

PHILIPPINES-CHINA RELATIONS: BEYOND THE TERRITORIAL DISPUTES

by Andrea Chloe A. Wong

The long-standing relations between the Philippines and China, which span several centuries, have developed into a multifaceted and wide-ranging partnership. Throughout their historical interactions and bilateral exchanges, relations have been warm and cordial. In recent years, however, Philippines-China relations have experienced fiery issues that resulted in a “cooling off” of bilateral ties, hitting its lowest point since the establishment of their diplomatic relations in June 1975.

The relationship has lately been dominated by the territorial disputes in the West Philippine Sea that has deteriorated since the April 2012 naval standoff over the Scarborough Shoal. This is further aggravated by issues of Chinese illegal occupation and unlawful establishment of infrastructures, as well as several incidents of incursions and encroachment within the Philippines’ exclusive economic zones (EEZ). Bilateral ties took a downturn when the Philippine government filed an arbitration case against China, challenging the legality of China’s nine-dash line claim over the South China Sea. The Philippines’ arbitration case was filed under the United Nations Convention on the Law of the Sea (UNCLOS) in January 2013; a Memorial, or written pleading of the arguments and merits of the case, was submitted to the Arbitral Tribunal in March 2014.

Although the territorial disputes have been in the spotlight for years, these should not hinder the two countries from pursuing cooperation in other areas. Given the wide-ranging and comprehensive ties between the Philippines and China, there are other aspects in the relations that should prompt them to cooperate for their mutual benefit. Both nations can explore areas for further collaboration in trade, investments, tourism, and culture, which can minimize or neutralize tensions emanating from the territorial disputes. The challenge for both countries is to compartmentalize contentious security issues on the one hand, and practical areas for cooperation on the other, which will create a more conducive environment for continued bilateral engagement. Moreover, it is important to focus more on the constructive aspects of the relationship and emphasize both countries’ long-term value to each other. These shall motivate them to set aside differences and work together for their mutual benefit.

Areas for Cooperation

The Philippines and China can channel efforts into expanding and deepening cooperation in other fields of their bilateral ties. Existing agreements can serve as the framework to accomplish this. Both governments signed the Philippines-China Years of Friendly Exchanges (2012-2013) in September 2011, despite the irony of the timing given the increasing hostilities in the West Philippine Sea. The Joint Action Plan for Strategic Cooperation (2012-2016) signed in October 2009 is also a fitting guide to collaborate in all aspects of Philippines-China relations, especially amidst the current security tensions. The following are some of the areas that both countries can focus on:

Bilateral Trade

Despite the security issues, trade between the two countries remains stable and is even growing. In 2013, the

total trade between the Philippines and China reached USD 14.61 billion, a considerable increase from the total trade of USD 12.84 billion in 2012 and USD 12.32 billion in 2011.¹ This active trade consistently makes China the third largest trade partner of the Philippines after Japan and the US. The rising statistics in total bilateral trade over the years reveals that the security issues between the two countries have relatively less impact in their economic relations than is often assumed, and that these areas can be compartmentalized for their mutual benefit.

However, there are some challenges that both countries must take into account. Given the political and security issues with China, the Philippines may have to face stricter implementation of rules and regulations by Chinese authorities in its trade dealings and commercial transactions. This was evident when China imposed stringent food and safety standards and requirements that led to the ban on banana imports from the Philippines in March 2012. The ban was enforced after Chinese quarantine officials discovered millibugs in several containers of bananas shipped from the Philippines to China.

The decision was widely seen as China's reprisal against the Philippines at the height of the disputes in Scarborough Shoal, though authorities in both countries officially dispute this claim. Whether or not this perception is accurate, the possibility of a similar or related incident happening again remains high. It is highly probable that both governments may be tempted to enforce stricter regulations in response to political issues, not only on trade and commercial dealings but also on other areas such as visa applications. What should be taken into consideration is that such actions are counterproductive and will only result in further fueling of tensions between the two countries.

Meanwhile, the similarity in the nature of products traded between the Philippines and China must also be addressed to expand bilateral trade. Philippine imports from China include electronic products, mineral fuels, and light industrial products, among others. Meanwhile, Philippine exports to China are highly concentrated on electronic products, semi-conductors, and mineral fuels.² It is therefore important for the two sides to enhance trade complementarity and to diversify their trade imports and exports away from competing mechanical and electrical products. This will not only maximize and improve bilateral trade, but also motivate both countries to maintain mutually beneficial cooperation.³

Tourism Promotion

China continues to be an important source of tourists for the Philippines. In 2013, there were 426,352 Chinese tourists who visited the Philippines, which is a 69.9 percent increase from the 250,883 tourists recorded in 2012.⁴ China now ranks fourth in the highest number of tourist arrivals after South Korea, US, and Japan respectively.

The statistics are considered to be a positive development for local tourism, considering the travel warnings against the Philippines in recent years. At the height of the standoff between Philippine and Chinese vessels at the Scarborough Shoal in 2012, the Chinese government issued a travel advisory discouraging its citizens from visiting the Philippines. Moreover, the hostage crisis in Manila in 2011 that led to the death of eight Hong Kong tourists resulted in a black travel warning against the Philippines.

