possessed had already been used. But it would have been intolerable to think that the conference had foundered on something we could have unsnarled if we had only known about it.' *Ibid.*, p.397.

administration remained pro-American and staunchly anti-communist. According to Hilsman, Macapagal also gave private assurances about the future of American bases in the Philippines. Hilsman further relates that during the conference the Filipinos had stressed the 'Chinese threat' to the Malay countries; a theme which was again taken up by the Manila press. The view that Maphilindo was a Southeast Asian counterbalance to Communist China was also expressed by the New York Times.

The rhetoric in Philippine official statements concerning the 'new orientation' in Philippine policy tended to camouflage the fact that Maphilindo was not inimical to American interests in Southeast Asia. One of

1 Senator Ferdinand Marcos also stated that he saw no incompatibility between the Manila Agreements and SEATO. Manila Times, 12 August 1963. In April 1963, Marcos had replaced the Nacionalista Party President Rodriguez as Senate President. In view of Macapagal's promise to support Marcos's candidacy for the 1965 elections, Marcos appeared likely to be Pelaez's main rival for the Presidency. Philippines Free Press, 27 April 1963.

2 Hilsman states that one Filipino said, 'Even the Indonesians understand the need. Pointing to the Chinese, one said to me, "Thank God for the U.S. Seventh Fleet." And another said, "For you Filipinos the threat is the Chinese Reds. For us it is the Chinese, Red or Yellow".' Hilsman, op. cit., p.400.

3 Claude Buss wrote in the Philippines Free Press on 27 July that 'the Indonesian has the same security problem as the rest of Southeast Asia in the possible union between his local Chinese and the government of mainland China. If possible, he must drive a wedge between them!'

4 Editorial. 6 August 1963.
the most revealing comments on American policy in the region was made by Rusk in testimony before the House Committee on Foreign Affairs in March 1964. When he was questioned on SEATO, the Secretary of State said:

I think the SEATO alliance standing alone is not enough to take care of the interests of the free world in that area. For example, we have been glad to see the Philippines, Malaysia and Thailand draw together in their own grouping called ASA.

We have been hoping that the Malaysia-Indonesia affair could work out so that those two countries plus the Philippines could work on a basis of close cooperation. I think what is needed is SEATO plus, and the 'plus' is the solidarity of the countries in the area and their mutual interest in their own independence and security.¹

This interpretation of Philippine policy towards the formation of Maphilindo does not imply that Macapagal was merely a 'puppet' of the United States,² but suggests that he saw his policy as an implementation of 'free world' strategy in the region. The Macapagal administration's evident satisfaction with its role in the formation of Maphilindo seems to have stemmed from the belief that it had helped to form a regional association which was both 'anti-colonialist' and tacitly 'anti-communist.'

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² The view of the Communist Party of the Philippines is that 'the Maphilindo was nothing but an imperialist trick to outwit the Sukarno government of Indonesia and to extort more privileges for U.S. monopolies in Malaya and North Kalimantan.' 'Amado Guerrero', Philippine Society and Revolution (Ta Kung Pao, Hong Kong, 1971), p.91. 'Amado Guerrero', who is believed to be Jose Ma. Sison, is Chairman of the Central Committee of the Communist Party of the Philippines.
Philippine government could thus claim 'respectability' in the eyes of the leaders of the Afro-Asian states without sacrificing its 'special relationship' with the United States. This satisfaction, however, was short-lived. Soon after the conclusion of the Manila summit, it became increasingly clear that Macapagal's hope that the Philippines could help prevent Indonesia from 'turning communist' was based more on wishful thinking than on a 'realistic' assessment of Indonesian domestic and foreign policies.
CHAPTER SIX

PHILIPPINE POLICY TOWARDS ASA AND MAPHILINDO
AFTER THE FORMATION OF MALAYSIA

The 'Ascertainment' in Borneo

Soon after the conclusion of the Manila Summit, difficulties arose between the British government on the one hand and the Philippine and Indonesian governments on the other regarding the 'ascertainment' in Borneo. As Hilsman has pointed out, the British government was 'visibly unhappy' about the Manila Accords, and Duncan Sandys was furious.¹ The Tunku, who was accused by sections of the British press of having been duped by Sukarno,² stated on his return to Kuala Lumpur that the creation of Malaysia would be postponed for a few days if the ascertainment was not completed by 31 August.³ The British government, however, was opposed to such a postponement, although U Thant had indicated that the ascertainment could not be completed before 7 September.⁴

¹ Hilsman, op.cit., p.399.
² The Daily Telegraph commented on 6 August that 'the argument for condoning these apparently unauthorized manoeuvrings on the part of Tunku Abdul Rahman is that they are directed to an end desired by the British government no less than his own: The establishment of the Malaysia Federation on, or very soon after, the appointed date of August 31. There is, however, every reason to question the assumption of Indonesian sincerity which alone would justify appeasement. If Dr Sukarno's hostility to the Federation has not abated - and there is still no sign of that - yesterdays agreement simply gives him more scope and more time to frustrate it....' Hilsman suggests that the criticisms of the Tunku were officially inspired. Hilsman, op.cit., p.399.
³ Straits Times, 7 August 1963.
⁴ Ibid., 10 August 1963.
As early as 15 August, problems were encountered regarding the number of Filipino and Indonesian observers who were to accompany the United Nations team in Sabah and Sarawak. It had already been announced in Manila that the Philippines would send two five-man teams to each of the territories, and that each group would be accompanied by ten assistants. The Indonesian government wanted to send a total of twenty observers, but the British government stated that it would grant visas to only one Filipino and one Indonesian observer in each territory. On 17 August, the British agreed to allow two more observers from each country; a total of two Filipinos and two Indonesians in each territory. Two days later, Subandrio announced that his government would refuse to accept any findings by the U.N. team until the problem of the observers had been solved. Lopez, after conferring with the Indonesian Ambassador, announced that the four Filipino observers would remain in Singapore until their Indonesian and Malayan counterparts arrived there.

1 Manila Times, 14 August 1963.
2 Straits Times, 20 August 1963.
3 The Malayan government’s interpretation of Philippine actions on the observer problem was expressed in Malaya/Philippine Relations:

...Indonesia initially expressed a wish to send a team of some 30 persons and later took the position of wanting to send one observer for each member of the U.N. team. This line was closely followed by the Philippines who opposed vigorously the British decision that they would permit only one observer for each territory. When the British Government relaxed their position by agreeing to two observers for each territory or a total of four observers, the Philippines expressed satisfaction and despatched their team to Singapore, only asking that the Federation should use its good offices with the British Government to obtain agreement to the addition to the team of a clerical assistant. (cont. over page)
The Indonesian Government however refused to accept the British limitation of the observer teams to four from each country. Immediately this became generally known, the Philippines reversed its position and their team was instructed not to proceed to the Borneo territories until further instructions. Thereafter, the Philippines appeared to follow rather closely the line that Indonesia was taking. Eventually, after the UN Secretary-General had intervened the British Government agreed that each country could send a team composed of two observers and two clerical assistants for each territory and this was accepted by both Indonesia and the Philippines. A dispute arising out of both Indonesia's and the Philippines' wish to send as clerical assistants persons who were obviously not clerical assistants further delayed the arrival of the observers' teams from these two countries and when they arrived the UN Team had already in fact commenced their task of ascertaining and the Indonesian and Filipino observers were able to witness the UN Team carrying out their task for only a few days before the completion of the work on September 5, 1963.

Malaya/Philippine Relations, p.13. Lopez's version of these events was embodied in his speech to the United Nations General Assembly on 8 October:

...The unreasonable obstructions to the complete witnessing of the ascertaining operation was also a clear violation of the Manila Accord. The fact that the Philippine and Indonesian observers were able to witness only the last three days of the operation was a substantive and unjustified modification of that agreement....

The squabbling and quibbling about our observers were beyond belief. For two weeks we haggled with the United Kingdom authorities about the number, the rank and the mode of transport of our observers. First, they agreed to two observers, then to four observers, then to four additional assistants, and, to cap it all, they wanted to dictate how junior the assistants should be....

Further difficulties arose when the British government refused to allow Philippine Airforce aircraft to land in North Borneo and Sarawak. Intervention by U Thant led to agreement that Indonesia, the Philippines and Malaya could each send four additional assistant observers. The British government, however, refused to accept the credentials of three Filipino officials who had been designated as 'assistants' and on 30 August Lopez announced that the Philippines would not send observers. By this time, the Borneo ascertainment led by Lawrence Michelmore had been in progress for five days. On 31 August, the British government granted visas for four observers and four clerical assistants from the Philippines and Indonesia. These observers arrived in Kuching one week late, and U Thant agreed to extend the operations of the U.N. mission by three days.

On 29 August, however, the Malayan government sent Notes to the Indonesian and Philippine governments which stated that Malaysia would be formed on 16 September regardless of the findings of the 'ascertainment'. The Note justified this date by stating that U Thant had indicated that he expected the task assigned to him to be completed by 14 September. This decision by the Malayan government, which was strongly criticized by U Thant in his

1 Manila Chronicle, 31 August 1963.

2 Malaya/Philippine Relations, p.14.
Report, apparently resulted from pressure by Duncan Sandys. The reaction to the Notes in Djakarta and Manila was predictable. On 3 September, the Indonesian government deplored the Malayan government's decision as 'reckless and premature'; similar sentiments were expressed by Lopez. Three days later, Subandrio declared that the U.N. Mission had failed to carry out its duties in accord with the Manila agreements. The Philippine government's position, however, was more equivocal. In Manila, Acting Secretary of Foreign Affairs Cayco stated that his government was morally obligated to recognize Malaysia if U Thant announced 'categorically and unequivocally' that the peoples of Sabah and Sarawak were in favour of the new state. This announcement was contradicted by Lopez during a stopover in Honolulu en route to the United Nations session in New York. The Philippines, Lopez said, would have no relations with Malaysia if it was based on the results of the U.N. survey.

1 The Report stated: 'This has led to misunderstanding, confusion, and even resentment among other parties to the Manila Agreement, which could have been avoided if the date could have been fixed after May conclusions had been reached and made known.' United Nations Malaysia Mission Report (Department of Information, Kuala Lumpur, 1963), p.ii.

2 The Melbourne Age commented on 30 August that '...the author of the new tough line towards Indonesia and the rapid drive towards the foundation of Malaysia is believed to be...Mr Sandys who arrived here last Saturday and who has been in almost continuous conference with Malayan leaders ever since.' Hilsman agrees with this interpretation. Hilsman, op.cit., p.403.

3 Straits Times, 7 September 1963.


5 Ibid., 13 September 1963.
Secretary and the Acting Secretary seemed to indicate that Lopez was waiting to see what the Indonesians would do, although Cayco stated that he had told a representative of the American Embassy that the Philippines was not in league with Indonesia in opposing Malaysia.\(^1\)

The U.N. Mission Report was published on 13 September, and concluded that '...the majority of the peoples of the two territories...wish to engage, with the peoples of the Federation of Malaya and Singapore, in an enlarged Federation of Malaysia....'\(^2\) The Indonesian government rejected these findings, and on 16 September Subandrio summoned the Malayan Ambassador and informed him that he no longer had official status.\(^3\) On 15 September, Cayco summoned the Malayan Ambassador to the Philippines and informed him that the Philippine government had decided to defer action on the question of recognition of Malaysia and that the Philippine Ambassador to Malaya was being recalled.\(^4\) Cayco announced publicly that this decision was based on recommendations by Lopez after the latter had received a report of the Philippine observer team.\(^5\) Declaring that Philippine and Indonesian non-recognition of Malaysia meant the virtual death of Maphilindo, Ghazali Shafie expressed 'surprise' that very often anti-Malaysia steps announced in Djakarta were followed by similar steps in Manila a few hours later.\(^6\) Shafie also announced that

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4. Malaya/Philippine Relations, p.4.
5. Straits Times, 16 September 1963.
6. Ibid., 18 September 1963.
his government was not prepared to accept a Philippine proposal to reduce the status of the embassies in both countries to the level of consulates. On 17 September, the Malaysian government severed relations with Indonesia and the Philippines and asked Thailand to represent Malaysian interests in both countries.

The Demise of ASA

A recent study of conflict theory has concluded that:

a regional arrangement should plan to continue to function even during strained relations between states; there are examples of functional organisations being attended by states that have no formal diplomatic relations with each other. Frequently, states that have no formal diplomatic relations maintain contact informally. Regional arrangements and their subsidiary functional organisations should, if well-founded, be able to survive any tensions between members, and contribute to their reduction.¹

ASA had been in existence for only two years when diplomatic relations between Malaysia and the Philippines were suspended, and did not continue to function during the period of 'strained relations' between two of its founding members. There seemed some consensus that ASA would be easier to revive than Maphilindo² because the differences between the Malaysian and Philippine governments were not as deep as those between Malaysia


2 As has been indicated, Maphilindo was never actually established. The governments of the member states, however, frequently referred to the possibilities of a 'revival' of the association.
and Indonesia. ¹ For the remaining months of 1963, however, the Philippine and Malaysian governments engaged in lengthy negotiations conducted via Bangkok, but resolution of the impasse was not achieved. One of the major obstacles to 'normalization' of relations between the two states was the Philippine government's insistence on a referendum in North Borneo, and the Tunku's refusal to consider such action.

It is convenient at this point to take a retrospective glance at Philippine policy towards ASA projects from 1961 to 1963. In view of the difficulties confronting attempts at regional cooperation in Southeast Asia, ² and the short period of ASA's existence, ³ it was not surprising that relatively little had been accomplished. At the Special Foreign Ministers Meeting in the Cameron Highlands in May 1962, six main projects were agreed upon. These were:

- conclusion of a multilateral agreement on trade and navigation.
- abolition of visas for ASA nationals visiting member countries.

¹ The violence of the anti-Malaysia demonstrations in Djakarta, where the British Embassy was burned, was not repeated in Manila, and Cayco warned against 'precipitate action' by Filipinos in protesting against the formation of Malaysia. Manila Chronicle, 17 September 1963. The New York Times commented on Maphilindo: 'the Association of Southeast Asia seems likely to revive first since the quarrel between Malaysia and the Philippines is not nearly so deep-seated as that between Malaysia and Indonesia.' New York Times, 19 September 1963.

² See above, pp.4-12.

³ Only three Foreign Ministers Meetings of ASA were held before the Philippines and Malaya severed diplomatic relations.
launching of an express train service between Kuala Kumpur and Bangkok.

expansion of telecommunications services between Kuala Lumpur and Southern Thailand.

joint action in promoting tourism.

special rates on cables sent between member countries.¹

The Foreign Ministers Meeting in April 1963 noted the 'progress' which had been achieved in various fields, and in each of the fields of trade policy and promotion, primary commodities, civil aviation, shipping, tourism, joint research and higher education, a number of projects were listed as to be 'implemented immediately' while others were to be 'implemented after further clarification'.² Among the most significant projects to be implemented immediately was the investigation of the possibilities of establishing an ASA free trade area. The Ministers also agreed on the establishment of an ASA fund of US$3,000,000 to which each member state would contribute the equivalent of US$1,000,000 in local currencies. The necessity for the cooperation and active participation of the private sectors of the ASA countries was also recognized as 'very essential'.³ These were matters which were to be taken up when ASA was revived in 1966. ASA's achievements from 1961 to 1963 were far from spectacular; its main accomplishment, however, was that 'regionalism' had become less of a find-sounding longterm objective and more a matter of detailed planning on specific projects by officials and

¹ Straits Times, 7 April 1962.


³ Ibid.
experts of the member countries who realized that significant progress could only be achieved by a step-by-step approach to particular problems.¹

The available evidence² would seem to indicate that Philippine interest in ASA projects was mainly directed at the possibility of forming a common market; this had

¹ As Gordon points out, the ASA experience had been valuable in pointing out the difficulties to be encountered, particularly in fields such as education, air lines and shipping which the member governments had previously regarded as less 'difficult' than cooperation in fields such as trade and industrial planning. The Dimensions of Conflict in Southeast Asia, pp.179-83.

² The proceedings of ASA Committee Meetings have not been published.
been a Philippine objective in ECAFE for some time. In an address in May 1962, after a special meeting of ASA Foreign Ministers in Malaya in April 1962, Pelaez enumerated the agreements which had been reached on cooperative projects, including technical cooperation, higher education, joint research, trade policy and promotion, multilateral trade, customs regulations and procedures, intraregional trade, tourism, primary commodities, cooperation in the fields of industries, shipping, civil aviation, railways,

1 At the 19th session of ECAFE in Manila in March 1963, the Philippine delegation made a concerted effort to establish an Asian common market. A successful resolution jointly sponsored by the ASA countries and six others called for a meeting of high level representatives of the region to formulate and adopt concrete and concerted action for diversifying national economies and expanding foreign exchange earnings. This resolution was similar to one which had failed at the 18th session in Tokyo, and U Nyun, the Executive Secretary of ECAFE, stated that its adoption was a 'great moment' in the history of ECAFE. ECAFE Summary Records 19th session 5-18 March 1963 E/CN. 11/628, p.248. The 19th session also approved Manila as the site for ministerial talks on the establishment of an Asian common market. Manila Chronicle, 16 March 1963. The Manila Chronicle of 18 March commented that 'in no other international conference has the Philippines given substance to her promise as a leader of Asia than in the 19th session of the U.N. ECAFE, which, for the first time, bound Asians together within the framework of an economic bloc'. In December 1963, a ministerial conference of ECAFE in Manila, which was not attended by a Malaysian delegation, passed a resolution calling for the liberalization of trade through relaxation of quotas and tariffs, the establishment of an Asian Development Bank, cooperation of regional industrial projects including joint ventures, and the formation of a pool of shipping and air transport facilities. Nation, 7 December 1963.
telecommunications, fisheries and financial arrangements for the implementation of projects. The Vice-President also listed the projects which were planned for the future.\(^1\) The emphasis of Pelaez’s speech was on a modest, practical approach since 'we are starting modestly because we would much rather succeed humbly than fail grandly'.\(^2\) In Pelaez's view, the main purpose of ASA was to contend with the economic blocs of Western and Eastern Europe and Latin America; this could be achieved through the establishment of a common market:

Now that we have accomplished modest beginnings in ASA, the question most frequently asked is whether or not our three countries are moving towards the establishment of a common market. It does appear that we are inevitably headed that way. We are not going to measure our progress, however, by the milestones that the European common market and other regional blocs elsewhere in the world have passed by in the course of their development. Whatever common market may evolve from ASA will naturally be shaped in the mold of the peculiar conditions, requirements and idiosyncracies of the region. It will not be a copy of the European common market because ASA is in Asia and not in Europe. I must caution you, however, against expecting an ASA common market to come to life overnight.\(^3\)

Pelaez's views on the feasibility of an ASA common market were publicly shared by the Speaker of the House of Representatives, Cornelio Villareal; the Secretary of Commerce and Industry, Rufino Hechanova; and Hilarion Henares, the President of the Philippine Chamber of Industries.

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2 Ibid., p.158.

3 Ibid.
In an address to the first meeting of the ASA Committee on Trade Policy and Promotion in October 1962, Hechanova enumerated some of the arguments advanced against the practicability of an Asian common market, and concluded that they were superficial 'because they consider only our actual economic structures and condition and ignore the potential for economic expansion and diversification'. Suggesting that the 'seed of an ASA common market be planted', he outlined four guidelines:

1. A common tariff policy on goods moving between or among our countries with the final objective of removing restrictive trade barriers among us.

2. A common policy of selecting third country imports that actually compete with our own products.

3. A policy of sustaining the aims and purposes of the International Monetary Fund in respect of the exchange rate and capital transfers and remittances.

4. A common ocean transportation policy which will enable us to enjoy the same rate privileges and

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1 Some of the reasons advanced were the following:

Firstly, our respective economies are almost all at the same stage of economic growth; Secondly, such economies are predominantly agricultural and that we all rely on the exportation of a few primary commodities and the importation of finished products; Thirdly, our socio-politico-cultural backgrounds are varied and diverse; Fourthly, as underdeveloped countries, all of us are capital-poor; and Fifth, very little benefits [sic] could be derived from intra-regional trade among us because of the similarity of our economic structures, of our exports and imports.

establishment of the beginnings of an ASA ocean shipping line.¹

Pelaez and Hechanova had indicated that an ASA common market could form the nucleus of a wider Asian common market. This view was not shared by some of Manila's most influential businessmen, whose ranks included Eugenio Padua, Director of the National Economic Council and of the Manila Rotary Club, and Leonides Virata, Director of the Philippine Chamber of Industries.² Hilarion Henares, the President of the Philippine Chamber of Industries, agreed with Virata that an Asian common market was 'unworkable and undesirable' mainly on the grounds that 'Japan would be the dominant cock in the chicken coop',³ but argued that a common market among the ASA countries was a 'necessary step to full industrialization under the stimulus of a mass market of 60 million peoples and a vast pool of complementary

1 Ibid. Hechanova also pointed to Macapagal's socio-economic development plan for the Philippines, and the decontrol of the peso (a de facto devaluation) as measures which would strengthen the Philippine economy, since 'one fundamental requisite to the successful formation of a common ASA market is the strengthening by individual nations of their own economies'.


3 The Japanese government, however, had shown little interest in the idea of an Asian common market. Prime Minister Ikeda in November 1961 described the idea as premature. Far Eastern Economic Review, 18 January 1962. In February 1962, the Japanese government informed the secretariat of ECAFE that it was too early for Japan to adopt the Constitution for the Organization for Asian Economic Cooperation (OEAC). Japan Times, 21 February 1962. The OEAC idea originated from an ECAFE report on regional economic cooperation by the Lall Committee, and was widely referred to as the 'Asian Common Market'. See Far Eastern Economic Review, 8 March 1962.
Although the expectation that ASA could become a common market in the future was publicly shared by the arguments give a clear indication of the attractions which an ASA common market had for some members of the Philippine elite. He put these arguments in a series of rhetorical questions:

1. Are we aware that of all the ASA countries, the Philippines has the most diversified and the most developed complex of industries capable of competing with Thai and Malayan industries without the pressure of competition from the Japanese and the Europeans?
2. Wouldn't it be easier for the Philippines with its active entrepreneurial class, to set up more basic industries to serve an expanded market of 60 million consumers?
3. Why can't we send our surplus of engineers, teachers and doctors to the other ASA countries where they are needed....?
4. What are we doing to balance off our trade deficits with Thailand and Malaya, and for that matter, Indonesia? Don't we realize they import large quantities of wheat flour, textiles, fertilizers etc. which we have the capacity to produce and sell under a preferential tariff system?
5. Are we content to be a 'banana republic' dependent on the export of a few basic commodities subject to violent price fluctuations and the development of synthetic substitutes?
6. Should we not join Thailand, Malaya and possibly Indonesia to bargain collectively with the EEC countries so as to stabilize the trade on our traditional exports, especially copra and coconut oil which are our biggest source of dollar income?
7. Don't we realize that our free trade arrangement with the United States expires 12 years from now. And that we must look for alternative sources of export income, preferably from diversified manufactures, if we do not want to court economic disaster?....
8. Will not the expanded trade with the ASA and neighboring countries promote the development of an ASA maritime fleet capable of breaking the stranglehold of alien 'conference lines' on our trade routes?

1 Manila Chronicle, 25 November 1962. Henares' arguments resources'.
Tunku and the Malayan Ambassador to the Philippines, it seems clear that it was the Philippine government which was most interested in promoting the common market idea. This was to continue to be an objective of Philippine policy, despite the suspension of ASA activities in 1963.

Maphilindo: An 'Anti-Communist' or an 'Anti-Imperialist' Bloc?

In view of Macapagal's apparent preference for Maphilindo, ASA's demise does not seem to have unduly concerned him. The collapse of the Manila Agreements, however, was a threat to his 'Maphilindo strategy.' As has been indicated, Macapagal's 'Maphilindo strategy' aimed at the creation of an anti-communist regional association which would include Indonesia; at the same time, however, he was anxious to stress the 'independence' and 'anti-colonialism' of Philippine foreign policy. Soon after the formation of Malaysia, it became increasingly clear that Sukarno was attempting to use Maphilindo as a vehicle for removing the influence of the Western powers from the region and thus to turn Macapagal's 'Maphilindo strategy' on its head. It was now the Indonesian government which was using a 'carrot and stick' policy towards the Philippines, in order to gain Philippine support for 'confrontation' against Malaysia.

The inducements which Sukarno offered to the Philippines included a suggestion that Indonesia's entrepot trade be diverted from Singapore to a port in the Southern Philippines. In September 1963, the Philippine and Indonesian governments signed a revised trade agreement after an Indonesian trade mission had visited the Philippines. This agreement implemented trade arrangements made by

1 Bangkok Post, 23 November 1962.
Hechanova\(^1\) during a visit to Indonesia in May 1962. It was made clear in the joint communique\(^2\) that the agreement to divert Indonesian raw materials to the Philippines for finishing and re-export was made 'in view of recent political events that have led to the severance of economic relations between Indonesia on the one hand, and Malaya and Singapore, on the other'.\(^3\)

1 Hechanova was now Executive Secretary.

2 The communique stated that the panels had agreed upon:

1. the establishment of a free trade zone or a bonded warehouse system and of marketing, financial, communication and other physical facilities in the Philippines for the processing, grading and storage of Indonesian and Philippine goods for export to each other and re-export to third countries.

2. sending a second Indonesian procurement team to Manila to purchase a list of commodities manufactured by local firms.

3. processing in the Philippines of Indonesian raw cotton acquired under U.S. Public Law 480.

4. establishment of a joint Philippine-Indonesian Coconut Commission.

5. cooperative or joint ventures in shipping.

6. cooperation in film-making ventures.

7. cooperation in logging ventures.

8. purchase of Manila rope by Indonesia and of Sumatra wrapped tobacco and yellow corn by the Philippines.


3 Hilarion Henares, chief negotiator of the Philippine panel, said that Indonesia's decision to shift its Singapore trade to the Philippines 'brings forth visions of $200,000,000 worth of entrepot trade through a free trade zone in Davao city, where Indonesia's copra, tin, rubber and crude oil may be processed, graded and stored for the world market, and where Indonesia's import requirements may be handled through Philippine brokers and jobbers. Malaysian businessmen, however, were quick to point out that it would take years for the Philippines to develop the same kind of shipping, marketing and financing facilities found in Singapore.' *Straits Times*, 26 September 1963.
Another 'carrot' in Indonesia's policy towards the Philippines was a promise of support for the Philippine claim to North Borneo. In October, Lopez indicated that the Indonesian government had sent a Note 'supporting our claim to North Borneo'. The Note, however, apparently did not indicate any withdrawal of Indonesian support for Azahari's Kalimantan Utara concept which conflicted with the Philippine claim.

The 'stick' aspect of Indonesian policy towards the Philippines was an implied threat that Indonesia might veer towards communism if the Philippine government recognized Malaysia. During a visit to Manila in September, Subandrio reportedly indicated that continued 'Western meddling' in Asian affairs might force Indonesia to abandon its neutralist policy and align itself with Communist China. An indication of Indonesian pressure on Macapagal was given when Hechanova announced in October that the government had approved of Philippine participation in the Games of the New Emerging Forces (GANEFO) in Djakarta, despite a warning from the International Olympics Committee that athletes could be penalized for participation in the Games. The Indonesian press also carried stories that

3 Oscar Villadolid, long an opponent of Macapagal's apparent alignment with Indonesia, commented in his column in the Manila Bulletin on 18 November:

With communist countries as charter members of the Ganefo congress, the Philippines will be placed in a position of not only playing with the communists in deference to our friendship with Indonesia, but also dealing officially with our sworn ideological enemies with whom we have no trade or political ties.
the Philippines was pursuing a new 'tough line' towards Malaysia.¹

During the later months of 1963, criticism mounted in the Philippines at Macapagal's alleged 'toeing of the Indonesian line'. To some extent, this criticism was a product of the 1963 Senate election campaign.² It was also a reflection of growing anxiety regarding the implications of a possible Indonesian-Philippine 'confrontation' of Malaysia and the escalating guerrilla warfare in Sarawak. After his resignation, Pelaez³ lent weight to the views of those who believed that Macapagal was being used as an instrument of Indonesian policy, and stated that the Philippine government should not delude itself into believing that Indonesia 'can be drawn to our side.'⁴

¹ See, for instance, the Indonesian Observer of 17 December.

² In 1963, the main issues were the usual ones of graft and corruption, high prices, and rice shortages, plus the alleged failure of the 'New Era' to fulfil its promises. The Nacionalistas, however, did accuse Macapagal of emulating Sukarno's 'guided democracy' and of 'dictatorial tendencies.' The results of the election, in which the Liberals won four Senate seats and the Nacionalistas four, was interpreted as a significant rebuff to the 'New Era'. Meadows concludes that 'it is not unreasonable to assume (at least with the benefit of hindsight) that Nacionalista charges concerning Macapagal's relations with Sukarno contributed in some measure to the climate of opinion reflected in the 1963 election results.' 'Theories of External-Internal Political Relationships', p.301; see also 'Challenge to the "New Era" in Philippine Politics.' Pacific Affairs, Vol.XXXVII, No.3, Fall 1964.

³ Pelaez had resigned as Foreign Secretary, but was still Vice-President.

increased when Sukarno stated in October that Macapagal was introducing 'functional democracy', similar to Indonesia's 'guided democracy'. President Macapagal refused to comment on this reported statement, but Senator Manglapus accused Sukarno of misrepresenting the Philippine political system. In an article in the Manila Times on 3 October, Captain Carlos Albert (P.N. Ret.) attacked Lopez's 'ninety degree turn' speech, and stated that 'Mr Lopez now stresses past Western colonialism and he seems to give less significance to the cruelest and most dangerous of all imperialisms in the history of the world; that of communist imperialism'. This criticism intensified when Sukarno, in an interview in a Nigerian newspaper, described the Philippines as a 'loosely unified nation governed by a half-breed mestizo clique.'

By late 1963, Macapagal himself appeared to be having qualms about Indonesia's confrontation of Malaysia, and in September he expressed concern that the outbreak of violence in Djakarta on Malaysia Day might lead to an increase of Communist Chinese activity in the area. The

1 Straits Times, 3 October 1963
2 Manila Times, 4 October 1963.
3 Straits Times, 3 October 1963. Not surprisingly, the Straits Times emphasised news items about opposition in the Philippines to confrontation, and helped to fan rumours of Indonesia's 'duping' of Macapagal. On 9 December, the newspaper carried a report that the Philippines had an unpublicised claim on Indonesian Borneo.
4 See above, p.217.
5 Manila Times, 3 October 1963.
6 Manila Chronicle, 25 December 1963. The newspaper was the West African Pilot.
7 Manila Chronicle, 21 September 1963.
President's anxiety on the confrontation question seemed to be responsible for an announcement on 18 December that General Romulo had been offered the post of Foreign Secretary. This announcement was interpreted by the Manila press as an indication of Presidential dissatisfaction with the 'pro-Indonesia' orientation of Lopez's policy. Lopez weathered this incident, but the President reportedly was considering Ambassadors Borja and Mendez as replacements for Lopez. A further indication of Macapagal's increasing wariness of Indonesia was his postponement of his return to the Philippines after attending Kennedy's funeral; it was rumoured in Manila that this postponement was due to a desire to delay his meeting with Sukarno.

While in the United States, Macapagal had expressed a desire to revive Maphilindo. A Malaysian government spokesman said that 'Maphilindo could be an extremely dangerous thing to all, including the rest of the free world, if it should become an instrument of communist policy'. Macapagal's cognizance of this alleged danger seemed to be demonstrated by his reaction to Sukarno's state visit to the Philippines in January 1964. Before Sukarno's large retinue left for Manila, the Indonesian press reported that the two Presidents would discuss:

- a joint move to do away with Malaysia as a neo-colonialist project
- a closer cooperation in the fields of economy and trade

2 Romulo became a Presidential Advisor on Foreign Affairs.
4 Straits Times, 5 December 1963.
5 Ibid., 7 December 1963.
a fresh overture towards the creation of a system of collaboration in this region in the same spirit as the now crippled Maphilindo idea in order to gradually but positively push...foreign interests out of Southeast Asia, politically and militarily.¹

The Indonesians reportedly offered a number of inducements to Macapagal to support their concept of the purposes of Maphilindo, including:

- a public disavowal by Indonesia that it had expansionist or territorial ambitions in Southeast Asia
- a public assurance that Indonesia would not seek outside help, including that of the communists, in the pursuit of its confrontation policy against Malaysia
- an announcement by Indonesia reiterating its support of the Philippine claim to North Borneo with the specification that Djakarta's support of the Kalimantan Utara 'government' would be conditional on the outcome of the Philippine claim.²

Much emphasis was placed by the Indonesians on the 'Maphilindo spirit', and their offer to shift Indonesia's entrepot trade from Singapore to a Philippine port was reiterated. These blandishments, however, were met with considerable official scepticism in Manila. Important sections of the press emphasized the apprehension felt in the Philippines at the possibility of the Republic's being involved in a military confrontation against Malaysia,³ despite Lopez's assurances that the Philippines 'has not and will not join Indonesia in any confrontation, political

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¹ Indonesian Observer. 6 January 1964.
² Manila Bulletin, 10 January 1964.
³ See Manila Times, Manila Chronicle, 8 January 1964.
or economic, against Malaysia.\footnote{Manila Bulletin, 8 January 1964.} Columnists pointed out that the Indonesian government's continued support for Azahari contradicted its avowals of support for the Philippine claim to Sabah;\footnote{Ibid.} it was also reported that the Philippine government was wary of Indonesia's offers to shift its entrepot trade to the Philippines 'without proper guarantees.'\footnote{It was also feared that the establishment of a free port in the Southern Philippines would increase smuggling. Manila Times, 11 January 1964.}

Despite the Indonesian emphasis on Maphilindo as an 'anti-imperialist' association, Macapagal continued to cling publicly to the hope that Maphilindo could serve 'free world' interests in Southeast Asia. In an address to the Manila Rotary Club on 9 January, he reiterated the Philippine commitment to the 'free world'. He also indicated his continuing belief that Maphilindo could serve as a supplement to SEATO:

The concept of regional alliances in Asia had before been done [sic] with the participation of the United States and Great Britain. This was perhaps proper because the security of the region then had to be accepted in the auspices of the military reinforcements that the big powers could offer under SEATO. We will continue to support it because we have faith in its effectiveness. But we have also come to realise that the idea of national and/or regional security...depends also on the consensus and the closer relations between countries within the region, perhaps more than on military pacts alone.... It has become possible now...to conceive of regional defense and national security not necessarily dependent on any of the big powers but at the
same time continuing close relations of goodwill and friendship with them.¹

The Joint Statement released after Sukarno’s visit referred to the need to make Maphilindo a 'living reality', and proposed the extension of the association to include Thailand, Burma, Laos and Cambodia;² it also expressed the hope that Malaya would be present at the next Maphilindo Mushawarah. The Joint Statement contained a section on economic cooperation between the Philippines and Indonesia, but no mention was made of the establishment of a free


² Lee Kuan Yew stated that this move to expand Maphilindo was an attempt to isolate Malaysia. Straits Times, 13 January 1964.
Macapagal's concern at the conflict in the Borneo territories was expressed in Paragraph 6, which stated:

1 Part B of the Joint Statement said:

In order to strengthen the economic relations between the two countries, discussions were held on problems relating to trade and economic matters. Using as basis the Philippine-Indonesian Trade and Economic Agreements signed in Jakarta on May 27, 1963, meetings were held to review the implementation thereof. It was agreed to extend the Agreements to the end of 1965.

