

BACKGROUND

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Getting the Philippines Air Force Flying Again: The Role of the U.S.–Philippines Alliance

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Abstract

The recent standoff at Scarborough Shoal between the Philippines and China demonstrates how Beijing is targeting Manila in its strategy of maritime brinkmanship. Manila's weakness stems from the Philippine Air Force's (PAF) lack of air-defense system and air-surveillance capabilities to patrol and protect Philippine airspace and maritime territory. The PAF's deplorable state is attributed to the Armed Forces of the Philippines' single-minded focus on internal security since 2001. Currently, the Aquino administration is undertaking a major reform to shift the PAF from its focus on counterinsurgency to its original role of air defense, an effort hindered by the perennial lack of funds. It is imperative for the U.S.–Philippines' alliance—to assist the PAF in developing the air power and skills to spread its wings and protect the country's territory.

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For two years, the U.S.–Philippines alliance has been challenged in ways unseen since the closure of two American bases on Filipino territory in the early 1990s.¹ China's aggressive, well-resourced pursuit of its territorial claims in the South China Sea has brought a thousand nautical miles from its own shores, and very close to the Philippines.

For the Philippines, sovereignty, access to energy, and fishing grounds are at stake. For the U.S., its role as regional guarantor of peace, security, and freedom of the seas is being challenged—as well as its reliability as an ally.

The U.S. has no stake in the details of a settlement to the territorial dispute. That is not to say it is neutral: The U.S. is deeply implicated by virtue of its treaty obligations to the Philippines. The U.S. must help the Philippines stand up for itself and develop the capability to be a valuable ally—at sea and in the air.

Military Challenges for the Philippines

On March 2, 2011, two Chinese patrol boats harassed an unarmed Filipino-commissioned oil-exploration ship at Reed Bank off the western Philippines island of Palawan. In

KEY POINTS

- The U.S. needs a fully capable ally in the South China Sea to protect U.S.–Philippines interests.
- The Philippines Air Force is in a deplorable state—it does not have the capability to effectively monitor, let alone defend, Philippine airspace.
- The Philippines has no fighter jets. As a result, it also lacks trained fighter pilots, logistics training, and associated basing facilities.
- The government of the Philippines is engaged in a serious effort to more fully resource its military needs and shift focus from internal security to territorial defense. Its air force is an important part of this effort.
- America's long-standing historical relationship with the Philippines, and the U.S.–Philippines Mutual Defense Treaty, provides the basis for the U.S. to help the Philippines rebuild its air force into a credible fighting force.

response, the Philippine Air Force dispatched two aging and obsolete planes—an OV-10 Bronco reconnaissance plane and an Islander light aircraft—but the two Chinese patrol boats had left the area by the time the slow piston-engine planes arrived.² In the following months, the PAF recorded a series of aerial intrusions by unidentified aircraft into the area. On May 19, 2011, two PAF OV-10s sighted two unidentified fighter jets over the Reed Bank. On June 4, a Filipino fishing vessel reported the overflight of an unidentified fighter jet at Dalagang Bukid Shoal³ south of Reed Bank. On July 11, a group of Filipino fishermen sighted a low-flying unidentified aircraft and a helicopter near Raja Soliman Reef, also south of the Reed Bank.

These developments generated panic within the military establishment and the Aquino administration. Former chief of staff of the Armed Forces of the Philippines (AFP) Lieutenant General Eduardo Oban admitted that “the AFP is helpless because the PAF does not have the capability to monitor and identify the intruders.”⁴ Philippines Defense Secretary Voltaire Gazmin concurred,⁵ and presidential spokesman Abigail Valte noted that the incidents highlighted the need for the Filipino government to step up the modernization of the AFP.⁶ She also announced that President Benigno

Aquino immediately ordered the allocation of more funds to build up the military’s territorial defense capabilities.⁷

The recent two-month standoff between Filipino and Chinese civilian vessels at Scarborough Shoal in the South China Sea has since accentuated the country’s military weakness, especially when it comes to air defense and maritime domain awareness. Filipino military officers argued that the incidents could have been prevented if the Philippines had a credible military that can stand up to China’s coercive diplomacy. With the withdrawal of American military facilities in the country in 1992, the Congress of the Philippines passed the 1995 AFP Modernization Law that allocates 331 billion Filipino pesos (around \$6.62 billion) over 15 years for modernizing the Filipino military. Unfortunately, the law “ran the full length of its implementing period and expired (in December 2011) without any significant progress” in terms of any major arms acquisition for the AFP.⁸ Thus, 15 years after the law was passed, the PAF has neither the fighter planes nor a modern radar system. A nationwide air-defense system remains elusive.

What the Philippines needs for its own defense, and to be a stronger ally of the U.S., is a 24-hour-a-day capability to patrol its territory and claims from the air, and to put

up a credible fight if challenged—a defense capable of deterring Chinese adventurism or aggression off the Philippines’ coast. Such a capability involves assisting the Aquino administration in weaning the PAF from its current task of supporting the Philippine Army’s counterinsurgency operations to assuming its original role as the Philippines’ first line of defense against external threats. Specifically, the PAF needs to develop air-power capabilities, such as intelligence surveillance, maritime patrol, precision-strike capabilities, and radar, command, control, and communication systems.

