

2253.191

N-2253.191

THE PHILIPPINES' CONTRIBUTION
TO HEMISPHERIC DEFENSE

JOSE FRANCISCO
Commander, Phil. Naval Patrol
O-1339

10 May 1949

The Philippines contribution to hemispheric defense, by Comdr J. Francisco, Philippine Navy. Command and General Staff College. 31 May 49.

This Document

IS A HOLDING OF THE

ARCHIVES SECTION

LIBRARY SERVICES

FORT LEAVENWORTH, KANSAS

DOCUMENT NO. N-2253.191 COPY NO. 1

Report Documentation Page				Form Approved OMB No. 0704-0188	
Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.					
1. REPORT DATE 10 MAY 1949		2. REPORT TYPE		3. DATES COVERED 00-00-1949 to 00-00-1949	
4. TITLE AND SUBTITLE The Philippines Contribution to Hemispheric Defense				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Army Command and General Staff College, 100 Stimson Ave, Fort Leavenworth, KS, 66027				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT Same as Report (SAR)	18. NUMBER OF PAGES 58	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			

THE PHILIPPINES' CONTRIBUTION TO HEMISPHERIC DEFENSE

JOSE FRANCISCO
Commander, Phil. Naval Patrol
O-1339

TABLE OF CONTENTS

I	BRIEF	Page 1
II	THE PHILIPPINES' CONTRIBUTION TO HEMISPHERIC DEFENSE	
1.	Problem -----	1
2.	Assumptions -----	1
3.	Facts Bearing on the Problem -----	1
4.	Discussion -----	1
a.	Strategic Location -----	1
b.	Manpower, Resources and Principal Products -----	3
c.	Armed Forces -----	4
d.	United States--Philippines Bases Agreement -----	5
e.	United States--Philippines Military Assistance Agreement -----	7
f.	Contribution to Hemispheric Defense -----	8
5.	Conclusions -----	8
6.	Recommendations -----	9
III	ANNEXES	
1.	Directive -----	Tab A
2.	Map of the FAR EAST -----	Tab B
3.	PHILIPPINES (REPUBLIC OF THE PHILIPPINES) -----	Tab C
4.	Organization Chart, Armed Forces of the Philippines -----	Tab D
5.	AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIP- PINES AND THE UNITED STATES OF AMERICA CONCERN- ING MILITARY BASES Articles I thru XXIX -----	Tab E
6.	AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA ON MILITARY ASSISTANCE TO THE PHILIPPINES Titles I thru IV -----	Tab F
7.	BIBLIOGRAPHY -----	Tab G

BRIEF

THE PHILIPPINES CONTRIBUTION TO HEMISPHERIC DEFENSE

1. PROBLEM: To analyze the present capabilities and the future potential of the Philippines in contributing to Hemispheric Defense.

2. DISCUSSION:

a. The Philippines are a group of some 8,000 islands on the western edge of the Pacific Ocean in the center of the Far East. An idea of its strategic location may be had from the following table of air distances:

<u>Manila to:</u>	<u>Miles</u>
Tokyo	1800
Vladivostok	1900
Shanghai	1100
Hongkong	700
Canton	780
Saigon	1000
Guam	1600
Bangkok	1300
Singapore	1500
Darwin	1700
Tarakan	820
Balikpapan	1130

b. The Islands are mainly agricultural and the principal products are: rice, corn, coconut, oil, lumber, hemp, sugar and minerals including gold, chrome, manganese and copper. There is no oil in commercial quantities in the Islands.

c. The government of the Philippines is republican in form and her 19,000,000 inhabitants are strongly imbued with democratic ideals absorbed during 47 years of close association with the United States. Being a democracy, her defense forces are necessarily small but capable of being augmented by a citizen army in case of war. There are 3 major commands, Army, Navy and Air placed under a single Chief of Staff for National Defense Forces.

d. Upon the grant of Philippine Independence, the Islands entered into a Treaty with the United States, leasing to the latter for a period of 99 years the following Bases:

Army: Fort Wm. McKinley

Fort Stotsenberg

Camp John Hay

Navy: Subic Bay

Sangley Point

Tawi-Tawi Anchorage

Air: Clark Air Force Base

e. In case the United States is involved in a major war, the use of these Bases would be of strategic importance for mounting offensive operations in the Far East. The Philippines will very likely be involved in this war also because the bases are within her Territory and would be subject to enemy attack.

f. Although there is no formal military alliance between the two countries, the United States has undertaken to furnish the Islands with military assistance under the United States--Philippines Military Assistance Agreement. This agreement furnishes military aid to the Islands for 5 years provided the items are surplus to the needs of United States Armed Forces. The assistance at present being rendered is inadequate for the defense needs of the Islands because the surplus stocks have been consumed and no further aid is forthcoming.

3. CONTRIBUTION TO HEMISPHERIC DEFENSE:

(1) Although nominally independent from the United States, the Philippines is bound by ties of friendship and a common ideal fostered by the Americans over 40 years ago when the Islands were ceded to the United States as a result of the Spanish-American War. The Filipinos themselves have been imbued with western culture for over 300 years and are the only Christian nation in the Far East. The common ideals and interests of the two peoples will prove invaluable if the Philippines were called upon to contribute her share to Hemispheric Defense.

(2) Aside from the bases discussed previously, the Philippines can contribute manpower from her Armed Forces as well as labor both skilled and unskilled to set up the various installations that may be placed in the Islands.

(3) Certain strategic raw materials such as hemp, manganese, coconut oil, and rubber could be made available to the United States in the event of an emergency. The Islands also produce lumber in sufficient quantities to support any major construction work that may be required by the United States Armed Forces.

4. CONCLUSIONS: It is accordingly concluded that:

a. The Philippines, by reason of her strategic location plays a vital role in Hemispheric Defense.

b. The people and government of the Philippines have the same ideals of democracy, liberty and justice as the American people and stand ready to aid the United States in the defense of these ideals.

c. The defense of the Territory of the Philippines by her Armed Forces will also protect United States Bases in that country, thereby aiding in the implementation of United States National Policy.

d. The present United States--Philippine Military Assistance Agreement does not provide sufficient aid to the Armed Forces of the Philippines to enable the latter to strengthen her defenses.

e. The contribution of the Philippines to Hemispheric Defense are threefold: Bases, Manpower, and Raw Materials.

5. RECOMMENDATIONS: It is recommended that:

a. The United States continue her present policy of being interested in the welfare and defense of the Philippines.

b. The United States--Philippines Military Assistance Agreement be reexamined by both countries with a view to increasing the material aid being furnished the Armed Forces of the Philippines.

c. A long range plan of development for the Armed Forces of the Philippines for a period of 10 to 15 years, with United States support be studied with a view to making the Islands a bastion of democracy in the Far East.

THE PHILIPPINES' CONTRIBUTION TO HEMISPHERIC DEFENSE

1. PROBLEM: To analyze the present capabilities and the future potential of the Philippines in contributing to Hemispheric Defense.

2. ASSUMPTIONS: In the development of this subject, the following assumptions are made:

a. That the present friendly relations existing between the Philippines and the United States will continue.

b. That the United States will provide the Philippines with material aid and military assistance for some time to come.

c. That in the event the United States is involved in any major war, the Philippines will also be involved as an ally.

3. FACTS BEARING ON THE PROBLEM: The following facts have a direct bearing on the role of the Philippines in Hemispheric Defense:

a. Strategic location of the Islands makes it peculiarly adaptable to providing bases and staging areas for offensive operations anywhere in the Far East. Annex 2 (Tab B)

b. The manpower, resources and principal products of the Philippines are a great asset to Hemispheric Defense in the Far East. Annex 3 (Tab C)

c. The Armed Forces of the Philippines is the nucleus upon which future mobilization of the nation's war potential is based. Annex 4 (Tab D)

d. The Philippines has granted the United States 99 year leases on Military, Naval and Air Bases under the Philippine-United States Bases Agreement. Annex 5 (Tab E)

e. The United States is committed to aid the Philippine Armed Forces under the United States-Philippine Military Assistance Agreement. Annex 6 (Tab F)

f. The Principal contribution of the Philippines to Hemispheric Defense are; Manpower, Bases and Raw Materials.