Regarding trade, agreement was reached to expand the volume of trade for the year 1964 above the levels previously agreed upon. Problems connected with trade were discussed and obstacles removed, particularly those governing payments arrangements and sea communications.

Regarding economic cooperation, the conversations explored further and in detail joint cooperation in the exploitation of forestry and fisheries resources. Arrangements were discussed for the processing of raw materials from Indonesia and the Philippines in Philippine and Indonesian industries having unused capacities.

...It was agreed that the Philippine-Indonesian Coconut Commission will formally be in operation as of today, January 11, 1964.

Agreement was also reached to establish the administrative machinery (a) for the promotion and expansion of commercial and economic relations between the two countries; (b) for the preparation of the groundwork for processing arrangements; and (c) for the continued implementation of the provisions of the Agreements.

President Macapagal...expressed the hope that in keeping with the basic purpose of Maphilindo all the signatories to the Manila Agreements, in the face of the present crisis, shall exercise moderation and restraint in order that an early settlement of the differences among them may be reached through peaceful means.

The Indonesian guerrilla activity in Borneo, and the increasing domestic opposition to the non-recognition of Malaysia were not the only reasons for Macapagal's unwillingness to become involved in confrontation against Malaysia. In response to the threat which confrontation posed to the 'stability' of Southeast Asia and to American economic interests in Indonesia, in the latter months of 1963 the United States government had become increasingly involved in the Malaysia issue.

The United States and Confrontation - September-December 1963

The British government's intransigence in setting the date of Malaysia Day before the Borneo ascertainment was complete did not meet with State Department approval.

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1 The Straits Times commented editorially on 18 January that "...the appeal for restraint made in the Manila communique...argues that President Macapagal is leaving a line of retreat, and it would also seem that he has no desire to change his government's position on the now vital question of relations with the West and defensive arrangements which will continue to associate Western powers with the security and stability of the area.... Not a voice has been raised in the Philippines against SEATO, which logically means that the Filipino concept of Maphilindo does not square with Sukarno's.

2 This opposition was led by Senators Sumulong and Manglapus, who argued that the Philippines and Indonesia were to blame for the Malaysia dispute.

3 Hilsman writes: 'For my part, I did not see how such a blatant insult could be ignored by the Indonesians and Filipinos.' Hilsman, op.cit., p.404.
but the U.S. government urged the Philippines to recognize the new Federation. In a letter to Macapagal on 14 September, Kennedy praised the former's role in the formation of Maphilindo, and stated:

Now that the Secretary General's findings have been issued, the United States policy will be to support the healthy development of Malaysia within the context of the Manila agreements. I hope that the policies of your Government and mine will not diverge at this point; and trust that your government, together with those of Malaya and Indonesia, will put behind them the problems of the past and proceed with the task of building a center of peace and security in Southeast Asia. The tensions of the past months have indeed been heavy, and it is due largely to your efforts and those of your colleagues in Djakarta and Kuala Lumpur that this new era is now attainable.¹

This optimism proved ill-founded when the Philippine government refused to recognize Malaysia. The State Department was dismayed at the burning of the British Embassy in Djakarta,² and with the possible implications of 'confrontation' for American policy in Southeast Asia. After the formation of Malaysia, American diplomacy moved from a position of 'non-involved cordiality' to one of attempting mediation in the dispute. In the endeavour to make Sukarno behave more 'sensibly', the State Department attempted to use two main weapons in the American diplomatic arsenal - Kennedy's proposed visit to Indonesia, and the American aid programme.

¹ Macapagal, A Stone for the Edifice, p.507-08.

² See Hilsman, op.cit., p.405. After the burning of the Embassy, Dean Rusk discussed the Malaysia issue with Subandrio, Lopez and Ong Yoke Lim, the Malaysian Ambassador to the United Nations. He stated that the United States was 'deeply concerned' at the Malaysia dispute. Manila Bulletin, 26 September 1963.
Sukarno was known to be eager for a visit by the American President and for some time Michael Forrestal, Harriman and Hilsman had been attempting to persuade Kennedy to make a visit to the Far East in order to 'consolidate the Pacific area'. According to Hilsman, the trio felt that Sukarno was teetering on the verge of a fundamental decision whether to cooperate with the Communist countries or to turn towards more peaceable channels for achieving the goals of nationalism. In a memorandum written before the Manila Summit, Hilsman had said:

This decision, inevitably, is tentative, not only in the sense that Sukarno will waver in the face of difficulties, but also that he will have trouble bringing the disparate elements of the Indonesian population along with him in this decision. The president's trip will go far towards making the decision stick. At the same time, the Malaysians are embarking upon a great enterprise of consolidating diverse peoples into a new nation - and they will need encouragement. Moreover, the Malaysians, the Indonesians, and the Filipinos

1 Hilsman writes: 'Sukarno had repeatedly raised the question of a trip by President Kennedy - as mentioned earlier, he had been hurt and angry when President Eisenhower had deliberately omitted Indonesia from the itinerary of his Far East trip, and he was eager to have that slight erased. In addition, a visit from Kennedy, who so excited the Asians, would fit well with Sukarno's hunger for prestige and recognition outside of Indonesia. And he would put a visit from Kennedy to good political use outside of Indonesia as well.' Hilsman, op.cit., p. 406.

2 Michael V. Forrestal was a White House aide on Far Eastern matters.

3 Hilsman, op.cit., p.405.

4 Ibid.
have taken the first tentative steps toward a federation of Malay peoples (Maphilindo) with the implied suggestion that it is to lay the groundwork of a defense against Chinese Communist aggression.¹

The visit, Hilsman states, was to be used as a means of 'persuading' Sukarno to make the decision to turn towards 'more peaceful channels', since it was clear that Kennedy could not visit Indonesia while confrontation continued; the visit was to be made more attractive by an offer of about $11 million worth of surplus rice under Public Law 480.³

Although Subandrio had stated that Indonesia would rather forfeit all aid than abandon confrontation, the U.S. government apparently continued to regard its aid programme as a powerful weapon. On 22 September, AID⁴ Administrator David Bell indicated that the Kennedy administration was reviewing its aid programme to Indonesia, and said that 'we've made it quite plain to the Indonesian government that the U.S. was able to assist other governments only when they behave sensibly in other matters.'⁵ There were rumours that similar pressures were being applied in

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¹ Ibid.
² Ibid.
³ Ibid.
⁴ Agency for International Development.
Manila. After the burning of the British Embassy in Djakarta and Sukarno's announcement that British companies in Indonesia were to be nationalised, the U.S. government suspended shipments of arms and ammunition to Indonesia. A freeze was also placed on new aid to Indonesia, including participation in the $250 million economic stabilization programme.

The United States government continued to regard Malaysia as primarily a British responsibility, but could not ignore the seriousness of the threat which confrontation posed to the 'security and stability' of Southeast Asia at

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1 A furore was created in Manila when the Manila Times reported on 9 October that the U.S. government had sent an aide-memoire to Macapagal which 'profoundly hoped' that Macapagal would recognize Malaysia and call for an urgent meeting of the Maphilindo committee to discuss the future of the region. The Note reportedly hinted that U.S. aid to the Philippines might be discontinued if Macapagal did not recognize Malaysia. This disclosure may have been a reference to Kennedy's letter of 14 September. Both Cayco and Ambassador Stevenson denied that the U.S. had threatened to cut off aid to the Philippines, although Stevenson suggested that the story may have been a deliberate leak occasioned by the collapse of Philippine-U.S. talks on quotas on the export of Philippine embroidery to the U.S. Macapagal's supporters in Congress criticized the alleged U.S. threat, but Pelaez, whose estrangement from the President was now complete, termed the 'leak' an irresponsible action of the Administration. Manila Times, 11 October 1963. It was also suggested that the 'leak' may have been designed to divert attention from issues such as the rice shortage, and the despatch of Filipino athletes to GANEFO. Manila Bulletin, 10 October 1963.

2 Hilsman, op.cit., p.405.

3 Sullivan, op.cit. p.55.
a time when the U.S. was becoming increasingly embroiled in South Vietnam.\(^1\) A report by a special Senate Study Mission in November 1963 clearly recognized the danger that its treaty commitments could involve the U.S. in the Malaysia dispute:

The present conflict between Malaysia and Indonesia is, in some respects, potentially as dangerous to world peace as the war in Vietnam. The crisis raised some serious problems for the U.S.

If Indonesia should take military action against Malaysia, the British almost certainly would enter the conflict. This could, in turn, involve Australia, New Zealand, and the Philippines, countries which have mutual security alliances with the U.S. Any armed conflict in this area, therefore, could escalate into a major war, one ultimately involving U.S. forces.\(^2\)

After the assassination of President Kennedy, in November 1963, President Johnson moved towards a 'tougher line' on Indonesia. He also decided to mediate directly in the Malaysia dispute by seeking to bring the Maphilindo countries together for negotiations on the issue. By early 1964, Macapagal no longer retained the initiative in attempting to salvage his 'Maphilindo strategy'. He continued to emphasise the slogan of 'Asian solutions for Asian problems', but as confrontation intensified, he became less averse to open American attempts to reconvene the Manila Summit.

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1 The coup against President Diem took place at the end of October.

CHAPTER SEVEN

CONFRONTATION AND THE 'MAPHILINDO STRATEGY'

The Robert Kennedy Mission

According to Hilsman, one of the first pieces of paper to come across President Johnson's desk was the presidential determination called for by the Broomfield Amendment, by which the President had to certify that continuing economic aid to Indonesia was in the national interest.\(^1\) To the surprise of the State Department, the new President refused to sign the determination and asked for a detailed list of what Indonesia was getting under the remaining aid programmes. The Secretary of Defense, McNamara, came up not only with a definitive list but a proposal by which he would decide on progressive cuts to bring increasing pressure on Indonesia.\(^2\) President Johnson also decided to send units of the Seventh Fleet into the Indian Ocean.\(^3\) In January, he wrote to Sukarno expressing concern at the situation in Borneo,\(^4\) and 'warning' that no improvement in American-Indonesian relations could be

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1 Hilsman, op.cit., p.407.

2 Ibid.

3 *New York Times*, 20 December 1963. Sukarno stated: 'I declare that even if two, three, four or seven fleets want to deter Indonesia, we will continue to crush Malaysia.' *Straits Times*, 20 December 1963.

4 At the end of December, the Malaysian government protested to U Thant at repeated Indonesian 'acts of aggression' in Sabah and Sarawak. *The Times*, 1 January 1964. In January, the British Defence Minister Peter Thorneycroft visited the Borneo territories. He and the Tunku agreed to meet Indonesian 'aggression' 'with resolution and in unity'. *Straits Times*, 7 January 1964.
anticipated if Indonesia continued its aggressive policies. The U.S. government also 'approved' of Australia's offer of military assistance to Malaysia.

The Johnson administration, however, had not relinquished the hope that it retained sufficient influence over Sukarno to persuade him to abandon confrontation, and Rusk had insisted in the face of Congressional opposition to the aid programme that the U.S. must maintain flexibility in its relations with Indonesia. At a meeting of the National Security Council on 7 January, Johnson decided to attempt direct mediation in the Malaysia dispute. It was decided that the Attorney-General, Robert Kennedy, should try to arrange a cease-fire in Borneo, prior to the convening of a second Maphilindo summit.

1 The letter was carried by Ambassador Jones on his return to Indonesia after attending President Kennedy's funeral. See Michael Leifer, 'Anglo-American Differences over Malaysia', p.192; Brackman, op.cit., p.215.

2 On his return to Sydney after discussions with President Kennedy and Rusk in October, the Australian Minister for Foreign Affairs, Sir Garfield Barwick, had stated:

Throughout the conversations I had in Washington I found a continuing and uniform note of firm approval of Malaysia.... The Prime Minister's announcement that Australia...had offered to add our military assistance to that of the United Kingdom in defending Malaysia was warmly received by the United States government who are glad to see Australia's readiness to play her part in maintaining the peace of the area.


3 See Sullivan, op.cit., pp.73-5.

4 As Sullivan points out, 'Kennedy...had the advantage of having the Kennedy name and...knew Sukarno from his previous Indonesian trip'. Sullivan, op.cit., p.67.
Kennedy met Sukarno in Tokyo, and flew on to Manila. Although there had been some speculation that Macapagal would resent his mediation attempts being eclipsed by those of Kennedy, Lopez stated that the Attorney-General's mission did not contradict the principle of 'Asian solutions for Asian problems.' After visiting Kuala Lumpur, Kennedy conferred again with Sukarno in Djakarta, where he delivered a 'warning, a proposal and a promise' from President Johnson. The warning was that the United States would be unable to continue economic aid if guerrilla operations continued; the proposal was that Indonesia seek a peaceful settlement through a tripartite conference with Malaysia and Indonesia; the promise was that the United States would support Maphilindo and help to speed its economic development if peace was restored.

A Joint Statement released in Djakarta on 23 January announced that Sukarno had agreed to a 'ceasefire' in Borneo and that a second Maphilindo summit was to be held, preceded by a Foreign Minister's meeting in Bangkok. Mediation efforts by Prince Sihanouk of Cambodia also resulted in an agreement that Macapagal would meet the Tunku in February during the former's planned state visit to Cambodia. During discussions with British officials

3 According to the New York Times of 26 January, there were strong indications that Kennedy has been instrumental in persuading Sihanouk and Thanat Khoman to play an intermediary role in the dispute. The Kennedy visit also encouraged the Japanese government to play a role in mediating the dispute. Ibid., 18 January 1964.
in London, Kennedy reiterated the view, publicly shared by Macapagal, that it was imperative that Sukarno should not be pushed into the communist camp. In view of Sukarno's renewed threats to crush Malaysia, the rationale of American policy met with considerable scepticism in London.  

The Ministerial meeting which Kennedy had helped to arrange was convened in Bangkok from 5 to 9 February. The main problem at the conference concerned the proposed ceasefire in Borneo, and Malaysia's insistence that Indonesian guerrillas be withdrawn before summit talks could be held. Although Lopez attempted to assume a mediatory role on the grounds that the Philippines was 'not involved in some of the more difficult aspects of the present situation', it was clear that American influence was far greater than that of the Philippines. The Tunku had agreed to drop all preconditions for the Ministerial talks, including that of recognition of Malaysia, in return for American support for Malaysia's three-point ceasefire plan.  

1 Ibid., 25 January 1964. See also Liefer, 'Anglo-American Differences over Malaysia', pp.163-4; Sullivan, p.69. The British government was also 'worried' by indications that Kennedy regarded the presence of British troops in Malaysia as a factor contributing to the crisis. The Times, 20 January 1964.

2 According to the Straits Times of 11 February, Malaysian sources said: 'the Philippine contribution to the conference has been nil. When it suits them they support the Malaysian line of argument. When it does not, they are on the Indonesian side.' Singapore's Finance Minister, Goh Keng Swee, who was a member of the Malaysian delegation, criticized the 'inept performance' of Lopez, and said that Thanat Khoman was 'fed up with the Filipinos at the talks.' Ibid., 12 February.

3 Ibid., 7 February 1964.
Maphilindo, but the conference ended in deadlock over the ceasefire arrangements.¹

The Macapagal-Tunku Meeting in Cambodia

By February, anxiety about Indonesian guerrilla activity in the Borneo territories was leading the Philippine government towards a reconciliation with Malaysia; presumably Kennedy had lent weight to the views of those who advocated recognition of the new state. At the tripartite ministerial meeting in Bangkok, the Philippine delegation had indicated that it preferred bilateral negotiations with Malaysia on the Sabah claim. Macapagal met the Tunku at Siemreap in Cambodia on 11 February, and it was agreed that consular offices be established in Kuala Lumpur and Manila. The Tunku indicated that Macapagal had said that ASA was still alive, but continued to insist on a World Court solution to the Sabah claim before full diplomatic relations between

¹ The final Joint Communique released after the conference set down a four-point ceasefire plan. The three governments agreed to:

(i) make every effort in cooperation with Thailand to observe the ceasefire,
(ii) immediately issue orders to their respective forces to halt fighting should incidents break out,
(iii) appoint military liaison officers in Bangkok to assist Thailand in supervising the ceasefire arrangements,
(iv) accept the presence of Thai observers in the respective territories and provide facilities for them to carry out their duties in connection with the ceasefire.

The Malaysian government, however, inserted a reservation in the communique that the ceasefire would not be effective unless Indonesian forces were withdrawn from the Malaysian side of the border in Borneo. Straits Times, 11 February 1964.
the two states could be re-established. There were rumours of dissension within the Philippine government on this issue when Lopez and Cayco issued conflicting statements. On his return to Manila, Macapagal claimed that his trip had been a success:

As a result of my conference with...Tunku Abdul Rahman, Philippine-Malaysian relations have moved toward normalcy, and the Philippine claim to Sabah has advanced towards a peaceful settlement. Likewise, because of the bilateral talks in Phnom Penh and the tripartite ministerial talks in Bangkok which were successfully arranged by...Robert F. Kennedy, our persistent goal of a tripartite summit meeting of reconciliation among Malaysia, Indonesia and the Philippines is now in sight.

Sections of the Manila press also praised Macapagal's trip as a triumph of Maphilindo diplomacy. The Manila Chronicle remarked on 15 February that for the Philippines, 'the solution of the current dispute will boost her image as a peacemaker and clear the way for her all-out campaign to expand the RP-sponsored regional organisation (Maphilindo) to include all countries in Southeast Asia.'

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1 Straits Times, 13 February 1964. Donald Stephens, now Chief Minister of Sabah, went with the Tunku to Cambodia. Stephens had already announced that Sabah would secede from the Federation if the Tunku considered the Philippine claim. Manila Chronicle, 14 February 1964. The Tunku suggested that what the Philippine government really wanted was a monetary settlement. Straits Times, 14 February 1964.

2 Cayco said that if the North Borneo claim was protected by Malaysia's adherence to the Manila agreements, the Philippines would extend unilateral recognition to Malaysia. Lopez, however, said that Philippine recognition of Malaysia would be made simultaneously with that of Indonesia. Manila Bulletin, 11 February 1964.

3 Manila Chronicle, 14 February 1964.
continuing belief in Maphilindo's ability to serve 'free world' interests in the region was indicated during his state visit to Indonesia later in the month.

Macapagal's State Visit to Indonesia, 22-28 February 1964

Macapagal made his state visit to Indonesia a few days after the British Prime Minister, Sir Alec Douglas-Home, conferred with President Johnson in Washington. The Joint Communique released after the Home-Johnson talks on 13 February stated that the two leaders had given special consideration to Southeast Asia and to the problem of 'assisting free states of the area to maintain their independence'. The communique stated:

Both governments stressed the value of the defense agreements which they have concluded there, and of the establishments which they maintain in the area. The Prime Minister re-emphasized the United Kingdom support for United States Policies in South Vietnam. The President reaffirmed the support of the United States for the peaceful national independence of Malaysia. Both expressed their sincere hope that the leaders of the independent countries in the region would by mutual friendship and cooperation establish an area of prosperity and stability.¹

Although the Joint Communique was an indication that British and American policies in Southeast Asia were

moving closer together, its reference to Malaysia apparently was not strong enough to completely satisfy the British government. It was clear that despite Sukarno's intransigence on the question of withdrawal of Indonesian guerrillas from the Borneo territories, the U.S. government continued to hope that it retained some influence on Sukarno.

During his state visit to Indonesia, Macapagal also clung to his 'Maphilindo strategy', which was designed to help prevent Indonesia from 'turning communist'. He has related in The Philippines Turns East a conversation he had with Sukarno:

Macapagal: Don't you think that all nations in Asia and the Pacific, without exception, fear Mainland China, whether it be red, yellow, or any other color?
Sukarno: I agree to that.
Macapagal: What is then the safeguard against the common threat?
Sukarno: That is the problem.

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1 The New York Times commented on 14 February:
Despite the emphasis on 'complete agreement' about policies in Southeast Asia, the two sides had to clear away some misunderstandings that threatened to become controversies.

The British denied, for instance, that some of the recent statements about Vietnam were intended to encourage an American withdrawal and a policy of 'neutralization'. The United States, in turn, expressed its support for British policy in Malaysia, despite its approaches to Indonesia, which are less hostile than those of Britain.

2 As Leifer points out, it was not clear what the U.S. would do if confrontation increased. Leifer, 'Anglo-American Differences over Malaysia', p.166.
Macapagal: Don't you think that is in the interest of each and every nation in Southeast Asia for all of them to band together to present a united defense front which then could be sufficient to prevent domination by Mainland China?

Sukarno: I will go along with that.

Macapagal: In such a concept whereby all the nations of Southeast Asia would group together to form a phalanx to resist domination by Mainland China, Indonesia, being the largest among the Southeast Asian nations, will have to bear the brunt of responsibility and leadership for an effective defense.

Sukarno: (His face lighting up with obvious interest and fascination for the idea). I realize that and Indonesia will accept the responsibility.1

The significance of this conversation, Macapagal states, was that 'Indonesian participation is necessary for a truly efficacious security posture in Southeast Asia'.2 Not surprisingly, he did not state publicly during the visit his hope that Maphilindo could serve as an anti-Chinese bloc, and confined himself to the theme that Southeast Asian countries should assume the responsibility for their

2 Ibid., p.239.
own defence.\(^1\) He did, however, intimate that Indonesia should pay more attention to its economic problems.\(^2\)

As has been pointed out, the hope that Sukarno would turn from 'foreign adventurism' to attention to domestic problems was one of the cornerstones of the 'Hilsman-Harriman-Jones line' on Indonesia.\(^3\)

The Joint Communique released after the visit stated that the two Presidents had agreed that another tripartite Maphilindo summit meeting should be held, and that the tripartite Ministerial talks in Bangkok should be reconvened as soon as possible. The communique also stated that Sukarno had assured Macapagal that the Indonesian government would observe the ceasefire in Borneo and

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\(^1\) In a speech to the Gadjah Mada University on 25 February, he said that Maphilindo was a more complete answer than ASA to the problems of Southeast Asia because it embraced cooperation in security as well as economic and social matters. Ibid., p.58. He also criticized the recent French proposal for neutralization of Southeast Asia on the grounds that it merely aimed at persuading outside powers to let the Asian nations alone. Such a scheme, he said, provided no role for the Asian nations except that of letting others 'assume the responsibility which it is their (i.e., the Asian nations) duty and privilege to shoulder as independent countries' and was no substitute for Maphilindo.

\(^2\) He stated in a speech to the Indonesian parliament that Indonesia's neighbours hoped that Indonesia would succeed in organizing and developing its economic resources as quickly as possible because the strength that comes from its fully developed wealth shall be a boon not only to itself but to the other nations in Asia and Africa who have not been blessed with the vast territory, enormous population and rich resources of this God-favoured country of Indonesia.' Manila Bulletin, 3 March 1964.

\(^3\) See above, pp.187-88.
expected the other parties to do likewise. It concluded:

The two Presidents were most gratified to note the similarity of approach and singleness of purpose shared by Indonesia and the Philippines in forging Maphilindo into a living reality based on the spirit and principles of the Manila Agreements.

They expressed the hope that Maphilindo will continue to develop and constitute a positive contribution to the solidarity of Asian and African nations in accordance with the principles adopted by the Bandung Conference of 1955...

The Second Maphilindo Foreign Ministers Meeting, 3-6 March 1964

Soon after Macapagal returned to Manila, Thanat Khoman visited Manila, Djakarta and Kuala Lumpur to arrange a further tripartite Ministerial meeting. Once again Lopez tried to act as 'middleman' between Razak and Subandrio, and suggested a 'compromise formula' which, according to Ghazali Shafie, was strongly supported by the

1 The Manila Bulletin stated on 2 March that Macapagal virtually told Indonesian officials that Indonesia would have to go it alone should its policy of 'brinkmanship' in Malaysian Borneo erupt into a war.


3 According to press reports, the American and Australian governments put pressure on the Tunku to agree to a second meeting; the Malaysian government position had previously been that it would not participate in further talks unless Indonesian regulars and irregulars were removed from Malaysian soil. Manila Times, 13 March 1964.

4 After these talks, Dr Goh was more complimentary about Lopez, stating that 'Mr Lopez was most helpful in his mediation efforts.' Straits Times, 7 March 1964.
United States. The talks, however, broke down again on the issue of Sukarno's refusal to withdraw Indonesian guerrillas from the Borneo territories. Macapagal was sufficiently concerned to state that if the Malaysia dispute exploded into a general war, the Philippines could become involved through its obligations to the United States and Australia. A further indication of Macapagal's anxiety was his agreement to an early exchange of consular missions with Malaysia; this decision was apparently taken without Lopez's knowledge.

As the situation became more serious after Sukarno's mobilization of Indonesian youth to 'crush Malaysia', Macapagal called on Sukarno to remove his guerrillas from Malaysian soil in return for Malaysia's agreement to a new summit meeting. Following a meeting on 18 March with Howard Jones and the Philippine Ambassador to Indonesia, Narciso Reyes, Subandrio agreed to the

1 Ibid., 9 March 1964.

2 Subandrio argued that during the Indonesian independence struggle, the Indonesian forces had made the mistake of withdrawing before political talks were held; the Dutch forces then moved in and refused to negotiate. Manila Times, 13 March 1964.

3 Straits Times, 6 March 1964. The New York Times commented on 13 March that 'President Macapagal has taken a courageous and statesmanlike stand which should end President Sukarno's attempt to establish a common front with the Philippines against Malaysia.'

4 The decision was announced by Senator Jose Roy, in response to growing pressure from Senators Salonga and Manglapus. Manila Bulletin, 10 March 1964. Pelaez also broke his silence on the Malaysia issue and urged Macapagal to make a 'forthright' decision on Philippine policy towards Malaysia. Ibid., 16 March 1964.
acceptance of the Philippine compromise formula, with a 'face saving' proviso that no publicity was to be given to the withdrawal of Indonesian guerrillas and that future negotiations be held in secrecy.

Both Lopez and Rusk continued to express the view that ASA and Maphilindo could be useful supplements for SEATO, but the anxiety of both the American and Philippine governments at the situation in Borneo was demonstrated at the Ninth Meeting of the SEATO Council in Manila from 13-15 April.

The SEATO Meeting in Manila, 13-15 April 1964

In his opening address to the meeting, Dean Rusk emphasized the 'communist threat' in Laos and Vietnam.

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1 The formula called for

- withdrawal of troops simultaneously with the beginning of talks on the settlement of Malaysian political issues, either at ministerial or subministerial level.
- Thai ceasefire supervisors to proceed immediately to troubled areas in Borneo
- a summit conference to be held after the Malaysian elections
- all Indonesian troops to be withdrawn before the commencement of the summit.

_Straits Times_, 19 March 1964.

2 Ibid.

3 Questioned on his views on SEATO's shortcomings at a press conference on 27 March, Rusk said of ASA and Maphilindo: 'We think that these relationships within the area, without regard to the formal structure of treaty arrangements, such as SEATO, can be a very constructive relationship in terms of strengthening their own mutual interests in each other's independence and security and well-being.' _Department of State Bulletin_, Vol.L, No.1294, 13 April 1964, p.572.

4 The South Vietnamese government sent an observer team led by its Foreign Minister to the meeting.
and referred to the Malaysia dispute:

We in the United States welcomed the formation of Malaysia in September 1963, and we continue to regard it as a positive and progressive development. We are seriously concerned by external threats to the security and integrity of Malaysia, and hope that a solution can be found to this problem that will contribute to the stability and progress of the entire Treaty area.¹

The Australian Foreign Minister, Sir Garfield Barwick, reportedly warned Macapagal that ANZUS would be operable if Indonesian troops attacked Australian forces in the Borneo territories.² Despite his emphasis on 'Asian solutions for Asian problems' during his state visit to Indonesia, Macapagal expressed concern at the possibility that the Western powers might abandon Southeast Asia. 'SEATO', he stated, 'cannot now abdicate its primary responsibility towards its Asian members without creating a power vacuum in Southeast Asia'; this was apparently

² Manila Chronicle, 14 April 1964. Barwick also seemed to favour other regional organizations as a supplement to SEATO. On his return to Canberra, he stated:

The government firmly supports SEATO as an effective instrument for collective security in Southeast Asia. This does not mean of course that the government rests exclusively on SEATO or that other valuable groupings of countries in the defense and security fields should not be sought. The search for a valid and enduring system of security in Southeast Asia has far from ended and I am convinced that successive Australian governments have a significant part to play in exploring and promoting suitable arrangements.

Current Notes on International Affairs, Vol.35, No.4, April 1964, p.44. On 17 March, Paul Hasluck, the Minister for Defence, had announced the Australian government's decision to give assistance to Malaysia in the form of material, training and the secondment of Australian officers. On 16 April, he announced further aid to Malaysia. Ibid., p.56.
a reference to the French plan for neutralization of Southeast Asia.¹ In the closed sessions, Lopez reportedly defended his policy, presumably against criticism from the British delegate.² He reportedly stated that the Philippines was not responsible for the Indonesian-Malaysian crisis, and stated that 'we cannot threaten Indonesia by withholding economic aid or shaking a mailed fist'.³ He also indicated that normal relations between the Philippines and Malaysia would be restored as soon as his government received satisfactory assurances with regard to 'definite procedures for the settlement of the Sabah dispute'.

Much of the Joint Communique dealt with the need to contain 'communist aggression' in Laos and Vietnam.⁴ There was no reference to Malaysia, although Razak had stated that his government would welcome SEATO aid if such aid were offered,⁵ and the SEATO Secretary-General indicated that the Malaysia issue was being handled 'through other channels'.⁶

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³ Ibid.

⁴ The French government abstained from the declaration on Vietnam.

⁵ In January, the Malaysian People's Front had urged that Malaysia join SEATO. There was some speculation during the SEATO meeting that Malaysia might join the association; the Malaysian government seemed unwilling to comment, although the *Straits Times* stated on 15 April: 'We would be glad to accept SEATO's aid if it were offered...but that is not the same as joining SEATO'.

⁶ *Bangkok Post*, 18 April 1964.
Lopez continued to cling to the view that Maphilindo and close relations with Indonesia were essential ingredients of Philippine policy, but during March and April 1964 there were indications of an impending change in American policy towards Indonesia. In testimony before the House Foreign Affairs Committee in March on the Broomfield amendment, Rusk stated that his government was awaiting the outcome of the second Bangkok negotiations 'which should indicate the prospects for peace in that area.' Until then, he said, the United States would supply only limited aid to Indonesia. Sukarno's response was to tell Ambassador Jones publicly on 25 March 'to hell with your aid'. There was a public outcry in the United States at the administration's 'softness' towards Sukarno, and the U.S. aid programme to Indonesia came under heavy fire in Congress. Although the administration continued to express the hope that the aid programme still provided the United States with some influence on the direction of Indonesian policy,  

1 Hearings before the Committee on Foreign Affairs, House of Representatives, 88th Congress, 2nd session on H.R. 10502, Part I, 23, 24, 25 March 1964, p.5.


3 In testimony before the House Committee on Foreign Affairs, Rutherford M. Poats, the Acting Assistant Administrator, Bureau for Far Eastern Affairs of AID argued against the termination of all aid to Indonesia, since this would not punish the Indonesian government but would 'deprive the U.S. of the opportunity to encourage the development, over time, of a free society in that part of the world'. Hearings before the Committee of Foreign Affairs, House of Representatives, 88th Congress, 7 April 1964, p.184. Howard Meyers, the Director for Operations, Office of the Deputy Assistant Secretary for Politico-Military Affairs of the State Department, admitted that the administration's attempts to turn Sukarno's attention towards nation-building had been only partly successful. He stated, however, that 'we have maintained,...to a degree which no other major power external to the area has been able to maintain, a degree of influence.' Ibid., 17 April 1964, p.553.
opposition in Congress to American policy on Indonesia continued to grow.