WHAT THE PHILIPPINES NEEDS FOR ITS OWN DEFENSE, AND TO BE A STRONGER ALLY OF THE U.S., IS A 24-HOUR-A-DAY CAPABILITY TO PATROL ITS TERRITORY AND CLAIMS FROM THE AIR.

The PAF Clips Its Wings

In late 2001, the Arroyo administration released Executive Order No. 21, the national internal security plan (NISP), which considered the various insurgencies in the country as a serious threat to national security. The executive order directed the government to adopt a holistic approach—consisting of political, socioeconomic, psychological, security, and information

1. Subic Naval Base and Clark Air Base have since re-opened for U.S. military presence. Jamie Laude, “US Troops Can Use Clark, Subic Bases,” *The Philippine Star*, June 6, 2012, <http://www.philstar.com/Article.aspx?publicationSubCategoryId=63&articleId=814442> (accessed September 7, 2012).

2. “Philippines Protests Against China’s Planned Oil Rig, Constructions in Spratlys,” BBC, June 2, 2011.

3. Air Defense Wing, “Situation: Chinese Aggressiveness in the West Philippine Sea,” Philippine Air Force, Fighter Town, Air Base Basa, pp. 1-2.

4. “AFP Has No Fighter Planes to Protect Philippine Air Space—Oban,” The Philippines News Agency, June 12, 2011, p. 1.

5. “Defence Secretary Says Philippine Forces Lack Capability to Detect Intruders,” BBC, May 25, 2011.

6. Aurea Calica, “Palace in No Hurry to File China Protest,” *The Philippine Star*, May 21, 2011, pp. 1, 16.

7. *Ibid.*, p. 1.

8. Vincent Cabreza, “Philippine Defense Secretary Admits AFP Upgrade Plan a Dud,” *Tribune Business News*, February 19, 2012.

components—to address the root causes of the armed violence engendered by these insurgent movements. The NISP identified three major internal security threats: (1) the Communist Party of the Philippines and its military arm, the New People’s Army; (2) the secessionist groups on the island of Mindanao; and (3) terrorist groups, such as the Islamist Abu Sayyaf.

In response to these threats, the AFP formulated the 2002 Operational Plan *Bantay Laya* (freedom watch) primarily to “intensify the conduct of counter-insurgency operations” to eradicate Abu Sayyaf and the New People’s Army. The AFP also tasked the military with neutralizing the Moro Islamic Liberation Front (MILF) and renegade elements of the Moro National Liberation Front (MNLF) to create a secure environment in Mindanao conducive for national economic development. The plan emphasized the AFP’s overarching strategic objective in the early years of the 21st century, which was to “decisively defeat the insurgent armed groups” in the country.⁹

Consequently, the AFP was drawn into “fighting on two fronts” (the Communist insurgents in Luzon and the Visayas, and MILF/Abu Sayyaf on Mindanao). In the process, it saw that its combat capabilities and government support were inadequate to end the Communist insurgency by

2010, or to disarm and demobilize the MILF.¹⁰ As a result, the AFP’s focus on internal security intensified, and its territorial defense development efforts were relegated to the sidelines. Suitable military materiel intended for territorial defense were used for internal security purposes. Furthermore, limited financial resources for the AFP modernization were diverted to personnel cost and to the combat operations against the insurgent groups. Consequently, an average of 70 percent of the defense budget went to personnel services, while only about 29 percent was allotted for the maintenance of existing equipment and operational expenses.¹¹ At the same time, capital outlay for the acquisition of new equipment amounted to a mere 1 percent. An internal AFP paper bemoaned that the “proportion for personnel and MOE [Maintenance, Operation, and Expenses] leaves nothing for capital outlay which is necessary for the organizational development of the armed forces.”¹²

Moreover, the AFP set aside its modernization plan and merely upgraded existing capabilities through the AFP Capability Upgrade Program (CUP). CUP involved refurbishment of transportation, upgrade of military firepower, and improvement of communication facilities for internal security operations.¹³ From 2002 to 2011, the AFP’s shopping list

consisted of combat helmets, body armor, squad-machine guns, combat-lifesaver kits, ground-attack planes, and night-capable attack helicopters. Instead of replacing its aging F-5A fighter plans with F-16 Falcons or Tornados, the AFP diverted its limited budget to the acquisition or reconditioning of Killer Medium patrol crafts from South Korea, OV-10s from Thailand, and UH-1H Huey helicopters from the U.S. These acquisitions were used to combat terrorism and domestic insurgency.