4. DISCUSSION:

a. Strategic Location

(1) The Philippines are a group of some 8,000 islands.

large and small located on the western edge of the Pacific Ocean and in the center of the region commonly known as the Far East. It is a communications center for air and sea commerce in this area. An idea of its strategic location may be had from the following table of air distances: (See Tab A)

Manila to:	<u>Miles</u>
Tokyo	1800
Vladivostok	1900
Shanghai	1100
Hongkong	700
Canton	780
Saigon	1000
Guam	1600
Bangkok	1300
Singapore	1500
Darwin	1700
Tarakan	820
Balikpapan	1130

(2) It may be seen from the above table that by reason of its location, the Philippines is ideally suited as a base for offensive operations which might be contemplated anywhere along the Asiatic Continent. The numerous coves, inlets and harbors in the Archipelago provide anchorages and necessary dispersion for mounting large-scale amphibious operations.

(3) Looking into the future, when new weapons come into being and the present ones are perfected, the strategic location of the Philippines makes it an ideal launching site for guided missiles and long range rockets. Its use as an airbase was conclusively demonstrated during the last war and it is believed that the Islands will continue to hold this importance in this respect in future warfare.

(4) Specifically, if war should develop between the United States and Russia, the Philippines will be strategically located to

strike at Russia's back door, or prevent her from spreading out to Southeast Asia.

b. Manpower, Resources and Principal Products: (Tab B)

(1) The Philippines is divided into three principal Island groupings: Luzon, Visayas and Mindanao. Luzon is the largest and principal island and Manila, the capital is located therein. The Visayas form the central group and is composed of the following principal Islands: Leyte, Samar, Cebu, Bohol, Panay, Negros and Palawan. Mindanao is the second largest Island and lies to the South. It is sparsely populated but has abundant natural resources in timber, minerals and agricultural land.

(2) The population of the Philippines according to the latest census is 19,000,000. Eighty percent of the population live in Luzon and the Visayan Islands and the remaining twenty percent live in Mindanao. The principal Tribal groups are the Tagalogs, the most advanced culturally, the Ilocanos, the Pampangos, Bicolis, Visayans and Moros. The latter are Mohammedans and are a very fierce and warlike people. From time to time they have attacked the Christian population in Mindanao and it is only of late that they have been more or less pacified.

(3) The Philippines has a republican form of government, patterned after the United States democratic system. At the head is the President, elected for a term of four years. He governs through a Cabinet composed of the Secretaries of the various departments. There are 48 provinces, each governed by a provincial governor who is in charge of the mayors of the various municipalities and cities of the province. Similar to the United States, the Philippines has a Congress composed of a Senate and a House of Representatives. Its judicial system varies from that of the United States in that the judges are appointed by the President and there is no jury system, the judge being the sole arbiter of all cases that may be tried before his court. Since July 4, 1946, when the Philippines was given her independence, it has established

its own diplomatic and consular service under the Department of Foreign Affairs.

(4) The Philippines is an agricultural country and has very little manufacturing industries. Her principal products are, rice, corn, copra (cocoanut oil), hemp, sugar and minerals. The last four products are produced in sufficient quantities for export and are sent mostly to the United States in exchange for manufactured articles. Of recent years, the mineral resources of the Islands have been explored and shows a very promising future. The principal minerals are gold, chrome, manganese, copper, iron and coal. There has also been some exploration for petroleum conducted on the Island of Cebu but to date oil in commercial quantities has not been found.

(5) The people and government of the Philippines are always ready to furnish assistance to the United States. The form of the relations between the two countries was cast during 47 years of political association and four long years of war. There exists a spirit of wholehearted cooperation and of mutual respect and affection which should be of vital importance to any planner in evaluating the strategic importance of the Philippines to Hemispheric Defense.

c. Armed Forces:

(1) In November of 1935, the Philippine Army was organized by General Douglas MacArthur, using as a nucleus the old Philippine Constabulary which then existed as an Insular Police Force. Because of the limited resources of the country, the concept for the defense of the Islands was based upon a citizen army composed largely of reservists and a small regular force capable of performing the routine tasks of organizing, training and planning during peacetime. To further implement this plan, a universal military training law was passed requiring all 20 year old male citizens to undergo military training for a period of 6 months, at the end of which time they are placed in the reserve.

(2) This program, which was introduced in 1936 trained an average of 40,000 officers and men per year, so that at the time of the attack on Pearl Harbor, the Philippines had ten divisions trained to take the field. The soundness of this plan was proved on the battlefields of Bataan and Corregidor and later on in the battle for Libaration.

(3) Upon the grant of Independence to the Philippines in 1946, the Philippine Army was reorganized and renamed the Armed Forces of the Philippines. Under it was placed 3 major commands namely, the Air Force, the Ground Force and the Naval Patrol. The entire organization is commanded by a Major General whose title is Chief of Staff. He has the usual General and Special Staffs for coordination and supervision of the activities of the major commands.

(Tab C)

(4) The present Armed Forces are training reservists and will continue to do so under the MacArthur plan. They will be the nucleus of the forces which will be organized in the event of Mobilization. The present need is for more equipment which the limited budget of the Philippines cannot afford. In this respect, the United States can help immeasurably if she will furnish the Armed Forces of the Philippines Military Aid in the same manner that she is now furnishing some small countries in Europe, such as, Greece and Turkey.

d. United States--Philippine Island Bases Agreement:

(1) The end of World War II found the Philippines an abundance of supplies and equipment which were being stockpiled in the Islands in preparation for the invasion of Japan. Most of these supplies and equipment were declared surplus to the needs of the United States Armed Forces and turned over to the Philippine Government to be sold in order to aid in her rehabilitation. As a result, the Armed Forces of the Philippines were able to secure most of the needed equipment for their own use. However, at the present time, these stocks, with the exception of large caliber Class V supplies are almost all gone and the Armed Forces of the Philippine have to look for other sources

for their supplies.

(2) Immediately upon the grant of Independence, the Philippines entered into a treaty with the United States, leasing to the latter certain Military, Naval and Air Bases for a period of 99 years. This Treaty, known as the United States-Philippine Bases Agreement grants to the United States Armed Forces the use of the following Bases: (Tab D)

Air: Clark Air Force Base

Navy: Subic Bay

Tawi-Tawi-Anchorage

Sangley Point

Army: Fort Wm. McKinley

Fort Stotsenberg

Camp John Hay

Certain other bases or areas whose occupation would be of a temporary nature were granted to the United States under this treaty for a period of two years. The principal areas are the port and harbor installations around Manila, the present Headquarters at Quezon City and the Army Hospitals and Depots in and around the City of Manila.

(3) The implications of such an agreement are clear. In the event that the United States is involved in a major conflict, she will naturally make use of the Bases for the conduct of the war. The bases would be subject to attack by the enemy and Philippine security will be threatened. The Philippines would then have to join the United States as an ally in order to preserve her territorial integrity.

(4) By defending herself, the Philippines would also be defending these American Bases thereby contributing to the defense of the Hemisphere. If these bases are lost to the Enemy, the United States would be forced to retake them, thereby involving the expenditure of large amounts of money, men and material. It is therefore to the interest of the United States to give the

Philippines the means of defending herself so that the latter may in turn contribute her share in the common cause of defending the American way of life.

e. United States--Philippines Military Assistance Agreement:

(1) A step in this direction was made when the United States and the Philippines entered into another treaty known as the United States--Philippines Military Assistance Agreement. (See Tab E). Under the terms of this treaty, the United States government will furnish the Armed Forces of the Philippines with certain supplies and equipment as well as technical advice for a period of five years. At the end of this period, the treaty may be renewed upon application by the Philippines and approval by the United States. It also provides for the attendance of Philippine Officers and Enlisted Men at the various service schools in the United States.

(2) There has been established in Manila the United States Military Advisory Group, staffed by certain key United States personnel from the 3 services. This group advises the President of the Republic on all matters pertaining to National Defense and acts as the principal liaison between the United States and Philippine Governments in implementing the United States--Philippine Military Assistance Agreement. It also provides a direct channel of communications between the United States Armed Forces in the Philippines and the National Defense Establishment.

