

Chapter 14

45 YEARS OF PHILIPPINES-CHINA RELATIONS AND THE SOUTH CHINA SEA DISPUTE: TOWARDS COMPREHENSIVE STRATEGIC COOPERATION DURING THE COVID-19 PANDEMIC*

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Introduction

The Philippines and China have reached 45 years of relationship in 2020. Like many other bilateral relationships, the Philippines and China have their own stories of ups and downs, connecting and distancing, and enmity and amity (Ho 2009).

Since the formal establishment of their diplomatic relations in 1975, the South China Sea dispute has been a thorny issue in the Philippines-China relations (Baviera 2016, 161-185). Maritime

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and territorial claims in the South China Sea are sources of enmities in their bilateral ties creating an impression of adversarial relations between the two countries.

But the dispute is just one aspect of their overall bilateral relations. As a whole, the Philippines and China remain friends and caring neighbors as they have been since many centuries ago. As early as the 10th century, local leaders from the archipelago that is presently known as the Philippines have already established very peaceful, productive, and friendly bilateral relations with China. There was even an argument that local lords from the Philippine islands initiated various trips to China to sustain and strengthen their friendly relations for purposes of trade and commerce.

According to William Henry Scott, a famous historian and anthropologist who examined ancient Chinese historical records, Filipinos went to China first in order to establish and maintain good neighborliness (1983, 1). Thus, the archipelago was already recorded in ancient Chinese maps. Currently, the COVID-19 pandemic has strongly demonstrated that in the midst of terrible crisis, the two countries can still rely upon each other in their aspirations to promote comprehensive strategic bilateral cooperation for mutual benefits.

This paper briefly takes stock of Philippines-China relations after 45 years of the formal establishment of their diplomatic relations. It argues that Philippines-China relations have, thus far, experienced five major periods: Normalization Period (1977-1991), Turbulent Period (1992-2004), Golden Age (2005-2010), Lowest Moment (2011-2015), and Newest Heights (2016-2020). The prevailing situation in the South China Sea greatly affected Philippines-China relations during these periods. The COVID-19 pandemic and its aftermath can create another epoch in the two countries' bilateral ties.

Normalization Period, 1977-1991

Since 1975, the Philippines has been pursuing a policy of maintaining friendly ties with China amidst their different national positions on maritime and territorial disputes in the South China. Then President Ferdinand Marcos (1975-1986) wisely established this friendly policy towards China. Marcos saw the importance of cooperating with China as matter of national survival during the cold war while at the same time getting along with the United States as a security ally.

When Marcos visited Chairman Mao Zedong in June 1975 to formalize their friendly ties, Mao exclaimed, “It takes two hands to clap,” and that their two nations “are one family now.” Thereafter, they enjoyed the normalization period where they entered into various bilateral cooperation agreements covering broad areas of trade, investment, tourism, air services, cultural exchanges, scientific cooperation, technical collaboration, agricultural development, avoidance of double taxation, postal and parcel agreements, educational partnerships, and even military-to-military ties. They also became important trade partners in Asia. From a trade volume with China of USD 20 million in 1974, the figure spiked to USD 300 million in 1984, making China the Philippines’ sixth largest trading partner in 1985 historically surpassing Taiwan (Lim 1998).

Improved economic ties were products of better political ties. China supported the Philippine government in its campaign against the New People’s Army (NPA) by not interfering in each other’s domestic affairs. During the oil crisis in the 1970s, the Philippines received friendly price of oil from China to ameliorate Philippine economic crisis. Though Marcos became assertive of Philippine territorial claim in the South China Sea by creating in 1978 the municipality of the Kalayaan Island Group (KIG) in the Spratlys, China’s military attention was the Vietnamese invasion

of Cambodia, which led to the Sino-Vietnamese War or the Third Indo-China War of 1979 (Quisumbing 1983).

Under Chairman Deng Xiaoping, China began its economic reforms by opening up to the world in 1979. The Philippines has benefited from this opening up policy through greater improvements in trade, investment, and tourism relations (Lim, 1999).