The likelihood of a change in American policy, coupled with Barwick's warning at the SEATO meeting, seem to have convinced Macapagal of the drawbacks of the 'Lopez policy' on Indonesia. Early in May, Lopez was replaced by Mauro Mendez, formerly Philippine Ambassador to Japan, who was expected to take a much 'tougher line' on Indonesia.¹ There was also some speculation that ASA might be revived after the Malaysian and Philippine governments re-established consular relations in May.² Thanat Khoman requested that the Standing Committee of ASA be reactivated, but a Philippine Department of Foreign Affairs spokesman stated that the matter would 'hinge on whether this would imply diplomatic relations with Malaysia.'³ With the tempo of confrontation increasing, Macapagal was clearly unwilling to risk Sukarno's ire by re-establishing full diplomatic relations with Malaysia; it also became apparent that the 'Maphilindo strategy'

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¹ Lopez had also disagreed with the President on the importation of South African sardines, and had deviated from Macapagal's 'hard line' on communism by advocating a 'softer line' towards the Soviet Union in the hope that this would counterbalance the influence of Communist China. Philippines Herald, 29 April 1964. There were also suggestions that Lopez had been dropped because he was likely to prove a liability in the 1965 elections. See also Leifer, 'The Philippine Claim to Sabah', p.57.

² The Philippine government imposed two conditions for the re-establishment of consular ties:
   - that the establishment of such ties would not imply recognition of Malaysia
   - that the Philippine claim to North Borneo would not be prejudiced. Manila Chronicle, 13 April 1964.

³ Ibid., 5 May 1964.
had not been entirely abandoned after Lopez's 'resignation'.

The Tokyo Summit

Early in May, the British Foreign Secretary, Lord Butler, visited the Philippines. This visit took place against a background of increasing British pressure on the United States to stop all aid to Indonesia, and on 5 May, William Bundy warned that the United States might be forced to stop its remaining aid programme to Indonesia if Indonesian aggression against Malaysia continued.¹ In Manila Butler spoke approvingly of the 'Lopez formula' on the withdrawal of Indonesian guerrillas from Borneo, and stated that his government wished to help 'revive' Maphilindo.² Thus encouraged, the Philippine government undertook what was to be a final effort to play a mediatory role in the Malaysia dispute.

Lopez was designated as Macapagal's Special Ambassador, and undertook a 'shuttle service' between Kuala Lumpur and Djakarta to secure Malaysian and Indonesian agreement to another summit meeting designed to revive Maphilindo. Until the last moment, the summit remained in doubt because of apparent Indonesian intransigence on the question of troop withdrawal in Borneo. At the summit meeting which began in Tokyo on 20 June, Macapagal suggested that an Afro-Asian Conciliation Commission should be appointed to settle the Malaysia dispute. It was clear that he clung to the hope that Maphilindo could be used to further 'free world' interests in Southeast Asia. In a speech to the Foreign Correspondents Club in Tokyo he said:

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² Dennis Healey, the British Labor Party spokesman on Defence, also praised the Maphilindo idea. The Times, 29 May 1964.
On the promise that Indonesia had [sic] not yet moved into, and formed part of, the communist orbit, that country, in concert with other free powers in the Pacific region like the United States, would be of advantage to mankind and to the cause of peace and freedom because then Indonesia would be a formidable obstacle to the adventurism or expansionism of Mainland China. To speak in blunt terms, practically every nation in Asia and the Pacific ocean fears ultimate threat from Mainland China, Red or not. An economically, physically and spiritually strong Indonesia with the support of the free nations in the area could be an effective deterrent and barricade against China's expansionism. The validity of this projection into the foreseeable future is supported by the historical experience in the last World War when the line of defense of the Free World against aggression from its main stronghold in the United States passed through New Zealand, Australia, the Indonesian islands, the Philippines and the strategic countries and islands close to the source of aggression....

The Tokyo summit was to prove the last major effort of the Philippine government to 'revive' Maphilindo. President Johnson congratulated Macapagal on his mediatory
efforts, but soon after the summit concluded, Indonesian troops landed on the Malayan peninsula. Macapagal, who had previously drawn a distinction between the Malayan mainland and the Borneo territories, announced that the Philippines would not attempt to reconvene the summit meetings.

During the remaining months of 1964, both the American and Philippine governments became increasingly concerned at Sukarno's bellicosity. The burning of USIS libraries in Indonesia, and the September landings of Indonesian troops at Pontian in Malaysia led both governments

1 The letter stated:
I wish to congratulate you for the skilful and constructive role you played at Tokyo. The issues between Indonesia and Malaysia are emotional and complex. I recognize that the dispute will not lend itself to easy solution. But, having followed your efforts closely, I do want to express my personal admiration for the imagination and insight you have brought to this difficult situation between your two closest neighbours. You have succeeded in opening up new avenues. If patiently pursued, those avenues may, I believe, lead towards most productive ends. We all stand to lose if this situation gets out of control. You have, by your leadership at Tokyo, contributed greatly to maintaining the stability of the Far East, and I want you to know of my personal admiration as well as appreciation for the distinguished and effective leadership you have brought to this situation.


2 Ibid.

3 The American delegate to the Security Council, Adlai Stevenson, 'deplored' the incursion of Indonesian troops into the Malaysian mainland. A Norwegian resolution deploring the airdrop was supported 9-2 in the Security Council, but vetoed by the USSR. Department of State Bulletin, Vol.LI, No.1318, 28 September 1964.
to take an increasingly 'hard line' on Indonesia, although
American aid to Indonesia was not entirely cut off\(^1\) and
the American support of Malaysia was not unequivocal.\(^2\)

1 In August, the U.S. Senate voted a ban on all aid to
Indonesia, and forbade the training of Indonesian military
personnel in the U.S. A State Department spokesman,
however, said that the Department 'considers that it would
be unwise for Congress to terminate U.S. aid to Indonesia,
thereby reducing the Administration's flexibility in the
conduct of U.S. relations with that country.' Ibid.,
Vol.LI, No.1314, 31 August 1964. Similar sentiments were
expressed by William Bundy. Ibid., Vol.LI, No.1315,
7 September 1964.

2 The ANZUS Council met in Washington from 17-18 July. Its
communique stated:

\(...\)The council reaffirmed its continuing support for
Malaysia. It noted that two of its members are now
giving aid, both in forces and in material, to assist
Malaysian defence. The council recognized that in this
region, as elsewhere, force must not be employed in
violation of the territorial integrity of other nations.
It expressed the hope that the independence of Malaysia
would be respected and that peaceful relationships with
neighbouring states would be restored so that all could
contribute to the peace, security and advancement of
South-East Asia and the South-West Pacific.

Current Notes on International Affairs, Vol.35, No.7,
July 1964, p.41. In late June, the Tunku made a two-day
state visit to Washington, and the Joint Communiqué
released after the visit stated that the U.S. supported
Malaysia's efforts to live in peace and to maintain its
freedom, independence, security and sovereignty. Department
Despite this affirmation of support to Malaysia, however,
the U.S. was far from open-handed in its aid to the new
federation. In November, the Tunku asked the U.S. for
helicopters, jet trainers and landing craft for use in
Borneo. The Malaysian government hoped that this
transaction could be underwritten by a standard defence
loan, but the U.S. government offered a loan to Kuala
Lumpur on a standard commercial basis. Razak rejected
the offer, and stated 'since we are defending not only
ourselves but democracy in this part of the world our
friends ought to look after us with more sympathy and
Macapagal's concern at the vulnerability of the Philippines' 'back door' was clearly indicated during his state visit to Washington from 3-15 October 1964.

Macapagal's State Visit to Washington

The Joint Communique released after Macapagal's talks with President Johnson stated:

President Johnson expressed his appreciation to President Macapagal for the latter's efforts to bring about a peaceful settlement of the dispute between Indonesia and Malaysia. Both Presidents agreed that it is vitally important that this dispute, which now threatens the peace and stability of the Southwest Pacific area, be resolved.

The two Presidents recognized that the aggressive intentions and activities of Communist China continue to present an imminent threat in the Far East and in Southeast Asia. They reviewed, in this connection, the importance of the Mutual Defense Treaty between the Philippines and the United States in maintaining the security of both countries and reaffirmed their commitment to meet any threat that might arise against their security. President Johnson made it clear that, in accordance with these existing alliances and the deployment and dispositions thereunder, any armed attack against the Philippines would be regarded as an attack against United States forces stationed there and would be instantly repelled.¹

This communique, which repeated the 'instant repulsion' clause of the Garcia-Eisenhower communique of 1958,² was clearly a warning to Sukarno.³ Rusk made this warning explicit when asked by newsmen if he shared concern that the Philippines might be a future target of Indonesian

² See above, p.38.
³ Manila Chronicle, 13 October 1964.
infiltration. The Secretary stated that American defence arrangements with the Philippines were very far-reaching and without qualification, adding that 'I would think that it would be very reckless indeed for anyone to suppose that there is any doubt whatever about our commitment to the security of the Philippines.'

The Macapagal-Johnson communique also referred to the escalation of the Vietnam war after the Gulf of Tonkin 'incidents' in August 1964. President Macapagal 'noted that prompt and decisive action by the United States in the Gulf of Tonkin had once again confirmed American readiness and determination to resist aggression in Southeast Asia to help assure its progress under freedom.'

The Johnson administration at this time was intensifying its efforts to secure the participation of America's allies in the Vietnam war, and it is likely that the question of

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2 The Tonkin Gulf 'incidents' led to the first American bombing of North Vietnam on 5 August 1964. They also led to the 'Tonkin Resolution' which empowered President Johnson 'to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression'. See Adam Roberts, 'The Fog of Crisis: the 1964 Tonkin Gulf Incidents', The World Today, May 1970.


4 The Johnson administration had reached a 'general consensus' on the necessity for bombing North Vietnam in September 1964, soon after the Gulf of Tonkin incidents. At a White House meeting on 1 December, the President stated that he wanted 'new, dramatic effective' forms of assistance from America's allies, specifically mentioning Australia, New Zealand, Canada and the Philippines. See The Pentagon Papers, p.334.
a Philippine contingent was raised during Macapagal's visit.¹

In an address to the National Press Club in Washington, Macapagal stated that the resumption of the Maphilindo summit talks was not possible until the Indonesian guerrillas on the Malayan mainland were withdrawn. He also said that despite the Philippine deferment of recognition of Malaysia, relations between the two countries were of the friendliest kind; this was because 'both Malaysia and the Philippines are virtual allies committed to the cause of freedom.'² Although the efficacy of Philippine mediation attempts in the Malaysia dispute was doubtful, Macapagal seemed to cling to the remnants of the 'Maphilindo strategy'. Failure in settling the dispute, he said, would result in Indonesia's 'moving farther towards the communists and finally turning communist, an eventuality

¹ In response to a 'request' from the South Vietnamese government in May 1964, Republic Act 4162 was passed by the Philippine Congress to enable a Philippine medical team to be sent to Vietnam. Johnson stated in a letter to Macapagal on 16 December that he was 'highly appreciative' of the Philippine contribution, and hoped that 'suggestions' that an 1800 man tri-service task force would 'materialize in the near future'. The task force, Johnson said, would be 'tangible evidence to the American people that one of their truest and most steadfast allies stands with them in the defense of the freedom of a country so distant from America's shores.' According to Macapagal's memoirs, the American Ambassador, William Blair, promised that the United States would be willing to increase the scheduled military and civil aid to the Philippines to an amount equivalent to the cost of sending the contingent to South Vietnam. Macapagal, A Stone for the Edifice, pp.334, 527-8, 323.

² Straits Times, 8 October 1964.
which would be frightfully costly to the free world'.

The fate of such mediation attempts, however, was sealed when Subandrio announced that his government no longer had any use for mediators.

The Collapse of the Maphilindo Strategy

The reaction of the Philippine government to the increasing tempo of confrontation in 1965 took place against the background of a policy debate within the State Department on policy towards Indonesia. On one side of the debate were Ambassador at Large W. Averell Harriman; Robert Komer, a foreign affairs adviser to the President; and Ambassador Jones. This group continued to argue that the United States should keep the 'door open' to Indonesia in the hope that Sukarno or his successor would eventually desert the communists for the West. On the other hand, a group comprised of Under Secretary of State George Ball, William Bundy (who had replaced Hilsman as Secretary of State for Far Eastern Affairs in 1964) and Bundy's deputy Marshall Green took a 'hardline' position, arguing that

1 Ibid. In an address to the Chicago Council on Foreign Relations on 5 November 1964, William Stevenson, the former American Ambassador to the Philippines, seemed to lend support to the 'Maphilindo strategy' by praising Macapagal's attempts to keep the 'door open' to Indonesia, and stated: '...it was partly in order to contain the Chinese tide that ASA...was formed in 1961. In...1963, one element in the formation of Maphilindo was the Chinese "problem". ...Of vital importance to all of us will be the reaction of the Asian countries now that Red China has become an atomic power. Will this expedite confederation or new security arrangements by the anti-communist nations of the area, or will it work some other way?' Philippines Free Press, 16 January 1965.

2 Manila Bulletin, 4 November 1964. The Indonesian Herald added that 'Indonesia does not need the services of mediator which is imposing preconditions similar to that of Indonesia's opponent'.

American aid programmes had no effect on Sukarno and that the United States had been 'kicked around'. Despite the Johnson administration's reluctance to become involved in the Malaysia dispute at a time when it was committing ground troops to Vietnam, the latter group gradually gained the ascendancy in 1965 as Indonesia appeared to move towards an alliance with Peking. American policy was also influenced by the attacks on American property which began in 1965, and the hostile reaction of Congress to Sukarno's policies. Following a mission by Ellsworth Bunker to Indonesia in April, the U.S. government decided that the Peace Corps should be withdrawn from Indonesia and that the American aid programme should be reviewed. The change in direction of U.S. policy was marked in May by Jones's replacement by Marshall Green, who was far less sympathetic to Sukarno than Jones had been.

The Philippine government also expressed alarm at the direction of Indonesian policies. When the Indonesian government withdrew from the United Nations in January in protest against Malaysia's election to a temporary seat in the Security Council, Mendez stated that such action was 'a cause for regret'.

2 The decision to use American ground troops for combat operations in South Vietnam was taken in April 1965. The Pentagon Papers, p.382.
5 Ibid., pp.135-44.
the end of January. The press emphasized the dangers of a Djakarta-Peking axis, particularly at a time when Huk activity in central Luzon was reportedly increasing.

A further cause for anxiety in the Philippines was the 'Indonesia lobby' which allegedly financed 'anti-American activity' in the Philippines. Above all, the Philippine government became increasingly concerned at the alleged Indonesian 'infiltration' in Mindanao. In February, Defense Secretary Peralta announced that an Indonesian 'spy' had been caught in Mindanao, and there was much speculation about Indonesian 'plans' to annex Mindanao and Sulu. There were also suggestions that the United States would be asked to reactivate the wartime air bases in the southern Philippines and the Armed Forces Budget was

1 Manila Times, 30 January 1965.


3 New York Times, 8 January 1965. There were a number of anti-American demonstrations in Manila early in 1965, which were widely reported in the American press, as being closely related to the increase in Huk activity. As Meadows points out, however, it should be noted that 'Americans have a lamentable tendency to regard critics of American actions or policies as hostile if not communist-inspired'. Martin Meadows, 'Implications of the 1965 Philippine Election: The View from America', Asian Studies, Vol.VI, No.3, December 1968, p.389. The 'anti-American' demonstrations stemmed mainly from several killings of Filipinos on U.S. bases. In December 1964, the Nacionalista Party stated that it favoured the immediate revision of the Philippine-United States Military Bases Agreement. The upsurge of nationalist sentiment in the Philippines led to the conclusion of the Mendez-Blair Agreement of December 1965.


5 Manila Times, 5 March 1965.
increased to deal with the threat to the 'soft underbelly' of the Philippines. 1 Macapagal came under considerable criticism for allowing the Philippines to become 'too closely aligned' to Indonesia, and in March Senator Ganzon (Nacionalista) stated in a Privilege Speech in the Senate:

President Macapagal allowed the ASA...to wither on the vine, and substituted...the Maphilindo, a tripartite group composed of Indonesia, Malaysia and the Philippines, and dominated by the politically capricious Sukarno...Thailand, our SEATO ally and a staunch anti-Communist bulwark in Asia, was eliminated from this new association.... The Maphilindo became stale and useless, but it existed long enough to provide Indonesia with ample opportunities in the furtherance of its designs to harass Malaysia and to conduct a steady encroachment upon our own political, social and economic life. 2

Despite the intensive press coverage, however, the 'Indonesia question' did not become an issue in the 1965 Presidential elections. As early as March 1964, 3 Marcos had criticized Macapagal for 'too close' alignment with Indonesia, 4 but in the Presidential election campaign, Marcos's own supporters included the ultra-nationalist and 'anti-American' elements in Philippine politics, as well as the 'pro-Indonesia' sections of the press, and it was not surprising that he was not anxious to emphasize

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1 Philippines Free Press, 10 May 1965.
2 Manila Chronicle, 23 March 1965.
3 Marcos defected from the Liberal Party in April 1964 and joined the Nacionalistas. At the Nacionalista Party Convention in November, he was elected as the N.P. candidate, defeating Pelaez, Tolentino and Puyat.
Although the perception of a threat from Indonesia did not become an issue between Macapagal and Marcos, it was clear by 1965 that Macapagal's 'Maphilindo strategy' had been abandoned, and that the possibility of 'turning Indonesia towards the West' was extremely remote. The 'coup' in Indonesia, however, which occurred shortly before the Philippine elections, presumably decreased the importance of the 'threat' from Indonesia to the Filipino voters.

A Revival of ASA? – The Sabah Issue

As concern in the Philippines at reports of Indonesian 'infiltration' in Sulu and Mindanao increased in late 1965 and 1966, there was speculation that diplomatic relations could be restored between the Philippines and

1 Meadows suggests that the 'Indonesia issue' manifested itself in early indications that the People's Progressive Party (P.P.P.), the 'third force' in Philippine politics, would poll well in 1965. The leaders of the P.P.P., Senators Manahan and Manglapus, had emphasized the external threat from Indonesia and the internal threat from the Huks. The coup in Indonesia in October, however, presumably decreased the importance of the 'Indonesia issue.' Meadows admits, however, that it is hazardous to attempt to relate the P.P.P. experience in 1965 to the 'confrontation' issue, since third parties traditionally do not poll well in the Philippines. Martin Meadows, 'Theories of External-Internal Political Relationships', pp.303-05.

2 Meadows states:

...the anti-Communist uprising in Indonesia, still fresh in the minds of Filinos on election day, may have served to sharply decrease the salience of the Communist threat to the electorate.

Ibid., p.308.
Malaysia and that ASA could be revived. During a press conference in November 1964, Mendez said that 'Maphilindo is sound asleep while the Association of Southeast Asia (ASA) is wide awake although in a state of suspended animation'. Despite the improvement in Malaysian-Philippine relations in 1964, however, the issue of the Sabah claim continued to prevent a revival of ASA.

Macapagal insisted that in Cambodia in February 1964, the Tunku had agreed to bring the Sabah claim before the International Court of Justice. In a letter to Macapagal at Tokyo on 19 June, the Tunku denied this allegation, and stated that 'reference to the World Court was not the only remedy open to us as in Paragraph 12 of the Manila Accord'. On the grounds that the Philippine government had not presented adequate evidence of the basis of its claim, the Tunku would agree only to low-level discussions on the Sabah issue. The Philippine government agreed to such talks, but insisted that the Sabah issue

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1 After a three day goodwill visit to Malaysia as a guest of the government, Speaker Villareal expressed optimism at the prospects of the restoration of relations between the Philippines and Malaysia, and of an early revival of ASA. Manila Chronicle, 23 August 1964. Oscar Villadolid commented in the Manila Bulletin on 4 November 1964 that 'with Maphilindo in the backseat, ASA now looms as the next best hope for achieving the dream of unity among Southeast Asian peoples of like mind and identical background.' There was also speculation that a financial settlement of the claim was being negotiated. Manila Chronicle, 7 January 1965, 8 January 1965.

2 Manila Chronicle, 14 November 1964.


4 Ibid., p.495.
should be submitted to the World Court if the talks failed.\footnote{Ibid., p.275.}
The Malaysian government, which was under pressure from the Sabah government,\footnote{See Gordon P. Means, 'Eastern Malaysia: The Politics of Feralism', \textit{Asian Survey} Vol.VIII, No.4, April 1968, for a background of the relations between the Central Government and Eastern Malaysia.} refused to meet this precondition; and relations between the two states deteriorated during the 'fingerprint dispute' of 1965.\footnote{In May, the Singapore Minister for Health, Yong Nyuk Lin, complained that he had been mistreated by Manila immigration authorities; his fingerprints had been taken despite his possession of a diplomatic passport. The Philippine government had ordered the fingerprinting of all Malaysian Chinese. The Malaysians retaliated with threats of similar treatment of Filipino visitors, and the Philippine government relaxed its position. \textit{Straits Times}, 14 May 1965.} Although the Philippines supported Malaysia's admission to the abortive Afro-Asian Conference in mid-1965,\footnote{The Malaysian government expressed its 'deep appreciation' of this support, although Mendez had stated that it did not imply recognition of Malaysia. Ibid., 22 May 1964.} Macapagal's insistence on a World Court solution for the Sabah dispute precluded a revival of ASA.

At the end of Macapagal's four year term of office, regional cooperation in Southeast Asia was at a low ebb. Macapagal had indicated a very limited personal commitment to ASA, and his 'Maphilindo strategy' was a clear failure by 1965. It was apparent that he had overrated the role which the Philippines could play in the region. In 1963 the notion that the Philippines could help prevent Indonesia from 'turning communist' had been a very remote possibility; by 1965, it was patently ludicrous. Moreover,
it was increasingly difficult for Macapagal to maintain his rhetorical commitment to an 'independent' foreign policy at a time when he was seeking assurances of American support in case Sukarno had designs on the southern Philippines.

Shortly before Macapagal's defeat in the 1965 Presidential elections, however, the coup in Indonesia and the decimation of the PKI removed the perceived threat of a communist Indonesia. This development, which occurred a few months after President Johnson had announced a significant change in American policy towards Southeast Asian regional cooperation, was to contribute to the establishment of a regional association which included the members of both ASA and Maphilindo.
This study emphasizes the need to relate Philippine policy towards regional cooperation in Southeast Asia to changes in American foreign policy. Chapter Eight discusses the Marcos administration's role in the revival of ASA in the context of American policy towards Asian regionalism during the period from January to December 1966. The background of events leading to the formation of ASEAN is dealt with in Chapter Nine. This chapter also discusses the attitude of the U.S. government to the formation of ASEAN, and the continuing importance of the Sabah dispute.

Philippine policy towards ASEAN in 1968 and 1969 is analyzed in Chapter Ten. The possibilities of an ASEAN security arrangement, the impact of the Sabah claim on ASEAN, and the Marcos administration's attitude to ASEAN projects are discussed. The impact of the Nixon Doctrine on Philippine policy towards ASEAN is also of central concern to this chapter.
CHAPTER EIGHT

THE REVIVAL OF ASA

'Normalization of Relations with Malaysia

In his Inaugural Address on 30 December 1965, President Marcos emphasized the severity of the problems which beset the Philippines. He stated:

We are in crisis. You know that the government treasury is empty. Only by severe self-denial will there be hope for recovery within the next year.

Our government in the past few months has exhausted all available domestic and foreign sources of borrowing. Our public financial institutions have been burdened to the last loanable peso. The lending capacity of the Central Bank has been utilized to the full. ...Industry is at a standstill. Many corporations have declared bankruptcy....

Unemployment has increased. Prices of essential commodities and services remain unstable. The availability of rice remains uncertain....

It was apparent that the new President would have to spend much of his time dealing with the domestic 'crisis'. Unlike his predecessor, Marcos had shown little interest in foreign policy, and foreign policy issues had not been prominent in the 1965 campaign. Even before his election was confirmed, however, Marcos announced that his administration would take a number of important steps in foreign policy. One of these steps was the decision to 'normalize' relations with Malaysia.


2 Manila Times, 12 November 1965.
Several explanations for this decision have been offered. The official Philippine government view has been that Marcos was particularly anxious to 'normalize' relations with Malaysia so that an agreement to reduce smuggling from Sabah could be reached.¹ B.K. Gordon has suggested that Marcos had 'strenuously opposed' the Sabah claim,² but there is no evidence to support this view, and Marcos's Nacionalista supporters did not raise the issue against Macapagal in 1965. It is possible that there was a quid pro quo arrangement between Marcos and the Tunku that Malaysia would support Manila as the site of the Asian Development Bank, in return for the normalization of relations;³ in view of the importance which both Marcos and Macapagal seem to have attached to gaining Manila as the site of the Bank, this explanation seems not

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1 Foreign Affairs Bulletin, Vol.1, No.1, 25 April 1966. The Malaysian government, however, was reluctant to instigate measures to stop smuggling, which many businessmen in Sabah regarded as legitimate business; this reluctance was compounded by the strained relations between Sabah and the central government after Singapore's ejection from Malaysia.


3 The Manila press speculated that there was some understanding on this issue between Marcos and the Tunku. Manila Bulletin, 15 February 1966.
implausible. As will be indicated later, Marcos's decision to recognize Malaysia must also be seen in the context of American policy towards Asian regionalism in 1965-1966.

The Malaysian government was represented at Marcos's inauguration by its Minister of Home Affairs, Dato Dr Ismail bin Dato Abdul Rahman. On his return to Kuala Lumpur, Dr Ismail said that his government had given a 'spontaneous and immediate response' to Marcos's desire to suppress smuggling. He also expressed confidence that ASA would be reactivated as did the Tunku in an interview with the Straits Times on 16 December. The new Philippine Foreign Secretary, Narciso Ramos, indicated that his government was studying the procedure for the resumption of diplomatic relations, and that it favoured the revival of ASA and the 're-examination' of Maphilindo.

In his first State of the Nation address in January 1966, President Marcos said that 'we intend to set arrangements in motion for the normalization of our

1 The Philippines' main opposition in the balloting for the site of the Bank was Japan. According to press reports, on the third and final ballot Malaysia, Thailand, Singapore, South Vietnam, Taiwan, Iran, Pakistan, Nepal and Afghanistan supported the Philippines, while Cambodia, Laos, Ceylon, India and South Korea voted for Japan. Australia and New Zealand had supported Japan in the first two ballots, but abstained on the third. The Japanese government had been defeated by Marcos's fierce lobbying; the United States government reportedly had also opposed Tokyo as the site. Japan Times, 2 December 1965.


3 The Tunku also stated that Singapore could become a member of ASA if it so desired.

relations with Malaysia, without, however, prejudicing our claim to North Borneo and impairing our friendship with other countries'.

This statement was strongly criticized by members of the Liberal Party, who denounced the recognition of Malaysia without 'guarantees' for the Sabah claim.

The Department of Foreign Affairs also announced that the fingerprinting of Malaysian Chinese, which Ramos had described as 'discriminating, odious and offensive' would be reviewed.

In a Note on 7 February 1966, the Malaysian Ministry of Foreign Affairs assured the Philippine government of its desire to adhere to the Manila Accords, and pointed to the need for closer regional cooperation.

The Malaysian government also informed Manila that it was raising its consular mission in the Philippines to the status of an embassy. In its reply of the same date, the Philippine government proposed agreement 'on a mode of settlement (of the claim) that is mutually acceptable to both parties.'

The Indonesian government, however, exerted considerable pressure on the Philippine government in the

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1 Ibid., p.18.
2 Senator Salonga warned that 'normalization' would wreck the Philippine claim. He recalled that a meeting of the Consultative Committee on Foreign Affairs in the previous year, attended by Nacionalista senators and congressmen, had insisted on a concrete agreement to settle the claim as a prerequisite to normalization. Manila Bulletin, 23 January 1966.
3 Straits Times, 4 February 1966.
4 The regulation was rescinded in March 1966.
6 Ibid., p.124.
first three months of 1966 to prevent Philippine recognition of Malaysia. On 11 March, Sukarno's surrender of authority to General Suharto marked a significant change in the Indonesian domestic situation. Adam Malik, the new Foreign Minister, indicated that the Suharto government would re-evaluate the foreign policies of the previous administration to bring them into conformity with external 'realities'. The new Indonesian leaders requested the Philippine government to withhold recognition of Malaysia until the 'official thinking on Philippine-Indonesian problems over Malaysia clears up'.

At the end of April, Ramos met Malik in Bangkok. The two Foreign Ministers reached agreement on the timing of the Philippines' formal recognition of Malaysia and of Indonesia's recognition of Singapore, and discussed the termination of Indonesian confrontation of Malaysia.

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1 In February, Sukarno sent Indonesian Deputy Foreign Minister, Madame Supeni, to Manila in an attempt to stop Philippine recognition of Malaysia. Sukarno's threats reached such a pitch that in March Marcos told Congress that the Indonesian President had threatened to break off diplomatic relations. Manila Bulletin, 1 March 1966. The Malaysian government stated that Indonesia had no business interfering with Philippine recognition of Malaysia. Straits Times, 15 February 1966.


3 Ibid., p.35.


5 Philippine Foreign Policy in the First Eight Months of the Marcos Administration, Department of Foreign Affairs, Manila.
After considerable difficulties had been overcome, Malik and Razak met in Bangkok on 30 May and agreed on the method of ending confrontation. Philippine recognition of Malaysia followed on 3 June. The Joint Communique stated that the two governments agreed to abide by the Manila Accords, and to meet together 'for the purpose of clarifying the claim and discussing the means of settling it'. They also agreed to hold talks to discuss methods of co-operation in the eradication of smuggling.

**The Reactivation of ASA**

The revival of ASA preceded the 'normalization' of relations between Malaysia and the Philippines. The Division of ASA Affairs in the Department of Foreign Affairs was reactivated in February, and from 27-30 April the Joint Working Party of ASA met in Kuala Lumpur. During the Third Meeting of ASA Foreign Ministers in Bangkok from 3-5 August, the delegates expressed the view that the association had suffered merely a temporary set-back. Ramos attributed the 'survival' of ASA to its 'commonsense, practical

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1 See Weinstein, op.cit., pp.43-57.

2 Philippine Claim to North Borneo, Vol.II, p.121.


4 Razak stated:

> Today, after a period of three years of almost complete inactivity, the Foreign Ministers of ASA countries are gathered here again to revive and to reactivate ASA. Despite this temporary set-back, I am pleased to see that our beliefs and conviction in the ideals which inspired our three countries to form ASA, have not in any way diminished.

approach to the task at hand', and Razak noted that the Joint Working Party had produced 'no less [sic] than forty-one constructive and useful recommendations'. Most of these projects, it should be noted, were carry-overs from previous ASA Ministerial Meetings.

When Ramos stated in his first press conference that ASA would be revived, he had said that the aims of the association were 'non-political, but economic, cultural and technological'; he had also said that 'ASA can be an instrument of carrying out our policy of further strengthening our ties with the free Asian countries'. The Foreign Ministers at Bangkok in August also emphasized the 'non-ideological' nature of the association, but Thanat Khoman took the opportunity to castigate the communist states for their 'unwillingness' to negotiate a settlement of the Vietnam war. The Thai Foreign Minister also indicated that the revival of ASA was closely connected to the formation of other regional associations in Asia:

While our three nations are devoting themselves to...peaceful and constructive efforts, they are not serving merely their individual national interests but indeed the wider interests of the entire region. Already we may say without making undue claims that ASA has in fact served to pave the way for larger and more extensive co-operation as evidenced by the success of the Asian and Pacific Council Meeting in Seoul... last June in which all our three nations participated. Therefore, our gathering today will not be aimed at serving the limited interests of our Association, but by and large those of the broader Asian and Pacific community as well.

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1 Ibid., p.27.
2 Ibid.
4 *Report of the Third Meeting of Foreign Ministers of ASA*, p.34.
According to Gordon, ASA's recovery from the ashes of confrontation 'is one of the most compelling signs that regional co-operation in Southeast Asia had a certain dynamism of its own and that ASA, in particular, represented a special strain in the breed of Asian regionalism'.

If the relationship between the revival of ASA and American policy in Asia is examined, however, it is apparent that at least some of the 'dynamism' involved in the revival of ASA emanated from Washington.

**American Policy towards Asian Regionalism 1965-1966**

The escalation of the Vietnam war early in 1965 was accompanied by an increase in the intensity of American efforts to secure the military participation of its allies in the war. As Secretary McNamara testified to the House Armed Services Committee in February, the 'Containment of Communism', particularly in the aftermath of the Chinese nuclear explosion of October 1964, remained the primary objective of American policy in Asia. This objective was to be sought on the economic as well as the military front.

In March, President Johnson hinted at the promulgation of a kind of Marshall Plan for Asia, which was reported in the press as a 'carrot' to accompany the 'stick'

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2 The bombing of North Vietnam began in February in response to Vietcong attacks on American installations at Pleiku and elsewhere.


of the bombing of North Vietnam. According to the
New York Times, this proposal was based on the report of
Johnson's trip to Southeast Asia in mid-1960. As has been
indicated, at that time Johnson had proposed to Kennedy
the creation of an alliance of 'free' Asian and Pacific
states. President Johnson, in an address at John Hopkins
University on 7 April 1965, reiterated his view that
'Chinese aggression' posed a threat to Southeast Asia.
In order to 'improve the life of man in that conflict-torn
corner of our world', he stated that:

The first step is for the countries of
Southeast Asia to associate themselves
in a greatly expanded effort for
development. We would hope that North
Vietnam would take its place in the common
effort just as soon as peaceful co-operation
is possible.³

The President also stated that he would ask
Congress for a one-billion-dollar investment plan for
development in Southeast Asia and that he hoped that other
industrialised nations, including the Soviet Union, would

1 Ibid.
2 See above, pp.91-2.
3 Department of State Bulletin, Vol.LII, No.1348, 26 April
1965, p.608.
join in this effort.¹

In the following months, the President and administration officials stressed the theme of 'economic development' in Southeast Asia. The implication of this encouragement of economic cooperation was that if Southeast Asia could achieve 'security' and 'stability', communism would have little appeal; in other words, Chinese 'aggression' could be contained by means other than the commitment of American troops to the Asian mainland.

