

TRANSITIONS

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YEARBOOK 2010

FOCUS ON THE GLOBAL SOUTH

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ABOUT THE WRITERS

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HALALANG MARANGAL or HALAL, a poll watchdog that focuses on auditing electoral results to ensure statistical integrity, contributed a report based on a statistical study it did in April 2010 on the automated electoral system.

SOCIAL WATCH PHILIPPINES, an international network of citizens' organizations, contributed its position paper on the Conditional Cash Transfer and the 2010 budgeting process of government. Social Watch's main advocacies touch on the causes of poverty, poverty eradication, and good governance as it relates to the fight against poverty and equitable distribution of wealth and resources.

OVERVIEW

“Mr. Benigno Simeon Aquino III’s ascent to Malacañang stands as one of the most significant political events in recent Philippine history,” wrote Jerik Cruz in his piece “P-Noy’s ‘New Dawn for Democracy’ and the Future of Democratization.”

If we are to describe what the year 2010 was about, this is the statement that best says it. This is not to diminish the value and meaning of other social-political events that defined our lives as a people in the past year. But ending a nine-year presidency that was leaving us with unsolved corruption cases involving the highest ranking officials of government, political scandals (cheating, conspiracies to usurp power) and stained, even ruined, institutions of government (politically appointed justices and ombudsman, and elected officials more loyal to their political-economic interests than to the people’s) should definitely be event of the year.

The campaign that preceded the new president’s “ascent to Malacañang” also easily eclipsed other events of the first half of 2010. As can be gleaned from the pieces in **Chapter 1-Elections**, the campaign period almost became the main event. Describing the period, Jenina Joy Chavez wrote “...Filipinos everywhere would have seen and heard more than enough of the elections—the muck, the dirt, the candidates’ profiles, the agenda, the promises and the projections, all thrown into a sticky mix of hope, propaganda and entertainment...There is the usual fare of partisan follies, the scare of failed elections, and controversial survey ratings—all contested in this season of the most popular contest of all. Behold an expression of formal democracy, Philippine-style.”

We've seen all these in previous election campaign periods, including the political ads that "dazzled" us and the gimmickry through "populist rhetoric." Carmina Flores-Obanil critiqued presidential candidate Manny Villar's "brilliant packaging" that tried to hook voters into believing the image of a "poor-boy-who-got-rich-through *sipag-and-tiyaga*" (industry and perseverance). The money Villar spent for his ads, which can be estimated between P1.3 and P1.5 billion, landed him in the company of the top 10 corporate huge spenders in advertising.

Filomeno Sta. Ana went beyond the ads and challenged Villar's leadership qualities or the lack of these. Citing the candidate's "irresponsible" rhetoric about increasing the budget for higher education and his opposition to the Senate inquiry on the controversial C5 road development, Sta. Ana compared Villar's leadership style to that of Gloria Macapagal Arroyo's (GMA). Sta. Ana even put Villar's integrity on the line.

What added to the 'days of disquiet and rage' (to borrow and paraphrase the words of multi-awarded writer and poet Pete Lacaba) that were the 2010 election campaign were the persistent plotting and maneuverings of GMA's machinery to ensure continued political power even after her term. Aya Fabros' exhibit A of these machinations in her article "Mixed Messages" was the Supreme Court decision to favor a current president to run for Congress while disallowing other sitting officials from running. Fabros also cited: "Another dimension of GMA's unfair advantage can be seen in the Panlilio-Pineda case in Pampanga. The recent Comelec ruling on the Panlilio-Pineda recount is considered a political move that advances the President's interest. For one, this is viewed as 'vendetta politics' aimed at opposition bets such as Among Ed of Pampanga and Grace Padaca of Isabela, who are affiliated with the Liberal Party. At the same time, the installation of an Arroyo ally as governor of Pampanga during the critical stretch of the electoral campaign again gives GMA a strategic upper hand in steering electoral outcomes."

Even before these campaign period scheming, however, Fabros pointed to the fact that GMA spent “P459 million worth of infrastructure projects in her district in 2009. This ‘excessive spending’ in 2009 was nine times more the infrastructure allocation given per congressman annually...”

On a more reflective mode, Akbayan party-list Representative Walden Bello takes stock of the situation in Congress—on whether there’s hope for Congress if not to be agent of change, then at least to be a platform for intelligent social-political discourses that can contribute to reforms in Philippine government and society.

Bello wrote about “chronic absenteeism,” of “colleagues who are there mainly to get their priority development funds or pork barrel to distribute to their constituencies” and of members who when they “do rise to deliver privilege speeches, they usually devote these to attacking enemies in their congressional districts.”

He estimated that 20 percent of the 269 members of the Lower House during the 14th Congress were legislators “whose ken goes beyond local concerns to encompass national and international issues.” So he’s betting on the 20 percent and would affirm at the end of his article “Is Congress Worth Running for?” that indeed it is “because it is not at all hopeless as a platform for change.”

Bello’s hope has been anchored on what the party-list group representatives—“the genuine party-list groups”—had achieved in the past and the role they would likely to increasingly play in the 15th Congress to help “transform congressional discourse.”

Amid the frenzy that the campaign period was, there were efforts by civil society organizations and poll reform advocates to float urgent issues—to make sense of the opportunity for change being presented by the May 2010 elections, which could be bungled up or be directed towards something more meaningful and long term for the people. Joy Chavez, in her piece “Prosecuting GMA as Platform” discussed

a scheme for grading the corruption and accountability agenda of the presidential candidates, but made the “issue of prosecuting Mrs. Arroyo after she steps down from the Presidency” one of the most urgent election concerns.

“How the candidates respond to this issue signals whether there will be concrete steps to pursue corruption cases involving the GMA presidency. A stand leaving the matter to the institutions concerned will signal that there will be no active effort on the part of the Executive to pursue cases. A stand to pursue investigations and to resolve the issue will signal greater commitment,” Chavez wrote.

The day of the first automated elections in the Philippines proved to be madder, even simultaneously crazy hilarious and enraging, one would recall in reading the observations of a young Research Assistant in Focus and a foreign observer who both joined the International Observers Mission. Fang Chih-Yung, Focus’ volunteer from Taiwan, professed culture shock at the practice of giving out sample ballots with the names of the preferred candidates in the mock-ups. In some of these ballots that were handed out to voters, P20-50 bills had been tucked in. He also felt empathy for the voters who queued in the different precincts in Pampanga province, where his team was assigned, for hours before they could vote. But his greatest disappointment was from witnessing how the Aetas were disenfranchised because of the “disorderly” way the Comelec conducted elections in these communities.

“From what I saw in the Aeta community, I wondered how the government could claim the election was fair and modernized (only because it was automated?) when the voters were so confused with the voting procedure itself and could be easily deprived of their right to suffrage due to problems that could have been prevented (dirty hands) or caused by Comelec’s mismanagement (resulting in ghost voters),” wrote Yung.

Jerik Cruz, in his “diatribe,” claimed that “What we beheld throughout our deployments was stunning in many ways, as we had already foreseen various fiascos spawned by the Comelec’s lack of preparations—understaffed and overworked BEIs, ham-fisted clustering schemes, PCOS malfunctions, the absence of voter secrecy and vote-verification, transmission blues and countless other tests of voters’ patience.”

The starker reality that Cruz had to contend with was the “fraud-fending powers” of local politicians, often belonging to well-entrenched political clans. In Pulpandan town in Negros Occidental, Cruz would recount in his article how “During the polls itself, observers returning to the municipality brought back notes passed to them anonymously by the residents, recounting tales of the fear of eviction, the alleged involvement of local judiciary in efforts to disenfranchise opposition sympathizers (they had been crossed out of voters’ lists “per court order” according to these residents’ notes), the inordinate over supply of police and vigilante muscle that would supposedly be used to favor candidates.”

But how do a people bid farewell to a bad government’s legacies? Are elections enough? To use the word legacy is to imply something that is intended to have long-term impact—to imply too that what was bequeathed would be owned and claimed by the inheritors, which is exactly the opposite of what the Filipinos want with the legacies of the GMA government.

Fabros, in her piece “Farewell to the Legacy of Gloria Macapagal Arroyo,” would compel us to look at the misdeeds that can be attributed to the past government—and to do something about these. But Fabros also wants us reflect and understand what have been done to us as people—and from what state of incapacity we should free ourselves to confront these legacies.

Thus, Fabros asserts: “Yes, we do have a flawed system. True, we do have a dysfunctional democracy to begin with. But we must never forget the more substantive underpinnings of all our criticisms and frustrations, even after we heave that satisfying sigh of relief, once GMA steps down from the Presidency. We must never allow what’s familiar, what’s common, what’s entrenched to colonize and hijack our aspirations for what is possible. We must never allow this regime to take away our capacity to conceive, our willingness to commit and our perseverance to carry out more thoroughgoing transformation. As we take stock of the GMA legacy, we must also constrain it from defining, confining our projects for the future. Meantime, the first step towards emancipating our collective imagination from the stifling limits of the GMA legacy is by prosecuting her and ensuring that she is held accountable. We must be reminded of what is possible again. And let this reminder be a platform for the many other steps that need to be taken to achieve this.”

New Government, New Policies?

A new government has been ushered in. Hope is still in the air almost nine months (as of February 2010) into the Aquino government. The President continues to enjoy popularity. But as early as the proclamation of Mr. Aquino as president, warning signs were already raised; the rose-colored glasses were immediately taken off.

Are civil society organizations and activist groups just a jaded, pessimist bunch that they are not according this new government a honeymoon period?

Or maybe, the realities immediately forced us to face up to what we’ve been dealt with that there could be no honeymoon—that the time for this could have been right after President Noynoy Aquino’s mother had taken the reins of a ‘revolutionary’ government, but such ‘window of opportunity’ for change and reform had been wasted, and the impact of what had happened post-EDSA 1986 still resonate. Because Mr. Aquino also pledged to continue her mother’s legacy

when he was campaigning, a feeling of uncertainty, of wariness now refuse to settle down.

As leftist leader Sonny Melencio argued in Reihana Mohideen's piece "View from the Left: The Meaning of the Noynoy Aquino Presidency": "The crony system put in place by Marcos had been restored by Cory with a liberal-democratic facade. This system continues today...There were real possibilities that opened up to undermine elite rule, but Cory never acted on this and it [had not been] her intention to do so. This and her legacy of the system we have today, shows the serious limitations of the Cory revolution."

Meanwhile Ricardo Reyes' optimism would only go as far as "We can expect Noynoy to run after GMA and her cohorts who are responsible for all those gargantuan corruption scandals which marred the latter's presidency. His chances of success? Fifty-fifty is my estimate given GMA's continuing clout in Congress, the Supreme Court and the Ombudsman's Office." But he sees "no deliverance from poverty and the huge social inequity of wealth and opportunities by the majority, (because) the Noynoy presidency has more limitations than the watch of his mother, Cory Aquino, to accomplish anything significant in this direction."

Obanil validates the above prognosis through his update on Herbert Docena's article "What's at Stake in the President's Anti-Corruption Crusade." In her piece, Obanil keeps us posted on what have been achieved so far by the efforts of Aquino's government to institute mechanisms for prosecuting GMA, such as the Truth Commission, and about the ongoing saga that is the Garcia deal.

Docena, meanwhile, draws our attention to why corruption is not just an important campaign promise for President Aquino's administration but also to why the people should have a stake in the issue.

"Beneath the universalizing corruption discourse then are deeper and overlapping class and moral divisions. But, in its appeal for

unity, this discourse tries to gloss over what is really at stake in these struggles by framing the issue as though the only question that matters is whether we are against corruption—who isn't?—when the real question is, what kind of corruption are we against, and where do we want the boundaries to be drawn? Whether President Aquino is aware of it or not, each of his actions or pronouncements regarding corruption—what he considers corrupt and not corrupt, who he persecutes and doesn't persecute—will be attempts to fix the disputed boundaries in one place instead of another, according to his personal or class interests and/or moral convictions,” argued Docena.

Cruz, in his piece on democratization, also flagged warning signs that appeared early on in Mr. Aquino's presidency, even going back to the time when he was still campaigning and contending political interests already divided his campaign staff and supporters.

The signs: “...several weeks short of its 100 days—(President Aquino's administration) has been characterized by infighting between elite factions. There is the so-called “Balay,” comprising of Liberal Party supporters of the President, and “Samar,” comprising of Aquino's family and relatives...Even during the campaign period, such factions had been noted in the “Noy-Mar” and “Noy-Bi” dispute between the Hyatt 10 and the so-called Cojuangco Kamag-anak Inc. As had been the case with P-Noy's mother, all these early signs show that elite competition may very much become an integral part of P-Noy's political reality. In her nine years in Malacañang, GMA effectively splintered the Philippine ruling class in her frenzied bids to retain power; and thus, with the sudden vacuum generated by the Aquino inauguration, there is every reason to expect many of those disaffected by GMA to claw for a piece of the action in the new administration.”

The challenges to democratization, however, could be expected not only from the Executive but also from local politics and the legislature. Elections 2010 was a year of ‘harvests’ for traditional politics at the

local level, with entrenched political dynasties still dominating the list of victors while several other have made a triumphant comeback.

As Obanil stated in “Family Matters: Delving into the 2010 Winning Political Clans,” the results of the 2010 elections in the local politics indicated that “the Filipinos would not be seeing the decline of political clans or dynasties in the Philippines anytime soon.” The local political landscape is still ruled by the Dutertes, Singsons, Arroyos, Cojuangcos, Sys, Marcoses, Villafuertes, Roxases, Garcias, Ampatuans and Dimaporos, to name a few. Many of these political families are even holdovers from the Marcos era.

Meanwhile, even the party-list system in Congress seemed to have been hijacked by *trapo* interests. Mary Ann Manahan’s article is a discussion of the several party-list groups linked to GMA and her family and the other organizations that didn’t have basic mass memberships, but instead represented interest of social sectors not considered marginalized politically and economically.

Democratization, however, is not just a political project. Cruz would point out that “It is not only through politics that democratization can be measured, but through economic policies as well. The new government’s uncritical dependence on the private sector is something to watch for. It is known, for instance, that P-Noy enjoyed overwhelming support from the Makati Business Club throughout the presidential race. It is further known that during his State of the Nation Address (SONA), Mr. Aquino bannered the cause of increased public-private partnerships (PPPs) in order to propel economic development while circumventing his administration’s budget blues.”

Two of the most contentious economic policies that sparked debates within civil society circles and even in the legislature, and which government had to defend before the public, were the public-private partnership (PPP) and the conditional cash transfer (CCT).

Misgivings about P-Noy's Economic Policies

“Chapter IV-New Policies?” of this book serves as a forum for the different viewpoints on the PPP and CCT. The CCT drew strong reactions, including criticisms, from civil society organizations and the public; even from traditional politicians in the legislature whose pork barrel and politically motivated poverty alleviation projects have been threatened.

In an interview with Focus, National Anti-Poverty Commission (NAPC) Secretary Joel Rocamora sought to put the issue in perspective. “Think of reform as a series of phases...” he emphasized. He also explained that the CCT money is “not unlimited” and therefore the program should be implemented side by side with structural changes. “Anti-poverty work will work when there is economic growth,” Rocamora said, adding that this growth should be fuelled by “asset reform” and “agricultural development.”

In the same vein, Rep. Walden Bello in his piece “The Conditional Cash Transfer Debate and the Coalition against the Poor” stressed that the CCT has “a palliative content”—that it is indeed “complementary to structural reform, not a substitute to it.”

Bello also underscored the context in which the CCT is now being implemented: that “poverty is so pervasive and the combination of runaway corruption and neoliberal policies under the nine-year reign of the previous administration led to so much increase in poverty that any tool to contain its further spread must be utilized” and that “CCTs buy time for structural reforms to kick in. The key measures to reduce poverty are reversing trade liberalization, a moratorium on foreign debt payments, and effective agrarian reform... Thus I would see CCTs as a stopgap measure, to keep millions above the water line until reforms show results.” For Bello, the CCT is an important intervention that can help achieve the poverty reduction targets in the Millennium Development Goals.

He criticized the limiting perspective of those who have been against the CCT and categorized the CCT critics as: “those who oppose it for partisan political gains, such as Arroyo, who is now critical of a program begun under her administration out of sheer opportunism; traditional politicians, who are worried that the CCT program will destroy the ties of patronage politics that serve as their main form of control over the urban and rural poor; the extreme left, who are afraid that the reform coalition now in government could use the program to create a mass base that would become relatively impermeable to their ultra-left politics; the middle class, who are particularly susceptible to the charge that CCTs are a dole-out.”

On the other hand, Dr. Prospero de Vera’s apprehensions have been based on his evaluation that the elements needed to make a success out of the CCT are currently absent in the Philippine context; that these have been absent even during the administration of GMA when the CCT was first conceived and implemented.

De Vera pointed out that sufficient education and health infrastructures must be available to the poor to make the CCT work. He also highlighted the importance of making information accessible to the poor. “Information access is important, and difficult, because the poor (particularly marginalized groups like indigenous peoples) often have no access to information. The information has to be adapted to their needs, must be in a language that they understand, and must be gender-aware.” The CCT should come with “complaint mechanism” and “monitoring systems must ensure the participation of the beneficiaries.”

Dean Rene Ofreneo digressed in his article “From PPP to CCT: Where is the Country Headed To?” with his more critical appraisal that President Aquino has “opted to continue and strengthen the “old” neo-liberal framework of economic governance that has failed the nation in the last four decades.”

Ofreneo asserted that the PPP and CCT are not credible programs, but that they simply “revolve around the old World Bank policy prescriptions of privatization, trade and investment liberalization, and economic deregulation (finance, industry, agriculture and services). The “new” technocrats, led by some “recycled” officials appointed to the National Economic Development Authority (NEDA)...”

Backing up his criticism against the PPP, Ofreneo presented historical evidence about how the privately-financed public projects have resulted in higher prices for poor Filipino consumers; that poor Filipinos have been marginalized further by the prohibitive cost of transportation, energy and water as a result of PPP projects.

“...PPPs are national infrastructure projects—physical (e.g., roads, airports, railways, ports, etc.) and social (e.g., education, health, etc.)—that no society can do without if it seeks to grow and advance. But who will build and operate these projects? Under the PPP concept, the first “P” or the government does the brokering job, identifying needed infrastructure projects and enticing the second “P” or the “private sector” to invest and build these projects. The latter, of course, will come in only for a profit, that is if the government assures them of “returns on investments” under various operational schemes, the most popular of which is the “build-operate-transfer” (BOT) such as what the previous government did to build the NLEX and SLEX or with the power generation program of the independent power producers (IPPs),”Ofreneo argued.

Aspirations

The thesaurus has interesting words associated with the word “transition”—that it is a passage from one state to another; that it involves changeover and conversion, and that the act of transitioning implies movement.

There was a changing of guards in government last year—a movement from a bad government to one that has been perceived

as the opposite. We can say we're passing through a state of being hopeless, of being without option to one that has created hope and opened windows of opportunities. But we can say too that we've been in this "passing through" state since EDSA 1986, which in 2011 celebrates its 25th anniversary; there have been movements as well from one government leadership to another, brought about not only by elections but by two more reproductions—not necessarily exact or accurate facsimiles— of the 1986 People Power. The question now is have there been conversions; have the changeovers addressed many of the historically rooted problems of our country, as expressed through the people's aspirations?

Going through the articles in **Chapter IV-People's Aspirations** and **Chapter V-Regional Challenges**, one will realize how civil society advocacies and the people's aspirations haven't changed much in the past decades post-Marcos era—we still yearn and struggle for agrarian reform, access to the commons (land, water and other natural resources), inclusiveness in trade agreements that don't reflect the poor's situations and desires, climate justice (though a new term, it reflects a condition in the environment that's been in unraveling in the past years and has been affecting local and regional communities), freedom of information, among others.

These aspirations have intensified but have not substantially changed because the root causes remain unchallenged, glossed over. This makes the task of Noynoy Aquino and his government tougher—because we've been in this passage, in this state of transition for a long time now. The government cannot do a genuine makeover and fulfill people's expectations using the same mental state or perspectives that created the problems/obstacles in the first place (now quoting and paraphrasing Albert Einstein).

Now, here's a note on the style and form of the pieces contained in this anthology. These articles were selected from the monthly editions of Focus-Philippines' e-newsletter accessible in our website. There are about three or so updates in this collection that haven't

been part of the FoP issues. Most of the selections were written either in feature or essay form, but most are analytical opinion pieces that their contents are not time-bound. Now we've created a quandary—as long as the current social-political and economic situations in our country prevail, as long as the government pursues the same economic policies and ways of governing, this collection will be useful. But we wouldn't want the former to continue; we'd just rather this book soon come down as a valuable piece of historical record.

CLARISSA V. MILITANTE
EDITOR — *YEARBOOK 2010*

Personal political
interests in Congress.
Electoral Campaign
as Advertising.

Where is
the substance?

CHAPTER

1

Automated
Electoral System.

ELECTIONS

Electoral Promises.

Good leaders.

Bad leaders.

Scorecards on issues.

Who to vote for?

Winds of change.

Who promises to
prosecute GMA?

Is Congress Worth Running for?

BY REPRESENTATIVE WALDEN BELLO

Is Congress worth running for?

As someone who comes from civil society, I am often asked this question.

I do not blame people for being so cynical. After a year in the institution, I cannot deny that all they have heard about the House of Representatives is true.

Chronic Absenteeism and other Foibles

The problem goes beyond the chronic absenteeism that forces the House leadership, for lack of a quorum, to resort to various subterfuges to conduct a modicum of business. I would say that about 50 percent of my colleagues are there mainly to get their priority development funds or pork barrel to distribute to their constituencies. This being their sole interest, they are easily manipulated by the Executive which—no matter what the Constitution says—really holds the power of the purse.

There were members of the 14th Congress who, I am told, never once spoke on the floor in their nine years in the House. And when members do rise to deliver privilege speeches, they usually devote these to attacking enemies in their congressional districts, which is why very few members appear to be paying attention even when a speaker is trying his bombastic best to pound his absent foe to smithereens.

The subject of a privilege speech is sometimes amusing. One member once rose to denounce a local airline for not allowing his aide to check in for him, leading to his being left behind. But while outsiders might have found devoting 45 minutes to this topic absurd, it was not at all to many members. When the congressman finished his tirade, others rose to lambast the same airline for similar experiences that wounded their sense of entitlement.

Saving Grace

Yet I would say that there are some 20 percent of the 269 members of the 14th Congress whose ken went beyond local concerns to encompass national and international issues. These 20 percent had been the House's saving grace, for they were the ones that on certain days—not often, it must be admitted—raised the level of debate above that of parochial local concerns and personal and political grudges.

Rep. Jesus Crispin “Boying” Remulla (7th district, Cavite) once told me that the institution houses outstanding individuals who would outclass the members of the Senate any day of the week. This may not be far from the truth. Among the people who, in my opinion, represent the best traditions of the House when it comes to discussing and debating national issues, one must include Edcel Lagman and Risa Hontiveros-Baraquel, the co-authors of the Comprehensive Agrarian Reform Extension Law (Carper) and the Reproductive Health Bill. One can always rely on Caloy Padilla, Edno Joson, Jonathan de la Cruz and Magi Gunigundo for thoughtful interpellation. The same can be said of the mercurial Teddyboy Locsin, though the latter's tongue sometimes gets the better of him. For impassioned manifestations of concern on burning issues, one can always count on, among others, Joel Maglunsod, Janet Garin and Luz Ilagan.

Yet the cast of people that can argue a good case is not only on my side of the fence, that is, on the progressive or liberal side. Pabling Garcia of Cebu is an opponent on the question of land reform, but few can surpass him in his knowledge of the legal history of agrarian

reform, and his skilled advocacy of the contra position certainly pushed most of us land reform advocates to sharpen our arguments and make them unassailable in the end, even by Garcia.

The Party-list Factor

Caloy Padilla once asserted that it is the party-list representatives that, with their advocacy based on issues, have transformed the discourse in the House, introducing advocacy for the interests of the marginalized that is both skilled and impassioned. There is a lot of truth to this statement, but it must be qualified. The party-list groups are a diverse lot, a significant number of them being simply administration fronts that can be rolled out to deliver a yes vote on issues dear to the heart of Malacañang, like constitutional change. But I would agree with Padilla that the genuine party-list groups have, in fact, contributed significantly to transforming congressional discourse. Of course, one can still hear brazen statements made in plenary such as the complaint of one congressman from the national capital region that, “What else are we allied with the administration for if not to be able to get priority development funds.” Such statements of naked interest are, however, rare these days and advancing individual interest must now be couched in terms of promoting the “common interest.”

The Nuclear Power Face-off

Interestingly, the measure that probably took up the most number of hours of plenary debate devoted to a single bill during the House sessions of 2009 was the bill intending to activate the Bataan nuclear power plant proposed by Mark Cojuangco. What many observers found unique in the debate was its being conducted at such a detailed technical level that members could be forgiven for thinking they had wandered into a graduate school seminar on the pros and cons of nuclear power. Like a number of my colleagues, I found myself opposing Cojuangco on the bill, and over nine hours our duel—complete with Powerpoints—ranged from the volcanic and seismic

characteristics of the Bataan peninsula to the storage of hazardous waste, the construction of nuclear containment structures, the cost of nuclear power compared to solar, wind and other renewable energy sources, and the impact of different kinds of energy sources on climate change.

At the end of these exhausting marathon debates, with the clock striking 9 P.M., Cojuangco and his opponents often counted only 20 to 25 congressmen remaining on the floor. But that such a “graduate seminar” could take place over several weeks on the floor of the House was a sign of the ongoing transformation of the institution’s discourse and culture.

For the most part, conservative interests still rule Congress. Yet change is not absent. Change is most prominent at the level of discourse, and one cannot discount the positive impact a change in discourse has in terms of making the atmosphere more congenial for a substantive program of reform. The pace of change of the institution may strike many as glacial now, but there will be times, I am convinced, when the pace of change, will quicken.

So is Congress worth running for? Yes, because it is not at all hopeless as a platform for change.

But I could, of course, be wrong.

*This article was also posted at inquirer.net on April 25, 2010

Prosecuting GMA as Platform

BY JENINA JOY CHAVEZ

With barely a week before May 10, Filipinos everywhere would have seen and heard more than enough of the elections—the muck, the dirt, the candidates’ profiles, the agenda, the promises and the projections, all thrown into a sticky mix of hope, propaganda and entertainment. Being this close to crunch time, the political climate has been so polarized that it is difficult to say anything without receiving an enthusiastic endorsement or an impassioned rebuttal. If the amount of interest, especially among the youth and particularly the new voters, is any indication, this political exercise at least draws out encouraging participation—a prelude to active citizenship that can only be good for the country. There are also signs that political gimmickry needs to be more sophisticated to stick, and that media exposure alone does not guarantee approval. There is the usual fare of partisan follies, the scare of failed elections, and controversial survey ratings—all contested in this season of the most popular contest of all. Behold an expression of formal democracy, Philippine-style.

What makes this election unique is the public clamor to bring closure to the many controversies and scandals that have smudged the nine-year administration of Mrs. Gloria Macapagal Arroyo (GMA). There is a strong sense for exacting accountability and demanding justice for all the wrongs that were spawned by a much-maligned administration. It is a demand for both catharsis and cure, something imperative as we dream of building this nation again.

Why Prosecuting GMA is an Election Issue

Over the years, Filipinos have come to accept that corruption is part of Philippine politics. But history has shown that if the indications of culpability were strong, people are moved to do something. This happened in EDSA 1986—*Sobra na, tama na!* became the call against Marcos. This also happened in EDSA Dos when Filipinos saw firsthand how the paper trail of corruption had led directly to Mr. Estrada.

President Arroyo's incumbency has been hounded by highly publicized controversies. The Senate investigations on the ZTE and the fertilizer scam, extensively covered by media, gave the public access to testimony and documentation of corruption.

The people have shown their frustration through the negative net approval ratings for President Arroyo. President Arroyo's net approval ratings plummeted from a +24 in March 2001 to a -38 in December 2009, with a consistently negative rating since March 2004. The overwhelming win of the united opposition in the 2004 elections was a vote against Mrs. Arroyo. The outpouring of emotions and show of support when President Aquino died represented a people mourning the loss of who for them was the last moral leader this country had. In the ongoing campaign, the weak showing of administration candidate Gilberto Teodoro also relates to the perception of high level corruption and misrule under GMA's presidency.

For this reason the issue of prosecuting Mrs. Arroyo after she steps down from the presidency becomes an urgent election topic. How the candidates respond to this issue signals whether there will be concrete steps to pursue corruption cases involving the GMA presidency. To leave the matter to the institutions concerned will signal that there will be no active effort on the part of the new leadership to pursue cases. A stand to pursue investigations and to resolve the issue will signal greater commitment. It will also indicate what we may expect to be the attitude of the new leadership towards corruption during their incumbency, in terms of tolerance and in terms of the level of priority that will be given to governance reforms to address corruption.

A Note on Corruption

Corruption is neither the only nor the main reason for our economic woes, but it does imply direct economic costs.

First, corruption results in the loss of significant resources that could have been available for productive activities and social services. The World Bank estimated that in the 20-year period between 1977 and 1997, the Philippines lost US\$48 billion. In a speech in May 2006, Ombudsman Merceditas Gutierrez claimed that we lost the same amount to corruption in only five years from 2001 to 2005.

Second, corruption scares foreign and domestic investors alike. In the 2009 Transparency International's Corruption Perception Index, the Philippines ranked 139th out of 180 countries ranked from the least to the most corrupt (Somalia and Afghanistan were most corrupt in this series). In 2008, according to the World Bank Control of Corruption Indicator, the Philippines was less able to control corruption than 75 percent of all the countries included in the series.

Third, corruption increases the cost of doing business in the country. In 2008, the Social Weather Stations Survey of Enterprises reported that seven out of 10 local firms were approached by a government official or employee for bribes. This is not an encouraging sign for local business that has kept shrinking. Gross domestic investment as a percent of gross domestic product has consistently fallen under Mrs. Arroyo's term, from 19 percent in 2001 to 14 percent in 2009.

Corruption in itself does not alone cause an economy to fail or for poverty to worsen, but its pervasive presence detracts from addressing these issues. It distorts the incentives for seeking public office, where the public interest has become secondary to self-interest. Public office becomes an opportunity, where the prospects for earning through irregular means can be big. Take for instance the fertilizer fund scam—fertilizers and farm inputs, ostensibly to help an ailing agricultural sector, were purchased at 10 times their real costs. The NBN-ZTE deal also highlighted the income-generating

possibilities from big infrastructure projects, as evidenced by the estimated US\$130 million overprice.

Corruption subverts and discredits the government's regulatory institutions. This results in the low confidence and approval ratings of public agencies, which undermines the capacity of government to do economic policy in the long run. Many even in the bureaucracy would favor private operations over public, precisely because of the corruption issue. Many would erroneously equate the corruption in government with the ineffectiveness or undesirability of public provisioning, or of even greater concern, of public intervention in the economic sphere. The distrust in government translates to a distrust in public policy. Corruption has to be addressed so that government can enjoy wider support for bolder economic and social policies.

Finally, addressing corruption and prosecuting those who were involved in the weakening of our institutions is also about justice. Boundaries may and probably have been overstepped and laws violated. Public office should never cloak crimes or be used as protection for criminals.

The Specter of GMA as Speaker

In a tragic-comic twist, Mrs. Arroyo decided that her home district in Pampanga needed her support, and the best way for her to give it is to run and be its Representative. Many criticized this move by the President, saying that this is an unconscionable and desperate attempt to perpetuate herself in power, a brazen ploy to avoid prosecution after her term and a pathetic stunt that smacks of a lack of *delicadeza*.

Mrs. Arroyo said and did so many objectionable things in the past, that running for a Congressional seat seems not as atrocious. But is it not?

Being a member of Congress does not give Mrs. Arroyo the same immunity that she enjoys as the incumbent president. However, it gives her a platform for political and personal objectives.

There are a number of privileges and prerogatives that a member of Congress can use for various objectives, such as:

- the pork barrel – everybody knows that having resources at your disposal goes a long way;
- a guarantee of free speech and debate (no member of Congress may be questioned nor be held liable in any other place for any speech or debate in Congress or in any of its committees) – she can use privilege speeches to defend herself, or to attack those prosecuting her;
- Legislative inquiry – this can be used to put political pressure on the Executive, and anybody who might testify against her, or on her allies in the courts;
- Legislation – this can be used to block the new administration's priorities, frustrating its legislative agenda, and making reforms an uphill struggle every step of the way.