Prospects of an increasing number of Chinese tourists coming to the Philippines look promising as the Department of Tourism (DOT) intensifies its promotional efforts in China. Because of the DOT's aggressive marketing efforts under the "It's More Fun in the Philippines" campaign, the country is becoming one of the preferred destinations among Chinese tourists. In 2013, the Shanghai Morning Post dubbed the Philippines as the "Best Tropical Island Destination" and the "Most Romantic Destination" based on its survey of Chinese consumers.⁵

The Philippine government can encourage more Chinese tourists to visit the country by engaging with private stakeholders from the local tourism industry. Aside from intensifying its tourism promotion, it can also improve travel access to the country by allowing more airlines to have direct flights from key areas in China to the top travel destinations in the Philippines. There are already chartered flights from major cities in China going to Boracay, Laoag, Clark, and Cebu. It is also expected that local-based airlines will soon open regular chartered flights from Chinese cities to luxury sites in Misibis Bay, Puerto Princesa, and Bohol.⁶

Development Cooperation

Aside from advancing economic relations, both countries can learn from each other's development experiences. For the Philippines, there is much to learn from China's approaches to development, based on its credible record of lifting millions out of poverty and its ability to generate economic growth. Moreover, "its strong visionary leadership and its successful rise in world status, while overcoming its own structural constraints are enviable to Filipinos, especially because of past Philippine failures in this regard."⁷

Despite its development feat, China is still considered a developing country and faces similar problems as the Philippines, albeit on a much larger scale. Thus, its laudable efforts towards development can provide lessons for the Philippines, particularly in providing for social welfare needs, managing food production and distribution, generating employment, promoting mass education, and instituting disaster mitigation policies. Also worth emulating is the strong role of local government in China as a primary force that drives its economic and social development, though "it will have to be adapted to local Philippine conditions requiring partnerships with the private sector and civil society organizations."⁸

In turn, China can also learn from the Philippines' unique experiences and distinct practices toward national development. For instance, the China Foundation for Poverty Alleviation, the largest non-government organization (NGO) in the country, has plans to study the development of a cooperative mechanism with the Department of Social Welfare and Development (DSWD) of the Philippines.

Despite the differences in their political landscape, China can also learn how Filipino civil society operates as an instrument in effecting social and economic change. It can benefit from the best practices of the various NGOs in the Philippines, though Chinese organizations planning to implement new development approaches may require collaboration with the local governments in China.

Sports and Cultural Exchange

Promoting sports and cultural exchanges are also vital in enhancing Philippines-China relations especially amidst political and security tensions. The use of soft power by both countries is deemed necessary to neutralize the display of their hard power, which is obviously asymmetrical between the Philippines and China.

There should be more sports activities, similar to the basketball games and exhibitions led by former NBA star Yao Ming during his visit to the Philippines in May 2013. Other cultural initiatives such as film showings, art exhibits, musical performances, and food festivals must be regularly organized. For instance, the Philippine Consulate in Shanghai hosted the "Flavors of the Philippines" in September 2013, a cultural event that featured Filipino food, traditional music, and folk dance. These not only create cultural awareness but also generate understanding among Filipinos and Chinese about each other.

An important area in cultural exchange is the study of languages. For Filipinos, learning and mastering the Chinese language is a critical key to break into and understand China's society, politics, and culture. At present, there is a growing interest among Filipinos to learn the language, especially for academic, employment, and business

purposes. However, the difficulty of studying the Chinese language prevents most Filipinos from gaining fluency in it. To encourage more Filipinos to learn the language, the Chinese government has established three Confucius Institutes in the Philippines since 2007 in Angeles University, Ateneo de Manila University, and Bulacan State University. These institutes are intended to attract Filipinos to study Chinese language and culture and to promote people-to-people linkages.

The study of the Filipino language in China does not generate considerable interests among the Chinese, compared with the other languages in Southeast Asia. The general use of the English language as the medium of instruction in the Philippines makes learning Filipino unnecessary for most foreigners. However, Peking University offers a degree course in Philippine studies for Chinese undergraduate students who want to learn not only the Filipino language, but also about the country. There are about 10 Chinese students enrolled in this course, which shows the limited interest on the Philippines.

It is therefore important for the Philippines, especially the academic institutions and private business sectors, to support such educational endeavors by offering scholarships to current and prospective Chinese students and by providing travel fund for them to visit the country. These will entice the students to learn more and gain first-hand knowledge about the Philippines. This can be considered a long-term investment for these students who will potentially become Chinese experts on the Philippines who speak fluent Filipino. It is hoped that this educational investment would develop better awareness and long-term understanding between the two countries.

Media and Public Opinion

Since the April 2012 standoff over the Scarborough Shoal, Philippine and Chinese media have given the security tensions significant coverage that have negatively affected the views and perceptions of ordinary citizens from both countries.