Former President Corazon C. Aquino (1986-1992) sustained this level of friendship with China despite the preference of her administration to strongly embrace the Philippines' long-standing security alliance with the United States. China was even one of the first few countries in the world that recognized the legitimacy of the Aquino government (Reid and Guerrero 1995).

But during her term, Philippines-China relationship was in the state of uncertainties arising from the arduous process of democratic restoration in the Philippines and bothering democratic challenges in China, especially in 1989 during the Tiananmen incident and the breakdown of the Berlin Wall. This was a difficult period in Philippines-China relations as both needed to confront their respective security challenges in the post-cold war. The difficulty was exacerbated by the fact that Aquino gave more accommodations to Taiwan, which became the Philippines' fourth trading partner during her term relegating mainland China behind.

Yet, they committed to remain friendly not only at the government-to-government level but more so at the people-to-people level. The Aquino government intensified economic, cultural, and educational exchanges with China and opened up closer relationships among their non-governmental organizations. When Aquino visited China in April 1988, she acknowledged her roots to Fujian province where her ancestors originated. Aquino even stressed the ancient origin of Philippines-China relations where they shared unbroken friendship.

Turbulent Period, 1992-2004

The Philippines-China relations became troublesome and turbulent during the administration of former President Fidel V. Ramos (1992-1998), arising from the lingering territorial disputes in the South China Sea. In 1992, China passed the Law on Territorial Sea and Contiguous Zone. This law was controversial, as it advanced China's claims to sovereignty over reefs, shoals, and other geographic features in the South China Sea being claimed also by other states (Herriman 1997, 15-20). This created security anxieties not only in the Philippines but also in other countries in the Asia Pacific region with different strategic outlooks of China.

Despite the turbulent situation, Ramos visited China in 1993 with the intention to expand economic relations and to manage territorial disputes with China. He wanted to improve economic ties with China in order to overcome their political differences on the South China Sea. Ramos even established personal ties with then President Jiang Zemin, who assured the Philippines that China would settle their disputes with neighbors peacefully in order to promote mutual economic prosperity.

In 1995, however, China established its control over the Mischief Reef. This aggravated the growing security concern of the Philippines over the issue of China's creeping assertiveness in the South China Sea (Storey 1999, 95-118). To surmount this trouble, the Philippines signed with China in August 1995 the Joint Statement on Philippines-China Consultations on the South China Sea and other Areas of Cooperation to emphasize the need for bilateral consultations and cooperation to peacefully manage their existing conflicts in the South China Sea. Ramos, therefore, pursued the principle of economic diplomacy to promote bilateral cooperation with China. Ramos believed that bilateral cooperation could overcome bilateral conflicts.

As a result of Ramos' economic diplomacy with China amidst

their troubled relations in the South China Sea, their over-all trade and investment relations interestingly improved. From a trade volume of USD 457 million in 1994, it increased to USD1,306 million at the end of 1995. This was a 65 percent increase in just one year despite the Mischief Reef incident (Lim 1999). Even Chinese-Filipino businessmen were encouraged to invest in China despite the two countries' political problems in the South China Sea. This demonstrated that troubled political relations in the South China Sea did not affect good economic relations between the two countries. Although the territorial disputes encouraged the Ramos government to sign the Visiting Forces Agreement (VFA) with the United States in February 1998 at the tail end of his presidential term, it was business as usual between the two countries in the area of trade, investment, and tourism.

During the administration of President Joseph Estrada (1998-2001), political troubles in the South China Sea did not disappear. The political problem became more complicated in 1999 when China fortified its structures in the Mischief Reef. This encouraged the Philippine Senate to ratify the VFA in order to play the American card with China (Banlaoi 2013, 55-66). At the same time, the Estrada government pursued greater bilateral cooperation with China when he visited the country in May 2000. There, he met President Jiang Zemin to sign the Framework of Bilateral Cooperation in the Twenty-First Century. This framework elevated the status of Philippines-China relations to the higher plane in order to overcome their turbulent relations in the South China Sea.