This is especially true if, given her background as a former president; she could also lead a sizable faction in the House of Representatives, and even be the Speaker of the House. She could leverage greater bargaining power. And given the long history of compromises in Philippine politics, one can only hope that prosecution for past misdeeds would not fall prey to political jockeying.

Many predict that once a new president is sworn in, and in all likelihood it would not be Mrs. Arroyo's bet, the political configuration in Congress will change. Politicians will switch party lines and enter into a coalition with the new administration, all for that plum committee membership or chairmanship, and the much-desired pork barrel. And because of this, Mrs. Arroyo's Speakership is a long shot.

Perhaps, but here a note of caution is needed. The turncoatism of Filipino politicians, their predilection to abandon party principles for

political exigency, is precisely one of the reasons why our political growth has been stunted. Real healthy debates, except the partisan type, rarely happen in Congress, because its members are more concerned with keeping their perks than with carefully scrutinizing what goes on the floor. The Lower House has also long lost its independence, often becoming a lackey of Malacañang.

It is important to restore the independence of Congress, especially of the House of Representatives. Uncritical defense of an administration is as dangerous and as unproductive as petty political bickering. Beyond the numbers, what the next administration needs is a coherent reform agenda, a broad coalition of groups to push for this agenda, and clear plans for dealing with the impact and defending the fruits of reform.

Rating the Candidates: Prosecution as Platform

The rating system used was inspired by the system the ANC program, The Platform, used. A full shade means a full vote, while no shade means a no-vote.

Of the nine presidential candidates, Benigno Simeon Aquino III and Bro. Eddie Villanueva have shown consistency and strong commitment to governance with the specific objective of prosecuting Mrs. Arroyo and those involved in corruption during her term. Both have substantial, specific and coherent platform on governance. Mr. Aquino has specifically fashioned his presidential bid from an anti-corruption line. Bro. Eddie has the eradication of bad governance at the top of his seven-point agenda. However, both lack a track record—Aquino has not played a leading role in any of the major issues in the past, while Villanueva has not been directly involved in politics, his strong statements indicating an under-estimation of the institutional and political difficulties he will face.

Benigno Aquino, Jr.: 3/4 shade

Noynoy Aquino's platform on governance is substantial, specific and coherent, as contained in his Social Contract with the Filipino People. He has concrete ideas of how to proceed, and puts specific timeline to some of them. He also has expressed commitment to prosecute Mrs. Arroyo, having fashioned his presidential bid from an explicit anti-corruption line.

In terms of feasibility, public pressure to show results on the prosecution of Mrs. Arroyo is strongest on him, so it can be expected that a lot of focus will be given on this issue. Still, the justice system is institutionally hard to move and expedite in the Philippines, so

the timing as well as the adjustments along the way will have to be monitored.

In terms of track record, Aquino has not played a leading role in any of the major issues in the past. It remains to be seen how he will translate commitment into action.

Manny Villar: 1/4 shade

Until recently, Mr. Villar has neither made any strong public commitment on the issue nor given concrete proposals on how to make Mrs. Arroyo accountable for 'sins' during her term.

The Arroyo question does not appear to be a substantial priority in his agenda, which is heavy on managing the country and the economy. While noteworthy, the absence or the belated focus on governance dismisses the destructive nature of misrule, and how it can undermine good programs. Not giving it a bigger spot in his platform also denies the extent of the problem. What is going for him is that there are people in his party who are known anti-corruption crusaders, and who have led investigations against the Arroyo administration in the past.

However, Villar is good in the politics of compromise. One worries that even this positive aspect of governance in his platform and with his team would fall prey to future compromise.

Joseph Estrada: No shade

Estrada's platform covers political and economic corruption, but he does not plan to take any active role in prosecuting Mrs. Arroyo.

More importantly, the corruption taint on Estrada undermines his credibility on the issue.

Gilbert Teodoro: No shade

He has declared support for Mrs. Arroyo, and is very emphatic about his debt of gratitude to the President. Prosecution is not in his platform at all.

Richard Gordon: 1/4 shade

Senator Gordon says he will not focus on prosecution, but will not stand in the way, with commitment to help expedite the process if there will be cases initiated.

Taking the constitutional route to addressing the issue (the intended reform in choosing the Ombudsman) makes for a very low feasibility, given the contentiousness of charter change.

But his track record shows that he can be independent, having led the investigations on the NBN/ZTE and the fertilizer fund scams in the Senate.

Eddie Villanueva: 3/4 shade

Of the candidates, Bro. Eddie's platform on governance is the most elaborate, and also has concrete ideas on how to proceed and some timeline. He said that to eradicate bad governance is top of his seven-point platform. He has been consistent in his express commitment to make Mrs. Arroyo accountable.

However, he has no track record in politics, and his strong statements indicate an under-estimation of the institutional and political difficulties he will face.

Jamby Madrigal: 1/2 shade

Senator Madrigal has by far the most radical overall platform. In governance, she has an understanding of the primary institutions that need to be involved.

However, she does not show much appreciation of the politics that need to be considered. Her “selfless government service” sounds nice, but lacks substance beyond prosecution of the corrupt and protection of whistleblowers.

Nicanor Perlas: No shade

There is some detail in his formal written platform, but his public positions are often too abstract, and do not convey coherent or concrete ideas, making it difficult to assess what he really intends to do, and how feasible they are.

His lack of track record is also a negative point.

JC de los Reyes: No shade

Absence of track record in national politics shows in his weak positions. It goes without saying that the president does not meddle with the Judiciary, and that Mrs. Arroyo if prosecuted will be given due process. His statements indicate a very low regard for the kind of justice people are after or a misreading of what a president can do.

His statement on using his “moral influence” to prevail upon Congress not to have Mrs. Arroyo as Speaker is naive to say the least.

JENINA JOY CHAVEZ

Mixed Messages

BY AYA FABROS

It's February and the hot and humid air is spiked with the tragedies of the past, the controversies of the present and the travesties of the future. This month, as we remember EDSA 1986 and recall ULTRA 2006, we also mark the official start of the national campaign period. There have been a lot of interesting developments related to the elections.

For instance, recent news headlines on some Supreme Court rulings have got a lot of people asking, what's wrong with this picture?

Exhibit A: according to the February ruling of the high court, appointed officials who are running for office must quit their post. The December 2009 decision, which allowed appointed officials to run and maintain their office, has been reversed, with the court arguing that “public safety and interest demand such reversal.” The earlier ruling had also been deemed “contrary to and/or in violation of the constitutional proscription against the participation of public appointive officials and members of the military in partisan political activity,” according to the Supreme Court resolution.

Comelec Commissioner Rene Sarmiento welcomed the Supreme Court February reversal, saying “This now levels the playing field for all candidates because the undue advantage of sitting officials is removed.”

Exhibit B: also this February, the Supreme Court did not find anything objectionable to the Commission on Elections (Comelec) decision on the disqualification case of President Gloria Macapagal Arroyo (GMA), in effect clearing her bid for the House seat of the 2nd District of Pampanga. According to the Comelec, there are no constitutional provisions barring the President from running for Congress in May

2010. Akbayan party-list Representative Risa Hontiveros-Baraquel argued that the President should be disqualified also in view of her undue advantage and influence. She said that Arroyo's candidacy violates Article VII, Section 4 of the Constitution, which states that a Philippine president is not eligible for re-election.

The Comelec denied the petition for lack of merit, stating that if the intent was to prohibit any re-election, including other positions, then it would have been worded so. The Supreme Court did not find any grave abuse or object to this ruling.

Without getting into the fine print of these two decisions, what we're hearing right now is this—sitting officials have to resign, but a sitting president can run for Congress, even if both enjoy undue advantage that came with their positions.

This just didn't add up ("*Parang hindi nagtutugma*"), said Mang Sam, the cab driver I was talking to the other day. I would agree and this 'common sense' understanding might even resonate with the original intent of the framers of the post-EDSA Constitution. Insulating public offices from partisan political activity goes hand in hand with the rationale behind why we're barring the President from re-election, and why we're putting in place provisions that would prevent the President from using/abusing her command over the vast resources, machinery and power of the state to hold on to power. These are safeguards against the kind of abuses of power witnessed during the Marcos dictatorship, which are still prevalent today.

The need for safeguards against abuses—by government officials and the president—is further backed up by events in recent history. In 2004, the presidential elections unraveled with countless controversies, after incumbent president, Mrs. Arroyo, reneged on her December 2003 Rizal Day declaration (when she said she would not run for President) and joined the electoral race to seek fresh term. Street-sweepers wearing shirts emblazoned with the president's name, Philhealth cards bearing the president's photo distributed to

voters in her rival's strongholds, the malversation of fertilizer funds into the President's campaign kitty, and the Hello Garci 'one-million-vote lead' special *ops* are just some of the most remembered examples of undue advantage and abuses of an incumbent. With her hands on the vast power, machinery and resources of the state, the President had enlisted cabinet secretaries and officials along with public offices and agencies, even some segments of the military, and so forth—all fully-mobilized with the single-minded, partisan goal of securing the presidential spot for Gloria Arroyo in 2004. State departments such as the DSWD (Department of Social Welfare and Development) and the Comelec were transformed into this invincible political machinery for carrying out institutionalized electioneering and fraud.

This year, 2010, all these can play a key part in President Arroyo's arsenal for her congressional bid in Pampanga's 2nd district. For example, according to Akbayan Representative Risa Hontiveros, GMA already poured in P459 million worth of infrastructure projects in her district in 2009. This "excessive spending" in 2009 was nine times more the infrastructure allocation given per congressman annually and exceeded the P1.50 per voter cap, said Rep. Hontiveros.

Another dimension of GMA's unfair advantage can be seen in the Panlilio-Pineda case in Pampanga. The recent Comelec ruling on the Panlilio-Pineda recount is considered a political move that advances the President's interest. For one, this is viewed as 'vendetta politics' aimed at opposition bets such as Among Ed of Pampanga and Grace Padaca of Isabela, who are affiliated with the Liberal Party. At the same time, the installation of an Arroyo ally as governor of Pampanga during the critical stretch of the electoral campaign again gives GMA a strategic upper hand in steering electoral outcomes.

This February, the results of the Comelec recount indicated that Lilia Pineda won the 2007 gubernatorial race, garnering 190,279 votes against Panlilio's 188,718 votes. Pineda and her husband Bong Pineda are openly acknowledged supporters of GMA and widely alleged as the lords of *jueteng* (the illegal numbers game) in Pampanga.

TABLE 1
GMA and Key Cabinet Members
in the 2010 Race:

Is Malacañang moving to the Lower House?

NAME	CURRENT POSITION	ELECTIONS 2010
Gloria Macapagal Arroyo	President	Congress 2nd DISTRICT, PAMPANGA
Eduardo Ermita	Executive Secretary	Congress 1st DISTRICT, BATANGAS
Rolando Andaya, Jr.	Budget Secretary	Congress CAMARINES SUR
Agnes Devanadera	Justice Secretary	Congress 1st DISTRICT, QUEZON
Arthur Yap	Agriculture Secretary	Congress 3rd DISTRICT, BOHOL

The way it is now, as far as the law is concerned, GMA is all set to claim her son's district in Pampanga. For some, this also signals, or at least strengthens, the argument that the Gloria in Congress, Gloria for Speaker, Gloria for Prime Minister scenario is underway. Judging from the Congressional bets this year, there seems to be a number of Arroyo allies and relatives gunning for a seat at the Lower House, enough to maintain a formidable bloc. Among her Cabinet secretaries running for Congress are Executive Secretary Eduardo Ermita, Justice Secretary Agnes Devanadera, Agriculture Secretary Arthur Yap and Budget Secretary Rolando Andaya, Jr. Her running relatives include her son Dato, her brother in law Iggy and her sister-in-law. Her son, Mikey, who is currently the Congressman of the 2nd district of Pampanga where GMA is running, is said to be considering 'offers' to run under the party-list. Her other son Dato is currently

holding the Camarines Sur seat which Budget Secretary Andaya had occupied before serving in the Arroyo cabinet. With Andaya back in the running for 2010, the House of Representatives passed a law just in time to 're-apportion' the districts in Camarines sur to accommodate both Andaya and Dato Arroyo.

Such developments demonstrate how willing and able the Arroyos are when it comes to abusing power, using or twisting the law to favor them.

As Mang Sam told me, "Pagdating sa batas parang wala tayong magawa para mapigilan sila. Parang na-technical lang, pero malinaw naman kung bakit dapat ipagbawal." (When it came to the law, it would seem we couldn't do anything to stop them. We seem to be losing by technicality, even if it's clear why these things shouldn't have been allowed.)

This reflects some discussions regarding the legacy and limits of EDSA. While it restored formal democracy, a lot remains to be done in terms of dismantling the entrenched grip of families like the Arroyos, who use and abuse processes, mechanisms and institutions for their own benefit. In the warped universe of post-EDSA liberal democracy, the facade of the formal may serve as the scaffolding for stifling and subverting the substantial components of democracy that we still have to struggle for.

Manuel “Bamba” Villar: Advertising his Way to the Presidency

BY CARMINA FLORES-OBANIL

Politics is perception.

Nowhere is this saying more true and apt than in Philippine politics where perception is almost everything. And in Philippine politics, the battle for perception is normally waged through mass media, and intensively during elections through political advertisements.

The inevitable role of mass media in politics and modern political campaigns cannot be denied. In fact, a lot of studies have shown that political candidates have depended heavily on both electronic and print media channels to send their messages across to voters. Critics often complain that candidates don't even wage their campaigns on issues anymore but instead rely on professional media consultants to package them and sell them like any other product.

In a study conducted by Farha and Hamdar (2008)¹, the researchers noted that political advertisements, since these were not everyday occurrences, generated a unique level of attentiveness and were more efficient message transmitters than news stories. Since repetition plays a key role in learning, constant repetition of political advertisements inculcates specific messages helping form either positive or negative perception for the candidate controlling the ads.

Another study looking at the impact of political ads in the 2004 and 2007 elections showed that political ads “contributed a lot” to the

results of these elections. The study was conducted by a group of experts, which included Pulse Asia Chief Research fellow Dr. Ana Tabunda.² The study's findings revealed that political ads served as source of information for first-time voters and means to gauge sincerity of candidates for older voters in those two elections. In the current crop of presidential candidates, none has capitalized on this fact more than Manny Villar.

Dazzle with Ads

A full year before the official campaign period started in February 10, 2010, candidate Villar already spent P83 million in ad placements, according to AGB-Nielsen Media Research Philippines—a market research firm in the Philippines specializing in broadcast media, including in television ratings. By last quarter of 2009, a Philippine Center for Investigative Journalism (PCIJ) report noted that Villar achieved a first for a political candidate when he landed no. 14 on the list of the top 20 advertisers in the country, which previously was exclusive turf of multinational and transnational corporations with huge advertising budgets.

In fact, according to PCIJ, Villar was the only political personality in the list, with the advertiser list comprising of multinational consumer brands selling anything from shampoo to toothpaste to mobile phones to cough syrups.

By first quarter of 2010, Villar's ad volume increased to a whopping 6,575 percent, costing P1.23 billion while his last quarter ad placements was worth P18 million.³

According to AGB-Nielsen, Villar's ad placements were so huge that from his 14th spot among the top 20 top advertisers of 2009, Villar is now ranked number six among the top 20 advertisers, trumping big corporations like Jollibee, Globe Telecom, Universal Robina Corporation and Monde Nissin Corporation. Villar joined the five big league advertisers Unilever Philippines, Inc. (P5.878 billion), Procter

& Gamble Philippines, Inc. (P4.166 billion), United Laboratories, Inc. (P3.07 billion), Colgate-Palmolive Philippines, Inc. (P2.68 billion) and Nestle Philippines, Inc. (P2.66 billion).

Brilliant Packaging

Although a lot of political advertisements indeed follow a simple and almost uniform format, i.e. (1) it communicates a message that the candidate is some sort of a savior; (2) that the candidate is for the masses or ordinary and/or poor people; (3) it contains one all-encompassing promise; (4) it has a catchy slogan, and; (5) it has a popular jingle,⁴ the brilliant packaging and messaging done by Villar's media and advertising consultants have to be noted.

The fact that Villar became Noynoy Aquino's main competitor (even managing to stay ahead of Noynoy Aquino in one survey period) was largely credited to his political advertisements. The packaging of Villar had been no less brilliant. A poor boy who grew up in a poor community but who became rich and famous through sheer hard work and perseverance or "*sipag at tiyaga*" has resonance with ordinary people. It delivers not only a message of hope that everybody can achieve the same status as long as they are willing to work for it, but also promises that Villar as president of the country will be there to help them achieve it.

Violating Election Rules

As set forth under the Fair Election Practices Act or Republic Act 9006, each candidate is only allowed a maximum airtime of 120 minutes for television ads and 180 minutes for radio ads for each station during the official campaign period. Also, the spending limit as provided for under the law is for P10 per voter per candidate, or P500 million per candidate, and P5 per candidate for a political party's candidates or a total of P250 million.

Having spent P1.23 billion just for the first quarter of 2010, Villar seems to be violating the rules. However, with the the Amended Election Modernization Act or Republic Act 9369 stating that a candidate is considered a candidate only “at the start of the campaign period for which he filed his certificate of candidacy” and a Supreme Court ruling last November 2009 stating that “The effective date when partisan political acts become unlawful as to a candidate is when the campaign period starts. Before the start of the campaign period, the same partisan political acts are lawful,” Villar and other candidates who also invested in political advertisements before the official campaign period can get away with their unregulated advertisements.

Beyond the Packaging

Beyond the carefully cultivated “poor-boy-who-got-rich-through-*sipag-and-tiyaga*” image, critics have raised for example the fact that Villar had attended private schools as a young boy contrary to the perception that Villar’s family was poor. Aside from the slogan, it is not clear what programs Villar will promote to really uplift majority of the people from poverty except perhaps in the claim that everyone can do it through “*sipag at tiyaga*.” Critics also allege that instead of industry and hardwork, Villar had used his position as Senate President to get C5 rerouted to benefit him and his real estate projects. The government had paid Villar’s companies almost P141 million for the C5 “right of way.”

With the loose rules on election spending, political candidates with enough resources like Manny Villar have the power to alter perceptions and encourage voters to vote for them. One should therefore be more conscientious and go beyond these political advertisements by examining the candidate’s platforms, analyzing their opinions on issues, scrutinizing their track record and checking the veracity of facts around scandals the candidates have been involved with.

Endnotes

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- 2 As cited in <http://pcij.org/stories/war-on-the-air-waves-6-top-bets-spend-p1-b-on-%E2%80%98pol-ads%E2%80%99/>, accessed May 2010.
- 3 As cited in <http://pcij.org/stories/villar-aquino-selling-like-soap-shampoo-deodorant/>, accessed May 2010.
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Villar's Leadership

BY FILOMENO S. STA. ANA III

Manny Villar is on a roll. The latest survey conducted by Social Weather Stations (SWS) showed that he had narrowed the gap between him and Noynoy Aquino, the frontrunner, to 11 percent.

The survey came in the wake of a media blitzkrieg during the holiday season. A friend of mine, an executive in a major television network, conservatively estimated that Villar had spent P2 billion since the third quarter of 2009 for his media campaign. (Other estimates are on the high side, ranging between P3 billion and P4 billion.)

His ads are very populist. In one ad, responding to Michael V's complaint about the prohibitive cost of education, Villar said that college education must be free. Why Villar focused on college education, not on basic education, which is a bigger problem, would be easy to answer. Villar wants to get the vote of college students. Elementary and high school children don't vote.

Populist rhetoric works during elections; this was part of Gloria Arroyo's tactics in 2004. She ordered a price subsidy on electricity, mainly benefiting the rich and the non-poor; she wasted billions of pesos for dole-out; she stalled revenue-enhancement reforms, so she would be popular. All this led to a fiscal crisis, and the people had to suffer the consequences of Ms Arroyo's irresponsible populism. But Arroyo won the elections—her populist rhetoric and action attracted votes, though the decisive factor could have been the alleged cheating.

Villar is doing a Gloria. Villar, like Gloria, is a master of populist language. He even adopted the program of the Left so he can get its command votes. In his obsession to win the presidency, this

multi-billionaire wooed a force that regarded him a class enemy. (Incidentally, Gloria had also forged tactical ties with the Left in the 2004 elections.)

And Villar is doing to Noynoy what Gloria did to Fernando Poe, Jr. in 2004: questioning the leadership qualities of his main rival.

The Villar camp attributed the gain from the latest SWS survey to “the shift in voting preference over the last three weeks in December as respondents start to put a premium on proven competence, leadership and accomplishments.” In a televised debate that was staged immediately after the release of the SWS survey, Villar highlighted again the issue of competence and leadership.

The problem is that Villar’s propaganda on leadership will backfire.

One of the enduring quotes from Winston Churchill is: “The price of greatness is responsibility.” Villar, however, has exhibited recklessness and haste, not responsibility.

Let’s take another look at his ad where he promises free college education. If only the Philippine government were very rich in revenues, free college education would be a viable option. But because of the severe lack of resources, the next administration must specify the priority spending. Undoubtedly, basic education must be the top priority because it has a bigger impact on poverty reduction and has higher social returns.

It is the mark of irresponsibility to promise many good things like free college education, without identifying where he will get the resources.

Villar would have a more responsive contribution to society, at the same time he would gain political capital, if he devoted the billions that he spent on ads to the housing and education projects initiated by civil society—like Tony Meloto’s *Gawad Kalinga* for housing and

Nene Geuvara's *Synergeia* for basic education. Let an undergraduate economics student calculate the opportunity costs of the billions that Villar spent for his media campaign at a very early stage of the campaign.

Villar is thus the opposite of a good leader who knows how to husband resources and use such resources efficiently.

Villar also boasts of his performance in the Senate to boost his claim of being a good leader. But let us not forget how Villar had turned against the very institution that he once led when he resisted the Senate inquiry into the controversial C5 project. The C5 controversy, at the very least, had exposed Villar's conflict of interest with regard to the budget insertion.

In fact, Villar did a Gloria by boycotting the Senate inquiry and by condemning his fellow Senators for allegedly prejudging the case. This was similar to the way Gloria had rejected the Senate investigation to the notorious ZTE-NBN deal.

At any rate, Villar is correct in making leadership a main issue in the elections. He may be a good manager, but he misses the point that what we need now is someone who will rebuild the institutions that Gloria had destroyed.

And there's the rub. Villar's leadership is no different from Gloria's.

We can also quote Dwight Eisenhower, Churchill's ally during World War II: "The supreme quality for leadership is unquestionable integrity. Without it, no real success is possible, no matter whether it is on a section gang, a football field, in an army, or in an office."

Unfortunately, Villar's action show neither responsibility nor integrity. There is no adherence to the ethics of honesty, uprightness and transparency. It is the money doing the talking, not a sense of obligation and accountability. He is another Gloria.

Automation Success at 32 Percent; PCOS Accuracy Remains a Mystery

By HALAL

Last March 2010, *Halalang Marangal* or HALAL issued an analysis of the estimated chance of success of the Automated Election System (AES) and put it at 25 percent. Based on developments in April 2010, we are updating our estimates of the probabilities of success of the sub-projects and the AES itself as follows:

AES Sub-Project	March	April
Hardware	80%	80%
Software	70%	70%
Logistics	80%	90%
Transmission	70%	90%
Ballot Printing	80%	70%
Overall AES Project	25%	32%

Note that when estimating the overall chance of success of an entire project, comprising several sub-projects, each of which is essential to the success of the entire project, the individual probabilities of success of the sub-projects must be multiplied together, not averaged. Note too that we are estimating here the success or failure of automation, not the election itself.

In the hardware sub-project, there was no reason to modify our earlier assessment. Much of the hardware still has not been fully tested, and neither were any test results made available to the public for scrutiny. Also, the purchase of 21 percent more memory cards than

necessary remained unexplained, raising concerns that these extra memory cards, if they fell in the wrong hands, might be configured with false data and substituted for authentic cards.

In the software sub-project, no new developments occurred either, that might have led us to modify our assessment. The Systest Labs full report on its system audit and source code review remained inaccessible to the public, and no local group still has managed to conduct a source code review. The Precinct Count Optical Scanner (PCOS) software remained configured to disable the voter verification feature, an essential feature that will enable voters to determine the accuracy of the PCOS with respect to the voters' actual choices. The digital certification system remains in Smartmatic hands, instead of an independent third-party like the Department of Science and Technology.

In the logistics sub-project, HALAL has since learned that in addition to the three original small firms contracted to make nationwide deliveries of election paraphernalia for the Commission on Elections (Comelec), better capitalized forwarders like Air21, which have more experience in handling cargo, have also been contracted. This has led us to raise our estimate of this sub-project's probability of success from 80 percent to 90 percent. Ensuring that paired ballots and PCOS machines, which are being delivered separately, will arrive on time in the right precincts remains a huge logistical problem.

In the transmission sub-project, HALAL has since learned that the Comelec will now be providing for 100 percent coverage of all precincts in terms of transmission capability, while the March 8 full-page ad of Smartmatic only reported enough transmission equipment to cover 70 percent of all precincts. Thus, we have raised our estimate of the probability of success of this sub-project from 70 percent to 90 percent. However, transmission problems even within Metro Manila as well as in remote provinces like Batanes still suggest that similar problems will occur on election day.

Under the ballot printing sub-project, the printing of 50.85 million ballots was reported by Comelec complete two days ahead of schedule.

It seems though that this early finish was attained at terrible cost. The Comelec said that the high-speed printing resulted in the “misalignment by one to two millimeters” of the ultraviolet security mark. The problem was serious enough that it led the Comelec to abandon the automatic PCOS authentication of ballots, in favor of a manual check for authenticity by shining a UV lamp on each ballot and letting the Board of Election Inspectors (BEI) determine ballot authenticity through visual inspection.

HALAL raises this important question: if the UV marks were misaligned due to the high-speed printing, could the ovals themselves have been similarly misaligned? Misaligned ovals will have very serious consequences. In the 1998 automation pilot in the Autonomous Region of Muslim Mindanao (ARMM), according to a report on the Comelec website, similar ballot printing problems led the Comelec to manually recount ballots from Sulu and some municipalities of Lanao del Sur. However carefully voters will shade the ovals, if these ovals are misaligned, then the voters’ marks will also be misaligned, which will make the PCOS machine unreliable in scanning and counting the voters’ choices, in the same way it became so unreliable in scanning the UV marks that automatic scanning for ballot authenticity had to be abandoned.

Misalignment of ovals is far more serious than misalignment of UV marks for the following reason: misaligned UV marks will lead the PCOS machine to reject valid ballots, an obvious problem which voters will notice and complain about. Thus, the Comelec has no choice but to correct the problem. But misalignment of ballots leads to inaccurate vote counts, which will still be registered by the machine, although the voters will never know if their votes were inaccurately registered. Thus if the Comelec chooses to ignore this problem, no one will notice, and no one can complain. Earlier field tests and mock

elections were announced by Comelec to be “almost perfect” and by Smartmatic to be “successful” despite numerous media reports of machines rejecting valid ballots and transmission problems even in Metro Manila. If they can make such false claims despite public knowledge of ballot rejections and transmission problems, it will be much easier for them to claim “successful” elections on May 10 despite inaccurate machine counts which no one will notice and complain about.

Because of this uncertain oval alignment, HALAL reduced its estimate of the probability of success of this sub-project from 80 percent to 70 percent.

Because of misaligned UV marks, the Comelec decided on its own, without prodding, to shift to a 100 percent manual audit for authenticity of the ballots, before any winner can be proclaimed. The possible misalignment of ovals should have logically led to a similar plan of 100 percent manual audit of ballots for accuracy of the machine counts, before any winner is proclaimed.

With the Comelec’s decision to reject the proposal to do 100 percent audit, and to stick instead to a random audit that covers only 1.5 percent of precincts, we have lost a fourth opportunity to ascertain the accuracy of the PCOS machines. Earlier, three other opportunities had also been lost: 1) the results of the acceptance tests remain inaccessible to the public; 2) the full reports of Systest Labs, which conducted a system audit and source code review, also remain inaccessible to the public, and; 3) the voter verification feature of the machines was disabled. Sadly, the 10 ballots that will be used by the BEI for testing three days before the elections are too few to reliably screen out inaccurate machines.

We will never know at all, it seems, how accurately these machines will count the voters’ choices.

Been There, Done That— Observations on the Elections

By FANG CHIH-YUNG

Even before the polling day, doubts about the first nationwide automated elections in the Philippines were strong but people's confidence in a clean and peaceful election was low. The malfunction of several Precinct Count Optical Scan (PCOS) machines during the mock election held by the Commission on Elections (Comelec) just a few days before polling day didn't ease worries about a possible failure of elections. But even under these circumstances, there was a general sense by the public that the voter turnout would be high, since after nine years of rule by a government tainted with corruption, scandals, rent-seeking, plunder, cheatings and overall lack of legitimacy, the Filipino people want change. And change they hoped to have on the May 10 elections.

Deep into GMA Province

I joined the Compact-International Observers' Mission (IOM) to Pampanga, home province of Philippine President Gloria Macapagal Arroyo (GMA). In the province where she and her ex-president father Diosdado Macapagal had popular support, she was running as the first president-turned-Congress representative in Philippine history. Pampanga is as known for its rich agriculture and sumptuous cuisine as it is for its politics dominated by patriarchal landed clans and the 3Gs (guns, goons, gold). A hotspot in the elections it was.

On the first day of the mission, May 8th, we met the provincial director of the local Comelec at a hotel owned by the powerful Pineda family,

strong ally of GMA. The guy talked passionately about how important and necessary it was to have an automated election and how it would be a groundbreaking, successful event for Philippine democracy. He said “We are witness to history in the making and you guys are part of it.” I have to say he talked well and tried to convince us that Comelec was more than capable of ensuring a successful election. But the situation we would witness in the polling stations two days later would be far from organized and smooth.

Culture Shock Number 1: Sample Ballots

At seven o'clock in the morning of May 10, we were at the Lubao Central Elementary School to see the voting kick off. There were already many voters queuing outside the polling station and the presence of media, police officers and military made the place more busier. The president would be the VIP, the first one to cast her ballot. The security measures were strict enough to maintain order; at least compared with other precincts we would visit later. However, when GMA was filling out her ballot, in the waiting room next door, people were offered sample ballots, which was the first culture shock to foreign observers like myself. The idea behind the sample ballot was to familiarize voters with how to fill up a ballot and also to allow them more time to go through the massive list (more than 200 names of candidates and party-list groups for different positions) before actually shading the *'itlogs'* on a real ballot. The intention was to make voting faster. Other than the official sample ballots handed out by Comelec staff, poll watchers and employees and volunteers from different parties also gave out sample ballots with the names of their own candidates shaded. This scene was repeated in the rest of the precincts we visited. According to reports from other IOM participants, they even managed to photograph sample ballots to which 20 or 50-peso bills had been attached.

Outside the polling stations, the different political parties had also set up their own information desk where a copy of the registered voters' list was provided. According to the staff who manned the desk, it

was meant to make it convenient for voters to check at which polling station they should vote. Not surprisingly, the staff members were handing out their own version of sample ballots as well. I agree with the objective behind the giving out of sample ballots but not with the practice. The way to familiarize people with voting procedures and the newly adopted electronic voting should be through public education done much earlier before the election. Apparently the Comelec rushed the automated election and ignored the importance of familiarizing people with the new system, which allowed sample ballots to exist and even to be justified.

Chaos, Confusion and Anomalies

We continued our trip to a remote village where Aeta people lived. Travelling to the Aeta communities made me feel I wasn't in the Philippines anymore. It was not only because the Aetas looked so different from the Filipinos I've met previously, but also because voting there was conducted differently. From what I saw in the Aeta community, I wondered how the government could claim the election was fair and modernized (only because it was automated?) when the voters were so confused with the voting procedure itself and could be easily deprived of their right to suffrage due to problems that could have been prevented (dirty hands) or caused by Comelec's mismanagement (resulting in ghost voters).

