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1979 AMENDMENT OF THE MILITARY BASE AGREEMENT  
(MBA) WITH THE PHILIPPINES

Negotiating Environment. The 1978-79 review of the MBA with the Philippines was prompted by Philippine concerns, dating back several years, over sovereignty aspects of the bases and by President Marcos' desire to test the strength of the US-Philippine relationship.

General Objectives/General operating rights. Our chief aim--which we achieved--was to preserve our unhampered use of our military facilities. We did not seek to expand or to acquire new rights. Our unhampered right of use was reaffirmed in an exchange of notes.

Out of area transits/overflights. Our rights at Subic and Clark were not challenged during the Indian Ocean crisis and the inauguration of US flights from Subic to Diego Garcia. Philippine dependence on Middle East oil has made it sensitive, but so far not resistant to US activities in Southwest Asia.

Quid. For the first time since the MBA went into effect and despite our treaty relationship, we were obliged in the 1979 review to negotiate an aid package for continued use of our facilities. While the aid package eventually negotiated was half of that discussed several years earlier with the Philippine government by Secretary of State Kissinger and was restricted to a "best efforts" side letter by President Carter, we had to exceed our negotiating limit of \$400 million for five years by \$100 million. We also turned over a large portion of base lands but retained use of all essential facilities.

We also deflected Philippine efforts to extend the negotiations into the mutual defense treaty relationship, and particularly to expand its coverage to apply to the Philippine-claimed part of the Spratly islands, while reaffirming the basic quality of the relationship. At the same time, we were obliged to provide some acknowledgment of the host's sovereignty by proclaiming the bases to be Philippine, agreeing to the appointment of Philippine base commanders and base garrisons, and permitting the Philippines to provide perimeter security. These sovereignty aspects were highly satisfying to the Philippine government and did not detract effectively from our unhampered use of the facilities that we retained within the "Philippine" bases.

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SOFA. Permitting the Philippine government to provide perimeter security facilitated our efforts to oppose renegotiation of the NATO-like criminal jurisdiction arrangements. At the same time, it has proved effective in reducing friction between Filipinos and US personnel on the facilities.

Other. In the course of the negotiations, it was agreed that the military commanders would work out arrangements through which Philippine authorities would assume jurisdiction over customs, immigration, and quarantine matters subsequent to the conclusion of the negotiations. Talks began in 1982. The arrangements agreed to on December 8, 1982 do not adversely affect our use of the facilities.

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