Golden Age of Bilateral Relations, 2005-2010

But the Estrada government was short live. It was during the administration of President Gloria Macapagal Arroyo (2001-2010) when the Philippines and China enjoyed the “golden age”

of their relations, which coincided with the support of these two countries to the US-led global war against terrorism (Banlaoi 2007).

At the regional level, China improved its relations with the members of the Association of Southeast Asian Nations (ASEAN) when they signed in 2002 the Declaration on the Conduct (DOC) of Parties in the South China Sea. The DOC aims to pursue cooperation and avoid conflicts in the South China Sea. In 2005, then Chinese president Hu Jintao visited the Philippines where both countries decided to set-aside territorial dispute in order to pursue economic cooperation and joint development. This led to the adoption in 2005 of the Joint Seismic Marine Undertaking (JMSU) by China, the Philippines and Vietnam (De Guzman 2014, 71-97). However, the Philippines stopped the implementation of JMSU because of domestic controversies (Baviera 2012).

Nonetheless, then president Gloria Macapagal-Arroyo pursued the policy of comprehensive engagement with China ushering in the golden years of their bilateral ties (Baviera 2000). In 2007, the Philippines and China reached the highest level of their trade relation when it reached USD 30.6 billion. By the end of Arroyo term in 2010, China became the Philippines' third largest trading partner and the greatest provider of Official Development Assistance (ODA) to the Philippines. From 2001 to 2010, China committed a loan of USD 1.3 billion to the Philippines and signed 65 agreements covering broad areas of cooperation. From economic, trade and cultural relations, the Philippines and China under the Arroyo administration also pursued counterterrorism cooperation as part of their bilateral efforts to join the international community in the global fight against terrorism. Yet, Arroyo remained cautious of its relationship with China because on the lingering disputes in the South China Sea (Baker 2004, 2-8).

Lowest Moment of Bilateral Ties, 2011-2016

Sadly, the Philippines-China relations severely deteriorated under then president Benigno Simeon Aquino III (2010-2016) because of the South China Sea disputes (See and Sta. Romana 2013). The Scarborough Shoal standoff in 2012 and the subsequent filing of an arbitration case by the Philippines against China in 2013 led to the worsening of their bilateral ties under the Aquino III administration (Banlaoi 2012).

During the commemoration of the 40th anniversary of their bilateral relations in June 2015, which could be a great landmark in their bilateral ties, the Philippines and China was ironically cold and distant with each other.

From the “Golden Age” of Philippines-China relations in 2005, their bilateral ties has reached its lowest point on January 22, 2013 when the Philippine government under Aquino III submitted its Notification and Statement of Claims (NaSoC) to the International Tribunal on the Law of the Sea (ITLOS). The main purpose of the NaSoC was “to initiate arbitral proceedings to clearly establish the sovereign rights and jurisdiction of the Philippines over its maritime entitlements in the West Philippine Sea (Republic of the Philippines 2013).” The Philippine government under Aquino III pursued the foreign policy option of international arbitration as it considered it the most peaceful and most civilized way of settling international disputes.

But the government of the People’s Republic of China (PRC) rejected, ignored, and even returned the NaSoC made by the Philippine government. Ridiculed by the Philippine government’s legal action, the Chinese government even emphasized that the PRC would not take part in the arbitral proceedings requested by the Philippine government under the United Nations Convention on the Law of the Sea (UNCLOS). The PRC’s foreign policy preference was to pursue direct bilateral negotiations with the

Philippines to settle their disputes in the South China Sea.¹

Nonetheless, ITLOS, through the Permanent Court of Arbitration (PCA), acting as the official registry in the proceedings, created the five-member International Arbitral Tribunal (IAT) to hear the Philippine submission even without the participation of China. On July 11, 2013, the IAT held its first meeting in The Hague. On August 27, 2013, the IAT released its first Procedural Order that adopted the Rules of Procedures of the case (“Arbitration,” 2013). The first Procedural Order also required the Philippine government to submit its memorial on March 30, 2014, which the Philippine government complied through its 4,000-page submission.