At the height of the standoff, there were incidents of cyber attacks by Filipino and Chinese netizens on each other's private and government websites. Public opinion polls in the Philippines also reveal a negative trust rating on China since 2012, while the Chinese view the Philippines as the second least trustworthy country after Japan.⁹ These trust ratings among the Filipinos and Chinese would fall significantly whenever news reports about incidents in the West Philippine Sea are reported in the media.

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To improve mutual perceptions, both governments can have the media play important roles, not only to generate strong support for their national positions, but to enhance bilateral ties. They can embark on information dissemination campaigns by employing the resources of state-controlled media on the Chinese side and the democratic and free press on the Philippine side. While reporting the incidents in the territorial disputes is inevitable, both governments can encourage the media to emphasize other positive aspects of the bilateral relations to counterbalance hostile public perceptions and to prevent public tensions from heating up.

In the Philippines' case, the Department of Foreign Affairs has recently made significant efforts to improve public perceptions on China. It has strengthened its public diplomacy by enhancing communication and cooperation with the local media and providing information and clarification on some legal and diplomatic nuances, particularly in reporting about China and the West Philippine Sea. It has also engaged with Chinese media professionals by inviting them to a "Chinese Media Familiarization Tour" in the Philippines in August 2013. The event acquainted members of the Chinese media about Philippine history, politics and foreign policy that would hopefully enable them to write more accurate and balanced news about the country.

It is hoped that more of these media exchanges and activities will be organized to prevent political issues from spilling over to people-to-people relations. Such endeavors can also narrow the large gap in mutual perceptions between the two countries and their citizens. Ultimately, an enlightened nation—rather than an antagonistically aroused public – can create a more cordial atmosphere for bilateral exchange.

Prospects for Positive Partnership

To restore normal ties between the two countries, it is important to persist in diplomacy both in managing disputes and in strengthening cooperation. Doing so requires keeping the channels open for communication and taking advantage of any openings to engage politically, especially among leaders of the two countries.

If cordial and constructive bilateral discussions are not viable in the interim, there are various regional forums such as ASEAN, East Asia Summit, and APEC that Filipino and Chinese government officials can make the most of by talking on the sidelines. In the case of the Philippines, officials from the Department of Trade and Industry (DTI) and the Department of Tourism (DOT) can continuously cooperate with their Chinese counterparts to maintain positive bilateral engagement. Meanwhile, if dialogue between state leaders and officials is not feasible, then other government representatives can pursue bilateral engagement. For instance, a 12-woman delegation from the House of Representatives of the Philippines led by Rep. Gina de Venecia, President of the Association of Women Legislators Foundation Inc., met with Vice Minister Chen Fengxiang of the International Department of the Communist Party of China (IDCPC) last May in Beijing, China. The meeting was deemed an excellent opportunity to continue people-to-people exchanges that would help improve bilateral ties.

While the political and security issues dominate the relations, these are not the entirety of a very expansive and multidimensional partnership. Evidently, there are several opportunities for collaboration that can be reinforced and explored. Because of these, both countries are expected to effectively compartmentalize political and security issues with other areas in the bilateral ties. Ultimately, the goal is to prevent long-standing disputes from affecting existing and potential cooperative endeavors, especially since there is growing economic interdependence and deeply-held cultural affinity between the two nations. Moreover, both governments are expected to encourage more people-to-people exchanges and to pave the way for public interaction to flourish.

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These efforts can be considered a strategic investment to gain enough public goodwill that would contain or defuse skepticism and enmity at the state level. It is therefore critical for the Philippines and China not to allow bilateral issues to poison the atmosphere for cooperation. This means going beyond the tense and unconstructive cycle of "action-reaction," which tempts either country to provoke tensions in contested maritime areas that result in vehement protests from the other. Unfortunately, this has been the status that currently depicts Philippines-China relations. To overcome this requires significant effort from both countries, not necessarily to put maritime conflicts and territorial issues at the back burner, but to take them off the center.¹⁰ This would hopefully provide more leeway and flexibility for both countries to focus on other positive and productive areas in the bilateral relations.

In reality, this is a tough challenge for the Philippines and China to put into practice, since it merely takes a few hostile incidents at sea to revert back to mutual suspicion and mistrust. To address this, both countries must be constantly reminded of the long-term value in maintaining functional cooperation to sustain bilateral relations beyond the disputes. For the Philippines, China is a vital economic partner that it must constantly deal, in view of the financial benefits which, in turn, contributes to national development. For China, the Philippines is an

important nation that it must get along with to gain the trust and respect of other states in the region, particularly as it tries to prove itself a responsible great power. While protecting one's territorial sovereignty is a vital component of a country's interests, it is also in the best interest of the two nations to work together for their mutual benefit.

As the old saying goes, one can choose one's friends but one cannot choose one's neighbors. This is also true for countries in the region, which should all the more motivate the Philippines and China to develop further bilateral cooperation and to exercise restraint in dealing with territorial disputes. 🌸

Endnotes

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