The 'Baltimore speech' heralded a 'new face' on the 'containment of China' policy, as William Bundy, the Assistant Secretary of State for Far Eastern Affairs, stated in a speech on 12 February. American support for the Asian

¹ According to Cooper, the Washington Bureaucracy was taken by surprise by this announcement.

They had been giving some thought to questions of regional economic co-operation and development but they had found few projects or schemes that could be undertaken and make much sense. The vast sums the President had mentioned seemed clearly beyond the ability of the region to absorb. In the course of preparing the President's speech, the original reference to an American contribution was around $500 million, but the final drafters and the President himself thought 'a billion dollars' was a nice, round, dramatic figure. Moreover, there was some uncertainty (not ever resolved) about the precise area covered by the President's proposal.... Moreover, it was unclear how the United Nations Economic Commission for Asia and the Far East (and the existing program for developing the Mekong basin) fitted into the President's plan. Finally, there was an awkward question as to where the 'billion dollars' would come from and what the President meant by asking Congress 'to join' in the American 'investment'.

Cooper, op.cit., p.273.
Development Bank and the Mekong Project, he said:
represents the kind of activity which...we would be supporting in large part in any case irrespective of the threat of Communist China and the other Communist nations. What we should do, over time, is to help build in Asia nations which are standing on their own feet...and capable of standing up to the kind of tactics and strategy employed by Communist China, backed where necessary and in accordance with our treaty commitments by the assurance that, if external attack in any form should ever take place, the U.S. and others would come to their help.

This is the essence of what we are trying to do. Containment, yes, but containment carried out by actions that run clear across the board.

The intensification of American interest in economic cooperation in Southeast Asia led to American support for the Asian Development Bank which was established in December 1965. The Johnson administration also 'encouraged' a somewhat reluctant Japanese government to support American plans for 'economic co-operation' in the region. This 'encouragement' led to Japanese support for the ADB, and to the Ministerial Conference on Economic Development in Southeast Asia, whose first meeting was held

1 Under ECAFE guidance, in October 1957 the governments of Cambodia, Laos, Thailand, and Vietnam established a Committee for Co-ordination of Investigations of the Lower Mekong Basin. The Mekong Project aims at developing hydro-electric power, irrigation and flood control in the Lower Mekong.


in April 1966. These developments were also related to the formation of the Asian and Pacific Council (ASPAC) in June 1966.

The Formation of ASPAC

ASPAC had its genesis in a proposal by the South Korean government for a bloc of anti-communist states.
This proposal was made as early as 1963, but does not seem to have attracted American support until 1965. American encouragement of a rapprochement between Japan and South Korea contributed towards the 'normalization' of relations between these two states in February 1966. The Japanese government, however, was unenthusiastic about the Korean proposal for an anti-communist bloc.

In mid-1965, South Korean Premier Chung II Kwon visited Malaya, while the South Korean Defence Minister went to Thailand. These visits were followed by state visits by President Park to Malaysia, Thailand and Taiwan early in 1966, during which he expounded his concept of an anti-communist bloc. The idea seems to have been

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1 Straits Times, 11 February 1966. Macapagal also states in his memoirs that he was approached by South Korea and other governments early in his administration with a proposal that a regional association be formed. See above, p.101.


3 The Japan Times commented on 23 June 1965 that 'Japan is not interested in Seoul's proposal to form a tripartite alliance among Japan, Nationalist China and itself or set up a foreign ministers' conference of the eight free countries in Asia. Japan last year withheld support for the anti-Communist conference of eight nations from the consideration that Japan's interests as a trading nation and stabilizing influence in Asia lie in developing friendly relations with a broad spectrum of Asian nations including non-aligned and Communist countries rather than completely alienating itself from them'.

4 Noting that South Korea had 20,000 troops in South Vietnam, the New York Times commented on 1 March 1966: President Park, who had returned on February 19 from a tour of Malaysia, Thailand and Taiwan, has embarked on an American-backed bid to promote closer ties and consultations among anti-Communist countries. Korea is making a further bid for leadership with an Asian foreign ministers' meeting called for Seoul.
welcomed by the governments of Thailand and Taiwan, but received with somewhat less enthusiasm by the Malaysian government which shared the Japanese government's view that a formal anti-communist bloc would be provocative to China.\footnote{The Joint Communique released in Bangkok stated that 'there was a general concurrence of views regarding the necessity to maintain close contacts and consultations in the future between the leaders of free Asian countries'. Bangkok World, 14 February 1966.}

In April, representatives of ten anti-communist states met in Bangkok and agreed to hold a Foreign Ministers' meeting in Seoul. The states represented comprised the ASA nations, plus Japan, South Korea, Taiwan, Laos, South Vietnam, Australia and New Zealand; four of these states were also members of SEATO. Representatives from these states, with the exception of Laos, met in Seoul in June. Press reports suggested that the United States, while giving a 'hands-off' appearance, was encouraging the formation of an anti-communist bloc.\footnote{The Straits Times commented on 7 February: Soundings by Korea for an eight-nation anti-Communist front have met a cautious response in Kuala Lumpur, though not from any lack of understanding of the fears behind the proposal. Malaysian reservations arise from doubts over the effectiveness and tactical wisdom of a rigidly formal grouping. The Joint Communique released in Kuala Lumpur made no mention of the multi-nation conference. Ibid, 11 February 1966.}

\footnote{Washington Post, 14 June 1966. In the latter half of 1966, administration spokesmen found numerous opportunities to praise the formation of ASPAC. In July, for instance, Rusk visited South Korea and stated that 'the international prestige which Korea has won was demonstrated just a few weeks ago...by the participation of 10 Asian and Pacific nations in the ministerial conference in Seoul at which ASPAC was established. All who took part in that highly constructive meeting deserve the compliments of all people of good will.' Department of State Bulletin, Vol.LV, No.1414, 1 August 1966, p.183.}
administration's emphasis on regional cooperation and its 'encouragement' of the Japanese-South Korean normalization of relations, this interpretation does not seem inaccurate. The Japanese government, however, was acutely aware of the strong domestic opposition in Japan to the creation of such a bloc. Opposition by the Japanese and Malaysian governments to the 'hard-liners' apparently resulted in a 'watering down' of the final communique, although references remained to 'Communist aggression or infiltration' and to 'external threats'.

The Philippine government did not take a prominent part in the proceedings at Seoul, but Ramos described Philippine membership in ASPAC as a manifestation of the Marcos administration's 'new orientation towards Asia'. He admitted that security and political problems had been discussed, but continued to argue that the primary purpose of ASPAC was 'economic co-operation':

To me, the fact alone that the nine countries of the Asian and Pacific region were represented in the Conference was already a solid and significant achievement. In arriving at a consensus to form the ASPAC, the participating nations have clearly evinced their determination to close their ranks and initiate massive collaboration to resolve the economic, political, technical and social problems that have so long impeded and under­mined the progress and prosperity of the region.

2 The Age, 17 June 1966. Radio Peking denounced the meeting as 'part of a plot to increase the collusion between the United States and the Soviet Union and for them jointly to oppose China.' On the other hand, Pravda stated that the meeting was 'the Pentagon's Seoul offshoot'. The Times, 21 June 1966.
For the Philippine government, as for many of America's other client states in Asia, the term 'regional cooperation' had become almost synonymous with the 'containment of China'. This was hardly surprising in view of the ideological outlook of the Marcos administration.

The Foreign Policy Outlook of the Marcos Administration

Marcos's appointment of Narciso Ramos as Foreign Secretary indicated that Macapagal's 'hard-line' policies on communism would not be reversed. Ramos, whose wife was related to Marcos, had been Ambassador to Taiwan for ten years, and had extensive connections with the Kuomintang regime. In a foreign policy statement on 4 January 1966, Ramos spoke of a 'new orientation toward Asia and Africa'; a phrase which had become almost a ritual incantation of incoming Philippine administrations. He also pointed to the Chinese 'threat':

We cannot and do not ignore the existence of Communist China because the source of the greatest danger to our national security is Communist China. As a matter of fact we are only too aware of its massive size, its military might and its newly acquired nuclear capability. We are also aware of its goal of national expansion to be achieved by the overthrow of constituted governments by so-called wars of national liberation.

We shall continue to oppose Communist China's admission into the United Nations for reasons too well known to be repeated. We shall also remain opposed to any kind of relations, political or commercial, with the Peking regime.¹

¹ Department of Foreign Affairs Review, Vol.V, No.1, January-June 1966, p.21. Ramos also stated that the Philippine government would strengthen its relations with Taiwan since 'we look upon Nationalist China as a symbol of determination, not only of the Chinese people but of all the three peoples of Southeast Asia, to resist communist domination'. Ibid., p.4.
The new Foreign Secretary also indicated that the Philippine government would 'continue to maintain our close relations with the United States, relations which are rooted in long historical association'.

The rigidly anti-communist, 'pro-American' stance of the new administration led to some speculation that Marcos had enjoyed American support in the 1965 election and had agreed to adhere closely to the American 'line' in foreign policy. The importance of this allegation warrants its examination in some detail.

During the 1965 elections, the Nacionalistas had accused Macapagal of 'too close alignment' with the United States, and Marcos had continued to oppose the sending of an engineer battalion with security support troops to South Vietnam. Although none of the three Presidential candidates, Macapagal, Marcos and Manglapus, could be described as 'anti-American', Macapagal appeared more likely to be supported by American interests than Marcos.

There is some evidence to suggest that this was not the case. Macapagal has stated that the failure of an

1 Ibid., p.23.


3 As Meadows points out, the Nacionalistas accused Macapagal of having 'sold out' to the United States, citing as evidence his failure to insist on full implementation of the Retail Trade Nationalization Act and his seeming reluctance to press for revision of the Philippine-American military bases agreements. Martin Meadows, *Implications of the 1965 Philippine Election: The View from America*, p.388. For a description of the 1965 campaign see Kerima Polotan, 'Marcos' 65', *Philippines Free Press*, 29 March, 5 April and 12 April 1969.
expected American rice delivery to arrive before the elections indicated that American interests were supporting Marcos.¹ Nacionalista Party headquarters also reportedly spread the rumour towards the end of the campaign that Marcos had American backing.² These rumours were reinforced by Marcos's statement on foreign policy only two days after the election, at a time when the results were far from clear. He announced support for SEATO and Philippine recognition of Malaysia; and reversed his position on the sending of Philippine troops to South Vietnam.³ Macapagal's memoirs, the Symington Report, and the Pentagon Papers have indicated the extent of American pressure on the Philippine government to contribute troops to Vietnam. Similar pressures were applied in Canberra and Wellington.

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1 Napoleon Rama, 'The Foreign Affairs of Marcos', Philippine Free Press, 11 June 1966, p.3.
2 Ibid.
3 Manila Times, 12 November 1965.
Despite the inducements offered by the United States, however, the Philippine commitment was a limited one. The Philippine force was not a combat battalion, but a volunteer force of engineers with infantry support. Marcos was also unwilling to commit his specially-trained SEATO

1 In November 1969, the 'Symington Report' revealed that Macapagal had been offered the following inducements to send a Philippine Civic Action Group (PHILCAG) to Vietnam. The U.S. government offered:

(1) To equip Philcag in Vietnam on a loan basis and provide its logistic support;
(2) To pay overseas allowances, over and above the regular pay to be provided by the Philippine government;
(3) To provide replacements costs for a replacement unit in the Philippines.

The U.S. government also offered:
(4) Two Swiftcraft over and above two committed earlier without relation to Philcag.
(5) Accelerated funding in fiscal year 1966 of equipment for three engineer construction battalions previously considered for later financing under the military assistance programme.
(6) M-14 rifles and M-60 machine guns for one battalion combat team to be funded in fiscal year 1966.

According to the testimony of James Wilson, Deputy Chief of Mission of the U.S. Embassy in Manila, Marcos, after reversing his opposition to the sending of an engineer battalion with support troops to Vietnam, accepted all but item (3) above. See The Symington Report, pp.255-81. The list of inducements also included the relaxation of previous restraints on Filipino participation in the monetary rewards of the war; the continuation of the unprofitable (to the U.S.) use of Mactan Air Force Base facilities; the continued purchase of the ammunition for the Philippine Armed Services; and the maintenance on the American payroll of thousands of Filipinos who were not really needed. Michael P. Onorato, 'The Philippine Decision to Send Troops to Vietnam', Solidarity, November 1971, p.5.; The Symington Report, pp.119-24, 261.
battalion or to allow Clark Air Base to be used for B52 strikes in Vietnam.¹

There have also been suggestions that the decision to recognize Malaysia was a product of American prodding. In June 1966, Napoleon Rama of the Philippine Free Press suggested that Marcos's decision to recognize Malaysia was the result of an Anglo-American quid pro quo arrangement. Rama quoted a 'high-ranking government official' as stating:

The British and the Americans work hand in glove. In the case of Philippine recognition of Malaysia, it was the British who put the fire under the Americans who then put the fire under Marcos. There's no other logical explanation for the recognition of Malaysia and Marcos's great haste in recognizing it, ...without the guarantees set forth by the previous administration.²

In view of the British government's anxiety to reduce its forces East of Suez after the end of confrontation, and Johnson's desire for at least verbal British support for the bombing of North Vietnam,³ this explanation is not implausible. It cannot be fully accepted because of the dearth of concrete evidence.⁴ It is possible to conclude, nevertheless, that the revival of ASA was a welcome development for the United States at a time in which the Johnson administration was doing its best to encourage its Asian

¹ The Symington Report, pp.126-8; Onorato, op.cit., p.6.
⁴ Rama, it should be noted, had begun the campaign in the Free Press in 1961 to have Sabah 'returned' to the Philippines, and would presumably have been anxious to denounce any suspected Anglo-American 'collusion' in influencing Philippine foreign policy.
allies to form anti-communist regional associations. Some of ASA's activities in 1966 also clearly belied its member governments' contention that the association was 'non-ideological.'

The ASA Peace Appeal

At the Third Ministerial Meeting of ASA at Bangkok in August 1966, Thanat Khoman proposed that a peace conference be held somewhere in Asia 'where all the principals in the war in Vietnam might be invited to participate to thrash out the existing difficulties with a view to ending the present conflict.'¹ He went on:

If there is no undue obstruction and intransigence, this novel experiment should be able to function. It will then be the first time in history that the peoples of this region will have taken full charge and responsibility of their affairs.²

According to press reports, Marcos had instructed Ramos to support the ASA 'peace initiative' as a manifestation of the Philippine 'belief that Asians should take the initiative and responsibility of solving problems in Asia'.³ The Tunku, however, was reportedly opposed to

¹ Report of the Third Foreign Ministers Meeting, p.36.
² Ibid.
³ Straits Times, 6 August 1966.
ASA's undertaking such obviously 'political' activities.\textsuperscript{1}

This opposition by the Tunku may have been responsible for Ramos's insistence that 'the peace move of the ASA Ministers was initiated in their capacity as representatives of Asian countries outside the framework of ASA, which is a non-political association for regional cooperation'.\textsuperscript{2}

Shortly after the Ministerial meeting, letters were sent to twenty governments inviting them to attend a peace conference, and Marcos reportedly offered Manila as the site of the conference.\textsuperscript{3}

The three ASA nations, however, could hardly claim their association to be 'non-ideological' with respect to the Vietnam war. All had supported the bombing of North

\textsuperscript{1} Marcos stated that the Tunku had told him during a telephone conversation that an Asian peace conference aimed at a possible solution to the Vietnam conflict would be better proposed outside ASA. Ibid., 10 August 1966. According to the Philippines Herald, the Tunku stated that 'We should leave ASA out of politics. I believe that the manner in which it was suggested that the Vietnam war should be negotiated is impractical. What I would like is for other nations outside ASA to appeal to the Communists for peaceful solutions.' Philippines Herald, 20 August 1966.

\textsuperscript{2} Philippines Herald, 9 August 1966.

\textsuperscript{3} Bangkok Post, 9 August 1966.
Vietnam;¹ and the Philippines and Thailand were not only contributing troops to the war but were allowing bases in their territories to be used by the United States.² The refusal of the governments of Communist China and North Vietnam to attend the ASA-sponsored peace conference was predictable, but the ASA Foreign Ministers continued to press the idea at the 21st session of the United Nations in September 1966.³ By this time, President Marcos was also promoting his concept of an 'Asian Forum'.

**The Asian Forum**

In an address to the United Nations General Assembly, during his state visit to the U.S. in September, Marcos pointed to Communist China as a potential threat to the Southeast Asian region. He mentioned the ASA peace proposal, and stated:

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¹ In an article in *Foreign Affairs* in July 1965, the Tunku wrote:

>The long history of aggressive action by North Viet-Nam and its intensifications of hostilities in recent months more than justify the firm stand taken by the United States. We in Malaysia fully support Washington's actions....

Tunku Abdul Rahman, 'Malaysia: Key area in Southeast Asia', *Foreign Affairs*, Vol.43, No.4, July 1965, p.667. In February 1965 Thanat Khoman said that the action by the United States in bombing North Vietnam was 'essential. This is an act of self-defense, an attempt to stop aggression and to prevent the expansion of the war by the Communists.' *New York Times*, 9 February 1965.


Perhaps it is time to consider what I have suggested before, and that is, the possibility of the organization of a political ECAFE under the framework of the United Nations, the members of which will recognize and accept diversity of political ideologies in Asia inasmuch as it could draw from all the Asian countries now members of the present ECAFE. This would be a political forum to which crises like the Vietnam crisis could be brought for peaceful negotiation and conciliation. No such forum exists today. It is presumed that the tentative arrangements in such a forum would be approved by the United Nations.1

The 'threat' of a nuclear-armed China aiding subversive movements in the Philippines and elsewhere,2 and the need for an 'Asian forum' were constant themes of Marcos's state visit. The need for regional cooperation also featured prominently in his discussions with President Johnson, and the Joint Communique stated, inter alia:

The two Presidents reviewed events of the past few years which demonstrated the substantial progress being made in Asia toward regional co-operation.

President Marcos noted, in particular, the recent meeting of the Foreign Ministers of


2 See Human Dignity - the True Revolution. Address before the National Press Club, Washington, 15 September 1966. Department of Foreign Affairs, Manila, p.9. The Joint Communique stated that 'President Marcos informed President Johnson of recent indications of resurgence of subversive activities, especially in Central Luzon.' Department of State Bulletin, Vol.LV, No.1424, 10 October 1966, p.533. Marcos also accused Macapagal of 'soft-headed accommodation with the Communists'; this was the same charge which Macapagal had laid against Garcia in the 1961 elections. Marcos himself, however, apparently was to reach 'accommodation' with the Huk 'Commander' Sumulong in the 1969 Presidential elections, while his opponent, Senator Osmeña, was supported by Sumulong's arch-rival, 'Commander' Dante. See Lachcia, op.cit., pp.217-21.
Asia and the Pacific in Seoul, and the meeting of the Foreign Ministers from the Philippines, Thailand and Malaysia in Bangkok within the framework of the Association of Southeast Asia. The two Presidents noted that the establishment of the Asian Development Bank, with its headquarters in Manila, was a specific example of which imaginative statesmanship by Asian countries working together could accomplish. President Johnson welcomed the evidence of expanding cooperation in Asia and reiterated the willingness of the United States to assist and support cooperative programs for the economic and social development of the region.

The Joint Communique also referred to the ASA Peace Appeal and the 'Asian Forum':

President Marcos discussed his efforts in concert with other Asian countries to bring about an all Asian political forum to which can be referred any crisis in Asia like the Vietnam conflict for settlement by conciliation or other peaceful means.... President Johnson reiterated his support for an Asian conference to settle the Vietnam war and reaffirmed to President Marcos that so far as the United States is concerned it is prepared for unconditional discussions or negotiations in any appropriate forum in an effort to bring peace to Southeast Asia.¹

The 'Asian Forum' was a vague proposal, but it soon became clear that it was linked closely to the 'allied cause' in Vietnam when Marcos unsuccessfully attempted to persuade the Japanese government to attend a conference

¹ Ibid., p.534.
in Manila of seven nations taking part in the Vietnam war.\(^1\) This conference reportedly was to be followed by a meeting of representatives of Asian states to constitute an 'Asian Forum'.\(^2\)

The Manila Summit of October 1966 was in large part a product of resentment of America's Asian allies at their exclusion from the Honolulu Conference between Johnson and Vice-President Ky in February.\(^3\) President Johnson was apparently anxious to downgrade the importance of the American presence at the Summit\(^4\) and seemed content to allow the Philippine government to reap the propaganda value of 'initiating' the conference.\(^5\) Large sections of the Joint Communique dealt with attempts to negotiate an end to the Vietnam war; these attempts were quickly

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1 Japan Times, 30 September 1966. The Joint Communique released after Marcos's state visit to Japan contained several references to the importance of regional cooperation in Asia. The Japanese government promised various forms of aid to the Philippines, in return for Marcos's pledge to have the Treaty of Navigation and Commerce ratified by the Philippine Senate. See Manila Bulletin, 3 October 1966.


3 Vice-President Humphrey had been hurriedly sent on a tour of Asia to 'explain' the Honolulu conference to America's allies. In his report to President Johnson he stated that a second 'Honolulu Conference could usefully be held some time later this year in order to evaluate progress being made on the goals set at Honolulu in February. Our partners participating in the struggle in South Vietnam should be invited to such a conference'. Department of State Bulletin, Vol.LIV, No.1396, 28 March 1966, p.491.

4 See Cooper, op.cit., p.312.

5 The Manila press stated that the summit was a 'diplomatic coup' for Marcos. Manila Bulletin, 2 October 1966.
rejected by Hanoi and Peking. The Johnson administration was not solely concerned with the search for a solution to the Vietnam conflict, and at various Asian capitals en route to Manila, Johnson had preached the importance of regional cooperation. The Joint Communique also contained a lengthy reference to the significance of regional cooperation which bore traces of the 'Maphilindo doctrine' of 'Asian solutions for Asian problems.'

There was, however, no reference to the 'Asian Forum', and Marcos was to continue to promote this idea with little success in 1966 and 1967. In view of the fact that ASA had been claimed as a foreign policy 'success' of the Garcia administration, and that Macapagal had claimed credit for Maphilindo, Marcos appears to have been anxious for the creation of an anti-communist regional association


3 The Joint Communique stated: 'together with our other partners of Asia and the Pacific, we will develop the institutions and practice of regional cooperation. Through sustained effort we must aim to build in this vast area, where almost two-thirds of humanity live, a region of security and order and progress, realizing its common destiny in the light of its own traditions and aspirations. The peoples of this region have the right as well as the primary responsibility to deal with their own problems and to shape their own future in terms of their own wisdom and experience. Economic and cultural cooperation for regional development should be open to all countries in the region, irrespective of creed or ideology, which genuinely follow a policy of peace and harmony among all nations. Nations outside the region will be welcomed as partners working for the common benefit and their cooperation will be sought in forms consonant with the independence and dignity of the Asian and Pacific nations.' Ibid., Vol.LV, No.1429, 14 November 1966, pp.734-5.
which he could claim as the product of his own initiative. His administration had claimed credit for the revival of ASA, and as early as the beginning of 1967 there were indications that a new regional association to include Indonesia would be formed. Unfortunately for Marcos's attempts to promote his administration's 'new orientation towards Asia and Africa', this new association was to emerge in mid-1967 not as his Asian Forum but as the Association of Southeast Asian Nations (ASEAN) which was clearly a product of Indonesian and not Philippine initiatives.
CHAPTER NINE

THE PHILIPPINES AND THE FORMATION OF ASEAN

The Johnson administration by late 1966 had reason to be pleased with its attempts to encourage the formation of regional associations of anti-communist Asian states. Apart from a revived ASA, there were now extant the ASPAC, the Japanese-sponsored Ministerial Council for Economic
Development, and the Asian Development Bank (ADB). As long as Indonesia remained aloof from such organizations, however, there would be a significant gap in the chain of regional associations designed to help prevent the expansion of communism.

1 In a speech in Canberra in October 1966, President Johnson stated:

While the people of South Viet-Nam and their allies have now begun to turn the tide of battle against aggression, we have seen Japan and we have seen Korea establish normal relations, with the promise of closer cooperation.

We have seen, most recently, Indonesia pull back from economic collapse and from a most dangerous Communist threat.

We have seen nine Pacific nations...come together on their own initiative to form the Asian and Pacific Council....

We have seen three nations of Southeast Asia - Thailand, the Philippines and Malaysia - take the initiative in seeking and searching for peace in their own region.

We have seen 31 nations participating in the creation most recently of the Asian Development Bank, while the development of the Lower Mekong River Basin goes steadily forward in the face of conflict.

This sense of common destiny is growing all along the arc of free Asia. Initiatives have some from Tokyo, from Seoul, from Manila, from Bangkok, from Kuala Lumpur, from Singapore - as well as from here in Canberra.

We in the United States have long been the friends of those who have worked toward unity in Western Europe, toward economic integration in Latin America, and toward stronger regional ties among the young nations of Africa.

We shall also be the friends and partners of those in Asia who want to and who are willing now to work together to fashion their own destiny. From you must come initiative and leadership. From us will come cooperation....

By 1966, U.S.-Indonesian relations had improved considerably from their nadir of the previous year, although the New Order in Indonesia formally retained its 'non-aligned' posture and disapproved of the bombing of North Vietnam.\(^1\) American officials expressed gratification at the 'sensible' behaviour of the New Order,\(^2\) as evidence by the ending of confrontation and Indonesia's return to the United Nations,\(^3\) as well as the increasing attention being given to Indonesia's economic problems.\(^4\) The deteriorating relations between Djakarta and Peking\(^5\) also seemed to be in the interests of the United States.

The ending of confrontation, and the demise of the P.K.I. also raised the possibility that Indonesia might join a regional organization which was tacitly anti-communist. In view of the uncertainties of the Indonesian domestic situation,\(^6\) and the U.S. government's desire to avoid

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1 See Sullivan, op.cit., pp.348-57.

2 See, for example, a speech by Graham Martin, the American Ambassador to Thailand, in Department of State Bulletin, Vol.LVI, No.1441, 6 February 1967.

3 Adam Malik announced Indonesia's intention of rejoining the United Nations in April 1966, despite Sukarno's objections. In September, the General Assembly ruled that Indonesia had not 'withdrawn' from the U.N. but had 'ceased to cooperate' with it. Sullivan, op.cit., pp.326-30.

4 In May 1966, the Sultan of Jogjakarta announced that Indonesia would return to the International Monetary Fund and the World Bank. The United States government was influential in arranging loans for Indonesia, and in persuading Indonesia's creditors to re-schedule Indonesian debts. Ibid., pp.336-48.


6 General Suharto did not become 'Acting President' until 20 February 1967; until that time Sukarno remained in titular authority.
placing a 'made in Washington' tag on any association which Indonesia might join, American officials were cautious in their statements on Indonesian foreign policy. On a number of occasions, however, sections of the press as well as Administration officials expressed the hope that the Indonesian government might join some kind of Southeast Asian regional organization.

President Marcos publicly shared the view expressed by American officials that the crushing of the PKI marked a decisive defeat for communism in Southeast Asia, and that, as Rusk put it, Indonesia could become a 'non-aligned bastion of freedom in Asia'. He also stated that the anti-communist forces in Indonesia had been encouraged by the American 'stand' in Vietnam; a similar

1 The New York Times commented editorially on 30 May 1966 that if it were linked to the Philippines and Malaya, and perhaps to Thailand, Cambodia and Burma, Indonesia could 'provide a solid anchor in Southeast Asia.' See Sullivan, op.cit., p.387.

2 William Bundy, the Assistant Secretary of State for East Asian and Pacific Affairs, stated in 1967 that the defeat of the P.K.I. had been 'a tremendously important change in Southeast Asia as a whole. A hostile and eventually Communist Indonesia could over time have undermined all that we were doing to defend Viet-Nam and to preserve the security of the rest of Southeast Asia. The present Indonesia - nationalist, prepared to live at peace with its neighbours, and directing its attention to its long-neglected internal problems - not only is a highly significant development in terms of Indonesia's own history, aspirations, and the welfare of its people; it also opens the way to a Southeast Asian community of nations living at peace, adopting the international posture each may choose, and making human betterment their central objective.' Department of State Bulletin, Vol.LVI, No. 1456, 22 May 1967, p.792.


view of the relationship between events in Indonesia and the American presence in Vietnam had already been enunciated by the Australian Prime Minister, Harold Holt, and refuted by Adam Malik, Indonesia's Foreign Minister.¹

Marcos also apparently shared Macapagal's desire for an anti-communist regional association which would include Indonesia. In his first press conference as Foreign Secretary, Ramos said:

Recent developments in Indonesia as a consequence of the abortive coup place Philippine-Indonesian relations in a new light. The apparent decline of the Indonesian Communist Party (PKI) and the ascendency of political elements strongly opposed to communism enlarge our area of cooperation and strengthen our common fight against colonialism of whatever variety. In this light, we can begin to undertake a re-examination of the concept of Maphilindo. The revival of ASA and the re-examination of Maphilindo - two organizations which are complementary in purposes - could lead to the formation of a harmonious union of like-minded Asian states for mutual security, economic cooperation and cultural exchange. We shall look carefully into this possibility.²

With notable lack of success,³ Marcos also joined

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³ During a United Nations press luncheon, Marcos disclosed that Indonesia, which had diplomatic relations with North Vietnam, might be prepared to render its 'good offices' in approaching Hanoi on the possibility of negotiations for a Vietnam settlement. Malik stated that this 'disclosure' was an 'unhappy development' which 'tied my feet'. Djakarta Times, 8 October 1966.
in Razak's efforts to associate Indonesia with the 'Bangkok Peace Appeal' launched by the ASA Foreign Ministers in August 1966. The Japanese government was similarly unsuccessful in attempting to secure Indonesian participation in ASPAC.¹ Malik made it clear that Indonesia could not join an association which was so obviously anti-communist; it had also become apparent that the Indonesian government would not join any regional association which it could not dominate and which it could not take the credit for initiating.

ASA or Maphilindo?

As early as November 1965, one month after the coup, there were indications that the Indonesian government would attempt to revive Maphilindo.² In December, the Indonesian Defence Minister, General Nasution, stated that Indonesia wanted a Maphilindo association which would include Malaya, the Philippines, Singapore and the Borneo territories, and possibly other areas.³ After Sukarno's surrender of authority to General Suharto in March 1966, Adam Malik, Indonesia's new Foreign Minister, undertook the formation of a new regional association. Malik met Tun Razak in June 1966 at Bangkok, and it was decided that diplomatic relations between Indonesia and Malaysia should be resumed provided that the results of the 1967

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¹ See Antara, 5 April 1967.

² In an editorial on 15 November, the Indonesian Herald, usually regarded as the mouthpiece of the Indonesian government, congratulated Marcos on his election and added: 'The Maphilindo concept, had it not been sabotaged by outside powers...would be an ideal cooperation in political as well as economic fields for the people living in the Southeast Asian region.'

³ Straits Times, 10 December 1965.
Sabah elections were acceptable to Indonesia; Malik also announced that the governments of Indonesia, Malaysia, the Philippines and Thailand had agreed to form a union of Southeast Asian states.

The Indonesian government clearly looked forward to an expanded Maphilindo, which could be claimed as a product of Indonesian initiative. Tunku Abdul Rahman, however, remained firmly opposed to a revival of Maphilindo, which he stated was a 'racialist' concept. He insisted that if any association to include Indonesia should be formed, that association should be an expanded ASA. It was hardly surprising that Maphilindo should have evoked unpleasant memories for the Tunku, or that he remained firmly attached to ASA, which he had been instrumental in forming. As late as April 1967 he insisted that he saw no need for another regional organization and nothing to prevent Indonesia from joining ASA; there is some evidence to suggest that the Tunku's intransigence on this point was not shared by some of his ministers who were prepared to sacrifice ASA in order to draw Indonesia into a wider regional group.

1 See Weinstein, op.cit., pp.55-6.
2 Straits Times, 3 June 1966.
3 Ibid., 1 January 1966.
4 Ibid., 14 April 1967.
5 In an address in June 1966, Tun Ismail, then Acting Minister of Foreign Affairs, said: 'There is every reason to hope for an early participation of Indonesia in a wider grouping of Southeast Asian states. We look forward to a regional association embracing Thailand, Burma, Indonesia, Singapore, Malaysia, the Philippines, Cambodia, Laos, and Vietnam.... The name of the all-embracing regional association does not matter. It need not be ASA.' Straits Times, 24 June 1966.
Under Sukarno's leadership, the Indonesian government had regarded ASA as a Western-inspired creation and had refused to join it. The New Order, although it was engaged in an acrimonious debate with Peking, wished to retain its 'non-aligned' posture in international affairs and refused to join ASA. Nor was it likely that Indonesia, by far the largest of the Southeast Asian countries, would join an association already established by three small Western-aligned states. The diverging views of Malik and the Tunku, complicated by suggestions of conflicting opinions within the Malaysian Foreign Ministry, placed the Marcos administration in a dilemma. In January 1966 Ramos had called for a new regional grouping which could concern itself with security as well as economic matters. By mid-1966, however, Malik had assumed the initiative in forming the new association, and Ramos was placed in the unenviable position of having to publicly agree with the Tunku and with Malik at the same time. Given the Marcos administration's verbal emphasis on its 'new orientation towards Asia', it could not remain aloof from moves to establish a new association for regional cooperation; the U.S. government also presumably was encouraging Marcos to follow the Indonesian initiative. The problem of the conflicting views of Malik and the Tunku, however, led to obvious contradictions in Ramos's public statements on the new association between March and December 1966. When he was speaking to Malik he alluded to an 'expanded Maphilindo'; at ASA gatherings he referred to the 'expansion of ASA'; and on other occasions he spoke of an amalgamation of ASA and Maphilindo.