(3) This treaty, originally intended to make the Armed Forces of the Philippines stronger and more skillful in the defense of the Islands is not able to fulfill that task at the present time because of the provision that all military aid to the Philippines would be furnished only if the supplies and equipment were surplus to the needs of the United States Armed Forces. The surplus stocks available to the Philippines have all been used up by this time and it is therefore advantageous to both governments to reexamine the provisions of this treaty if material aid to the Armed Forces of the Philippines is to be continued. This reexamination should take

into account a long range plan for the development of an effective force in the Philippines, say in ten to fifteen years with United States support. Such a plan would bolster the defenses of the United States in the Far East with a formidable striking force that could be made available in any part of this region.

f. Contribution to Hemispheric Defense:

(1) Although nominally independent from the United States, the Philippines is bound by ties of friendship and a common ideal fostered by the Americans over 40 years ago when the Islands were ceded to the United States as a result of the Spanish-American War. The Filipinos themselves have been imbued with western culture for over 300 years and are the only Christian nation in the Far East. The common ideals and interests of the two peoples will prove invaluable if the Philippines were called upon to contribute her share to Hemispheric Defense.

(2) Aside from the bases discussed previously, the Philippines can contribute manpower from her Armed Forces as well as labor both skilled and unskilled to set up the various installations that may be placed in the Islands.

(3) Certain strategic raw materials such as hemp, manganese, coconut oil, and rubber could be made available to the United States in the event of an emergency. The Islands also produce lumber in sufficient quantities to support any major construction work that may be required by the United States Armed Forces.

5. CONCLUSIONS: It is accordingly concluded that:

a. The Philippines, by reason of her strategic location plays a vital role in Hemispheric Defense.

b. The people and government of the Philippines have the same ideals of democracy, liberty and justice as the American people and stand ready to aid the United States in the defense of these ideals.

c. The defense of the Territory of the Philippines by her Armed Forces will also protect United States Bases in that country,

thereby aiding in the implementation of United States National Policy.

d. The present United States--Philippine Military Assistance Agreement does not provide sufficient aid to the Armed Forces of the Philippines to enable the latter to strengthen her defenses.

e. The contribution of the Philippines to Hemispheric Defense are threefold: Bases, Manpower, and Raw Materials.

6. RECOMMENDATIONS: It is recommended that:

a. The United States continue her present policy of being interested in the welfare and defense of the Philippines.

b. The United States--Philippines Military Assistance Agreement be reexamined by both countries with a view to increasing the material aid being furnished the Armed Forces of the Philippines.

c. A long range plan of development for the Armed Forces of the Philippines for a period of 10 to 15 years, with United States support be studied with a view to making the Islands a bastion of democracy in the Far East.

ANNEX 1

DIRECTIVE

Tab A

COMMAND AND GENERAL STAFF COLLEGE
DEPARTMENT OF OPERATIONS AND TRAINING
Fort Leavenworth, Kansas

9 December 1948

MONOGRAPH SUBJECT
Regular Course, Phase V, 1948-1949

STUDENT Jose Francisco Lt Comdr Phillippine Is.
(Name) (Rank) (Country)

FACULTY ADVISOR Lt. Col. G.A. Carver 105 Sheridan 8194
(Name) (Bldg & Room No) (Tel No.)

SUBJECT: Philippines Contribution to Hemispheric Defense

NOTE TO STUDENT: --

Your selected subject has timely professional value to the entire class and faculty in addition to its value to yourself. Since this is a subject of your own choice, it will be necessary for you to develop your own outline and compile your bibliography of reference texts.

ANNEX 2

Map of the FAR EAST

Tab B



ANNEX 3

PHILIPPINES

(REPUBLIC OF THE PHILIPPINES)

Tab C

PHILIPPINES

(REPUBLIC OF THE PHILIPPINES)

THE WORLD ALMANAC and Book of Facts for 1949, New York World-Telegram, No. 317.3, P. 532.

Capital, Quezon City (Luzon)--Area, 114,830 Square miles--population (estimated 1947), 19,511,000.

Descriptive. The Republic of the Philippines, largest island group in the Malay Archipelago (land area 114,830 square miles)--lies between $21^{\circ} 10'$ and $4^{\circ} 40'$ north latitude and between $116^{\circ} 40'$ and $126^{\circ} 34'$ east longitude. There are 7,083 islands extending 1,150 statute miles from north to south and 682 miles from east to west. Of this number 462 have an area of one square mile or over; 2,441 are named and 4,642 unnamed. About 63 per cent of the archipelago is suitable for cultivation.

Eleven of the islands have an area of more than 1,000 square miles each. They are: Luzon, 40,420; Mindanao, 36,537; Samar, 5,050; Negros, 4,906; Palawan, 4,550; Panay, 4,446; Mindoro, 3,579; Leyte, 2,786; Cebu, 1,695; Bohol, 1,534; Masbate, 1,255.

The islands have a foreign population (1939 census) of 166,654, including 117,487 Chinese, 29,057 Japanese and 8,709 Americans, exclusive of the military personnel and their families.

Other groups in the Archipelago are the Sulu or Jolo Islands in the South, the Babuyanes and Batanes in the North, the Catanduanes in the East and Calamianes in the West.

The archipelago has a coast line of 14,407 statute miles. There are 21 fine harbors and eight land-locked straits. Manila Bay, with an area of 770 square miles, and a circumference of 120 miles, is the finest harbor in the Far East. It is a roadstead in all parts of which vessels can anchor, but a breakwater has been constructed for shelter in bad weather. Manila, Cebu, Iloilo, Zamboanga, Jolo, Arirri, Davao and Legaspi are the ports of entry.

The extensive mountain system of the Philippines belongs to the succession of volcanic ranges of the Pacific system of the

world's surface. There are 20 more or less active volcanoes. Mount Apo, 9,610 ft., in Mindanao, and Majon volcano, 7,943 ft., in Albay, are the most famous. Between the mountains, and the sea lie great fertile, well-watered plains. The principal islands have important river systems.

The average temperature during the four winter months about 78° F.; in the three hot months, April to June, about 84; in the other months, about 80.

Quezon City, a suburb, replaced Manila as the official capital by a decree signed by the President (July 17, 1948).

Resources and Industries... The chief agricultural products are--unhusked rice ("palay"), Manila hemp ("abaca"), copra, sugar cane, corn, tobacco and maguey. The principal fruit is the pineapple but there are also mangoes, papaya, lanzones, pilinut, chico, mandarins and oranges.

Forests provide cabinet and construction timber in large quantities; also gums and resins, vegetable oils, rattan and bamboo, tan and dye barks and dye woods. Rubber is being cultivated as well as the Chinchona tree for quinine.

The islands are rich in mineral resources. Gold, silver, lead, zinc, copper, iron, coal, petroleum, chromite, asbestos and manganese are mined, as well as clay, marble, salt, etc. It is estimated that there are 75 square miles of coal fields containing lignite and bituminous.

The few manufacturing industries have been encouraged largely by the free-trade relations with the United States which are maintained to the present time by an enactment of the United States Congress and subsequent treaty arrangements.

History and Government. The Philippines were discovered by Magellan (1521) and conquered by Spain (1565). The islands were ceded to the United States by the Treaty of Paris (Dec. 10, 1898), following the Spanish-American War.

Princess Hadji Piandao, niece and adopted daughter of the late

Jamalul Kiram II, Sultan of Sulu, transferred (April, 1940) legal ownership of hundreds of islands in the Sulu Archipelago to the Commonwealth of the Philippines. Estimates of the number of islands in the Archipelago vary between 250 and 700, scattered for 220 miles from Mindanao southwestward to Borneo. The islands are populated chiefly by Moslem natives.

On July 4, 1946, the independent Republic of the Philippines was proclaimed in accordance with the Tydings-McDuffie Act passed by Congress(United States) in 1934, providing for Philippine independence in 1946. President Truman formally recognized the Philippines as a separate and self-governing nation, announcing the withdrawal and surrender by the United States of all rights of possession, supervision, jurisdiction, control or sovereignty over the new republic's territory and people.

The Constitution provides for a legislative body called the Congress of the Philippines, consisting of a Senate with a membership of 24 Senators, elected at large, and a House of Representatives with a theoretical membership of 120 (actually there are 96).. The members of the House of Representatives are apportioned among several provinces according to the number of their respective inhabitants. The term of office of members of the House is four years.

The Congress enjoys extensive powers in the regulation of capital and labor, utility franchises, supervision of power development, and exploitation of natural resources.

