A Quick but Concerning Start to the Duterte Presidency

CONOR CRONIN

Conor Cronin is a research associate with the CSIS Southeast Asia Program at the Center for Strategic and International Studies in Washington, D.C.

August 4, 2016

Rodrigo Duterte, the newly minted president of the Philippines, was quick out of the gates after taking office in late June. In an executive order on July 24, Duterte established new freedom of information regulations for the executive branch by circumventing Congress, where freedom of information bills have languished for decades. The president made infrastructure a top priority for his administration, pushing road construction projects around the country along with solutions to many of Manila’s chronic woes such as flooding and the overcrowding of its international airport.

The push for federalism as an alternative system of government, a cornerstone of Duterte’s election campaign and his answer to provinces that feel disenfranchised by the concentration of power in Manila, has already kicked off with a nationwide information campaign.

However, the direction the Duterte administration seems to be taking in other areas is raising eyebrows and in some cases confirming the fears of the president’s critics. Apparent foreign policy passivity, a wave of vigilante killings, and impulsive moves in the nation’s delicate peace process threaten to overshadow the progress under way.

The July 12 ruling by an arbitral tribunal that declared China’s nine-dash line claims in the South China Sea invalid under the UN Convention on the
A Quick but Concerning Start to the Duterte Presidency (continued)

Law of the Sea should have been a slam-dunk for Duterte. When the decision came down overwhelmingly in Manila’s favor, the Duterte team should have been ready to mount a full-court press to push the international community to support the ruling—the only tool Manila had to bring pressure to bear on Beijing to comply.

Instead, Foreign Secretary Perfecto Yasay withdrew the mention of the arbitration decision in an ASEAN joint communiqué issued at the end of the July 25 foreign ministers’ meeting in Laos, after Cambodia objected to its inclusion. Former president Fidel Ramos, who was named by Duterte as his special envoy for negotiations with China, has gone further and suggested the president set the court ruling aside to pursue an agreement.

Duterte has made it clear that his approach to Beijing will be much less provocative than that of his predecessor. While a friendlier approach could open doors to cooperation and possible joint development in the disputed region, the Philippines will need the backing of the international community on the tribunal ruling to bargain effectively. Without the pressure of reputational damage to China, Manila will have minimal leverage to find a compromise with Beijing, which has built a fortified presence on the Spratly Islands chain. By not actively pressing for international pressure against China (so far only seven countries, including the United States and the Philippines, have issued strong statements saying the ruling is binding), diplomatic attention on the ruling may fade, ending much of the leverage Manila had to press Beijing to compromise.

Duterte has also raised eyebrows by saying he will not honor the Philippine pledge in the Paris climate agreement signed in April, in which the Philippines pledged to reduce carbon emissions by 70 percent by 2030. Duterte’s decision to reject the pledge—which the Philippines pushed hard for—raises some apprehension about the lack of concern about the nation’s commitments. Duterte, when reminded that the Philippines had already signed the agreement, replied that it “was not [his] signature.”

It is also surprising that the Philippines would so readily dismiss environmental concerns for the sake of industrial development. Experts have ranked the Philippines the sixth-most-vulnerable country to climate change worldwide. Devastating storms like Typhoon Haiyan in 2013, which...
A Quick but Concerning Start to the Duterte Presidency (continued)

was the strongest recorded tropical cyclone to ever make landfall, are expected to become more common and 14 percent stronger by the end of the century. Rising sea levels threaten the homes of millions in the Philippine archipelago.

On the fragile peace process in the nation's troubled south, Duterte tried to be magnanimous, declaring a unilateral cease-fire with Maoist rebel groups. But when an ambush by the New People's Army on the island of Mindanao in late July left one soldier dead and four others wounded, Duterte demanded the cease-fire be reciprocated and then abandoned it altogether in less than a week.

Critics from both sides labeled the cease-fire and its withdrawal impulsive, and communist leader Jose Maria Sison—a former professor of Duterte’s who had previously welcomed his election—called the president volatile and said he lacked prudence. Duterte’s rash decision to rescind the cease-fire so quickly may have spoiled at least some of the goodwill that accompanied the election of the first president from Mindanao, and will likely color peace talks scheduled for late August.