Sadly, the PAF, the most advanced Southeast Asian air force in the 1960s, had by 2001 become the weakest air force in the region with its meager fleet of aircraft left over from the Vietnam War—consisting principally of 15 obsolete F-5 Freedom Fighters and 19 OV-10 Bronco reconnaissance planes.¹⁴ During its heyday in the early 1980s, the PAF could deploy nearly 50 interceptors—F-5 A/B and F-8 Crusaders—and could challenge any aircraft entering the country’s airspace without permission.¹⁵ In 2005, the AFP leadership ordered the decommissioning of the remaining F-5 A/B fighters, robbing the country of external defense capabilities. Fittingly, the move came after the Department of National Defense (DND) decided to devote the military’s resources to internal security operations thinking that there was “no immediate external

9. Raymond G. Quilop, Darwin Moya, and Czarina Ordinario-Ducusin, *Putting an End to Insurgency: An Assessment of the AFP’s Internal Security Operations* (Quezon City: Office of the Strategic Studies, 2007), p. 28.

10. Herrboy Aquino, “An Analysis of Two Key Security Challenges Facing the Philippine Republic over the Next Ten Years,” *Digest: A Forum for Security and Defense Issues*, 3rd Quarter 2010, p. 51.

11. Katheline Anne S. Tolosa, “Owing Sovereignty,” *Digest: A Forum for Security and Defense Issues*, 4th Quarter 2008, p. 7.

12. Noel L. Patajo, “Measuring the Cost of Insurgency,” *Digest: A Forum for Security and Defense Issues*, 3rd Quarter 2006, p. 8.

13. *Ibid.*, p. 10.

14. “Philippine Military Official Says Forces Lack Defense Capabilities,” BBC, January 9, 2004, p. 1.

15. “Philippines: Military Said Philippines Air Space Remains Unprotected for the Past Eight Years for Lack of Fighters,” *Asia News Monitor*, April 27, 2012, pp. 1–2.

security threat to the Philippines.”¹⁶ Because there were no fighter planes, the PAF deactivated the Air Defense Command (ADC) as part of the “restructuring effort of the AFP to focus more on internal security.”¹⁷

The PAF began using its Italian-made S-211 trainer planes for its air-defense requirements. However, it could only deploy three S-211s that were not in tip-top condition and had only 54 percent operational readiness.¹⁸ The planes could not even be modified to serve as interceptors because they were originally designed to train airmen for surveillance rather than for aerial interdiction missions. With many issues on the S-211’s inoperability surfacing, its safety worthiness was questioned and its capability for Philippine air defense became extremely doubtful.

At the tail end of the Arroyo administration, the PAF acquired 20 UH-1 Huey helicopters and one C-130 from the U.S., all geared toward internal security requirements.¹⁹ Meanwhile, on the PAF’s ability to respond to a major contingency in the South China Sea dispute, the 2007 AFP’s Capability Assessment noted: “In air defense, surveillance, airlift, and ground attack capabilities, the meager resources that could be mustered severely hamper the

conduct of basic air force missions, let alone the full range of sustained air operations under dispute.”²⁰

THE PHILIPPINE AIR FORCE—THE MOST ADVANCED SOUTHEAST ASIAN AIR FORCE IN THE 1960S—HAD BY 2001 BECOME THE WEAKEST AIR FORCE IN THE REGION.

Philippine powerlessness was well illustrated during the reported May 11, 2011, buzzing by unidentified jet fighters.²¹ According to AFP sources, the PAF planes patrolling Reed Bank saw the intruding jet fighters at an altitude of 5,000 feet. The PAF pilots mistakenly identified the intruding jet fighters as civilian commercial airliners.²² They realized too late that the two approaching planes were jet fighters. The pilots wanted to challenge the intruding jet fighters but knowing that their obsolete piston-engine planes were no match against the unidentified warplanes, they decided to maintain their course. At this point, the two planes flew closer, and flew above the hapless OV-10s.²³

Air Power in Support of Internal Security

The dismal state of Philippine

air-defense capabilities is attributable to the PAF’s role in the AFP’s internal security operations. The AFP’s primary tactic was to conduct clear-hold-consolidate-develop (CHCD) missions against the various insurgent groups in the country. This involved the neutralization of the insurgents’ armed capabilities; the conduct of combat, intelligence, and civil-military activities; the organization of local inhabitants into Integrated Territorial Defense units; and assistance to other government agencies in undertaking socio-political and economic development programs.²⁴ This type of military operation created a mindset within the AFP that: an Internal Security Operation (ISO) is primarily a ground operation, hence priority for defense spending and capacity buildup should be given to the ground forces (Philippine Army and Philippine Marines); the PAF should be limited to providing close air support to ground operations performing a tactical air-mobility role and supporting national development goals by helping maintain a secure environment; and the ISO is a low-tech operation requiring move-shoot-communication capabilities that are basically ground-force-oriented.²⁵

16. “Philippine Air Defense Compromised by Fighter Decommissioning—Officer,” BBC, October 3, 2005, p. 1.

17. “Philippine Air Force Restructured to Focus on Internal Security,” BBC, April 3, 2005.