The term of the President and Vice President is four years, and the President may be re-elected only once. The Cabinet consists of 13 members.

The Chief Executive is Elpidio Quirino who, as Vice President, succeeded President Manuel A. Roxas on the latter's death (April 15, 1948).

The Supreme Court comprising a Chief Justice and 10 justices appointed by the President, cannot declare a law or a treaty

Unconstitutional except by a two-thirds vote. Freedom of the press, religion, and the right of assembly are guaranteed in the Bill of Rights. Women have suffrage on equal terms with men.

All lands in the public domain, all waters, minerals, coal and petroleum, all forces of potential energy and other natural resources of the Philippines belong to the State and their disposition, exploitation, development and utilization are limited to citizens of the Philippines or corporations and associations of which 60% of the capital is owned by such citizens subject to present leases and concessions. By an amendment to the Constitution (1947), the right to develop Philippine natural resources and to own and operate public utilities for a limited period was extended to citizens of the United States.

The Philippines and the United States signed (March 14, 1947) a 99-year agreement for American military and naval bases in the islands. The agreement provides that in the interest of international security any of the bases may be made available to the Security Council of the United Nations.

Education and Religion. Education is free in the public schools, secular and coeducational on the basis of a common language, English. The national language is Tagalog (a Malayan dialect) but the teaching of English is compulsory. Approximately 5,000,000 persons speak English and 500,000 Spanish. There were published (1947) 464 newspapers and magazines printed in English, Spanish, local dialects and other languages.

Among the special Government institutions are the Normal School, the School of Arts and Trades, the Nautical School, and the Central Luzon Agricultural School. There are provincial trade schools. Higher learning is provided by the State supported University of the Philippines, Manila, and the Dominican University of Santo Tomas (founded 1611). Manila has 10 universities, including one restricted for women. The Silliman University in Dumaguete is maintained by the cooperative support of the United

Evangelical Church of the Philippines, the Presbyterian Church in the United States and the American Board of Commissioners for Foreign Missions.

According to the 1939 census, Philippine literacy had reached 48.8 percent. The rate in 1903 was approximately 10 per cent.

About two-thirds of the inhabitants are Roman Catholics and about 1,500,000 belong to the Independent Catholic Church, organized (1899) by a Filipino priest, Fr. Gregorio Aglipay. There are about 675,000 Moslems and 625,000 Pagans.

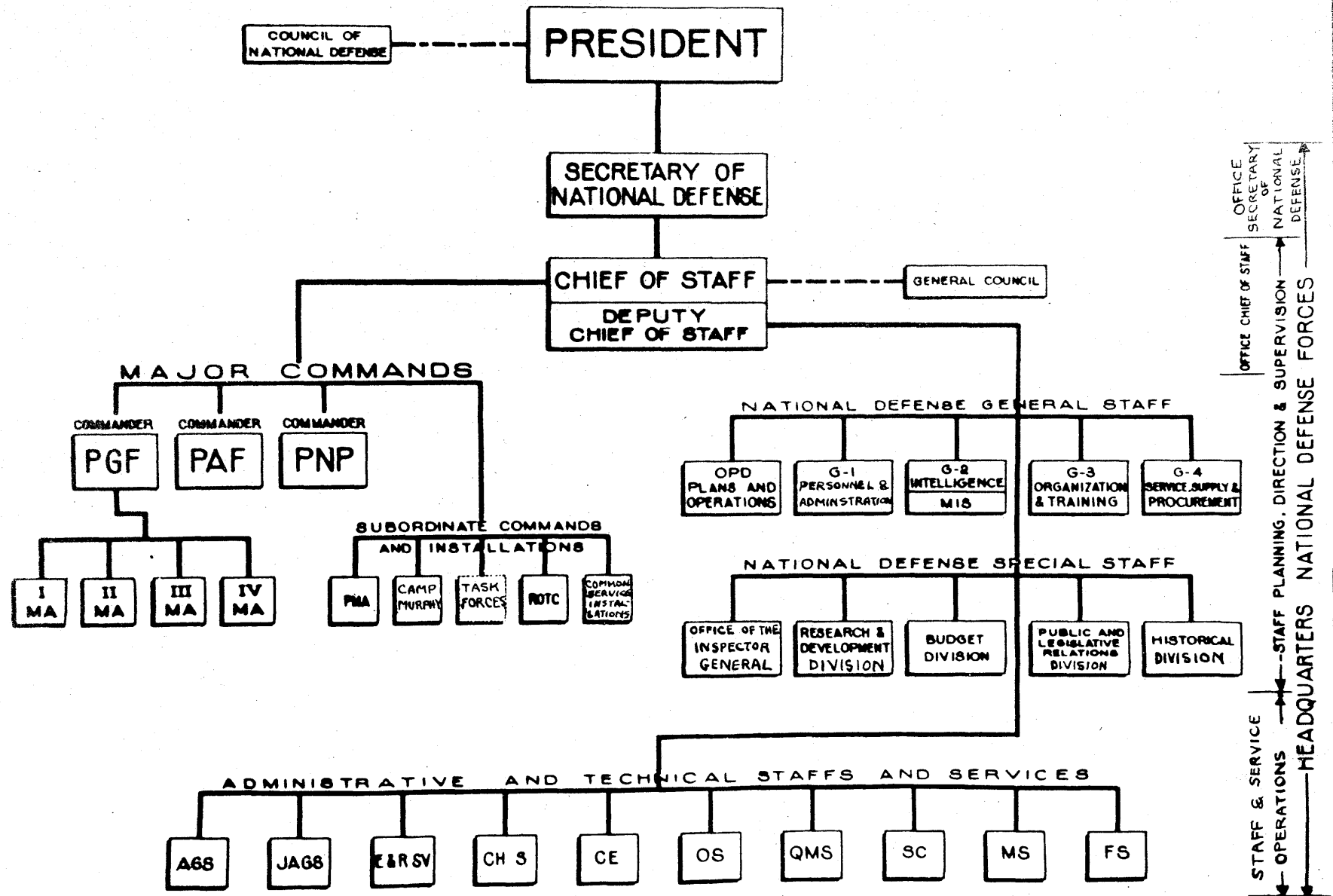
Currency. The monetary unit is the peso.

ANNEX 4

Organization Chart, Armed Forces of the Philippines.

Tab D

REORGANIZATION OF THE ARMED FORCES



ANNEX 5

AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIPPINES
AND THE UNITED STATES OF AMERICA CONCERNING
MILITARY BASES

Tab E

OFFICIAL GAZETTE
REPUBLIC OF THE PHILIPPINES
MANILA, PHILIPPINES, MARCH 1947

VOL. 43 No. 3

AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIPPINES
AND THE UNITED STATES OF AMERICA CONCERNING
MILITARY BASES

WHEREAS, the war in the Pacific has confirmed the mutuality of interest of the Republic of the Philippines and of the United States of America in matters relating to the defense of their respective territories and that mutuality of interest demands that the Governments of the two countries take the necessary measures to promote their mutual security and to defend their territories and areas;

WHEREAS, the Governments of the Republic of the Philippines and of the United States of America are desirous of cooperating in the common defense of their two countries through arrangements consonant with the procedures and objectives of the United Nations, and particularly through a grant to the United States of America by the Republic of the Philippines in the exercise of its title and sovereignty, of the use, free of rent, in furtherance of the mutual interest of both countries, of certain lands of the public domain;

WHEREAS, the Government of the Republic of the Philippines has requested the United States assistance in providing for the defense of the Philippines and in developing for such defense effective Philippine armed forces;

WHEREAS, pursuant to this request the Government of the United States of America has in view of its interest in the welfare of the Philippines, indicated its intention of dispatching a military mission to the Philippines and of extending to her appropriate assistance in the development of the Philippine defense forces;

WHEREAS, a Joint Resolution of the Congress of the United States of America of June 29, 1944, authorized the President of the United States of America to acquire bases for the mutual protection of the Philippines and of the United States of America; and

WHEREAS, Joint Resolution No. 4 of the Congress of the Philippines, approved July 28, 1945, authorized the President of the Philippines to negotiate with the President of the United States of America for the establishment of bases provided for in the Joint Resolution of the Congress of the United States of America of June 29, 1944, with a view to insuring the territorial integrity of the Philippines, the mutual protection of the Philippines and the United States of America, and the maintenance of peace in the Pacific;

THEREFORE, the Government of the Republic of the Philippines and of the United States of America agree upon the following terms for the delimitation, establishment, maintenance and operation of military bases in the Philippines:

ARTICLE I. -- Grant of Bases

1. The Government of the Republic of the Philippines (hereinafter referred to as the Philippines) grants to the Government of the United States of America (hereinafter referred to as the United States) the right to retain the use of the bases in the Philippines listed in Annex A attached hereto.