China strongly reacted on the Philippine submission of its memorial and stressed that the international arbitration has undermined Philippine bilateral relations with China (Zhang 2014). On May 14-15, 2014, members of the IAT met at The Hague. After their meetings, they released the second Procedural Order requiring China to submit its “counter-memorial” on December 15, 2014.

But the Chinese government reiterated its position of opting out of the international arbitration process and ignored the request of the international body. The Chinese government even undermined the arbitration process when it pursued artificial island constructions in seven reefs being contested by the Philippine government.²

On December 6, 2014, the PRC’s Ministry of Foreign Affairs issued an official statement reiterating its rejection of the Philippines’ “unilateral legal action,” emphasizing that the IAT has no jurisdiction to act on the Philippines’ legal case. Noting

¹ For more details on China’s position on the issue, see Stefan Talmon (2014, 15-80).

² For more discussions on international arbitration and China’s land reclamation activities in the South China Sea, see Rommel C. Banlaoi (2015).

China's official position, the IAT released its third Procedural Order, requesting the Philippine government to submit its further written argument to address specific issues "relating to both the jurisdiction of the arbitral tribunal and to the merits of the Parties ("Arbitration," 2014)."

On March 16, 2015, the Philippine government gave its Supplemental Written Submission to the IAT. Pursuant to its rules of procedure and on the basis of its third Procedural Order, the IAT issued its fourth Procedural Order requesting China to submit its written comments by June 16, 2015 in respect of the Philippines' supplemental written submission. The IAT also decided to conduct their oral hearing on July 7-13, 2015 to deliberate on the arbitral tribunal's jurisdiction. But as anticipated, China did not submit its written comments and continued to ignore the arbitration process.

The arbitration case created the lowest moment of Philippines-China relations. Because of the arbitration case, the Philippines received no Official Development Assistance (ODA) from China. Investment and trade relations severely declined to its lowest level. Official channels of communication were practically cut. Aquino III even pursued the military balancing policy against China when Manila solidified its security alliance with the United States through the signing of Enhanced Defense Cooperation Agreement (EDCA) in 2014. It was the dark of period of their bilateral ties. It was a very stormy relationship between the Philippines and China.

Greatest Heights in Bilateral Friendship, 2016-2020: Pursuing Comprehensive Strategic Cooperation

But there was a rainbow after the rain. When President Rodrigo Roa Duterte assumed office in 2016, the Philippines and China have started to enjoy a new era of closer friendship like

the blooming of a big and beautiful flower. President Duterte's policy of paradigm shift to China ushered in the new age of cooperation between the two countries. When President Xi Jinping visited the Philippines in 2018, the two countries declared their comprehensive strategic cooperation to have an all-around relationship, which is a rapid turnaround in their bilateral ties. As Xi aspires the China Dream for the great rejuvenation of the Chinese nation, he also aspires for the rejuvenation of centuries-old friendship between the Philippines and China.

In stark contrast to the policies of his predecessor, Duterte has pursued a foreign and security policy that is cautious, pragmatic and reconciliatory towards China.³ His paradigm shift to China restored all official channels of communication from the lowest to the highest levels between the two governments. China cut those channels of communication as a protest against the Philippine government under Aquino III who lodged the arbitration case against China.⁴ But under Duterte, high-to-low level Chinese officials resumed their frequent visits to the Philippines to strengthen bilateral relations in various fields not only in infrastructure, trade, investment, agriculture, education, and tourism but also in defense, law enforcement, and counterterrorism.⁵ A main highlight of these visits was on November 20-21, 2018 when Xi made his reciprocal and historic state visit to the Philippines.

Xi's visit formally opened another "golden age" of Philippines-China relations. As discussed earlier, the first golden age occurred in 2005 during the visit of President Hu Jintao to the Philippines under the administration of then President Arroyo (Mercado

³ For more discussions, see Rommel C. Banlaoi (2017), 99-110.

