



## Sigur Center for Asian Studies

THE GEORGE WASHINGTON UNIVERSITY

# POST-HAGUE: THE PHILIPPINES AND STRATEGIC BALANCE

For Rodrigo Duterte, the new Philippine president, managing the country's success after winning its case brought against China over South China Sea disputes is an early test of his leadership in foreign policy - a domain that was largely unarticulated during his campaign and still awaits elucidation to the present day. At stake is a broader picture of the Philippines' strategic posture: while it is certain the Duterte government will provide the Philippines' a way forward in response to the [Permanent Court of Arbitration's \(PCA\) ruling issued on July 12](#), there is also an expectation that this issue will give clarity to Duterte's strategic outlook in international affairs, specifically with respect to Philippine relations with the United States, China, and the Association of Southeast Nations (ASEAN). A preliminary examination of the new Philippine president's approach suggests that his administration will assume a different direction in foreign policy, creating in the process new challenges and opportunities for his presidency.

"Balance" might well be the underpinning for President Duterte's strategic stance: first, between domestic and international interests, and second, between the United States and China. Duterte is starting off from a domestic-

centered national agenda that was central to him winning the election, vowing to fulfill his campaign promise of “peace and order” in the country. In a business forum in Davao City earlier in June this year, he commented how former president Benigno Aquino’s purchase of 12 South Korean FA-50 fighter jets was a **waste of money**, because they cannot be used to fight an insurgency that he believes is the “problem of the moment.” These pre-Hague pronouncements affirm that internal security is at the forefront of Duterte’s national security strategy despite previous claims by Philippine military officials that they have achieved gains in their anti-insurgency campaign and are ready to shift their focus to territorial defense.

***Duterte’s  
challenge is  
to balance  
internal  
security with  
territorial  
defense after  
victory at  
The Hague***

How Duterte will balance his internal security priority with an inherently outward-looking territorial defense policy in light of the country’s Hague victory requires a careful calibration of potentially competitive domestic stakeholder interests. Downplaying the importance of territorial defense at the expense of focusing solely on domestic issues can be a potential source of domestic instability that will ironically undermine his peace and order agenda. Additionally, the Philippines’ legal victory has caused an upsurge in nationalist sentiments, and in this context, he might have to rethink the option of pursuing an ‘easier, quicker’ approach to South China Sea (SCS) disputes, which are generally perceived as weakening the Philippines’ position against China. He can utilize the Tribunal win as an opportune occasion to develop the external dimensions of his national security agenda without compromising on his domestic agenda.

Duterte’s more open stance towards China is a substantial deviation from Aquino’s position, where Sino-Philippine

relations stood at a virtual diplomatic freeze. In a similar vein, Duterte's cool demeanor towards the United States is in direct contrast to the warm ties forged by Aquino during his term. Relations with Washington and Beijing may experience ups and downs, but they are core components of Manila's foreign policy and will survive change of presidents. The big question now is how these relations will take shape within the context of the PCA ruling and coupled with a new Philippine president. The Duterte Administration's early behavior towards the United States and China suggests a move toward the center - what some scholars describe as "equi-balancing" -

*U.S. and China relations are core components of Philippines' foreign policy*

designed to sustain Philippine strategic engagements with the two countries while showing no clear preference for either. If this is indeed the case, Duterte's equi-balancing strategy carries several implications. First, the 'reopening' of Sino-Philippine ties will likely introduce new elements to that will lend credence to the Philippines' balancing strategy. The realization

of the joint exploration and utilization of resources in the disputed areas with China, stronger economic ties, and membership into Chinese-backed institutions are potential dimensions to this bilateral relationship.

Second, Philippine-U.S. relations in the Duterte era may not be as robust as during the Aquino presidency, but the diplomatic, economic, and military presence of the United States in the Philippines' strategic environment will continue to be extensive. During the past six years, Aquino and President Barack Obama worked toward developing a closer bilateral relationship, driven in no small measure by SCS disputes: the maritime issue left behind for Duterte and Obama's successors, the execution of high-profile engagements such as the [Enhanced Defense Cooperation Agreement \(EDCA\)](#), the [Southeast Asia Maritime Security Initiative \(MSI\)](#) that awarded

nearly 85 percent (\$42 million) of this year's funding to the Philippines, and U.S. assistance for the Philippines' military modernization and capacity-building. Duterte's cooler reception to America and the possibility of joint development with the Chinese might create a more challenging environment for the execution of Aquino's policy legacies such as EDCA and the MSI.

Third, a Philippine balancing stance raises the question of whether Duterte will create a strategic linkage between Philippine-U.S. and Philippine-China relations, or if these two bilateral relationships will be developed as independent policy trajectories. There is need to calculate the risks and gains derived from each of these options. In the final analysis, should the Philippines indeed pursue an equi-balancing strategy, it must be able to assume that doing so will not only successfully manage their post-Hague position in the SCS, it should also be the optimal approach toward the promotion and protection of its national core interests.

The Tribunal win can also mean a win for ASEAN with the Philippines simultaneously playing out three roles as leader, broker, and representative of bloc. As the incoming ASEAN Chair in 2017 - the 50 year anniversary of the organization - the Philippines, a founding member, will be well-positioned to lead in advancing the group's talks with China to establish a binding Code of Conduct for the South China Sea. The SCS disputes have greatly tested the unity of ASEAN, so with its legal victory over China, the Philippine Chair will find it necessary to broker between ASEAN member states who are not party to SCS disputes and those who are claimants in order to press for ASEAN unity. Finally, not unlike previous ASEAN Chairs, the Philippines can continue to represent ASEAN's interests vis-à-vis relations with its partners and other international organizations. Leveraging its Hague victory to work for ASEAN can only support the latter's centrality in Asia's regional security architecture, enhance regional stability, and uphold the tenets of international order.

By taking China to court and subsequently winning the

case, the Philippines created a rare strategic opportunity to defend its national core interests against an emerging power within the rubric of international law. In the process, it gained ‘legal high ground’ in the eyes of the international community. The challenge now for President Duterte is to translate this legal upper hand into ‘strategic high ground’: owning the victory means casting a broad strategic net to institutionalize the Philippines’ gains in all aspects of its national security agenda.

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and Sigur Center for Asian Studies***

The Sigur Center’s Rising Powers Initiative examines how domestic political debates and identity issues affect international relations in Asia. This Policy Brief series is supported by a generous grant from the MacArthur Foundation for a project that explores the linkages between energy security and maritime strategies in the Indo-Pacific.

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