

Development and the Cold War Obstacle

When the United States declared its Cold War policy right after World War II, nobody dared argue against it. The Americans pointed out that if they did not militarily secure the world, Soviet expansionism would eventually destroy the global capitalist system. The European nations as well as Japan could not help but agree with the prophecy of their American ally. For one thing, they were too engrossed in reviving their war-torn economies and they had no time and more importantly, money, to spend on military defense. This was despite the fact that the Soviet Union and its communist allies were just in their backyard. Besides, the massive economic assistance showered on them by the United States in the name of security was just what the Europeans needed. The former believed that aside from military security, economic stability was a primary concern of the Western world. This was the only way to make its European allies less vulnerable to any form of Soviet invasion.

The Europeans generally benefited from the Communist hysteria of the United States. With the massive military and economic aid they received from the American government, they were able to revive and even improve their industrial-based economies. By the 1960s, together with Japan, they began to experience tremendous economic growth and some of their economies would eventually surpass that of the United States. With economic growth came the difficulty of prioritizing the Americans' Cold War preoccupation in their national agenda. Questions were raised by the Western allies with regard to the path to world peace and development through military

means. Influential members of the European Community began to raise the contradictions of achieving global peace and stability through military warfare. An alternative presented was the use of economic means to diffuse potential military confrontations. Such an economic strategy includes the linking of national economies which will render going to war a futile exercise. Such were the lessons learned from World Wars I and II which only left the European economies devastated and everyone a loser. An expression of this rationale is the formation of the European Economic Community in 1957.

This point of view was not only carried out by the Western European powers as a solution for maintaining peace among themselves but was also seen as useful when dealing with their socialist neighbors. They perceived that the United States' Cold War policy could only exacerbate military tensions between the capitalist and the socialist blocs. One way of diffusing this was by strengthening economic relations with their communist neighbors. Private as well as governmental initiatives were taken towards achieving this end, such as the extension of loans from Western European banks to Eastern European nations. The European governments have also looked into economic ventures with the Soviet Union, like the construction of the Siberian gas pipeline, which the United States, however, strongly opposes, calling it a "security risk" project.

The argument of achieving world peace and development through economic rather than military means continues to challenge the United States' Cold War view of the world. This was given greater impetus with Mikhail Gorbachev's policy of *glasnost* and

perestroika. This is seen in the Soviet Union's shift to a developmental rather than a militarist posture towards its relations with the rest of the world. Such a posturing has also created waves among the NATO allies. West Germany's popular Foreign Minister Hans Dietrich Genscher, for example, has campaigned actively for steps to de-nuclearize West Germany. He believes that this is the only way whereby the country can focus its finances more on economic policies rather than non-profitable military expenditures. Such a stance has garnered wide approval from the German public where the Cold War policy is viewed not only as a drain to their country's economic resources, but also as a source of unnecessary tension with their East German blood-relations and neighbors.

U.S. President George Bush has belatedly taken the cue from the Gorbachev phenomenon and has gone to Eastern Europe recently, leaving behind a promise of aid amounting to US\$10 million and US\$5 million for Poland and Hungary, respectively. Decades ago, the Cold War hysteria would have rendered this as not only unthinkable but also subversive.

The U.S. bases and Philippine underdevelopment

In the Philippines, as in Europe, one also witnesses the incompatibility of Cold War politics and economic progress. This is particularly seen in relation to the presence of U.S. bases in the country, i.e., Clark Air Base (CAB) and Subic Naval Base (SNB). For the U.S. Administration, these bases are necessary for carrying out its global warfare against the Soviets. It is thus seen as a deterrent to any form of Soviet incursion not only in Southeast Asia, but also all the way up to the Persian Gulf. In examining the purpose of the bases and its impact on the people, one could only pinpoint conflicts which emerge from the prioritization of American security interests in an impoverished society like the Philippines.

Sangle Point in Cavite, a former US base, is now the site of dilapidated military facilities. One Filipino navy officer complained that since the Americans left, not much has been done to make Sangle Point functional again. This inevitably also meant the deterioration of the upkeep of the Philippine Navy which

hampers the country's security as well as economic interests. He pointed out that even if there is a Subic Base, this does not serve Philippine interests because the Philippines is not concerned with carrying out a global warfare policy. It is most concerned with developing a navy which can pursue immediate national concerns.[1] This includes going after Japanese fishing boats that exploit ocean resources in Philippine territory. This ultimately deprives the country of an important source of livelihood as well as income. Thus, the development of the country's naval capacity is not only for security but more importantly, for economic reasons.

The residents of Angeles and Olongapo where the two major American bases, Clark Air Base (CAB) and Subic Naval Base (SNB) are respectively located, also expressed economic rather than security concerns in connection with these U.S. military facilities. In an exchange with some workers in one of Subic's ship repair factories, they relayed their desire to retain the bases not so much because of Soviet incursion but because it is their source of employment.[2]

In relation to this, it was interesting to note that in a meeting with some officials of the Philippine Shipyard and Engineering Corp. (PHILSECO), it was pointed out that Filipino workers in Subic are very skilled in repairing ships. This was one reason why PHILSECO was put up, i.e., to offer ship repair services to other nations. This was envisioned to be a lucrative source of foreign exchange for the Philippines.[3]

The PHILSECO official, however, revealed that the Cold War policy of the United States was interfering with the company's money-making venture. Recently, a foreign ship was given clearance by the Philippine government to be repaired by PHILSECO. It was, however, vetoed by the American officials in Subic Base because there were Yugoslavian sailors on board. Thus, the presence of crew members coming from the socialist bloc in the ship to be repaired prompted the Subic officials to declare the ship as "detrimental to U.S. security".