18. Kathleen Mae M. Villamin, “Defending Philippine Territorial Integrity in the 21st Century,” *Digest: A Forum of Security and Defense Issues*, 1st and 2nd Quarter 2009, p. 8.

19. “Ten Helicopters Arrive in Philippines; U.S. Refurbishes Aircraft for Philippines,” U.S. Federal News Service, June 8, 2007, p. 1.

20. Deputy Chief of Staff for Planning (J-5), *AFP’s Capability Assessment* (Quezon City: Camp Aguinaldo, 2007), p. 23.

21. “Defense Secretary Says Philippine Forces Lack Capability to Detect Intruders,” *BBC Monitoring Asia* (May 25, 2011), p. 1.

22. Calica, “Palace in No Hurry to File China Protest.”

23. Jaime Laude, “Chinese Jets Buzz PAF Patrol Planes,” *Philippine Star*, May 20, 2012, pp. 1–5.

24. Rey Ardo, “Military Dimension of National Security,” in *Peace and Development: Towards Ending Insurgency*, Raymond Quilop, ed. (Camp Aguinaldo, Quezon City: Office of Strategic and Special Studies, 2007), p. 7.

25. Rino Francisco and Jose Antonio Custodio, “The Challenge of Air Force Modernization in an ISO-Driven Strategy,” unpublished manuscript, p. 5–4. (Available from the authors upon request.)

The AFP's 2001 National Military Strategy directed the PAF to support the Army-Marine territorial maneuver force by attending to buildup and deployment of C-130 transport planes, light-attack helicopters, and fixed-wing ground-attack aircraft, and the maintenance of one squadron of fighters to confront external threats emanating from the South China Sea.²⁶ Consequently, almost 85 percent of the PAF resources were used for tactical air operations in support of the Philippine Army's internal security operations. There was practically nothing left for the acquisition of any weapons system for air defense. This intense utilization of its air assets increased the PAF's maintenance costs. Also, heavy expenditures for ammunition and fuel of its aircraft for support of ground operations further depleted the PAF's scarce resources.²⁷ Finally, as part of the AFP's directive that "form should follow function," the PAF was pressed to assign some of its units for counterinsurgency operations to prevent their abolition or merger. The PAF's Special Operations Wing (SOW) was given limited counterinsurgency missions that duplicated the Philippine Army combat battalions' ground operations.²⁸

All these factors drained the PAF's limited resources, which led to the demise of its air-defense capabilities. On the AFP's single-minded

focus on internal security, a defense analyst wryly remarked, "The capability of the AFP to undertake external defense operations is severely limited at the moment. In itself, the AFP's air and maritime assets are unable to pose a credible deterrent to foreign aggression."²⁹

Currently, the PAF is the smallest service branch of the AFP, with 16,000 officers and personnel. It has an inventory of 49 aircraft and 67 transport and combat helicopters. In recent years, it was able to acquire SF-260 trainer planes from Italy and night-attack helicopters from the U.S. To further improve its internal security capabilities, the PAF plans to acquire within a three-year period (2009–2012) the following: eight primary trainer aircraft; 10 additional Huey UH-1H utility helicopters; eight brand new combat-utility helicopters; eight new attack helicopters; two transport aircraft; and 12 trainer helicopters. Missing from the shopping list are interceptors and ground-attack aircraft for territorial defense. In 2010, the Philippine Commission on Audit reported that the PAF has a total inventory of 21 aging aircraft and 54 helicopters. However, the report also revealed that of the total of 339 air assets of the air force, only 91 are operational, 81 are grounded, while the rest are for disposal.³⁰ Thus, the DND's 2013–2016 Defense Planning Guidance made this candid admission:

The capability of the AFP, in this area (air defense), to include intelligence, air surveillance, and air combat support is insufficient to address territorial defense concerns. The Philippine Air Defense Control Center and other units cannot effectively perform their required duties (e.g., air strategic, tactical, and civil aviation intelligence, aerial patrol, photogrammetry, and aerial reconnaissance activities). The readiness rating of equipment for this capability area is also insufficient due to lack of air assets.³¹

The Shift to Territorial Defense

Aware of China's growing assertiveness in the West Philippines, President Benigno Aquino III has stressed the need for the AFP to shift from internal security to territorial defense since he took office in June 2010. On several occasions, President Aquino reiterated the urgency of modernizing the AFP. During the welcome ceremony for the new AFP Chief of Staff, General Ricardo David, President Aquino exhorted the military to defend democracy and to be at the vanguard of government reform. He committed his administration to revive and support the AFP modernization program.³² He also ordered Defense Secretary Gazmin to ensure that the AFP modernization be

26. General Headquarters Armed Forces of the Philippines, *The Armed Forces of the Philippines National Military Strategy 2011* (Quezon City: Camp Aguinaldo, 2001), pp. 35–36.

27. Raymond Jose Quilop, Darwin C. Moya, and Czarlan Ordinario-Ducusin, *Putting an End to Insurgency: An Assessment of the AFP's Internal Security Operations* (Quezon City: Office of the Strategic and Special Studies, 2007).