⁴ For more discussions on Philippines-China relations during the administration of President Benigno Simeon Aquino III, see Rommel C. Banlaoi (2012) and Rommel C. Banlaoi (2015).

⁵ See various articles in Rommel C. Banlaoi, ed. (2019).

2019).⁶ Xi's visit also established the strong foundation for the major "turnaround in bilateral ties" as the Philippines and China opted to strengthen an "all-around relations" that aimed to "rejuvenate centuries old friendship" between the Philippines and China (Tan 2019). Days before his visit to Manila, Xi already described Philippines-China relations under Duterte as a "rainbow after the rain." In his statement published in several newspapers prior to his state visit to Manila, Xi stressed:

Since President Duterte took office, China and the Philippines have reengaged in dialogue and consultation for the proper handling of the South China Sea issue. Our relations have now seen a rainbow after the rain. In just a little more than two years, China has become the Philippines' largest trading partner, largest export market and largest source of imports, and the second largest source of tourists. There has been a surge of interest for private investment in each other's countries, and interactions between our cultural groups have been frequent. More and more Philippine fruits are coming to the dining table in Chinese households, and a growing number of Philippine scenic spots are being included in the itinerary of Chinese tourists. China firmly supports the Philippines' fight against drugs and terrorism and its post-conflict reconstruction efforts in Marawi, thus contributing to peace in the country. In the face of disasters, our two peoples have stood together and come to each other's help, writing new chapters of friendship between our two countries.⁷

During his arrival to Manila, President Xi Jinping reiterated the two countries' centuries old friendship. He pointed out, "For centuries, our two countries have stood together through thick and thin and written splendid chapters of friendly exchanges. Since President Duterte took office, thanks to the joint efforts of our two sides, we have reopened the door of friendship and

⁶ For a study of Philippines-China relations under the Arroyo administration, see Rommel C. Banlaoi (2007).

⁷ Full text of Xi Jinping's signed article on Philippine newspapers, *Xinhua*, November 11, 2018.

cooperation to each other, bringing real benefits to our peoples and making an important contribution to regional peace, stability, and prosperity (“Arrival Speech,” 2018).”

Under Xi and Duterte, the Philippines and China enjoyed the highest moment of its bilateral relations. China has become the Philippines’ top trading partner and the largest source of imports with a trade volume reaching close to USD 56 billion in 2018 alone. China has become the Philippines’ largest foreign investment origin reaching at least USD 67 million in 2018 and the largest source of net equity capital allocation of around USD 100 million in 2019. China has become the largest source of foreign tourists reaching 1.5 million in 2019. China has become the Philippines’ largest source of foreign assistance to support infrastructure projects of Duterte under its Build Build Build (3B) Plan. At least 75 projects are earmarked for China funding under the 3B Plan with at least USD 24 billion investments and credit line pledges from China. Under Duterte, China is now the Philippines’ third largest export destination and the largest export market for Philippine bananas.

Politically, Duterte made a landmark decision in 2018 when he entered an agreement with China for joint development of oil and natural gas resources in the South China Sea. Duterte and Xi also initiated in 2017 the Bilateral Consultative Mechanism (BCM) in the South China Sea to manage peacefully their territorial disputes.

The BCM: Bilateral Efforts to Promote Cooperation in the South China Sea

The Philippines and China established the BCM after Duterte’s state visit to China in 2016. One important result of Duterte-Xi meeting was the resumption of fishing activities of Filipino

fishermen in the Scarborough. In their joint statement issued in October 2016, “Both sides agree to continue discussions on confidence-building measures to increase mutual trust and confidence and to exercise self-restraint in the conduct of activities in the SCS that would complicate or escalate disputes and affect peace and stability.” (Joint Statement,” 2016).”