2. The Philippines agrees to permit the United States, upon notice to the Philippines, to use such of those bases listed in Annex B as the United States determines to be required by military necessity.

3. The Philippines agrees to enter into negotiations with the United States at the latter's request, to permit the United States to expand such bases, to exchange such bases for other bases, to acquire additional bases, or relinquish rights to bases, as any of such exigencies may be required by military necessity.

4. A narrative description of the boundaries of the bases to which this Agreement relates is given in Annex A and Annex B. An exact description of the bases listed in Annex A, with metes and bounds, in conformity with the narrative descriptions, will be agreed upon between the appropriate authorities of the two Governments as soon as possible. With respect to any of the bases listed in Annex B, an exact description with metes and bounds, in conformity with the narrative description of such bases, will be agreed upon if and when such bases are acquired by the United States.

ARTICLE II. -- Mutual Cooperation

1. It is mutually agreed that the armed forces of the Philippines may serve on United States bases and that the armed forces of the United States may serve on Philippine military establishments whenever such conditions appear beneficial as mutually determined by the armed forces of both countries.

2. Joint outlined plans for the development of military bases in the Philippines may be prepared by military authorities of the two Governments.

3. In the interest of international security any bases listed in Annexes A and B may be made available to the Security Council of the United Nations on its call by prior mutual agreement between the Philippines and the United States.

ARTICLE III. -- Description of Rights

1. It is mutually agreed that the United States shall have the rights, power and authority within the bases which are necessary for the establishment, use, operation and defense thereof or appropriate for the control thereof and all the rights, power and authority within the limits of territorial waters and air space adjacent to, or in the vicinity of, the bases which are necessary to provide access to them, or appropriate for their control.

2. Such rights, power and authority shall include, inter alia, the right, power and authority:

(a) to construct (including dredging and filling), operate, maintain, utilize, occupy, garrison and control the bases;

(b) to improve and deepen the harbors, channels, entrances and anchorages, and to construct or maintain necessary roads and bridges affording access to the bases;

(c) to control (including the right to prohibit) in so far as may be required for the efficient operation and safety of the bases, and within the limits of military necessity, anchorages, moorings, landings, takeoffs, movements and operation of ships and water-borne craft, aircraft and other vehicles on water, in the air or on land comprising or in the vicinity of the bases;

(d) the right to acquire, as may be agreed between the two Governments such rights of way, and to construct thereon, as may be required for military purposes, wire and radio communications facilities, including submarine and subterranean cables, pipe lines and spur tracks from railroads to bases, and the right, as may be agreed upon between the two Governments, to construct the necessary facilities;

(e) to construct, install, maintain, and employ on any base any type of facilities, weapons, substance, device, vessel or vehicle on or under the ground, in the air or on or under the water that may be requisite or appropriate, including meteorological systems, aerial and water navigation lights, radio and radar apparatus and electronic devices, of any desired power, type of emission and frequency.

3. In the exercise of the above-mentioned rights, power and authority, the United States agrees that the powers granted to it will not be used unreasonably or, unless required by military necessity determined by the two Governments, so as to interfere with the necessary rights of navigation, aviation, communication, or land travel within the territories of the Philippines. In the practical application outside the bases of the rights, powers and

authority granted in this Article there shall be, as the occasion requires, consultation between the two Governments.

ARTICLE IV. -- Shipping and Navigation

1. It is mutually agreed that United States public vessels operated by or for the War or Navy Departments, the Coast Guard or the Coast and Geodetic Survey, and the military forces of the United States, military and naval aircraft and Government-owned vehicles, including armor, shall be accorded free access to and movement between ports and United States bases throughout the Philippines, including territorial waters, by land, air and sea. This right shall include freedom from compulsory pilotage and all tool charges. If, however, a pilot is taken, pilotage shall be paid for at appropriate rates. In connection with entrance into Philippine ports by United States public vessels appropriate notification under normal conditions shall be made to the Philippine authorities.

2. Lights and other aids to navigation of vessels and aircraft placed or established in the bases and territorial waters adjacent thereto or in the vicinity of such bases shall conform to the system in use in the Philippines. The position, characteristics and any alterations in the lights or other aids shall be communicated in advance to the appropriate authorities of the Philippines.

3. Philippine commercial vessels may use the bases on the same terms and conditions as United States commercial vessels.

4. It is understood that a base is not a part of the territory of the United States for the purpose of coastwise shipping laws so as to exclude Philippine vessels from trade between the United States and the bases.

ARTICLE V. -- Exemption from Customs and Other Duties

No import, excise, consumption or other tax, duty or impost shall be charged on material, equipment, supplies or goods, including food stores and clothing, for exclusive use in the construction, maintenance, operation or defense of the bases, consigned

to, or destined for, the United States authorities and certified by them to be for such purposes.

ARTICLE VI. -- Maneuver and Other Areas

The United States shall, subject to previous agreement with the Philippines, have the right to use land and coastal sea areas of appropriate size and location for periodic maneuvers, for additional staging areas, bombing and gunnery ranges, and for such intermediate airfields as may be required for safe and efficient air operations. Operations in such areas shall be carried on with due regard and safeguards for the public safety.

ARTICLE VII. -- Use of Public Services

It is mutually agreed that the United States may employ and use for United States military forces any and all public utilities, other services and facilities, airfields, ports, harbors, roads, highways, railroads, bridges, viaducts, canals, lakes, rivers and streams in the Philippines under conditions no less favorable than those that may be applicable from time to time to the military forces of the Philippines.

ARTICLE VIII. -- Health Measures Outside Bases

It is mutually agreed that the United States may construct, subject to agreement by the appropriate Philippine authorities, wells, water catchment areas or dams to insure an ample supply of water for all base operations and personnel. The United States shall likewise have the right, in cooperation with the appropriate authorities of the Philippines, to take such steps as may be mutually agreed upon to be necessary to improve health and sanitation in areas contiguous to the bases, including the right, under such conditions as may be mutually agreed upon, to enter and inspect any privately owned property. The United States shall pay just compensation for injury to persons or damage to property that may result from action taken in connection with this Article.

ARTICLE IX. -- Surveys

It is mutually agreed that the United States shall have the right, after appropriate notification has been given to the Philippines, to make topographic, hydrographic, and coast and geodetic surveys and aerial photographs in any part of the Philippines and waters adjacent thereto. Copies with title and triangulation data of any surveys or photomaps made of the Philippines shall be furnished to the Philippines.

ARTICLE X.-- Cemeteries and Historical Sites

1. The United States shall have the right to retain and maintain such United States military cemeteries and such sites of historical significance to the United States as may be agreed upon by the two Governments. All rights, power and authority in relation to bases granted under this Agreement shall be applicable, in so far as appropriate, to the cemeteries and sites mentioned in this Article.

2. Furthermore, it is recognized that there are certain cemeteries and historical sites in the Philippines revered in the memory of the People of the Philippines and of the United States, and it is therefore fitting that the maintenance and improvement of such memorials be the common concern of the two countries.

ARTICLE XI. -- Immigration.

1. It is mutually agreed that the United States shall have the right to bring into the Philippines members of the United States military forces and the United States nationals employed by or under a contract with the United States together with their families, and technical personnel of other nationalities (not being persons excluded by the laws of the Philippines) in connection with the construction, maintenance, or operation of the bases. The United States shall make suitable arrangements so that such persons may be readily identified and their status established when necessary by the Philippine authorities. Such persons, other than members

of the United States armed forces in uniform, shall present their travel documents to the appropriate Philippine authorities for visas, it being understood that no objection will be made to their travel to the Philippines as non-immigrants.

2. If the status of any person within the Philippines and admitted thereto under the foregoing paragraph shall be altered so that he would no longer be entitled to such admission, the United States shall notify the Philippines and shall, if such person be required to leave the Philippines by the latter Government, be responsible for providing him with a passage from the Philippines within a reasonable time, and shall in the meantime prevent his becoming a public responsibility of the Philippines.

