FOREIGN AND SECURITY POLICY 12.01.2023 | Richard Heydarian

Big promises but little substance

Repackaged deals and no concessions on the South China Sea dispute: The US could benefit from Marcos Jr.'s empty-handed return from Beijing

Philippine President Ferdinand Marcos Jr. kicked off the new year with a highly-anticipated state visit to Beijing (January 3-5), where he met with top Chinese leaders including Premiere Li Keqiang and paramount leader Xi Jinping. At first glance, the trip seemed highly successful, with the new Filipino president bagging $22.8 bn in investment pledges and finalising 14 agreements across all major areas of bilateral cooperation.

But scratch the surface a bit and a very different picture emerges. By all accounts, Marcos Jr. has failed to secure even a single major concession from Beijing on any outstanding issues, most prominently the South China Sea disputes as well as unfulfilled Chinese infrastructure investment pledges. All of these issues can be traced back to the presidency of Rodrigo Duterte (2016-2022), who actively courted Beijing at the expense of Western partners.

But instead of reciprocating the former president's overtures, China offered mostly empty pledges, which have only deepened public distrust towards the Asian powerhouse. Instead of a 'debt trap', the Philippines fell into China's 'pledge trap'. Under Duterte, the country soft-pedalled its maritime claims and repeatedly threatened Western allies to please Beijing. But unless Beijing offers something more substantial to Marcos Jr., the Philippines will likely continue rebuilding ties with the West. This includes the area of defence cooperation with its traditional allies, which the Philippines will be forced to deepen should China continue its aggressive expansion across the South China Sea.

Choosing China over the US

Although the sole son of former Philippine dictator Ferdinand Marcos had already conducted half-a-dozen overseas trips last year, his state visit to Beijing marked his first major overseas travel. A state visit to Tokyo is scheduled for next month, and another, likely to the White House, for

later this year. And so, Marcos Jr. became the second contemporary Philippine leader, following Rodrigo Duterte, to choose visiting China ahead of traditional allies such as the US.

On the surface, Marcos Jr. seems like an ideal partner for China. And in fact, most observers expected him to continue his predecessor's pro-Beijing foreign policy once in power. His personal history foreshadows this: ahead of his maiden visit to Beijing, Marcos Jr. repeatedly harkened back to his historical encounters with top Chinese leaders as a foundation for stronger bilateral relations. Back in the mid-1970s, Marcos Jr., then the heir apparent, accompanied his parents to high-stakes diplomatic visits to Beijing, where he met Mao Zedong, amongst others. His father, Marcos Sr., who ruled the Philippines with an iron fist, was among the first US allies to establish formal diplomatic ties with Maoist China.

As former governor of the north-western province of Ilocos Norte, Marcos Jr. continued to maintain warm commercial and diplomatic ties with Beijing well after his family was booted out of the Malacañang Palace. As a presidential candidate, he repeatedly backed then-outgoing President Rodrigo Duterte's Beijing-friendly foreign policy. Following his election victory, Marcos Jr. held a cordial phone conversation with Jinping, where a promise was made to ensure that bilateral relations would reach new heights.

Beijing has always considered the Marcos dynasty, which over the past century has thrived on a distinct brand of authoritarian populism, a natural ally.

Facing manifold economic troubles at home, especially in critical infrastructure, the Filipino president has repeatedly characterised China as a top development partner. To ensure the success of his Beijing trip, Marcos Jr. also enlisted the assistance of former president Gloria Macapagal Arroyo, his supposed 'secret weapon'. During her presidency (2001-2010), Arroyo oversaw a new era of strategic cooperation with Beijing, which culminated in several big-ticket infrastructure projects as well as a historic joint energy exploration scheme in the South China Sea. Though all these deals were later mired in controversy, triggering major constitutional questions and political crises, Arroyo continued to be a leading interlocutor between several Filipino presidents and the Chinese leadership.

Building strong relations with China also provides illiberal Philippine

presidents such as Marcos Jr. significant leverage vis-à-vis the West, especially over any potential disagreements on human rights and democracy issues. After all, China often prefers to deal with more authoritarian-populist leaders, who don't subscribe to Western political values. Thus, Beijing has always considered the Marcos dynasty, which over the past century has thrived on a distinct brand of authoritarian populism, a natural ally.

Not-so-natural allies

Yet, a careful examination of Marcos Jr.'s state visit to Beijing reveals the lack of any significant breakthrough in bilateral relations. To begin with, the two sides barely agreed on a single big-ticket infrastructure project in their relatively lengthy joint statement. Nor has there been any clarification as to the fate of multiple Chinese projects which were suspended by Philippine authorities in 2022 due to concerns over a lack of financing and high interest rates.

Back in 2016, China offered $24 bn in investments to the Philippines, with at least a third of which intended for high-quality public infrastructure projects. Yet, none of these big-ticket projects were fully implemented. Instead, they mostly existed on paper only rather than on the ground. It's highly likely that the $22 bn, which were now offered to Marcos Jr., were partly a repackaged version of what had been offered to Duterte more than six years earlier.

With China refusing to make any real concessions, the Marcos Jr. administration will likely continue expanding defence cooperation with the US.

As for the South China Sea disputes, China refused to offer any significant concession, except a vague promise to lessen harassment of Filipino fishermen roaming the disputed areas. Meanwhile, studies show that illegal fishing by Chinese vessels within the Philippine exclusive economic zone cost the country $650 million annually. And shortly before Marcos Jr.'s maiden visit to Beijing, Manila filed multiple complaints against China's reclamation activities and aggressive behaviour in Philippine-claimed areas of the Spratlys.

Failing to secure any concrete concession regarding the maritime disputes, Marcos Jr. rather naively praised the establishment of hotlines among relevant agencies on both sides. Even if such arrangements have previously failed to prevent major maritime incidents between the Philippines and China under the Duterte administration. With China refusing to make any real concessions, the Marcos Jr. administration will

likely continue expanding defence cooperation with the US through, amongst others, expanded joint military exercises as well as granting the Pentagon access to key Philippine bases near the South China Sea and Taiwan.

In addition, Marcos Jr. also has to grapple with growing public clamour for a stronger defence cooperation with traditional allies against a highly-distrusted China. Overall, the Filipino president's maiden visit to Beijing has, despite major diplomatic pronouncements, only revealed the limits of cooperation with the Asian powerhouse.



Richard Heydarian
Manila

Richard Heydarian is a Senior Lecturer at the University of the Philippines, Asian Center. He is also an author of, among others, *The Indo-Pacific: Trump, China, and the New Struggle for Global Mastery* (Palgrave Macmillan, 2020). As a global columnist, he writes for the New York Times, Foreign Affairs and The Guardian, among others.