The polling stations were jammed and the Comelec staff were waving and yelling, trying to maintain order. People seemed more perplexed than angry. Inside the polling stations, there were several volunteers from the Parish Pastoral Council for Responsible Voting (PPCRV) helping people fill up their ballot. I had no idea how many of them could read the ballot, but they seemed confused about the long list of candidates and the process of feeding their ballot to the PCOS machine. Other than the PPCRV volunteers, there were also poll watchers from different parties inside the polling station. Voter's secrecy was almost non-existent. Poll watchers could easily peek into how the voters voted. Another anomaly was some people's

ballots couldn't be read because of the stains on them. The people came to vote directly from the farms without washing their hands.

Outside the polling stations, some people were complaining to us that they couldn't find their names on the voters' list even if they did register, but names of deceased villagers were in it. One lady was asked who she voted for president (surely not an appropriate question) and she said GMA, a name that didn't even exist in the presidential candidates section of the ballot because GMA was running for congresswoman.

Heated Election

In the last precinct we visited, we met an old man who was furious about the long queue and the breakdown of PCOS machines. He came to the polling station at around six in the morning, and after more than 12 hours of waiting, he still had not cast his vote. However, he was not the only one waiting. Many people we talked to actually waited for hours to vote under the scorching sun. Unfortunately, the day happened to be the hottest day so far of the year with the mercury shooting up to 37 degrees. How difficult and torturing it was for the voters to exercise their civil rights!

We also interviewed a Smartmatic technician. She was pregnant and looked tired and stressed. She told us she was a college student majoring in Business Administration. Before the elections, the technicians had one-day training and became Smartmatic election technicians after passing an exam. She was burdened by shortage of assistance from Smartmatic and her incapability to root out the cause of breakdown of PCOS machines. Apparently there was lack of training and support for the Smartmatic technicians. The Board of Election Inspectors (BEI) staff also complained that they hadn't received any food from Comelec the entire day and were extremely exhausted, as each clustered precinct needed to handle up to a thousand voters.

Observers' Mission Completed, But Not Government's

During the four-day mission, we also interviewed several candidates who were running for governor, vice governor, city mayor or congressman/congresswoman. Unfortunately, GMA and Lilia Pineda, who was running for governor, didn't answer our request for interview. I was thinking they were either too busy or so confident that they didn't need any PR to win. (I assumed meeting a foreign observer delegation was good for their image of being open and honest.) The latter assumption proved to be truer according to the results of elections—they both won landslide victories over their opponents.

I was lucky to have had the chance to observe a very crucial election which was also the first nationwide automated election, and definitely the most expensive one, in Philippine electoral history. We did witness history in the making and were close enough to spot the flaws. The automated election was filled with controversies and conspiracies. It was not to be considered a panacea to the lack of democracy, as a BEI staff had proudly claimed: "If the world can do it, we Filipinos can do it." I personally believe that the way an election is conducted, either manual or electronic, may not be as important as government putting in place substantial measures to crack down on and punish election crimes and provide early and consistent education to voters on how to value and guard their constitutional right against the crooked politicians, which will empower people to demand and practice high standards during election. And I have no doubt the Filipino people can still do better for they showed great resolution and perseverance in this last election given the many difficulties or even dangers they had to go through to shade the *itlogs*.

Diatribes of an Election Observer

BY JERIK CRUZ

As the dust of the first nationwide automated elections in Southeast Asia settles, several questions continue to brew in the heads of the Filipino public. One of them is: have the 2010 elections been peaceful and democratic? If one toes the line of most, it may seem as if the events of May 10 have somehow been less deadly and less insidious than other polls before it.

Take, for instance, the police officials, readily raving in a news report that the 2010 elections “will go down in our nation’s history as probably the most peaceful and orderly political exercise ever held in our land.”¹ To the same end, other correspondents, floored by outbursts of vigilance and fevered discourse over the polls, have conjectured that “a good number of the populace seem to have grown up.”² Despite May 10’s kilometeric queues and intermittent tremors of mayhem, we are not allowed to forget that about 75 percent of voters across the islands still chose to exercise their right of suffrage. This falls short, it’s true, of initial soothsaying of the Comelec. Yet international watchdogs have saluted the electoral exercise as testament to the Filipinos’ faith in the democratic process.

In some ways, these accounts of the recent elections are deeply symbolic. We have, some believe, made a historic leap into the unknown, and not only because of our new crop of figureheads. Alongside all the pre-poll muckraking over the Precinct Count Optical Scanner (PCOS) machine, another episode has arisen in social networking politics, only matched by the tweets about the Ondoy crisis and the text messages during EDSA II. In only two days, 90 percent of the results had already been tabulated, leaving the Islands

gawking at “a novel experience.”³ “It stunned me. The speed was amazingly fast that I could barely speak...,”⁴ narrated one broadcast commentator about the shockwaves.

The leap, of course, has also conjured new apprehensions of information-age fraud. As early as June 2009, *Philippine Daily Inquirer* columnist Manuel Alcuaz had cautioned that the automated set-up would jeopardize the transparency of poll operations. The real danger, he claimed, would be that “fraud in the 2010 computerized elections will come from insiders and computer vendors.”⁵ This possibility has now been grafted in more lurid detail by the emergence of the supposedly elusive “koala man” and the reported prior jettisoning by Comelec of several security checks, and the unmasking of the Smartmatic system’s limitations in tracking fraud. These are again indicative. Yet others have claimed that it need not be asked whether beside new democratic possibilities, the computerization might just as well have been in cahoots with anti-democratic maneuvers since the 2010 elections itself, by being automated, was a significant change in Philippine politics.

In other ways, these accounts of the recent elections remain deeply deceptive.

Some of the most glaring limitations of the automation can be wrapped up in a phrase—obliviousness to context. Although most evidence at the present suggests that the poll’s computerization has helped preempt rigging of the mother-of-god heights of “Hello Garci,” the same process has been equally notable for its impotence against those local socio-economic and political dynamics that were inadequately attended to by election officials.

This, at least, was one of the many conclusions reached by the international observers of the Compact for Peaceful and Democratic Elections—a non-partisan International Observer’s Mission (IOM) I

had enlisted for in the week of May 10. For the IOM, I had been flung together with five other international observers to Negros Occidental. Twenty-two others had been ferried to electorates from Pasig City to Buldon, Maguindanao.

What we beheld throughout our deployments was stunning in many ways, as we had already foreseen various fiascos spawned by the Comelec's lack of preparations—understaffed and overworked Board of Election Inspectors (BEI), ham-fisted clustering schemes, PCOS malfunctions, the absence of voter secrecy and vote-verification, transmission blues and countless other tests of voters' patience. But whereas post-mortems from mainstream outfits have been limited to general peeves of bailiwicks across the country, it was apparent to the IOM that the burdens of the automation had been distributed unevenly. The further one was dispatched from the Philippines' poles of affluence, the more deeply bogged in technical pandemonium the polling stations have tended to be.

In Pasig and Pampanga, for example, Compact teams could attest to the successful, if massively chaotic, track of the polling. Word from the Negros team had reports of transmission delays because of hapless telecom lines and networks. Worst of all, maybe, was the buzz from Maguindanao, where electoral proceedings were recounted to have been strung with firefights, all-out disorder, disenfranchisement and dispute, the absence of SOPs and the regularization of irregularities.

In other words, class, geography and other social determinations have lashed right back in the face of electoral proceedings, contributing to diverging experiences of the automation across the islands. In contrast to accounts that have solely whacked Comelec, and the inevitable visage of birthing, the pains of poll day have not only owed to the dearth of preparations, but, moreover, to pre-existing human, institutional and infrastructural deficiencies of the stations harnessing the PCOS technologies. Up to the present, the automation of the 2010 elections has been pandered as a universal

project, to be executed, without exception, at all precincts throughout the archipelago. But this has simultaneously begged a crucial, though neglected, question: have all voting precincts been in the position to handle the automation's technological and organizational prerequisites?

Arguably, as May 10's hullabalos have turned out, not as much as has been believed. Other watchdogs, like the Center for People's Empowerment and Governance (CenPEG), have raged against the machine for blunders of "... technical glitches, power outages, and widespread transmission failures,"⁶ inducing the alleged disenfranchisement of up to 30 percent of voters. It is a cardinal rule in any event of technology adoption that an enabling context for all involved technologies is the *sine qua non* of successful appropriation. And in the case of the automaton, such a precept obliges one to challenge the wisdom of universal implementation, particularly in conflict-ridden and off-internet areas—to press, more broadly, for an automated set-up that is complemented with manual proceedings when otherwise unfeasible.

The option, as is well known, has been ruled out from the outset by the lure of a nationwide automation that has been jammed in the pipeline for more than a decade. But the election's maelstroms have already given us reason to believe that the total automation pipe dream, in itself, will continue to be as evasive as it had been misleading.

It will still be asked: hasn't the automation been merited universally, given its role for unraveling the old stratagems of cheating? But the point to be made here proves more damning. Efficiency-wise, almost all independent post-election vivisections have maintained that the Automated Election System's (AES) boons have been less roseate than initially believed. Fraud-wise, the picture has mostly had the same complexion.

As far as most dailies have ventured, the PCOS has boxed back doomsday scenarios by erecting new curbs against large-scale ‘*dagdag bawas*.’ “Comelec proves critics wrong”, flashed the *Manila Bulletin* the day after the polls, for the “worst predictions that there would be massive cheating... did not come to pass.”⁷ On the other corner, reports of systematic discrepancies have continued to heap like red tides in alternative and opposition vehicles. “It’s now clear that ‘Hocus-PCOS’ has plagued the entire country,”⁸ harangued the *Daily Tribune*, as mainstream outlets’ scrutiny of the poll’s unresolved anomalies had purportedly gone AWOL.

Past the spectacle and speculation of Hocus-PCOS, however, both camps betray a shady disavowal: the context of local bailiwicks and all the political and socio-economic processes therein, are once more assumed as interchangeable at face-value. Fraud, it seems, has been virtually parleyed in national terms alone, in a lexicon that primarily orbits around national hopefuls. If local proceedings have been broached at all, then they have mostly circumnavigated about mayoralty races in the metropolis, ala Herbert Bautista and Mike Defensor style in Quezon City. Imperial Manila, not surprisingly, has returned to spew a foul stench.

But in other cases, as far as its fraud-fending powers are concerned, such local political dynamics have had a rude ‘awakening’ in store for the automation’s claims to fame.

Nowhere was this borne out with more irresistible evidence than in the field inspections we conducted in Negros Occidental. The evening before the polls, we witnessed midnight assemblies in the shantytowns of Bacolod—a clear whiff, said our local associates, of vote-buying auctions. We entered the “war zone” of Escalante City on Election Day; the city had been the site of the 1985 “Bloody Thursday” massacre and of continuing poll-related killings. Both mayoral candidates have been staring daggers at one another, ensnaring the city’s denizens in sorties of gunfire and intimidation, and causing one contender to declare in December 2009 that “democracy in Escalante City had long been dead.”

And more ominously still, was our rendezvous with residents, poll officials and politicians of Pulpandan, the mayor of which had been branded as a dead man in the flesh in 2007 by the New People's Army⁹. His only adversary had been blasted in the neck just last February after filing his candidacy, while the bulk of his supporters reportedly endured eviction threats from the local magistrate.

The mayor's family, it is rumored by political rivals and local residents, owns 90 percent of the land in Pulpandan, and the inhabitants, we were told in the bunkers of the town's opposition leaders, are smothered in a climate of terror so thick that it took the semblance of silence and peace—this too, was coerced out of them. During the polls itself, observers returning to the municipality brought back notes passed to them anonymously by the residents, recounting tales of the fear of eviction, the alleged involvement of local judiciary in efforts to disenfranchise opposition sympathizers (they had been crossed out of voters' lists "per court order" according to these residents' notes), and the inordinate over supply of police and vigilante muscle that would supposedly be used to favor candidates.

Even local journalists, we discovered soon enough, thought twice about intruding into Pulpandan uninvited. "He runs his fiefdom with an iron fist," a reporter of the *Visayan Daily Star* has confided referring to a current local leader. And the politicians themselves, when quizzed, had, at least, the virtue of scant dissimulation. "What will your boss do if you voted against him?" countered the town's vice-mayor to our probes, referring to tenants that may be evicted as "squatters."

What is one to make of these continuing incidents of skullduggery and criminal coercion, except that they trace the precise limits of the automation's progressive possibilities? "*Dagdag-bawas*", it is known, has never been the only turnpike through which imps could cling to power—only an extraordinarily cost-effective one for the buccaneers at the nation-stage.

To the degree that the AES has deranged the balance of costs and benefits in the national market for vote fraud, it may have been said to have been moderately successful. But even this, until now, is not yet certain. The market—to employ a crude metaphor—may also have “self-regulated,” bringing in new fraud brokers, new fraud tactics at new prices, new equilibriums between various fraud techniques. The adjustments, of course, might have prompted some pains from politicians-to-be of the unscrupulous sort; but it is far from sure, once more, whether these have been equally distributed at all strata of the state machine. As far as has been seen, it has had mostly hollow pledges against other legerdemains of local kingpins. You may as well just hurl your rival beforehand into hell, if the AES will be a bramble up your sleeves.

To be sure, no one, despite years of veiled suggestions, has unilaterally declaimed that the automation would be the elixir to all our electoral ills. But our experience on May 10 has arguably shown to us in full force, the boundaries of progress to be hoped for in this avenue of political intervention, even if perfect execution is someday reached.

The AES was an electoral techno-fix, one of the largest techno-fixes yet in Philippine history; a techno-fix with political significance, all right, but one whose determinate limits have been paid nothing but lip service by most of the pugs in power. Between national automaton and the many enclaves of sub-national authoritarianism, one can bet that “electoral modernization” and other boondoggles will always turn out short at the echelons thus far plumbed into. Because of this so-called electoral modernization, the hewing of what a German observer from a German government-funded international NGO called “archaic, not to say primitive”¹⁰ at this level, was never our main problem in the first place. It was, rather, the inconvenient truth that “the celebrated transition from “authoritarianism” to “democracy”... has been less than complete in its local manifestations.”¹¹ And this has not been a singularly Filipino problem. America too once had it bad with bosses; America did not need a PCOS machine to weed it.

The stuff of clean and democratic elections will only be reached once we cease focusing on the revamp of the elections alone, and once we facilitate a larger commitment to broad-based democratization—the attainment (not exhaustive) of socio-economic equity, of an alternative, perhaps bureaucratic logic to challenge the mores of patronage, of precluded state-based predation through re-delegated governmental powers, and of greater recognition for parallel, grassroots articulations.

Our first step here is to acknowledge that our transition towards democracy has retained its strong undemocratic undertow, and that this reality only becomes more visible the closer one gets to local precincts. Let's remind ourselves that fiddling with the technical dimensions of elections alone will not void this.

It's high time, I'd wager, that we revisit our available options.

Endnotes

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Dawn of democracy.

Parents' Legacy.

Are we done with

GMA's presidency?

CHAPTER

2

Old surnames,

traditional

'NEW'

powers.

GOVERNMENT

Is the

party-list a success?

EDSA System.

Good Governance.

Battle Against Corruption.

Will the truth be

commissioned?

Farewell to the Legacy of Gloria Macapagal Arroyo

BY AYA FABROS

This year's 112th Independence Day celebration on June 12 will restore the pomp and significance of the civic- military parade at the Rizal Park Grandstand (Luneta) in Manila. This year's parade will feature 10 floats highlighting the 10-point agenda during the nine-year term of President Gloria Macapagal Arroyo. An eleventh float will honor the country's modern-day heroes, particularly those who have made names for themselves here and abroad in their respective fields of endeavor.

- News from the Office of the President

The parade is all set. The floats are primed, each one signifying feats of an outgoing president intent on basting up some last-minute legacy. The spectacle is ready to swagger before mob and madness. Remember me well, says the spectacle to the crowd, bidding farewell to a thinning public methodically marshaled onto the sidelines. Pompous pageantry, an allusion to significance and substance, marks the final moments of a regime that defined the last nine years of our life as a nation.

The celebration conveniently overlooks the countless anomalies, controversies and tragedies that characterize the regime. There is no mention of systematized plunder, institutionalized fraud, legitimacy questions, abuse or impunity. The float dramatizing the erosion of institutions, or the triumph of private interest over public good, fails to make it to the legacy list. The booth displaying the unparalleled dominion of patronage, rent-seeking and transactional politics is glaringly absent. The commissioned song that gives the low down

on major scandals, needless to say, has not been written. For this, not a single centavo is spent on trumpeting the truth about her rule.

Yet, the legacy ingrained in our collective memory can only be gleaned from the endless succession of assaults, afflictions and atrocities during her presidency. What Filipinos would probably readily recall is the relentless rapid fire regularity of controversies cropping up, hogging headlines—the latest one more damning, more brazen, more abominable than the last; insult adding to injury compounding the tragedy of a citizenry witnessing, watching, waiting it out, while their government is razed to the ground from within.

An unconventional ascent to power. Accommodations and consolidation. Deals signed and bagged; bonds sealed. Promises made and broken. Wheeling and dealing prevailing. A declaration not to run. An incumbent reneging on her word. Telephone calls and electioneering. Government as campaign machinery. A one million vote-lead target. Objections from the floor being noted. Charges of fraud. Noted. A 3:38 AM Proclamation. Noted. A questioned mandate. A sitting president running, campaigning, winning a seat in Congress. Most divisive, most destructive, most despised. A close associate appointed to a key post. A plan was hatched, projects were overpriced, kickbacks split, votes were bought and sold wholesale, bribes were taken, a country was conned.

Wiretapped conversations. Two CDs. Mouths were sealed by executive privilege. Meanwhile, elsewhere, everywhere, a Firm, a cartel, a mafia. Other close associates hatching, conniving, conning. Cover ups and decoys. Smiling spokespersons spinning stories, diverting attention to flashy tarpaulin and empty statistics. Charges were filed, charges were junked. No form, no substance, no principles, no shame. No permit, no rally. The vice-president was hosed down. Protesters were arrested without warrant. Destabilizers were neutralized. Situation was under control. State of Emergency, State of Rebellion. A tank was rammed onto a hotel entrance. A riot of the poor brandishing high-caliber sticks and stones. A \$20,000

dinner, a \$20,000 dollar hotel room, a 500-peso subsidy for lifeline users of electricity. A backhoe and 57 corpses. Backdoor negotiations. Another election.

Impunity. Immunity. A new president, a prosecution plan. A Midnight Appointee. A Parade. Nine years. 11 floats. A country beating the odds.

Each headline, each feed, each scandal, each sound bite provided a glimpse of the kind of operation that the Arroyo administration ran. Taken together, these resonated a story line that spoke of an unwieldy house of cards, a troubled nation, under the reign of Gloria Arroyo.

Under the GMA presidency, rules and processes were subverted, power and presidential prerogatives were abused; positions, agencies and offices were compromised at such an alarming rate and extent, such reckless abandon, across various levels and branches of government. From departments and bureaus, Congress, courts, constitutional bodies to the military and police, it was as if the President had declared 'open season,' where nothing was inviolable. GMA and her inner circle coordinated and centralized, and conducted and set the climate for the systematic rape and pillage of our public institutions and state resources.

Controversies involving the administration covered a range of issues, although corruption scandals have hogged much of the attention as regular staples in daily news. While it was clear that allegations of corruption only bared the tip of the iceberg, they nonetheless betrayed critical dimensions of the Arroyo legacy. As such, the ZTE-NBN deal or the Bolante fertilizer scam (named after former Agriculture Undersecretary Jocelyn 'JocJoc' Bolante) should not only be viewed in terms of the shocking amounts of cuts, kickbacks and bribes that distinguished these schemes. The \$130 million overprice of the ZTE and the \$728 million worth of 'downloaded' (read: split up, diverted, pocketed) fertilizer funds barely covered the extent of damage wrought.

In the case of the fertilizer fund scam, the Bolante ‘sharing system’—25 percent for Bolante and company; 30 percent for governors and congressmen, 20 percent for the supplier and 25 percent for Department of Agriculture (DA) runners—did not explain how the collusion of various parties utilized the full machinery of the DA in ripping off government and intended beneficiaries. This mind-boggling scheme, where public funds were disbursed and siphoned off without having to implement a program, also demonstrated how mafia masterminds in government were able to pounce and capitalize on weaknesses of agency protocols and procedures—disbursement, accounting, checks and balances, for instance—in the process rendering them more vulnerable to corruption and abuse. The scheme would show how the bureaucracy was plugged into a reinforced network of patronage and plunder, rather than be strengthened to determine and carry out critical programs and projects of the government. It exemplified how the appointments process was misused, to put in place key cronies—the Bolantes, the Neris, the Abaloses, who will conceive, conceal, connive at implementing schemes for their and their bosses’ personal and political benefit—rather than install effective administrators who will run departments properly and develop programmatic measures for the benefit of the people. It underscored how public funds were diverted to pump up political coffers, perpetuating the reign of those in power, while diminishing the efficacy of governance and public services, and undermining the prospects of an already flawed democracy.

In a regime that dispensed projects and positions and milked power and platform with such efficiency and frequency, the NBN-ZTE scandal and the fertilizer fund scam were but two from a long list of scandals perpetrated under GMA. Their prevalence rested on an achieved level of mastery in ransacking the government, a cultivated climate of transactional exchange and an established state of impunity, three key hallmarks of the Arroyo regime. Their implications went beyond the facts and allegations that comprised each case.

Despite these countless controversies, the Arroyo administration managed to survive the last nine years by effectively wielding vast powers and resources of the state. In doing so, it managed to close off legitimate venues of redress and to 'control' the situation by co-opting institutions of checks-and-balances, concealing information, suppressing civil liberties and stifling opposition and protest. Executive Privilege and Calibrated Pre-emptive Response, the No Permit, No Rally policy, and worse, numerous cases of forced disappearances and summary executions, went hand in hand with bogus impeachment cases or the virtually automatic junking of legitimate ones. These insulated Arroyo and her minions from charges and controversies, reinforcing a legacy of using the state against the people, rather than re-establishing the relevance of a government for the people.

State institutions were routinely perverted, to cater to the private and political interest of supposedly public officials, allowing those in power to stay in power and expand their privileges and prerogatives. The formal bounds of democracy were exploited to serve as potent de facto tools for the rich and powerful.

It has been said: This is the standard storyline that has endured throughout our history. It has been suggested: GMA is just a product of a warped system in need of a serious overhaul. It must be emphasized, nonetheless: GMA, outgoing president and incoming representative of the 2nd district of Pampanga, exemplified, exacerbated, even exonerated this terrible reality to the hilt.

GMA's legacy is a legacy of regression. One clear danger of this legacy is its possible impact on our political imagination. There are a lot of issues, complex and daunting, starkly highlighted in the past nine years, which must be collectively confronted, threshed out, addressed. GMA's regime demonstrated how low we could sink and how easily we could slide back. This will make an already tough and arduous project even more difficult and complicated. More sober

analysis would even assert that this regime might have already set back the prospects of achieving palpable change in the interim.

Yes, we do have a flawed system. True, we do have a dysfunctional democracy to begin with. But we must never forget the more substantive underpinnings of all our criticisms and frustrations, even after we heave that satisfying sigh of relief, once GMA steps down from the presidency. We must never allow what's familiar, what's common, what's entrenched to colonize and hi-jack our aspirations for what is possible. We must never allow this regime to take away our capacity to conceive, our willingness to commit and our perseverance to carry out more thoroughgoing transformation. As we take stock of the GMA legacy, we must also constrain it from defining, confining our projects for the future.

Meantime, the first step towards emancipating our collective imagination from the stifling limits of the GMA legacy is by prosecuting her and ensuring that she is held accountable.

We must be reminded of what is possible again. And let this reminder be a platform for the many other steps that need to be taken to achieve this.

The parade is over. The floats have come and gone. The spectacle will be replaced by another spectacle. And the air is abuzz with hope and promise. The legacy of regression is ushered out by a dazzling flicker of renewal and transformation. They sit next to each other in a chauffeured car, en route to another display. Having said their goodbyes and good riddance's, the people have dispersed, settling back in the comforts of their homes, their work and their everyday routines. The razzle-dazzle has died down. But the people are still watching. They will be waiting, working towards a new legacy.

View from the Left: The Noynoy Aquino Presidency

BY REIHANA MOHIDEEN

**Based on interviews with leaders of the Philippine Left—
Frank Pascual, Sonny Melencio and Ricardo Reyes**

Almost 25 years after the fall of the Marcos dictatorship and the installation of Cory Aquino's 'revolutionary government' in 1986, herein comes another government bearing the post-1986 EDSA legacy. What will a Noynoy Aquino presidency bring to Philippine politics?

Masses' Expectations

According to a Social Weather Station survey conducted in March 2010, the number of registered voters who were optimistic that their lives would improve in the next 12 months increased across all classes. The survey confirmed what many had known: the expectations of the masses increased in anticipation of a Noynoy Aquino victory.

But it could also be because the masses' expectations had been crushed down under the Gloria Macapagal Arroyo (GMA) presidency, perceived as insatiably corrupt, and the people, especially the middle classes, had been demoralized by the regime's ability to hold on to power despite corruption charges that people's expectations are now rising. The people's desire for regime change and for an honest government was the key political factor that led to a Noynoy Aquino victory. Regime change and honest government were also what he had promised as a candidate: he will end corruption and set up a clean government.

As Sonny Melencio of the Partido Lakas ng Masa (power of the masses) pointed out: “Noynoy’s victory is a confirmation that the main issue in the election was the high-handed corruption of the Arroyo regime. People voted for Noynoy because they were sick and tired of the never-ending cases of graft and corruption involving the Arroyo family and their sycophants. Noynoy’s campaign slogan *“Kung walang corrupt, walang mahirap”* may not be true, as poverty emanates not mainly from corruption but from class exploitation and class rule—but it rings a bell and has attracted a broad number of people to support Noynoy in the election.”

“During the campaign, it was not only Noynoy who represented the people’s ire against Arroyo. ‘Erap’ Estrada also thrived on it, and the fact that he landed number two in the count despite his perennial number-three status in the surveys proved the validity of the anti-Arroyo sentiments,” Melencio said.

Melencio also underscored media support for Noynoy: “What Erap lacked was media support—the support of some of the media moguls—and it was this support that gave Noynoy a very early lead in the surveys and in the people’s minds. The media campaign for Noynoy started immediately after Cory’s body had been laid to rest on August 5, 2009, or nine months before the elections. After this, almost not a day passed that Noynoy was not mentioned in the media, or graciously featured in the ABS-CBN TV stations that supported his presidential campaign to the hilt.”

Unifying the Ruling Class

Whether Noynoy Aquino admits it publicly or not, it is the mission of the presidency to unify the hitherto badly fractured ruling class. The Estrada camp had already publicly declared its willingness to make amends and even the Marcoses are putting out feelers—and according to newspaper reports Imee Marcos and Noynoy Aquino have been exchanging ‘text’ messages. Given that the Liberal Party is a minority in the Senate, there is pressure on Aquino from his party

machinery to bring on board senators of other elite factions, including Bongbong Marcos. The possibility of compromises with the Arroyo political clan and its *trapo* (traditional politician) backers, who still have substantial clout in the 15th Congress, could not be ruled out either.

Aquino also has the backing of big business represented by the Makati Business Club. He has the support of the governments of the US, Europe and Japan, as indicated by the courtesy calls paid by their ambassadors even before Aquino had been officially declared the winner. People perceived the message of these visits as: Aquino is the man (as US Ambassador Thomas had said) and make sure that the results are proclaimed without any disruptive bickering.

According to Frank Pascual of the party-list Laban ng Masa (struggle of the masses), "While the Liberal Party, historically a party of the landlord class, is a major player and the biggest faction influencing Aquino, there are other forces, including extremely conservative forces around him, such as big business representing the Makati Business Club... Noynoy has also earned a lot of good will from western nations: the same phenomenon, albeit perhaps less, than during Cory's time. This is an indicator of renewed big business confidence, as the previous regime was very difficult to deal with, even in bourgeois terms."

"For the ruling class, Noynoy is the best choice, especially after GMA. Reducing corruption can be good for big business, but whether it translates into benefits for the people is another matter ... The Cory Aquino presidency was installed by a different phenomenon, a mass upsurge against the dictatorship. Noynoy does not have that kind of flexibility to pursue the people's agenda," said Pascual.

Cory Aquino's actions as president had been criticized as compromises with the Marcos cronies to stabilize elite rule. One of the major indicators of a compromise had been the retention of generals formerly loyal to President Marcos. As a result, she was unable to

bring the perpetrators of her husband's assassination to justice, as this would have involved challenging the military hierarchy. The same dilemma haunts Noynoy Aquino, with the issue of bringing GMA and her cronies to justice for corruption and plunder and addressing the unresolved historical legacy of the Marcoses, as major challenges.

The Marcos Revival: Cory Aquino's Legacy

For Pascual "The Marcoses had never been out of power in Ilocos, but at the national level it had been a different story. Powerful political clans such as the Escuderos of Bicol who were former Marcos cronies aligned with Noynoy brought along Bongbong Marcos in their campaign. This is classic elite politics—wheeling and dealing within their own class."

Melencio of the Partido ng Lakas ng Masa further explained that "The crony system put in place by Marcos had been restored by Cory with a liberal-democratic facade. This system continues today. The assets of the Marcoses and their cronies had not been confiscated and their economic weight never comprehensively undermined. Even their political space, especially in their local bailiwicks tied to land and *trapo* politics in Ilocos, had not been seriously contested. Cory placed some local government officials and administrators in Ilocos who continued to make deals with the Marcoses. There had been real possibilities that opened up to undermine elite rule, but Cory never acted on this and it had never been her intention to do so. This and her legacy of the system we have today, shows the serious limitations of the Cory revolution."

In times like these, it pays to have a long memory, as indicated by what novelist and National Artist F. Sionil Jose wrote in his letter to Noynoy Aquino. Jose poignantly captured the troublesome Cory legacy. "Prosecute the crooks. It is difficult, thankless and even dangerous to do this. Your mother did not do it—she did not jail Imelda who was the partner in that conjugal dictatorship that plundered this nation. Watch her children ... heirs to the billions which their parents stashed

abroad. Now the Marcoses are on the high road to power, gloating, snickering at our credulity and despicable amnesia,” he wrote.

Prospects

Will the son continue the legacy of the mother? What are the Filipinos’ prospects for change under Noynoy Aquino’s government?

According to Ricardo Reyes, “We can expect Noynoy to run after GMA and her cohorts who are responsible for all those gargantuan corruption scandals which marred the latter’s presidency. His chances of success? Fifty-fifty is my estimate given GMA’s continuing clout in Congress, the Supreme Court and the Ombudsman’s Office.” Reyes was the founder and former chair of the Akbayan party-list.

“We can also expect Noynoy to take steps to rationalize the bourgeois state’s functions and operations in accordance with the demands for “transparency and accountability”—a major plank of the agenda to modernize the Philippine state, the same agenda espoused by forces which supported him, such as powerful sections of the big bourgeoisie, namely the Makati Business Club and one or two media moguls, and which gained currency among the middle classes. This is also the agenda being pressed on those at the helm of the Philippine state for years—by the US, European and Japanese governments and global multilateral agencies which lost no time in recognizing Aquino’s victory. I can also see a 50-50 chance for him to succeed here in the face of the resilience and stubbornness of the renter capitalists and semi-feudal warlords and politicians comprising a significant section of the national elites and who dominate the local elites,” said Reyes.

Reyes prognosticated that: “As to the national dream of deliverance from poverty and the huge social inequity of wealth and opportunities by the majority, the Noynoy presidency has more limitations than the watch of his mother, Cory Aquino, to accomplish anything significant in this direction. For one, he studiously avoided making any tangible promise to solve the Hacienda Luisita agrarian reform case. He did

not touch the labor contractualization issue. His promise to provide decent jobs to the millions of unemployed and underemployed simply cannot be realized without a radical departure from the neo-liberal framework of the Philippine State, without industrialization and strong social justice measures, all of which he never touched on in his campaign. The huge votes he got from the masses are unorganized and are not reflective of working class power and clout.”

To end poverty the poor must be in power, Hugo Chavez once said, he was president of the revolutionary government in Venezuela. In the Philippines, the results of the May 10 elections point to an opposite direction—the elite rule being more deeply entrenched. Both houses of Congress are dominated by the traditional political clans that have held sway over Philippine society and politics for decades. They have reproduced themselves through newer generations of sons and grandsons, daughters and granddaughters, who now sit in Congress. The *masa* put much hope on Noynoy Aquino that they believe his government will eliminate poverty.

