

# 1

## Introduction

### **The Philippines in the ASEAN Region**

The Philippines, with a population of approximately 64 million, has an abundance of natural resources including minerals, agriculture, fisheries and a skilled labour force. In contrast to the economic growth of other countries in the ASEAN region, however, the Philippine economy has failed to keep pace. Beset by political instability, poor economic performance, environmental degradation, high population growth and natural disasters, the country has yet to realize the potential of its extensive human and natural resources.

Under American rule for nearly 50 years, until its independence in 1946, the Philippines has retained close links with the U.S.A. As a new republic, the Philippines largely modelled its systems of government, education and law on the comparable American structure. Democratic processes were maintained, at least in name, until 1972 when martial law was imposed by then President Ferdinand Marcos. When martial law was finally lifted in 1981 constitutional amendments, which combined aspects of both a presidential and parliamentary system, were made. Following the 1986 military mutiny supported by the Filipino people, Marcos and his family were driven from the country and Corazon Aquino assumed the presidency. After a national plebiscite in 1987, the Aquino government instituted a new constitution and the Philippines became a "democratic republican state". The path to democracy has not been smooth and has been plagued by numerous coup attempts. The elections of May 1992 should steady the progress of democratic reform.

### **Canada and The Philippines**

Canadian relations with the Philippines are growing rapidly. They cover a full spectrum of activities including political, economic, immigration, commercial and development links. Relations between Canada and the Philippines matured when President Corazon Aquino assumed office in 1986 and have been strengthened through Canada's active involvement with ASEAN.

Since 1986, Canada has targeted the Philippines as a priority country for development assistance and has provided significant aid disbursements. Canada has been quick to provide emergency aid following a series of natural disasters which included the devastating earthquake of July 1990, the volcanic eruption of Mount Pinatubo in June 1991 and Typhoon Uring in November 1991.

Canada is one of the founding members of the Asian Development Bank located in Manila. The bank provides loans, equity investments and technical assistance to 32 developing member countries, including Indonesia and the Philippines. Participation in the Asian Development Bank allows Canada to influence development activities of the region and creates commercial opportunities for Canadian firms interested in the markets of the developing countries of Asia. There is an Asian Development Bank Liaison Officer at the Canadian Embassy in Manila who is dedicated to assisting Canadian firms pursuing projects financed by the Asian Development Bank.

Immigration is an important part of the bilateral relationship, as the Philippines has become a significant source of new Canadians. In 1990, the