ARTICLE XII. -- Internal Revenue Tax Exemption

1. No member of the United States armed forces, except Filipino citizens, serving in the Philippines in connection with the bases and residing in the Philippines by reason only of such service, or his dependents, shall be liable to pay income tax in the Philippines except in respect of income derived from Philippine sources.

2. No national of the United States serving in or employed in the Philippines in connection with the construction, maintenance, operation or defense of the bases and residing in the Philippines by reason only of such employment, or his spouse and minor children and dependent parents of either spouse, shall be liable to pay income tax in the Philippines except in respect of income derived from Philippine sources or sources other than the United States sources.

3. No person referred to in paragraphs 1 and 2 of this article shall be liable to pay to the Government or local authorities of the Philippines any poll or residence tax, or any import or export duty, or any other tax on personal property imported for his own use; provided that privately owned vehicles shall be subject to payment of the following only; when certified as

being used for military purposes by appropriate United States authorities, the normal license plate fee; otherwise, the normal license plate and registration fees.

4. No national of the United States, or corporation organized under the laws of the United States, resident in the United States, shall be liable to pay income tax in the Philippines in respect of any profits derived under a contract made in the United States with the Government of the United States in connection with the construction, maintenance, operation and defense of the bases, or any tax in the nature of a license in respect of any service or work for the United States in connection with the construction, maintenance, operation and defense of the bases.

ARTICLE XIII. -- Jurisdiction

1. The Philippines consents that the United States shall have the right to exercise jurisdiction over the following offenses:

(a) Any offense committed by any person within any base except where the offender and offended parties are both Philippine citizens (not members of the armed forces of the United States on active duty) or the offense is against the security of the Philippines;

(b) Any offense committed outside the bases by any members of the armed forces of the United States in which the offended party is also a member of the armed forces of the United States; and

(c) Any offense committed outside the bases by any members of the armed forces of the United States against the security of the United States.

2. The Philippines shall have the right to exercise jurisdiction over all other offenses committed outside the bases by any member of the armed forces of the United States.

3. Whenever for special reasons the United States may desire not to exercise the jurisdiction reserved to it in paragraphs 1 and 6 of this Article, the officer holding the offender in custody shall so notify the fiscal (prosecuting attorney) of the city or province in which the offense has been committed within ten days after his arrest, and in such a case the Philippines shall exercise jurisdiction.

4. Whenever for special reasons the Philippines may desire not to exercise the jurisdiction reserved to it in paragraph 2 of this Article, the fiscal (prosecuting attorney) of the city or province where the offense has been committed shall so notify the officer holding the offender in custody within ten days after his arrest, and in which case the United States shall be free to exercise jurisdiction. If any offense falling under paragraph 2 of this Article is committed by any member of the armed forces of the United States,

(a) while engaged in the actual performance of a specific military duty, or

(b) during a period of national emergency declared by either Government and the fiscal (prosecuting attorney) so finds from the evidence, he shall immediately notify the officer holding the offender in custody that the United States is free to exercise jurisdiction. In the event the fiscal (prosecuting attorney) finds that the offense was not committed in the actual performance of a specific military duty, the offender's commanding officer shall have the right to appeal from such finding to the Secretary of Justice within ten days from the receipt of the decision of the fiscal and the decision of the Secretary of Justice shall be final.

5. In all cases over which the Philippines exercise jurisdiction the custody of the accused, pending trial and final judgment, shall be entrusted without delay to the commanding officer of the nearest base, who shall acknowledge in writing that such accused has been delivered to him for custody pending trial in a competent court of the Philippines and that he will be held ready to appear

and will be produced before said court when required by it. The commanding officer shall be furnished by the fiscal (prosecuting attorney) with a copy of the information against the accused upon the filing of the original in the competent court.

6. Notwithstanding the foregoing provisions, it is mutually agreed that in time of war the United States shall have the right to exercise exclusive jurisdiction over any offenses which may be committed by members of the armed forces of the United States in the Philippines.

7. The United States agrees that it will not grant asylum in any of the bases to any person fleeing from the lawful jurisdiction of the Philippines. Should any such person be found in any base, he will be surrendered on demand to the competent authorities of the Philippines.

8. In every case in which jurisdiction over an offense is exercised by the United States, the offended party may institute a separate civil action against the offender in the proper court of the Philippines to enforce the civil liability which under the laws of the Philippines may arise from the offense.

ARTICLE XIV -- Arrest and Service of Process

1. No arrest shall be made and no process, civil or criminal, shall be served within any base except with the permission of the commanding officer of such base; but should the commanding officer refuse to grant such permission he shall (except in cases of arrest where the United States has jurisdiction under Article XIII) forthwith take the necessary steps to arrest the person charged and surrender him to the appropriate authorities of the Philippines or to serve such process, as the case may be, and to provide the attendance of the server of such process before the appropriate court in the Philippines or procure such server to make the necessary affidavit or declaration to prove such service as the case may require.

2. In cases where the service courts of the United States have jurisdiction under Article XIII, the appropriate authorities of the

Philippines will, on request, give reciprocal facilities as regards the service of process and the arrest and surrender of alleged offenders.

ARTICLE XV. -- Security Legislation

The Philippines agrees to take such steps as may from time to time be agreed to be necessary with a view to the enactment of legislation to insure the adequate security and protection of the United States bases, equipment and other property and the operations of the United States under this Agreement, and the punishment of persons who may contravene such legislation. It is mutually agreed that appropriate authorities of the two Governments will also consult from time to time in order to insure that laws and regulations of the Philippines and of the United States in relation to such matters shall, so far as may be possible, be uniform in character.

ARTICLE XVI. -- Postal Facilities

It is mutually agreed that the United States shall have the right to establish and maintain United States post offices in the bases for the exclusive use of the United States armed forces, and civilian personnel who are nationals of the United States and employed in connection with the construction, maintenance, and operation of the bases, and the families of such persons, for domestic use between United States post offices in the bases and between such post offices and other United States post offices. The United States shall have the right to regulate and control within the bases all communications within, to and from such bases.

ARTICLE XVII. -- Removal of Improvements

1. It is mutually agreed that the United States shall have the right to remove or dispose of any or all removable improvements, equipment or facilities located at or on any base and paid for with funds of the United States. No export tax shall be charged on any material or equipment so removed from the Philippines.

2. All buildings and structures which are erected by the United States in the bases shall be the property of the United States

and may be removed by it before the expiration of this Agreement or the earlier relinquishment of the base on which the structures are situated. There shall be no obligation on the part of the Philippines or of the United States to rebuild or repair any destruction or damage inflicted from any cause whatsoever on any of the said buildings or structures owned or used by the United States in the bases. The United States is not obligated to turn over the bases to the Philippines at the expiration of this Agreement or the earlier relinquishment of any bases in the condition in which they were at the time of their occupation, nor is the Philippines obliged to make any compensation to the United States for the improvements made in the bases or for the buildings or structures left thereon, all of which shall become the property of the Philippines upon the termination of the Agreement or the earlier relinquishment by the United States of the bases where the structures have been built.

ARTICLE XVIII. -- Sales and Services Within the Bases

1. It is mutually agreed that the United States shall have the right to establish on bases, free of all licenses; fees; sales, excise or other taxes, or imposts; Government agencies, including concessions, such as sales commissaries and post exchanges, messes and social clubs, for the exclusive use of the United States military forces and authorized civilian personnel and their families. The merchandise or services sold or dispensed by such agencies shall be free of all taxes, duties and inspection by the Philippine authorities. Administrative measures shall be taken by the appropriate authorities of the United States to prevent the resale of goods which are sold under the provisions of this Article to persons not entitled to buy goods at such agencies, and, generally, to prevent abuse of the privileges granted under this Article. There shall be cooperation between such authorities and the Philippines to this end.

2. Except as may be provided in any other agreements, no persons shall habitually render any professional services in a base except to or for the United States or to or for the persons

mentioned in the preceding paragraph. No business shall be established in a base, it being understood that the Government agencies mentioned in the preceding paragraph shall not be regarded as businesses for the purposes of this Article.