But most concerning are Duterte’s tactics in tackling crime and drugs, a top priority in his election campaign. Some of the fears of human rights advocates have been realized in the spate of extrajudicial killings that has erupted since Duterte’s victory. He has encouraged violent retaliation against any drug dealer or financier who does not surrender, and, in the first month of his presidency, Philippine police reported killing more than 300 people in antidrug operations. The Philippine Daily Inquirer, which is keeping a regularly updated “kill list” documenting the casualties, includes killings by civilian vigilantes and shows nearly 500 killings since Duterte’s inauguration.

Criticism of the killings has been muted in the Philippines. In his recent State of the Nation Address, Duterte called for police to redouble their efforts to “put [drug dealers] behind bars or below the ground.” But the Philippines, a country that already struggled with the extrajudicial killings of journalists and politicians before Duterte’s election, can ill afford a
A Quick but Concerning Start to the Duterte Presidency (continued)

Rodrigo Duterte refers to a chart while discussing the networks of drug syndicates in the Philippines. The president has launched an aggressive war on drugs and crime since taking office on June 30. [https://upload.wikimedia.org/wikipedia/commons/d/d9/Rodrigo_Duterte_showing_diagram_of_drug_trade_network_2_7.7.16.jpg](https://upload.wikimedia.org/wikipedia/commons/d/d9/Rodrigo_Duterte_showing_diagram_of_drug_trade_network_2_7.7.16.jpg)

nationwide breakdown of rule of law. Already, stories are surfacing in Manila of executed “criminals” with no apparent connection to crime.

For Washington, the extrajudicial killings could eventually become an impediment to closer ties with Manila. The U.S. Congress so far has been quiet about the killings. But if they continue, it is possible that when Congress returns from its recess in early September, some leaders will raise questions about Washington’s sizable military and economic assistance to the Philippines.
SINGAPORE

- **Prime Minister Lee pays state visit to U.S.** Singapore prime minister Lee Hsien Loong arrived in Washington on July 31 for a trip commemorating 50 years of U.S.-Singapore relations. Lee and President Barack Obama on August 2 discussed ways to expand bilateral and regional cooperation. Lee also met with Secretary of Defense Ashton Carter, Secretary of Commerce Penny Pritzker, and other senior U.S. officials. The two countries agreed to explore new training opportunities for the Singapore Armed Forces in Guam, and signed a memorandum of understanding on cybersecurity. Lee called the Trans-Pacific Partnership trade agreement a “unique opportunity” for the United States and urged the U.S. Congress to ratify it. Obama hosted a White House state dinner for Lee on August 2.

- **Central bank to enhance money laundering countermeasures.** The Monetary Authority of Singapore on July 25 announced that it will enhance controls against money laundering. The announcement came after Singaporean authorities reported that they had seized $177 million of assets in an investigation connected to Malaysian state investment fund 1Malaysia Development Bhd’s ongoing scandal. The central bank will also disclose the names of banks involved in larger money laundering breaches, diverging from a previous policy of protecting bank privacy during investigations.

- **Singapore arrests Islamic radical, blocks ISIS’s newspaper.** A Singaporean man was detained on July 29 for spreading radical ideology and contributing to the radicalization of other Singaporeans, according to Singapore’s Ministry of Home Affairs. Investigators later discovered that Zulfikar Shariff had radicalized two other Singaporeans before his arrest. The Ministry of Communications and Information announced on July 22 the government will prohibit the distribution and possession of Al Fatihin, a newspaper published by an agency linked to the Islamic State in Iraq and Syria militant group.

PHILIPPINES

- **U.S. secretary of state visits the Philippines, meets Duterte.** Secretary of State John Kerry on July 27 called on President Rodrigo Duterte during his two-day visit to the Philippines. Kerry and Duterte discussed issues of common interest to the United States and the Philippines, including maritime security, climate change, and joint efforts to combat terrorism. Their discussion also focused on progress of the Enhanced
Defense Cooperation Agreement, which the two sides signed in 2014. Kerry underscored U.S. commitment to continued cooperation with the Philippines following his meeting with the new Philippine president.