Meanwhile the following questions continue to bother many sections of the society, particularly the basic sectors, as pointed out by the mass leaders. Will the Noynoy Aquino government be able to eliminate corruption, which what it had promised to do? Aquino himself, unlike GMA, will no doubt attempt to set an example of a honest presidency, but what about the rest of them in government? Corruption has been the essence of elite rule, of the *trapo* system, in this country. To get rid of corruption Aquino has to confront the system of elite rule itself.

As author F. Sionil Jose stated in his open letter to the new president: “To succeed you have to betray your class.” There is no reason to believe that Noynoy Aquino is prepared to do so and any such hope may be dangerously misplaced.

Given the forces around him—the Liberal Party, the Makati Business Club and other secret and less-secret factions of the elite—Aquino’s best shot is more likely to be an attempt to “moderate their greed,”

as in the words of Romulo Neri, the former National Economic Development Authority director-general and GMA ally implicated in the ZTE scandal.

With the prospects of a more united ruling class and perhaps a more moderate and less rapacious exploitation of the masses, does this mean that we are now facing a lengthy and stable period of a renewed and more benign Philippine capitalism? Frank Pascual argued that this is not the case: “Noynoy still has to spell out for the ruling class how exactly it will benefit from his rule. And given the sorry state of the Philippine economy, there’s not much to divide up amongst the greedy elite. The Philippine economy will also suffer from the crisis of the capitalist system as a whole and this will be a problem faced by the Aquino government in trying to stabilize the system. After a brief honeymoon period, the usual infighting amongst the elite will start again.”

The Mass Movement and the Left

What are the prospects for the mass movement under a Noynoy Aquino presidency? What is the character of the mass movement that has to be developed in the period ahead? These will be some of the key questions and ongoing challenges that will be addressed by the Left, specifically in the context of a honeymoon period enjoyed by a popular president.

According to Melencio, “Higher expectations can be a positive factor for the Left. The Left needs to build on these mass expectations and at the same time develop them. The character of the mass movement that the Left needs to develop today is one that will challenge the Noynoy government to keep its promises, however vague these might be, but as interpreted by the mass movement, and at the same time extend it to include the more substantial demands of the masses.”

“For example, the masses expect that Noynoy will go after GMA and follow through with the cases of plunder against her. The mass

movement must ensure that this takes place, but it should also put demands on the Noynoy government to go after the corrupt practices of other *trapos* and big business. He is also replacing some GMA appointees in the military, such as General Bangit, the chief of the Armed Forces of the Philippines, but the mass movement must also demand that this be extended to get rid of other corrupt generals who plundered the economy, carried out the cheating for the *trapos* during elections and who were responsible for extra-judicial killings,” explained Melencio.

“A joint declaration of labor unions was also made with Noynoy, which is extremely weak and full of motherhood statements about benefits for workers. It does not include any concrete demands. The workers movement needs to mobilize to concretize these general policy statements into demands for the repeal of anti-strike and anti-union laws and against contractualization.”

But Reyes’ take is that: “There will be plenty of issues—social, economic, political, cultural and global—which can objectively rouse the working classes. But as shown by the experience of the past two decades, such mass movements can never rise to significant proportions, much less become a successful challenge to the bourgeois State, without a real political vanguard—a class conscious, immersed among the people, competent, effective leading force that can connect with the aspirations of the people and the new standards of contemporary politics and culture. Without this vanguard, popular resistance and mass outbreaks can only become captives of reformism which will get more hype from the bourgeois media, the Churches’ hierarchy and the NGO movement which have become more of a movement for palliatives than anything else.”

P-Noy's "New Dawn for Democracy" and the Future of Democratization

BY JERIK CRUZ

Mr. Benigno Simeon Aquino III's ascent to Malacañang stands as one of the most significant political events in recent Philippine history. President Aquino or P-Noy himself declared the occasion of his proclamation last June 10 as "new dawn for democracy." When the day breaks out and the light shines on the president's promise, will the people see genuine hope or real disappointment?

Throughout the electoral race, Aquino courted a vision of democracy to a degree unmatched by any other presidential candidate. This was expected—it was in his blood, as one campaign advertisement touted. His decision to run largely motivated by the popular support he received after the demise of his "democracy icon" mother, P-Noy's campaign featured innumerable pledges of loyalty to the legacy of his parents. Moreover, at a time when the preceding Arroyo administration had been compared to the Marcos regime, there had been high hopes that an Aquino victory would bear many of the same promises that the People Power Revolution once sought to fulfill—the progressive redistribution of wealth and power, the cessation of patronage politics and institutionalized corruption, the respect for civil and political rights and the restoration of formal democratic institutions.

The people have decided and elected Aquino. One must now wonder if his government will bring reality to the campaign promise or will it remain captive of the trappings, interests and ideologies of the flawed democracy that his mother had helped rebuild, and which

Mrs. Gloria Macapagal Arroyo (GMA) exploited to the extreme. For contrary to what Aquino's spin doctors have so far concocted, the Aquinos' legacy to post-1986 democracy remains a contested issue in Philippine history.

Just as the so-called EDSA Revolution had brought new life to the promises of democratization, it had equally reneged on those promises by failing to address many of the deeply-rooted contradictions of the pre-Marcos electoral democracy. Rather than ending patronage politics, post-EDSA history saw the resurgence of political clans and elites that had been sidelined throughout the Marcos years. Formal elections were restored, but remained structurally biased towards traditional politicians and marred with violations of human rights.

Similarly, the Comprehensive Agrarian Reform Program (CARP), once the nominal 'centerpiece' of Mrs. Corazon Aquino's administration, has been widely recognized as ineffective in solving the problems of rural inequality—for despite the passage of two decades, the Gini coefficient of landholdings in the Philippines had risen from 0.54 in 1980 to 0.57 in 2000¹. Where a Gini coefficient of 0 stands for perfect equality in landholdings for every member of the population, and where 1 represents perfect inequality (all landholdings centralized under one individual), this numerical increase can only mean that inequality in landholdings has, in fact, worsened on the whole since the nation's transition to liberal democracy.

Thus, if one wishes to inquire after the prospects of furthering democracy under P-Noy, then one must necessarily ask: is the president presently in a position to overturn the structural skew of power and wealth that has historically tipped the activities of the government and the economy overwhelmingly in favor of the elites? Will he be able to unravel the neo-liberal policies hoisted one after the other upon the Philippine state since the time of Mrs. Aquino? Are the priorities of the current administration constituted in a manner that will allow a genuine grassroots agenda to be fully articulated in government policies and programs? In short: will P-Noy be able

to surpass the limits of democratization since the collapse of the Marcos regime?

Already there are signs that the promises of deepened democracy may remain just that—promises.

An Undemocratic Undertow

For one thing, there was nothing ‘new’ in how the 2010 elections were conducted. Although the recent polls featured the novelties of the Precinct Count Optical Scanner (PCOS) machine, they were still conducted in a milieu of unequal wealth and power, with episodes of fraud, intimidation and coercion resulting from actions of national and local politicians bent on retaining their dominance over their territories and rival elites. In post-EDSA politics, formal liberal democracy had been restored through electoral exercises, but though more groups could now participate in the elections, this had not guaranteed genuine participatory democracy, as those who have amassed more sophisticated, and oftentimes, more unscrupulous political machines, often won.

The Cojuangcos, the other half of P-Noy’s bloodline, have benefited from this so-called liberal democracy owing much to their political-economic base in Tarlac province. Based on an ethnographic fieldwork conducted by Lisandro Claudio on the “politics of fear” shrouding the automated elections in Hacienda Luisita, Claudio arrived at the conclusion that Aquino’s win in 10 of the municipality’s 11 barangays partially owed to intimidation tactics executed by the Liberal Party’s local agents in the Luisita vicinity. “If you stick to your principles, forget about eating,” wrote Claudio in his blog.² Claudio, a history professor in Ateneo de Manila University and political blogger, was referring to the risks incurred by voters who would choose to go against the wishes of of the Aquino-Cojuangco political machinery.

Throughout the archipelago, the May 2010 exercise witnessed the re-election of hundreds of political families to national and local offices,

except for a handful that had lost thunder due to their stigmatized alliances with the Arroyos. According to a Vera Files report, political clans and bosses have come back “stronger than ever” in the recent polls, their victories similarly stained by countless grassroots accounts of the use of violence, vote-fraud and terror techniques in voting precincts. Meanwhile, alternative, reform-minded aspirants like Grace Padaca and ‘Among’ Ed Panlilio, of the Kaya Natin! (we can do it) Movement, were shut out by the stratagems of their more traditional competition.

Factious Government

This early, P-Noy’s administration—several weeks short of its 100 days—has been characterized by infighting between elite factions. There is the so-called “Balay,” comprising of Liberal Party supporters of the President, and “Samar,” comprising of Aquino’s family and relatives. The mishandling of the Quirino Grandstand hostage-taking had been partly attributed to this division that resulted in confusion over who was in charge of what.

Even during the campaign period, such factions had been noted in the “Noy-Mar” and “Noy-Bi” dispute between the Hyatt 10 and the so-called Cojuangco Kamag-anak Inc (Cojuangco relatives). As had been the case with P-Noy’s mother, all these early signs show that elite competition may very much become an integral part of P-Noy’s political reality. In her nine years in Malacanang, GMA effectively splintered the Philippine ruling class in her frenzied bids to retain power; and thus, with the sudden vacuum generated by the Aquino inauguration, there is every reason to expect many of those disaffected by GMA to claw for a piece of the action in the new administration.

Yoly Villanueva-Ong had this to say about Mr. Aquino’s electoral campaign. In her article in a major daily, she said that in the campaign committee, “Nobody knew who the final decision maker was... The NCG [the non-conventional group] was hobbled by infighting among

the groups and pressure from the Liberal Party that wanted to tackle the ‘pragmatic’ issues such as alliances, national and local slates, face time with power blocs.”³

If this had been truly the case, then all the more there might be the risk that the actual pressures that mobilized the Aquino candidacy may diverge from his clean, moral and democratic public image. Furthermore, although he was elected with an overwhelming mandate, there is nothing as well that precludes the same rivalries and motivations from besieging his administrative team.

Naturally, it will be of concern to P-Noy’s camp to mitigate such friction, especially given the broader constellation of interests and fault lines in the rest of the Philippine government. As political analyst Reihanna Mohideen already contended, “A key agenda of the new Aquino presidency will be the unification of the hitherto badly fractured ruling class.”⁴ She argued that one of the chief imperatives driving forth the Aquino agenda boiled down to the building of a solid, workable governmental base in order to ensure its administrative clout and stability in the future. At several points, however, this will likely involve compromising on how far an expanded democratization project can reach.

Already, the administration’s pursuit of expanding its circle of political alliances been slammed by critics, as they supposedly exposed the real agenda of P-Noy’s political vehicle—the Liberal Party—and raised concern that the new historical moment may be sabotaged by the same political malaise epitomized by the political appointments under the Arroyo administration. In the Senate, the Liberal Party’s fragile alliance sent Juan Ponce Enrile back into the Senate Presidency. In the Lower House, Makati Rep. Neptali Gonzalez II, himself a former member of GMA’s Lakas-Kampi-CMD, had previously claimed that 255 to 257 out of 286 representatives have “coalesced” with the LP, many of them of the same *trapo* lineages that have long obstructed progressive politics in the Philippines.⁵ Before then, even more publicized camp-hopping during the campaign period had been

observed from key Arroyo officials, such as economic adviser Joey Salceda or former National Economic Development Authority (NEDA) director Ralph Recto, who helped cement Aquino's electoral victory with votes from their bailiwicks.

The present conjuncture spells a critical period for P-Noy and Philippine democracy, for as UP Law Dean Raul Pangalanan wrote, "Noynoy is in danger of... taking the trapo path, the enemy's path, which he had foresworn."⁶

Implications of Economic Policies

It is not only through politics that democratization can be measured, but through economic policies as well.

The new government's uncritical dependence on the private sector is something to watch out for. It is known, for instance, that P-Noy enjoyed overwhelming support from the Makati Business Club throughout the presidential race. It is further known that during his State of the Nation Address (SONA), Aquino bannered the cause of increased public-private partnerships (PPPs) in order to propel economic development while circumventing his administration's budget blues. "We will meet our needs without spending, and we will also earn," Aquino said as he pleaded on behalf of the arrangements fomenting a "new and creative approach to our longstanding problems." Strangely enough, what he failed to mention were the attached strings of such partnerships and such dependencies.

In truth, there is nothing new at all about PPPs in the Philippines—from their financial justifications to their dubious track records. From the time of Corazon Aquino until that of Arroyo's, variants of PPPs have been pressed upon incumbent presidents by multilateral institutions such as the International Monetary Fund and the World Bank as part of structural adjustment packages enacted locally. As components of broader neo-liberal reforms in government, PPPs in the Philippines have almost always entailed the ceding of essential

public services such as water access, power, telecommunications and infrastructure to the hands of the local and foreign corporations, through privatization.

What is disquieting about P-Noy's emerging economic policies is that in almost all the economic plans he has so far unfurled, one continually hears about reliance on the private, more often, the corporate sphere. For the agricultural sector, he has called out for the "help of the private sector," most likely corporate agribusinesses, in solidifying food supply chains for export production. To create jobs, he is pushing for "the growth of the industrial sector" and for new wave of small to medium-size enterprises, even while keeping mum on the adverse impacts of trade liberalization, especially on the silent majority of livelihoods conducted in the informal economy. None of these policies so far signifies substantial commitment to much-needed asset redistribution in favor of the poor and the marginalized.

Even the roster of his economic team speaks volumes: what else do Mar Roxas, Cayetano Paderanga, Cesar Purisima, Alberto Lim have in common, if not the fact that they are all in the business of promoting neo-liberalization and privatization?

All the progressive value of such policy orientations hinges upon a crux assumption: that the development of the private sector will necessarily trickle down into the remainder of the population. But in the past decade or so a vibrant literature in development economics had shown this assumption to be fallacious. A rising tide for the business sector does not lift all boats; it merely makes the government beholden, first and foremost, to big businesses and the backers of big businesses in the national and global arena.

Reviving the EDSA System

Surrounded as he is by a growing constellation of regressive and conservative pressures, P-Noy has made a number of promises

and initiatives that nonetheless bear some genuine force for democratization. The most visible of these, certainly, has been Aquino's pledge to have the 6,453 hectare Hacienda Luisita redistributed to its tenants by 2014, though this may have been undermined by his labeling of the recent referendum conducted by Hacienda Luisita as merely an "intra-corporate dispute." Beyond these pronouncements, Aquino's expressed drive to bring resolution to the anomalies created by the Arroyo regime, justice for the victims of extrajudicial killings and fulfillment of the long-delayed Freedom of Information Act are also indicative of some positive things for democratization movements to latch onto.

But let no empty hopes be rekindled with overall prospects for deepening democracy under his reign. In the end, it is already clear that P-Noy remains part and parcel of the political system that Representative Walden Bello had once identified as the EDSA System, the complex of elitist, exclusive and neo-liberal political structures that have gutted the demands of the 1986 EDSA Revolution for democracy and justice, even as they had eased the nation out of the immediate perils of national authoritarianism.

Even now the workings of the so-called EDSA system could be gleaned from the shadow plays and shifting alliances by which the Liberal and Aquino camps cemented its hold on the presidency, and is continuing in its drive to further consolidate its power base; it can be seen, moreover, in the same neo-liberal, corporate consensus that presently seems to be crystallizing in the Aquino administration's policies.

And there may be more to this, in truth, than just the return of past mishaps and failures. Where the blunders of the Arroyo regime had increasingly cast the legitimacy of not only a single head, but of the entire political establishment, into crisis; where dissent against GMA throughout her term had increasingly struck straight at the essential structural antagonisms undergirding post-EDSA democracy—that of the perverse skew of wealth and power, maintained by pseudo-

democratic elite rivalry—the greatest danger that the Aquino government might pose at the moment would be to channel these energies of broad-based dissatisfaction and discontent away from the fundamentals and merely into the peripherals of that “old protracted struggle for power in the Philippines.”⁷

GMA deserves to be challenged for the way she had damaged and exploited the institutions of Philippine democracy, but as has been increasingly recognized, even she could only make do with what history had made available. She merely pushed it further to the edge than any other president after the Marcos era.

Arroyo’s controversial actions, sustained by the historical malaise called transactional politics, are now being erroneously imputed only to Arroyo herself. This kind of narrowed outlook on what should be rectified in the post-EDSA system could be setting the downward undemocratic spiral once more into motion.

The task now for a progressive politics would be to convince P-Noy that his true democratic legacy would be decided, not only by his ability to be anti-Arroyo but also anti-Aquino, to the extent that he surpasses the crippled, Janus-faced democracy that history has left behind for him.

Endnotes

- 1 http://www.dar.gov.ph/pdf_files/cirdap/balisacan_paper/balisacan_paper.pdf (Last Accessed 25 January 2011)
- 2 <http://www.gmanews.tv/story/192699/prinsipyo-o-caldero-why-noynoy-won-in-luisita> (Last Accessed 25 January 2011)
- 3 <http://www.philstar.com/Article.aspx?articleId=589860> (Last Accessed 25 January 2011)
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- 7 <http://pcij.org/stories/people-power-and-the-perils-of-democracy-lite/> (Last Accessed 25 January 2011)

What's at Stake in the President's Anti-Corruption Crusade?

BY HERBERT DOCENA

No other president in recent memory has played the anti-corruption card as successfully as President Noyonoy Aquino; his first State of the Nation Address (SONA) indicated that he would continue to do so during his presidency. This card—what we can call the “corruption discourse”—has been nicely captured in his slogan, “*Kung Walang Korap, Walang Mahirap.*” Its message is seductively simple without being necessarily deceptive: round up all the corrupt officials and the problem of poverty will be solved. In the hands of a president who is perceived to be the “cleanest” of all presidents since Marcos, and whose immediate successor is seen as the most corrupt since Marcos, this discourse may yet become even more potent and resonant.

But why, in fact, is this discourse so powerful? And why is the president so keen on it?

In this deeply divided country, the corruption discourse is and will remain disarmingly powerful because it expresses one of those rare, seemingly universally shared goals that manage to bring people together from different parties, political persuasions and classes.

The middle class loves it because they obviously don't like their hard-earned and automatically-withheld income taxes to be squandered by traditional politicians or *trapos*. The poor loves it because it really does make some sense: a billion pesos that would otherwise have gone to *tongpats* (bribe) could go to social services instead. And,

of course, the ruling political class—even, or especially, the corrupt among them—love it because it gives them a ready weapon with which to discredit their opponents in their recurrent factional battles. Even foreign governments and agencies love it because when something goes wrong here, they can always wash their hands and say, “It’s because of those greedy, thieving natives.”

Like all powerful ideas, however, the corruption discourse draws its ability to bring people together by the intrinsic ambiguity of its terms.

What, after all, is “corruption”? Some will invoke the laws regarding government conduct and say that corruption is whatever violates those laws. Others will say corruption is the use of public office for private gain. Let’s call the first answer the procedural and the second one the substantive definitions of corruption.

Both, however, raise more questions: Suppose that Gloria Macapagal Arroyo (GMA), in fact, followed all government rules to the letter when she decided to divert P105 million to the very district she was campaigning in as congresswoman—would that make her not corrupt?

President Aquino’s family continues to own shares in Luisita, despite agrarian reform, only because of an exemption that her late mother was able to insert into the law and only because he himself now seems bent on upholding this exemption. In other words, the powers of the presidency have been used to revise the law in ways that benefited their occupants—does that not count as the use of public office for private gain?

If each of these questions sounds provocative, it is because they all ultimately raise difficult questions about how to classify corruption, about where the ‘real’ boundary between ‘corruption’ and ‘not corruption’ should be. The problem is that those boundaries had not been etched in stone since the beginning of time. Instead, like

other moral boundaries in society, they have always been the object of constant struggle among those whose interests—as well as values—are affected one way or another by where those boundaries are drawn.

Because interests are involved, this struggle is always about class. The dominant class—precisely because much of its privileges rest on ‘substantive’ corruption—has an obvious interest in insisting on a ‘procedural’ definition of corruption. They also just happen to write the procedures most of the time. The dominated class for its part—precisely because it arguably has an interest in the use of public office for public interest—has much to gain from pushing for the boundaries to encompass substantive corruption.

As sociologist Pierre Bourdieu reminds us, classificatory struggles are the forgotten dimensions of class struggles, but more may be won or lost than just control over the productive forces. No less than people’s minds are at stake.

At the same time, however, this struggle is not reducible to class. It is possible, after all, for some of the rich to agree with some of the poor on one thing: that GMA was corrupt, regardless of what the rules say, simply because what she did was wrong and for no other reason.

Beneath the universalizing corruption discourse then are deeper and overlapping class and moral divisions. But, in its appeal for unity, this discourse tries to gloss over what is really at stake in these struggles by framing the issue as though the only question that matters is whether we are against corruption—who isn’t?—when the real question is, what kind of corruption are we against, and where do we want the boundaries to be drawn?

Whether President Aquino is aware of it or not, each of his actions or pronouncements regarding corruption—what he considers corrupt and not corrupt, who he persecutes and doesn’t persecute—will

be attempts to fix the disputed boundaries in one place instead of another, according to his personal or class interests and/or moral convictions.

Where that place will be is not just an inconsequential philosophical question: it will decide what is allowed and not allowed, what is seen as moral and immoral, who gets jailed, who gets perceived as 'clean', who gets to keep their hacienda, who stays poor and how.

Where the boundaries are drawn will determine, after all, how the promise of the corruption discourse can be achieved. Either poverty will be reduced because with everyone following the procedures there might be more money to pass around—but with the dominant still having the ultimate say in what and how much gets passed around, allowing them to tell the dominated to be grateful for the 'charity'.

Or, poverty will be alleviated, because if everyone used public office only for public gain, then everyone would be closer to getting what they rightfully deserve.

Update on P-Noy's Corruption Crusade

Missed Opportunities: How P-Noy's "Matuwid na Daan" Fared in 2010

BY CARMINA FLORES-OBANIL

To rid Philippine government of corruption, to institute good governance, to promote integrity and to ensure transparency—these were the goals of the new Aquino administration's "matuwid na daan" campaign. Then candidate and now president, Benigno "Noy" Aquino III, got the Filipino people's vote (despite his lackluster political record and relative inexperience) because of their perceived moral ascendancy of Aquino, springing both from his parent's legacy and the above mentioned platform for change.

A review of the Aquino administration's initial issuances (MC1, MC2, EO1, EO2, EO3, EO7)¹ would show that his political and governance agenda in the last six months or so since he took over the Philippine presidency focused on achieving the above objectives.

Apart from these issuances, the Aquino administration also made a commitment to pursue tax evaders, protect whistle blower's and pass a national witness protection act.

Less than a year into his six-year term, however, P-Noy's moral revival and anti-corruption campaign has started to lose steam. The initial efforts of the Aquino administration through its various issuances have either been suspended or stopped altogether by the Supreme Court (SC), whose decisions have put in question its integrity and

impartiality. Fourteen of the 15 justices now sitting in the Supreme Court were appointed by former President Gloria Macapagal Arroyo, earning the SC the moniker, “the Arroyo Court.”² Even current Chief Justice Renato Corona’s appointment was previously questioned because he was a midnight appointee; his appointment however was later upheld by the SC.

Political and Governance Agenda

Pronouncements	Actions
General Governance	
Tapat at mabuting pamamahala Zero-based approach to budgeting	MC 1; MC 2; EO 5; EO 7; support of SB 2187
Appointments	
pag-usisa sa mga ‘midnight appointments’	EO 2 (revoked midnight appointments) EO 3 (revoked EO 883 re lawyers’ CESO)
Transparency	
Konsultasyon at pag-uulat sa bayan Mula pakikialam tungo pakikilahok	Silence of FOI Bill Pera ng Bayan website
Justice	
Truth and complete justice for all	EO 1 (Truth Commission); Davide appt.
Human Rights	
Di tatantanan and pag-usig sa extralegal killings	Ordered PNP to act swiftly Appt. of Rep. Etta Rosales as CHR Chair

Ombudsman Impeachment: In Limbo

Though not directly initiated by the Executive, the impeachment of Ombudsman Merceditas Gutierrez was seen as a necessary step to pursue the graft and corruption cases against public officials in the previous administration. The Office of the Ombudsman serves as the official government watchdog, as cases concerning graft and corruption of public officials are filed, investigated and acted upon

by this office. Since her appointment in November 2005, however, Gutierrez had been accused of acting as “gatekeeper” of the Arroyo administration rather than a watchdog or “tanodbayan” of the Filipinos, shielding the former president and members of her official family from legal cases.³

On July 22 last year, former Akbayan party-list representative Risa Hontiveros, former Army general Danilo Lim and couple Felipe and Evelyn Pestaño, the parents of a young Navy officer who died under mysterious circumstances, filed an impeachment complaint against Ombudsman Gutierrez for betrayal of public trust and culpable violation of the Constitution. Another impeachment complaint was later filed by Bayan Secretary General Renato Reyes on August 3, 2010.

There were seven grounds cited in the impeachment filed by Hontiveros et al, which included the failure of the Ombudsman to investigate the NBN-ZTE deal; the P1million-peso dinner of the presidential party at Le Cirque, New York; the refusal of the Ombudsman’s office to release Statement of Assets and Liabilities and Net Worth (SALNs) of public officials; the failure to investigate the death of Ensign Phillip Pestaño in a Navy vessel; the low conviction rate of the Ombudsman’s office which dropped to 12.9 percent from January-April 2010 as opposed to the 28.71 percent performance rate after the appointment of Ombudsman Gutierrez in 2008, among others.⁴

The House of Representatives Committee on Justice issued two resolutions dated September 1 and 7, 2010 finding the impeachment complaints “sufficient in form and substance.”⁵ On September 14, Ombudsman Gutierrez sought a temporary restraining order (TRO) from the Supreme Court on the impeachment complaint on the grounds that the Constitution does not allow two impeachment proceedings against an official within a year, referring to the impeachment complaint filed against her by former Senator Jovito Salonga in 2009, which a majority vote by the members of the House Justice Committee later junked.

The Supreme Court issued a status quo ante order in what was considered record time, only 24 hours after the motion was filed, with eight voting to issue the order, three going against the order, while four are on official business.⁶ The SC also required Congress to submit their comments in 10 days after the issuance of the order. The issue further stoked the speculations of the SC being an 'Arroyo court'—that the SC Justices former President Arroyo appointed had been chosen precisely because of their close ties to her and in the hope that they would provide her with legal protection after stepping down from power.

To date, the SC has yet to render their final decision on the matter. An urgent motion to resolve the issue and a petition for revocation of the status quo ante order was filed January 17, 2011 by Hontiveros et al. This was after SC Administrator Jose Midas Marquez issued a statement on January 11 that Congress still cannot proceed with the impeachment case against Ombudsman Gutierrez because of the status quo ante order.⁷ Hontiveros et al noted that 171 days have lapsed since the days the impeachment complaint was filed and reminded the SC that the House rules give the Justice Committee only 60 days to finish the hearings and deliberations on the impeachment complaint so that it can be voted upon and elevated to the Senate.⁸ Only 96 votes are needed to elevate the impeachment complaint to the Senate.

Removing Midnight Appointments: Delayed or Permanently Halted?

The government's political and governance agenda suffered another setback when the SC issued a status quo ante order granting the petition filed by Bai Omera Dianalan Lucman to stop the Aquino administration's implementation of Executive Order 2. This EO revoked the so-called midnight appointments of the previous administration made on or after March 11, 2010, in violation of the Omnibus Election Code.⁹ Dianalan-Lucman was appointed commissioner of the National Commission of Muslim Filipinos

with a cabinet rank last March 11. EO 3 revoked former President Arroyo's Executive Order 883, which automatically vested lawyers occupying legal positions in the government executive service "who have obtained graduate degrees in law and successfully passed their bar examinations" with the rank of CESO III. EO 3 was also questioned along with EO 2.

In defense of EO 2, President Aquino said it was issued "because the previous administration had exceeded and abused the limits of its power to appoint."¹⁰ According to a report released by ABS-CBN and Newsbreak, former President Arroyo appointed at least 169 persons to government owned and controlled corporations (GOCCs) and to 10 government agencies from March 1 to 9 in 2010.¹¹ These were part of the 977 appointments that were made in all branches of the government on or prior to March 10, prompting Presidential Legal Counsel Ed de Mesa to remark that "the sheer number of appointments gives basis to the opinion or belief that they were made for the purpose of depriving the next president the prerogative of making these appointments."¹²

Former Presidential Management Staff Chief Elena Bautista Horn and now spokesperson of Congresswoman Gloria Macapagal Arroyo denied allegations of midnight appointments and challenged the Aquino administration to show proof that the previous administration indeed violated the constitutional ban on midnight appointments.¹³

The Aquino administration insists that it will continue to implement the recall and revocation of midnight appointments in the absence of a temporary restraining order from the Supreme Court but that "it will be done with more prudence," said Department of Justice (DOJ) Secretary De Lima.¹⁴

Truth Commission: Struck Down

EO 1, more popularly known as the Truth Commission EO, was also struck down by the SC after members of the House of

Representatives minority bloc questioned its constitutionality. The Philippine Truth Commission was a special commission created to investigate graft and corruption cases allegedly perpetrated during the previous administration. The commission would have been composed of retired Supreme Court Chief Justice Hilario Davide Jr. as head, former SC Justices Romeo Callejo Jr. and Fleruda Ruth Romero, and lawyers Carlos Medina Jr. and Menardo Guevarra.¹⁵

Reps. Edcel Lagman, Rodolfo Albano Jr., Simeon Datumanong, and Orlando Fua Sr.,¹⁶ all known allies of former President Arroyo, and a certain Louis Biraogo filed the petitions for certiorari.¹⁷

In a vote of 10-5, the SC voted against the EO, arguing that it violated the Constitution's provision on equal protection of the law "in as much as it singles out investigation of graft and corrupt practices of the previous administration." Denying that the Truth Commission was set-up to single out the Arroyo administration, lawyer and Truth Commission member Danilo Medina clarified that the Commission although mandated to focus on a specific period do not preclude President Aquino from ordering an investigation into graft and corruption cases committed prior to the Arroyo administration. He said that the investigation into the Arroyo administration "is a first step to look at massive cases of graft and corruption." He also clarified that the Commission's output is only recommendatory in nature and is a mechanism to exact accountability from public officials.¹⁸

Though the Commission promised to continue its investigative work despite the SC ruling, and the Office of the Solicitor General has filed a motion before the SC to reconsider its decision, Malacañang Spokesman Edwin Lacierda has admitted that the ruling "will set back our (Aquino administration's) efforts for reform and accountability."¹⁹ DOJ Secretary Leila De Lima said that the decision will setback the campaign against graft and corruption, but called the SC decision as "principally political and no longer doctrinal." Strongly reacting to the SC decision, De Lima also said "there is therefore basis for speculation that the investment of the past administration in the Office

of the Ombudsman and the Supreme Court are now paying off, as present executive actions to correct injustices and abuses of the past regime and to punish the perpetrators are frustrated at every turn.”²⁰

The SC voted 10-5 on the decision, with the 10 votes made by Arroyo appointees concurring with the decision penned by Associate Justice Jose Catral Mendoza. The five dissenting votes were made by four Arroyo appointees and the lone Aquino appointee, Justice Ma. Lourdes Sereno.²¹

Fleeing the Filipino People: The Garcia Plea Bargain Deal

The most recent controversial decision of the Office of the Ombudsman that would again have implications for P-Noy’s war against graft and corruption was the plea bargain entered into by government prosecutors with retired Major General Carlos F. Garcia. Garcia, a former military comptroller, had been accused of plunder, while wife Clarita and children Ian Carl, Juan Paulo and Timothy Mark were also implicated in money laundering charges and two forfeiture cases before the Sandiganbayan.²²

Filipinos were enraged after the Sandiganbayan Second Division suddenly granted a petition by Garcia to post a P60,000 bail on December 17, 2010, after he struck a plea bargain deal with the Ombudsman’s prosecutors. The plea bargain deal allowed the former military man to evade the capital offense of plunder by pleading guilty to the lesser andailable charge of direct bribery and money laundering. Under the deal, Garcia would be returning to government P130 million of the P303 million he supposedly plundered.²³ The lawyer of Garcia even revealed that the Office of the Ombudsman allegedly promised the dismissal of all cases against Garcia and his family since “the plea bargaining agreement was negotiated and signed under the ‘universal approach’ which shall lead to the termination with prejudice of all cases” not only against Garcia but also against his co-accused wife and children.²⁴

The Ombudsman's office through Special Prosecutor Wendell Sulit had defended the deal on the grounds that they went for the "sure thing"²⁵ since the "prosecution did not have sufficient evidence to establish the guilt of the accused," and so the plea bargain deal was deemed "consistent with the interest of the State since justice will still be served while conserving the scarce prosecutorial resources of the state."²⁶ Ombudsman Gutierrez, in a Congressional hearing on the matter, also said she is standing by her decision to approve the plea bargain deal with Garcia. She said she will not inhibit herself from the said deal even if the Sandiganbayan will decide to nullify it.²⁷

To date, the Sandiganbayan has yet to issue a decision approving the plea bargain deal though some quarters have already expressed that it's a done deal given the fact that Garcia was already allowed to post bail and had been released.