ARTICLE XIX. -- Commercial Concerns

It is mutually agreed that the United States shall have the right, with the consent of the Philippines, to grant to commercial concerns owned or controlled by citizens of the Philippines or United States such rights to the use of any base or facility retained or acquired by the United States as may be deemed appropriate by both Governments to insure the development and maintenance for defense purposes of such bases and facilities.

ARTICLE XX. -- Military or Naval Police

It is mutually agreed that there shall be close cooperation on a reciprocal basis between the military and naval police forces of the United States and the police forces of the Philippines for the purpose of preserving order and discipline among United States military and naval personnel.

ARTICLE XXI. -- Temporary Installations

1. It is mutually agreed that the United States shall retain the right to occupy temporary quarters and installations now existing outside the bases mentioned in Annex A and Annex B, for such reasonable time, not exceeding two years, as may be necessary to develop adequate facilities within the bases for the United States armed forces. If circumstances require an extension of time, such a period will be fixed by mutual agreement of the two Governments; but such extension shall not apply to the existing temporary quarters and installations within the limits of the City of Manila and shall in no case exceed a period of three years.

2. Notwithstanding the provisions of the preceding paragraph, the Port of Manila reservation with boundaries as of 1941 will be available for use to the United States armed forces until such time as other arrangements can be made for supply of the bases by mutual agreement of the two Governments.

3. The terms of this Agreement pertaining to bases shall be applicable to temporary quarters and installations referred to in paragraph 1 of this Article while they are so occupied by the armed forces of the United States; provided, that offenses committed within the temporary quarters and installations located within the present limits of the City of Manila shall not be considered as offense within the bases but shall be governed by the Provisions of Article XIII, paragraphs 2 and 4, except that the election not to exercise the jurisdiction reserved to the Philippines shall be made by the Secretary of Justice. It is agreed that the United States shall have full use and full control of all these quarters and installations while they are occupied by the armed forces of the United States, including the exercise of such measures as may be necessary to police said quarters for the security of the personnel and property therein.

ARTICLE XXII. -- Condemnation or Expropriation

1. Whenever it is necessary to acquire by condemnation or expropriation proceedings real property belonging to any private persons, associations or corporations located in bases named in Annex A and Annex B in order to carry out the purposes of this Agreement, the Philippines will institute and prosecute such condemnation or expropriation proceedings in accordance with the laws of the Philippines. The United States agrees to reimburse the Philippines for all the reasonable expenses, damages and costs thereby incurred, including the value of the property as determined by the Court. In addition, subject to the mutual agreement of the two Governments, the United States will reimburse the Philippines for the reasonable costs of transportation and removal of any occupants displaced or ejected by reason of the condemnation or expropriation.

2. Prior to the completion of such condemnation or expropriation proceedings, in cases of military necessity the United States shall have the right to take possession of such property required for military purposes as soon as the legal requisites for obtaining

possession have been fulfilled.

3. The properties acquired under this Article shall be turned over to the Philippines upon the expiration of this Agreement, or the earlier relinquishment of such properties, under such terms and conditions as may be agreed upon by the two Governments.

ARTICLE XXIII. -- Civil Liability

For the purpose of promoting and maintaining friendly relations by the prompt settlement of meritorious claims, the United States shall pay just and reasonable compensation, when accepted by claimants in full satisfaction and in final settlement, for claims, including claims of insured but excluding claims of subrogeos, on account of damage to or loss or destruction of private property, both real and personal, or personal injury or death of inhabitants of the Philippines, when such damage, loss destruction or injury is caused by the armed forces of the United States, or individual members thereof, including military or civilian employees thereof, or otherwise incident to non-combat activities of such forces; provided that no claim shall be considered unless presented within one year after the occurrence of the accident or incident out of which such claim arises.

ARTICLE XXIV. -- Mineral Resources

All minerals (including oil), and antiquities and all rights relating thereto and to treasure trove, under, upon, or connected with the land and water comprised in the bases or otherwise used or occupied by the United States by virtue of this Agreement, are reserved to the Government and inhabitants of the Philippines; but no rights so reserved shall be transferred to third parties, or exercised within the bases, without the consent of the United States. The United States shall negotiate with the proper Philippine authorities for the quarrying of rock and gravel necessary for construction work on the bases.

ARTICLE XXV. -- Grant of Bases to a Third Power

1. The Philippines agrees that it shall not grant, without

prior consent of the United States, any bases or any rights, power, or authority whatsoever, in or relating to bases, to any third power.

2. It is further agreed that the United States shall not, without the consent of the Philippines, assign, or underlet, or part with the possession of the whole or any part of any base, or of any right, power or authority granted by this Agreement, to any third power.

ARTICLE XXVI. -- Definition of Bases

For the purposes of this Agreement, bases are those areas named in Annex A and Annex B and such additional areas as may be acquired for military purposes pursuant to the terms of this Agreement.

ARTICLE XXVII. -- Voluntary Enlistment of Philippine Citizens

It is mutually agreed that the United States shall have the right to recruit citizens of the Philippines for voluntary enlistment into the United States armed forces for a fixed term of years, and to train them and to exercise the same degree of control and discipline over them as is exercised in the case of other members of the United States armed forces. The number of such enlistments to be accepted by the armed forces of the United States may from time to time be limited by agreement between the two Governments.

ARTICLE XXVIII. -- United States Reserve Organization

It is mutually agreed that the United States shall have the right to enroll and train all eligible United States citizens residing in the Philippines in the Reserve organizations of the armed forces of the United States, which include the Officers Reserve Corps and the Enlisted Reserve Corps, except that prior consent of the Philippines shall be obtained in the case of such persons who are employed by the Philippines or any Municipal or Provincial Government thereof.

ARTICLE XXIX. -- Term of Agreement

The present Agreement shall enter into force upon its acceptance by the two Governments and shall remain in force for a period of ninety-nine years subject to extension thereafter as agreed by the two Governments.

Signed in Manila, Philippines, in duplicate this fourteenth day of March, nineteen hundred and forty-seven.

On behalf of the Government of the Republic of the
Philippines:

/s/ MANUEL ROXAS
President of the Philippines

On behalf of the Government of the United States of
America:

PAUL V. McNUTT
Ambassador Extraordinary and Plenipoten-
tiary of the United States of Ame-
rica to the Republic of the
Philippines

ANNEX 6

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE
PHILIPPINES AND THE GOVERNMENT OF THE UNITED STATES
OF AMERICA ON MILITARY ASSISTANCE TO THE
PHILIPPINES

Tab F

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES
AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA ON MILITARY
ASSISTANCE TO THE PHILIPPINES

---oOo---

Considering the desire of the Government of the Republic of the Philippines to obtain assistance in the training and development of its armed forces and the procurement of equipment and supplies therefor during the period immediately following the independence of the Philippines, considering the Agreement between the Republic of the Philippines and the United States of America concerning military bases, signed March 14, 1947, and in view of the mutual interest of the two Governments in matters of common defense, the President of the United States of America has authorized the rendering of military assistance to the Republic of the Philippines towards establishing and maintaining national security and towards forming a basis for participation by that Government in such defensive military operations as the future may require, and to attain these ends the Governments of the Republic of the Philippines and the United States of America have agreed as follows:

TITLE I

PURPOSE AND DURATION

Article 1. Subject to mutual agreements, the Government of the United States of America will furnish military assistance to the Government of the Republic of the Philippines in the training and development of armed forces and in the performance of other services essential to the fulfillment of these obligations which may devolve upon the Republic of the Philippines under its international agreements including commitments assumed under the United Nations and to the maintenance of the peace and security of the Philippines, as provided in Title II, Article 6 hereof.

Article 2. This agreement shall continue for a period of five years from July 4, 1946 unless previously terminated or extended as hereinafter provided.

Article 3. If the government of the Republic of the Philippines should desire that this Agreement be extended beyond the stipulated period, it shall make a written proposal to that effect at least one year before the expiration of this Agreement.

Article 4. This Agreement may be terminated before the expiration of the period of five years prescribed in Article 2, or before the expiration of an extension authorized in Article 3, by either Government, subject to three months' written notice to the other Government.

Article 5. It is agreed on the part of the Government of the Republic of the Philippines that title to all arms, vessels, aircraft, equipment and supplies, expendable items excepted, that are furnished under this Agreement on a non-reimbursable basis shall remain in the United States of America.