- **3M expands operations in the Philippines.** U.S. technology company 3M on July 22 opened a new global services center in Manila. The center will provide services to 3M’s operations across the Asia-Pacific region. The Philippine hub is one of three 3M service centers operating internationally. The new facility is part of 3M’s plans to expand its manufacturing and research and development operations in the country. Company executives cite the Philippines’ growing middle class as well as the country’s stable economy and government as incentives for investment.

- **Duterte government says it will not honor Paris climate agreement.** President Rodrigo Duterte announced on July 18 that the Philippines will not ratify the Paris Climate Treaty. The decision breaks from the commitment made by the previous government of former president Benigno Aquino to reduce the country’s carbon emissions by 70 percent by 2030. Duterte voiced concerns that the climate deal would limit industrial growth in developing countries. Duterte had previously suggested that the Philippines would honor the deal if developed countries would finance the technology necessary to help cut emissions.

**MALAYSIA**

- **U.S. to seize more than $1 billion in U.S.-based assets related to 1MDB.** U.S. Attorney General Loretta Lynch on July 20 announced the filing of civil forfeiture complaints seeking to recover more than $1 billion associated with money laundered from 1Malaysia Development Bhd (1MDB), a Malaysian state investment fund racked by misappropriation and corruption allegations. 1MDB on July 26 denied any wrongdoing, but urged investigators not to resort to its financial statements from 2013 and 2014 during the probe.

- **U.S., Malaysia hold biennial air force exercise.** The Royal Malaysian Air Force and the U.S. Pacific Air Forces conducted operation Cope Taufan 16 from July 18 to 29 at Butterworth and Subang air bases in northwestern and central Malaysia, respectively. Aviation and ground units from both sides conducted operations in air superiority, airborne command and control, close air support, aerial refueling, and other logistics exercises. The Royal Malaysian Air Force and Pacific Air Forces have conducted exercises together every other year since the early 1980s.
• **Police foil bomb plot aimed at top police officers, arrest 14 ISIS terror suspects.** Malaysian police on July 23 said they had prevented a bomb plot by operatives suspected of links to the Islamic State in Iraq and Syria (ISIS). Inspector-General Khalid Abu Bakar said that separate raids across the country had captured 14 suspects, one of whom admitted to receiving bomb-making instructions from an ISIS member in Syria for an attack on senior police personnel. Police also recovered an improvised explosive device. Twelve of the suspects are believed to belong to the same terrorist cell that threw a grenade into a nightclub in Kuala Lumpur on June 28.

**MYANMAR**

• **U.S. announces $21 million package to help improve trade and governance.** Deputy National Security Advisor Ben Rhodes on July 20 announced during a visit to Myanmar that the United States will provide $21 million in additional assistance to the country. The funds will go toward helping Myanmar triple its exports within the next five years, promote accountability and transparency within its legal system, and support agricultural modernization. Rhodes hinted at the possibility of the further lifting of U.S. sanctions to promote U.S. investment in Myanmar.

• **Ethnic rebel leaders meet ahead of upcoming peace conference.** Leaders of 17 ethnic armed groups attended a summit in Mai Ja Yang in Kachin State from July 26 to July 30 in an effort to forge a unified position among themselves ahead of the 21st-Century Panglong Conference planned for August. In addition to national defense and security issues, participants discussed state borders and agreed that demarcations should be drawn based on ethnic groupings. Groups that are still battling government troops, including the Ta’ang National Liberation Army, the Myanmar National Democratic Alliance Army, and the United Wa State Army, were absent from the summit.