As a result, the Philippines and China held their first BCM in Guiyang, Guizhou province, China on May 19, 2017. It was during this period when security experts, particularly from Vietnam, raised serious concerns on China’s “expansive” construction activities on Fiery Cross, Subi, and Mischief Reefs in the Spratly Islands, and on North, Tree, and Triton Islands in the Paracel Islands (Hong and Binh 2018). But the BCM, as a pioneering bilateral mechanism, contributed enormously to the warming of friendly relations between the Philippines and China, which, in turn, helped in calming the overall security situation in the SCS under the first year of Duterte presidency. The first BCM was milestone in Philippines-China relations as it opened practical channels of communication between the two countries in dealing with many issues in the SCS (“Joint Press Release,” 2017).

On February 13, 2018, both countries held the second BCM in Manila amidst international criticism of China’s increased “militarization” in the SCS. But during the meeting, the Philippines and China leveled up the nature of their agenda by discussing “ways to manage and prevent incidents at sea promote dialogue and cooperation on maritime issues, and enhance mutual trust and confidence.” They also discussed “ways to strengthen cooperation in areas such as marine environmental protection, fisheries, marine scientific research, and oil and gas, without prejudice to their respective positions on sovereignty, sovereign rights, and jurisdiction (“Joint Press Release,” 2018).”

On October 18, 2018, the Philippines and China held the third BCM in Beijing despite reports of China’s “continuing

militarization” in the SCS such as landing of China military transport planes on Mischief Reef, deployment of advanced jamming equipment in Fiery Cross Reef, and installation of surface air missiles and anti-ship cruise missiles in Spratlys (Office of the Secretary of Defense 2018). Thus, during this meeting, the Philippines and China reiterated the need to promote “cooperation on joint exploration and development of maritime oil and gas” in the SCS. Both countries also “reaffirmed their commitment to the principles of freedom of navigation in and over flight above the SCS, freedom of international commerce and other peaceful uses of the sea, addressing territorial and jurisdictional disputes by peaceful means, without resorting to the threat or directly concerned and the exercise of self-restraint, in accordance with universally recognized principles of international law, including the Charter of the United Nations and the 1982 United Nations Convention on the Law of the Sea (“Joint Press Release,” 2018).”

Results of the second and third BCMs provided meaningful inputs to the MOU in oil and gas development in the SCS signed by the two countries during the state visit to Manila of President Xi in November 2018. The MOU was a breakthrough in their bilateral ties as it demonstrated two countries’ serious efforts to promote practical cooperation through joint development, which has been viewed as the way ahead in the SCS (Banlaoi 2014). Though opposition groups in the Philippines criticized the MOU, both parties assured their public that the signing of the MOU is “without prejudice to the respective legal positions of both governments (“Memorandum,” 2018).

On April 2-3, 2019, the two countries held the fourth BCM in Manila amidst controversies pertaining to the alleged strong presence of Chinese maritime militias near Pag-Asa Island. During the meeting, the Philippines and China “reaffirmed their commitment to cooperate and to continue to find ways forward to strengthen mutual trust and confidence (“Joint Press Release,”

2019).” Both parties reiterated that “the relevant differences between China and the Philippines in the SCS is only part of the bilateral ties and should not affect the mutually beneficial cooperation in other fields.” They also reaffirmed “the importance of maintaining and promoting regional peace and stability, freedom of navigation in and over-flight above the SCS.” More importantly, both parties reaffirmed “their commitment to address their territorial and jurisdictional disputes by peaceful means, without resorting to or threatening with force, through friendly consultations and negotiations by sovereign states directly concerned (“Joint Press Release,” 2019).”

To sustain the achievements of the BCM, the Philippines and China held the fifth BCM on October 28, 2019 in Beijing while China and Vietnam were having a standoff in the Paracels over the issue of oil rigs in the area. During the fifth BCM, both parties reaffirmed “the importance of the BCM as a platform for regular dialogue that can play a significant role in the enhanced and stable development of bilateral relations and peace and stability in the South China Sea (“Joint Press Release,” 2019).” An important outcome of the fifth BCM was the creation of the Working Group on Political Security, Fisheries Cooperation, and the Working Group on Marine Scientific Research and Marine Environmental Protection. These two working groups are deemed important for the strict implementation of the DOC and the immediate conclusion of COC.