28. J. R. S. Franco, "Enhancing Synergy within the Defense Establishment," in *Peace and Development: Towards Ending Insurgency*, ed. by Raymond Quilop (Quezon City: General Headquarters, Camp Aguinaldo, 2007), p. 35.

29. *Ibid.*, p. 17.

30. "Philippines Air Force Gets 81 Trainer Aircraft from Italy," BBC, September 23, 2011.

31. Secretary of National Defense Voltaire T. Gazmin, *Defense Planning Guidance, 2013–2016* (Quezon City: Department of National Defense, 2011), p. 15.

32. Delon Porcalla, "Noy to AFP: Defend Democracy," *The Philippine Star*, July 3, 2010, pp. 1–8.

an “instrument” to strengthen the country’s military capabilities. In response, Secretary Gazmin vowed to fast-track current government and AFP efforts, and harnessed other sectors of society to generate the necessary funds for the ill-equipped Philippine military.

The 2010 AFP Internal Peace and Security Plan highlights the AFP’s transition from internal security to territorial maritime defense. The plan acknowledges the AFP’s lack of capabilities to perform its mandated task of safe guarding the Philippines’ extensive maritime borders and ensuring its security from even the remotest possibility of external aggression.³³ It provides a three-year period in which the Philippine military will shift its myopic focus on internal security, and develop the capabilities necessary to undertake unilateral defensive operations against external armed aggression.³⁴

The DND–AFP’s 2010 Long-Term Capability Development Plan raises the need to re-evaluate the Philippine military’s priorities and the urgency of upgrading its weapons system.³⁵ It provides a change in strategic planning from counterinsurgency and counterterrorism measures to maritime contingencies due to the South China Sea dispute. This requires joint capabilities for maritime domain awareness, maritime defense operations, and interdiction. For the PAF, the plan necessitates the development of its air defense, close air support, and battlefield air

interdiction capabilities, along with the capacity to conduct maritime patrol and reconnaissance.

The Philippines’ territorial defense goal is to establish a modest but “comprehensive border protection program.” This program is anchored on the surveillance, deterrence, and border patrol capabilities of the PAF, the Philippine Navy, and the Philippine Coast Guard that extend from the country’s territorial waters to its contiguous and exclusive economic zone (EEZ).³⁶ This course of action requires enhancing the AFP capabilities, prioritizing its needs, and gradually restructuring its forces from internal security to territorial defense. The long-term goal, according to the 2011 AFP’s *Strategic Intent*, is to develop the force structure and capabilities enabling the Philippine military to maintain a “credible deterrent posture against foreign intrusion or external aggression, and other illegal activities while allowing free navigation to prosper.”³⁷

THE CURRENT PHILIPPINE ADMINISTRATION HAS REALIZED THAT IT COULD BE ON A COLLISION COURSE WITH CHINA IN THE SOUTH CHINA SEA.

Diplomatic and strategic developments in the second half of 2011 have prompted the Aquino administration to hasten the development of the AFP’s territorial defense

capabilities. The present administration has realized that it could be on a collision course with China in the South China Sea. In June 2011, the executive branch of the government and the AFP agreed on a multiyear, multibillion peso defense upgrade spending and military buildup. The Department of Budget Management (DBM) released a multiyear obligation authority (MOA) to the DND, allowing the AFP to enter into multiyear contracts with other governments or private arms and military hardware manufacturers. The DBM also committed 40 billion pesos (about \$800 million) in the next five years (2012–2016) to develop the AFP’s capabilities for greater domain awareness of the Philippines’ territorial waters and EEZ. In the proposed “rolling” program, the executive branch will ask the Philippine Congress to allocate 8 billion pesos (\$160 million) annually for five years for the acquisition of air-defense surveillance radar, surface-attack aircraft, close-air-support aircraft, combat-utility helicopters, and long-range patrol aircraft.³⁸ Also covered are current upgrade programs, such as the installation of a radar and communications network along the coast of Palawan and East Mindanao under the Coast Watch System and the acquisition of three refurbished U.S. Coast Guard *Hamilton* class cutters for the Philippine Navy.

According to then AFP chief of staff General Oban, the AFP would prioritize territorial defense over

33. AFP General Headquarters, *Armed Forces of the Philippines Internal Peace and Security Plan* (Quezon City: Camp General Aguinaldo, 2010), p. 8.

34. *Ibid.*, p. 13.

35. Office of the Deputy Chief-of-Staff for Plans (J-5), *Current Thrust in Upgrading AFP’s Capability: AFP Long-Term Capability Development Plan* (Quezon City: Camp Aguinaldo, 2010).

36. National Security Council, *National Security Policy 2011–2016* (Quezon City: National Security Council, 2011), p. 39.

37. Office of the Deputy Chief of Staff, *Armed Forces of the Philippines: Strategic Intent* (Quezon City: Camp Aguinaldo, 2011), p. 27.