• **Military admits rights violations in northern Shan State by its soldiers.** Myanmar’s chief of military intelligence, Lt. Gen. Mya Tun Oo, on July 20 publicly admitted that Myanmar soldiers were responsible for killing five villagers in northern Shan State during an interrogation in June. In an unprecedented acknowledgment of the military’s rights abuses in conflict zones, Mya Tun Oo said that a court martial is in process and perpetrators will face punishment in accordance with the law. The number of soldiers being investigated and the specific charges brought against them have not been disclosed.
INDONESIA

- **Jokowi announces third cabinet reshuffle in effort to boost government efficiency.** President Joko “Jokowi” Widodo on July 27 appointed nine new cabinet ministers and swapped the positions of four ministers in an effort to improve the government’s efficiency in dealing with economic challenges. Jokowi named former army general Wiranto, who heads the Hanura political party and has been accused of human rights violations, the new coordinating minister for political, security, and legal affairs. The appointment of Sri Mulyani Indrawati, managing director at the World Bank and finance minister under former president Susilo Bambang Yudhoyono, as the new finance minister was welcomed by analysts and foreign investors.

- **ISIS-affiliated terrorist Santoso was killed in gun battle with security forces.** Former chief security minister Luhut Panjaitan on July 20 announced that Santoso, Indonesia’s most wanted terrorist and leader of the East Indonesia Mujahideen, was killed in a gunfight with security forces in Poso in Central Sulawesi Province. Santoso’s group, which has expressed support for the Islamic State militant group, was responsible for a number of police and civilian killings. The search for Santoso had been under way since 2012.

- **Tribunal rules 1965 mass killings were crimes against humanity.** The International People’s Tribunal on 1965 Crimes Against Humanity in Indonesia on July 20 concluded that Indonesia’s 1965 anti-communist mass killings were crimes against humanity and that the United States, the United Kingdom, and Australia were complicit in the crimes. A report issued by the panel of judges presiding over the case also highlights torture, political imprisonment, sexual violence, and forced disappearance among the crimes committed by Indonesian authorities. Former chief security minister Luhut Panjaitan rejected the ruling and said Indonesia would not abide by the recommendations of an external party.

VIETNAM

- **Foreign investment reaches $13 billion in first half of 2016; authorities scrap plan for PTT-backed oil refinery.** Vietnam’s Ministry of Planning and Investment on July 27 said the country has secured $13 billion in pledged foreign investment in the first seven months of 2016. Seventy percent of the investment went to Vietnam’s manufacturing and processing industry, with over 1,080 projects approved. Separately, Vietnam’s Binh Dinh Province on July 24 canceled a plan to build a $20 billion oil refinery and petrochemical complex, originally proposed by Thailand’s state-owned energy firm PTT.
• **Revenue from IT sector reaches $49.5 billion in 2015.** The revenue of Vietnam’s information technology (IT) sector has increased sevenfold since 2010 to $49.5 billion, according to a July 26 report by the Ministry of Information and Communications. The ministry cited expanding local and export markets as the main reasons for Vietnam’s IT boom. With stable electronic hardware sales and a growing software industry, Vietnam aims to become a leading country in information, communications, and technology by 2020.

• **World Bank lends Vietnam $371 million to boost economic competitiveness.** The World Bank on July 25 agreed to lend the State Bank of Vietnam $371 million for the country’s economic development and sustainability projects. Under this agreement, the World Bank will earmark $162 million for the Vietnamese government’s budget support and structural reform initiatives to increase Vietnam’s economic competitiveness, $90 million for policies on climate change and green growth, and $119 million for water management in selected urban areas.

LAOS

• **U.S. deputy national security advisor Ben Rhodes visits Laos, Myanmar.** Deputy National Security Advisor Ben Rhodes visited Laos on July 17-18, where he met with government officials, business leaders, local youth, and civil society representatives. Rhodes’s meetings in Laos focused on advancing bilateral U.S.-Laos cooperation in education, health, and trade and investment, as well as ways in which the United States can increase support for the removal of Vietnam War-era unexploded ordinance in Laos. Rhodes also traveled to neighboring Myanmar after his trip to Laos.