Through the BCM, the Philippine government was able to directly deal with China on the SCS. The BCM allowed both countries to discuss with each other their existing differences as well as their common interests on the SCS. The BCM provides greater clarity and transparency on some details of their respective national positions that is made known candidly to each other, unlike before where details of their national positions are deliberately kept secret away from each other.

Bilateral Cooperation During the COVID-19 Pandemic Amidst US-China Major Power Rivalry⁸

When the Philippine government declared quarantine measures to deal with the COVID-19 pandemic, China immediately offered its assistance and unwaveringly expressed its willingness to cooperate with the Philippines. In one of his public statements, President Duterte outspokenly thanked China for supporting the Philippines in its battle against the infectious disease. Duterte also dismissed rumors that the novel coronavirus originated in China's laboratory. Counting on China's helping hand, Duterte has even urged Beijing to prioritize the Philippines once it develops an antibody against COVID-19.

Upon the request of the Philippine government, Beijing quickly responded by sending to Manila 12 members of its Anti-Epidemic Medical Expert Team on April 5 to support the Philippines in its battle against COVID-19. Chinese Ambassador to the Philippines Huang Xilian said that China deployed its medical team to the Philippines in order to "exchange experience and practice, with the aim to further improve Philippine's epidemic prevention and control policies and enhance the diagnosis, treatment and executive ability." Most members of this medical team had their frontline experiences in Wuhan of China's Hubei province.

Aside from the medical team, which already left on April 19 after two weeks of strenuous medical missions, China also donated medical supplies to the Philippines in the form 102,000 test kits, 400,000 surgical masks, 40,000 medical N95 masks, 15,000 medical protective suits, 5,000 medical face shields, and 30 non-

⁸ This section is based on Rommel C. Banlaoi's article, "Philippines-China Relations Under the COVID-19 Pandemic," 2020; and "Strategy of a Small State with Great Powers: The Philippines Amidst US-China Rivalry in the South China Sea," July 2020.

invasive ventilators. Moreover, China assisted the Philippines in purchasing around 10,000 cubic meters of anti-epidemic supplies and “a large amount of medicine.” On April 23, the Philippines received a total of USD 2.5 million (around PhP 126.9 million) worth of medical equipment from Beijing Genomics Institute (BGI) Group, not to mention donations coming from China’s private big corporations and local authorities.

Several enterprises and civil society groups such as Jack Ma Foundation, Hong Kong Prudential Enterprise, Huawei Corporation, Bank of China, and Panhua Group also donated large quantities of medical supplies, including millions of PPEs to the Philippines. China’s local authorities like Fujian, Hainan, Shangdong, Guangzhou, Nanning, and others donated large quantities of medical supplies to their corresponding sister provinces and cities in the Philippines like Ilocos Norte, Manila, Cebu City, and Davao City. The COVID-19 pandemic provided opportunities for the Philippines and China to strengthen their bilateral ties.

However, the rising security tension in the South China Sea brought by escalating major power rivalry between China and the US amidst the COVID-19 pandemic had posed another challenge in Philippines-China relations.

The US and China have increased their military presence in the South China Sea by sending their warships to conduct air-sea battle exercises while the whole world continues to struggle against the scourge of the COVID-19 pandemic. Two American aircraft carriers, *USS Nimitz* and *USS Ronald Reagan*, started its military drills in the South China Sea on July 4, 2020 during the commemoration of American Independence Day. The US government regards those exercises as part of its commitment of “standing up for the right of all nations to fly, sail, and operate wherever international law allows.” China, on the other hand, had just concluded on July 5, 2020 its military exercises near the

Paracel Islands “to counter the US” and push back against the Pentagon for having “ulterior motives” in sending two aircraft carriers in the South China Sea.