38. William B. Depasupil, “Armed Forces to Spend P14b to Upgrade Naval, Aerial Defense,” *Tribune Business News*, June 29, 2011, p. 1.

internal security. In September 2011, the DBM released 4.95 billion pesos (\$117 million) for territorial defense requirements. The budget was roughly divided between the Philippine Navy and the PAF, with 2.6 billion pesos (\$60.5 million) allocated for the Philippine Navy's base support and logistic system, coast watch requirements, and purchase of two more patrol ships and three helicopters for naval aviation. The PAF, in turn, received 2.3 billion pesos (\$53.5 million) for the acquisition of eight attack and utility helicopters and radars for its bases.

In October 2011, the Secretary of National Defense released a three-year (2013–2016) Defense Planning Guidance restructuring the AFP to a “lean but fully capable” armed forces to confront the challenges to the country's territorial integrity and maritime security. It envisions the development of an effective force projection capability for the AFP to monitor the Philippines' territorial waters and EEZ. It contains the following measures:³⁹

- Reduction of infantry and marine battalions and the redirection of limited financial resources to key priorities, such as theater mobility, close-air support, air surveillance, and air defense;
- Acquisition of naval assets for offshore patrol, strategic sea-lift, and accompanying base support

system and platform to sustain the deployed maritime assets;

- Development of the AFP's long-range maritime air patrol and surveillance through the acquisition of assets for long-range maritime air patrol and accompanying base support system; and
- Reactivation of the Philippine Air Defense System (PADS) through the acquisition of air surveillance radar and a squadron of air-defense/surface-attack aircraft to provide air-defense coverage over areas of high concern.

During its first 17 months in office, the Aquino administration spent 33.596 billion pesos (\$387 million) to boost the AFP's internal security and territorial defense capability.⁴⁰ According to Secretary Gazmin, the DND–AFP signed 138 defense contracts that will be implemented in the next five years to improve the AFP's force protection, maritime surveillance, transportation, and combat support system.⁴¹ General Oban's successor, Lieutenant General Jessie Dellosa (Philippine Army), pledged his support for the AFP's shift to territorial defense. He also announced that he would pursue four main goals: full implementation of the Internal Peace and Security Plan; organizational reforms to ensure fiscal transparency within the military establishment;

measures to strengthen the AFP's territorial defense capabilities; and development of the Philippine Navy to enhance maritime security in the South China Sea.⁴² Then in January 2012, the DND reduced the number of army and marine battalions to redirect resources and personnel used for internal security and civil-military operations to current priorities, such as maritime security and territorial defense.⁴³

Air Power in Support of Territorial Defense

In November 2011, President Aquino expressed an interest in the acquisition by the PAF of two squadrons of second-hand F-16C/Ds through the U.S. Excess Defense Articles (EDA) program.⁴⁴ The interest is linked directly to China's growing naval presence in the South China Sea near the Malampaya natural gas project, located at the westernmost province of Palawan facing the Spratly Islands. However, the acquisition of these fourth-generation fighter planes could cause tremendous financial strain to the AFP since it is still actively engaged in internal security operations. Relative to the AFP's Internal Peace and Security Plan, the PAF is assigned the following counterinsurgency and counterterrorism functions:⁴⁵ intelligence-surveillance-reconnaissance (ISR); precision attack to minimize collateral damage in its ground-support

39. Secretary of National Defense Voltaire T. Gazmin, *Defense Planning Guidance, 2013–2018* (Quezon City: Department of National Defense, 2011), pp. 11–16.

40. “Philippines Spends US\$387 Million on Armed Forces Upgrade,” BBC, January 16, 2012.

41. “AFP Modernization Program in Full Swing—Gazmin,” Philippine News Agency, March 18, 2012.

42. “New AFP Chief Vows to Focus on Territorial Defense, MILF Peace Talks,” Philippine News Agency, December 13, 2011.

43. “Philippines Mulls Reorganization of Military to Boost Territorial Defense,” BBC, January 2, 2012.

44. Jon Grevatt, “Philippines to Hasten Recreation of Dedicated Combat Wing with Ex-USAF F-16 Purchase,” *Jane Defense Industry*, Vol. 29, No. 1 (January 1, 2012), p. 1.

45. Francisco and Custodio, “The Challenge of Air Force Modernization in an ISO-Driven Strategy,” p. 3.

operations; and education and information dissemination campaign as part of the AFP's internal security strategy in winning hearts and minds.

THE PHILIPPINE AIR FORCE IS LITERALLY REBUILDING THE COUNTRY'S AIR-DEFENSE SYSTEM FROM SCRATCH.

Another aggravating problem is the PAF's lack of trained fighter pilots, logistics training, and base facilities for advanced fighter planes since it decommissioned two squadrons of F-5 planes deemed obsolete and too expensive to maintain. The PAF also deactivated its Air Defense Command and replaced it with an Air Defense Wing equipped with trainer jets. The PAF is literally starting from scratch in rebuilding the country's air-defense system. In May 2012, President Aquino hinted that the PAF might have to settle for brand-new lead-in jet trainers that can be converted into fighter planes by modifying their air-frame.⁴⁶ In an interview, President Aquino raised the possibility of acquiring new fighter jets from the United Kingdom, France, Italy, or even South Korea—given the expense and limited initial service life of the refurbished F-16s.