In an address on 13 May entitled 'ASA and the Philippines', Ramos said:

I like to think that ASA has set an example of enlightened cooperation which other countries in the area may well follow. It is our fervent hope that ASA will in due
course eventually expand to include other Asian states, even those composing the Maphilindo group.¹

Both Ramos and Razak expressed hopes at the Third Ministerial Meeting of ASA in August 1966 that Indonesia would join ASA.² In a speech to the Council of World Affairs and International Law in Bangkok, the Philippine Foreign Secretary stated:

The promise [of ASA projects] has become even brighter with the interest expressed by Indonesia's leaders in eventual Indonesian participation in ASA. Now that both Indonesia and the Philippines have recognized Singapore, it would not be too far-fetched to expect Singapore to join ASA too.³ With non-aligned Indonesia and neutralist Singapore in the association, we look forward to the entry of Burma and Cambodia and Laos into this organization of Southeast Asian states.⁴

The Indonesian Foreign Ministry made no comment on these statements, but the Indonesian Herald, whose editorials reflected Foreign Ministry thinking, expressed

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² Straits Times, 3 August 1966; Manila Times, 2 August 1966.

³ In an interview with the Pakistan newspaper Dawn in April 1966, Singapore's Prime Minister, Lee Kuan Yew, said that 'at present' his government had no intention of joining ASA. Dawn, 18 April 1966.

⁴ Address to the Council of World Affairs and International Law in Bangkok, 3 August 1966.
doubt about the value of ASA. A few days later, Malik made his government's position explicit. After the signing of the agreement in Kuala Lumpur which ended confrontation, he said flatly that Indonesia would not join ASA. When asked whether he thought ASA or Maphilindo was better, he replied, 'we can perhaps combine the two and find out where they are lacking.'

Although Ramos spoke of an 'expanded ASA' at the Ministerial Meeting of ASA in Bangkok, during his two conferences with Malik in 1966 he referred to the 'expansion of Maphilindo'. He met Malik at Bangkok in April, and the Joint Communique of the meeting stated that the two governments would take steps to deal with immigration and trade problems between them, and expressed confidence that the 'Manila Agreements concluded in August 1963 between the President of the Republic of Indonesia, the President of the Philippines and the Prime Minister of Malaya constitute a sound basis not only for mutual cooperation between their respective countries but also as an effective means for preserving peace and security in the region.

1 The editorial stated: 'Indonesia is of the opinion that the internal conditions of each country should be strengthened and interference from outside eliminated as much as possible in order that the region's interest would be served well. Therefore the Southeast Asian states should take stock of their economic, political and military capabilities, and also their dependence on outside powers... Considering all those factors we cannot be optimistic about the rate of efficiency which could be achieved by ASA in serving the overall interest of the region.' Indonesian Herald, 1 August 1966.

2 Straits Times, 13 August 1966.

3 Ibid.

After his return from Bangkok, Ramos disclosed that he had discussed the revival of Maphilindo with Thanat Khoman and Malik, and that they had agreed that 'Maphilindo should not only be revived but should also be amalgamated with other organizations in Southeast Asia seeking to strengthen understanding and cooperation among Southeast Asian states'. Thanat Khoman was sent to Kuala Lumpur to make a report to the Tunku, whose response was 'we might as well forget Maphilindo now.'

Regional cooperation was also on the agenda when Ramos went to Djakarta at the end of August. He indicated that he had held 'merely exploratory' talks with Malik on the future of Maphilindo, and that the question of whether Maphilindo would be expanded or merged with ASA remained a topic for future consultations. He hinted at the difficulties involved in the negotiations to form a new regional organization: 'In the friendly atmosphere now prevailing in the region, I am sure that we can compose our diverging views and find a compromise solution acceptable to all.'

The SEAARC Proposal

The kind of regional association which Malik had in mind became clearer after Thanat Khoman's visit to


Djakarta at the end of August, As a result of Khoman's visit, in late 1966 the Thai government sent a 'Draft Joint Declaration' to the governments of Indonesia, Malaysia and the Philippines. This declaration formed the basis of a proposed new organization which was to be known as the Southeast Asian Association for Regional Cooperation (SEAARC). The contents of the SEAARC proposal were not made public at the time, but it was apparent that it did not meet an enthusiastic reception in Manila. From late 1966 until ASEAN was formed in August 1967, the Marcos administration gave the appearance of 'dragging its feet' on the Malik-Khoman proposal. This reluctance manifested itself in several ways. In March 1967, Ramos claimed that he had not seen the Draft Declaration. As Dr Anwar Sani, Director-General of Political Affairs of the Indonesian Foreign Ministry, had been sent to Manila by Malik to explain the proposals, Ramos's disclaimer seems somewhat implausible.

The Philippine government's lack of enthusiasm for the SEAARC proposal can also be inferred from Ramos's

1 The Joint Communique stated:

They [the two Ministers] had an exchange of views on
the question of regional cooperation among the countries
in Southeast Asia, which was also a subject of previous
discussion between Foreign Minister Adam Malik and
other recent visitors.... They...agreed on the necessity
of taking practical steps to provide an effective
framework within which such cooperation could be further
promoted.

_Bangkok World_, 1 September 1966.


3 _Manila Times_, 31 March 1967.

4 _Antara_, 15 March 1967.
persistent references to the 'expansion of ASA', despite unmistakable indications that these statements were not well received in Djakarta. Commenting on a remark by Razak that Maphilindo was 'dead and buried', Ramos observed at a press conference at the end of January that 'our hope is that Indonesia would sooner or later join ASA.' In March, Razak expressed the view that it was entirely up to Indonesia to decide whether or not to join ASA. A similar statement was appended to Ramos's opening address to the Southeast Asian Central Bank Governors' Conference in Baguio. 'This year', he said, 'we hope to expand ASA to include Indonesia.' The Indonesian delegate remarked that 'Indonesia would welcome regional cooperation in Southeast Asia but the structure and framework of such cooperation were still the subject of discussion between the countries concerned.' In Djakarta, Anwar Sani 'categorically' declared that Indonesia 'is not even considering to join ASA.'

One of the main reasons for the Marcos's administration's lack of enthusiasm for the SEAARC proposal was clearly its reference to security matters. The SEAARC proposal stated:

2 Straits Times, 1 March 1967.
3 Manila Times, 6 March 1967. According to the Djakarta Times of 13 March 1967, Ramos 'clarified his statement' and said that he was not referring to ASA as the organisation he hoped Indonesia would join but to a new association 'the name of which will have to be mutually agreed upon later.' The writer has been unable to locate this alleged disclaimer in the Philippine press.
4 Antara, 15 March 1967.
5 Ibid.
The Ministers of Foreign Affairs of Indonesia [and] Malaysia, the Secretary of Foreign Affairs of the Philippines...and the Minister of Foreign Affairs of Thailand...

Believing that the countries of Southeast Asia share a primary responsibility for ensuring the stability and security of the area...

Being in agreement that foreign bases are temporary in nature and should not be allowed to be used directly or indirectly to subvert the national independence of Asian countries, and that arrangements of collective defense should not be used to serve the particular interest of the big powers.¹

These clauses, closely modelled on the Maphilindo agreements, reflected the Indonesian government's view of its role in Southeast Asia and its desire to minimize the influence of outside powers. In late 1966 and early 1967, several Indonesian generals made statements which indicated that they regarded the SEAARC proposals as forming the basis of a Southeast Asian security alliance directed against a nuclear-armed mainland China. It was clear that the Indonesian armed forces would dominate any such alliance.

On a visit to Malaysia,² Lt-Gen. Mokoginta stated that a military alliance between Indonesia, Malaysia and other Southeast Asian countries 'might soon become a necessity.' Lt-Gen. Panggabean, the Deputy Army Commander, had indicated in December that China was expected to be able to use nuclear weapons by 1968. By then Indonesia's armed forces 'must be able to operate in any neighbour [sic] country needing defence assistance.'³ He also expressed the view

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¹ Quoted by B.K. Gordon, Toward Disengagement in Asia, p.53.
³ Ibid.; see also Antara, 1 March 1967.
that the Southeast Asian states should be able to ensure their own defence and security so that there would be no need for any outside powers to station military forces in the region. These statements appeared to enjoy the tacit support of General Suharto, who became Acting President in March 1967, although Malik specifically dissociated himself from any suggestions that Indonesia would join a military pact.

Marcos certainly shared the view that China posed a threat to Southeast Asia, but he adhered in public to the conviction that for the foreseeable future the Southeast Asian countries would be incapable of guaranteeing their own security without the assistance of the United States. In his address to the Joint Session of the U.S. Congress in September 1966, he had stated:

'It is among the most significant and heartening developments in the region in that one of its meaningful aspects is the possible growing desire for regional cooperation not only in the economic and social fields but possibly also in political and security matters. Another is the enhanced awareness that for the present and the years immediately ahead, Communist China's neighbours cannot expect, singly or together, to 'balance' China's crucial margin of nuclear power without the assistance of non-Asian countries like America. There is in consequence a new disposition to regard America's deterrent power in Asia as a necessity for the duration of time required by the Asian nations to develop their own system of regional security supported by what they hope would become a greatly strengthened United Nations....'

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1 Ibid.
3 Djakarta Times, 13 April 1967.
Our object must be hold the line in Vietnam and, at least, to roll back Communist power behind the 17th parallel. This being achieved, we shall have provided a necessary basis for joint action among the Southeast Asian nations themselves in order to ensure their collective security.¹

The Joint Communiqué released at the conclusion of the visit reaffirmed the importance of the United States bases in the Philippines to the defence of both countries, although it was agreed to reduce the term of the lease of the bases from ninety-nine to twenty-five years.² The two Presidents also 'recognized the strategic role which the Philippines plays in the network of allied defences and agreed to strengthen their mutual defence capabilities.'³

The importance of the SEATO connection to the Marcos administration was reiterated at the 12th Ministerial Council of SEATO in Washington in April 1967. The Philippines, he said, was 'more convinced than ever before of the validity of the SEATO idea' and 'of the continuing pertinence of the existence of SEATO as a defensive shield over our region.'⁴

Marcos's reaffirmation of his government's continuing reliance on the United States in security matters


² This agreement 'confirmed' the Bohlen-Serrano Agreement of 1959. See Department of State Bulletin, Vol.LV, No.1424, 10 October 1966, pp.547-8.

³ Ibid., p.533.

⁴ For an extract of Ramos's opening address, see SEATO Record, Vol.VI, No.3, June 1967, p.7.
was at odds with the Indonesian government's insistence that Great Power influence should be excluded from the Southeast Asian region. It is not unlikely that the clauses on security in the SEAARC proposals were particularly distasteful to Marcos because they were modelled on the Maphilindo agreements with which the Macapagal administration had been closely identified. The past behaviour of the Indonesian government also gave few grounds for optimism, and the Marcos administration may well have feared that any 'security alliance' in Southeast Asia would be dominated by the Indonesian army.

Hints of disagreements between the Philippine and Indonesian governments on the SEAARC proposals were aired by the Philippine press during Malik's visit to Manila at the end of May 1967. The Manila Times editorial of 29 May appeared to endorse Malik's views on regional security:

> Western, particularly American, presence in Asia is not going to be a permanent thing. And far-sighted Asian leaders are looking forward to the day when Western presence is removed, in which case the Asians themselves should be prepared to fill the vacuum left by the withdrawal.

Other press reports, however, alluded to Indonesia's past behaviour in regional organizations. Nestor Mata of the Philippines Herald termed Malik's proposals 'ill-timed and premature' and wrote that Malik 'comes forward with an idea at a time when Sukarno's dismaying foreign policy adventures are still fresh in the minds of Indonesia's neighbours.'\(^1\) Department of Foreign Affairs sources were quoted as saying that there were 'bumpy spots' because Malik's proposals contained 'security aspects similar to

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1 Quoted in Antara, 3 June 1967.
the provisions of Maphilindo. Reference to 'security aspects' was omitted from the Joint Communique, which merely stated that the two Ministers held exploratory talks on the establishment of a new organisation in Southeast Asia for economic, social, technical, scientific and cultural cooperation. Secretary Ramos, after adverting to the required constitutional processes of the Philippine Government relative to international undertakings, expressed his agreement in principle to the idea. The two Ministers were of the opinion that efforts should be exerted towards its realisation.

Stating that he had not come to destroy existing regional organizations but to try to create 'something better', Malik announced at the end of his visit to Manila that representatives of the Philippine, Malaysian, and Indonesian governments, as well as Singapore 'if it so desires' would soon meet to discuss the formation of a new association. The importance to Malik of the clauses on security in the SEAARC proposal was underscored in his address to the Indonesian Parliament in July, in which he said:

the Indonesian Government wants Southeast Asia to develop into a completely independent area, able to repulse negative forces from outside or foreign intervention.

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1 Manila Chronicle, 30 May 1967. The Manila Chronicle, it should be noted, was partly owned by Vice-President Fernando Lopez.


3 Straits Times, 31 May 1967.

4 Antara, 2 July 1967.
The ASEAN Meeting

Malik met Thanat Khoman after the ASPAC meeting in Bangkok in July, and shortly after his meeting with Malik, the Thai Foreign Minister announced that the SEAARC meeting would be held in Bangkok in August. Before Ramos left for Bangkok, Marcos convened a meeting of the bipartisan advisory group, the Foreign Policy Council. Among those present were former Presidents Garcia and Macapagal, as well as former Foreign Secretaries Serrano and Pelaez. The Foreign Policy Council drew up its own set of draft proposals which differed substantially from the SEAARC proposals. As press reports pointed out, the Philippine draft declaration omitted any reference to the 'temporary nature' of foreign bases or to security matters, and dealt mainly with the need to enhance 'economic progress' and 'social well-being'. On the other hand, the Indonesian draft began with two clauses on 'security' which were virtually identical with those of the SEAARC proposal.

In public statements in Bangkok, Ramos, whose position as Foreign Secretary was somewhat in doubt,

1 Bangkok World, 9 July 1967.
2 Manila Times, 3 August 1967.
4 For text of the Philippine draft, see Appendix IV.
5 For text of the Indonesian draft, see Appendix V.
6 There was speculation in Manila that Marcos wanted to attract Senator Sumulong to the Nationalists Party by offering him Ramos's job. Manila Times, 3 August 1967. There were also reports that Ambassador Benjamin 'Kokoy' Romualdez, the brother of Mrs Marcos, had been sent to Bangkok to 'keep an eye' on Ramos. In view of this speculation, the President found it necessary to announce that Ramos enjoyed his 'special trust and confidence'. Foreign Affairs Bulletin, Vol.2, No.27, 4 August 1967.
stressed the significance of the fact that Indonesia, 'once politically isolated', had taken the initiative in forming the new group. The two paragraphs on bases and security in the SEAARC proposal, however, led to a serious deadlock between Ramos and Malik. The Indonesian government reportedly raised the question of foreign troops in 'some' of the prospective member countries of the new association; Ramos apparently defended the presence of American troops in the Philippines, although Razak and Rajaratnam, the Singapore Foreign Minister, reportedly stated that British troops were soon to be withdrawn from Malaysia and Singapore. Malik insisted on the two clauses on bases and security on the grounds that the political survival of the New Order in Indonesia depended on their inclusion, but Ramos succeeded in gaining an important concession in that the reference to the 'arrangements of collective defence which should not be used to serve the interest of any of the big powers' was deleted. The Declaration of the new association which was to be known as the Association of Southeast Asian Nations (ASEAN) rather than SEAARC, began with the Preamble that:

The Presidium Minister for Political Affairs/Minister for Foreign Affairs of Indonesia, the Deputy Prime Minister of Malaysia, the Secretary of Foreign Affairs of the Philippines, the Minister for Foreign Affairs of Singapore and

1 Ibid.
2 Djakarta Times, 8 August 1967.
3 Philippines Herald, 17 August 1967.
4 Ramos reportedly objected to the name 'SEAARC' because it sounded too much like 'shark'. Straits Times, 8 August 1967.
the Minister of Foreign Affairs of Thailand:

MINDFUL of the existence of mutual interests and common problems among the countries of South-east Asia and convinced of the need to strengthen further the existing bonds of regional solidarity and cooperation;

DESIRING to establish a firm foundation for common action to promote regional cooperation in South-east Asia in the spirit of equality and partnership and thereby contribute peace, progress and prosperity in the region;

CONSCIOUS that in an increasingly interdependent world, the cherished ideals of peace, freedom, social justice and economic well-being are best attained by fostering good understanding, good neighbourliness and meaningful cooperation among the countries of the region already bound together by ties of history and culture;

CONSIDERING that the countries of South-east Asia share a primary responsibility for strengthening the economic and social stability of the region and ensuring their peaceful and progressive national development, and that they are determined to ensure their stability and security from external interference in any form or manifestation in order to preserve their national identities in accordance with the ideals and aspirations of their peoples.

AFFIRMING that all foreign bases are temporary and remain only with the expressed concurrence of the countries concerned and are not intended to be used directly or indirectly to subvert the national independence and freedom of States in the area or prejudice the orderly processes of their national development.¹

After the meeting, Ramos indicated that the 'long and tedious' negotiations had 'taxed goodwill';² he was the only Foreign Minister to refer publicly to the

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¹ For full text of ASEAN Declaration see Appendix VI.

² Straits Times, 8 August 1967.
difficulties of the negotiations. In his public statements after the ASEAN Declaration was signed, Ramos emphasized that the new association was 'neither a political power bloc nor a military or security aggregation.' He stated:

There is no obligation on the part of any ASEAN member state to go to the aid of another member state in cases of outside intervention; neither is there any intention or commitment for the ASEAN states to 'share' in the responsibility of resisting foreign intervention. Each state must look after its own security.

Despite the disavowals of Ramos and Rajaratnam, however, the possibility of ASEAN developing into some kind of security arrangement was far from remote. Tun Razak indicated his belief that 'once we have become good friends, then other things, such as defence, can follow. A mutual defence alliance is always possible once we have become very close with a common interest and destiny'. The Malaysian Deputy Prime Minister also stated that the vacuum left by the 'colonialists who are gone' must be filled by collective endeavours. ASEAN was compared by Malik with a house with five doors. 'If a burglar comes in one door, it's a problem

1 This point is made by B.K. Gordon, *East Asian Regionalism and United States Security*, p.62.


3 Rajaratnam reported to the Singapore Parliament that 'what I would like to stress is that ASEAN as such is not concerned with military problems of the region.' *Straits Times*, 9 September 1967.

4 *Straits Times*, 12 August 1967.

5 Ibid. 9 August 1967. It should be noted, however, that the Malaysian government had proposed a defence arrangement between Australia, New Zealand, Britain, Singapore and Malaysia to deal with the problems created by the impending British withdrawal from East of Suez.
for everyone in the house.¹ Malik also expressed the conviction that ASEAN would succeed where 'others failed' because its goals were more realistic. ASA, he said, had depended too much on outside assistance; 'ASEAN will have to stand by itself. Of course, we will still need outside help but we must not become dependent on it.'² Malik also made it clear that 'outside powers', including Japan, would not be allowed to influence ASEAN.³ Similar sentiments were expressed by Thanat Khoman.⁴ Thanat apparently did not object to Malik's statement that 'Indonesia would not let member countries [of ASEAN] who are members of SEATO draw Indonesia into SEATO';⁵ although Ramos was reported to have stated that ASEAN should not be interpreted as 'antagonistic to the West.'⁶

The United States and ASEAN

It has been suggested that Ramos's objections to the clauses on security and the temporary nature of foreign bases in the SEAARC proposal may have been a product of American objections.⁷ There is very little evidence on

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¹ Straits Times, 12 August 1967.
² Philippines Herald, 10 September 1967.
³ Bangkok World, 30 August 1967.
⁴ Commenting on this statement by Malik, Khoman said that there were 'no big brothers' wanted in ASEAN. Straits Times, 31 August 1967. A few months previously, however, Khoman had stated that the proposed new association 'could ultimately supplant SEATO'. Antara, 10 June 1966.
⁵ Bangkok World, 30 August 1967.
⁶ Times of India, 31 August 1967.
this point, but it seems most likely that the United States government was not particularly concerned about the two clauses in the SEAARC proposal which seemed incompatible with SEATO interests. The State Department had welcomed the Maphilindo agreements in 1963 despite their clauses on foreign bases,¹ and by 1967 SEATO had become even more of a 'dead horse' than it had been four years previously.² After the ASEAN Declaration was signed, the State Department issued a statement 'welcoming' the formation of the new association which it said did 'not conflict with any military security arrangements with member governments.'³ Similar optimistic sentiments were expressed editorially by the Washington Post and the New York Times.⁴ It seems most

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1 See above, pp.218-23.

2 Although American officials attempted to cite the participation of some of America's allies in the Vietnam war as evidence of SEATO solidarity, as Cooper points out, 'the SEATO rationale was more cosmetic than real. Of the seven member countries, three - Pakistan, France, and the United Kingdom - were not represented in Vietnam, and neither Pakistan nor France were ready to give even moral support to the effort. Moreover, the largest contributor, South Korea, is not a member of SEATO.' Cooper, op.cit., p.267.

3 Bangkok World, 10 August 1967.

4 The Washington Post commented that:

...for the United States, the appeal of ASEAN and organizations like it is the prospect that eventually their members will be able to stand on their own. This country's role in Asia is not to batten and stay forever but to equip its friends to do without it, some day.'

likely that the Johnson administration regarded the clauses on 'security' in the ASEAN Declaration as relatively insignificant when counterbalanced against the advantages to the 'free world' of the creation of a regional association which would include Indonesia. The formation of ASEAN was to be frequently cited by Administration officials as evidence that the Vietnam war had 'bought time' for the Asian nations to 'get together' and 'stand on their own feet' against a perceived communist threat.¹ Not surprisingly, both the Communist Chinese and Russian governments denounced ASEAN as an instrument of American policy.² Although the evidence on this point is far from conclusive, it suggests that the Philippine government's objections to the clauses on 'security' in the SEAARC draft stemmed more from its fears of an 'alliance' dominated by the Indonesian army than from any objections put forward by Washington.

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¹ In an interview with the Reader's Digest in December 1967, for instance, Rusk cited ASPAC, the ADB and ASEAN as examples of regional cooperation among 'the free nations of East Asia and the Western Pacific.' He also said that 'the quiet progress being made on all fronts in East Asia and the Western Pacific is a major element in undergirding the organization of peace in an area in which two-thirds of the world's people live. And I have no doubt that success in assuring the safety and freedom of choice of the South Vietnamese people will cause a hundred small nations throughout the world to breathe a sigh of relief.' State Department Bulletin, Vol.LVII, No.1428, 18 December 1967, p.822.

The Sabah Issue

The clauses on security and foreign bases in the SEAARC proposals were not the only reasons for the Marcos administration's reservations about the new regional association. Although the Philippines and Malaysian governments had resumed diplomatic relations in June 1966, in March 1967 Marcos reversed a decision by Ramos to send observers to the Sabah elections in April. This reversal was taken on the grounds that the Sabah government had made the Philippine claim an issue in the elections; the Indonesian government, however, sent representatives who reported that they had not observed any evidence of anti-Malaysia feelings in Sabah. Mariano Logarta, the Philippine Consul-General in Singapore, created a diplomatic furore when he accused the Malaysian government of exploiting Sabah, and only a few days before the ASEAN meeting a Malaysian Foreign Ministry spokesman said that a protest note was being sent to Manila. Implementation of the anti-smuggling agreement was also delayed by the Philippine government's insistence on a clause reserving its right to pursue the Sabah claim.

1 Manila Chronicle, 29 March 1967. Opposition to the sending of observers was also expressed by Reps Manuel Enverga and Ramon Mitra, respective chairman and ranking member of the House Committee on Foreign Affairs. The Philippines Free Press commented [8 April 1967]: 'The Philippines has every reason to believe that acceptance of the invitation would lead the Philippines into a diplomatic trap from which it would have a hard time extricating itself. There's such a thing in law as estoppel. The presence of Philippine officials in Sabah would be tantamount to Philippine acquiesence in the referendum and acceptance of its results.'

2 Antara, 19 April 1967.

3 Manila Times, 2 August 1967.

There was some press speculation when Malik visited Manila in May 1967 that the Marcos Administration wanted to insert a reservation on the Sabah claim into SEAARC proposals,\(^1\) and in June two congressmen urged that the Philippine government should refuse adherence to the new regional association until Malaysia took the Sabah claim seriously.\(^2\) When Ramos went to Bangkok for the SEAARC meeting, however, he indicated that the proposed SEAARC Charter would not include a reservation on the Sabah claim, which he said was protected by the 1963 Manila Accords and the diplomatic notes exchanged when the Philippine and Malaysian governments normalized relations in June 1966.\(^3\) It is highly unlikely, particularly in view of the difficulties in the relationship between the central government and the governments of Sabah and Sarawak in 1967,\(^4\) that the Malaysian government would have agreed to a reservation on Sabah in the ASEAN Declaration.

The Sabah issue seems to have been an ingredient of the Marcos administration's lack of enthusiasm for the new regional association. Despite the Philippine government's frequent avowals of support for ASEAN, the Sabah claim was to reappear in 1968 as a formidable obstacle to regional cooperation. There is also some evidence to suggest that Marcos was disappointed that his Asian Forum proposal had fallen on deaf ears.

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1 Manila Times, 30 May 1967.
2 Ibid., 10 June 1967. The two congressmen were Senator Lagumbay (Nacionalista, Laguna) and Congressman Mitra (Liberal, Palawan).
3 Ibid., 3 August 1967.
The Asian Forum

The Manila Summit of October 1966 had allowed Marcos to play the role of Asian statesman, and early in 1967 he revived his concept of an 'Asian Forum' during an interview with the Hindustan Times. Marcos also reportedly told Malik in May that the Philippines had always been interested in regional cooperation, and that he himself had advocated the formation of a Southeast Asian forum for the free exchange of views and common problems, but nothing had come of his suggestion. He reiterated the Asian Forum idea during an address to the Second Asian Newspapers Conference in Manila at the end of August. The SEAARC proposal was patently a product of Indonesian initiative, and it seems likely that Marcos would have preferred a wider Asian Forum, although he never clearly defined the outlines of the proposed Forum. The Asian Forum would presumably have been a wider grouping in which Indonesian influence would have been diluted; it would also have borne Marcos's personal imprint. In terms of Indonesia's population and size, Marcos's apparent desire for regional leadership may have been 'unrealistic', but it should not be disregarded in an analysis of the reasons for the Philippine government's policy towards the formation of ASEAN.

The Future of ASA

The Marcos administration's lack of enthusiasm for ASEAN also manifested itself in a reluctance to abandon ASA. Immediately after ASEAN was established,

1 Asian Recorder, 11-17 June 1967, p.7753.
3 Manila Times, 30 August 1967.
Tunku Abdul Rahman announced that the Southeast Asian region was not strong enough to support two regional organizations;\(^1\) the Tunku had apparently abandoned his earlier insistence that ASA be maintained. Ramos, on the other hand, stressed that ASEAN would work as a complement to ASA even though the functions and aims of the two organizations were nearly identical.\(^2\) At the Fourth Conference of the ASA Joint Working Party in Quezon City on 14 August, Ramos stated that ASEAN had not been established to eliminate or destroy ASA.\(^3\) He recognized that 'the merger, consolidation or integration of some of our existing regional organizations may well be demanded by events and developments sooner than we expect', but stated that until that time, 'ASA will strive to strengthen the scaffolding of regional homogeneity which was erected in 1961.'\(^4\) The Manila press also reported differences of opinion between the Malaysian and Philippine governments on the question of whether ASA should be immediately dissolved.\(^5\)

At the Fourth Ministerial Meeting of ASA in Kuala Lumpur later in August, the Tunku reiterated his belief that ASA should be allowed to 'fade out', and seemed concerned that the Indonesian government would

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2 *Straits Times*, 11 August 1967.
3 *Manila Times*, 17 August 1967.
4 Ibid.
object to the survival of ASA. Ramos, however, indicated that such ASA projects as the Treaty of Commerce and Navigation, the ASA fund, and the development of wider export markets, should not be affected by the relationship of ASA to ASEAN. Several draft communiques were considered by the Ministers, and the Final Communique stated that although the ASA countries would continue to cooperate in implementing existing ASA projects, they had agreed on the procedure for the gradual phasing out of ASA activities. This statement seems to have been a compromise between the Philippine and Malaysian views.

Marcos's rhetorical emphasis on his government's 'new orientation towards Asia and Africa' notwithstanding, the evidence suggests that he was far from enthusiastic about the formation of ASEAN. His reservations seem to have stemmed from a variety of sources - fear of the Indonesian army; objections to echoes of Maphilindo in the ASEAN Declaration; disagreements with Malaysia over the Sabah issue; and preference for his Asian Forum idea. His administration had, however, little option but to join the new association. Aloofness would have contradicted Marcos's verbal emphasis on ties with Asia, and would not have been compatible with the Johnson administration's encouragement of 'regional cooperation' in Asia. As the re-emergence in 1968 of the Sabah issue was to indicate, nevertheless, his administration did not have an intense commitment to ASEAN.

1 The Tunku stated, 'Can we be sure that we may [sic] lay ourselves open to criticism by the new member countries of ASEAN that we are trying to do too much by running two organizations at the same time?' Asian Almanac, 1967, p.2295.


3 Ibid.
ASEAN as a Security Arrangement?

The possibility that ASEAN could evolve into some kind of defence arrangement was discussed at the first ASEAN Ministerial Meeting, and has since been raised at intermittent intervals by the governments of some of the member states. A defence arrangement within ASEAN has also been advocated by some academic writers, notably Bernard Gordon. In 1967, the obstacles to the development of such an arrangement were formidable. The defence postures of the ASEAN states ranged from the SEATO membership of Thailand and the Philippines to the 'non-alignment' of Indonesia and Singapore. Limited forms of military cooperation in combating 'subversion' had been established between the Indonesian and Malaysian governments in Sarawak and between the Malaysian and Thai governments on their common border, but the problems inherent in a more ambitious scheme for regional cooperation in security matters were

1 See Bernard K. Gordon, Toward Disengagement in Asia, pp.131-65. On the other hand, Peter Lyon writes:

...American enthusiasts for ASEAN argue that the scope of any future American guarantee to ASEAN members could be defined and kept manageable by limiting commitments to those forms of attack which ASEAN itself could not handle. In other words ASEAN is made into a military alliance for its members with the clear promise of back up support from the United States in certain contingencies. Despite its devotees in Washington it is difficult to see how any such scheme is an improvement on SEATO.

severe. Such matters as sharing of costs and standardisation of equipment and training procedures presented considerable problems. Moreover, there was also the consideration that any form of 'military cooperation' would probably be dominated by the Indonesian army.

Important political problems also existed between the member states of ASEAN such as the Sabah claim, difficulties in the Malaysia-Singapore relationship, and Lee Kuan Yew's fears of Indonesian expansionism and encirclement by the 'Malay states'. The intensity of the perception of a communist threat also varied among the member states, with the Thai government regarding itself as the state most directly threatened by the possibility of a communist victory in Vietnam. Furthermore, each member state had important socio-political problems to contend with.

Such impediments to a defence arrangement in ASEAN were juxtaposed against the perception of a communist Chinese threat to the region and the possibility of the withdrawal of both Britain and the United States from Southeast Asia. The implications of the Vietnam war for future American policy in Southeast Asia were outlined by Richard Nixon, the Republican Presidential candidate in 1968, in an article in *Foreign Affairs* in December 1967. Nixon argued that China remained the greatest threat to Asia, but he recognized that SEATO was little more than

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an 'anachronistic relic'. He stated that the Vietnam experience would render the United States government unwilling in the future to become unilaterally involved in 'defending' Asia against communist aggression:

If another friendly country should be faced with an externally supported communist insurrection - whether in Asia, or in Africa or even Latin America - there is serious question whether the American public or the American Congress would now support a unilateral American intervention, even at the request of the host government. This makes it vitally in their own interest that the nations in the path of China's ambitions move quickly to establish an indigenous Asian framework for their own future security.

In doing so, they need to fashion arrangements able to deal both with old-style wars and with new - with traditional wars, in which armies cross over national boundaries, and with the so-called 'wars of national liberation', in which they burrow under national boundaries....

If the initial response to a threatened aggression, of whichever type - whether across the border or under it - can be made by lesser powers in the immediate area and thus within the path of aggression, one of two things can be achieved: either they can in fact contain it by themselves, in which case the United States is spared involvement and thus the world is spared the consequences of great-power action; or, if they cannot, the ultimate choice can be presented to the United States in clear-cut terms, by nations which would automatically become allies in whatever response might prove necessary. To put it another way, the regional pact becomes a buffer separating the distant great power from the immediate threat. Only if the buffer proves insufficient does the great power become involved, and then in terms that make victory more attainable and the enterprise more palatable.2

1 Nixon, op.cit., p.116 (my emphasis).
Nixon specifically mentioned ASPAC as a possible foundation for a future security arrangement. Early in 1968, there were also suggestions emanating from some of the ASEAN member states that ASEAN might develop into some kind of security arrangement. The idea of an ASEAN defence arrangement was particularly attractive to some Indonesian generals and admirals, and in an interview with the Mainichi Shimbun in March 1968, General Suharto said that ASEAN could develop into an arrangement for 'military cooperation for regional security'. The Indonesian Minister for Information pointed out that while the Indonesian government would not join any military 'pact', it would not refuse to establish a military 'cooperation' [sic]. During a visit to Singapore in March, Malik expressed the view that the members of ASEAN should bring new ideas, including defence, into the group, although he rejected the idea of a defence pact. He stated that Indonesia had no objections to the forthcoming conference on defence between the governments of Malaysia, Singapore, Australia, New Zealand and Britain, but made a significant comment on the Indonesian government's interpretation of its role in the region:

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1 In February, Rear-Admiral Koen Djalani stated during a visit to Thailand that 'countries in this part of the world should encourage joint training in military matters, such as exchanging students and technical knowhow on regional strategies. If this could be worked out, it would not be necessary to have a defence pact.' Antara, 10 February 1968. General Panggabean also advocated military cooperation among the Southeast Asian nations. Ibid., 14 February 1968.