TITLE II

Article 6. For the purpose of this Agreement, the military assistance authorized in Article I hereof is defined as the furnishing of arms, ammunition, equipment and supplies; certain aircraft and naval vessels, and instruction and training assistance by the Army and Navy of the United States and shall include the following:

(a) Establishing in the Philippines of a United States Military Advisory Group composed of an Army group, a Navy group and an Air group to assist and advise the Republic of the Philippines on military and naval matters;

(b) Furnishing from United States sources equipment and technical supplies for training, operations and certain maintenance of Philippine armed forces of such strength and composition as mutually agreed upon;

(c) Facilitating the procurement by the Government of the Republic of the Philippines of a military reserve of United States equipment and supplies, in such amounts as may be subsequently agreed upon;

(d) Making available selected facilities of United

States Army and Navy training establishments to provide training for key personnel of the Philippine armed forces, under the conditions hereinafter described.

TITLE III

MILITARY ADVISORY GROUP

Article 7. The Military Advisory Group shall consist of such number of United States military personnel as may be agreed upon by the Governments of the Republic of the Philippines and the United States of America.

Article 8. The functions of the Military Advisory Group shall be to provide such advice and assistance to the Republic of the Philippines as has been authorized by the Congress of the United States of America and as is necessary to accomplish the purpose set forth in Article 1 of this Agreement.

Article 9. Each member of the Military Advisory Group shall continue as a member of the branch of the armed forces of the United States to which he belongs and serve with that group in the rank, grade or rating he holds in the armed forces of the United States and shall wear the uniform thereof, as provided in current regulations. Officers and enlisted men so detailed are authorized to accept from the Government of the Republic of the Philippines offices and such pay and emoluments thereunto appertaining as pay be offered by that Government and approved by the appropriate authorities of the United States, such compensation to be accepted by the United States Government for remittance to the individual if in the opinion of the appropriate authorities of the United States such course appear desirable.

Article 10. Members of the Military Advisory Group shall serve under the direction of the authorities of the United States of America.

Article 11. All members of the Group shall be on active duty and shall be paid regularly authorized pay and allowances by the Government of the United States of America, plus a special allowance

to compensate for increased costs of living. This special allowance shall be based upon a scale agreed upon by the Governments of the Republic of the Philippines and the United States of America and shall be revised periodically. The Government of the Republic of the Philippines shall reimburse the Government of the United States of America for the special allowances provided for in this Article. The special allowance shall be applicable for the entire period each member of the group resides in the Philippines on duty with the group, except as specified elsewhere in this Agreement.

Article 12. The Government of the Republic of the Philippines agrees to extend to the Military Advisory Group the same exemptions and privileges granted by Articles V, XII and XVIII of the Agreement between the Republic of the Philippines and the United States of America Concerning Military Bases, signed March 14, 1947.

Article 13. Except as may be otherwise subsequently agreed by the two Governments, the expenses of the cost of transportation of each member of the Military Advisory Group, his dependents, household effects, and belongings to and from the Philippines shall be borne by the Government of the United States of America to the extent authorized by law. Members of the Group shall be entitled to compensation for expenses incurred in travel in the Republic of the Philippines on official business of the Group and such expenses shall be reimbursed to the Government of the United States of America by the Government of the Republic of the Philippines except for expenses of travel by the transportation facilities of the group.

Article 14. The Government of the Republic of the Philippines shall provide and defray the cost of, suitable living quarters for personnel of the Military Advisory Group and their families and suitable building and office space for use in the conduct of the official business of the Military Advisory Group. All living and office quarters shall conform to the standards prescribed by the United States military services for similar quarters.

Official supplies and equipment of American manufacture required by the Group shall be furnished by the Government of the United States of America which shall be reimbursed for the cost thereof by the Government of the Republic of the Philippines. Official supplies and equipment of other than American manufacture shall be provided without cost by the Government of the Republic of the Philippines. The cost of all services required by the Group, including compensation of locally employed interpreters, clerks, laborers, and other personnel, except personal servants, shall be borne by the Government of the Republic of the Philippines.

Article 15. All communications between the Military Advisory Group and the Republic of the Philippines involving matters of policy shall be through the Ambassador of the United States of America to the Philippines or the Charge d'Affaires.

Article 16. (a) The provisions of Article XIII and XXI of the Agreement of March 14, 1947 between the Republic of the Philippines and the United States of America Concerning Military Bases are applicable to the Military Advisory Group, it being agreed that the Headquarters of the Military Advisory Group will be considered a temporary installation under the provisions of Article XXI of the Agreement aforementioned.

(b) The Chief of the Military Advisory Group, and not to exceed six (6) other senior members of the group to be designated by him, will be accorded diplomatic immunity.

TITLE IV

LOGISTICAL ASSISTANCE

Article 17. The decision as to what supplies, services, facilities, equipment and naval vessels are necessary for military assistance shall be made by agreement between the appropriate authorities of the Republic of the Philippines and the United States.

Article 18. Certain initial equipment, supplies and maintenance items shall be furnished gratuitously by the United States in accordance with detailed arrangements to be mutually agreed upon.

Additional equipment and supplies other than those surplus to the needs of the United States required in the furtherance of military assistance shall be furnished by the United States subject to reimbursement by the Republic of the Philippines on terms to be mutually agreed upon. All items of arms, munitions, equipment and supplies originating from sources other than those surplus to the needs of the United States shall be furnished only when the requisite funds have been specifically appropriated by the Congress of the United States.

Article 19. The Government of the Republic of the Philippines agrees that it will not relinquish physical possession or pass the title to any and all arms, munitions equipment supplies, naval vessels and aircraft furnished under this Agreement without the specific consent of the Government of the United States.

Article 20. Military equipment, supplies and naval vessels necessary in connection with the carrying out of the full program of military assistance to the Republic of the Philippines shall be provided from Philippines and United States sources in so far as practicable and the Government of the Republic of the Philippines shall procure arms, ammunition, military equipment and naval vessels from governments or agencies other than the United States of America only on the basis of mutual agreement between the Government of the Republic of the Philippines and the Government of the United States of America. The Government of the Republic of the Philippines shall procure United States military equipment, supplies, and naval vessels only as mutually agreed upon.

TITLE V

TRAINING ASSISTANCE

Article 21. As part of the program of military assistance the Government of the Republic of the Philippines shall be permitted to send selected students to designated technical and service schools of the ground, naval and air services of the United States. Such students shall be subject to the same regulations as

are United States students and may be returned to the Philippines, without substitution, for violation of such regulations. Numbers of students and detailed arrangements shall be mutually agreed upon and shall be kept at a minimum for essential requirements. All Philippine requests for military training of Filipino personnel shall be made to the Government of the United States through the Military Advisory Group.

TITLE VI

SECURITY

Article 22. Disclosures and exchanges of classified military equipment and information of any security classification to or between the Government of the Republic of the Philippines and the Government of the United States of America will be with the mutual understanding that the equipment and information will be safeguarded in accordance with the requirements of the military security classification established thereon by the originating Government and that no redisclosure by the recipient Government of such equipment and information to third governments or unauthorized personnel will be made without specific approval of the originating Government.

Article 23. So long as this Agreement, or any extension thereof, is in effect the Government of the Republic of the Philippines shall not engage or accept the services of any personnel of any Government other than the United States of America for duties of any nature connected with the Philippine armed forces, except by mutual agreement between the Government of the Republic of the Philippines and the Government of the United States of America.

TITLE VII

IN WITNESS WHEREOF, the Undersigned, duly authorized thereto, have signed this Agreement in duplicate, in the City of Manila, this twenty-first day of March, 1947.

For the Government of the Republic of the Philippines:

(signed) MANUEL ROXAS
President of the Philippines.

For the Government of the United States of America:

(Signed) PAUL V. MCNUTT
Ambassador Extraordinary and Plenipoten-
tiary of the United States of America
to the Republic of the Philippines.

ANNEX 7
BIBLIOGRAPHY

Tab G

BIBLIOGRAPHY

1. THE WORLD ALMANAC and BOOK OF FACTS, 1949; New York
World-Telegram, No. 317.5, p. 532
2. OFFICIAL GAZETTE, REPUBLIC of the PHILIPPINES, Manila
Philippines, March 1947