During these visits, the Commander and Deputy Commander of the East Fleet paid courtesy calls on Philippine Navy officials.

In March 1998, a 3-member delegation of the PLA attended the first ever intelligence exchange between the Armed Forces of the Philippines and the Chinese PLA. In November 1999, China's National Defence University invited the AFP to participate in its first ever training course open to foreign defence establishments.²³

These significant steps taken in high-level diplomacy and military confidence-building appeared to help in reducing fear of a more serious China threat, even if they did not altogether eliminate suspicions of Chinese intentions in the Spratlys. But Manila's frustration deepened further by the end of 1998. The Philippines was not only unable to move China towards compromise on Mischief Reef, but China even reinforced its presence in October 1998 by building more permanent multi-story buildings in place of the original bunkers that the Philippine had wanted dismantled.

Interestingly, China had informed the ASEAN governments through their ambassadors in Beijing – including the Philippines ambassador– that it was conducting "repairs and renovations" on its structures on Mischief Reef. While this appeared to have been done as a gesture of transparency, in Manila and other ASEAN capitals it was received as one of gross insensitivity instead. To the Philippines, China's conduct of "repairs" on Mischief Reef was like rubbing salt into an old wound, resulting in calls by some ranking politicians and public opinion makers for the government to consider the use of force to evict the Chinese from Mischief Reef.

It was then that in November 1998, the Foreign Ministers of the two sides met in Kuala Lumpur and agreed to convene the first meeting of the Philippines-China working group on confidence building created in March 1996. In the weeks prior to the meeting, the Philippine Department of Foreign Affairs publicly reported that the Chinese side had alluded to the possibility of "joint use" of Mischief Reef facilities during the Kuala Lumpur meeting, a concept which Manila indicated it may consider.²⁴

Before the meeting could convene, however, Representative Dana Rohrabacher of the US Congress flew on an inspection visit of Mischief Reef in December 1998. He travelled on board a Philippine Air Force plane, accompanied by Philippine military officials as well as Philippine Representative Roilo Golez. Rohrabacher subsequently described the Chinese fortification and presence of its vessels as "...act(s) of intimidation against the Filipino people which the world shouldn't tolerate." Upon return to the United States Congress, he moved to resume American military assistance to the Philippines through transfers of excess military hardware. Following Rohrabacher's visit, the US State Department appealed to China to avoid actions that would increase tensions in the Spratlys.

²³ Far Eastern Economic Review, November 4, 1999, p. 28.

²⁴ "RP wants joint use of Sino structures," *Philippine Daily Inquirer*, 20 March 1999, p. 3.