2 Antara, 7 March 1968.

3 Ibid.

4 Straits Times, 18 March 1968.
The 200 million people represented in ASEAN need not worry about any communist threat. We shall protect them even if the threat comes from Genghis Khan.¹

The prospect of being defended by Indonesia clearly did not appeal to the Singapore government,² but there were indications that some members of both the

¹ Ibid., 20 March 1968.

² The Singapore government consistently maintained the position that defence matters should not be brought into ASEAN. When Rajaratnam returned from a visit to Djakarta in September 1967, as a consequence of which diplomatic relations between Indonesia and Singapore were re-established he stressed that Indonesia was interested only in the economic aspects of ASEAN and not in the possibility of evolving regional defence arrangements. The U.S. government appears to have attempted to 'encourage' Lee to look more favourably on regional defence arrangements. During his visit to the United States in August 1967, the Joint Communiqué stated that: 'The President expressed the hope that Singapore would continue to make her contribution to the growth of regional cooperation in Southeast Asia. The Prime Minister expressed Singapore's readiness to play her part in constructing a regional framework for common prosperity and mutual security'. (my emphasis). Straits Times, 20 October 1967. At a press conference after his return, however, Lee made it clear that agreements on mutual security were useless without economic and commercial cooperation. Ibid., 7 November 1967. He also pointed to the dangers inherent in Washington's encouragement of Malay nationalism. During Malik's visit to Singapore in March 1968, Rajaratnam emphasized that ASEAN should not be overloaded with too many problems. Malik had spoken of bringing new ideas, including defence, into ASEAN; this did not prevent Rajaratnam from stating that he agreed with Malik that 'ASEAN should not be made a vehicle for resolving our defence problems'. Ibid., 20 March 1968.
Thai\(^1\) and Malaysian governments\(^2\) were not averse to the concept of an ASEAN defence arrangement. It was apparent, however, that the ASEAN states were uncertain of the future direction of American policy in Asia and of the response which they should make to a perceived communist threat.

These uncertainties were also reflected in the statements of various members of the Philippine government. When President Marcos made State Visits to

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1 Differences of opinion within the Thai government on the question of an ASEAN defence arrangement were aired early in 1968 when Deputy Prime Minister General Praphas Charusathien visited the Philippines, Japan, South Korea and Taiwan. In Manila, General Praphas expressed support for a reported proposal by General Suharto that ASEAN might take on a 'more military aspect', *Bangkok World*, 7 March 1968, although Ramos expressed the view that a change in the nature of ASEAN was a 'debatable question', *Manila Chronicle*, 5 March 1968. The Thai Embassy in Manila, however, was anxious to deny that a defence alliance was being planned and issued a statement that there should be 'more planning, more work and more sacrifice from ASEAN member nations in order to make the association a going concern for economic, cultural, social and even political cooperation before it can lead to a regional defence alliance'. *Manila Bulletin*, 13 March 1968. Dr Thanat also denied that a military bloc was being planned. *Bangkok World*, 21 March 1968.

2 The possibility of an ASEAN defence arrangement was also raised when the Tunku visited Indonesia in March. Before leaving for Djakarta, he indicated that he would discuss with General Suharto the possibility of ASEAN taking on a defence role, and Tun Razak said that the Malaysian government would like to see ASEAN extend its role of regional cooperation into the defence field in order to ensure the security of Southeast Asia. *Antara*, 8 March 1968. The *Joint Communiqué* released after the Tunku's visit, however, simply referred to the 'progress' which had been made in the framework of cooperation under ASEAN. *Straits Times*, 8 March 1968. On the question of a defence role for ASEAN, the Tunku said he did not discuss the question of a defence pact with Suharto; the Indonesian government was clearly anxious to discourage use of the terms 'alliance' or 'pact'.

Malaysia, Indonesia and Thailand\(^1\) in January 1968, he seemed to indicate that his government would not be opposed to an ASEAN defence arrangement. In Kuala Lumpur, the President confined himself to the theme of cultural and economic cooperation in ASEAN, but in Djakarta he stressed 'problems of security and development'.\(^2\) During an address at the University of Indonesia on 13 January, he emphasized the threat which China posed to the security of Southeast Asia. The combination of China's expansionism and its nuclear power, he said, 'places in jeopardy all the constructive work we are doing to raise the living standards of our peoples'.\(^3\) Pending the solution of this problem under the aegis of the United Nations, which could build an effective system of collective security, 'we may find it necessary to develop interim arrangements for collective security on the basis of ASEAN principles and purposes'.\(^4\)

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1 The reason for omitting Singapore was possibly Lee Kuan Yew's absence from the Republic; he was in London for talks on the British White Paper on policy East of Suez.

2 This was the title of his address to the Foreign Correspondents Club of Djakarta, 14 January 1968.


4 Ibid.
Marcos's reasons for making this statement, which directly contradicted the position which Ramos had taken at Bangkok in August 1967, are unclear. He was still attempting to play the role of an Asian statesman, and reiterated his 'Asian Forum' concept in Djakarta. His statement on 'collective security' seems to have been a means of asserting that the Philippines had a constructive role to play in regional affairs. Suharto and Malik, however, refrained from commenting on Marcos's statement, and the Philippine President issued a 'clarification' to the effect that he was referring to existing security arrangements such as SEATO, although it is unlikely that he would have chosen Djakarta as the venue for suggestions that SEATO be developed as an 'interim arrangement'.

During an address to the SEATO Council in Bangkok, however, he pointed to the necessity of maintaining SEATO:

...the nations now politically independent who are called upon as a primary obligation of political autonomy to provide for their own security and the means for their own development - until these nations can get together and organize a machinery for their

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1 The *Bangkok Post* commented editorially: on the doctrine of "Asian solutions for Asian problems": For the time being, such problems are bound to remain in the economic sphere. But there is no reason to think that the spirit of collaboration will not slowly manifest itself in issues which border on politics', 17 January 1968. Marcos's statement on collective security was criticised by Rep. Manuel Enverga (Nacionalista, 1st District Quezon), the Chairman of the House Committee on Foreign Affairs. In a privilege speech on 7 February, Enverga said: 'There is no question...as to the merits of his regional proposal. But, while I agree with the idea of establishing an Asian bloc, yet I certainly differ in the manner of approach. In so formulating the destiny of Asian countries by regional alliance for economic, political, and cultural endeavours, should it be proper to ignore, much less to attack big powers like China?' *Manila Bulletin*, 8 February 1968.
own defences, it becomes necessary to maintain the existing alliances, that have so far prevented the loss of an inch of soil to those who seek to subvert our respective governments.¹

The President also referred frequently to the 'security gap' in Southeast Asia which was accentuated by the British government's announcement on 16 January of its accelerated withdrawal from East of Suez. His government, however, seemed uncertain whether SEATO or a 'militarized' ASEAN was an appropriate response to the threat of 'subversion'. If Marcos's statement on collective security in Djakarta hinted that he would not be opposed to an ASEAN defence arrangement, Ramos clearly did not agree with this view. When General Praphas visited Manila in March, Ramos publicly shared the Thai Deputy Prime Minister's 'deep dissatisfaction' with SEATO, but said that no new military alliance could be 'mounted on' ASEAN without disrupting its socio-economic plans.² He added the observation that such a military alliance would be ineffective unless it included the United States - the 'patron of the region'.³ On the other hand, Salvador Lopez, now Permanent Representative of the Philippines to the United Nations, said publicly that SEATO was 'inoperable' and should be replaced by a viable new organization; "ASEAN

¹ Bangkok World, 18 January 1968.
² Manila Bulletin, 7 March 1968. Commenting on the talks between General Praphas and Marcos, Antara, 12 March 1968, stated that 'the Philippines has been said to feel isolated by the growing activities between Indonesia, Malaysia and Thailand within the framework of ASEAN'.
President Marcos had barely returned to Manila when the Vietcong launched the Tet Offensive on 30 January. The ability of the Vietcong to attack Saigon and other cities pointed to the inability of the United States to 'win the war', even with more than half a million troops committed to Vietnam. On 24 February, Marcos delivered an address entitled 'We Must Survive in Asia' to the Manila Overseas Press Club. He continued to refer to the 'security gap' in the region and to emphasize that the small nations along the periphery of China would have to rely on American protection until they could 'arrange among themselves for their joint and effective defense'. The President's anxiety regarding the future of American policy was obvious:

...Asia is in turmoil. We can only prophesy what the United States will be deciding ten years from now. There will be a phased withdrawal of the British military presence in Southeast Asia to be completed by 1971. Those of us in Asia could very well be left fending for ourselves under the shadow of the Chinese colossus....

A further shock was to come when President Johnson announced on 31 March that he was stopping much of the bombing of North Vietnam and that the United States was willing to meet representatives of North Vietnam to discuss negotiations to end the war; he also announced that he

1 Ibid., 13 March 1968. According to press reports, however, State Department officials said 'they see no indication of any organization at the present time that would be able to supplant SEATO in providing a base for security in Southeast Asia'. Bangkok World, 17 March 1968.


3 Ibid.
would not run for re-election.¹ Marcos and the Philippine Representative to the 13th SEATO Ministerial Meeting in Wellington 'welcomed' the decision,² but it had evidently come as a surprise to America's Asian allies,³ particularly after Johnson had reportedly requested Marcos, at their meeting in Australia in December 1967, to increase the size of the Philippine contingent to South Vietnam.⁴ At the same time, Marcos acknowledged that he was 'worried' that the dramatic shift in United States policy might signal the start of a gradual withdrawal from Asia.⁵ Johnson's 'bombing halt' decision also elicited demands in the Philippine Senate that the Philippines review its assistance to South Vietnam,⁶ and veiled 'threats' by both

¹ For an analysis of the background of this decision, see Townsend Hoopes, The Limits of Intervention (McKay, New York, 1969), passim.

² Jose Ingles, Undersecretary of Foreign Affairs, stated in Wellington that: 'We welcome the latest initiative of the United States to bring the contending parties in Viet-Nam closer to a political settlement. The unilateral and unconditional decision of President Johnson to order the cessation of bombing...of North Viet-Nam except in a limited area north of the Demilitarized Zone, is a bold step that could lead to peace negotiations....' SEATO Record, Vol.VII, No.2, April 1968, p.6.


⁵ New York Times, 6 April 1968.

⁶ At this time, a bill authored by Senator Salvador Laurel and Senator Salonga to renew the appropriations for the PHILCAG was being debated in the Senate. See Manila Bulletin, 3 April 1968; Jose F. Lacaba, 'Prelude to PHILCAG 2', Philippines Free Press, 6 January 1968; Edward Kiunisala, 'Another 35 Million for PHILCAG?', Ibid., 27 January 1968; Napoleon Rama, 'The Senate & PHILCAG', Ibid., 16 March 1968.
Marcos and Salvador Lopez that the Philippines might be forced to seek an 'accommodation' with China. The Johnson announcement did not, however, produce further suggestions of a possible ASEAN security arrangement; by this time, the future of ASEAN itself was in considerable doubt.

The Sabah Claim and ASEAN

A few days before Johnson's 'bombing halt' announcement, newspaper reports in the Philippines stated that a 'secret army' had been training on Corregidor Island with the purpose of invading Sabah. In a Privilege Speech in the Senate on 21 March, Senator Alemandras (Nacionalista) alleged that Tausug-speaking Moslem young men had been recruited from Sulu and trained in a Special Forces military camp on Corregidor 'to trigger a war between North Borneo and the Philippines'; the matter had come to light when one of the recruits reported that some of his fellow trainees had been massacred. Committees of the House of Representatives and the Senate decided to investigate the matter, and in a Privilege Speech in the Senate on 28 March, Senator Aquino (Liberal) denounced President Marcos's role

1 Marcos said that a shift in the balance of power over the next fifteen years might 'force the Philippines to seek an accommodation with Communist China', New York Times, 6 April 1968. For his part, Lopez said that the United States should not keep the non-communist countries of Asia guessing too long about its policies. 'If the United States withdrew from Southeast Asia, he said, the other nations in the area, including the Philippines, would be compelled to make the best deal possible with Communist China'. Ibid., 10 April 1968.

in the affair.¹

The issue was taken up at great length by the Manila press, and a number of conflicting explanations were offered for what became known alternatively as 'The Corregidor Affair', Operation Merdeka', 'Project Jabida' and 'Operation Might'. When questioned by the Senate, Major Martelino, who had recruited the trainees in Sulu and the surrounding islands, stated that the project had been designed to infiltrate the private armies led by Ombra Amilbangsa,² and thus prevent them from invading Sabah.³ This explanation was echoed by officials of the Marcos administration when the Congressional enquiries were held into the controversy.⁴ There were also suggestions emanating from the Philippine Army that the 'private armies' were supported by a 'Sabah-based Red Chinese guerilla operation' which intended to 'take over


² Amilbangsa was one of the claimants for the title of Sultan. See above p.147. On 27 July 1966, Amilbangsa had signed a document in the presence of Narciso Ramos, the Secretary of Foreign Affairs, in which he expressly associated himself with the Instrument of 24 April 1962 and the Instrument of Cession of 12 September 1962; these documents formed the basis of the Philippine government's claim. For the text of the 27 July 1966 document, see Appendix VII.

³ Philippines Free Press, 6 April 1968.

the Philippines'. The claim that private armies had been raised to invade Sabah was, however, vehemently denied by Congressman Ututalum from Sulu, who was one of the few Muslim members of the Congress.2

On the other hand, Senator Aquino, who was emerging as one of Marcos's severest critics, charged the President with 'building a secret strike force under his personal command - to form the shock troops of his cherished garrison state' in order to ensure his re-election in 1969.3 Aquino also suggested that the President was attempting to divert public attention from 'his failures to check the spiralling cost of living, our rampaging criminality, and an almost complete breakdown of our law and order'.4 A different explanation was offered by Congressman Lucman from Lanao del Sur when he suggested that Marcos was motivated by private greed; some weight was given to this explanation by the publication of a document signed on 1 February 1968, which granted Marcos powers-of-attorney for the heirs of the Sultan of Sulu.5 There were also suggestions that the affair was designed to divert the

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1 Manila Bulletin, 13 April 1968.

2 Philippines Free Press, 6 April 1968.

3 Aquino, op.cit., p.21.

4 'Sabah: a Game of Diversion'. Speech by Senator Benigno S. Aquino, Jr, before the Philippine Jaycees at Cebu City, 5 October 1968, p.5.

5 For the text of this document, see Appendix VIII. For the debate on this issue, see Republic of the Philippines 6th Congress 3rd Session House of Representatives, Vol. III, No.39, 26 March 1968. See also Senator Tolentino's rebuttal of Secretary of Justice Teehankee's defence of the President in Philippines Free Press, 27 April 1968.
attention of Filipino Muslims from the economic plight and administrative neglect of their region.¹ A further suggestion was that the Corregidor Affair was part of a huge smuggling operation.²

Whatever the motives involved in this confusing episode, it was to seriously hamper progress in ASEAN. During the preceding months, Philippine-Malaysian relations had been strained by difficulties over the signing of

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2 This explanation was suggested by Graphic magazine. See Aquino, 'Jabida - Special Forces of Evil?', p.30.
the Anti-Smuggling Agreement in September 1967, and

1 On 22 August, the Manila Bulletin reported that Romeo Busuego, the Philippine Ambassador to Malaysia, had recommended an indefinite suspension of the anti-smuggling talks agreed upon in January because of the Malaysian government's refusal to honour an agreement reached by Ramos and Razak in Bangkok. Busuego had reportedly urged his government to prepare a 'white paper' on the protracted anti-smuggling negotiations so that blame for the failure to implement it would fall squarely on the 'guilty side'. The Bulletin article also stated that the source of the difficulty was the Philippine government's refusal to recognize Malaysian 'borders' in the agreement in order to protect the Sabah claim. Shortly after the Bulletin article appeared, a Malaysian government spokesman said that publication of Busuego's report must have been the work of 'those elements who wish to see the deterioration of the existing good relations between the two countries'. He denied that there had been any understanding between Ramos and Razak at Bangkok over the use of the word 'border' in the agreement. Siaran Akhbar PEN 8/67/326, p.22. Malacañang 'sources' indicated that President Marcos was 'irked' by Malaysia's 'cold attitude' towards the Sabah claim, Manila Chronicle, 25 August 1967. On 25 August, Ramos arrived in Kuala Lumpur for the ASA Ministerial conference and for 'frank discussions' with the Tunku. On 1 September, the anti-smuggling agreement was signed in Kuala Lumpur. The problem of the term 'border crossing' was resolved by the use of the term 'territorial waters'. Straits Times, 2 September 1967. Philippine 'experts' on the Sabah claim, however, reportedly believed that the Philippine government had implicitly recognized Malaysian control over Sabah. Manila Bulletin, 3 September 1967. This contention was strongly denied by Ramos, who complained of the 'provocative comments of the Manila press' and stated that his government would not afford to drop the agreement in view of the amount of tax revenue being lost through smuggling. Ramos also pointed out that Malaysia 'had nothing to gain and everything to lose by entering into the agreement'; and that the Philippine claim was protected by a reservation that it would be subject to further negotiations. Straits Times, 6 September 1967. A further indication of Ramos's desire to improve relations with Malaysia was Logarta's recall to Manila. Further difficulties arose, however, over the question of how many Filipino customs representatives were to be allowed into Sabah.
alleged harassment of Filipino workers in Sabah. The Malaysian government reacted swiftly when news of the 'Corregidor Affair' appeared in the press. A protest Note was sent to Manila, and the matter was brought to the attention of U Thant. After the Philippine government rejected the Malaysian Note on the grounds that the Corregidor Affair was an internal matter, relations between the two states steadily deteriorated. The Malaysian government continued to refuse to allow the claim to be brought to the International Court of Justice, but in June and July lengthy and inconclusive talks on the claim were held in Bangkok; but the talks broke down when the Philippine delegation failed to produce the 1962 documents on which its claim was based. After the collapse of the talks, Marcos ordered

1 Siaran Akhbar PEN 3/68/275, 23 March 1968.
2 For text of the Philippine Note, see Straits Times, 25 March 1968.
3 See Jose Lacaba, 'The Break', Philippines Free Press, 27 July 1968; Napoleon G. Rama, 'Report from Bangkok', ibid., 6 July 1968; Quijano de Manila, 'The Unhappening', ibid., 3 August 1968; Napoleon G. Rama, 'Clarifying the Claim', ibid.; Napoleon G. Rama, 'Who's the Thief', ibid., 21 September 1968. The Statement of Ambassador Guerrero at the talks was also published in the Free Press on 27 July. See also Statement by Dr Floretino Feliciano; Statement by Gauttier Bisnar; Bisnar and Feliciano were members of the Philippine delegation. See also Ferdinand E. Marcos, 'Our Stand on North Borneo Issue' (Remarks on Radio-Television Chat, 21 July 1968); Ferdinand E. Marcos 'Pursue Sabah Claim by Peaceful Means' (Remarks on Radio-Television Chat, 22 September 1968). Both these addresses by Marcos were published by the Department of Foreign Affairs. See also 'Chronological Background of Events Concerning the Philippine Claim to Sabah', (Department of Foreign Affairs, Manila). For Ghazali Shafie's closing address at the talks, see 'Malaysia's Stand on Sabah', (Department of Information, Malaysia); see also 'The Manila Claim in Perspective', text of Speech by Ghazali Shafie to the National Press Club, Kuala Lumpur, 6 November 1968 (Department of Information, Malaysia).
the immediate withdrawal of the Philippine Embassy staff from Kuala Lumpur. As a retaliatory measure, Razak announced that his government would recall all but one member of its embassy staff in Manila.

This dispute, which erupted less than a year after ASEAN was formed, represented a serious threat to the new association. The other three member states, however, attempted to minimize the importance of the dispute and expressed confidence that ASEAN would not be endangered. Before the ASEAN meeting in Djakarta in August, Rajaratnam said that 'ASEAN and the Sabah dispute are two separate issues and, if we separate them, it is possible that issues not relevant to the Association are not brought in.' Similar sentiments were expressed by Thanat Khoman and Malik. At the Ministerial meeting, Ramos referred to the difficulties which had beset ASEAN, as did Razak. There is some evidence to suggest that Ramos was opposed to the revival of the Sabah issue, and at Djakarta he and Razak agreed to a 'cooling-off' period after which ways of

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2 Ibid., 22 July 1968.
3 Straits Times, 6 August 1968.
4 Ibid.
5 He said: 'We cannot, and dare not ignore the fact that at the present moment certain tensions fill the air.' Despite the reservoir of goodwill among the ASEAN members, 'I cannot but voice concern that this reservoir...might prove inadequate against the demands of human frailties'. Ibid., 7 August 1968.
6 When he announced the 'cooling-off' period, Ramos stated that he was 'sticking his neck out to help solve the Sabah issue', Straits Times, 9 August 1968. See also Footnote 1 on p.363 above.
conciliation could be discussed.¹

By this time, however, the Sabah issue, fanned by the Manila press, had become an important nationalist issue in the Philippines. The apparent disapproval of the United States government² served only to increase the importance of the issue as a means of asserting the 'independence' of the Philippines. On 28 August, the Philippine Senate passed Senate Bill 954 which had been introduced by Senator Tolentino on 18 July.³ The bill 'corrected typographical errors' in Section 1 of Republic Act 3046 and redefined the territorial boundaries of the

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¹ Ibid., 8 August 1968.

² On 19 September 1968, a Department of State spokesman said that 'United States recognition of Malaysia in 1963 was made without qualification, and apart from the recognition of the independence of Singapore in 1965, there has been no change in this position'. After press reports claimed that the U.S. was abandoning its position of neutrality on the issue, the American Ambassador presented an aide-memoire to Marcos on 23 September 1968, which stated: 'I am authorized to renew the assurance already given orally to the President of the Philippines - namely, that the Mutual Defense Treaty between the United States and the Philippines remains in full force and effect. In conveying this assurance my Government notes that the terms of the Treaty speak for themselves and relate to the action to be taken in the event of armed attack. My government also notes that both parties to the current dispute concerning Sabah have repeatedly indicated their solemn intention to pursue the matter only by peaceful means. We welcome and endorse these views and conclude from them that the question of armed attack is hypothetical and will not arise'. The Symington Report, pp.349-50.

³ History of Bills and Resolutions, November 1968. Senate.
Philippines to include Sabah.\(^1\) Protests from the Malaysian government were met with counter-protests and bellicose statements by Manuel Enverga, Chairman of the House Foreign Affairs Committee.\(^2\) Marcos signed the Bill on 18 September,\(^3\) but in a television address a few days later stated that the tension between the Philippines and Malaysia 'should not affect the regional arrangements and agreements, like the ASEAN and the Asian Development Bank'.\(^4\) At the first meeting of the ASEAN Conference on Commerce and Industry in Manila in September, however, the Filipino chairman 'reserved' his government's recognition of the authority of

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1 When asked by Senator Liwag whether Senate Bill 954 affected the Sabah claim, Senator Tolentino used a very curious circular argument: 'This will have no effect whatsoever on the claim of our Government to Sabah. This is only a correction of the description of the base-lines of the territorial seas.... Even if Sabah is ultimately recognized as pertaining to the Philippines and that the Philippines has dominion and sovereignty over Sabah, the national boundaries would remain as they are, but that would be a territory outside of the national boundary. *Congressional Record*, 6th Congress, 8th Special Session, 24 July 1968, p.355. When the Tunku condemned the Bill as 'highly improper and absurd', *(Straits Times*, 29 August 1968) the Philippine Department of Foreign Affairs sent a Note to Kuala Lumpur stating: '...The action by the House of Representatives was intended merely to strengthen the Republic's claim to Sabah in accordance with the Republic's determination to resolve the dispute by pacific means...' Ibid., 30 August 1968. After Marcos signed the Bill, the Tunku warned that if the Philippines resorted to physical annexation of Sabah, 'we will meet force with force'. Ibid., 19 September 1968.

2 Enverga said that 'once President Marcos signs the Bill into law, Philippine ships will be entitled to use the waters off Sabah and to resist any move by Malaysia to seize them'. Ibid., 29 August 1968.

3 He took the opportunity to state that there were no plans for any 'physical' takeover of Sabah. Ibid., 19 September 1968.

the Malaysian government to represent Sabah at the conference.\footnote{Manila Bulletin, 4 October 1968.} This reservation led to the suspension of planned ASEAN meetings, and to accusations by the Tunku that the Philippines was attempting to 'scuttle ASEAN'.\footnote{Ibid.}

Plans for a summit meeting also collapsed amid increasing evidence of confusion within the Marcos administration,\footnote{In October, Marcos and Acting Foreign Secretary Jose Ingles contradicted each other on the question of possible mediation of the dispute. Although Marcos suggested arbitration by a 'neutral three nation body', Ingles stated that there was no need for mediation. Straits Times, 11 October 1968.} and criticism by the Liberal Party of Marcos's conduct of foreign policy.\footnote{Senator Gerardo Roxas, President of the Liberal Party, warned that the Liberal Party would 'go to court' if the President proclaimed a State of Emergency, Straits Times, 4 October 1968. Similar criticism was expressed by Senator Sergio Osmeña (Jr). Senator Aquino (Liberal) also stated that even if Sabah were awarded to the Philippines, the people of Sabah would have to be allowed to decide their fate, hence, the claim was nothing but 'an exercise in futility'. Similar sentiments were expressed by former Senator Lorenzo Sumulong. See Napoleon G. Rama, 'Why Sabah Belongs to Us: Refuting the Dissenters', Philippines Free Press, 12 October 1968; Napoleon G. Rama, 'The Heralds of Hyperbole: Marcos vs. Aquino on Sabah and Military Preparedness'. Ibid., 19 October 1968.}

The Sabah issue was also raised in the United Nations General Assembly in October,\footnote{Ingles denied that Ramos had broken a promise to the Malaysian government by 1968. Ramani replied to Ramos's statement on 16 October. See United Nations General Assembly Official Records. See also Senator Arturo Tolentino, 'The Philippines Challenges Malaysia to bring the Sabah Issue to the World Court'. (Department of Foreign Affairs, Manila).} although Ramos
continued to emphasize his government's commitment to regional cooperation:

Cognizant of the indispensable role of regional cooperation in progress and stability, the Philippines has always stood in the forefront of Asian regional endeavors. Within the last two years and a half, we have seen the establishment of three organizations that hold great promise for the future of Asia - the Asian Development Bank (ADB), the Asian and Pacific Council (ASPAC) and the Association of Southeast Asian Nations (ASEAN).

Substantial progress has been made by all three entities. The ADB is well established and regularly functioning; ASPAC held its Third Ministerial Meeting last July; and ASEAN has several projects already agreed upon and on the way to implementation.

Unfortunately, this progress may be hindered by the simmering dispute over Sabah between the Philippines and Malaysia. The danger is especially acute in ASEAN, whose projects require close, constant and active cooperation of the five member states.

Under the circumstances, ASEAN and for that matter ASPAC cannot afford to remain indifferent to the dispute. Indeed, the controversy has an importance which transcends the particular interests of Manila and Kuala Lumpur. The dispute is, in fact, a test case and puts squarely before ASEAN and ASPAC the question of whether they have the means and the willingness to resolve controversies between their members...

The dispute increased in intensity during October and November, despite mediatory attempts by the Thai and

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2 After a number of exchanges of diplomatic notes, both governments withdrew most of their representatives from each other's capital. The Malaysian government also charged that Philippine jets had violated Malaysian airspace; following this incident, the Malaysian navy was placed on a 24 hour alert.
Indonesian governments. In November Thanat Khoman initiated moves for an ASEAN Foreign Ministers meeting to prevent the association from disintegrating. Ramos announced his support for the initiative, commenting that 'ASEAN is falling apart with Indonesia and Singapore fighting and Malaysia and the Philippines fighting. It's up to Thailand to do something. It's the only country not involved in any dispute'. The Tunku, on the other hand, was non-committal, and stated his belief that it would be pointless to hold an ASEAN Foreign Ministers meeting until after the Philippine Presidential elections in November 1969. He also indicated his belief that it was 'not advisable for Malaysia to attend any Standing Committee meetings of ASEAN for the moment'.

At Bangkok in December, Ramos and Razak, who were attending the Third Ministerial Conference on Asian Economic Cooperation conducted by ECAFE, agreed on a new 'cooling off period' after meetings with the other ASEAN Foreign Ministers. Ramos stated after his return to Manila that the ASEAN Ministers agreed to pursue the objectives of the

1 Adam Malik reportedly offered to host a meeting in Djakarta between Malaysian and Philippine representatives. Straits Times, 30 October 1968.

2 On 17 October 1968, the Singapore government hanged two Indonesian marines convicted of sabotage during confrontation, despite appeals from both the Tunku and President Suharto. Anger in Indonesia at this action resulted in the destruction of the Singapore Embassy in Djakarta.

3 Straits Times, 12 November 1968.

4 Ibid., 15 November 1968.

5 Ibid., 11 December 1968.

6 Ibid., 4 December 1968.
organization with 'undiminished vigour', and that differences between member states should not be allowed to disrupt the functioning and growth of the Association.  

After two meetings of the Foreign Policy Council, however, the Philippine government produced a draft counter proposal to the joint communique agreed upon in Bangkok; the draft proposal provided for Philippine recognition of Malaysia's de facto control but not sovereignty over Sabah.  

With the tempo of the 1969 election campaign increasing, the Nacionalista Party was clearly unwilling to make itself vulnerable to Liberal allegations that it has 'abandoned' the claim.

The Sabah dispute simmered during 1969, but did not become an important issue in the elections.  

During this period, the Indonesian government continued its efforts to salvage ASEAN. In March, the Indonesian Secretary-General for ASEAN, Brigadier-General Sunarso, was sent to the other ASEAN states in an attempt to revive the Association. He obtained agreement from the Malaysian and Philippine governments to the holding of an ASEAN Secretary-Generals meeting in preparation for a ministerial


2 Manila Bulletin, 23 December 1968. A Malaysian government spokesman said, 'They should have either endorsed or rejected the communique'. Straits Times, 25 December 1968.

3 'Pursuit of the Sabah Claim' appeared as item 11 on the Liberal Party platform, entitled 'The Constructive Alternative'. It did not figure prominently in the campaign, which as usual centred on domestic issues such as high prices, corruption, unemployment and rice shortages. For an analysis of the election campaign, see Astri Suhrke, 'The Philippine Elections', Australia's Neighbours, November-December 1969.
conference.\footnote{1} The Philippine government gave Sunarso an assurance that it would not raise the Sabah question,\footnote{2} and the Heads of the National Secretariats met in Djakarta from 28 to 29 May. After the meeting, Sunarso stated that 'ASEAN can go on despite the existence of the Sabah issue'.\footnote{3}

The Third Ministerial Meeting of the Association was postponed from August until December because of the Philippine elections and the 13 May riots in Malaysia.\footnote{4} Two weeks after Major General Rukmito Hendraninggrat visited Kuala Lumpur and Malaysia, Tun Razak stated that the Malaysian government had been assured that the Sabah claim would not be raised at the Ministerial Meeting.\footnote{5} Ambassador Busuego, the former Philippine Ambassador to Malaysia, was sent to a meeting of the ASEAN Standing Committee in Kuala Lumpur to find out the thinking of the Foreign Ministry officials on the question of normalization of relations between Malaysia and the Philippines.\footnote{6} Busuego's report was favourable, and early in December Razak stated that his government was willing to resume diplomatic relations with the Philippines.\footnote{7} A month after

\begin{enumerate}
\item \textit{Djakarta Times}, 17 March 1969.
\item \textit{Bangkok World}, 29 April 1969.
\item \textit{Djakarta Times}, 12 June 1969.
\item \textit{Straits Times}, 8 July 1969.
\item \textit{Djakarta Times}, 17 October 1969.
\item Press Statement of Secretary of Foreign Affairs, Carlos P. Romulo, on His Arrival from the Third ASEAN Ministerial Conference in Cameron Highlands 16-17 December 1969, in \textit{The Philippines at the Third ASEAN Ministerial Conference}, Department of Foreign Affairs, Manila), p.25.
\item Ibid.
\end{enumerate}
Marcos's re-election, the Third Ministerial Meeting of ASEAN was held in the Cameron Highlands. After negotiations with the Tunku and Ghazali Shafie, Romulo, who had become Philippine Foreign Secretary at the end of 1968, agreed to the 'normalization' of relations with Malaysia. Romulo said in this Opening Address to the Meeting that:

If we are truly dedicated to the cause of Asian regional integration as I believe we all are, as well as to the emergence someday of a world community, then in time we shall learn to manage intra-regional differences in the same way that we do the differences within our own societies, with candor, equanimity and reason.2

Romulo's affirmations of support for ASEAN notwithstanding, the Sabah dispute had indicated the low priority of 'regional cooperation' as a foreign policy objective of the Marcos administration. The full story of the 'Corregidor Affair' may never be known, but the emergence of the issue only a few weeks after Marcos's 'ASEAN tour' seriously discredited the Philippine government's rhetorical commitment to regional cooperation. The virulence of the dispute also pointed to the potential of Philippine nationalism as a destructive force in regional associations.

1 Marcos was the first Philippine President to be elected for a second term. The election campaign was one of the most expensive in Philippine history, and the balance of payments crisis early in 1970 was widely blamed on excessive election spending by the Nacionalistas.

