



THE DIRECTOR OF  
CENTRAL INTELLIGENCE

National Intelligence Council

27 December 1982

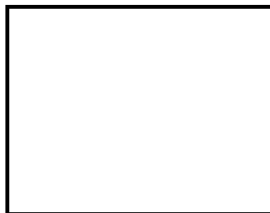
MEMORANDUM FOR: DCI  
DDCI

FROM :  A/NIO/EA

SUBJECT : Analysis of Possible Future  
Contingencies in East Asia

Attached is the first of four contingency papers done under the auspices of NIO/EA.

The remaining three are on the ROK, Sino-Soviet relations, and the likelihood of Labor governments coming to power in Australia and New Zealand.



Attachment

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NIC #10499-82

## THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

National Intelligence Council

27 December 1982

MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence

THROUGH : Chairman, National Intelligence Council  
: National Intelligence Officer for East Asia

FROM :  STAT  
Assistant NIO for East Asia

SUBJECT : Analysis of Possible Contingencies - Philippine Base  
Negotiations

1. Background -- We are now getting into a year of talks with the Philippine Government -- technically scheduled for April-September 1983 -- under the terms of the US-Philippine Base Agreement which is next up for formal review in 1988. Mainstream analysis is that the 1983 talks should hew to precedent with most items taken care of through official level wrangling between US Embassy/Military and counterpart Philippine teams in Manila. A few matters would be held to the end to be settled by direct talks between Ambassador Armacost and President Marcos, to the dramatic credit of the latter. Thus far, we see no reason not to anticipate a replay of this traditional scenario.

2. Plausible but not likely to occur -- Should Ferdinand Marcos depart the scene in 1983, either by death or removal, the base review could be much messier, with the role of the Philippine military hard to foresee. If a successor felt that it was in his or her interest to demonstrate ability to handle the Americans in a style comparable to Marcos', then the outcome probably would be similar to those obtained in the past. However, if standing up to the Americans seemed more useful to insure succession, or if Leftist pressure made continuation of the bases under present circumstances undesirable, a successor or contending successors could levy unacceptable demands on the US in the course of these talks.

3. Marcos at his worst -- Marcos may feel that he is being taken for granted by the US -- a malady to which he has fallen prey in the past -- and attempt to tax us to the utmost in the course of these talks. For example, he may feel that the presence of the Soviets in former US bases in Vietnam raises the worth of Clark Field and Subic Bay

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to Washington and escalate his monetary, sovereignty and other demands to unacceptable levels. Under such circumstances he would be more difficult to placate but presumably would still want a successful outcome to the negotiations. If the talks drag on into 1984 an element could be Marcos' estimate as to whether there will be a Republican or Democratic Administration in 1985. Marcos is believed to feel that the Republicans are basically more sympathetic to him and that he is more likely to extract greater concessions from them than from a Democratic Administration which might be preoccupied with his record on human rights, corruption and dismembering of the institutions of Philippine democracy. Accordingly, if Marcos thinks the Democrats are coming back into power in the United States he will probably wish to settle on favorable arrangements with the United States under a Republican Administration.

4. The Spratlys Claim -- We anticipate that the Philippines will again press us to enlarge the area to be defended by the United States under the security treaty to include the Spratlys, which we have always declined in the past. In addition to the US view that the Philippines claim to the Spratlys is intrinsically weak, the US has always resisted assuming a defense commitment to islands claimed by China and Vietnam as well as the Philippines. Marcos might feel he has to make a great show of pressure on the US on this traditional item. Eventually he should be deterred if the USG remains resolutely opposed.

5. The Money -- A package of assistance to the Philippines, to be included in the State and DoD budgets, will be negotiated in return for the continued use of our military facilities there. Congressional approval will be sought and is now anticipated. However, if there should be a sanguinary and repugnant succession drama or a series of human rights outrages, Congress might delay and otherwise manifest reluctance to come up with the wherewithal.

6. Miscellany -- Other items may occasionally grab a headline in the course of these negotiations but don't qualify for our plausible contingency list above. These include impasses on the questions of judicial restriction over US servicemen committing crimes, and the role and authority of the Filipino base commanders at Clark and Subic. Moscow might decide that a bit of saber rattling is in order to activate the Philippine Left and scare the faint hearted against our continued military presence there. However, we anticipate that this would strengthen Marcos' and the Filipino military resolve to keep the American military in the Philippines as protection against Soviet power deployed from Cam Ranh Bay. Hard to fit under any heading is Marcos' and general Filipino feeling of distaste for discussions by US and Japanese leaders of Japanese naval patrols 1000 miles south of Japan, which includes Manila Bay. In a perverse way, such discussions may provide further incentives for the Filipinos to keep the Americans in Clark and Subic, reducing the likelihood of the Japanese fleet to return.

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SUBJECT: Analysis of Possible Contingencies - Philippine Base Negotiations  
(NIC #10499-82)

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