These military exercises of competing major powers have heated up tensions in the South China Sea as both up the ante of its military activities in the contested maritime domain that is considered to be one of the major flashpoints of armed conflicts in Asia where the two major powers can collide. In fact, those military exercises were so proximate, making US Rear Admiral James Kirk on the *Nimitz* to comment, “They have seen us and we have seen them.”

Prior to these military exercises, the Philippine government, through Secretary Teodoro Locsin of the Department of Foreign Affairs, issued a strong statement on July 3, 2020, expressing concerns over China’s drills. Locsin stressed that the Philippines would “severely” respond if China would encroach on Philippine territories. He emphasized, “Should the exercises spill over to Philippine territory, then China is forewarned that it will be met with the severest response, diplomatic and whatever else is appropriate.”

China concluded its military drills without untoward incident. But the growing major power rivalry between China and the US in the South China Sea has raised a big question if the Philippines is pushing back against China and is shifting back to the US as its only military ally considering that Manila has earlier suspended the termination of the Visiting Forces Agreement (VFA). How will this new situation affect the Philippines’ “comprehensive strategic cooperation” with China? Is President Rodrigo Duterte flip-flopping again in its foreign policy amidst US-China rivalry in the South China Sea?

Some were quick to conclude that Duterte is flip-flopping in the guise of pursuing an independent foreign policy. But what was not fully understood was the fact the Philippine government was

just applying the grand strategies of small states in dealing with great powers within an anarchic international system.

Small states and great powers have different survival instincts amidst international anarchy. Realist theory of international relations contends that great powers seek their survival by balancing each other. But small states, by virtue of their inherent vulnerability in the anarchic international system, find their survival by forging relationships with great powers balancing each other. Because of their inherent vulnerable situation, small states pursue relationships with great powers depending on the situation. Small states respond to situations according to their own national interests and not the interests of major powers in competition.

The Philippine government was pushing back against China in the South China Sea because of the situation threatening Manila's security interests. China's recent military activities in the South China Sea, particularly around the waters of the KIG in the Spratlys, caused security anxieties in the Philippines.

There is a tendency for the Philippine government to cling with the US to address common security interests as the US continues to be the only security ally of the Philippines that can effectively balance China. When the situation is calm in the South China Sea and Manila's security interests are not compromised, the Philippines tends to shift its gear towards China being a close giant neighbor for centuries. The Philippine government continues to have an interest to pursue a comprehensive strategic cooperation with China for economic purposes.

The Philippine government has economic needs that China can provide. But the Philippine government also has security needs that the US can provide. If China can allay Manila's current fear of the situation in the KIG and can provide Manila's current security needs in the South China Sea, the Philippines will find no reason to reach out to its only security ally, the US, as this alliance always reminds the Philippines of its colonial experiences.

But the Philippines government is compelled to pivot back to the US because the situation dictates so.

In other words, situation in the South China Sea greatly affects Philippine foreign policy towards China and the US. When the security situation is tense, the Philippine government embraces the US. When the security situation is calm, the Philippine government engages China. The Philippine government was just applying the grand strategy of small states when dealing with major powers.

Conclusion

After 45 years, China and the Philippines have gone a long way in their bilateral ties. Both countries experienced five major periods in the 45 years of their relations. During these periods, the Philippines and China had their shares of ups and downs, of highs and lows, of love and hate, of connecting and distancing, and of amity and enmity in their bilateral relationship. Yet through the years, the two countries have committed to remain friends despite differences on some aspects of their relations.

The Philippines and China commemorated their 45 years of bilateral relations in 2020 during a very challenging situation: the COVID-19 pandemic. During the pandemic, the Philippines and China pursued cooperation despite the persistence of their bilateral conflict in the South China Sea. After 45 years, the Philippines and China have learned to understand and embrace their differences by pursuing greater cooperation in other fields where they find common grounds. These common grounds serve as strong foundations for the two countries to remain unrelenting in their desire to pursue comprehensive strategic cooperation for mutual benefits.

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