2 The Philippines at the Third ASEAN Ministerial Conference, p.4.
Reactions to the 'Nixon Doctrine'

Nixon's message of 'No More Vietnams' had been espoused in his article in *Foreign Affairs* in December 1967. A further significant article, by Charles Yost who was to become Nixon's representative at the United Nations, appeared in the same journal in October 1968. Yost stated that SEATO was 'in many respects out of date and in need of early review', although he said that 'under existing circumstances the United States would no doubt have to join in resisting an attack, if requested by the party attacked, on Japan, South Korea, Taiwan, the Philippines, Thailand, Australia, New Zealand and Israel'. He made it clear, however, that the United States would not again become involved in insurgency problems in Southeast Asia.

The Marcos administration's reaction to these 'straws in the wind' was to emphasize the Philippines independence and its 'ties with its Asian neighbours'. In an address to the Manila Overseas Press Club on 20 November 1968, Marcos indicated that he was aware of the implications of Nixon's election:

The possible shift of American intentions from Asia to Europe and the Middle East acquired a sudden new force when, recently, the logic of Asian self-reliance was voiced in recent statements of the newly-elected American President.  

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The logic of American withdrawal, Marcos continued, would lead the Asian states to an endeavour to arrive at a modus vivendi with Communist China. At the same time, he argued that communism was a threat which could only be met by building a strong economic and social structure 'first within every nation and then within the Asian region as a whole'. He also stated:

The dream of an Asia that is prosperous and secure against the peril of communist subjugation makes doubly urgent the need in our time for sincerity and goodwill in the Asian community. The ASEAN was precisely organized to put these concepts into action, by drawing the peoples of the member-nations together in cooperative projects which could increase their standards of living.

In the relations of the ASEAN nations, however, the rule of law must be supreme. The alternative is chaos. I do not believe that any single nation in these areas, in ASEAN, can wish to demolish what we have already built....

A similar statement of the need for 'self-reliance' and 'close ties with Asian neighbours' was made by General Romulo when he replaced Ramos as Foreign Secretary in January 1969. In his address upon assuming office, Romulo said that:

Events are beginning to show the diminishing value of reliance on one's 'friends', and, as a corollary, the growing need to be self-reliant even in such matters as security and military preparedness. It will be increasingly difficult to justify the continuing presence of military bases and military assistance programs and mutual defense arrangements when these are found to be inflexible in the face of changing needs, and when it is shown that over-reliance on one power or regional defense

1 Ibid., pp.8-9.
arrangements may work against the national interest, or when aid is shown to be politically motivated, and used as a weapon against us. It may then be found necessary to shorten the life of these agreements, or do away with them as expeditiously as we can set up the adjustments made necessary by their termination.¹

Nixon's position became even clearer during his visit to Manila as part of his Round-the-World trip in July and August 1969. He stated that the Asian states should aim at acquiring the 'independence that comes with economic strength, with political stability, and also with the means insofar as any threat internally that may occur in those countries - the ability to handle those internal problems without outside assistance, except that kind of assistance which is limited to material support and which, of course, would therefore exclude the kind of support which would involve a commitment of manpower'.² Marcos, who was being accused by the Liberals of 'anti-Americanism' because of his decision to remove the ban on trade with European communist states,³ welcomes the changes in American policy

¹ Carlos P. Romulo, An Innovative Approach to our Foreign Relations (Address delivered by General Carlos P. Romulo, upon assuming office as Secretary of Foreign Affairs). Department of Foreign Affairs, 2 January 1969.


³ In January 1969, the administration authorized exports to European socialist countries on a selective, ad hoc basis. Marcos also stated in July 1969 that if America withdrew from Asia, the Soviet Union 'might replace the U.S. as the counterfoil to communist China'. (Manila Bulletin, 29 July 1969). Sergio Osmeña, Jr, the Liberal Presidential candidate, cited Marcos's decision to relax restrictions on trade with European socialist countries as evidence of the President's 'anti-Americanism' (see Philippines Free Press, 16 August 1969). See also Apolonia Batalla, 'Philippine Foreign Policy: The Road to Change', Solidarity, December 1968.
which would 'encourage nationalism' in the Philippines; but the undertone of the fear of 'abandonment' by the United States was present in his speeches during Nixon's visit.¹

The 'new message' from America pointed to the need for strengthening regional arrangements such as ASEAN. In May 1968, Tun Razak returned from a tour of Europe and the Soviet Union with an assurance from Soviet leaders that they would not interfere in the affairs of the Southeast Asian nations.² His suggestion that the major powers should guarantee the independence and neutrality of countries in the region stemmed from a proposal by Tun Ismail in January for the neutralization of Southeast Asia to be guaranteed by the 'big powers'.³ This concept of 'neutrality' in Southeast Asia was reiterated by Tun Razak at the Second ASEAN Ministerial meeting in August 1968. Referring to Malaysia's cooperation in defence and security matters with Thailand on the Thai-Malaysian border, with Indonesia on the Sarawak-Kalimantan border, and with Singapore, he said:

¹ He said, during his Exchange of Remarks at the Manila International Airport at Nixon's departure: '...before you came, Mr President, I was not alone in feeling dread and doubt about the emerging policies of the United States in Asia. You have met us with frankness, and from these conversations I can now announce to our people that while before we dreaded the possibility that the United States was going to abandon Asia completely and on the other extreme that there might be again reestablished the policy of colonial dominance over the Asian countries, the President of the United States has made it clear, first that he encourages nationalism in each and every Asian country including that of the Philippines'. Department of State Bulletin, Vol.LXI, No.1574, 25 August 1969, pp.144-5.

² Straits Times, 27 May 1968.

³ Ibid.
It is through such cooperation and on the basis of equality and mutual respect for the sovereignty and territorial integrity of one another that countries in Southeast Asia can ensure peace, stability and neutrality, and safeguard the countries from interference by any of the big powers.¹

The Indonesian government continued to reject the usage of the terms 'pact' or 'alliance'. In an address to the East-West Center in Hawaii in May 1969, the Indonesian Ambassador to the United States, Soedjatmoko, stated that the threat of subversion in Southeast Asia could not be met by military alliances but by strengthening the economic growth of the region. He indicated, however, that his government was not averse to the idea of a collective security arrangement if this term referred not to a military alliance directed against an outside power but to a security organization concerned mainly with relations between the member states.² The Sabah dispute, he said, revealed the necessity for ASEAN 'to develop as quickly as possible the organizational machinery for peaceful conflict-solution in the area'.³

¹ Ibid., 7 August 1968.

² Hedley Bull makes the distinction between these two usages of the term 'collective security arrangement' in 'The New Balance of Power in Asia and the Pacific'. Foreign Affairs, Vol.49, No.4, July 1971. He writes on p.681: 'If no new military alliance appears to be in process of formation, it may not be wholly unrealistic to think of a new association of regional states that would not be a military alliance directed against an outside power such as China, but a regional collective security organization in the strict sense of one concerned with relations among its own members.'

The American Ambassador to Malaysia, James Bell, stated in July 1969 that ASEAN could develop into 'a kind of security arrangement'; it was not clear whether he was referring to the possibility of a military arrangement.\(^1\) The Philippine government, however, continued to deny that ASEAN could develop into a military pact. During the 25th session of ECAFE in Singapore in April 1969, the Russian delegate stated that ASEAN was a military alliance and that ECAFE should have nothing to do with it. The Philippine delegate, Leonides Virata, retorted that countries which did not agree with the course followed by ASEAN should not interfere in its activities.\(^2\) Romulo reiterated that ASEAN was not and would not be a military alliance.\(^3\) At the ASPAC meeting in Japan in June 1969, Romulo also joined those who opposed the idea of converting ASPAC into a military alliance, and stated that Communist China should not be excluded from ASPAC.\(^4\)

Romulo made his position more explicit during an interview with the *Agence France-Presse* in December 1969. He advocated a non-intervention agreement among the

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\(^2\) *Bangkok World*, 29 April 1969.

\(^3\) *Djakarta Times*, 1 May 1969.

\(^4\) *Bangkok World*, 17 June 1969. There was much press speculation that the United States government was reversing its previous tacit support for an ASPAC military arrangement. The *Christian Science Monitor* commented on 14 June that 'observers were struck by the absence of talk about turning ASPAC into a military group. Even hard-liners such as Seoul and Taipeh...soft-pedalled this subject. Australia, a staunch American ally, came out flatly against it, indicating to some that Washington had stopped pushing for a while'. See also Sivapali Wickremasinghe in the *Manila Bulletin*, 8 July 1969.
superpowers for the 'ultimate security' of Asia in the event of an American withdrawal from the Philippines; this suggestion was similar to the 'neutralization' proposal of the Malaysian government. Emphasizing that the initiative for ensuring the region's security must come from the Asian nations themselves, he referred to the possibility of establishing a 'regional security arrangement' in Southeast Asia. He recognized, however, that a Philippine initiative in this direction would have to be cautious since security involved 'military nuances' and countries such as Japan and Indonesia 'do not want to be members of an association with military nuances'.

The suggestion that ASEAN could develop into a regional security arrangement in the sense that it could arbitrate disputes among its members and minimize the influence of outside powers seemed more 'realistic' than the proposals of the advocates of an ASEAN 'military alliance'. At the end of 1969, however, the intensity of the Philippine commitment to ASEAN remained questionable, particularly as a result of the re-emergence of the Sabah issue in 1968.

**The Philippines and ASEAN Projects**

Partly due to the disruption resulting from the Sabah dispute, ASEAN accomplished very little between 1967 and 1969. During the first year of the association, the ad hoc committees discussed projects that had been under consideration by ASA. Recommendations from these committees were submitted to the Standing Committee in July 1968.

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In the following month, the Second ASEAN Ministerial Meeting discussed these recommendations. The Ministerial Meeting also established several permanent committees and welcomed an offer by ECAFE to conduct an economic survey of the region. The Third Ministerial Meeting in December 1969 approved a list of 98 recommendations covering various fields of cooperation. They also agreed to establish a U.S. $5 million ASEAN fund. By the end of 1969, however, little progress had been achieved in implementing these projects.

Despite the very limited achievements of ASEAN, the Philippine government's rhetorical commitment to the association remained at a high level. During his state visit to Malaysia, Indonesia and Thailand in 1968, President Marcos outlined an ambitious concept of what ASEAN could achieve:

In the belief...that our present economic and cultural drives can only take us so far but no further, I submit that an excellent case exists for a more positive kind of regionalism than so far has been attempted or even imagined. I believe that the time is ripe for new and masterful schemes for economic, technological and scientific, educational and cultural co-operation in our region.

The kinds of 'masterful schemes' the President envisaged included 'integration of economic systems in the region'; programmes of joint research into such matters as tropical diseases, family planning and language affinities;

1 Ibid.
2 Ibid.
a common market for Southeast Asia; the establishment of a Southeast Asian University; and the convening of a Southeast Asian Council for Development 'which shall act as a planning, advisory and consultative body for the region and for all member governments'.\textsuperscript{1} Despite the cultural and political diversity of the region, 'we aim at nothing less than the creation of a new man, the Southeast Asian, who shall make this region a new giant in the world of man'.\textsuperscript{2}

The Philippine government also continued to place emphasis on the establishment of an ASEAN payments union and a free trade area. At the first meeting of the ASEAN Conference on Commerce and Industry in Manila from 30 September to 3 October 1968, the Philippine delegate stated that:

It is the view of our delegation that it would be desirable to adopt a supplementary payments mechanism particularly geared to the stimulation of trade between the member countries through the use of their respective national currencies. A payments union could provide such a facility.

Furthermore, the Agenda of this Conference covers consideration of the establishment of a free trade area in this region. A payments union would constitute a valuable pre-condition to the formation of such a grouping.\textsuperscript{3}

The concept of a free trade area and a payments union was particularly attractive to the Philippines in view

\textsuperscript{1} Ibid., p.11.

\textsuperscript{2} Ibid.

\textsuperscript{3} Background Paper No.1 'ASEAN - A Promising Economy', pp.1-2.
of the expected expiration of the Laurel-Langley Agreement in 1974, and the pressures on the peso resulting from serious balance of payments problems. The other delegates, however, apparently avoided discussion of an ASEAN free trade area.\textsuperscript{1} The difficulties of implementing a payments union or a free trade area were considerable,\textsuperscript{2} and very little had been accomplished in these directions by the end of 1969.

Despite attempts to reduce the Philippine dependence on the U.S., the level of Philippine trade with the other ASEAN states remained very low. The following table indicates the share of intra-ASEAN trade in the total exports of ASEAN countries in 1963 and 1968:\textsuperscript{3}

\begin{table}[h]
\centering
\begin{tabular}{|c|c|c|}
\hline
Year & Share of Intra-ASEAN Trade in Total Exports & Notes \\
\hline
1963 & & \\
1968 & & \\
\hline
\end{tabular}
\end{table}

\begin{flushleft}
\textsuperscript{1} Manila Bulletin, 3 November 1968.


\textsuperscript{3} U.N. Research Project on ASEAN Economic Cooperation. The Trade of ASEAN Countries: A Review of the Structure and Trends with special Reference to Intra-ASEAN Trade. (Preliminary Draft) Table 3.
\end{flushleft}
SHARE OF INTRA-ASEAN TRADE IN TOTAL EXPORTS
OF ASEAN COUNTRIES, 1963 and 1968

(Percentages)

<table>
<thead>
<tr>
<th>Country</th>
<th>1963</th>
<th>1968</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>22.2</td>
<td>17.8</td>
</tr>
<tr>
<td>Malaysia</td>
<td>24.6</td>
<td>23.9</td>
</tr>
<tr>
<td>Philippines</td>
<td>-</td>
<td>1.8</td>
</tr>
<tr>
<td>Singapore</td>
<td>16.6</td>
<td>14.8</td>
</tr>
<tr>
<td>Thailand</td>
<td>34.2</td>
<td>18.7</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>18.9</td>
<td>15.8</td>
</tr>
</tbody>
</table>

Moreover, in 1968 trade between Malaysia and Singapore accounted for 48.5 per cent of all intra-ASEAN trade, while Philippine exports to other ASEAN states accounted for only 2.2 per cent of total intra-ASEAN trade.\(^1\) The following table indicates the value of intra-ASEAN trade in 1968:\(^2\)

**INTRA-ASEAN TRADE, 1968**

<table>
<thead>
<tr>
<th>MILLION U.S. $</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Exports To:</th>
<th>Indonesia</th>
<th>M'sia</th>
<th>Philippines</th>
<th>S'pore</th>
<th>Thailand</th>
<th>ASEAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>-</td>
<td>61.3</td>
<td>24.4</td>
<td>75.7</td>
<td>8.6</td>
<td>169.4</td>
</tr>
<tr>
<td>Malaysia</td>
<td>10.2</td>
<td>-</td>
<td>21.3</td>
<td>275.9</td>
<td>12.7</td>
<td>320.1</td>
</tr>
<tr>
<td>Philippines</td>
<td>3.4</td>
<td>0.1</td>
<td>-</td>
<td>10.1</td>
<td>2.8</td>
<td>16.4</td>
</tr>
<tr>
<td>Singapore</td>
<td>33.7</td>
<td>96.2</td>
<td>1.4</td>
<td>-</td>
<td>13.6</td>
<td>144.9</td>
</tr>
<tr>
<td>Thailand</td>
<td>8.4</td>
<td>56.9</td>
<td>0.8</td>
<td>50.5</td>
<td>-</td>
<td>116.6</td>
</tr>
<tr>
<td>ASEAN</td>
<td>55.7</td>
<td>214.5</td>
<td>47.9</td>
<td>411.6</td>
<td>37.7</td>
<td>767.4</td>
</tr>
</tbody>
</table>

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1 Ibid., p.6.

2 Ibid., Table 4.
The Philippines and ASEAN

At the Third Ministerial Meeting of ASEAN in December 1969, Romulo reaffirmed his government's rhetorical commitment to the association, and reiterated Marcos's 'Asian Forum' concept. The Nixon Doctrine, and the anticipated expiration of the Laurel-Langley Agreement in 1974 were both elements which could be expected to push the Philippines towards increased cooperation in ASEAN. For the preceding four years, Marcos's policy towards ASA and ASEAN had been closely related to changes in American policy in Asia. As has been indicated, the revival of ASA in 1966 must be seen in the context of American encouragement in 1965-1966 of regional associations which would form a buffer against the 'threat' of an expansionist China. The anticipation of American withdrawal also encouraged speculation that some kind of security arrangement in ASEAN would be formed.

The revival of the Sabah issue, however, demonstrated the continuing potential of nationalism as a destructive force in regional associations. Marcos's apparent preference for his concept of the Asian Forum also indicated that the notion of Philippine 'leadership' in Southeast Asia had not been abandoned after Macapagal's electoral defeat in 1965, and that a wide gap remained between the rhetoric and the reality of Philippine policy towards regional cooperation in Southeast Asia.
CONCLUSION

PHILIPPINE POLICY TOWARDS SOUTHEAST ASIAN REGIONAL COOPERATION: AN ASSESSMENT

Anti-communism has formed a theme of Philippine policy towards regionalism in Asia since 1946. As has been indicated, anti-communism in the Philippines stems from both the internal and external environments. The influence of the Catholic church in this respect has been profound, and widespread resentment of the economic role of the Chinese has contributed to a perception of a threat from 'Red' China. In the period of the Cold War, Philippine adherence to the American 'line' in foreign policy reinforced the belief that communism was a threat. It must also be recognized that Philippine Presidents, like the leaders of other American client states, sometimes exaggerated the 'threat' in order to increase the supply of economic and military aid from the U.S. Denouncing one's opponents as communists or 'Huk-coddlers' has also become a tradition in the Philippines.

Under the Macapagal administration, anti-communism manifested itself clearly in Philippine policy towards regional cooperation. During the first year of the administration, Philippine policy was confused, largely because of the impact of the Sabah claim on ASA. This was the first time that the Republic had taken a major foreign policy decision in the face of explicit disapproval by the U.S. government. By January 1963, however, the outlines of the 'Maphilindo strategy' had emerged. This strategy was designed mainly to include Indonesia in a tacitly anti-Chinese and anti-communist association, and thus to help neutralize the influence of the PKI on Indonesian politics. In effect, the goals of this policy were very similar to those of the American aid programme.
in Indonesia. Philippine policy seemed to have achieved its goals when the governments of Malaya, Indonesia and the Philippines agreed to form Maphilindo in August 1963; this development was welcomed by the U.S. government.

One of the agreements reached at the Manila Summit was that a U.N. mission should ascertain the views of the people of Sabah and Sarawak regarding the proposed formation of the Federation of Malaysia. The Malaysian government, apparently under pressure from the British Colonial Secretary, announced that Malaysia would be formed on 16 September 1963 regardless of the findings of the ascertainment. Both the Indonesian and Philippine governments had been dissatisfied with the U.N. mission, and relations between these governments and the new state of Malaysia were broken off. Soon after Malaysia was formed, it became apparent that Sukarno was attempting to turn Macapagal's 'Maphilindo strategy' on its head, and to use Maphilindo as a vehicle for removing Western influence from the region. As Indonesia's confrontation of Malaysia heightened, the Philippine government became increasingly concerned that Indonesia was being drawn into the communist orbit. A clear indication of this fear was given when Sukarno visited the Philippines in January 1964; despite its verbal emphasis on 'anti-imperialism', the Philippine government reacted sceptically to Sukarno's offer to shift Indonesia's entrepot trade from Singapore to Davao.

In January 1964, direct American intervention in the confrontation dispute took the form of a mission by the U.S. Attorney General, Robert Kennedy. Macapagal's ability to influence the course of events was clearly declining, although during his state visit to Indonesia in February 1964 he repeated his attempts to convince Sukarno that the Philippines and Indonesia had a common interest in resisting domination by Communist China. A series of meetings, initiated by Kennedy, was held by representatives of the
Maphilindo countries between March and June 1964, but confrontation continued unabated. Old fears of illegal Indonesian immigrants bringing the communist virus to the southern Philippines were revived in the press and in Congress as the collapse of the 'Maphilindo strategy' became more and more obvious. Macapagal reacted to these fears by seeking reassurances of American support during his state visit to the United States in October 1964. Philippine policy towards the confrontation question, however, did not become an important issue in the 1965 Presidential elections, partly because the October coup removed the perceived danger of a communist Indonesia.

President Marcos's foreign policy stance was not fundamentally dissimilar from that of his predecessor. He did not share Macapagal's longstanding interest in foreign policy, but anti-communism remained a basic element in the policy of the new administration. His close adherence to American policies was also indicated by his decision to send the PHILCAG to South Vietnam. His decision to normalize relations with Malaysia, which permitted the revival of ASA in 1966, must be seen in the context of American policy. As American intervention in the Vietnam war heightened, encouragement of regionalism became an important aspect of U.S. policy. Associations such as ASPAC were ostensibly non-political, but were formed by anti-communist states which openly or tacitly supported American policies in Vietnam. The revival of ASA was clearly a welcome development for the U.S. government.

The relationship between American policy and the formation of ASEAN in August 1967 seems to be more tenuous. Both the Indonesian and Singapore governments were formally non-aligned, and the ASEAN statesmen vigorously denied that the new association was 'ideological'. The formation of ASEAN, nevertheless, was officially welcomed by the State
Department and denounced by the governments of Communist China and the Soviet Union. In the months preceding ASEAN's formation, the Philippine government had not taken a strong foreign policy stand. This apparent lack of initiative by Marcos, which contrasted with the intense effort which Macapagal had expended prior to the Maphilindo Summit, was to some extent a product of his preoccupation with the 1967 Senate election campaign, and with the Philippines' severe economic problems. Marcos's reservations regarding ASEAN also seem to have stemmed from preference for his Asian Forum concept, and from fears that the new association would be dominated by the Indonesian army. The Sabah claim also continued as a source of friction between the Philippine and Malaysian governments.

In December 1967, Richard Nixon's article in Foreign Affairs indicated that America's client states in Asia might have to fend for themselves in the future if they were faced by a conventional threat. Nixon's election in 1968 increased speculation that some kind of defence arrangement in ASEAN might eventuate, but the revival of the Sabah issue following the 'Corregidor Affair' in March 1968 proved an impediment to cooperation in ASEAN. By 1969, the changes in American policy were leading to a reassessment of the Philippine policy of rigid anti-communism. Marcos's reference to a possible modus vivendi with China, and his relaxation of prohibitions on travelling to and trade with European communist states were an indication of this trend. The Symington Report of the U.S. Senate in November 1969 provided additional evidence that the nature of the communist 'threat' to the Philippines was being re-assessed in the United States.¹ There were also suggestions that the Philippines

¹ See The Symington Report, p.61.
would support moves to 'neutralize' the ASEAN region.¹

In short, by 1969 the Marcos administration was moving away from the rigid anti-communism which had characterized Philippine foreign policy. It must be emphasized, nevertheless, that these changes were not solely products of the 'innovative approach' of Marcos and Romulo, but were basically reactions to the changes in American policy resulting from the Vietnam debacle. President Marcos has, moreover, continued to accuse his political opponents of being communist sympathizers. The disillusionment with the Marcos administration, which was indicated by the 1971 Senate elections,² however, may indicate that the efficacy of this stratagem is declining.

The second major component of Philippine foreign policy has been nationalism. The need to assert the 'Asian identity' and 'independence' of the Philippines has been manifest in the policies of both Macapagal and Marcos. In the former administration, the slogan of the 'Macapagal-Sukarno doctrine' of 'Asian solutions for Asian problems' was constantly reiterated by government spokesmen. Marcos

¹ In March 1969, Salvador Lopez, then Ambassador to the U.N., said: 'None of the great powers should be directly involved in the security of the area. If this premise is accepted, and if we also accept that the idea of regional security organizations such as SEATO is no longer viable in the region, then the implication would be that these regional security arrangements will operate more or less independent of the great powers. We may come in the end to a kind of neutralization of the region, where the great powers sort of neutralize each other....' Foreign Affairs Bulletin, Vol.4, No.11, 14 March 1969.

² The Liberals won all but two of the eight contested Senate places.
has placed similar emphasis on his concept of an Asian Forum. The decision to withdraw the PHILCAG from South Vietnam in the wake of the Symington committee hearings was also a product of Marcos's desire to demonstrate the 'independence' of his foreign policy.

In the period under discussion, however, the Philippine claim to an 'independent' foreign policy has clearly been suspect in the eyes of many of the leaders of other underdeveloped states. Sukarno, for instance, made little secret of his contempt for the Philippine adherence to U.S. policy. Marcos's repeated calls for an Asian Summit in 1971 have also apparently fallen on deaf ears. Whether the scepticism with which Philippine claims to 'independence' have been regarded will alter in the future will obviously depend mainly on the state of Philippine relations with the United States. The American bases make a significant contribution to the Philippine economy, but it seems probable that they will be closed down before the end of the decade. Despite the attempts of past Philippine governments to obtain 'reassurances' of American support in possible conflicts, American commitments to the defence of the islands are far from open-ended. ¹ Both the SEATO treaty and the 1951 Mutual Defense Treaty commit the U.S. government only to act 'in accordance with its constitutional processes'. The SEATO treaty has the additional qualification that the U.S. is bound to act only in cases of 'Communist aggression'. The 'instant repulsion' clause of the 1958 Eisenhower-Garcia Communique,² which was reiterated in the Bohlen-Serrano

² See above, p.38.
Agreement of 1959 and the Johnson-Macapagal Communique of 1964, clearly will have little importance if there are no American bases in the Philippines, since it states that 'any armed attack against the Philippines would involve an attack against United States forces stationed there and against the United States and would be instantly repelled.' In a possible future situation in which the Philippines is relatively unimportant economically or strategically to the United States, Philippine governments will have no choice but to follow a policy which is 'independent' in more than a rhetorical sense.

This study has indicated that contradictions in foreign policy statements have been a feature of both the Macapagal and Marcos administrations. To a large extent, the attempt to reconcile the values of anti-communism and anti-colonialism has been responsible for the 'confusion' which often seems to characterize Philippine policy. The Sabah claim is a case in point. The background of the dispute with Malaysia is extremely complicated, but the desire to 'pull the tail-feathers of the American eagle' has been an important element in the claim. The fear of communism spreading to the Philippines if North Borneo was incorporated into Malaysia was also used as an argument in 1962 and 1963. At the same time, nevertheless, the claim has proved a significant impediment to regional cooperation, which has also been an avenue for demonstrating the 'independent' nature of Philippine policy. One of the major problems faced by both administrations, committed as they have been to the principle of self-determination, is that the population of Sabah has shown no desire to become part of the Philippines. During the 1968 crisis, the Philippines received virtually no support from any other government. On the other hand, it must be recognized that many Filipinos
are convinced of the justice of the claim,\textsuperscript{1} and it is possible, though unlikely, that it will be raised again as a nationalist issue in the Philippines.

This summary of the policies of Macapagal and Marcos has indicated the strong similarities between them. This is to be expected in a political system in which ideological differences between the two major parties are more rhetorical than real, and in which both parties are dominated by people drawn from the same socio-economic elite. One of the most interesting questions for the future is whether this elite can continue to dominate the political system. Unless a 'real' social revolution is achieved, there would seem to be very little chance of any substantial 'innovative approach' in Philippine foreign policy.

Prospects for Regional Cooperation

In the light of this study of Philippine policy, the need for caution when assessing the prospects of associations such as ASEAN is obvious. The Sabah issue in particular has indicated the continuing possibilities of intraregional conflict arising from the 'carving-up' of Southeast Asia by the colonial powers. Despite the verbal commitment to regionalism of the Macapagal and Marcos administrations, it does not appear that the level of Philippine interaction with the other ASEAN states has appreciably increased. The low level of Philippine trade with the other ASEAN states has been indicated, and it would be useful to undertake a 'transaction flow' study to measure the extent of Philippine interaction with the other

\textsuperscript{1} See Rolando N. Quintos, 'How About a Monetary Settlement of the Sabah Question?' \textit{Solidarity}, August 1968.
To a casual observer, it would seem that Filipinos continue to know more about the United States than they do about Thailand, Malaysia, Singapore and Indonesia.

One of the imponderables confronting any attempt to discuss the prospects for ASEAN is the changing balance of power in Asia. In particular, the future role of Japan will pose problems for the ASEAN states. Bernard Gordon has argued that fear of Japan 'is likely to be the largest single incentive leading the Southeast Asian nations to achieve practical forms of regional economic cooperation.' How far this generalization applies to the Philippines is difficult to determine. Japan has become the Philippines' leading trading partner, and reparations from Japan continue to be important for the Philippine economy. In December 1968, the Roces Committee seemed resigned to the possibility that Japan would eventually take over the U.S. security role in the region. On the other hand, Salvador Lopez has pointed out that memories of Japanese aggression have not disappeared, particularly in the Philippines, and that 'the Asian neighbors of Japan are not too sure about a Japan with untrammeled liberty and capacity to resume its former role as a military power.' Despite Marcos's efforts and pressure from the

1 For an example of a 'transaction flow' study, see Robert O. Tilman, 'Malaysia and Singapore: The Failure of a Federation' in Tilman, Man, State and Society in Southeast Asia.


4 The Roces Report, p.5.

Japanese government, the Philippine Senate has refused to ratify the 1960 Treaty of Amity, Commerce and Navigation with Japan on the grounds that it is unfair to the Philippines.

The policies to be adopted by the ASEAN states towards China and the Soviet Union also provide fertile ground for speculation. If the voting record of these states in October 1971 on the question of China's admission to the U.N. is any indication, it will be a long time before their policies can be coordinated. In security matters, the ASEAN states are moving towards 'neutralization' of the region. Whether these moves will be successful will depend on the future policies of the governments of the U.S., the U.S.S.R., China and Japan. It seems fairly safe to assume that the logic of American withdrawal will push the Philippine government into closer cooperation with ASEAN in both security and economic matters. The history of Philippine behaviour in Southeast Asian regional associations, however, indicates that such cooperation will not be achieved easily.

A Suggestion for Further Research

This study has indicated the importance of the domestic inputs of foreign policy in the Philippines. In


2 The main problems have centred on the questions of 'most favoured nation' treatment for Japanese nationals; the immigration of Japanese into the Philippines; and the problem of territorial waters. Vellut, op.cit., p.161.

3 On the five votes on the question of China's entry to the United Nations, the Philippines voted with the U.S. on all five; Thailand voted with the U.S. on four, Indonesia on two, Singapore on one, and Malaysia on none. I am indebted to Mr Alan Wilkinson for this analysis.
particular, the problem of reconciling the values of anti-communism and anti-colonialism has derived not only from the external environment but from the milieu in which Philippine foreign policy is formulated. It has also been indicated that many of the apparent inconsistencies in Philippine foreign policy statements are products of the domestic power struggle in which 'personalities' and not ideologies are important. The role of rhetoric in both foreign and domestic politics is a further example of the 'linkage' between the two. Moreover, the seriousness of the economic and social problems facing the Philippines seems to have contributed to the 'low profile' which President Marcos has adopted in his second term of office.

In the past, academic research on the Philippines, as on Indonesia, has been rigidly divided into 'foreign policy' and 'domestic' categories. The specialists writing in the former field, have tended to present a narrative based on official publications and statements, with virtually no reference to the domestic components of foreign-policy decision-making. On the other hand, the academics writing on domestic policy, influenced by the 'comparative


3 Milton Meyer is the most prominent exponent of this approach. See Meyer, _A Diplomatic History of the Philippine Republic_.

4 The most notable writers in this field are Jean Grossholtz and David Wurfel.
approach', have underestimated the impact of foreign states, particularly the United States, on the domestic political system. As in Indonesia studies, the comparative approach has led to a tendency either to regard nationalism with ill-concealed hostility or to denigrate its importance. This rigid distinction between International Relations and Southeast Asian studies, which has been a weakness of Australia as well as American scholarship, must be broken down if a fuller understanding of the foreign policies of states such as the Philippines is to be achieved.


2 Anderson, op.cit., p.11.

3 Dr Rex Mortimer has also made this point.
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Carlos P. ROMULO (Secretary of Foreign Affairs),
Manila, 13 January 1971
APPENDIX I

ACTIVITIES OF THE HEIRS OF THE
SULTAN OF SULU AND THEIR SUPPORTERS, 1946-1961

The case put forward by the Philippine government in 1962 rested essentially on a claim by the heirs of the Sultan of Sulu and that the 1878 document was a lease and not a cession. The Sulu sultanate declined after its surrender to Spain in 1878, and President Quezon adopted a policy designed to further erode the Sultan's position. After the death of Jamalul Kiram in 1936, various heirs contended for the title of Sultan, and both Datu Ombra Amilbangsa and Esmail Kiram proclaimed themselves Sultan. In his will probated in the Court of First Instance of Jolo, Jamalul Kiram left his estate to three of his nieces, Dayang Dayang Hadji Piando, Putli Tarhata Kiram, and Putli Sakinur-In-Kiram. A fourth heir, Datu Rajamuda Mawallil Wasit, Jamalul Kiram's brother and heir apparent, was to share the inheritance of the 'Sandakan estate' in North Borneo. The heirs were primarily interested in obtaining the rights to the collection of the yearly payments from the British North Borneo Company. Soon after Jamalul Kiram's death, however, Datu Rajamuda Mawallil Wasit also died and left six heirs. Through their counsel, Calixto de Leon, the Dayang Dayang and the other heirs petitioned the Supreme Court of North Borneo to establish their rights to the 'rentals' from the territory which they claimed had been leased and not ceded by the Sultan of Sulu in 1878. The heirs, however, did not have an original copy of the 1878 agreement, since the original had allegedly been stolen from the Sultan of Sulu, and they had to rely on the English translation by Maxwell and Gibson which translated the word 'padjak' as 'cede' and not 'lease'. In his decision Chief Justice Macaskie established nine heirs, and their respective shares to the 'cessation monies' for the territory. It is important to note that the Court assumed that the international legal personality of the Sultanate...