Endnotes

- 1 Memorandum Circular No. 1 or MC1 which was issued on Wednesday, June 30, declared "all non-career executive service positions vacant as of 30 June 2010 and [extended] the services of contractual employees whose contracts expire on 30 June 2010." The MC supposedly targets midnights appointees of former President Gloria Macapagal-Arroyo.
MC2 is the amendment to MC1, "2. All non-Career Executive Service Officials (non-CESO) occupying Career Executive Service (CES) positions in all agencies of the Executive Branch shall remain in office and continue to perform their duties and discharge their responsibilities until October 31, 2010 or until their resignations have been accepted and/or until their respective replacements have been appointed or designated, whichever comes first, unless they are re-appointed in the meantime.
Executive Order No. 1 or EO1 created the Philippine Truth Commission "which shall primarily seek and find the truth on, and toward this end, investigate reports of graft and corruption of such scale and magnitude that shock and offend the moral and ethical sensibilities of the people, committed by public officers and employees, their co-principals, accomplices and accessories from the private sector, if any, during the previous administration; and thereafter recommend the appropriate action or measure to be taken thereon to ensure that the full measure of justice shall be served without fear or favor."
Executive Order No. 2 or EO2 tackles midnight appointments by "recalling, withdrawing, and revoking appointments issued by the previous administration in violation of the constitutional ban on midnight appointments, and for other purposes."
Executive Order No. 3 or EO3 revokes EO No. 883 of the previous administration which "automatically gives lawyers occupying legal positions in government third level career executive official service (CESO III) rank."
Executive Order No. 7 or EO7 "directing the rationalization of the compensation and position classification system in the government-owned and-controlled corporations (goccs) and government financial institutions (gfis), and for other purposes, and created a Task Force on Corporate Compensation."

- 2 <http://www.abs-cbnnews.com/nation/10/14/10/aquino-sc-clash-midnight-appointments-eo> Accessed January 13, 2011.
- 3 <http://www.abs-cbnnews.com/nation/07/21/10/akbayan-file-new-impeach-raps-vs-gutierrez> Accessed January 13, 2011.
- 4 <http://www.youtube.com/watch?v=Jqs3ctRwb7s> "Second Impeachment Rap Filed Against Ombudsman Merceditas Gutierrez Known," SAKSI Report. Accessed January 31, 2011.
- 5 <http://www.sunstar.com.ph/manila/local-news/house-panel-continue-impeachment-trial-vs-ombudsman> Accessed January 31, 2011.
- 6 <http://www.gmanews.tv/story/20098/sc-suspends--impeachment-proceedings-vs-ombudsman> Accessed January 31, 2011.
- 7 <http://newsinfo.inquirer.net/breakingnews/nation/view/2010111-313860/SC-impeachment-case-vs-Ombudsman-still-wont-push-through> Accessed January 31, 2011.
- 8 <http://www.remate.ph/breaking-news/impeachment-vs-merceditas-gutierrez-ipinareresolba-na-sa-sc/> Accessed January 31, 2010.
- 9 <http://www.abs-cbnnews.com/nation/08/16/10/govt-conducts-prudent-review-midnight-appointees> Accessed January 13, 2011.
- 10 <http://www.abs-cbnnews.com/nation/10/14/10/aquino-sc-clash-midnight-appointments-eo> Accessed January 13, 2011.
- 11 <http://www.abs-cbnnews.com/nation/06/03/10/arroyo-issues-midnight-madness-appointments> Accessed January 13, 2011.
- 12 <http://www.abs-cbnnews.com/nation/08/04/10/aquino-fires-arroyo-midnight-appointees> Accessed January 13, 2011.
- 13 Ibid.
- 14 <http://www.abs-cbnnews.com/nation/08/16/10/govt-conducts-prudent-review-midnight-appointees> Accessed January 13, 2011.
- 15 http://www.philippineindex.com/index.php?option=com_content&task=view&id=2987 Accessed February 1, 2011.
- 16 <http://www.sunstar.com.ph/network/supreme-court-asked-void-truth-commission> Accessed February 1, 2011.
- 17 http://www.philippineindex.com/index.php?option=com_content&task=view&id=2987 Accessed February 1, 2011.
- 18 <http://www.abs-cbnnews.com/-depth/12/08/10/truth-commission-pros-and-cons> Accessed February 1, 2011.
- 19 http://www.philippineindex.com/index.php?option=com_content&task=view&id=2987 Accessed February 1, 2011.
- 20 <http://www.gov.ph/2010/12/08/statement-of-justice-secretary-leila-m-de-lima-on-the-supreme-court-ruling-against-the-truth-commission/> Accessed January 31, 2011
- 21 http://www.philippineindex.com/index.php?option=com_content&task=view&id=2987 Accessed February 1, 2011.
- 22 <http://www.abs-cbnnews.com/nation/01/19/11garcia-lawyer-claims-ombudsman-promised-cases-dismissal> Accessed December 22, 2010.
- 23 Salavierra, Leila, Phillip Tubeza and TJ Burgonio, "Rage Rises vs. Garcia Deal," *Philippine Daily Inquirer*, Vol. 26, No. 14, December 22, 2010.
- 24 <http://www.abs-cbnnews.com/nation/01/19/11garcia-lawyer-claims-ombudsman-promised-cases-dismissal> Accessed December 22, 2010.
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- 27 <http://www.sunstar.com.ph/manila/local-news/ombud-defends-plea-bargain-deal-garcia> Accessed February 1, 2011.

Family Matters: Delving into the 2010 Winning Political Clans

BY CARMINA B. FLORES-OBANIL

“Of the 12 apostles, five are first degree cousins of Jesus. John the Baptist was his second-degree cousin. The rest are either second-degree or half-cousins. Of the 12, the only one not related to Jesus by blood was Judas Iscariot who betrayed the Lord. Now don’t tell me this dynasty of Marcos, or my dynasty and the dynasty of Dimaporo in Lanao are our invention. Jesus was the one who invented the dynasty.”

Ramon M. Durano Sr.,

as cited in Coronel (1986), Coronel et al (2004)

If Jesus truly had invented dynasties as pointed out by Ramon Durano Sr., of the formidable Durano clan in Cebu and former member of the Lower House representing Danao City, then Jesus must be very happy with the way the May 2010 elections turned out. If the results were any indicator, the Filipinos would not be seeing the decline of political clans or dynasties in the Philippines anytime soon. In fact, the last elections saw the victory or the re-election of political families in both national and local positions in their respective bailiwicks.

Familial politics

The continuing dominance of political families in their respective areas in the last elections only strengthens the long-held view that ‘family matters’ in Philippine society. The best example is President elect Benigno “Noynoy” Aquino III whose victory rode heavily on his pedigree. At the same time, how blatantly these family matters spill

into the political, economic and social spheres in Philippine society is proof of how deeply entrenched familial politics is in the Philippines.

The primacy and centrality of family in Philippine society cannot be overstated. Not only is the family seen as a “basic autonomous social institution” under the 1986 Constitution, but the Constitution in fact mandates the defense, protection and strengthening of the family as a basic national principle.

The Filipino family often provides what the Church and the State cannot, especially in terms of social services that are actually part and parcel of the usual services provided by developed countries to its citizens. In the Philippines thus, the family usually provides socialization, education, employment, health and medical care, protection and shelter to the young, the handicapped and the aged. For the elite of society, name, honor, lands, wealth and values are the legacies of the family to the next generation, which becomes that generation’s own capital to further their power—be it political, social or economic.

As noted by Alfred McCoy, an American historian who has extensively written on Philippine and Southeast Asian history, Filipino families have provided continuity to the country’s economic, social and political history. He had observed that political parties in the Philippines are more of “coalitions of powerful families.” Eric Gutierrez of the Institute of Popular Democracy (IPD) also wrote that “what passes for political parties in the Philippines are coalitions of political clans” and that the “building block of parties are families.” Gutierrez authored the book “All in the family: a study of elites and power relations in the Philippines,” published by IPD in 1992.

And They are Back...

Gone is the disdain and horror Filipinos felt about the dictatorship that the Marcoses imposed on the Filipino nation, if the victory of the son, daughter or wife of the former dictator would be used as

indicator. Two members of the Ampatuan clan won seats in Congress despite the charges they are facing for murders committed in the Maguindanao massacre. The disdain for the Macapagal-Arroyos may still be very strong, but members of the family are big winners in the recent elections.

The Arroyos won several seats in Congress despite their unpopularity, although this is also probably partly due to their generosity in dispensing patronage and their access to unlimited largesse available to Gloria Macapagal-Arroyo (GMA) when she was still at the pinnacle of power. The 2nd district of Camarines Sur re-elected presidential son Diosdado “Dado” Arroyo while presidential brother-in-law Ignacio “Iggy” Arroyo Jr. won a seat in the 5th district of Negros Occidental. The Pampangueños elected outgoing President Gloria Macapagal-Arroyo as their congressional representative. And last and perhaps the least, another presidential son Miguel Mikey Arroyo gets to represent security guards in Congress under the “Ang Galing Pinoy” party. The various seats the Arroyos won in Congress reignited speculations that GMA is eyeing the House of Representatives speakership to attempt constitutional change that will lead to a shift to a parliamentary system. Using Congress, some fear, she will have a chance of becoming Prime Minister, which would restore her as ruler of the country.

The Marcoses of Ilocos Norte are also back in a big way. Now they have a governor (Maria Imelda or more popular as “Imee”) who won over re-electionist and cousin Michael Keon, a congresswoman in the 2nd district (the mother Imelda) and a senator (Ferdinand Jr. or “Bongbong”). The only member of the family who is missing in politics is youngest daughter, Irene.

The Dys are also back in power in Isabela province through a governor (Faustino III) and a congressman (Napoleon) in the 3rd district. The Dys defeated re-electionist Governor Grace Padaca effectively ending the hiatus in their previous 30-year reign in Isabela. Their latest victory, however, was allegedly brought about

by the assistance of the Albanos and is tainted by reports of massive vote-buying.

The Singsons of Ilocos Sur won thirteen (13) provincial and congressional seats belying the commonly-held superstition that it is an unlucky number. Led by the controversial, Governor Luis “Chavit” Singson, the Singsons have two congressmen (Chavit’s son Ronald and former Representative Eric Singson’s son Eric Jr.), two mayors (Chavit’s niece Eva in Vigan and also former Representative Eric Singson’s son Allen in Candon), a vice-mayor in Vigan City (son Ryan), and other various posts in the provincial government.

Perpetuating Their Dynasties

The Cojuangco-Aquinos are the principal winners in the last elections and perhaps the best proof of how familial ties remain a determinant in winning Philippine electoral politics. Proclaimed president Benigno Simeon “Noynoy” Aquino III is the biggest winner, trumping a former president, a billionaire and a cousin. Two congressmen (re-electionist Representative Jesli Lapus and newcomer Enrique Cojuangco) are Noynoy’s relatives who won in Tarlac, the acknowledged bailiwick of the Cojuangco-Aquinos.

The Binays of Makati also won big. Now they have a mayor (Jejomar Erwin or “Junjun”), a congresswoman in Makati’s 2nd district (Marlen Abigail) and a vice-president (Jejomar “Jojo”).

The Belmontes also succeeded in cementing their control of Quezon City through a vice-mayor (Joy), a congressional representative (Feliciano Jr.) and their continuing alliance with the new mayor, Herbert Bautista, and another congressional winner, Winnie Castelo.

The Umalis of Nueva Ecija have been termed as the “New Ecija” dynasty, though the Josons (who ruled the province for 50 years) still managed to capture several positions. The Umalis now have a

governor (Aurelio), a congresswoman in the 3rd district (Czarina), a provincial board member (Emmanuel Anthony), and various other positions in the small towns of Nueva Ecija. The Josons on the other hand have maintained the mayoralty (Mariano Cristino) in Quezon, their known bailiwick and the 1st district seat in Congress (Mariano Cristino's wife and re-electionist Representative Josefina), and a provincial board member seat.

The Duterte daughter and father tandem (Sara and Rudy) in Davao City won the mayoralty and vice-mayorality respectively, foiling House Speaker Prospero Nograles' own mayoralty bid, though Nograles' son Karlo Alexei won the 1st district congressional seat his father vacated.

The Garcias of Cebu have maintained the gubernatorial seat (Gwendolyn, daughter of the patriarch Rep. Pablo Garcia) and won two congressional seats for the 2nd and 3rd districts of Cebu. The Duranos also got a congressional seat (Ramon VI) and the mayoralty (Ramon Jr. in Danao City).

The Ortegas of La Union and San Fernando also won the gubernatorial race (Manuel); 1st district congressional seat (Victor Francisco) and the mayoralty in San Fernando city (Pablo).

Except for the 1st district congressional seat which was won by another known political family in Bataan (Herminia Roman); the Garcias of Bataan also prevailed, with a governor (Enrique Jr.), a congressman (Albert Raymond) and mayor (Jose Enrique III for Balanga City).

The Dimaporos won the gubernatorial race (Mohamad K Quinbranza) and two congressional seats (Imelda Quinbranza and Fatima Allah Quinbranza) in Lanao del Norte.

Other known political clans and dynasties also fared well by winning more than one elective position—the Lagmans of Albay; the

Sy-Alvarados of Bulacan; the Chipecos of Laguna; the Maraños of Negros Occidental; the Ponce-Enriles of Cagayan; the Reyeses of Marinduque; the Villafuertes of Camarines Sur; the Emanos of Misamis Oriental; the Romualdos of Camiguin; the Espinas of Biliran; the Rectos of Batangas; the Dazas of Northern Samar; the Cagas of Davao del Sur; the Amantes of Agusan del Norte; the Javiers of Antique; etc.

Still, while other families can say that they are really not a political clan having only captured one elective position, they are part of a political dynasty whose power has been transferred inter-generationally or through conjugal relations. These include the Abads of Batanes (wife of Butch Abad, Henedina); the Tañadas of Quezon (Lorenzo III); the Mitras of Palawan; the Aumentados of Bohol; the Satos and Villarosa of Oriental Mindoro; the Ynares' of Rizal; the Lobregats of Zamboanga; the Jalosjos of Zamboanga del Norte and Sibugay; Escuderos of Sorsogon; Diazes and Magsaysays of Zambales; Macias of Negros Oriental; the Apostols and the Romualdez of Leyte; the Fuentebellas of Camarines Sur; the De Venecias of Pangasinan; the Gullas of Cebu; the Ledesmas of Negros Occidental, among others. These political families or dynasties have been around and have played a major role in shaping Philippine history and politics. The Philippine Center for Investigative Journalism (PCIJ) came up with a table listing political clans winning in different elections. The table has been juxtaposed below with the current 2010 election winners so as to giving an estimate of how long these political families have thrived.

Known Political Clans	Provinces/ Bailiwicks	PCIJ's Clans by Period of their Election to the Legislature *	2010 Winners**
Abad	Batanes	Post-War Republic 1945-1959	YES
Abalos	Mandaluyong City		YES
Abaya	Cavite		YES
	Isabela	Post-Marcos Period 1986-2004	
Acosta	Bukidnon	Post-Marcos Period 1986-2004	

Adaza	Misamis Oriental		
Adiong	Maguindanao	Post-War Republic 1945-1959	YES
Aganon	Nueva Ecija		
Agbayani	Pangasinan	Post-War Republic 1945-1959	YES
Akbar	Basilan		YES
Albani	Tawi-tawi		
Albano	Isabela		YES
Alberto	Catanduanes		
Alfelor	Camarines Sur	Martial Law (1972-1986)	
Almario	Davao Oriental	Post-Marcos Period 1986-2004	YES
Almonte	Misamis Occidental		YES
Amante	Agusan del Norte	Martial Law (1972-1986)	YES
Amatong	Compostela Valley		YES
Ampao	Basilan		
Ampatuan	Maguindanao		YES
Andaya	Oriental Mindoro	Martial Law (1972-1986)	
	Camarines Sur	Martial Law (1972-1986)	YES
Angara	Aurora	Commonwealth Period (1935-1942)	YES
Angkanan	Sultan Kudarat		YES
Anni	Sulu		
Antonino	General Santos	Post-War Republic 1960-1972	YES
	Nueva Ecija		YES
Apostol	Leyte	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Aquino	Tarlac	Malolos Congress	YES
Armada	Iloilo		
Arroyo	Camarines Sur		YES
	Pampanga		YES
	Negros Occidental		YES
Asistio	Caloocan	Post-Marcos Period 1986-2004	

Astorga	Leyte		
Atienza	Manila		
Aumentado	Bohol	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Bacani	Manila		
	Quirino		
Badelles/Lluch	Lanao del Norte	Japanese Occupation (1942-1945)	
Bagatsing/Sevilla	Manila	Commonwealth Period (1935-1942)	YES
Balanquit	Northern Samar		
Barbers	Surigao del Norte	Post-Marcos Period 1986-2004	YES
Barroso	South Cotabato		
Baterina	Ilocos Sur		YES
Belmonte	Quezon City	Japanese Occupation (1942-1945)	YES
Belo	Capiz		
Biazon	Muntinlupa		
Bichara	Albay		YES
Binay	Makati City		YES
Bondoc	Pampanga	Post-Marcos Period 1986-2004	YES
Brawner	Ifugao		
Bulut	Apayao	Post-Marcos Period 1986-2004	YES
Cabacang	Northern Samar		
Caballero	Compostela Valley		
Cagas/Almendras	Davao del Sur	Post-War Republic 1945-1959	YES
Cainglet	Zamboanga City		
Calingin	Misamis Oriental		
Calizo	Aklan		
Calo	Butuan City		
Calumpang	Negros Oriental		
Candao	Shariff Kabunsuan		
Cappleman	Ifugao		

Carag	Cagayan		
Cari	Leyte		YES
Carloto	Zamboanga del Norte	Post-Marcos Period 1986-2004	
Catane	Misamis Occidental		
	Zamboanga del Norte		
Cayetano	Taguig		YES
Celera	Masbate		
Cerilles	Zamboanga		YES
Chiongbian	Sarangani	Post-War Republic 1945-1959	
	Cebu	Post-War Republic 1945-1959	
	Misamis Occidental	Post-War Republic 1945-1959	
Chipeco	Laguna	Post-War Republic 1960-1972	YES
Clarete	Misamis Occidental		
Claver	Mountain Province		
Climaco	Zamboanga City		YES
Crisologo	Ilocos Sur		
	Quezon City		YES
Cojuangco	Tarlac	US Colonial Era 1907-1934 (pre-commonwealth)	YES
	Pangasinan	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Corvera	Agusan del Norte		YES
Cosalan	Benguet	Post-War Republic 1960-1972	YES
Cua	Quirino	Post-Marcos Period 1986-2004	YES
Cuenco	Cebu	US Colonial Era 1907-1934 (pre-commonwealth)	
Cuneta	Pasay City		
Cupin	Agusan del Norte		

Dalog	Mountain Province		YES
Dalwasen	Apayao		
Dangwa	Benguet	Post-Marcos Period 1986-2004	YES
Datumanong	Maguindanao	Martial Law (1972-1986)	YES
Daza	Northern Samar	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Defensor	Iloilo		YES
Delfin	Antique		
De la Cruz	Bulacan		
De Leon	Misamis Oriental		
De Venecia/ Perez	Pangasinan	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Del Rosario	Davao del Norte	Martial Law (1972-1986)	YES
Diaz	Nueva Ecija	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Dilangalen/Piang	Maguindanao	US Colonial Era 1907-1934 (pre-commonwealth)	
Dimaporo	Lanao del Norte	Post-War Republic 1945-1959	YES
Dominguez	Mountain Province	Martial Law (1972-1986)	
Dominguez- Alcantara	Sarangani		YES
	Davao del Sur		
Duavit	Rizal	Martial Law (1972-1986)	
Dumpit	La Union		
Dupaya	Cagayan		
Durano/Calderon	Cebu	Post-War Republic 1945-1959	YES
Duterte	Davao City		YES
Dy	Isabela	Post-Marcos Period 1986-2004	YES
Ecleo	Dinagat Islands		YES
Emano	Misamis Oriental		YES
Ermita	Batangas		

Escudero	Sorsogon		YES
Espina	Biliran	Martial Law (1972-1986)	YES
Espino	Sorsogon		
Espinosa	Masbate/Toledo City		YES
Estrella	Pangasinan	US Colonial Era 1907-1934 (pre-commonwealth)	
Estrada/Ejercito	San Juan City		YES
Eusebio	Pasig		YES
Famor	Zamboanga Sibugay		YES
Fernandez	Pangasinan/ Ilagana		YES
Figuroa	Samar		
Floirendo/ Lagdameo	Davao		YES
Fresnedi	Muntinlupa City		
Frivaldo	Sorsogon		
Fua	Siquijor	Post-Marcos Period 1986-2004	YES
Fuentebella	Camarines Sur	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Fuentes/Avance	South Cotabato		YES
Garcia Clan	Cebu		YES
	Palawan		
Garin	Iloilo	Post-Marcos Period 1986-2004	YES
Gentuyaga	Compostela Valley		
Gonzales	Mandaluyong City	US Colonial Era 1907-1934 (pre-commonwealth)	
Gordon	Olongapo City	Martial Law (1972-1986)	YES
Guiao	Pampanga		
Gullas	Cebu	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Guingona	Bukidnon		
	Misamis Oriental		YES

Hattaman	Basilan		YES
Herrera	Bohol		
Hofer	Zamboanga Sibugay		
Imperial	Albay	US Colonial Era 1907-1934 (pre-commonwealth)	
Jaafar	Tawi-tawi	Post-Marcos Period 1986-2004	YES
Jalosjos	Zamboanga del Norte	Martial Law (1972-1986)	YES
Javier	Antique	Post-Marcos Period 1986-2004	YES
Joson	Nueva Ecija		YES
Kho	Masbate		YES
Kintanar	Cebu	Commonwealth Period (1935-1942)	
Lacbain	Zambales		
Lacson	Negros Occidental	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Lagman	Albay	Post-Marcos Period 1986-2004	YES
Lapid	Pampanga		YES
Larrazabl	Leyte		
Laurel	Batangas	Malolos Congress	
Lavin	Northern Samar		
Lazaro	Laguna		
Lazatin	Pampanga	Martial Law (1972-1986)	YES
Ledesma/Laguda	Negros Occidental	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Lerias	Southern Leyte		
Leviste	Batangas	US Colonial Era 1907-1934 (pre-commonwealth)	
Libanan	Eastern Samar		
Ligo	Sultan Kudarat		
Locsin	Negros Occidental	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Lobregat	Zamboanga City		YES

Loong	Sulu		
Lopez	Iloilo	US Colonial Era 1907-1934 (pre-commonwealth)	
	Manila	Martial Law (1972-1986)	
Loreto	Leyte		
Lucman	Lanao del Sur		
Luna	Abra		YES
Maamo	Southern Leyte		
Macapagal	Pampanga		
Macias	Negros Oriental	Post-War Republic 1945-1959	YES
Madrigal	Manila		
Maganto	Bulacan		
Magsaysay/Diaz	Zambales	Post-War Republic 1945-1959	YES
Malanyaon	Davao Oriental		YES
Malinas	Mountain Province		
Mandanas	Batangas		YES
Mangudadatu	Maguindanao/ Sultan Kudarat		YES
Marañon	Negros Occidental	Martial Law (1972-1986)	YES
Marasigan	Oriental Mindoro		
Marcos	Ilocos Norte	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Martinez	Cebu	Post-Marcos Period 1986-2004	YES
Matalam	Cotabato		
Matba	Tawi-tawi		
Mathay	Quezon City		
Matugas	Surigao del Norte		YES
Mayaen	Mountain Province		YES
Mayo	Batangas		
Mendiola	Occidental Mindoro		
Mercado	Leyte		YES

Miranda	Isabela		
Misuari	Sulu		
Mitra	Palawan	Commonwealth Period (1935-1942)	YES
Molinas	Benguet		
Montelibano	Negros Occidental		
Montilla	Sultan Kudarat		YES
Moreno	Misamis Oriental		YES
Mutilan	Lanao del Sur		
Nava	Guimaras		YES
Navarro	Surigao del Norte	Commonwealth Period (1935-1942)	YES
Nepomuceno	Pampanga	Post-War Republic 1945-1959	
Nisce	La Union		
Nogralas	Davao del Sur		YES
Ocampo	Misamis Occidental		
Olivarez	Laguna		
Olvis	Zamboanga del Norte		
Ople	Bulacan		
Ortega	La Union	Commonwealth Period (1935-1942)	YES
Osmeña	Cebu	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Ouano	Cebu		
Padilla	Camarines Norte		
	Nueva Vizcaya	Martial Law (1972-1986)	YES
Pagdanganan	Bulacan		
Palma-Gil	Davao Oriental	US Colonial Era 1907-1934 (pre-commonwealth)	
Pancho	Northern Samar		
Paras	Negros Oriental	US Colonial Era 1907-1934 (pre-commonwealth)	
	Bukidnon		YES

Paredes	Abra		
Parojinog	Misamis Occidental		YES
Pacificador	Antique		
Paylaga	Misamis Occidental		
Payumo	Bataan		
Pelaez	Misamis Oriental		
Pelegrino	Bohol		
Perez	Pangasinan	Post-War Republic 1945-1959	
Petilla	Leyte		YES
Pichay	Surigao del Sur		YES
Pimentel	Surigao del Sur	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Piñol	North Cotabato		YES
Pineda	Pampanga		YES
Plaza	Agusan del Norte	Post-War Republic 1960-1972	YES
Ponce de Leon	Agusan del Sur		YES
	Palawan		
Ponce Enrile	Cagayan	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Publico	Sultan Kudarat		
Puno	Rizal		
Punzalan	Quezon City	Post-Marcos Period 1986-2004	
Rabat	Davao Oriental		
Rama	Agusan del Norte		
Ramiro	Misamis Occidental	Post-Marcos Period 1986-2004	YES
Ramos/Shahani/ Braganza	Pangasinan	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Raquiza	Ilocos Sur		
Real	Zamboanga City		
Recto	Batangas	US Colonial Era 1907-1934 (pre-commonwealth)	YES

Redaja	Western Samar		
Remulla	Cavite		YES
Relampagos	Bohol		
Revilla	Cavite		YES
Reyes	Marinduque	Martial Law (1972-1986)	YES
Reymundo	Pasig City		
Reyno	Cagayan		
Robredo	Camarines Sur		
Roman	Bataan	Post-War Republic 1960-1972	YES
Romualdez	Leyte	Commonwealth Period (1935-1942)	YES
Romualdo	Camiguin		YES
Rono	Western Samar		
Roqueros	Bulacan		
Roxas	Capiz	US Colonial Era 1907-1934 (pre-commonwealth)	
Rodriguez	Rizal	US Colonial Era 1907-1934 (pre-commonwealth)	
	Misamis Oriental	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Sahidulla	Sulu		
Salazar	Eastern Samar		
Salceda	Albay		YES
Sali	Tawi-tawi		
Salipudin	Basilan		
San Luis	Laguna		
Sanchez	Cebu		
Sandoval	Malabon		
	Navotas		
	Palawan		
Sarmiento	Bulacan	Post-War Republic 1960-1972	
	Catanduanes		YES
Sering	Surigao del Norte		

Sison	Pangasinan	US Colonial Era 1907-1934 (pre-commonwealth)	
Silverio	Bulacan	Post-Marcos Period 1986-2004	
Singson	Ilocos Sur	Martial Law (1972-1986)	YES
Sinsuat	Shariff Kabunsuan		
Siquian	Isabela		
Soliva	Agusan del Norte		
Sotto	Leyte		
Suplico/Tupas	Iloilo	Martial Law (1972-1986)	
Sumulong	Rizal	Post-War Republic 1945-1959	
Sy-Alvarado	Bulacan		YES
Tañada	Quezon	Post-War Republic 1945-1959	YES
Tanjuatco	Rizal	Post-War Republic 1945-1959	
Tatad	Catanduanes		
Tan	Samar		YES
	Misamis Occidental		YES
Tanco	Capiz		YES
Tolentino	Tagaytay		
Teodoro	Tarlac	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Teves	Negros Oriental	US Colonial Era 1907-1934 (pre-commonwealth)	YES
Trinidad	Compostela Valley		
Ty	Surigao del Sur	Post-War Republic 1960-1972	
Umali	Nueva Ecija		YES
Uy	Samar		YES
	Davao del Norte		YES
Valentino	Marikina		
Valera	Abra		
Velasco	Western Samar		

Veloso	Leyte	US Colonial Era 1907-1934 (pre-commonwealth)	
Vergeles	Catanduanes		
Villanueva	Negros Occidental		
	Negros Oriental		YES
Villar	Las Piñas	Post-Marcos Period 1986-2004	YES
Villafuerte	Camarines Sur		YES
Villareal	Capiz		
Villarosa	Occidental Mindoro		YES
Violago	Nueva Ecija		
Yap	Tarlac	Post-War Republic 1960-1972	YES
Yebes	Zamboanga del Norte		YES
Yulo	Laguna		
	Negros Occidental	US Colonial Era 1907-1934 (pre- commonwealth)	
Ynares	Rizal		YES
Yniguez	Leyte		
Zamora	Mandaluyong/ San Juan	Martial Law (1972-1986)	
Zubiri	Bukidnon	Martial Law (1972-1986)	YES
* only traces clans based on their entry to Congress			
** the election results examined to determine the winners are both national and local positions.			
the local positions examined are until the level of elected mayor.			

Predictable results

The results of the 2010 elections are not surprising or new. Sociologist-professor Randy David succinctly summarized it in his newspaper column, “If anyone is still looking for confirmation of the determining role that the Filipino family plays in the nation’s political life, he will not find better proof than the results of this year’s national and local elections. It is the victory of entire clans that is being heralded—particularly that of the Arroyos in Pampanga, Negros and Camarines Sur; the Marcoses of Ilocos Norte; the Singsons of Ilocos Sur; the Ortegas of La Union, the Garcias of Cebu; the Dys of Isabela; the Binays of Makati; the Dutertes of Davao—just to name a few of the big winners. No one talks how political parties have fared, or what proportions of votes they have captured in these elections.”

It has been said that the “strength of the family is a reflection of the weakness of the state.” But since the state has often been controlled and at times held hostage by the interests of these political families, the weakness of the state is perhaps precisely cultivated. Cultivated and nurtured to the extent that the strength and influence of these political families can thrive and be preserved for their next generations.

Party-list Winners: Whose Interests are Represented?

BY MARY ANN MANAHAN

Five years after it was set-up to address the gaps in representational democracy in the country, has the party-list system broken the monopoly of big traditional politics and decreased the tendency for personality politics?

In 1995, it was seen as vehicle for the underrepresented and marginalized in Philippine society to have their voices heard in the halls of Congress. According to Republic Act 7941 (The Party-List System Act), citizens shall vote for parties rather than candidates, and parties are given electoral seats based on the proportion of votes that they get. To get a seat in the House of Representatives, a party-list group should receive at least two percent of the total votes cast for the party-list system. Those garnering more than two percent are entitled to additional seat, up to a third. According to the National Board of Canvassers' resolution 10-009, the total number of party-list seats available for the May 10, 2010 automated national and local elections is 57, based on a formula of number of legislative districts: $(229)/0.80 \times 0.20$.