In June 2012, the DND announced that the PAF expects the delivery of 12 lead-in fighter planes (most probably South Korean-made TA-50s) and six surface-attack aircraft (either South Korean KT-1 or

Brazilian Super Tucano) to replace its aging OV-10 Broncos; one long-range patrol craft; one air-defense radar; and one special-mission aircraft. The purchase of these air assets under the Aquino administration will enable the PAF to develop a credible air defense and enable it to optimize its role in the Philippine territorial defense.⁴⁷ Still heavily involved in internal security, the PAF has to develop a new doctrine for its projected acquisition of military hardware for air defense. Based on the DND's and AFP's documents and pronouncements, the PAF will concentrate on two major territorial defense functions:

- **Enhancing maritime domain awareness.** The AFP's capability for maritime surveillance is extremely limited. The establishment of the National Coast Watch System in September 2011 to monitor the country's vast maritime environment requires air assets, trained personnel, and radars. The PAF acquisition of a long-range patrol aircraft, lead-in fighter jets, and surface-attack aircraft addresses the need for maritime awareness and limited naval interdiction capability, particularly within Philippine territorial waters to the 200-nautical mile EEZ.
- **Joint operations with the navy for limited naval interdiction capabilities.** Given the Philippines' inadequate defense

budget and defense capabilities, the PAF will support the Philippine Navy's limited naval interdiction operations. The PAF's Air Defense System and the Philippine Navy's Coast Watch System will provide coverage and augment for over-the-horizon reconnaissance and targeting capabilities.⁴⁸ The PAF's maritime patrol and surveillance aircraft would serve as the primary platforms of patrols, surveillance, and interdiction, while the Philippine Navy's surface combatants and sea-borne helicopters would conduct patrol and provide longer on-station time, visible and enhanced naval presence, and deterrence.⁴⁹ The PAF's air-defense and coastal missile system would be linked with the navy's surface and underwater interdiction capabilities that will constitute the first layer of maritime defense for the Philippines.

Presently, aside from a limited budget for capability upgrade, the PAF faces many challenges in re-establishing a credible defense posture.⁵⁰ It needs to formulate a new doctrine on tactics, techniques, and procedure (TTP) for air-defense requirements. It also requires air defense control centers (ADACs), air defense direction centers (ADDCCs), ground-based air defense (GBAD) system sites, aircraft hangars, and other support facilities. Finally, the PAF can only operate a credible air-defense system if it has trained and

46. Aurea Calica, "Aquino: Government Can Now Afford to Buy New Fighter Jets," *The Philippine Star*, May 17, 2012, p. 2.

47. Alexis Romano, "Air Force to Acquire 18 Aircraft Within Two Years," *The Philippine Star*, June 21, 2012, p. 5.

48. Commodore Joes Renan C. Suarez, "The Imperatives of Defending the Philippines and Air-Defense Partnership," presentation at the Air Power Symposium, June 21, 2012, Pasay City, Philippines.

49. Ibid.

50. Colonel Raul L. Del Rosario, "Protecting National Interests Through a Responsive Air Power Strategy," presentation at the Air Power Symposium, June 21, 2012, Pasay City, Philippines.

skilled pilots to fly its new jet fighters, supported by dedicated and proficient ground crews to maintain these expensive air assets and man the various facilities.

Rebuilding the PAF's Credible Air-Defense Capabilities

During the spring 2012 Philippines–U.S. Bilateral Strategic Dialogue in Washington, D.C., Philippines Foreign Secretary Albert del Rosario made an unprecedented remark: “It is terribly painful to hear the international media accurately describing the poor state of the Philippine armed forces. But more painful is the fact that it is true, and we only have ourselves to blame for it. For the Philippines to be minimally reliant upon the U.S. regional partner...it therefore behooves us to resort to all possible means to build at the very least a most minimal credible defense posture.”⁵¹ Secretary del Rosario indeed conveyed the Philippines’ vulnerability and utter desperation in its impasse with a militarily powerful China at the Scarborough Shoal, north of the disputed Spratly Islands, 124 nautical miles from Luzon, and well within the country’s EEZ.

