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The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

NIC #04448-87/1
27 October 1987

MEMORANDUM FOR: Senior Review Panel

VIA: H. F. Hutchinson, Jr.
Acting Chairman

FROM: Carl W. Ford, Jr.
National Intelligence Officer for East Asia

SUBJECT: SNIE 56-3-87: Political Crisis in the Philippines:
Implications for the United States

1. Attached for your review are the proposed Concept Paper and Terms of Reference for SNIE 56-3-87: Political Crisis in the Philippines: Implications for the United States. This Estimate will be prepared under the auspices of the NIO/EA and will be drafted by DI/OEA.

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2. Recent events in the Philippines--particularly the coup attempt of 28 August and its aftermath--have raised serious questions about the survival of the Aquino government and the prospects for democracy. Should the Aquino government fail, the consequences for the United States will be severe. This Estimate will provide the policymakers at the Departments of State and Defense with the unique perspective of what the Filipinos believe is necessary to ensure long-term stability in the Philippines and the survival of the Aquino government.

3. We would appreciate your comments at your earliest convenience.

Carl Ford
Carl W. Ford, Jr.

Attachment
As stated

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SNIE 56-3-87: Political Crisis in the Philippines:
Implications for the United States

PROBLEM

A year ago, the Key Judgments of SNIE 56-3-86: Aquino and the Philippines: Performance and Prospects predicted, given the magnitude of the problems faced by Aquino, "that the situation will probably grow worse in the Philippines during the next year;" warned of a military coup attempt; and emphasized that the Communist insurgency would likely become more serious. Recent events in the Philippines--particularly the coup attempt of 28 August and its aftermath--have raised serious questions about the survival of the Aquino government and prospects for democracy.

The Estimate also maintained that the Aquino government offered the best chance over the long term of establishing stability and democracy in the Philippines, and it warned: "An alternative government in which the military seized power would not have a broad base of popular support, would lack legitimacy, and would be no better able to handle Philippine problems than Aquino. And, the failure of her government or its overthrow would destroy the hope of many Filipinos that 'people power' and a peaceful revolution can solve the problems confronting the Philippines. This disillusionment would likely lead to increasing polarization in the political system, and the Communist claim that the system itself is at fault would gain credibility with many more Filipinos, and the Communist Party (CPP) would likely win new adherents."

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This SNIE, which was initiated by the NIO for East Asia, will examine conditions in the Philippines after the 28 August coup. It will include a prognosis for the survival of the Aquino government and a judgment by the Intelligence Community as to whether she still offers the best chance for democracy and political stability. The Estimate will also provide a unique perspective of what initiatives the Filipinos believe are necessary to ensure long-term stability in the Philippines and the survival of the Aquino government.

KEY QUESTIONS

This SNIE will provide the Intelligence Community's judgments on the following Key Questions:

- What is the prognosis for the survival of the Aquino government over the next three to six months?
- Does the Aquino government still offer the best chance of establishing stability and democracy in the Philippines over the long term?
- To remove the threat of sudden collapse and address the fundamental problems facing the Philippines, what could Manila do to restore confidence, stave-off coup plotters, demonstrate some success in addressing the country's key problems, and move toward solving deep-seated social, political, economic, and security problems?

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(Answering this Key Question requires the Intelligence Community to construct a composite of the best proposals and ideas suggested by a wide range of Filipinos to develop a national policy agenda.

Unfortunately, except for the Communist Party, no single individual or group has come forward with a complete and concise national agenda which the government might attempt to implement.)

- How does such an ideal national agenda compare with the Community's assessment of the capability, resources, and will of Philippine leaders and institutions to implement such an agenda?

- If discrepancies between needs and capabilities remain unattended, what is the Community's prognosis for the Philippines over the next 6-12 months? The next 3-5 years?

TERMS OF REFERENCE

- I. What is the prognosis for the survival of the Aquino government over the next three to six months?
 - A. What is the likelihood of another coup attempt?
 - B. Who would be most likely to participate in such a coup?
 - C. What are the chances that another coup would succeed? What are the most important variables that would alter our prognosis?

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- D. How effective is the Aquino government's response to the heightened danger of military intervention.
- E. What kind of tactical moves must Aquino make to ensure her government's survival in the short term?
- II. Does the Aquino government still offer the best chance of establishing stability and democracy in the Philippines over the long term?
- A. On what factors do we base our judgment?
- B. Under what conditions would the Aquino government no longer offer the best chance?
- C. What are the likely alternatives to the present government? Who would lead such alternative governments?
- C. Would these alternatives would have even more difficulty addressing the challenges confronting the Philippines than the Aquino government?
- III. To remove the threat of sudden collapse and address the fundamental problems facing the Philippines, what could Manila do to restore confidence, stave-off coup plotters, demonstrate some success in addressing the country's key problems, and move toward solving deep-seated social, political, economic, and security problems?

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- A. What are the most common and general explanations in the Philippines for the Aquino government's present predicament? (A failure to assert adequate leadership and/or the absence of clear cut objectives? Or, the inadequacy of the centrist forces in the face of polarization between the right and left.)
- B. What are the ideas and proposals being articulated in the Philippines that might best serve as the basis for a national agenda during the remainder of the Aquino administration's time in office? (Objectives for the next 5 years might include: providing adequate security for all baranguays; establishing grass roots political organizations; emphasizing economic programs to improve conditions in the countryside and reducing the overall gap between rich and poor; reinvigorating and rebuilding local government, especially by encouraging and rewarding positive local initiatives; significantly reducing corruption at all levels of government; increasing the flow of goods and services to the people with special emphasis on the most deprived areas; adequately addressing military interests; etc.)
- IV. How does such an ideal national agenda compare with the Community's assessment of the capability, resources, and will of Philippine leaders and institutions to implement such an agenda?
- A. What components of the model national agenda, if any, has the Aquino government articulated, and how successfully have these ideas been implemented?
- B. What shortcomings account for this assessment?

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- C. How important is will, or a lack thereof, to implementing particular courses of action, and how is such will generated--for example, in the CPP/NPA?
- D. To what degree have limited financial resources and the capabilities of government systems, infrastructure or institutions constrained the Aquino government's implementation of programs?
- E. To what extent does outside influence--particularly that of the United States and other friends--affect the ability of the government to implement policy?
- V. If discrepancies between needs and capabilities remain unattended, what is the Community's prognosis for the Philippines over the next 6-12 months? The next 3-5 years?
- A. Are Philippine leaders likely to adopt a credible set of objectives and to follow through with the implementation of some sort of national agenda?
- B. What key financial shortfalls are likely to be experienced by the Aquino government in implementing a national agenda?
- C. If the Aquino government survives the immediate dangers it faces, what are the prospects it will begin to address longer term challenges?

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D. How will US interests in the Philippines be affected by the Aquino government's successfully serving out its full term in office, but failing to make much headway on more fundamental problems?

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