Out of the 179 party-list hopefuls in the May 2010 elections, 28 (with 35 total electoral seats) groups have been proclaimed winners in the first ever automated elections (see table 1). Six of these groups are affiliated with the Arroyo administration—ABONO, *Ang Kasangga*, *Bagong Henerasyon*, *Ang Galing Pinoy*, *Kakusa*, and ALAGAD. For lack of background or track record to represent a marginalized group, *Ang Kasangga's* Teoderico T. Haresco, a businessman and known

ally of Arroyo, and *Ang Galing Pinoy's* Mikey Arroyo, presidential son and former Pampanga congressman, are being contested before the Comelec. While their parties have been proclaimed winners, there is no certainty as to who will occupy their seats.

Comelec also deferred the proclamation of 11 party-list groups pending the final resolution of cases filed against them, namely petition for cancellation of registration: AKO Bicol Political Party (AKB), *Buhay Hayaan Yumabong* (BUHAY), 1st Consumers Alliance for Rural Energy (1-CARE), Citizen's Battle Against Corruption (CIBAC), LPG Marketers Association, Inc. (LPGMA), *Ang Asosasyon sang Mangunguma nga Bisaya-OWA Mangunguma*, Inc. (AAMBIS-OWA), Association of Philippine Electric Cooperatives (APEC), and Alliance for Nationalism and Democracy (ANAD). There are also petitions for the disqualification of party-list nominees: 1-UTAK, Advocacy for Teacher Empowerment through Action Cooperation and Harmony Towards Educational Reforms (A-TEACHER), and Butil Farmers Party (BUTIL). Seven of these party-list groups have held seats in the 14th Congress.

Meanwhile, four of these groups have been accused of being created or affiliated by Arroyo as her means to ensure she would have allies in the House and secure the speakership. AKB, 1-UTAK, ANAD and BUHAY were included in *Kontra Daya's* list, a poll watchdog that released a list of administration and military-backed groups. A-TEACHER was also included in the "negative list" due to its connection to Jesli Lapus, a mainstay in the Arroyo administration as former cabinet secretary for education, and now, in the trade and industry department.

Compared to the 2007 elections, there was an 85 percent increase in the number of votes cast for party-list groups, partly due to their higher visibility through political ads and various media, including internet platforms, such as social network pages and blogs, and partly due to the higher overall voter turn-out rate for 2010 election. Based on the 90 percent of the tallied votes or 29,750,041, a party-list group needs at least 549,568 votes to win a seat.

TABLE 1
Proclaimed Party-list Winners

Party-list	Sector	Representative	Number of Received Votes
1. Coalition of Association of Senior Citizens in the Philippines, Inc. (Senior Citizens)	Elderly	<ul style="list-style-type: none"> • Incumbent Senior Citizens Rep. Godofredo Arquiza • David Kho-member of the board of mining exploration company Geograce Resources Philippines 	1,292,182
2. Akbayan Citizens Action Party (Akbayan)	multi-sectoral	<ul style="list-style-type: none"> • University professor and incumbent Akbayan Rep. Walden Bello • Arlene Bag-ao-Executive trustee of the Mindanao-based law group BALAOD Mindanao 	1,058,691
3. Gabriela Women's Party (Gabriela)	women rights	<ul style="list-style-type: none"> • Incumbent Gabriela Rep. Luzviminda Ilagan • Former Gabriela secretary-general Emerenciana de Jesus 	1,001,421
4. Cooperative NATTCO Network Party (COOP-NATTCO)	Cooperatives	<ul style="list-style-type: none"> • Former National Confederation of Cooperatives chair and incumbent COOP-NATTCO Rep. Jose Ping-ay • Incumbent COOP-NATTCO Rep. Cresente Paez 	943,529
5. Abono	agri-based sector	<ul style="list-style-type: none"> • Incumbent Abono Rep. Robert Raymund Estrella • Incumbent Abono Rep. Francisco Emmanuel Ortega III 	766,615
6. Bayan Muna	political party	<ul style="list-style-type: none"> • Incumbent Bayan Muna Rep. Teodoro Casiño • Incumbent Bayan Muna Rep. Neri Colmenares 	746,019
7. An Waray		<ul style="list-style-type: none"> • Incumbent AnWaray Rep. Florencio Noel • Incumbent AnWaray Rep. Neil Benedict Montejo. 	711,631

8.	Agricultural Sector Alliance of the Philippines (AGAP)	agri-based	Acting chair of Audacious Services and incumbent AGAP Rep. Nicanor Briones	515,501
9.	Alliance for Baranggay Concerns (ABC)	baranggay development	Leyte baranggay chairman Arnulfo Molero	469,093
10.	Anakpawis (AP)	multi-sectoral	Incumbent AP Rep. Rafael V. Mariano	445,628
11.	Kabataan Partylist (Kabataan)	Youth	Incumbent Kabataan Rep. Raymond V. Palatino	417,923
12.	Abante Mindanao (ABAMIN)	regional group	Maximo Rodriguez, Jr,- works at the district office of Cagayan de Oro Rep. Rufus Rodriguez and previously served the National Police Commission, Bureau of Customs, and Bureau of Immigration.	376,011
13.	Act Teachers	Educators	Act Teacher national chair Antonio Tinio	369,564
14.	You Against Corruption and Poverty (YACAP)	anti-corruption and anti-poverty	Businesswoman and YACAP founding president Carol Jayne Lopez	335,635
15.	Kasangga sa Kaunlaran, Inc (Ang Kasangga)	small entrepreneurs	Businessman Teoderico Haresco, known for his involvement in the President's Bridge Program and who sits in the Board of Directors of PNOC	296,368
16.	Bagong Henerasyon (BH)	multi-sectoral group	Quezon City 1st District Councilor Bernadette Herrera-Dy	292,875
17.	Ang Galing Pinoy	multi-sectoral representing security guards, tricycle drivers and vendors	Pampanga congressman and presidential son Mikey Arroyo	269,009
18.	Agbiag! Timpuyog Ilocano (Agbiag)	regional political party	Former Cagayan 1st district Rep. Patricio Antonio	262,298

19.	Puwersa ng Bayaning Atleta (PBA)	Athletes	Mark Aeron H. Sambar	258,498
20.	Arts, Business, and Science Professionals (ABS)	Professionals	Incumbent Catalina G. Leonen-Pizarro	257,301
21.	Trade Union Congress of the Philippines (TUCP)	Labor	Raymond Democrito Mendoza, former Philippine National Oil Company board member and son of TUCP president Democrito Mendoza	244,623
22.	Alyansa ng mga Grupong Haligi ng Agham at Teknolohiya para Mamamayan (Agham)	science and technology	Radio reporter Angelo B. Palmones	241,898
23.	Democratic Independent Workers' Association, Inc. (DIWA)	Labor	Emmeline D. Aglipay, former student council president at De La Salle University	238,675
24.	Kapatiran ng mga Nakakulong na Walang Sala (Kakusa)	penal system	Incumbent Rep. Ranulfo Canonigo	234,717
25.	Kalinga Advocacy for Social Empowerment and Nation Building Through Easing Poverty, Inc. (Kalinga)	anti-poverty	Abigail Faye Ferriol-daughter of Pentecostal Missionary Church of Christ bishop Arturo Ferriol	229,198
26.	Alagad party-list (Alagad)	urban poor	Incumbent Rep. Rodante D. Marcoleta	227,116
27.	Ang Pamilya (1-Pamilya)	multi-sectoral group	Department of Agrarian Reform Senior Agrarian Reform Officer Reena Concepcion Obillo	217,032
28.	Alliance of Volunteer Educators (AVE)	Educators	Eulogio R. Magsaysay	214,760

A new brand of presidency

Pro-people

Pro-democracy

Private Public

Partnerships

CHAPTER 3

Same old, same old

neo-liberal

economic

framework?

NEW POLICIES?

Anti-poverty strategy

Condi-tional Cash

Transfers Dole-outs

Wanted transformative
social protection.

Thanks for the cash but
where are the jobs?

Interview with Secretary Joel Rocamora Giving the Sectors Voice within Government

On November 10, 2010, Focus on the Global South interviewed Secretary Joel Rocamora of the National Anti-Poverty Commission (NAPC) in his Quezon City office. The interview was done in the context of wanting to hear from the anti-poverty point person himself, amid criticisms hurled against the Conditional Cash Transfer (CCT), what opportunities the marginalized sectors have under the P-Noy government and what kind of anti-poverty strategies the new government will set into motion. It was a candid and insightful interview at best.

Focus: Why NAPC? Was this a position you have always envisioned yourself taking in government if an opportunity presented itself?

Secretary Joel Rocamora (SJR): I was in the campaign staff of Noynoy. Every opportunity I got then, I pushed for Noy not to allow the other presidential candidates get the better part of the pro-poor territory. Erap¹ and Villar² could not go into an anti-corruption campaign, but we could stretch ours toward a pro-poor stance. After the elections, Butch Abad and I talked, and I asked him what they would want me to do. Butch³ said “eh ikaw naman ang nagtutulak ng pro-poor baka maganda na isulat mo, magbuo ka ng pro-poor strategy.” (It was you who have been pushing for the pro-poor perspective; it would be good if you could develop and write a pro-poor strategy)

I organized a team from among the volunteers of Dinky⁴. We wrote the draft in June, just after the elections. But Noy wanted to prioritize the establishment of a new brand of presidency—a different kind of presidency that would really show he is anti-corruption. His first step was to appoint people of unimpeachable record, and who are not only technically competent but have track record of being reformists. When it was time for him to form his cabinet—this was around August—Noy asked if I was ready to stand by my pro-poor advocacy. He put me in NAPC. My first day of work here was in September 27.

So, to go back to the question about going into government—in my present position, there's a lot more that can be done and gained for the poor. In terms of resources as well as connections with other agencies, I can give pride to the anti-poverty work in government.

Focus: How has NAPC performed based on its mission and objectives? Has it been an effective anti-poverty agency? What were the weaknesses that you've so far seen and how do you intend to address these?

SJR: NAPC, according to the law and according to how it was conceived by the people who started it during the time of FVR⁵, primarily works for and with sectors; it assists the sectors in organizing themselves so they can have a voice within the government. There might have been misconceptions though that NAPC is just an event organizer, the main aim of which is to organize a sectoral assembly; the sectoral assembly then elects a sectoral council; a sectoral council elects a sectoral representative; a sectoral representative elects a vice chair for NAPC. And then NAPC organizes an en banc meeting of the commission, chaired by the president, with corresponding agencies sitting in the meeting as well.

Although NAPC is not an implementing agency, it has its own projects that place it in a better position to actually make decisions about the allocation of resources for the poor. For example, during

the time of Mary Nicolas⁶, she developed a water service project. Government's money has been invested in this, but when Hyatt 10 happened, a politician took over the funds. So, we conceptualized a way to run that project whereby NAPC provides the secretariat role but then we work together with the Department of Health; we pay attention to water borne diseases identified by DOH. Now, I want to link this project with local governments. Jesse Robredo⁷ has performance-based grants program, and we agreed that the P1.5 billion funds for this water project will become one of the resources for local governments with good performance.

Focus: How much decision-making authority and implementing powers does the NAPC secretary have vis-à-vis other agencies addressing poverty/poverty related issues and implementing the government's social reform agenda?

SJR: NAPC's role is to coordinate government's pro-poor programs. But as NAPC secretary, I have to make a major effort to get the agencies with the money to listen. Now, thankfully, it might help that I'm the oldest in the cabinet and that I drafted the anti-poverty strategy. P-Noy wants a strategy for the duration of his whole term. I have been tasked to formulate an indicative anti-poverty budget for the whole term of P-Noy.

Focus: What is your vision for NAPC as an institution?

SJR: I want NAPC to be pro-active in pushing the advocacies of the sector. For example, the demolition in North Triangle did not sit well with Noy and he called for a meeting to work out what government can do as far as following the laws on demolitions and relocations are concerned, which are good laws but are not being implemented. I helped by organizing informal consultations with urban poor groups. And then, once the urban poor groups have worked out

their agenda, I plan to bring it to Jesse Robredo and Dinky Soliman, “dahil ako sigurado ako na pro poor, pro urban poor sila.” (...as I am sure that they are pro-poor, pro-urban poor) This is what I meant by being pro-active.

But we are going to choose also the sectoral advocacies we are going to support. “Kasi baka mamaya ang advocacy pala ng sektor ay ibagsak ang naghaharing uri, eh di ako payag dyan dahil naghaharing uri na ako.” (*Some sectors might be calling for the downfall of the ruling class, and I will not agree with that because I am now with the ruling class—said in jest, therefore drawing laughter from Focus staff—Editor*)

So, that’s on one side. On the other side, we also have to address some confusion resulting from the election process of representatives of the sectors. When Erap was removed from office, those associated with him were also removed as sectoral representatives in NAPC; when Ging Deles⁹ joined the Hyatt 10⁹, people who came in during her term were again replaced. We also want to think of how the sectors might be more active in the implementation of pro-poor programs.

The framework we use until now is the Kalahi¹⁰ convergence, through which we localize programs; we try to replicate national programs at the local level. The region has some level of authority for planning because the big government agencies also have planning process at the regional level. But the actual implementation happens in the lower levels of government. I want to have a mapping of where the poor are located geographically and where the pro-poor programs are being implemented. I also plan to have a mapping of sectors and where their groups are found and what their advocacies are. There are always emerging new organizations. Those who volunteered during Noynoy’s campaign, for example, are now being converted into something which is called People Power Volunteers for Reform or PPVR. These are members of the middle class who have the resources and time. We can bring in the local government and civil society into the process.

I have a maximum goal, but I don't know how much I can do to reach this maximum. Well, in the end anti-poverty work will work when there is economic growth, and there are data showing that the economic growth during the first decade of the century was poverty negative, not even neutral, but negative. Growth generated more poverty because it generated worsening disparities in income distribution. I am pushing for structural changes, which will reorient economic policies. "Sa totoo lang, hindi naman ultra radical na magsabi ka na, pwede ba tutukan muna natin ang domestic economy dahil hindi tayo makaka- sigurado sa external economic relations dahil ang gulo-gulo ng mga markets natin." (Honestly, I think one is not being radical when one says that the priority should be the domestic economy because we are not assured by our external economic relations and the markets are in a mess.)

That's not a Walden Bello¹¹ type of advocacy. But I think if Noy says that, then it will create an impact. I also want to push for generation of more revenues from taxation—taxation revenues should be part of asset reform. Taxes should be collected from the people who can afford to pay in a significant way. That's an asset reform. This is simple enough for me: rationalize tax incentives which have resulted in more corporations paying less tax. The other thing is if we want to build the domestic economy, we have to think of agriculture. There's no way we can sustain economic growth in the country if agriculture is not pushed to grow faster. And then specific to anti poverty work, 75 percent of the poor are in the rural areas. A large percentage of the populace relies on agriculture. Having seven to eight percent growth does not necessarily impact on poverty. Faster growth in agriculture will have greater impact on the anti-poverty work. These are the structural changes I am thinking about.

As I was saying earlier, I want NAPC to become a major player in the pro-poor agenda, but I can only achieve this by doing a better job in the sectors. I probably won't start the process of electing new sector representatives until February next year or so, as we are still doing a mapping of the sectors; so that when we say inclusive, we really

mean it. But I want the sectors to be strong enough in organizing so they would be the ones to push for people power within government. I cannot claim that I can unite the sectors.

I also need to beef up the capability of the staff for economic research. I need people who can do technical stuff. I hope I can achieve this before the end of the year or by first month of next year.

The money for the CCT is not unlimited, so we need to improve government's capability to generate employment. Though we already have a 2011 budget, what I'm pushing is for the infrastructure budgets of the different departments to be examined to check which projects can use labor intensive approaches in order to maximize employment selection. Often, this is not a consideration of engineers of the Department of Public Works and Highway. I have a long term goal on this, and we can begin with disasters. What we are proposing is in places hit by disasters, where economies suffer, we can give job guarantees to victims of disasters, say for instance work guarantee for 50 days.

Focus: How would you situate your vision/social reform agenda with that of the President's? Can you give us a picture of the overall anti-poverty/social reform agenda of government? What is your prognosis of the chances of realizing this agenda?

SJR: You have to think of reform as a series of phases. For instance, we called for the abolition of pork barrel because it has been a source of corruption. But we have to find alternate ways of dealing with the development financing needs of local areas, because there are studies that show that in fact the pork barrel accounts for 80 to 90 percent of the development funds of local governments. That's where Jesse Robredo's performance-based grants come in. Our first step should only be to remove the insertions, because there lies the power play. Removing the insertions is not only an important reform

in money terms. It is also an important structure reform in national legislature. Butch was looking at 'twisting' budget priorities towards pro-poor programs through the CCT, for instance, but Congress wouldn't want this, because they will not earn from this.

I think Filipino political culture in the end is one of the most important obstacles to reform. This is not just a struggle between those who want things to remain the same versus those who want change. This is also how people think about change.

Focus: Coming from civil society, what were your expectations going to government? Can you describe your experience so far?

SJR: The most difficult for me is changing my fashion sense, getting used to wearing long pants and shoes, and to be called 'sir'. The staff is finding it difficult to heed my request that they call me "Ka Joel." It helps that I am a political scientist, and I have the capacity to analyze and understand things; I am thus able to control my depression level because I understand why things are the way they are. I've also known since before people in the government. My expectations are not unrealistic; this is only as important as the level of ambition we set for ourselves. It would be easy to justify the areas where we have limitations. As for colleagues in the political movement, they are willing to listen to me. I am still thinking of organizing meetings with people and groups, and they are already coming to me, asking to meet with me. So I guess it helps that I crossed over. So far, I think this is very challenging; my level of frustration has not gone up. If worse comes to worst, I can always invite my friends to come have a drink.

I'm building a powerhouse, and many people have offered to volunteer. We still have to figure out how to get them; to mobilize them.

Endnotes

- 1** Former president, Joseph Estrada
- 2** Presidential candidate and Senator, Manny Villar
- 3** Florencio Abad, now Budget and Management secretary
- 4** Corazon Soliman, now secretary of Department of Social Welfare and Development
- 5** Former President Fidel V. Ramos
- 6** Imelda Nicolas, NAPC Secretary-General under the Gloria Macapagal Arroyo government
- 7** Secretary of the Department of Interior and Local Government (DILG)
- 8** Teresita Deles, Presidential Adviser on the Peace Process under the present government
- 9** A group of 10 cabinet members and bureau chiefs who resigned from GMA's government to protest the electoral fraud the president committed; they gathered at the Hyatt Hotel to announce their resignation
- 10** The Kalahi is an anti-poverty program aiming to empower the poor and deliver basic services to them; one of the core strategies is to create regional centers or replication of this program involving regional and/or local stakeholders
- 11** Akbayan Party-list Representative Walden Bello and Senior Analyst of Focus on the Global South

The Conditional Cash Transfer Debate and the Coalition against the Poor

BY WALDEN BELLO

Conditional Cash Transfers or CCTs have become the subject of controversy recently, with a marathon debate on it breaking out over it during the budget deliberations at the House of Representatives. The CCT program was introduced in 2008, during the administration of Gloria Macapagal-Arroyo. During the recent budget hearings, however, Arroyo, now the representative of the Second District of Pampanga, opposed the expansion of the program planned by the new administration.

The idea behind CCT's is that poor families are given a subsidy if they agree to certain conditions: keep their children in school, receive health care during and after pregnancy, and agree to have children immunized, subjected to periodic checkups, and monitored for growth. The aim is to "increase the productivity of the poor," make children more competitive in the job market when they grow up, and thus "break the intergenerational cycle of poverty."

CCTs in the Philippines

First launched in Mexico, Brazil, and Bangladesh over a decade ago, CCT programs had spread to about 23 developing countries by 2008. In Latin America alone, some 93 million people are said to be enrolled in CCT programs.

The program in the Philippines was initiated in 2008, during the food price crisis. A poor family was given a P500 monthly cash

grant for health and nutrition needs, with another P300 per child for educational expenses. Stipends were limited to three children, coming to a maximum subsidy of P1400 for each family per month.

A total of 700,000 families were reached by the program over the last two years. Now the new administration of President Benigno Aquino III plans to expand the program to cover 1.3 million more families with the help of a recent \$400 million loan from the Asian Development Bank, a commitment that comes on top of an earlier \$405 million loan by the World Bank in November 2009. The ADB and the World Bank are among the biggest backers of CCTs, with the Bank claiming that its technocrats played the key role in conceptualizing them.

Do CCTs Work?

What is the record of CCTs? According to a number of studies, they seem to be working in terms of containing poverty. In Mexico, one exhaustive study of the Progres-a-Oportunidades Program claims that it reduced the share of the population living in poverty by 16 per cent. Over 5.2 million households are enrolled in the program, which has been funded by the government, with support also coming from the World Bank and the Inter-American Development Bank.

In Brazil, the CCT Program, known as Bolsa Familia, is massive, with some 12 million families participating in it. The flagship program of the Lula government addressing the needs of the poor, it is said to have played a central role in lifting 20 million Brazilians from absolute poverty and pushing 31 million into the middle class. According to one report in the Guardian, "One of the biggest successes has been the enormous advances made to the school enrollment program. This is largely thanks to Bolsa Familia ("Family Fund"), which pays poor families if their children attend school. This fund has pushed children off the street and into the school room, while also providing the poorest with a well-needed form of income support."

Even the radical MST, the Landless Movement, has supported Bolsa, though it realizes this might have dampening effects on their members' willingness to undertake land occupations. According to one MST leader quoted in the report of a Church-linked research center, "...Given the extreme poverty in Brazil and the large numbers of people going hungry, these clientelist policies are necessary... Necessary but not sufficient."

Supporters of CCTs emphasize that reduction of gender inequality is one of the principal benefits of CCTs. According to a World Bank press release, "Women and marginalized groups in particular see benefits from CCTs, often stretching beyond the household. In Mexico, women reported increased self-confidence, awareness and control over family resources. Programs in Chile, Panama and the Dominican Republic have helped indigenous groups and the extreme poor obtain identity documents, which not only make it possible for them to enroll in CCT programs, but also provide access to other social programs, voting rights, and legal protection."

The Cons

What is my view of CCTs?

First of all, the ADB and the Bank's approach to them is that they are the principal tool to reduce poverty. Now, while they may be a useful complement to structural reform, they are not a substitute for it, and the latter is the agenda of the multilateral agencies, which are loath to address structural issues.

Second, CCTs have a palliative intent, that is, they seek to contain the social damage that is being created by the neoliberal macroeconomic policies pushed by the Bank and the ADB. In this regard, I would say of CCTs what I wrote regarding microlending a few years ago: "Structural adjustment programs promoting trade liberalization, deregulation, and privatization have brought greater poverty and inequality to most parts of the developing world..."

Many of the same institutions that pushed and are continuing to push these failed macro programs, like the World Bank, are often the same institutions pushing microcredit programs. Viewed broadly, microcredit can be seen as a safety net for millions of people destabilized by the large-scale macro-failures engendered by structural adjustment.” CCTs have the same thrust as micro-lending: damage control at the microeconomic level.

Let us be clear therefore: CCTs are about poverty containment rather than poverty reduction.

The Pros

Does this then mean that there is no place for CCTs in the anti-poverty arsenal of a developing country like the Philippines? Here is where I part ways with some of the more doctrinaire critics of conditional cash transfers. I would deploy them here for three big reasons.

First, poverty is so pervasive and the combination of runaway corruption and neoliberal policies under the nine-year reign of the previous administration led to so much increase in poverty that any tool to contain its further spread must be utilized. I agree with the comment of the MST leader on the Bolsa Familia cited earlier: given the large and increasing numbers of people going hungry, CCTs have a critical role to play, though I would not go as far as saying they are “necessary.”

Second, under the Millennium Development Goals (MDG) covenant, the Philippines agreed to reduce its poverty rate by half, to 15 per cent of the population by 2015. This covenant may not be legally binding but it has now become morally binding. Thanks to Arroyo and neoliberal policies, we will probably not reach this target by 2015, but we are expected to at least show significant progress by the international community. CCTs can be useful in this enterprise.

Third, CCTs buy time for structural reforms to kick in. The key measures to reduce poverty are reversing trade liberalization, a moratorium on foreign debt payments, and effective agrarian reform. Progressives need some time to win the battle to win approval for these policies in the administration coalition, and after that, we need more time before the poverty-reduction impacts of these far-reaching reforms kick in. Thus I would see CCTs as a stopgap measure, to keep millions above the water line until reforms show results.

The Critics' Arguments

The opponents of CCT in the Philippines have attacked it on a number of grounds: that CCTs are a “dole-out”; that the vast amounts of resources allocated to the program would open it up to corruption; and that the World Bank and ADB would subvert the program along neoliberal lines.

The dole-out argument is based on a deliberate misunderstanding of the way the program works, which is its use of conditionalities, like keeping children in school to provide them with much needed skills, in return for providing cash support for families.

The CCTs as inducement-for-corruption charge has some validity, but it can be addressed, not by throwing out the baby with the bathwater, which is what Arroyo wants, but by the institutionalization of tight controls, which can be done, as proven by the experience of Bolsa in Brazil and Progresa in Mexico. Under a corrupt regime like the Arroyo presidency, the vast sums of money involved would definitely create corruption. While the Aquino administration, which ran on an anti-corruption, anti-poverty agenda, cannot promise a 100 per cent elimination of corruption, it will definitely substantially reduce it, and it will certainly make sure corruption does not infect its flagship program.

As for the ADB and the World Bank having their own agenda with CCTs, this is to be expected. But one does not run away from the devil. One outsmarts and outmaneuvers it. And the main way to control and minimize the influence of the Bank and the ADB is by firmly limiting their role to providing monetary assistance and keeping their hands off the design of the program and its implementation.

One of the ways to ensure design and implementation along lines that would reduce the potential for irregularities and foreign interference would be to set up a Special Oversight Committee of the CCT in Congress. Reps. Bernadette Herrera, Kaka Bagao, and I proposed the formation of such a committee during the House budget deliberations. Over 100 House members signed the resolution, and the House leadership has agreed to set up the proposed committee.

CCTs and the Movement for Social Protection

But even more important, the design and implementation of the program must involve the active participation of civil society and the grassroots urban and rural communities. CCTs must be democratically implemented, not bureaucratically managed. This is the challenge that the Department of Social Welfare and Development (DSWD) must take up, and we must hold its feet to the fire to ensure its compliance.

Indeed, as shown in Brazil, CCT's can be an important weapon in empowering the poor. The could be, not a barrier, but a step forward in the effort to create a base for a movement for "transformative social protection," one that sees the right to be free of poverty as a basic social right, the fulfillment of which must be the basic goal of economic and social policy.

But Where are the Critics of CCTs Really Coming From?

My sense is that the opponents of CCT may be categorized into the following:

- those who oppose it for partisan political gains, such as Arroyo, who is now critical of a program begun under her administration out of sheer opportunism;
- traditional politicians, who are worried that the CCT program will destroy the ties of patronage politics that serve as their main form of control over the urban and rural poor;
- the extreme left, who are afraid that the reform coalition now in government could use the program to create a mass base that would become relatively impermeable to their ultra-left politics;
- the middle class, who are particularly susceptible to the charge that CCTs are a “dole-out.”

Not being able to come in touch with the poor except at arms’ length, the middle class in most developing countries often fail to appreciate how closed the channels of social mobility are to the vast majority of the population. The Philippine middle class is no different. They are unaware of the initial class advantages they possess that have allowed them to “make it” and often cannot see why the poor cannot also make it if they were able to make it. Only people who really do not understand the lives of the poor would make the criticism that the CCT would allegedly “make men lazy because they know their wives would have a monthly dole from government. “

Countering GMA’s Coalition against the Poor

The truth is that for poor households, there is never enough, and men and women work at multiple jobs to make ends meet. Middle class Filipinos ought to keep their subconscious class biases in check and absorb the fact that, to use Ernest Hemingway’s (and F. Scott Fitzgerald’s) oft quoted line about the rich, “the poor are

different from you and me.” What is a wasteful handout for the middle class is a necessity for vast majority of our compatriots living in poverty.

Middle-class Filipinos cannot be complicit in perpetuating them in this awful condition owing to class insensitivity—the kind that is on display when the chattering classes deride CCTs unthinkingly as “dole-outs.”

They must not allow themselves to be unwittingly baited into the anti-poor coalition being constructed and led by Gloria Macapagal-Arroyo.

Conditional Cash Transfers and Corruption

BY DR. PROSPERO E. DE VERA

Ten years ago, world leaders in New York signed the Millennium Development Goals and promised to build a more prosperous, just and peaceful world.

The promise has clearly not been achieved. The review of the MDG Country Reports, including those of the Philippines, has revealed some successes, and also many problems. As a result, an MDG Acceleration Framework, defined by the UN as a “systematic way to identifying bottlenecks and possible high impact solutions, leading to a concrete plan of action for government” has now been developed to accelerate the realization of specific MDG Goals.

Two social protection programs—social security and social assistance—are now considered as the most critical interventions that can accelerate the achievement of the MDGs by 2015. Social assistance, through the conditional cash transfers (CCT), has thus become vogue in many developing countries eager to placate their suffering poor and at the same time claim MDG success.

It is in this context that I listened intently to the presentations of UN Special Rapporteur on Extreme Poverty Magdalena Sepulveda and Christian Gruenber of the International Council on Human Rights Policy in the panel “Setting Anti-Corruption Agenda for MDGs: Challenges and Opportunities” in the on-going 14th International Anti-Corruption Conference in Bangkok, Thailand.

Since evaluation of CCT programs in developing countries are either few or none, I was particularly interested in finding out whether

former President Arroyo's much maligned CCT measured up to international standards, and whether President Aquino's dramatic expansion of CCT beneficiaries from 1M to 2.5M households can actually work.

Sepulveda echoed many of the arguments being used by CCT supporters in the Philippines. That giving cash to parents for keeping their children in school and improving their own health is an effective intervention to achieve universal primary education (MDG Goal 2), reduce child mortality (MDG Goal 4), and improve maternal mortality (MDG Goal 5).

She also agreed with the critics of the program that poorly designed and implemented CCT programs open vast opportunities for corruption, and fighting corruption must go hand-in-hand with CCT and MDG interventions.

Sepulveda also pointed out that CCT's work only when the education and health infrastructure are available in poor communities. Otherwise, the "conditions" of the cash transfer can't be met and become an added punishment for poor people.

Third, CCTs work best if access to information and transparency are imbedded in the program. Information must be available and accessible - on who will be implementing the program at the national and local levels, who are the beneficiaries, the criteria for their selection – not only to policymakers and the general public but to local communities.

Information access is important, and difficult, because the poor (particularly marginalized groups like indigenous peoples) often have no access to information. The information has to be adapted to their needs, must be in a language that they understand, and must be gender-aware.

Fourth, a clear complaint mechanism must be established at all

levels to address questions of the “included” and “excluded” poor households and to report the behaviour of authorities. Finally, Sepulveda asserted that implementation and monitoring systems must ensure the participation of the beneficiaries.

Gruenber adds that since human rights and human development are the main pillars of the UN Millennium Declaration, a monitoring system where women and the youth are involved in real time is required. This monitoring system, adds Gruenber, should be jointly owned by government and the communities and be technology based so complaints can be received and acted upon in real time.

Were these necessary requirements present in the Arroyo CCT program? I don't think so. Are these requirements for program success present in President Aquino's billion-peso CCT program? And if not, can these be put in place in time to improve implementation?

Maybe the CCT supporters can take a cure from Sepulveda who warned that the fixation of many developing countries to copy and expand their CCT programs simply because others are doing must be stopped at all cost.

Or maybe, they should just go slower and do a serious evaluation of the program first before promising the poor that we can bring them out of poverty through CCT.

*This was first posted by Professor De Vera's blog (UP-National College of Public Administration and Government) at <http://www.popoydevera.blogspot.com/>

From PPP to CCT: Where is the Country Headed to?

BY RENE E. OFRENEO, PH. D.

Eight months after Benigno Aquino's landslide victory, many in the civil society movement and the ordinary people who voted for Aquino are puzzled where the country is really headed to. The Aquino Administration has chalked up mixed governance results in its first semester in office. There are great advances on the anti-corruption front. The President, Cabinet and Congress are all busy exposing the abuses and excesses of the previous GMA Administration such as the fat bonuses in the government-owned-and-controlled corporations (GOCCs) and the unimaginable multi-million "pabaon" in the military establishment.

