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THE PHILIPPINES UNDER THE DUTERTE ADMINISTRATION: WHERE'S THE ROADMAP?

Yutaka Katayama

- President Duterte still enjoys high popularity even more than a year after he assumed the presidency.
- The main reason is his populistic political style rather than his achievements in domestic and foreign policies.
- He seems to be failing to convert this high popularity into concrete policies to bring about institutional change.

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President Rodrigo Duterte has enjoyed an unprecedented high popularity rating and level of popular support. The main reason for this is not because of any progress made in fulfilling his election campaign promises but because of the political style by which he has mobilized support from the people.

He promised two things before he assumed the presidency. The one was to eradicate drug-related crimes; the other was to solve Metro Manila's traffic congestion. He openly admitted only a few months after coming to power that the traffic issue could not be solved within his term of office. Mr. Duterte also later acknowledged that the drug issue would be difficult to solve during his administration. Nevertheless, he still enjoys high popularity. Why? The answer is two-fold. One reason is his rhetoric. He is excellent in relating himself to the people. His outspoken and oftentimes politically incorrect wording, emphasizing that he is non-elite, make many Filipinos feel he belongs to "them". The second reason is his image as a strong leader that he has cultivated since he was mayor of Davao City. Despite vehement criticism from the international community of his brutal measures in tackling the drug issue, he has never changed his political style. Many people still seem to be positive about this strong-hand leadership. In that sense, Mr. Duterte is a typical populist. He pays little attention to the consistency of his policies and the institutionalization of the public policies he has implemented. Instead he mobilizes political support by directly appealing to the masses. This is where Mr. Duterte now faces some serious challenges.

Duterte's economic policy is based on his success story in Davao City: attain peace and order, and foreign and domestic investment will follow. He restored peace and order in Davao City, which brought about the city's development. He has deep-seated confidence in his success story and he thinks that the same approach can be applied to the entire nation. In practice, his administration resumed peace talks with the New People's Army (NPA) and revived talks on Bangsamoro Basic Law (BBL) with the Moro Islamic Liberation Front (MILF). Many stakeholders have had high hopes and expectations of the peace process, but concerns now resonate as peace talks with the NPA have stalled or been suspended again. In addition, a new type of urban guerrilla

warfare by ISIS-affiliated elements in Marawi City in Mindanao poses another difficult challenge for the Duterte administration.

The fundamentals of the Philippine economy continue to be as strong as ever. In addition, China vowed to increase Official Development Assistance (ODA) and private investment after Duterte's administration drastically changed its foreign policy towards China. The Japanese government likewise pledged to increase its ODA and encourage private investments. The Philippine government now has a long list of investments in infrastructure to expand highways, railroads, and airport facilities across the nation. However, it remains uncertain if those projects will be fully implemented during the Duterte administration. Nearly everything depends on the political environment – internally and externally.

The administration's economic team, comprised of technocrats, seems to enjoy the president's trust. They belong to the neoliberal school. The Duterte administration is also recruiting many leftist or left-leaning cabinet and undersecretary-level members. The technocrat group has prioritized infrastructure investments, including those for education, by improving or establishing healthier fiscal circumstances through tax reforms, while the leftist group aims to enact social welfare policies and a redistributionist agenda. The two groups have seemed antagonistic from the outset. Even though the leftist group is decreasing its influence, this tension over economic policies appears likely to continue for the foreseeable future, which is also a concern for foreign investors.

Mr. Duterte vowed during the election campaign that he would change the country's foreign policy drastically – that is, he would distance himself from the US and improve bilateral relations with China. He pursued this early on in his term. However, some members of his cabinet seem to prefer to maintain close relations with the US. As a result, the revised US-Philippines military agreement has been retained and joint military exercises between the two countries continue to be undertaken. The Philippine government receives military assistance from the US in confronting the Marawi crisis, and so has apparently stopped distancing itself from the US.

With regards to South China Sea issues, the Philippine government almost shelved the territorial dispute even after a favorable award issued by the Arbitral Tribunal in July 2016. Mr. Duterte and his cabinet have refrained from taking up this issue in ASEAN meetings and international forums. The Chinese government, on the other hand, has responded by apparently rewarding this attitude through massive investments and ODA. The Chinese have suspended construction of facilities on the Scarborough Shoal and allowed Philippine fishermen to enter disputed sea areas, but they never fail to mention that China will not concede on any territorial issues and they keep on pressuring the Philippine government.

Overall, Mr. Duterte retains the management style he developed as mayor of Davao City. More than a year has passed since he assumed the presidency. To manage the Philippines as a whole requires institutional design and well-crafted roadmaps, but these remain elusive. One very strong apprehension shared by some observers in this regard is that it seems nobody within the core of the administration, including the president himself, is in charge of strategizing a coherent vision, directing its implementation and ensuring that government policies follow a path towards institutionalization. That is the most serious problem confronting this year-old administration, which seems to be failing to convert or transform huge political capital into concrete policies to bring about institutional reforms and social change.

Regarding Japan-Philippines relations, Prime Minister Shinzo Abe and President Duterte have developed a rapport. While maritime security and a rule-based international order are absolutely key areas of cooperation, Japan should evolve its ODA strategy toward the Philippines. Japanese ODA has gradually shifted its focus from "hardware" to "software" and identified three priorities: achieving sustainable economic growth by promoting further investment, overcoming vulnerability and stabilizing the foundations for people's livelihoods and production activities, and attaining peace and development in Mindanao. The significance of these three priorities seems to be greater under the Duterte administration, and Japan should thus put more emphasis on these

areas with a view to building not just short-term but long-term trust between the two countries.

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