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NATIONAL SECURITY COUNCIL  
WASHINGTON, D.C. 20506

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National Security Council Meeting  
September 16, 1986, 11:00 a.m. - 12:00 p.m., Cabinet Room

SUBJECT: National Security Council Meeting on the  
Philippines (U)

PARTICIPANTS:

The President

The Vice President

State:

Secretary George P. Shultz  
Mr. Michael Armacost  
Mr. Gaston Sigur  
Amb. Stephen Bosworth

White House:

Mr. Donald T. Regan  
Mr. Alton G. Keel  
Mr. David Chew  
Mr. Larry Speakes

Treasury:

Secretary James A. Baker, III

NSC:

Mr. Rodney B. McDaniel  
Mr. James Kelly  
Mr. Stephen Danzansky  
Mr. Richard T. Childress

OSD:

Secretary Caspar W. Weinberger  
Mr. Richard Armitage

USIA:

Director Charles Wick  
Mr. Marvin Stone

DOJ:

Attorney General Edwin Meese, III

AID:

Administer M. Peter McPherson  
Mr. Charles W. Greenleaf

CIA:

Director William Casey  
Mr. Robert Gates

OMB:

Director James Miller  
Mr. Joseph Wright

USUN:

Ambassador Vernon Walters

JCS:

Admiral William J. Crowe

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Authority 408-232 #137  
BY GV NARA DATE 9/20/17

Minutes

The meeting was opened by Mr. Keel, Deputy National Security Advisor, who indicated the meeting purpose was for final review of issues for the Aquino visit and for the President to hear from the Cabinet members problems and prospects of the Philippines. He noted that there was a basic consensus on major issues. (C)

Director Casey then provided an intelligence overview on the current situation and summarized the recent Special National Intelligence Estimate (SNIE) on the Philippines for the participants. (C)

Secretary Shultz then reviewed current political conditions in the Philippines since President Aquino assumed office. Quoting Lee Kuan Yew of Singapore, he said: "We have come from a period of certainty to uncertainty." The certainty being that while Marcos remained in power, the trend lines were all negative. With the current government, we face the uncertainty of whether their efforts will be successful. He then reviewed the positive reforms that have been made in the Philippines since Marcos' departure and their current strategy to counter the insurgency. He noted it was important to build on the positive aspects to help them do the job. He said President Aquino was anxious on a personal level in regard to her meeting with the President. She wants to be a friend of the President's and she believes she will get him to like her. (S)

Secretary Weinberger, on the general military situation, noted that the Philippine Army is two and a half times larger than in 1972 but has the same level of funding. He noted the reforms President Aquino has implemented in the military leadership and that the defense leadership was implementing them. He felt it was important that President Aquino exhaust all means to defeat the insurgency and there are indications she is giving greater authority to the Army to do this. For the visit, Secretary Weinberger said the Department of Defense will be providing the \$20 million emergency medical package and deployment of a Naval hospital ship. He pointed out that under the base compensation package we have not met our promised level of military funding since we had shifted to more economic funding. He also felt the restrictions on lethal assistance should be lifted. He felt that with further funding of the military under the current leadership, over time, will result in improvements, but the military needs to be more vigorous. (S)

Admiral Crowe provided a bleak picture of the Philippine military. He noted a great deal needs to be done and it won't be done in a short time. He stressed the importance of Subic and Clark to our and Philippine interests. The bases won't be

decided solely on a strategic relationship but the entire relationship. (S)

Ambassador Bosworth noted that the Constitutional Convention is debating the bases issue but he felt confident that President Aquino would get her way. President Aquino, according to the Ambassador, wants maximum flexibility in the Constitution and has pledged that the base agreement will extend to 1991, leaving her options open after that. (S)

The President indicated he was looking forward to the meeting with President Aquino and hoped in his meeting that he would be able to relate to her on a personal level by using his own experiences in dealing with Communists in the United States and the labor movement in California. He then cited several specific examples of how the tactics used then had parallels in the Philippine situation. He then inquired as to whether such a discussion was best during the one-on-one or the Plenary session. There was unanimous agreement that it should take place in the one-on-one and that the President should feel free to extend that one-on-one as long as necessary. (S)

Chief of Staff Regan noted the EPC action on textiles and the status of our negotiations. (C)

Attorney General Meese said that if President Aquino raised the issue of Marcos and any legal actions, she should be told that the United States is cognizant in protecting their interest. (C)

USIA Director Wick noted the importance to our interest of the VOA stations in the Philippines and that there was only a short time left before an extension must be addressed. (C)

OMB Director Miller said we have helped the Philippines over and above the base compensation package. President Aquino should be made aware that we face difficult foreign aid problems in the budget. (C)

Secretary Weinberger then noted that the Department of Defense has given a 10 percent raise to Philippine employees at Clark and Subic and will also expand local procurement of goods and services for the bases. (C)

Ambassador Walters noted that the Philippine record in the United Nations on issues of importance to us was very poor. (C)

The discussion was then summarized briefly by Mr. Keel and the meeting adjourned. (U)

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September 17, 1986

INFORMATION

National Security Council Meeting  
September 16, 1986, 11:00 a.m. - 12:00 p.m., Cabinet Room

**NOTED**

MEMORANDUM FOR JOHN M. POINDEXTER

SUBJECT: National Security Council Meeting on the  
FROM: RICHARD CHILDRESS

SUBJECT: ANTS: Minutes of NSC Meeting on the Philippines -  
September 16, 1986

The President

The Minutes of the NSC Meeting on the Philippines held on  
September 16, 1986 (Tab A) are submitted for record purposes  
only.

Secretary George P. Shultz  
Mr. Michael Armocost  
Mr. Gaston Sigur  
Amb. Stephan Rosworth

White House:  
Mr. Donald T. Regan  
Mr. Alton G. Keel  
Mr. David Chew  
Mr. Larry Speakes

Attachment

Secretary James A. Baker, III

Tab A Minutes of 9/16/86 NSC Meeting on the Philippines

OSD:  
Secretary Caspar W. Weinberger  
Mr. Richard Armitage

NSC:  
Mr. Rodney B. McDaniel  
Mr. Stephen Danzansky  
Mr. Richard T. Childress

cc: J. Kelly

Attorney General Edwin Meese, III

USIA:  
Director Charles Wick  
Mr. Marvin Stone

CIA:  
Director William Casey  
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Sec. 3.4(b), E.O. 12958, as amended  
White House Guidelines, Sec. 1.1, 2004  
BY NARS 11, DATE 9/25/17