And yet, on the economic and social front, changes are slow in coming. In fact, the reality is slowly sinking—that prospects for a better life under the Aquino watch are looking more and more dismal. Thus, no one contradicted Bishop Nereo Odchimar of Tandag, the president of the Catholic Bishop Conference of the Philippines (CBCP), when in his New Year's message, he gave a very bleak and frank forecast for 2011:

"What await the majority of Filipinos in the year ahead, much as we hope for the better, perhaps are still the same dehumanizing conditions of poverty, injustice, and un-peace. This indubitable reality already manifests in different circumstances of various groups of people such as: the landless farmers, jobless Filipinos, homeless urban poor, dislocated tribal groups..."

And true enough, the ordinary people were greeted in the first two months of 2011 with an avalanche of bad economic news: proposed increases in MRT-LRT fares, bus-taxi-jeepney fares, NLEX-SLEX tolls, power and water rates and in oil pump prices. These proposed and actual fare increases were followed closely by the ineluctable inflationary increases for all other commodities.

No-one is expecting President Aquino to be able to whip up miracles overnight on the economic front. The above problems cited by Bishop Ochimar have been with the country for decades.

The issue, however, is whether the President and his Cabinet have a new and credible program to arrest massive joblessness, mass hunger and mass poverty in the country—a program that can give substance to people's hopes that things eventually will become better. On massive joblessness, the National Statistics Office (NSO) data for end 2010 has the following stark figures: three million unemployed, seven million underemployed, four million unpaid family workers and 13 million working at less than 40 hours a week.

On mass hunger and poverty, the Social Weather Station's November 2010 hunger survey results said that: 3.4 million families were experiencing hunger (compared to three million in September 2009) and 9.2 million families (49 percent of the population) rating themselves poor.

Continuing *laissez faire* economics

Why the creeping and widening pessimism among civil society and the common people on the prospects for a better life under the Aquino Administration?

The answer: there is still no new and credible program to address the problems cited by Bishop Odchimar. First, the government has not introduced any major changes in the directions of economic

policy making. Second, there are no radical socio-economic reforms aimed at empowering the Filipino masses such as a swift and no-nonsense implementation of agrarian reform and an urban and housing reform for the renewal (not demolition) of urban and rural poor communities.

On economic policy directions, the new set of economic technocrats appointed by the Aquino Administration opted to continue and strengthen the “old” neo-liberal framework of economic governance that has failed the nation in the last four decades. This framework revolves around the old World Bank policy prescriptions of privatization, trade and investment liberalization, and economic deregulation (finance, industry, agriculture and services). The “new” technocrats, led by some “recycled” officials appointed to the National Economic Development Authority (NEDA), are unwilling to deviate from the simplistic free market path and steer the country towards a more balanced and pro-Filipino agro-industrial development framework as mandated by the Constitution.

In a brief meeting with the Freedom from Debt Coalition, Fair Trade Alliance and other CSOs questioning the economic directions that the country is taking under the new 2010-2016 Medium-Term Philippine Development Plan (MTPDP), NEDA Director-General Cayetano Paderanga openly dismissed the suggestion for an “industrial policy” (or industrial development targeting), which is needed to stop the continuing agro-industrial hollowing out of the economy under unbridled liberalization and globalization.

Mr. Paderanga said that industrial policy will not work for the Philippines. Apparently, he is oblivious of what the World Bank Chief Economist Justin Yifu Lin wrote in December 2010:

“One of the best-kept economic secrets was strongly reconfirmed in 2010: most countries, intentionally or not, pursue an industrial policy in one form or other. This is true not only of China, Singapore, France, and Brazil – countries usually associated with such policies – but also for the United

Kingdom, Germany, Chile, and the United States, whose industrial policies are often less explicit.”¹

As pointed out by Yifu Lin, “economic development and sustained growth are the result of continual industrial and technological change, a process that requires collaboration between the public and private sectors.” And yet, here is the NEDA head saying that the private sector is the main engine of growth, even falsely citing the Constitution on this². Paderanga seems also oblivious of the failure of the laissez faire no-industrial-policy economics he and his neo-liberal colleagues have been espousing in the last four decades, with disastrous results for the country.

Recycling and Expanding PPP, CCT and Debtor Programs

What are NEDA’s “pro-poor” programs? The two most prominent programs in the “new” MTPDP of NEDA³ are those that the Aquino government have been advertising in the last seven months—“public-private partnership” (PPP) and “conditional cash transfer” (CCT). Both are not new since both were part of the GMA neo-liberal economic blueprint. What is new is that the Aquino administration has not only maintained them but has also made them into flagship programs.

A third major program, also an old one, must be added here: the continuing reliance of the country on domestic and foreign borrowings to finance its budget and the annual debt service (principal amortization and interest), which eats up at least a third of the national budget.

Based on the various pronouncements of the government technocrats, the logic behind these three interrelated programs is seductively simple:

- To grow the economy, at seven percent or so a year, the PPP infra projects shall serve as the economy’s spark plug;

- To help those untouched by the PPP-led growth process, the CCT or the 4Ps (Pantawid Familyang Pilipino Program) shall provide a safety net of P1,400 a month cash transfer to each CCT-qualified family, and;
- To maintain government spending, especially the budget for the CCT and other “pro-poor” services, the government shall continue borrowing from the domestic and foreign sources.

Selling the PPP to the Business Community and the Public

Apparently, the economic technocrats succeeded in convincing President Aquino on the supposedly miraculous impact of the PPP right at the start of his presidency. Thus, in his first State-of-the-Nation Address on July 26, 2010, the President singled out PPP as the magic wand that is expected to solve the nation’s ills. He thundered:

“Napakarami po ng ating pangangailangan: mula sa edukasyon, imprastruktura, pangkalusugan, pangangailangan ng militar at kapulisan, at marami pang iba. Hindi kakasya ang pondo para mapunan ang lahat ng ito...Ito ang magiging solusyon: mga Public-Private Partnerships.”

But what are PPP projects? These are national infrastructure projects—physical (e.g., roads, airports, railways, ports, etc.) and social (e.g., education, health, etc.)—that no society can do without if it seeks to grow and advance. But who will build and operate these projects? Under the PPP concept, the first “P” or the government does the brokering job, identifying needed infrastructure projects and enticing the second “P” or the “private sector” to invest and build these projects. The latter, of course, will come in only for a profit, that is if the government assures them of “returns on investments” under various operational schemes, the most popular of which is the “build-operate-transfer” (BOT) such as what the previous government did to build the NLEX and SLEX or with the power generation program of the independent power producers (IPPs).

In short, PPP is an expansion of the privatization program, which was initially limited (in the 1980s) to the privatization of GOCCs but which now includes the privatization of the government's infrastructure program and even the delivery of basic social services. The last "P" or "partnership" is business partnership between the government and the private sector; and yet, NEDA has placed the PPP program under the generic label "Social Contract".

It is in this context that one readily understands why the highlight of the first foreign trip of President Aquino was the marketing of PPPs to the American business community. In his September 23, 2010 speech before the powerful US Council on Foreign Relations in New York, he spoke glowingly about the possible participation of American big business in the Philippine economy through the PPPs in this wise:

"Ladies and gentlemen, I came here to declare that the Philippines is open for business under new management.

"Today, I invite you to take part in the transformation of the Philippines..."

"The forging of Private-Public Partnerships or PPPs would be our main engine in revving up our economy. We will enlist the participation of the private sector—both domestic and foreign—in big ticket capital intensive infrastructure projects, while ensuring reasonable returns".⁴

The Aquino Administration proudly proclaimed the following "bacons" from the US visit:

- pledges of new American foreign investments amounting to US\$2.4 billion, with the American Energy Services (AES) planning to invest US\$1 billion to expand the Masinloc coal plant in Zambales under the PPP arrangement, and
- participation of American business groups in the PPP pledging program being organized by the Philippine government in November 2010.

The Aquino Administration also announced a separate “bacon”—US \$434 million grant—under the Millennium Challenge. This is a US reward for the Philippines on the latter’s anti-corruption drive and commitment to a US-supported population program.

Since his SONA in July 2010, the Aquino Administration has been busy marketing the PPPs to foreign and local investors in various economic forums at home and overseas. It announced the establishment of a PPP Center under NEDA, supplanting the old BOT Center, to simplify and speed up agreements for PPP projects—maximum of six months for government-solicited PPP projects and maximum of nine months for “unsolicited” projects identified and proposed by the private sector. In November last year, it organized a two-day “international conference” on PPPs, where the government reiterated old fiscal incentives and announced additional incentives to PPP investors, namely:

- protection from “regulatory risk”, e.g., court orders or decisions by regulatory agencies preventing the collection of fees or tariffs at contractually agreed levels;
- a predictable and sustainable budgeting and payment system to guarantee payments for PPPs, and;
- varied support measures for PPP development, e.g., right-of-way acquisitions.

The government also announced the support of the World Bank, ADB and other international finance institutions for the PPPs and the establishment of a Philippine Infrastructure Development Fund to ensure a long-term fund structure to sustain PPPs. In the conference, the government further announced that the government is prioritizing in 2011 some 10 infrastructure projects with estimated total investments of over \$3.1 billion: four light rail transit (LRT) projects for Metro Manila (\$2.18 billion), two expressway projects in Luzon (\$497 million) and four airport projects around the country (\$442.22 million). A wide range of additional projects are also being finalized to cover agriculture, fisheries, food processing, health, education, water supply, tourism, business parks and commercial complexes.

Meanwhile, NEDA has tantalizing figures on PPPs to showcase the expected impact on the economy: a GDP growth rate of seven to eight percent annually in 2011-16 and P740 billion for infrastructure projects to be generated from PPP investors.

Downsides of PPPs Ignored

As pointed out, the PPP program, which now occupies the centerstage of the three-decade-old privatization program, is not new. Hence, the people and the government should have a good basis for assessing gains from the privatization/PPP program, particularly in the delivery of expected or promised benefits to society and the economy, such as less corruption in infrastructure development, lower prices for consumers, greater economic efficiency and higher competitiveness for the country.

Unfortunately, the economic technocrats have not made an objective assessment of the privatization/PPP program. They are silent on the downsides. Yet there have been studies documenting these. For example, the biggest cases of corruption in the country in the last 10 years have all arisen from PPP/privatization projects, e.g., Terminal 3 Piatco project, NBN-ZTE broadband project, Northrail-Southernrail projects and the Amari-PEA scandal, all of which had been subjected to Senate inquiry. One of the most foul-smelling is the Terminal 3 Piatco project, which exposed the country to international embarrassment and which is still incomplete and operating partially after eight years from its target full opening.

In the power sector, thanks to PPPs/privatization projects, the Philippines today has the highest electricity cost in Asia, making it an expensive place to do business and farming. When the so-called “independent power producers” or IPPs were given guaranteed returns even for power not used by the grids as well as power not generated, NAPOCOR’s debt swelled by over P200 billion. With the full privatization of the power sector (from power generation to transmission and distribution) under the EPIRA law, NAPOCOR’s

total debt shot up to almost a trillion pesos. Violeta Corral of the Public Sector International Research Unit (PSIRU), in her study of the EPIRA privatization program, made this conclusion:

*“no effective solution to the problems, old and new, that beset the country’s power industry—e.g., electricity prices continue to soar making the cost of electricity among the highest in Asia; new middlemen, e.g., in guise of IPPAs, will further jack up prices; NPC/government continues to provide guarantees to new players, e.g., guaranteed markets, fuel subsidies; crippling debt burden; a new era of ‘cross-ownership’ risking ‘sweetheart deals’ among distribution utilities and sister IPPs; ‘uncompetitive market behavior’ in the new electricity market; dismantling of NPC...increasing exposure of Japanese, Korean, and Chinese state-run utilities in the strategic power sector; violation of trade union rights and unresolved labor disputes...”*⁵

As to the water privatization, studies by the Freedom from Debt Coalition show contrary results from the privatization projections: rising instead of declining water prices, growing instead of decreasing non-water revenue and continuing non-improvement in water services in the marginalized areas. As to the PPPs for the NLEX-SLEX and the MRT-LRT, the regular upward fare adjustments, justified by the BOT operators as necessary to recover investment costs, is a clear reminder that the private sector is in the business of making profits first and foremost and not of servicing the public.

Of course, not all privatization is bad. The re-privatization of corporations foreclosed by the government banks, Philippine National Bank and Development Bank of the Philippines, as a result of the crisis of the 1980s is obviously the most logical thing to do. The privatization of Philippine Airlines (PAL) and the liberalization of the domestic aviation industry have positive competition outcomes. Similarly, the privatization of the Philippine Long Distance and Telephone (PLDT) Company and the deregulation of the telecommunication industry have led to a more competitive

telecommunication sector. But one must hasten to add: the PAL and PLDT are straightforward privatization projects, with the private sector buying these assets and operating them as their own businesses; they were not BOT/PPP projects built or operated by the private sector for the government.

The point, however, is that the government, NEDA in particular, continues to market the virtues of PPP/privatization program, which by experienced have often been imagined, by ignoring its downsides and the great risks facing the country such as higher indebtedness, more corruption, higher prices, less efficiency and big business control over big areas of the economy. Above all, a PPP-dependent economic development framework is nothing but a resurrection in new form of the old trickle-down economics, which usually benefits only a few as the growth dividends do not cascade downward easily and equitably.

CCT to the Rescue of the Downtrodden?

The realities under a trickle-down PPP-led growth process are probably the reason why the government has expanded the Conditional Cash Transfer program, which was originally conceived and launched during the latter years of the GMA administration. NEDA itself admitted the need for a safety net for those who will miss out on the PPPs' job-creating and growth impact.

After strident budgetary debates, the Aquino Administration succeeded in securing Congressional approval for the allocation of a whopping P21 billion for 2011 for the CCT. This is supplemented by loans from the World Bank and the ADB, each of which has allocated \$400 million for the CCT program.

The target number of CCT beneficiaries for 2011 is 2.3 million families. By 2016, this number is supposed to reach 4.6 million, or almost five times the 2010 target of a million. The cash transfer of a maximum of P1,400 monthly per family with three children is

“conditional” on the following: ensuring children attendance in school and regular check-ups for the mother in public health centers.

What is wrong in providing the poorest of the poor with a monthly cash transfer of P1,400 and requiring their children to go to school and their mothers to go to health clinics?

There is a lot of debate among reformers and anti-reformers within and outside the government on this. However, it is clear that the CCT, although justified by the proponents in the name of “human resources development” cannot substitute for job creation nor can the measly P1,400 monthly meet the barest needs of a family. For basic daily needs, a family of five needs a minimum of P750 daily in Metro Manila or P19,000 a month. Needless to say, the root causes of poverty and hunger is lack of decent jobs and incomes.

The government economists and the World Bank have been citing the successful role of the cash transfer program in improving the lives of the poor in Brazil. Some caution is in order here. The so-called success of CCT in lifting up the poor in Brazil, under the *Bolsa Familia*, should be understood in the context of the multi-pronged program crafted by Brazil to address poverty. As one author had put it, the cash transfers in Brazil “have been offered within the context of other government efforts to raise the floor under poor households, through a doubled minimum wage, greatly expanded pension programmes and strengthened enforcement of basic labor laws.”⁶

The fact is Lula’s ruling Workers’ party exerted great efforts in strengthening social protection and creating jobs, mostly formal sector jobs, for the poor in both the urban and rural areas. This it did partly through a program of strengthening and expanding Brazilian industries (not giving them away under mindless economic liberalization) to produce made-in-Brazil goods. Thus, the cash transfer of about US\$61 dollars per family, which was twice the Philippine cash transfer of P1,400 effectively augmented the

total family income in a substantial way. In turn, the expanded purchasing power of the poor families helped sustain the vibrancy of the Brazilian economy by boosting the overall demand for Brazilian goods and services.

In this context, the ideal therefore is for the CCT to be transformed into a component of a bigger and more comprehensive pro-poor program focused primarily on a) job creation such as the re-building of domestic industry and agriculture and emergency and livelihood program, b) asset reform such as the completion of agrarian reform and implementation of urban and housing reform, and c) adoption of universal social protection, particularly health insurance for all as what Thailand had successfully done. By itself, CCT cannot be a reliable program for poverty reduction, or even poverty alleviation.

The biggest problem for the poor in the Philippines is getting regular quality jobs. So why not pour all available budgetary resources on job-creating projects with a large multiplier effect on the economy? For example, with the risks facing the country under climate change, it has no choice but to adopt adaptation and mitigation measures needed to reduce such risks. Such measures, applied on a barangay-by-barangay basis nationwide, through various labor-intensive projects such as building of dikes, rebuilding of canals and *esteros*, concreting of pathways, development of multi-purpose community centers can create millions of jobs. They are also a good investment for the economic and environmental sustainability for the country

The Third Economic ‘Pillar’: More Borrowings at Home and Overseas

The third economic pillar in the Aquino Administration’s economic governance is borrowing, that is, resorting to more borrowing in order to finance the CCT, PPP guarantees, other requirements of the government and, yes, service maturing debt and interest obligations. Upon assumption of office, it simply continued issuing

treasury bills, amounting to several billions of pesos daily. For the second half of 2010, the government also managed to issue US\$1 billion worth of global peso bonds; it also proudly reported that it has re-scheduled some maturing short-term debt into US\$3.5 billion long-term bonds.

Likewise, the Aquino government proudly proclaimed that it successfully passed the 2011 National Budget amounting to P1.7 trillion. Accordingly, this was the first budget in years that was not a re-enactment of the old one, which meant the Aquino Administration used its huge political capital in persuading the House and the Senate to pass the budget as proposed *en toto*, including the huge allocations for the controversial CCT.

Significantly, there were very little murmurs of dissent on the decision of President Aquino to reject the proposed ceiling on debt servicing and domestic and foreign borrowings, as inserted by some legislators. For 2011, the government is targeting a total of P772.9 billion of new loans, almost a third of which (P209 billion) will come from foreign creditors. Not yet included in the debt arithmetic is a total of P117.5 billion that will come from “offshore debt sources”.

Clearly, the Aquino Administration is not breaking the nation’s debt dependence but continuing its status as a model “debtor nation”.

The problem is where will this continued habit of borrowing lead to? There is no need to look for a crystal ball to find the answers to this question. Since the 1960s, the country has been caught in a deadly vicious cycle of soaring debts, stiffer policy conditions from the IMF-World Bank group, faltering economy, deepening poverty, mounting debt burden, growing fiscal deficits and more borrowings, with the cycle spiralling at a higher and higher level. In a way, this debt peonage, bred by neo-liberal economic thinking, is the biggest form of corruption gnawing at the economic and social fiber of the country for nearly half a century.

Major, Major Questions and Challenges

From the foregoing, it is abundantly clear that large segments of the civil society movement in the Philippines are caught in a difficult dilemma—on one hand, they voted for a popular president who is pursuing an honest-to-goodness anti-corruption drive, and yet, on the other, the administration appointed new economic technocrats who are prescribing the same old failed solutions to poverty reduction and job creation. Thus, one of the biggest challenges facing the civil society movement is how to convince the Aquino government to get out of the *lumang landas* (old path) of growth promotion. This requires a break from the past.

So the questions are: Can the Aquino Administration confront its own economic technocrats and challenge them to change the directions of economic policy? Can the Administration remind them about the Constitutional mandate to the State for the development of a fair and balanced economy effectively controlled by Filipinos? Can the government get out of the trickle-down economic framework, which treats people as objects of development, not as active participants in a dynamic national economy? Can the Administration summon the will to break from the path of indebtedness and privatization/PPP dependence? Can it say no to unbridled liberalization and one-sided trading arrangements which some technocrats are pushing without the benefit of people's consultation?

Can the Administration take a stronger and unequivocal stand on socio-economic reforms such as land reform implementation in the landed estates of the rich and powerful and a halt on the mad scramble for lands and resources by the big realtors, resort developers and mining companies in favour of the fair and judicious use of the country's land and natural resources? Is the government on the side of the landless farmers, workers, indigenous people, OFWs and urban poor, or is it more on the side of the PPP investors, big business and anti-reform elite?

These are not easy questions and probably painful for the Aquino Administration to answer. But they go deep into the heart of what this nation can become under an Aquino presidency in the next five years.

Endnotes

- 1 www.project-syndicate.org viewed in February 2011
- 2 Section 1, Article XII of the Constitution, unequivocally provides for the following guidelines on the economy:

“The goals of the national economy are a more equitable distribution of opportunities, income and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged.

“The State shall promote industrialization and full employment based on sound agriculture development and agrarian reform, through industries that make full and efficient use of human and natural resources, and which are competitive in both domestic and foreign markets. However, the State shall protect Filipino enterprises against unfair foreign competition and trade practices.

“In the pursuit of these goals, all sectors of the economy and all regions of the country shall be given optimum opportunity to develop. Private enterprises, including corporations, cooperatives, and similar collective organizations, shall be encouraged to broaden the base of their ownership.”
- 3 NEDA is rushing the completion of the 2010-2016 MTPDP, for submission to the executive and legislative branches this February. This is way past the original December 2010 deadline of NEDA. However, the shape of the new 2010-2016 MTPDP has no new surprises for it appears to be a recycled 2004-2010 MTPDP of the GMA Administration.
- 4 “The Philippines: A New Agenda for Change”, Remarks of President Aquino, CFR Auditorium, New York City
- 5 Violeta Corral, July 2009, “The NAPOCOR Privatization: Eight Years After EPIRA”, downloadable at www.psiu.org
- 6 Seidman, Gay, “Brazil’s ‘pro-poor’ strategies: what South Africa could learn”, Transformation, January 2010, downloadable in http://findarticles.com/p/articles/mi_7080/is_72-73/ai_n54561807/pg_11/?tag=content;col1

Social Watch Philippines: A Position Paper

The Pantawid Pamilyang Pilipino Program

The Pantawid Pamilya Pilipino Program (4Ps) was launched in late 2007, as the Philippine government's version of the conditional cash transfer. In exchange for the provision of cash grants for education and health activities, poor families need to comply with a set of conditionalities such as ensuring school attendance of children, regular visits to health centers for immunization, preventive health check-ups and maternal care. The program runs for five years for household-beneficiaries.

We believe that the 4Ps is an important relief measure. The usefulness of such a measure needs to be underscored in light of the fact that many poor Filipinos are desperate to survive these trying times. Social Watch-Philippines has recently conducted a preliminary study and survey of 4Ps beneficiaries and has found out that for many beneficiaries, this is the first time that they have experienced direct support from government on a relatively sustained basis and are therefore grateful for the support. Furthermore, investments in education and health improve the chances of children for upward social and economic mobility.

Nevertheless, we are concerned with the current stance of government on the 4Ps which seems to treat the 4Ps as a magic bullet for poverty reduction. Our concern is based on the following reasons:

1. The 4Ps does not address all the dimensions of poverty and vulnerability. The 4Ps program is patently a poverty reduction

program designed to address issues on maternal mortality and child mortality (the latter mostly through the provision of vaccines and cash), as well as keep children in school for five years. Other vulnerable groups like poor senior citizens, the chronically sick, people with disabilities, the millions of out-of-school, and functionally illiterate or the unemployed poor are not covered by the program. As such, other anti-poverty programs designed to address the other dimensions of poverty must likewise be prioritized.

For example, tuberculosis remains one of the leading causes of morbidity and mortality among the Filipino poor[1] and yet, the budget for the Indigents' Program under the Philippine Health Insurance Program was reduced by thirty-three percent for 2011. Furthermore, we note that twenty percent of school age children and youth are out of school, and yet they get less than one percent of the education budget[2]. While the 4Ps is designed to attract the out-of-school to re-enroll, studies conducted locally and around the world have shown that a significant majority of the out-of-school will never return to school even with attractive packages. To continue, the housing budget was slashed by half for 2011 (from P11 B in 2010 to P5.6 B), a move that will certainly negatively impact on the rising number of informal settlers in dire need of mass housing. Finally, the majority of the poor are in the rural areas and yet we note that public investment in agriculture, fisheries and forestry remains low. Much of the rationale used by government to justify low and or decreasing levels of public spending in these areas is to be able to free up and provide additional sources for the 4Ps, a policy position which we disagree with.

We believe the government should not reduce public spending for other pro-poor programs and re-channel the freed up resources for the 4Ps, which only address a few dimensions of poverty and vulnerability and therefore only targets a sub-set of the total number of poor.[3]

2. The success of the 4Ps, which addresses the demand side, through the provision of cash grants, requires ensuring the supply side (e.g. availability of health, education and transport facilities

and services). 4P areas are, by program definition, among the poorest. No amount of conditionalities will work if there is a lack of schools, health clinics, and means of transport in 4P areas. The fact that Philippine public investment in education[4] and health is low and has generally declined between 2000 and 2006 at both the national and local government levels does not augur well for the 4Ps meeting its stated objectives. This means that public investment in education and health must significantly increase. Stress is made on ensuring the quality of services.

3. “Thanks for the cash but we need jobs.” The Social Watch study reveals that most of the beneficiaries it surveyed expressed gratitude that with the cash grants, the health and education status of their families were improving. Nevertheless, an overwhelming majority of beneficiaries said that what would lift them out of poverty was access to regular employment. This underscores the fact that one of the most important elements in the fight against poverty is productive employment, an important component of MDG 1. In this light, Social Watch Philippines calls on the government to put quality job creation (which includes ‘green jobs’) and the protection of workers rights, including women’s rights, in the forefront of its anti-poverty agenda.

4. What works in other countries may not necessarily work here. Context matters. While conditional cash transfers (CCTs) around the world share similarities, features vary across countries, and more importantly, the economic and social policy settings in which these CCTs are embedded in, also vary. For example, Mexico’s Oportunidades, apart from education and health cash grants, are accompanied by cash transfers for food and for the elderly while in Brazil, Bolsa Familia is part of a larger economic and social protection scheme composed of ‘complementary actions’ and services to poor families. Among the significant ‘complementary actions’ are employment creation, provision of income-generating activities, and improvement of housing conditions.

While the Aquino government recognizes that the 4Ps as a 'stand alone' program will not work and has taken steps to link it to other economic programs (e.g., Kalahi-CIDDS and Self Employment Assistance-Kaunlaran or SEA-K), we believe that there is a need to refine such a strategy. For one, the highly micro-ized and project-ized nature of Kalahi-CIDDS projects has generated, at best, localized impact on poverty reduction and has not made a dent on reducing over-all poverty. Second, data has shown that SEA-K activities revolve mostly around low-value trade and commercial activities with limited impact on poverty reduction as well.

5. Community organizing and mobilization are key ingredients to people's empowerment. We believe that community organizing and mobilization should play a key role in the empowerment of household-beneficiaries. The government recognizes this as seen by its linking up the 4Ps with Kalahi-CIDDS (the latter being a community-driven development program). Based on the initial data that emerged from the Social Watch study, there is a need to ask: what is the current status and quality of community work, beyond the required parenting seminars, of which women are disproportionately represented? While one outcome of the 4Ps is the increased capacity of women to procure basic necessities, this also places more obligations and responsibilities on their shoulders[5], including increasing their workload. As such, more gender-aware interventions are needed. Furthermore, there is a need to examine how well-organized the community committees are, and what other functions these assume beyond organizing and ensuring attendance in parenting seminars.

6. Loans for what? Finally, we question borrowing US\$405 M from the World Bank and US\$400 from the ADB for the 4Ps because it not only increases our public indebtedness, which is cause for concern in itself, but more so because the government is infusing massive investment on a strategy, as it is currently conceived, that, at best, will have very limited impact on poverty reduction.

In this light, we call on government to do the following:

Increase public spending in the various pro-poor programs of government with stress on education, health, agriculture, housing, environment (e.g., see proposals of the Alternative Budget Initiative);

To come up with a comprehensive poverty reduction strategy, which includes both economic and social policy, and locate the 4Ps within this framework. Financing for the government's anti-poverty reduction strategy should flow from such a framework.

In the immediate, we call for an independent monitoring and review of the 4Ps, and to include civil society participation. Part of the review is to gauge the capacity of the Department of Social Welfare and Development (DSWD) to handle the further expansion of the 4Ps. This review should be included in the 2011 budget. Program transparency should also be ensured, including easy access for the public to relevant information on the 4Ps.

Furthermore, we call for the conduct of a comprehensive program performance audit by an independent body, and to include civil society participation, by the end of 2011, before further expansion of the 4Ps. The audit should determine whether the program as designed and implemented yields the expected outputs and outcomes.

We know that the causes of poverty are complex and interlocking and based on the evidence of other country experiences, so effectively combating it will require a combination of economic and social development policies that require sustained economic growth, productive employment, asset reform and comprehensive social policies which includes universal social protection measures.

For as long as the Aquino government does not have a strategy that provides a holistic perspective and addresses the structural constraints to poverty reduction, its anti-poverty efforts will remain short-term palliatives.

CARPER.

Hacienda Luisita.

Stock Distribution Option.

Hands-off policy on agrarian reform.

Where's the political will?

Privatization of water.

CHAPTER 4

Decommodification of water.

Water as commons.

PEOPLE'S

Defend

ASPIRATIONS

the communities from displacement.

Protect watersheds.

Alternative water service provision.

Education woes.

Is 12-year basic education the answer?

Climate Change.

Climate Justice.

Poor as climate victims?

From CARP to CARPER

BY CARMINA FLORES-OBANIL AND MARY ANN MANAHAN

The biggest challenge posed to the Aquino government in its first 100 days had been the distribution of Hacienda Luisita. For the farmers and agrarian reform advocates, this was to be P-Noy's litmus test because of his known personal interest in the Hacienda. Any action taken regarding its distribution, since the 1989 stock distribution option (SDO) was revoked by the Presidential Agrarian Reform Council in 2005, could have dictated the fate of the other haciendas awaiting distribution under the scheme.

Unfortunately, P-Noy failed one of his most important tests.

Not only had P-Noy taken hands-off stance on Hacienda Luisita by declaring that the resolution of the case was already up to the courts and "it is something subjudice," he also upheld the "compromise agreement" of Hacienda Luisita Inc. as a possible solution as long as it would not be "contrary to law".¹ Coming from the President, this remark diluted the stronger position of Office of the Solicitor General (OSG), during the Supreme Court oral argument, which insisted that land distribution as the best option.

It is not only Hacienda Luisita's distribution which might be in question now, not only because of the President's statements but also because of his government's policy decisions, particularly on the budget. The whole agrarian reform program is now imperiled by budget cuts—a time when it sorely needs funds to swiftly and decisively complete land distribution by 2015. From the proposed P20 billion, P4 billion was slashed by the Aquino administration, prompting one of the principal authors of the CARPER law, Rep. Edcel Lagman, to comment that the "cut indicates that agrarian reform is not one of the

Aquino government's priorities."² The budget cut has far reaching consequences for new and old agrarian reform beneficiaries since a big portion of what had been removed was ostensibly earmarked for credit and initial capitalization, a provision under CARPER.

Apart from the core program—distribution—the other things in the list of to-dos that need immediate actions are the database listing of the lands that must be distributed in the next four years, the convening of the Congressional Oversight Committee on Agrarian Reform (COCAR) which is tasked to oversee and ensure the effective and efficient implementation of CARPER in the next five years, and the Department of Agrarian Reform's (DAR) reorganization, one of the two agencies tasked to see the program through (the other one being the Department of Environment and Natural Resources).

A Five-year Deadline for Land Distribution

The Comprehensive Agrarian Reform Program Extension with Reforms (CARPER) or Republic Act 9700, which was enacted last August 2009, provided government the much-needed time extension for implementing agrarian reform. However, the new law was very specific that the land acquisition and distribution (LAD) component of the program must be completed by June 30, 2014. It provided an exact schedule or “phasing” for LAD, specifically for DAR, the main agency tasked to immediately distribute large private agricultural landholdings (see Table 1).