At this point the PHILSECO officials could only express their frustration over such a policy. It is estimated that the Philippines could

easily lose US\$50 million if the Americans vetoed all foreign ships having crew members from socialist countries from availing of the services of PHILSECO. This is just one of the many cases whereby Cold War politics clearly intervenes with the economic needs of an underdeveloped society.

The establishment of the bases in the Philippines has also led to not only a dependent kind of economy, i.e., an economy dependent on servicing the U.S. bases in Angeles and Olongapo, but also to a perverted one as well. Among those who are the first to protest any proposal to remove the bases are the prostitutes who have eked out a living "servicing" Americans stationed in the bases. Also included in these perverse economic activities are underworld practices such as smuggling and drug syndicates.

The people in Angeles and Olongapo through the years have also grown conscious of the need to develop an economy which is less dependent on the bases. Such an issue becomes more pressing when one realizes that the bases may not always be there to patronize their business enterprises. Some members of the Angeles Chamber of Commerce, for example, complained that the presence of the bases does not ensure them a monopoly of the business contracts from Clark. For example, the construction of certain new facilities, e.g., housing, in Clark Air Base, was not awarded to Angeles' small-time contractors but to a multinational corporation based in Metro Manila.

Quite a number of them have begun to look for other means of generating profit even without the bases. A furniture-maker revealed that he has expanded to the furniture export business with other small-scale and medium-scale entrepreneurs. Its success has grossed them millions in earnings. He lamented that they could have started this much earlier if they were not fully engrossed in supplying furniture only to clients in the US bases. Other members of the Olongapo business community have also taken steps to come up with economic alternatives to the bases. Ideas range from the establishment of a fishport in Olongapo to the transformation of the city into another Hongkong-like free-port. Farthest from their concern is the United States' rationale for keeping the bases in the country, i.e., security reasons.

One of the more significant NGOs in Olongapo, i.e., KASARINLAN (Kampanya Para Sa Sariling Industriya, Lupa at Nasyonalismo) has also noted that the economy engendered by Subic Base does not address the issue of an independent economy and more importantly, the question of political stability. In its attempt to offer a conversion study for the bases, it argues for a "conversion process coupled with a Just Land Reform program and a FILIPINO FIRST policy". It views these policies as necessary for the achievement of peace, i.e., to stop the growing insurgency and to bring about the demilitarization of Philippine society.[4]

Several non-governmental organizations (NGOs) in the Philippines likewise describe the bases as having encouraged the perversion of national priorities. For example, steps are being taken by American bases authorities to relocate two squatter communities surrounding the base because the latter allegedly "hamper the security of the bases". As of today, these squatters have refused to move. Aside from arguing that they have occupied these areas for almost a decade, they protest that "it is the Americans and not them who are squatting on Philippine soil".[5]

It was also pointed out that the "benefits" of economic activities within the bases have not contributed to any qualitative redistribution of wealth. Angeles and Olongapo, as with the other cities or towns in the country, for example, typify the wide discrepancies between rich and poor in Philippine society. The Cold War rationale for retaining the bases thus seems to hold no ground for the Filipino people. Appreciation of the presence of the U.S. bases seems more dependent on how they affect them economically. But even though some have built their lives around them there are others who have chosen to totally ignore the bases and have begun setting up an independent economic life. The latter is the goal of the cooperative established by NPA founder Bernabe "Dante" Buscayno. This cooperative, which is situated in Sta. Rita, Tarlac (Tarlac borders the province of Pampanga) consists of around 5000 hectares with at least 3,700 farmers working on it. When asked how the issue of the bases is affecting this endeavor, he pointed out that Cold War politics is certainly of no immediate concern. What needs pressing

attention is the problem of generating sources of livelihood which will provide peasants in the region self-sufficient economies-of-scale. This project, he assures, will prosper with or without the bases. [6]

Whether Buscayno likes it or not, however, the cooperative may still be rendered inutile once it gets caught in another dimension of Cold War politics going on in the Philippine countryside, i.e., the war between the New People's Army and the Philippine military. The total war policy of the latter has rendered futile the socio-economic solutions to the insurgen-

cy problem. This has not only led to the further polarization of Philippine society but has also been a major obstacle to any effort, particularly at the grassroots level, to encourage people's participation in development activities. Any attempt at encouraging genuine popular empowerment is held inimical to military interests. Such a Cold War mentality threatens to be much, much more pernicious than the presence of the military bases itself. Not only does it hinder any chance for national reconciliation and political stability but also provides the perfect formula for perpetuating Philippine underdevelopment.

NOTES

1.Meeting with Philippine navy officials in Sangley Point, Cavite, July 19, 1989.

2.Interview with some workers in Subic's shipping repair factory, Olongapo, June 20, 1989.

3.Meeting with PHILSECO officials, Olongapo, June 20, 1989.

4."Some General Steps and Reflections for a Successful Conversion Strategy", handout given during a talk with

Olongapo sectoral representatives, Olongapo, July 20, 1989.

5.Meeting with squatter communities of Barangays Macapagal and Marcos, Angeles, Pampanga, June 21, 1989.

6.Meeting with Dante Buscayno, Sta. Rita, Tarlac, July 21, 1989.

Ibon Facts and Figures, June 30, 1987