In his speech at The Heritage Foundation in May 2012, Secretary del Rosario challenged the U.S.:

On the part of the U.S., it aims to build a more geographically distributed, operationally resilient, and politically sustainable defense posture, while reaffirming its role as a Pacific power. This will require the ability to be present in key areas of the region in a timely manner, without the

necessity of maintaining politically unsustainable and costly permanent bases. A strong and consistent presence in the region is essential to ensure that the U.S. is in a position to respond in a timely manner...to guarantee freedom of navigation and access to the high seas.... The U.S. needs a stronger ally in the region who will be able to take on a bigger share of guaranteeing the stability of the region. It is therefore to the strategic interest of the U.S. to invest in the development of the Philippines’ defense and military capability.⁵²

What the U.S. Should Do

The U.S. can help its Southeast Asian ally to rebuild a credible air-defense system by:

- **Providing the Philippines up to two squadrons of refurbished F-16s through the Excess Defense Articles program, along with a training program on their maintenance.**
- **Providing a rush training course for the development of a new corps of skilled pilots to fly the newly acquired jet fighters.** The decommissioning of the PAF vintage F-5s in 2005 caused a dramatic attrition in the number of trained jet pilots. Many of the remaining pilots (and their ground crews) have either retired or have joined commercial airlines. Consequently, all PAF units performing territorial defense roles have a personnel readiness shortfall.

- **Assisting the PAF in formulating a new doctrine on TTPs for maritime-domain awareness and joint operations.** The old PAF TTPs were based on the protection of Clark Air Base and Subic Naval Base during the Cold War. The PAF needs new TTPs to assist the Philippine Navy in developing joint capabilities for air, surface, and sub-surface surveillance, detection, and interdiction of the Philippines’ maritime territory.
- **Forming a Pentagon–DND–AFP committee to formulate a multi-year program guiding the re-establishment of the country’s air-defense system in tandem with maritime surveillance capabilities.**
- **Encouraging U.S. allies (Australia, Japan, and South Korea) to sell the Philippines their state-of-the art lead-in jet trainers that can be used by the PAF as a transition fighter before it shifts to a fourth-generation interceptor.**
- **Deploying, on a six-month rotational basis, a U.S. Marine or Navy fighter squadron to be based in cooperative security locations (CSLs) in the Philippines.** This squadron can train with its Filipino counterparts and provide more reliable and seasoned air-defense capabilities before the PAF develops a credible air-defense system.
- **Linking future assistance to major reforms in the**

51. “Philippines Sends SOS to the International Community,” *The Philippine Star*, May 2, 2012.

52. Secretary Albert del Rosario, “Challenges, New Developments in the Philippines–U.S. Alliance,” remarks delivered at The Heritage Foundation, May 2, 2012, <http://www.dfa.gov.ph/main/index.php/newsroom/dfa-releases/5318> (accessed August 24, 2012).

Philippine defense community, such as increasing the percentage of defense spending vis-à-vis the gross domestic product (GDP) (from 0.9 percent to 1.8 percent); increasing the ratio of capital expenditure to expenditures on personnel; and minimizing graft and corruption in the AFP. Washington should also impress upon its ally that adequate budget, facilities, and technical know-how are necessary to maintain an expensive and technologically advanced air-defense system.

- **Recruiting Filipino Americans to the U.S. Air Force—and forming a Fil-Am wing of volunteer trained pilots and ground crews for temporary deployment to the PAF once it transitions into an advanced stage of air-defense readiness.**
- **Establishing radar and weather-monitoring stations in the Philippines.** These stations will be manned jointly by the U.S. Marine Corps, the U.S. Air Force, and the PAF, just like the Wallace Air Station set up prior to 1992 when Clark Air Base and Subic Naval Bases were still operational.

- **Deploying, on a rotational basis, a squadron of P-8 Poseidons to CSLs in the Philippines.** These reconnaissance and surveillance planes will be flown by a U.S.–Filipino crew to survey and safeguard the Philippines’ vast maritime borders.

The three-month Scarborough Shoal impasse reveals China’s geopolitical gambit against the other claimant states in the South China Sea dispute. This gambit involves “drawing a line in the sea—using civilian maritime vessels to challenge these littoral states, and leaving them with the risky option of escalating matters by resorting to military means which will have dire consequences since” the naval ships of the People’s Liberation Army (PLA) “are lurking in the background.”⁵³ These relatively weak Southeast Asian nations—like the Philippines and Vietnam—are placed in the dilemma of exacerbating the stand-off by using force or backing down completely. They are aware that PLA surface combatants and submarines are deployed behind these civilian vessels, ready to pounce on their unsuspecting patrol boats. China’s apparent stratagem is to put the onus for the use of force on the smaller

littoral states, outclassed by its naval prowess—particularly by bringing them to the brink of a naval confrontation to resolve what is essentially a maritime jurisdiction issue.⁵⁴

In 2012, China has targeted the Philippines in this naval brinkmanship game. The Philippines has the weakest navy in the region, and its air force is unable to patrol and monitor its vast maritime territory. It resorts to the futile filing of diplomatic protests whenever an aggressive China encroaches on its EEZ. As a last resort, the Philippines has turned to its only strategic ally—the U.S.—for support. Aside from enhancing its own naval presence in the Pacific, the U.S. can assist its oldest East Asian ally by helping the PAF spread its wings once again.

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53. William Chong, “Path to Scarborough Far from Fair: South China Sea Rivals no Match for China’s Economic, Military Clout,” *The Strait Times*, April 21, 2012.

54. Ibid.