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Shadows of an Old Military Base

by Floyd Whaley



SUBIC BAY, Philippines — Abraham Parungao watched hopefully as three American sailors walked through his souvenir shop full of T-shirts, decorative beer mugs and placards with cheeky slogans. After haggling for a while over a \$5 wood carving, the young men left without buying a thing.

“Before, the Americans had so much money! ,” said Mr. Parungao, 64, in his small stall in front of where the U.S. submarine tender Emory S. Land was tied up for a visit. “These new American sailors are cheap.”

The thousands of big-spending sailors have been gone for more than two decades — since the United States turned over the Subic Bay Naval Station to the Philippines in 1992 — but the sprawling former military base still receives regular visits from U.S. Navy ships.

Today, the Subic Bay Freeport is a special economic zone established to attract job-generating investors with low taxes, duty-free import privileges and streamlined procedures. It has also become a popular tourist destination for Filipinos seeking to enjoy the jungles, the beaches and the American legacy of the former military base.

In line with the Obama administration’s greater focus on the Asia-Pacific region, Subic is once again a popular port of call for the U.S. Navy. A subsidiary of a major U.S. defense company is bidding on ship repair and logistical support contracts, and the Philippine Department of National Defense has reserved large portions of the former base for future use by the Philippine military and its allies, principally the United States.



U.S. Navy ships can often be seen in Subic these days, but the seaport that millions of U.S. service members passed through will probably never be the center of U.S. power in Asia that it once was.

The 678-square-kilometer, or 262-square-mile, base — about the size of Singapore — played a role in every major U.S. military engagement between 1898 and 1992. In October 1968, at the height of the Vietnam War, it took in 47 U.S. Navy ships in a single day. During the 1991 Gulf war, 70 percent of U.S. naval supplies in that conflict came from Subic, Rear Adm. Thomas Mercer said when the base closed. “Subic Bay was the service station and supermarket of the fleet,” said Gerald Anderson, a retired naval officer and the author of several books on the area.

Today, the Freeport features lively commercial areas and tourist attractions, but it is also studded with evidence of failed investments and the ruins of a decaying military base. New or renovated buildings stand beside an abandoned casino and the foundations of a never completed South Korean skyscraper.

The U.S. Navy left behind more than 1,800 centrally air-conditioned houses in neighborhoods designed to resemble American suburbs. Some sit empty, while others have been converted into tourist accommodations. Yet others have been leased by the Subic Bay Metropolitan Authority, the government agency that oversees the Freeport, as private residences with the pitch that Subic offers an American lifestyle in the middle of the Philippines.

A recent drive down Easy Street in one of the former U.S. Navy housing areas found people living a semblance of the American dream. In front of one house was a monster truck with a custom paint job that looked ready for an American car show. Speedboats and water scooters sat in driveways with children’s bikes in the yards. The community has a school, a public swimming pool and ample playgrounds.

Just down the road, at the Royal department store, a Filipino family lined up at the cashier with two cases of Spam, stacks of American breakfast cereals and boxes of Cheez-Its. The children lobbied their parents for American candy bars on display near the cash register.

The scene was probably not much different in 1967, when about 4.2 million military personnel and their dependents purchased more than \$25 million in goods at the same location. At that time, it was one of the largest navy exchanges in the world.



Perhaps nowhere is the contrast between the old and new more vivid than along the polluted river that divides the Freeport from the city of Olongapo. The Olongapo River, given a derogatory nickname inspired by the sewage it held, was once the boundary between the well appointed U.S. Navy base and the poverty of the Philippines.

During a recent visit, a Filipino couple was discussing in hushed tones which type of Swiss chocolate to buy from the new Marks & Spencer outlet in the high-end shopping mall that now hugs the Freeport side of the river.

A drive deeper into the former base leads to the outskirts of a 4,000-hectare, or 10,000-acre, jungle preserved by the U.S. Navy, and now by the Subic Bay Metropolitan Authority, that is one of the last virgin forests on Luzon Island.

During the 1980s, George Soper underwent survival training in the dense rain forest. He and other U.S. marines were paired with local tribesmen who taught them how to find clean water, food and medicine in the forbidding environment. "Nowhere else in the world did you have a U.S. military base with access to a jungle like this," Mr. Soper said.

Today, those same tribesmen teach jungle survival tips to tourists, usually in staged demonstrations that include slapstick comedy routines.

Just past the former jungle training area lies what had been the Cubi Point Naval Air Station, an airstrip that could handle some of the largest military aircraft in the U.S. arsenal. Now ambitiously redesignated the Subic Bay International Airport, it is largely languishing in disuse. During a recent visit, the only aircraft using the airport was a cargo plane delivering dolphins to a nearby ocean park.

Next to the airport are symbols of the once-high hopes for Subic's transformation into a booming commercial area. In 1996, Subic hosted the Fourth Asia Pacific Economic

Cooperation Economic Leaders Meeting. In honor of the event, 18 luxury villas were built — one for each head of state visiting the new Freeport.

These days, the villas lie in disrepair. The tennis court is clogged with weeds, and the water in the swimming pool has an off-putting green tint.

Farther inside the former base is the once heavily guarded naval magazine area, which was once home to an estimated 50,000 tons of ordnance. The munitions were stored in more than a hundred bunkers, now abandoned or, in rare instances, repurposed.

In the cool dark confines of one of these former bunkers, now a restaurant known as Bunker Bob's and run by a former U.S. Navy officer, tourists from a nearby beach area were dining at tables adorned with camouflage-patterned linens. On the menu were pizza and Mexican dishes. Historic maps of Subic and World War II-era posters lined the walls.

There is! little consensus, among the thousands of retired U.S. military personnel and Filipinos who live around Subic, as to whether the conversion of the base into a commercial zone can be considered a success.

About 90,000 people work in the Freeport, according to government data. That is nearly double the 46,000 Filipinos employed by all U.S. military bases in the Philippines in 1987, when the bases were in full operation, according to Mr. Anderson, the historian.

But the Freeport has also experienced problems. The Subic Bay Metropolitan Authority has reported losses of about 7 billion pesos, or \$175 million, from its creation in 1992 through 2011. The area has also been investigated repeatedly by Philippine legislators, and criticized by President Benigno S. Aquino III, in connection with large-scale smuggling of oil, vehicles, rice and other commodities.

In addition, many of the jobs in Subic today are low-paying service-sector positions. The jobs created by the U.S. Navy offered high pay, generous benefits and valuable technical training, according to former base employees.

Perlita Felicitas, 58, a resident of Olongapo, said that her father had worked for more than a decade in the U.S. Navy's Ship Repair Facility. Employees in the current shipbuilding and ship repair operations in Subic, she said, make a fraction of what her father earned.

"We were four children and all of us were able to go to college because of the U.S. Navy," she said. "We were sad when they left. There are no opportunities like that anymore."