1 Nisperos, op.cit., Chapter 5, p.3. Dr Nisperos, a member of the Philippine delegation to the 1968 Bangkok Talks on Sabah, was given access to the files of the Philippine Department of Foreign Affairs.

2 Ibid., Chapter 5, p.5.

3 Ibid., Chapter 5, p.7.
had been terminated and that the Government of the Philippine Islands was its successor in sovereignty. The Philippine government, which was semi-autonomous in 1939, made no attempt to claim the territory, and Chief Justice Macaskie concluded that since the Philippine government had allowed Sultan Jamalul Kiram to enjoy the rental from the North Borneo company and had made no claim to the money on his death, it had waived all right to the 'rentals'.

North Borneo became a Crown Colony in July 1946, only a few days after the Philippines became independent. The heirs of the Sultan protested at the 'annexation' of North Borneo, and in June 1946 their attorneys had served notice on the British North Borneo Company terminating the 'lease' for non-payment of rentals. This action, however, was apparently ignored by the British government. In 1947, the heirs engaged the services of Agripino Escareal, a Congressman from Samar, who petitioned Vice-President Quirino to intercede with the British government on behalf of the heirs. The views of the heirs were supported by Francis Harrison, a former Governor-General of the Philippines, and an adviser to President Roxas. Harrison agreed with a memorandum prepared by Professor H. Otley Beyer of the University of the Philippines, which argued that the Philippine government should recognize the existence of the Sulu Sultanate. Beyer argued that since only the people of Sulu themselves could legitimately abolish the Sultanate, the Sultanate was still in existence and that the Philippine government was in a position to 'legitimately claim successorship to the territorial rights and privileges of the Sulu Sultanate in North Borneo.' The interpretations of Harrison and Beyer, however, were not accepted by other members of the Department of Foreign Affairs, and President Roxas apparently decided that it would not be circumspect for the new republic to press a territorial claim against Great Britain. The Philippine government contented itself

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2 Nisperos, op.cit., Chapter 5, p.8.


4 Nisperos, op.cit., Chapter 8, pp.6-10.
with a successful demand that Britain recognize its claim to the Turtle and Mangsee islands off North Borneo, and appointed Diosdado Macapagal as chief negotiator.\(^1\)

If nascent Philippine nationalism had been appeased by the transfer of these islands, the heirs of the Sultan of Sulu were not. In November 1957, Esmail Kiram proclaimed the termination of Overbeck's 'lease', and declared that from 22 January 1958 'all the lands covered by the said lease shall be deemed restituted henceforth to the Sultanate of Sulu.'\(^2\) Copies of this document were sent to the British Embassy in Manila, the British Foreign Office, and the Secretary-General of the United Nations. Nicasio Osmeña, a son of former President Sergio Osmeña, was granted powers of attorney by Esmail and Tarhata Kiram, and in December 1957 he made an unsuccessful offer to the British government to liquidate the 'lease agreement' on North Borneo in exchange for a sum of five million dollars.\(^3\) Both Esmail Kiram and his rival claimant to the title of Sultan, Ombra Amilbangsa,\(^4\) also unsuccessfully petitioned the Philippine government.

Despite their lack of success in pressing their claim, the heirs had enlisted some champions in the Philippine Congress. In April 1950, a Concurrent Resolution was introduced into the House of Representatives by a number of co-sponsors who included Diosdado Macapagal, who at that time was Chairman of the House Committee on Foreign Affairs and had previously been a legal adviser in the Department of Foreign Affairs.\(^5\) The resolution, which was adopted unanimously, stated that:

\begin{itemize}
  \item[3] Nisperos, op.cit., Chapter 5, p.11.
  \item[5] The other sponsors were Agripino Escareal, Hadji Gulamu Rasul, Manuel Cases, Arturo Tolentino, and Arsenio Lacson. Escareal was an attorney for the Kirams, and Rasul an adviser to Esmail Kiram. Nisperos, op.cit., Chapter 37, pp.3-8.
\end{itemize}
...it is the sense of the Congress of the Philippines that subject to the lease rights of the British Government, the territory known as British North Borneo belongs to the heirs of the Sultanate of Sulu and falls under the ultimate sovereignty of the Republic of the Philippines; that the President of the Philippines is authorized to negotiate with the British Government or to take other suitable steps for the restoration of the ownership over the territory to the heirs of the Sultanate of Sulu and the recognition of the sovereign jurisdiction of the Philippines over the same; and that the President is requested to inform the Congress of the Philippines of such action as he may take relative hereto, and, if necessary, to recommend to this Congress such measures as may be expedient to carry out the import of this resolution.¹

It was significant that during the debate on the resolution, the territorial boundaries of the disputed territory were never defined.² The North Borneo issue was again raised in the House in 1952, when a concurrent resolution called on the President to determine the nature of the rights of the Kiram heirs to the territory, and of the right of the Philippine government to claim sovereignty over it.³ Six years later, Congressman Salipada Pendatun from Cotabato again called for the Philippine government to

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¹ Republic of the Philippines Congressional Record, Vol.1, No.66, 28 April 1950, pp.1625-6.

² Nisperos, op.cit., Chapter 7, p.5.

³ Ibid.
'take over' North Borneo. The activities of the heirs of the Sultan and their supporters, however, did not appear to unduly concern the British government,¹ and it was not until Macapagal became President that the North Borneo issue was officially raised by the British government.

¹ In January 1957, the Governor of North Borneo, Roland Turnbull, visited Manila to discuss the implementation of a 1955 labour agreement for the entry of Filipino labourers into North Borneo. Five hundred delegates from the Moslem regions of the southern Philippines presented a resolution to President Magsaysay calling for direct negotiations with the British government for the 'return' of North Borneo. The United Kingdom High Commissioner in Southeast Asia, Sir Robert Scott, warned that the British government would not 'take seriously the demands of Moros in the Philippines for certain areas of North Borneo.' In reply to a statement by Congressman Ombra Amilgangasa, that the claims of his people should not be 'taken lightly', Governor Turnbull declared that 'as far as I am concerned it [North Borneo] belongs to Her Majesty.' Christian Science Monitor, 30 January 1957.
APPENDIX II

THE INSTRUMENT OF 24 APRIL 1962

KNOW ALL MEN BY THESE PRESENTS:

That we, the living heirs of Sultan Jamalul Kiram, the Sultan of Sulu, hereby declare and make manifest the following:

1. That without prejudice to such proprietary rights as we have, the disposition of which will be subject to a later agreement, we irrevocably recognize, admit, and accept the ultimate sovereignty, title and dominion of the Republic of the Philippines over the following described territory:

   All territories and lands tributary to us on the mainland of the Island of Borneo, commencing from the Pandassan River on the west, and thence along the whole east coast as far as Sibuku River on the South, and including all territories, on the Pandassan River and in the coastal area, known as Paitan, Sugut, Bangai, Labuk, Sandakan, China-batangan, Muniang, and all other territories and coastal lands to the south, bordering on Dravel Bay, and as far as the Sibuku River, together with all the islands which lie within nine miles from the coast.

2. That we hereby renounce, repudiate, set aside and revoke any instrument, contract, document, or authority that any or all of us may have given in favor of any individual, entity, or association which contravenes or purports to contravene this manifestation of recognition; and

3. That we hereby accept and recognize the absolute, exclusive and unconditional right of the Government of the Republic of the Philippines to initiate, institute, and prosecute the claim, to the above-described property through any and by all peaceful and amicable modes of international settlement, including diplomatic negotiations, conciliation, mediation, arbitration of Commission of Inquiry, resort to the International Court of Justice or to the United Nations, as the circumstances may warrant, hereby adopting all that said Government may do in accordance with this document of recognition and authority.
WITNESS OUR HANDS AND SEAL this 24th day of April, 1962, in the City of Manila, Philippines.

(Sgd.) SULTAN MUHAMMAD
ESMAIL KIRAM
(Sgd.) DATU RASAMUDA
PUNYUNGAR KIRAM
(Sgd.) SITTI RADA KIRAM
(Sgd.) PUTLI TARHATA KIRAM
(Sgd.) PUTLI SAKINULIN KIRAM
APPENDIX III

THE INSTRUMENT OF 12 SEPTEMBER 1962

MALACAÑANG

Manila

BY THE PRESIDENT OF THE PHILIPPINES

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

KNOW YE, That reposing special trust and confidence in the integrity, prudence and ability of:

The Honorable EMMANUEL PELAEZ Vice President of the Philippines and concurrently Secretary of Foreign Affairs.

I, DISODADO MACAPAGAL, President of the Philippines, have invested him with full and all manner of power and authority, for and in the name of the Republic of the Philippines to formally accept, for the Republic of the Philippines, the cession or transfer of sovereignty over the Territory of North Borneo by His Highness Sultan Muhammad Esmail Kiram, Sultan of Sulu, acting with the advice and authority given by Resolution of August 29, 1962, of the Ruma Bechara, in Council assembled. Such Instrument of Cession as may be accepted by the Honorable Emmanuel Pelaez under the present authority is to be transmitted to the President of the Philippines for further action in accordance with the Constitution and laws of the Republic of the Philippines.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Republic of the Philippines to be affixed.

Done in the City of Manila, Philippines, this 11th day of September, in the year of Our Lord, nineteen hundred and sixty-two, and of the Independence of the Philippines, the seventeenth.

(Sgd.) DIOSDADO MACAPAGAL

By the President:

(Sgd.) SALVADOR MARINO

Executive Secretary
The instrument of cession itself follows:

WHEREAS, His Highness Sultan Muhammad Esmail Kiram is lawfully the head of the Sultanate of Sulu;

WHEREAS, for the last two hundred and more years the sovereignty, title and dominion over the Territory of North Borneo have been vested in the Sultanate of Sulu:

WHEREAS, on January 22, 1878, Sultan Mohamet Jamal Al Alam (or Sultan Jamalul Agham), then the head of the Sultanate of Sulu, signed a deed leasing the Territory of North Borneo to Gustavus Baron de Overbeck and Alfred Dent, representatives of a British company, for a consideration of Five Thousand Dollars payable annually to him or to his heirs and successors:

WHEREAS, on June 7, 1936, Sultan Jamalul Kiram, who had succeeded to the Sultanate in the year 1894, died without any children but survived by certain heirs;

WHEREAS, in the year 1939, Dayang Dayang Hadji Piandao, Putli Tarhata Kiram, Putli Sakimur in Kiram, Esmail Kiram, Datu Punjungan Kiram, Sitti Mariam Kiram, Sitti Rada Kiram, Sitti Putli Jahara Kiram and Mora Napsa, claiming to be the heirs of the late Sultan Jamalul Kiram entitled to receive the annual rental aforementioned, brought a suit before the High Court of the State of North Borneo (Civil Suit No. 16/39, entitled "Dayang Dayang Hadji Piandao Kiram (f) of Jolo, Philippines and 8 others Vs. The Government of North Borneo and Others") for the purpose of having them declared the heirs and successors of the Sultan entitled to receive said annual rental;

WHEREAS, on December 19, 1939, the High Court of North Borneo rendered a decision declaring Dayang Dayang Hadji Piandao, Putli Tarhata Kiram, Putli Sakimur in Kiram, Esmail Kiram, Datu Punjungan Kiram, Sitti Mariam Kiram, Sitti Rada Kiram, Sitti Putli Jahara Kiram and Mora Napsa as the "private heirs" entitled to receive what the said court called "cession money" but which the heirs called "rental";

WHEREAS, in the same decision of December 19, 1939, the High Court of North Borneo stated that "the successors in sovereignty of the Sultan are the Government of the Philippine Islands";

WHEREAS, on June 20, 1946, the British company in whose representation Gustavus Baron de Overbeck and Alfred Dent obtained the lease aforementioned, transferred to the British Government its rights and interests over the Territory of North Borneo;
WHEREAS, on July 10, 1946, the Territory of North Borneo was annexed as a Crown Colony but in spite of the fact that the British Government was aware of the decision of the High Court of North Borneo of December 19, 1939, declaring that the Government of the Philippines was the successor in sovereignty of the Sultan of Sulu and that there were private heirs entitled to receive the rental or "cession money", neither the Philippine Government nor the private heirs were notified of the annexation;

WHEREAS, on November 25, 1957, His Highness, Sultan Muhammad Esmail Kiram, Sultan of Sulu, issued a Proclamation declaring the lease of January 22, 1878, terminated as of January 22, 1958, and declaring further that after said date all the lands leased were deemed restituted to the Sultanate of Sulu;

WHEREAS, in a communication dated November 25, 1957, addressed to "The Successors in Interest of Gustavus de Overbeck; Alfredo Dent; and the British North Borneo Company", notice was given of the decision of the Sultanate of Sulu to terminate the lease effective January 22, 1958, having been sent to: the British North Borneo Company, Jesselton, North Borneo; the British North Borneo Company, London, England; the British Embassy, Manila; the Minister of Foreign Affairs, London, England; the Secretary of Foreign Affairs, Manila; and the Secretary-General, United Nations, New York City;

WHEREAS, on April 24, 1962, the living heirs of the late Sultan Jamalul Kiram signed an Instrument whereby they irrevocably recognized, admitted and accepted the ultimate sovereignty, title and dominion of the Republic of the Philippines over the Territory of North Borneo, without prejudice to such proprietary rights as the heirs of the said Sultan Jamalul Kiram may have;

WHEREAS, on August 29, 1962, the Ruma Bechara, in Council assembled, gave its advice and authority to His Highness Sultan Mohammad Esmail Kiram, Sultan of Sulu, to ratify and confirm the cession and transfer of sovereignty, title and dominion over the Territory of North Borneo to the Republic of the Philippines as stipulated in the Instrument of April 24, 1962;

WHEREAS, His Highness Sultan Mohammad Esmail Kiram, Sultan of Sulu, has determined that in the interests of the inhabitants of the Territory of North Borneo, the sovereignty, title and dominion over the said territory should be ceded and transferred to the Republic of the Philippines;
WHEREAS, the Honorable Emmanuel Pelaez, Vice President of the Philippines and concurrently Secretary of Foreign Affairs, has been authorized by His Excellency the President of the Philippines to accept the said cession on behalf of the Republic of the Philippines.

NOW THESE PRESENTS WITNESS -

1. The Territory of North Borneo and the full sovereignty, title and dominion over the territory, are hereby ceded by His Highness, Sultan Mohammad Esmail Kiram, Sultan of Sulu, acting with the advice and authority of the Ruma Bechara, to the Republic of the Philippines, fully confirming and ratifying the stipulations in the Instrument of April 24, 1962.

2. The cession is hereby formally accepted on behalf of the Republic of the Philippines by the Honorable Emmanuel Pelaez, Vice President of the Philippines and concurrently Secretary of Foreign Affairs.

IN WITNESS WHEREOF, His Highness, Sultan Mohammad Esmail Kiram, Sultan of Sulu, on his own behalf, and Emmanuel Pelaez, Vice President of the Philippines and concurrently Secretary of Foreign Affairs, on behalf of the Philippines, have signed the present Instrument and have affixed respectively the seal of the Sultanate of Sulu and the Seal of the Republic of the Philippines.

Done at Manila, this 12th day of September, in the year of Our Lord, 1962.

(Sgd.) EMMANUEL PELAEZ
Vice President and concurrently Secretary of Foreign Affairs of the Republic of the Philippines

(Sgd.) SULTAN MOHAMMAD
ESMAIL KIRAM
Sultan of Sulu
APPENDIX IV

THE PHILIPPINE DRAFT OF THE SEAARC PROPOSALS

JOINT DECLARATION


PROPOSE TO ESTABLISH A FIRM FOUNDATION FOR COMMON ACTION TO PROMOTE MEANINGFUL COOPERATION IN SOUTHEAST ASIA BASED ON THE IDEALS OF PEACE, FREEDOM, AND SOCIAL JUSTICE AND ON AN ABIDING RESPECT FOR THE RULE OF LAW AMONG NATIONS;

CONVINCED THAT NATIONAL SELF HELP ENDEAVORS, WHEN SUSTAINED BY MUTUALLY BENEFICIAL AND CONSTRUCTIVE COOPERATION IN THE SPIRIT OF EQUAL PARTNERSHIP AMONG THEIR COUNTRIES, WILL MORE EFFECTIVELY ENHANCE THE ECONOMIC PROGRESS AND SOCIAL WELL-BEING OF THEIR PEOPLES;

BELIEVING THAT IT IS THEIR PRIMARY RESPONSIBILITY TO STRENGTHEN FURTHER THE EXISTING BONDS OF REGIONAL SOLIDARITY AND COOPERATION;

BELIEVING THAT IN ORDER TO WIDEN AND DEEPEN MUTUAL APPRECIATION AND UNDERSTANDING, IT IS ESSENTIAL TO HAVE FREE AND FRANK EXCHANGES OF VIEWS ON ALL MATTERS OF COMMON INTEREST OR CONCERN;

REAFFIRMING THE ASPIRATIONS OF THEIR PEOPLES TO WAGE AN EFFECTIVE AND RELENTLESS STRUGGLE AGAINST POVERTY, IGNORANCE AND DISEASE AND TO ENJOY THE BLESSINGS OF MODERN CIVILIZATION;

DO HEREBY DECLARE:

FIRST, THE ESTABLISHMENT OF AN ASSOCIATION FOR REGIONAL COOPERATION AMONG THE COUNTRIES OF SOUTHEAST ASIA TO BE KNOWN AS SOUTHEAST ASIAN ASSOCIATION FOR REGIONAL COOPERATION (SEAARC).

SECOND, THAT THE OBJECTIVES OF THE ASSOCIATION TO BE KNOWN AND CITED AS THE "CHARTER OF PEACE AND PROGRESS" SHALL BE 1. TO ACCELERATE REGIONAL ECONOMIC GROWTH AND SOCIAL PROGRESS THROUGH COLLECTIVE ENDEAVORS IN THE SPIRIT OF EQUAL PARTNERSHIP IN ORDER TO STRENGTHEN THE FOUNDATIONS FOR A PROSPEROUS AND PEACE-LOVING COMMUNITY OF SOUTHEAST ASIAN NATIONS;
2. TO UPHOLD AND STRENGTHEN THEIR FREE INSTITUTIONS IN FORMS BEST SUITED TO THE NEEDS AND CIRCUMSTANCE OF THEIR PEOPLE;

3. TO PROMOTE REGIONAL PEACE AND STABILITY THROUGH ABIDING RESPECT FOR JUSTICE AND THE RULE OF LAW IN THE RELATIONSHIPS AMONG COUNTRIES OF THE REGION AND ADHERENCE TO THE PRINCIPLES OF THE UNITED NATIONS CHARTER;

4. TO FOSTER GREATER UNDERSTANDING AND APPRECIATION OF THE CULTURAL HERITAGES AND CIVILIZATIONS OF THE NATIONS IN THE REGION THROUGH THE PROMOTION OF SOUTHEAST ASIAN STUDIES;

5. TO MAINTAIN CLOSER AND BENEFICIAL COOPERATION WITH EXISTING INTERNATIONAL AND REGIONAL ORGANIZATIONS AND EXPLORE ALL AVENUES FOR EVEN GREATER COOPERATION AMONG THEMSELVES.

THIRD, THAT TO IMPLEMENT THE "CHARTER OF PEACE AND PROGRESS" AND MAINTAIN THE DESIRED CONTINUING PROCESS OF CONSULTATIONS ON REGULAR BASIS, THE FOLLOWING MACHINERY SHALL BE ESTABLISHED: (A) ANNUAL MEETING OF FOREIGN MINISTERS, WHICH SHALL BE BY ROTATION AND REFERRED TO AS MINISTERIAL MEETING OF THE SOUTHEAST ASIAN ASSOCIATION FOR REGIONAL COOPERATION; (B) A STANDING COMMITTEE, UNDER THE CHAIRMANSHIP OF THE FOREIGN MINISTER OF THE HOST COUNTRY OR HIS REPRESENTATIVE AND HAVING AS ITS MEMBERS THE ACCREDITED AMBASSADORS OF THE OTHER MEMBER COUNTRIES, TO CARRY ON THE WORK OF THE ASSOCIATION IN BETWEEN THE MINISTERIAL MEETING; AND (C) A NATIONAL SECRETARIAT IN EACH MEMBER COUNTRY TO SERVICE THE ANNUAL OR SPECIAL MEETINGS OF FOREIGN MINISTERS, THE STANDING COMMITTEE AND SUCH OTHER COMMITTEES AS MAY HEREAFTER BE ESTABLISHED.

FOURTH, THAT THE ASSOCIATION IS NOT AN EXCLUSIVE BODY, BUT IS OPEN TO ADHESION BY ANY SOUTHEAST ASIAN STATE SUBJECT TO THE APPROVAL OF THE CHARTER MEMBERS.

FIFTH, THAT THE ASSOCIATION IS NOT DIRECTED AGAINST ANY STATE OR GROUP OF STATES, BUT IS CONCEIVED TO ENCOURAGE REGIONAL CONSULTATIONS, TO DEVELOP THE SENSE OF UNITY AND SOLIDARITY, AND, THROUGH MUTUALLY BENEFICIAL COLLECTIVE ENDEAVORS IN THE SPIRIT OF EQUAL PARTNERSHIP, TO ACHIEVE THE ECONOMIC, SOCIAL, TECHNICAL AND CULTURAL PROGRESS OF THE REGION.
APPENDIX V

THE INDONESIAN DRAFT OF THE SEAARC PROPOSALS

JOINT DECLARATION

The Minister of Foreign Affairs of .................
..........., the Minister of Foreign Affairs of.................
............etc:

Aware that the countries of South East Asia share a primary responsibility for ensuring the stability and maintaining the security of the area from subversion in any form or manifestation, in order to preserve their respective national identities and to ensure the peaceful and progressive national development of their respective countries and of their region in accordance with the ideals and aspirations of their peoples;

Being in agreement that foreign bases are temporary in nature and should not be allowed to be used directly or indirectly to subvert the national independence of their countries, and that arrangements of collective defence should not be used to serve the particular interest of any of the big powers;

Convinced that the cherished ideals of peace, freedom, social justice and economic well-being can best be attained by fostering good understanding, good neighbourliness and active cooperation among their nations;

Further convinced that close cooperation in the economic and technical fields among countries of the same region, already bound together by ties of history and culture, will greatly contribute to their endeavour to enhance the welfare of their respective nations and promote better mutual understanding and appreciation among their peoples;

Desiring to establish a firm foundation for common action to strengthen regional cooperation in South East Asia and thereby promote peace, progress and prosperity in this region;

DO HEREBY DECLARE:

First, the establishment of an association for regional cooperation among countries of South East Asia to be known as......................................................
Second, that the Association is in no way connected with any outside power or power bloc and is directed against no country, but represents the collective will of nations of South East Asia to associate themselves, without surrendering any part of their sovereignty, for the mutual benefit of their respective peoples in order to jointly pursue their common aims and purposes.

Third, that the aims and purposes of the Association shall be:

A. Through General Consultation and Cooperation

(1) To strengthen solidarity and promote mutual understanding and harmonious relations among the nations of the region, and to accelerate the pace of their economic, social and cultural development;

(2) To resolve problems which may arise between them, and prevent possible causes of difficulties and to contribute more effectively to the work of the United Nations, its Specialized Agencies and other international bodies with similar aims and purposes;

B. Through Consultation and Cooperation in Specific Fields

(1) To establish among associated countries an effective machinery for active collaboration and mutual assistance, including the exchange of information on matters of common interest in the economic, social, cultural, technical, scientific and administrative fields;

(2) To provide technical assistance to each other in the form of educational, professional, technical and administrative training and research facilities;

(3) To collaborate more effectively for the better utilization of the natural resources, the development of their agriculture and industries, the expansion of their trade, the improvement of their transportation and communication facilities and the raising of the living standards of their peoples;

(4) To promote Southeast Asia studies;
(5) To collaborate closely with one another in the study of the problems of international commodity trade;

Fourth, that, to carry out these aims and purposes the following machinery shall be established:

(a) annual meeting of foreign ministers which shall be by rotation. Prior to such meetings a Joint Working Party shall meet;

(b) a Standing Committee under the chairmanship of the Foreign Minister of the host country or his designated representative and having as its members accredited Ambassadors of the other associated countries, to carry out the work of the Association in between Meetings of Foreign Ministers;

(c) a number of Ad Hoc Committees and Permanent Committees of specialists and officials on specific projects;

(d) a National Secretariat in each associated country to carry out the work of the Association on behalf of that country.

Fifth, that the Association shall be open for participation to all States in the South East Asian Region subscribing to the aforementioned aims and purposes.

This Declaration, made at.................., this ...............day of ............., nineteen hundred sixty........., shall be known as.............................
APPENDIX VI

THE ASEAN DECLARATION

The Presidium Minister for Political Affairs/Minister for Foreign Affairs of Indonesia, the Deputy Prime Minister of Malaysia, the Secretary of Foreign Affairs of the Philippines, the Minister for Foreign Affairs of Singapore and the Minister of Foreign Affairs of Thailand:

MINDFUL of the existence of mutual interests and common problems among the countries of South-east Asia and convinced of the need to strengthen further the existing bonds of regional solidarity and cooperation;

DESIRING to establish a firm foundation for common action to promote regional cooperation in South-east Asia in the spirit of equality and partnership and thereby contribute peace, progress and prosperity in the region;

CONSCIOUS that in an increasingly interdependent world, the cherished ideals of peace, freedom, social justice and economic well-being are best attained by fostering good understanding, good neighbourliness and meaningful cooperation among the countries of the region already bound together by ties of history and culture;

CONSIDERING that the countries of South-east Asia share a primary responsibility for strengthening the economic and social stability of the region and ensuring their peaceful and progressive national development, and that they are determined to ensure their stability and security from external interference in any form or manifestation in order to preserve their national identities in accordance with the ideals and aspiration of their peoples.

AFFIRMING that all foreign bases are temporary and remain only with the expressed concurrence of the countries concerned and are not intended to be used directly or indirectly to subvert the national independence and freedom of States in the area of prejudice the orderly processes of their national development;

DO HEREBY DECLARE:

First, the establishment of an Association for regional Cooperation among the countries of South-east Asia to be known as the Association of South-east Asia Nations (ASEAN).
SECOND, that the aims and purposes of the Association shall be:

1. To accelerate the economic growth, social progress and cultural development in the region through joint endeavours in the spirit of equality and partnership in order to strengthen the foundation for a prosperous and peaceful community of South-east Asian Nations;

2. To promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries of the region and adherence to the principles of United Nations Charter;

3. To promote active collaboration and mutual assistance on matters of common interest in the economic, social cultural, technical, scientific and administrative fields;

4. To promote assistance to each other in the form of training and research facilities in the educational, professional, technical and administrative spheres;

5. To collaborate more effectively for the greater utilization of their agriculture and industries, the expansion of their trade, including the study of the problems of international commodity trade, the improvement of their transportation and communication facilities and the raising of the living standards of their peoples;

6. To promote South-East Asian studies;

7. To maintain close and beneficial cooperation with existing international and regional organizations with similar aims and purposes, and explore all avenues for even closer cooperation among themselves.

THIRD, that, to carry out these aims and purposes, the following machinery shall be established:

(a) Annual Meeting of Foreign Ministers, which shall be by rotation and referred to as ASEAN Ministerial Meeting. Special Meetings of Foreign Ministers may be convened as required.
(b) A Standing Committee, under the chairmanship of the Foreign Minister of the host country of his representatives and having as its members the accredited Ambassadors of the other members countries, to carry on the work of the Association in between Meetings of Foreign Ministers.

(c) Ad Hoc Committees and Permanent Committees of specialists and officials on special subjects.

(d) A National Secretariat in each member country to carry out the work of the Association on behalf of that country and to service the Annual or Special Meetings of Foreign Ministers, the Standing Committees and such other committees as may hereafter be established.

FOURTH, that the Association represents the collective will of the nations of South-East Asia to bring themselves together in friendship and cooperation, and, through joint efforts and sacrifices, secure for their peoples and for posterity the blessings of peace, freedom and prosperity.

KNOW ALL MEN BY THESE PRESENTS:

That I, SULTAN AMILBANGSA, in my own behalf and as attorney-in-fact of the late Dayang Dayang Hadji Piandao,

Having carefully read the instrument titled "Recognition and Authority in Favor of the Republic of the Philippines" signed April 24, 1962 in the City of Manila by Sultan Mohammad Esmail Kiram, Datu Rasamuda Punyungar Kiram, Sitti Rada Kiram, Putli Tarhata Kiram, Putli Sakinuli Kiram, and subscribed and sworn to before Mr I.B. Pareja, Secretary of the House of Representatives, a certified copy of which is attached hereto; as well as the "Instrument of Cession of the Territory of North Borneo by His Highness Sultan Mohammad Esmail Kiram, Sultan of Sulu, Acting with the Advice and Authority of the Ruma Bechara, to the Republic of the Philippines," executed in Manila on September 12, 1962, by Sultan Mohammad Esmail Kiram and His Excellency Emmanuel Pelaez, then the Vice-President and concurrently Secretary of Foreign Affairs, for and in behalf of the Sultanate of Sulu and the Republic of the Philippines, respectively, confirming the instrument of "Recognition and Authority in Favor of the Republic of the Philippines" aforesaid, a certified copy of which is likewise attached hereto; and

Desiring to associate myself with the aforesaid acts, thereby ratifying, adopting and confirming all that the above-named persons and entities have done or caused to be done by virtue of said acts and/or documents as fully as I could have done if personally present as a signatory thereof;

Do hereby adhere unconditionally and without any reservation to the acts and documents above mentioned.

In witness whereof, I have hereunto set my hand this 27th day of July, 1966, in the City of Manila, Philippines.

(Sgd.) SULTAN OMBRA AMILBANGSA

SUBSCRIBED AND SWOTN TO before me this 27th day of July, 1966 at Manila, Philippines, by SULTAN OMBRA AMILBANGSA with Residence Certificate No. 344032 issued at Manila on March 7, 1966.

(Sgd.) NARCISO RAMOS
Secretary of Foreign Affairs
Republic of the Philippines
APPENDIX VIII

RECOGNITION OF THE AUTHORITY OF THE
PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES TO
ACT ON BEHALF OF THE HEIRS OF THE
SULTAN OF SULU REGARDING PROPRIETARY RIGHTS IN
NORTH BORNEO (SABAH), 1 FEBRUARY 1968

KNOW ALL MEN BY THESE PRESENTS;

WHEREAS, in an instrument entitled "Recognition and Authority in Favor of the Republic of the Philippines," executed in Manila on April 24, 1962, the heirs of Sultan Jamalul Kiram II, Sultan of Sulu, namely -

Sultan Muhammad Esmail Kiram
Datu Rayamuda Punjungan Kiram
Putli Tarhata Kiram
Sitti Rada Kiram, and
Putli Sakinurin Kiram

accepted and recognized the absolute, exclusive and unconditional right of the Philippine Government to initiate, institute and prosecute the claim to the North Borneo Territory (Sabah) described in the contract of lease of January 22, 1878, in favor of Gustavus Baron de Overbeck and Alfred Dent, and the confirmatory deed of April 22, 1903;

WHEREAS, in the said Instrument of April 24, 1962, the heirs renounced, repudiated, set aside and revoked any contract, document, or authority that any or all of them might have in favor of any individual or group of individuals which contravened or purported to contravene the above-mentioned Instrument;

WHEREAS, that same Instrument of April 24, 1962 was executed without prejudice to whatever proprietary rights the heirs might have, "the disposition of which will be subject to a later agreement;"

WHEREAS, in an "Instrument of Cession of the Territory of North Borneo" dated September 12, 1962, Sultan Muhammad Esmail Kiram, acting with the advice and authority of the Ruma Bechara (the Sultan's council), formally ceded, and the Philippine Government formally accepted, the Territory of North Borneo, the sovereignty over which had been recognized previously by the aforesaid heirs in the Instrument of April 24, 1962 as pertaining to the Republic of the Philippines;

WHEREAS, in another instrument executed before The Honorable Narciso Ramos on July 27, 1966 at the City of
Manila Datu Ombra Amilbangsa expressly associated himself with the Instrument of April 24, 1962 and the Instrument of Cession of September 12, 1962, "thereby ratifying, adopting and confirming all that the above-mentioned persons and entities have done or caused to be done by virtue of said acts and/or documents as fully as I could have done if personally present as a signatory thereof;"

Now, therefore, bearing in mind all the above-mentioned instruments and acts, the undersigned heirs of Sultan Jamalul Kiram II or their lawful representatives, all of legal age, Filipinos, and residents of Jolo, Sulu, Philippines, hereby recognize the right and authority of His Excellency, President Ferdinand E. Marcos to act for and on their behalf at any opportune time with a view to effecting a settlement of whatever proprietary rights and benefits the heirs may be entitled to; to take up, discuss, negotiate and settle this matter with any person or persons concerned; and to empower any persons or officials of the Philippine Government to exercise the right and authority herein recognized.

IN WITNESS WHEREOF, we have hereunto affixed our signatures this _______ day of January, 1968, in the City of Manila, Philippines.

(Sgd.) SULTAN MUHAMMAD ESMAIL KIRAM
(Sgd.) PUTLI TARHATA KIRAM
(Sgd.) PUTLI SAKIMUR-IN KIRAM
(Sgd.) DATU AMERUSIN ASAKIL
   (Representing Sitti Jahara Kiram)
(Sgd.) DATU PUNJUNGAN KIRAM
   (for himself and in representation of Mora Napsa and Sitti Mariam Kiram)
(Sgd.) HADJI HASHAN HASHIM
   (representing Sitti Rada Kiram)