Case study

The Philippines as a model state

President Truman used Filipino independence as a means of ensuring US dominance in the Pacific and so strengthening the Pacific Rim Defensive Perimeter Strategy. However, he resisted any suggestion that the USA was in fact treating it as a colony, in case this provoked a revival of European imperialism. Instead, he emphasised two features of the newly-independent state:

■ its measures to prevent European dominance of its markets and materials

■ its democratic values of freedom and liberty.

It was intended to be a shining example of capitalist prosperity and democracy to encourage other states in the area to resist the spread of communism.

The Philippines economy

The economic aim was to reinstate US 'open door' free trade policy in the region, to make the former colony:

■ a market for US goods

■ a source of raw materials for US military operations in the region

■ a source of materials for a reconstructed Japan (see page 26–27)

■ a strong political ally in the front line of defence of South-East Asia.

$620 million of US investment was injected into the Filipino economy to defend it from the poverty which might allow it to fall to communism. Some of this was used to restore the infrastructure: hospitals, factories, roads, bridges and residential areas. $100 million was given as surplus military property, but most went to individuals to re-distribute land and wealth. In practice, the groups dominant in pre-war Philippines society were restored to their previous status.

The *Bell Trade Act* of 1946 protected American domestic producers with preferential trade concessions, while quotas were imposed on Filipino products competing with US ones. Filipino market places were flooded with cheap US goods. This was widely seen as unfair, but a Republican senator wrote,

'We have [our] interests to look after too. It is not that we do not desire to be helpful to the Philippine people. God knows, I would give them the shirt off my back, if I had another one to replace it. In other words, I would give them half. But we have certain obligations here and we can't let our hearts run away with us altogether.'

(Senator Harold Knutson, Senator of Minnesota, 1946.)

The imposition of democracy and the Huk rebellion

America's political intention was to establish democracy in the Philippines, and here it set a precedent by choosing a man rather than a national liberation movement – a flawed policy later followed in South Korea and South Vietnam. MacArthur's support helped **Manuel Roxas** win the first presidential election, even though he was unpopular as a double agent and collaborator during the War. The literate upper classes of Filipino society dominated the voting. In 1946, Roxas corruptly secured the passing of the US preferential trade agreement, the *Bell Trade Act*, by silencing its critics.

Strategically placed US military bases were justified as a 'stabilising' influence. Their purpose was to maintain the Philippines within the US sphere of influence and to support the reinstated Filipino elites. Yet State Department officials accepted that the Philippines faced no outside threat. Roxas set up a Philippines Military Police under the control of the US Army. It was full of opponents of the Huks, and unleashed brutal repression of their reformers and peasant supporters. The USA saw Huks as a threat to their plans, as they were known to be a popular guerrilla movement with political organisations in the villages. The powerful pre-war landlords were restored. In 1949–51 the Huks led an armed rebellion to gain political rights, improve working conditions and remove unfair US trade restrictions. American troops crushed the rebellion; they disarmed the Huks and imprisoned their leaders. Cold War rhetoric was used to brand them 'communist' or 'communist inspired', to justify US actions.

The policy of the 'model state' applied to the Philippines was a pattern to be followed later in South Korea, with very limited success, and South Vietnam, where the outcome proved a disaster for the USA.