THAILAND

• **Rights activists charged with criminal defamation.** Three human rights advocates, Pornpen Khongkachonkiet, Anchana Heemina, and Somchai Homlaor, on July 26 were charged with criminal defamation and violation of the Computer Crimes Act for a report about mistreatment of military detainees in the country’s troubled south. The report, based on detainee interviews, alleged that soldiers and police used physical and mental torture techniques against insurgent detainees. The activists face a two-year prison sentence for royal defamation and a three-year sentence for computer crimes.

• **Police plan to deploy 100,000 officers for August 7 referendum.** A spokesman for the Royal Thai Police on July 25 said that 100,000 police officers will be deployed nationwide to prevent illegal activity
A Royal Thai Police officer. An estimated 100,000 policemen will be deployed across Thailand for the August 7 referendum to ensure public order during the vote. https://upload.wikimedia.org/wikipedia/commons/c/c9/Royal_Thai_Police_officer.jpg

connected with the August 7 referendum on a new draft constitution. The officers have been instructed to carry out their duties “without political discrimination.” Article 61 of the interim constitution prohibits “untrue,” “provocative,” “vulgar,” or “aggressive” language that could lead to unrest before the referendum, a restriction that has prevented campaigning against the draft.

• BMW considers building hybrid vehicle battery plant in Thailand. The Thai industry minister said on July 22 that construction of a new BMW hybrid vehicle battery plant will likely begin in the middle of 2017 with an investment of over $57 million dollars. The Thai government is working with BMW to develop tax incentives to facilitate making Thailand a hub for plug-in hybrid vehicles. Thailand is an export and production hub for car products, with automobiles and parts accounting for 10 percent of Thailand’s gross domestic product.

CAMBODIA

• Kem Ley funeral procession attracts large turnout; opposition announces grassroots outreach. Tens of thousands of Cambodians on July 24 took to the streets of Phnom Penh to attend the funeral procession of Kem Ley, the country’s leading government critic who was shot in broad daylight two weeks earlier. Cambodian authorities complained of being barred from the funeral, claiming that Ley’s murder had been politicized to serve the opposition’s politics. In a show of support for Kem Ley’s grassroots activism, the opposition Cambodia National Rescue Party on July 25 said that it would recruit more youth, women, and ethnic minorities from outside the party to stand for the 2017 commune elections.

• U.S. assistant secretary of state Malinowski visits to discuss rights issues. U.S. assistant secretary of state for human rights, democracy, and labor Tom Malinowski on July 19 ended his two-day visit to Cambodia by warning the country of a possible end to bilateral military ties if the Cambodian military committed human rights abuses. He demanded that Phnom Penh drop all charges against the opposition party and permit an independent investigation into the recent murder of leading government critic Kem Ley. Malinowski’s comments followed several reported threats made by top Cambodian officers to “eliminate” dissent.

SOUTH CHINA SEA

• ASEAN foreign ministers issue statement on South China Sea with no mention of arbitral tribunal ruling. At the end of their annual meeting, ASEAN foreign ministers on July 25 released a statement calling for
“peaceful resolutions” of territorial disputes in the South China Sea. The statement did not mention the Permanent Court of Arbitration’s decision in the maritime dispute between the Philippines and China, which declared China’s nine-dash line invalid under the UN Convention on the Law of the Sea. Chinese foreign minister Wang Yi later thanked Cambodian prime minister Hun Sen for blocking mention of the tribunal, but subsequent reporting revealed Philippine foreign secretary Perfecto Yasay did not insist on its inclusion in the statement.

- **U.S., Australia, Japan urge China to respect Hague ruling in joint statement.** U.S. secretary of state John Kerry, together with the Australian and Japanese ministers of foreign affairs Julie Bishop and Fumio Kishida, on July 25 issued a joint statement urging China to abide by the Permanent Court of Arbitration ruling against its claim to over 90 percent of the South China Sea. Meeting in Vientiane on the sidelines of the annual ASEAN foreign ministers’ meeting, the trio voiced support for Southeast Asian countries currently in maritime disputes with China and called on all parties to uphold the rule of law.

- **Philippines willing to resume talks with China on basis of Hague verdict.** Foreign Secretary Perfecto Yasay on July 27 said that the Philippines was willing to negotiate with China on their South China Sea dispute based on The Hague verdict, which came out in Manila’s favor. Yasay hoped that both parties could resume talks as soon as possible. Earlier, Beijing had rejected the ruling and insisted on negotiating solely on the basis of China’s historic claim to the contested sea. Newly inaugurated president Rodrigo Duterte in the Philippines is seen as much more inclined to cooperate with China than the previous administration, which first brought the dispute to the tribunal.

**TRANS-PACIFIC PARTNERSHIP**

- **Clinton’s VP pick says he opposes TPP.** Democratic vice presidential candidate Tim Kaine on July 22 came out against the Trans-Pacific Partnership (TPP) trade agreement, reflecting the views of Democratic presidential candidate Hillary Clinton. Kaine, a senator from Virginia, voted last year in favor of the “fast track” legislation that allowed the administration of President Barack Obama to expedite trade negotiations with other TPP countries.

- **House Speaker Ryan rules out TPP vote in lame duck session.** Speaker of the U.S. House of Representatives Paul Ryan on July 26 said that he withheld his earlier support for the Trans-Pacific Partnership (TPP), and that the agreement as negotiated by the administration of President
Barack Obama will not receive enough votes for ratification in Congress. Ryan said the agreement, which the United States and 11 other countries signed in February, will need to be revised.

• **Clinton campaign manager says she opposes congressional vote on TPP.** John Podesta, who manages Hillary Clinton’s presidential campaign, on July 26 confirmed Clinton’s opposition to holding a congressional vote on the Trans-Pacific Partnership (TPP) during a lame duck session following elections in November. Clinton has rejected the possibility of renegotiating aspects of the agreement. The Clinton campaign instead advocates an overhaul of the government’s approach to trade. Clinton previously supported the TPP while she was secretary of state.

**BRUNEI**

• **Kerry discusses implementation of Sharia law with Bruneian counterpart.** U.S. secretary of state John Kerry on July 25 met in Vientiane with Bruneian foreign minister Lim Jock Seng to discuss Brunei’s implementation of Islamic Sharia law, which the Brunei government first announced in 2014. Mark Toner, Kerry’s spokesperson, said the meeting was to ensure that the Sharia law being implemented by Brunei is consistent with Brunei’s obligations to promote and protect human rights. Kerry and Lim also discussed bilateral issues such as the South China Sea dispute and the Trans-Pacific Partnership trade deal, of which both countries are members.

**MEKONG RIVER**

• **U.S. announces “Sustainable Infrastructure Partnership” for Lower Mekong Initiative.** Secretary of State John Kerry on July 25 announced the launch of a new program under the Lower Mekong Initiative (LMI), the “Sustainable Infrastructure Partnership,” during a meeting with foreign ministers from Cambodia, Laos, Myanmar, Thailand, and Vietnam. The partnership aims to provide training and help identify deficiencies in regional infrastructure that can be addressed through future programming under the LMI.

• **Mekong Delta salt water intrusion to hit 45 percent by 2030.** The Ministry of Planning and Investment of Vietnam on July 11 said that half of the Mekong Delta would be hit by salt water intrusion in the next 14 years if hydropower dams and reservoirs along the Mekong River stop water from flowing downstream. Deputy Minister Nguyen Van Hieu added that without an effective response, the agricultural sector in the area would be exhausted within the next three years, and up to 45 percent of the Mekong Delta would be submerged by saltwater.
ASEAN

- **Thailand ratifies ASEAN Trafficking Convention.** Thai foreign minister Don Pramudwinai on July 24 submitted Thailand's ratification of the ASEAN Convention Against Trafficking in Persons to ASEAN secretary-general Le Luong Minh. Thailand's trafficking record has come under international scrutiny following the discovery of mass graves of trafficking victims on the Thai-Malaysian border last year. Don said Thailand will continue its commitment to combating human trafficking in the region.