Table 1
Schedule of Distribution under CARPER

Phasing	Land Category
First Phase – Start on July 1, 2009 and ends on June 30, 2012	<ul style="list-style-type: none"> • All landholdings 50 has and above (which have been issued notice of coverage by December 10, 2008) • All lands under VLT (voluntary land transfer) and VOS (voluntary offer to sell)
Second Phase – Starts on July 1, 2012 and ends on June 30, 2014	<ul style="list-style-type: none"> • All landholdings 24 has and above (without notice of coverage) • All landholdings below 24 but above 10 hectares (which have been issued notice of coverage by December 10, 2008)
Third Phase – Starts on July 1, 2013 and ends on June 30, 2014 (will start only after 90% of the two previous phases have been achieved)	<ul style="list-style-type: none"> • All lands below 10 hectares (in excess of the allowed 5-hectare retention)
To be covered anytime and is not subject of any phasing schedule	<ul style="list-style-type: none"> • Public agricultural lands

Source: Republic Act 9700

What is lacking in the phasing is the accountability mechanism should DAR fail to deliver, including measures that can be undertaken against the delaying tactics and resistance of landowners. CARPER has a section providing prohibitions and stiffer penalties for DAR and for resisting landowners. However, invoking this provision would entail filing of cases and tedious legal battles, of which many peasant organizations have limited, or in some cases no capacity at all to undertake. The burden now rests on the tenacity and ability

of organized farmers, peoples' organizations, civil society and advocates pushing for the immediate and effective implementation of CARPER. The Congressional Oversight Committee on Agrarian Reform (COCAR) could be the body to push DAR to effectively perform and be accountable.

Given the lackluster performance of DAR a year after CARPER was signed in August 2009 (and its historical performance as far as CARP was concerned), the prospects for completing the LAD component of the program seem grim. As of June 2009, DAR reported that it was only able to distribute 56,495 hectares of the 1,044,555 hectares of their remaining target.³

This is a measly five percent of the total target that needs to be distributed in the next five years or a mere 27 percent if the target (at least 208, 911 hectares should be distributed per year) will be divided equally into five years.⁴

In the same report, DAR said it was also able to implement leasehold in 12,296 hectares of agricultural lands that secured the tenure status of 5,740 agrarian reform beneficiaries (ARBs) in landowners' retained areas and in areas which have yet to be covered under the previous CARP. The total area covered under leasehold is 1.698 million hectares, benefiting 1.196 million tenant-farmers. DAR was also able to install 5,808 uninstalled ARBs in 6,954 hectares of agricultural lands. While these figures are a welcome development, the capacity of DAR to install beneficiaries remains under question. The lack of a complete picture of the total number of ARBs who await installment creates insecurity among potential beneficiaries as well as uncertainty about DAR's capability to complete the gaps in distribution.

Private agricultural lands are deemed the 'meat' of the program, with the balance comprising the most contested landholdings in the Visayas and Mindanao. Implementation of the program on Negros Island is already a big challenge. Add to this the difficulty of implementing the law in agrarian hotspots such as Bicol region and

Western Visayas, covering almost 34 percent of the balance in lands that are for distribution. These are areas where landlord resistance had been most severe and marked with intense agrarian-related violence and conflicts. With the next five years providing a narrow window of opportunity for reforms, the ability and political will of the new secretary of DAR, Virgilio delos Reyes, will be put to test.

Implementing Other Progressive Provisions

The delay in the crafting of the implementing rules and regulations (IRRs) for CARPER had been another setback in its implementation, in particular of its progressive provisions. There have been four IRRs issued so far, which were only finalized in November 2009, making the implementation more routine rather than based on the progressive provisions of the law. The IRRs, which provide policy and operational directions on how certain projects will be implemented, include:

- Administrative Order No. 2, series of 2009 entitled “Rules and Procedures governing the Acquisition and Distribution of agricultural lands under RA 6657 as amended by RA 9700;”
- AO 3, Series of 2009 - Rules and Procedures governing the Cancellation of Registered Certificate of Land Ownership Awards (CLOAs), Emancipation Patents (EPs), and other titles issued under any Agrarian Reform Program;
- AO 4, Series of 2009 - Rules and Regulations implementing Section 19 of RA 9700 (Jurisdiction on Referral of Agrarian Dispute), and;
- AO 5, Series of 2009 - Implementing Rules and Regulations on Support Services Delivery under Republic Act No. 9700.

Unfortunately, many of those involved in drafting the 2009 law, who were more knowledgeable of the context for the progressive provisions, were not involved or were marginalized in the process of crafting the IRRs. This marginalization resulted in misplaced interpretations of the provisions. For example, the provision on support services in CARPER provides: (1) an initial capital which is a subsidy for new agrarian reform beneficiaries and (2) socialized credit for all agrarian

reform beneficiaries. However, debates occurred during the crafting of the IRR on Support Services because Undersecretary for Support Services Rosalinda Bistoyong interpreted that initial capital was not a subsidy despite the clear stipulation under the law that it should be. It took several discussions, including the explanation of CARPER champions Rep. Edcel Lagman and former Rep. Risa Hontiveros-Barraquel, before such misunderstandings were resolved.

Re-energizing the Bureaucracy

Clearly, given the limited amount of time, the five-year extension period should not be 'business- as-usual' for DAR and other CARP implementing agencies. While substantive measures have been secured through a new CARP extension law, the effective, and efficient implementation of CARP is equally important.

One critical requirement is for DAR to be transparent and accountable. Those doing research on CARP and related issues have found it very difficult to access information which are in DAR's custody. For instance, DAR has been very restrictive on information on land conversion applications and approvals. Only with access to information will the effective monitoring of key aspects of implementation happen, such as in the monitoring of the budget and expenditures for land acquisition and distribution as well as for support services and credit facilities, the identification of target beneficiaries and the status of disputes. It is also hoped that access to information will provide a counterweight to alleged corruption within DAR.

To build trust in DAR's capacity to make agrarian reform successful during the extension period, DAR must start confidence building measures that have been long overdue. In the adjudication of cases, it must show immediate result in land acquisition and distribution flashpoints and languishing high impact cases, such as the Hacienda Luisita, Cojuangco and Floirendo cases. Resolving these cases, in favor of the beneficiaries would serve as litmus test of DAR's commitment to finish land acquisition and distribution.

DAR and DENR need to issue the notice of coverage to all remaining landholdings to start the coverage process, and eventually complete land acquisition and distribution. While DAR claims it has issued notice of coverage to all the remaining balance, a recent survey of land tenure improvement cases reveals that the department has been slow in implementation, particularly in the process of coverage. These cases involve 42,651 hectares of private agricultural lands that have yet to be distributed to 11,315 organized farmer beneficiaries. The cases involve CARP coverage problems (60 percent), installation cases (20 percent), agrarian law implementation cases on conversion, exemption, and inclusion/exclusion (15 percent), and the remaining five percent comprising other CARP implementation issues such as subdivision and relocation. If the rules on coverage will be strictly followed, DAR only needs 60 days to complete the process of coverage. Most of these cases started the coverage process in 2004.

Political and Economic Will

It cannot be overstated that the agrarian reform challenge facing the country today is the completion of CARP's land acquisition and distribution phase, as well as ensuring the economic viability and political empowerment of beneficiaries.

What has made CARP implementation difficult in the last 20 years is the fact that it has never been a priority of the previous post-Marcos administrations, from President Corazon Aquino's to GMA's. It was Cory Aquino's centerpiece program (but now even Fernando Cojuangco is saying that her deceased aunt and former president did not declare it as centerpiece program) but it had been riddled with loopholes, beginning with Hacienda Luisita's exemption from coverage.

A strong political will is seen as a key requirement to fulfill the mandate of government under the law and to combat the tactics of landowners who have evaded the distribution of their landholdings under CARP in the last 20 years. For CARP to finally see its completion, not only

political but also 'economic will' is needed. A program merely paying lip service to social justice and has been bogged down by contradictory economic policies is doomed to undercut the constitutional mandate.

The much needed DAR-DA-DENR convergence has been a welcome development. Dubbed as the "countryside development czars," Agriculture Secretary Proceso Alcala, Agrarian Reform Secretary De los Reyes and Environment Secretary Ramon Paje made a commitment to synchronize and complement their respective agencies' efforts under the "National Convergence Initiative," which aims to provide continued "support, faster and more effective services for the benefit of small farmers, fisher folk, agrarian reform beneficiaries, uplanders and indigenous peoples, and other rural folk." There had been other convergence efforts before that failed. The challenge therefore under President Aquino's administration is to ensure that such convergences work and become a platform that facilitate the real and meaningful participation and involvement of the rural sector.

The extension period of CARP is a narrow window of opportunity for the country. There is no other time but now for President Aquino to rise to the occasion and finish what his mother had started to do and could not finish. What better way to do this than to begin in his own backyard. His swift action will truly give flesh to his own words, when he referred to the people as his 'boss'—"*Kayo ang boss ko, kaya't hindi maaaring hindi ako makinig sa mga utos ninyo*" (You're my boss, I cannot afford not to listen to your demands).

Endnotes

- 1 Punay, Edu, "Supreme Court creates mediation panel on Hacienda Luisita case," The Philippine Star, <http://www.philstar.com/Article.aspx?articleid=608627>, accessed January 11, 2011.
- 2 Calonzo, Andreo, GMAnews.TV, "Aquino govt hit for slashing proposed DAR budget," September 9, 2010, <http://www.gmanews.tv/story/200654/aquino-govt-hit-for-slashing-proposed-dar-budget>, accessed January 11, 2011
- 3 http://www.dar.gov.ph/pdf_files/planningservice_2009/2009%20ANNUAL%20REPORT_PDF.pdf)
- 4 http://www.dar.gov.ph/pdf_files/stat_09/status%20of%20land%20distribution%20june%202009.pdf)

Hacienda Luisita Debacle: Where to After the Legal Arguments?

BY CARMINA FLORES-OBANIL

Hacienda Luisita became the subject of much discussion not only during the campaign period but more so after President Benigno Aquino III won the presidency. Aquino's declaration while he was still a candidate that Hacienda Luisita would be distributed created an expectation that DAR would prioritize the resolution of the Hacienda's case, not just because the President co-owns it but because Hacienda Luisita symbolizes both the biggest loophole in the agrarian reform program implemented by the 'first' Aquino administration. The Hacienda has also been a constant reminder that despite the implementation of a supposedly comprehensive agrarian reform program for the last 20 years, haciendas continue to exist all over the country, and with it landlordism.

But Aquino's relatives would not give Hacienda Luisita up and would instead offer another stock distribution arrangement to the farm workers. Aquino or P-noy, as he is now popularly known, took a hands-off stance on the matter, an indication that he might not be ready to forsake his roots and personal interests.

Rather than argue against the revocation of the original Stock Distribution Option (SDO) in the Supreme Court, Hacienda Luisita Incorporated (HLI) now offered another SDO in a compromise agreement to the farm workers. It also asked the SC to approve the new compromise deal, supposedly arrived at after a referendum conducted among the farmers. This new scheme gained the majority's acceptance, owing allegedly to the money proffered by the company to

the cash-strapped farm workers. Hacienda Luisita stopped operating in November 2005 when the SDO was revoked making the offer of money under the new scheme very tempting to the farm workers who have been without income. What became disappointing to the farm workers however was the pittance they got in exchange for the new SDO which was computed based on their shares.

The oral arguments during the Supreme Court hearing exposed the violations and the string of injustices perpetrated by HLI against the farm workers. But rather than rule outright on the case based on the arguments and evidences presented, Supreme Court Chief Justice Renato Corona ordered the creation of a mediation board to try and resolve the case. The mediation panel is chaired by Associate Justice Alicia Austria-Martinez, with retired Justices Hector Hofileña and Teresita Dy-Liacco Flores of the Court of Appeals as members.

HLI's Arguments

The lawyers of Hacienda Luisita Inc. (HLI) had asked the Supreme Court to ratify the “compromise deal” that they were offering the farm workers and other workers of Hacienda Luisita on the grounds that majority of these farmers have agreed to the compromise via a referendum HLI conducted from August 6 to 8, 2010. The referendum made the farm workers choose between another stock distribution option (SDO) agreement and a share in the land for distribution. Dangled before those who will choose another SDO agreement was immediate work and monetary and non-monetary benefits.

Under the existing SDO agreement which had been covered by the previous Comprehensive Agrarian Reform Program (CARP), the landowner had been allowed to give farm worker beneficiaries the option of receiving stocks in a company (that will be jointly formed between them and the agricultural corporation that owned the lands) instead of distributing parcels of land, which would have been the essence of agrarian reform. In an SDO agreement, the land serves as the contribution of the farm workers to the company. In the case

of Hacienda Luisita, the 6,453 hectare land became the contribution of the farm workers to Hacienda Luisita Inc., which was formed after the first SDO was signed in 1989. HLI was owned then by the Tarlac Development Corporation (TADECO), which controlled 67 percent of the shares, while the original 6,296 farm worker beneficiaries owned 33 percent.

However, the 1989 SDO was later revoked by the Presidential Agrarian Reform Council (PARC) in 2005 because of gross violations of the original provision of the agreement and of CARP, after which the Department of Agrarian Reform (DAR) ordered Hacienda Luisita to distribute the 6,453-hectare land under CARP. HLI filed a temporary restraining order (TRO) against the coverage with the Supreme Court; the Court upheld in June 2006 the petition for a TRO against the distribution of the share of farmer workers in the sugar plantation.

Facing mounting pressure to immediately distribute Hacienda Luisita and the fact that the SDO was revoked by PARC, HLI opened negotiations with the farm worker beneficiaries by offering them a new compromise deal that the HLI claimed was upheld during the August 2010 referendum.

Farmer beneficiaries who will opt for land distribution will divide among themselves 1,366 hectares of land, while keeping monetary and non-monetary benefits, such as the home lots and production shares given to them under the existing 1989 SDO agreement.

Those who acceded to the new SDO agreement, without being given the benefit of reading and understanding the contract in fine print, were promised P150 million in "financial assistance" by the HLI under the conditions that the amount will represent settlement of all claims; P20 million of said amount will be given upon signing of the agreement as a gesture of "goodwill." The remaining P130 million will be given to the farmers once the agreement is approved by the Supreme Court.

However, there were conflicting data on how many farm worker beneficiaries were in Hacienda Luisita. In 1989, there were 6,296 in the master list. But according to the position paper submitted by the Office of the Solicitor General to the Supreme Court there are 11,955 farm worker beneficiaries now. HLI, on the other hand, claimed there are 12,000 farm worker beneficiaries. Using HLI's numbers, this would mean each farm worker beneficiary would only receive P12,500 each. As part of the agreement, the farm workers should also agree to support all further developments of HLI land in the future even for non-agricultural purposes.

On the surface, HLI's argument appears uncomplicated—it simply asked the farmers what they wanted through a referendum and it will give what these beneficiaries opted for. Judging by the results released by HLI, indeed majority of the beneficiaries have already agreed to the deal. But the one question that the HLI still hadn't addressed was this: why did it pre-empt a Supreme Court ruling on the previous temporary restraining order and DAR order for land distribution, thereby sweeping aside the important matter of whether it had the authority to offer another stock distribution option agreement?

Though the issue elevated by HLI lawyers during the oral arguments was the compromise deal, one of the Justices pointed out that it was impossible to just talk of the recent compromise deal without discussing the previous SDO since there was a PARC Resolution, No. 2005-32-01, which revoked Hacienda Luisita's stock distribution option plan. The legal implication apparently is that the compromise deal has nothing legal to stand on anymore since the SDO had been revoked.

Lawyer Gener Asuncion (supported by the corporate secretary of HLI) assailed the authority of PARC and DAR to revoke the SDO agreement (SDOA). It was Asuncion's contention that these bodies no longer have jurisdiction, power and/or authority to nullify, recall, revoke, or rescind the SDOA because these powers had not been expressly granted to these entities. Besides, Asuncion claimed,

the SDOA should no longer be governed by the CARP law or by the DAR and PARC, but by the Corporation Code (BP 68). Thus for HLI, based on the above argument, the nullification, revocation, or rescission of the SDOA should be governed by the provision on corporate dissolution.

RCBC and LIPCO Claim Innocence

The Luisita Industrial Park Corporation was also key respondent in the case being a subsidiary of HLI in charge of developing 300 hectares of the 500 hectares designated for conversion to residential, industrial and commercial purposes. HLI's application for conversion had been approved by DAR in 1996, under the condition that the lands would remain property of Hacienda Luisita. What eventually happened was that HLI formed LIPCO and transferred ownership of the 300 hectares to this newly formed corporation.

Rizal Commercial Banking Corporation became involved when it provided a loan to LIPCO for the development of the converted lands. The bank was also HLI's partner in establishing LIPCO. When LIPCO couldn't pay the loan, RCBC foreclosed the loan.

But in the hearings in July and August 2010, both RCBC and LIPCO claimed that they had been "innocent purchasers." RCBC lawyer Anacleto Diaz and LIPCO lawyer Maria Celia Fernandez-Estabillo contended during the oral arguments that the PARC, in revoking the SDOA, and in ordering the distribution of Hacienda Luisita under CARP, had committed grave abuse of discretion. The two lawyers argued that their clients were innocent purchasers and thus they should be allowed to keep the part of Hacienda Luisita lands they bought.

For LIPCO, the PARC effectively nullified TCT 310986 (covering the 184.13 hectares being claimed by RCBC and 115.86 hectares which remained with LIPCO), which was under the name of LIPCO but was part of the 500 hectare HLI property converted in 2006.

Government's Position

The Office of the Solicitor General represented by Solicitor General Jose Anselmo Cadiz maintained that PARC had the authority both to approve and revoke the SDO in cases of violation by the HLI. This according to the Sol Gen had also been the opinion of the Department of Justice (DOJ) in a memorandum dated October 27, 2005. The Sol Gen argued that the SDO had been revoked because the HLI had failed to comply with its obligations under the SDOA.

Conflicting Positions

Lawyer Carmelito Santoyo claiming representation of Noel Mallari et al of the Alyansa ng mga Manggagawang Bukid ng Hacienda Luisita (AMBALA) and United Luisita Workers Union (ULWU), two of the known farm workers organization in Hacienda Luisita, said that his representation supported the compromise agreement. He also informed the SC that those he represented have signed the compromise agreement on August 13, 2010.

Another lawyer, Atty. Jobert Pahilga, represented other members of AMBALA who were against the compromised deal. Pahilga disputed the representation of Noel Mallari as AMBALA vice-chair and Atty. Santoyo as AMBALA. He said that AMBALA, with him as its lawyer, had filed for the revocation of the SDO at the PARC and that he, Pahilga, had represented AMBALA ever since. It was his contention that PARC had the implied authority to revoke the SDOA given that it had been conferred the power to approve the SDO.

AMBALA members who opposed the compromise deal claimed that Mallari never became vice-chair of the organization.

Constitutionality

Constitutionalist and lawyer Christian Monsod centered on how the SDO scheme under CARP had subverted the context of social justice as embodied in the 1989 Constitution. Atty. Monsod represented

FARM (Farm Worker for Agrarian Reform in Hacienda Luisita), composed of farm workers who were former members of AMBALA and were also against the HLI compromise settlement.

Monsod argued that the context of social justice under the Constitution was to correct the gross disparities in wealth and political power rooted in centuries of policies and practices by the State that favored the socially undeserving yet powerful few. He said that the Constitution, in an attempt to redress this, had mandated the equitable diffusion of wealth and political power for the common good through measures such as RA 6657 or CARP. He then pointed out that the basic principle in CARP was clear—that the farmers and regular farm workers should get the land and the landowner gets just compensation and limited retention rights. He said that this was the spirit and intent of the Constitution. He pointed out that the stock distribution option under Sec. 31 was the only modality of distribution in CARP that did not end with the farmers owning the land. He explained that the SDO had no authority in the Constitution and had been “an anomaly that must be annulled as inconsistent with, and a denial of, a fundamental right of farmers under Sec. 4, Art XIII of the Constitution.”

Making Sense of the Arguments

The SC’s message to HLI was clear—that its arguments were attempts to twist the law to fend off the SDO revocation. Justice Carpio-Morales in the end requested the lawyers to provide jurisprudence proving that the power to revoke and the power to approve had not been given wholly but must be conferred. At the same time, the Justice pointed out the violation in the basic agreement when HLI implemented the stock distribution for 30 years rather than two years as mandated under RA 6657 (they later cut it to 15 years when they hastily completed the stock transfer after the strike in Hacienda Luisita in 2004 that ended tragically for several farm workers who were violently dispersed).

As a result HLI might also be declared guilty of manipulating the formula for computing the stock rights, basing it on the work days performed by the farm workers when the beneficiaries should have been considered as share holders. HLI also neglected to provide its obligations (stock dividends, percentage of the gross sales, percentage of the gross production, etc) to the farm worker beneficiaries as stated in the SDOA.

As for LIPCO and RCBC, the claim as innocent purchasers of value came under fire, because of the fact that RCBC is a shareholder of LIPCO. It is impossible therefore for RCBC not to be aware of the financial standing of the company when it granted the latter a loan. RCBC can't also deny it has knowledge of the property in question being part of the controversial and disputed Hacienda Luisita.

As for the Solicitor General, it valiantly tried to rally the position they have taken, but DAR Secretary Virgilio Delos Reyes had to step in and answer some questions of the SC justices. In one instance, Delos Reyes mentioned that the DAR was for the revocation of the SDOA, but in yet another, he said that he was open to the recall of the revocation if it would pave the way for mediation. His best position however was his statement: "I am an appointee of the incumbent President, but I am speaking on behalf of the Republic, and the Republic wants land distribution."

Atty. Santoyo, who claimed to represent AMBALA, ULWU and the supervisory group that signed the compromise, was asked to provide proof of his representation of these groups.

Atty. Pahilga, another lawyer claiming representation of AMBALA, on the other hand, provided a credible criticism of the representation of Atty. Santoyo and the persons who were supposedly representing AMBALA. He also provided support to the argument that PARC had the authority to revoke the SDOA.

Atty. Erro, who represented AMBALA Foundation, tried to address the constitutionality issue but was not able to expound well his arguments on why the SDOA could be considered unconstitutional. He also attacked all the corollary issuances resulting from Section 31 of RA 6657.

Atty. Monsod, representing FARM, a Hacienda Luisita farm workers organization contesting the compromise deal, expounded on how the SDOA had become an anomaly that violated the very essence of the Constitution which is “social justice.” He also opened the possibility of mediation but not in the “context of an SDO.”

In the end, after all the arguments were clearly put on the table, the SC still opted for mediation rather than on making a decision. What had not been explored so far and presented as legal basis for ordering HLI to distribute the lands it owed the farmers and farm workers was the CARPER law, which was signed in August 2009 but had retroactive effect since it replaced the CARP law, which expired in June 2009. Under CARPER, the SDO is no longer an option for an agrarian reform program. This is what FARM, one of the parties in the oral arguments, and the CARPER for Hacienda Luisita (a coalition of NGOs and POs helping out FARM) are now pushing for. That after waiting for decades, social justice should finally prevail and the farm workers of Hacienda Luisita be freed from the bondage of feudal relations, as had been envisioned under the Constitution.

Progressive Provisions in CARPER

CARP was given a new lease for another five years and a funding of PhP 150 billion. Key meaningful reforms include the following:

- prioritization of large landholdings exceeding 50 hectares and 24-50 hectares for land acquisition and distribution;
- reinstatement of the “heart and soul of CARP”: compulsory acquisition the main mode of acquisition, and removal of the Voluntary Land Transfer (VLT), which has been a mode for land owners to evade the program;
- upholding the indefeasibility of the Certificate of Landownership Awards (CLOAs) and Emancipation Patents, meaning once the land has been registered to the farmer, nobody can claim that the land is not his or hers
- upholding the legal standing and personality of agrarian reform beneficiaries, meaning the courts cannot dismiss any land cases because the farmers’ do not have ‘legal standing’
- removal of non-redistributive schemes like the Stock Distribution Option (SDOs)
- provision for an integrated support services with 40 percent budget allocation, and 70 percent of which are allocated for seed fund and startup capital for agricultural production of new agrarian reform beneficiaries, and credit facilities for existing ARBs and leaseholders
- recognition of rural women as agrarian reform beneficiaries, and provision on equal support services and consideration of their well-being;
- prohibition on the conversion of irrigable and irrigated lands and automatic CARP coverage of lands targeted for conversion if the conversion plan has not been implemented after five years;
- upholding DAR’s exclusive jurisdiction over agrarian reform-related cases.

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Climate: A Matter of Survival, a Question of Justice

BY JOSEPH PURUGGANAN

The search for just solutions to the climate crisis is one of the most pressing global challenges today. Governments have converged once again, this time in the resort-town of Cancun, Mexico, for another round of talks aimed at reaching a consensus on how to save our endangered planet.

The imperative is to come up with a global deal on climate change anchored on four building blocks: the stabilization of greenhouse gas emissions (mitigation), development of measures to allow countries to adapt to the impacts of climate change (adaptation), climate financing and technology transfer.

There is no denying the need for and the urgency of arriving at a global consensus on climate change. Scientists have been warning us of the climate tipping point beyond which we face an irreparable global catastrophe.¹

Needless to say, for many poor countries like the Philippines and for the poorest and most vulnerable communities within these countries, climate change is a matter of survival. The fact that the voices of these poor communities have been muted and their messages and demands ignored in the climate talks also drive home the point that the long term solutions to the climate crisis lie beyond the UN-mandated negotiations.

What's at Stake for the Philippines?

The Philippines has been described as a climate hazard hotspot and a country highly vulnerable to the negative effects of climate change.² In 2009, the country experienced 25 disasters, topping the list of countries in terms of disaster occurrence that year ahead of China and the United States.³

Climate has always been a factor influencing development in the Philippines. Government's own assessments point to increasing risks and pressures from weather-related events on the economy over the years⁴. The government estimates that disasters—mostly weather-related such as typhoons, floods and droughts—have cost the country around P20 billion in damages annually since 1990.⁵

The predicament of the Philippines is its being a classic case of low emitter contributing very little to the problem of climate change—with emissions of less than 1 percent of global green house gas emission (GHG) levels—yet, high on the list of countries vulnerable to climate change and in dire need of additional resources that would allow it to adapt to the adverse impacts.

Philippine Response

The Philippines has in many respects been ahead of most countries in trying to frame both an institutional and policy response to the problem of climate change. An inter-agency committee on climate change (IACC) was established as early as 1991 to coordinate various climate change related activities, propose policies and prepare Philippine positions to the United Nations Framework Convention on Climate Change (UNFCCC) negotiations.

Since then the Philippine government has moved to institutionalize climate in official policy by establishing high-level institutions and mechanisms such as the Presidential Task Force on Climate Change (PTFCC) established in 2007 and more recently (2009), the Philippine Climate Change Act, a law which aims to mainstream

climate change in government policy formulations and establish the framework strategy and program on climate change. It likewise established the Philippine Climate Change Commission (PCCC), which now stands as the sole policy-making body of the government tasked to coordinate, monitor and evaluate the programs and action plans relating to climate change.⁶

With the creation of the Philippine Climate Change Commission, the government hopes to address long standing concerns over the overlapping and sometimes competing functions of the different national agencies working on climate change. The key for the PCCC is to be able to steer the agencies into one direction, recognizing various competencies and harmonizing roles and functions. In its early stages however, the PCCC already encountered problems in coordinating the functions of the agencies.

The 15th Conference of Parties (COP-15) of the UNFCCC in Copenhagen, for example, witnessed this lack of coordination when the PCCC vice-chairman expressed the Philippines' supposed willingness to associate with the Copenhagen Accord without the consent and approval of the other agencies and prior to any public consultation on the matter. This mistake was corrected later on with a formal letter addressed to the UNFCCC Secretariat. This incident however has become indicative of the challenges that still face the Philippines when it comes to defining a cohesive response to climate change.

The Philippines adopts a multi-pronged strategy to address climate change. It strives to push for a balanced approach to climate change action with equal emphasis on mitigation and adaptation. There is recognition of the enormous need to adapt to the negative effects of climate change, especially in light of the disaster-prone character of the country, yet there is also a strong political desire to make a positive contribution to the global effort to stabilize GHG emission levels.

The National Framework Strategy on Climate Change (NFSCC) came out in April 2010. The goal of the Philippines, as defined in the NFSCC, is to build the adaptive capacity of communities and increase the resilience of natural ecosystems to climate change, and optimize mitigation opportunities towards sustainable development.⁷

Furthermore, the national framework calls for a synergy of adaptation and mitigation in recognition of the mutually beneficial relationship between the two pillars. Adaptation however is defined as the anchor strategy. The Philippine approach is to undertake mitigation measures such as energy efficiency and conservation, renewable energy development, sustainable transport and even Reducing Emission from Deforestation and Forest Degradation (REDD+) in the context of adaptation.⁸

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Confronting Education Woes: Less Politics, More Resources for the Poor

BY CLARISSA V. MILITANTE

Like a popular telenovela, the first State of the Nation Address (SONA) of President Noyonoy Aquino on July 26, 2010 was much anticipated and created a lot of expectation. But these expectations could have also been the consequence of the inaugural speech which, though it underscored important challenges that the new government promised to prioritize, had been found wanting in specific policy articulations. Education is one area where the much needed policy reform is awaited—is, in fact, long overdue.

In Central Mindanao, it is common for elementary schools to have only two to three classrooms. The norm is for two classes to share one classroom at a time to accommodate all students and class schedules. Two teachers simultaneously conduct a class for two different grade levels, with a hundred students cramped together in a 20 square meter-room.

In most towns in said region, many of the teachers still have not passed the licensure examination for teachers, while others do not have items in the local government due to budgetary constraint. The latter are considered volunteers, entitled only to a meager allowance (P50 a month in many cases). Thus, when a teacher vacates his or her position, it is immediately felt by the students themselves. In an interview, a staff member of Oxfam-Great Britain based in Cotabato City shared a story about 90 grade-one pupils who in 2009 trooped to the house of their teacher to beg her to return to school, as there was no-one to replace her. The teacher stopped coming to school

because she had not received her allowance for a year; she couldn't turn down though the request of the innocents so she went back.

These incidents comprise just a small picture of what have been ailing the Philippine education system for decades. One is therefore befuddled by the attention being given to the debate on whether or not there should be sex education; this was the question that haunted De La Salle brother, Armin Luistro, on his first day as education secretary. This is the news that have hogged the headlines.

There have been statistics upon statistics about increasing drop-out rates, lack of school and other learning facilities, lack of resources for teacher training and instructional materials development; about poverty that constrains parents and communities from sending their children to school and other more basic problems that could have been considered more worrisome than the issue of sex education.

And if it is sex education that have been worrying parents, schools, the education department and the Catholic Church, there is more to whether children should learn about their reproductive organs and the functions of these, or about sexuality at a young age. Consider this picture: in 2009 this writer visited schools in parts of the Autonomous Region in Muslim Mindanao (ARMM) and Sultan Kudarat which didn't have toilet facilities so that the students and teachers had to relieve themselves behind trees, sometimes in full view of a young audience amused by the situation. Stories abound on how those in the higher grade levels, who were on the throes of teenhood, had thought it normal to be ridiculed when they lowered down their short pants (the boys) or had to rely alone on the security provided by their skirts (the girls). Imagine what teachers must have gone through.

When the toilet facilities in a number of schools were constructed through international non-government funding, the pupils were amused to find out that indeed girls and boys should have separate cubicles. It was reported that many pupils often left their classrooms to 'try out' the new facilities.

Basic Education Woes

Accessibility and sustainability remain the crux of the problem of the education system, the basic education sector in particular. Before one can even deal with the woes of higher education, one has to hurdle getting access to and enrolled in elementary school and staying in it to complete elementary and secondary education. Whether it is quality education being provided to equip one for higher education is another predicament.

When one talks about the Philippine education system and its problems, one generally refers to the public education system, as it is not only where majority of the enrollees are found but it is also influenced, shaped and affected by government policies and political decision-making. According to the Department of Education (DepEd) September 2009 Fact Sheet, out of the average annual enrollment rate of 13.2 million students in elementary schools in the school years 2004–2009, enrollment in public schools averaged 12.2 million; only an average of one million enrolled in private schools per school year. In the secondary level, the average enrollment rate from 2004 to 2009 was 6.5 million students per school year; of this total, an average of 5.15 million enrolled in public high schools while private high schools had a meager share of 1.35 million students. These figures establish the fact that majority of Filipino families still send their children to public schools for basic education.

Affecting accessibility and sustainability are the limited capability of families to send their children to school on one hand, and on the other, the constrained capacity of government to provide schools that will absorb these children as well as the lack of adequately trained teachers to prepare these young Filipinos for higher education.

According to the 2003 Family Income and Expenditure Survey (FIES) conducted by the National Statistics and Census Board (NSCB), spending on education was only 4.2 percent of total family income. Education's share in the family's budget in 2003 was 4.0 percent. Education ranked fourth out of 18 items in terms of share according

to major expenditure group within a Filipino family; house rental and expenditure for utilities such as water, electricity, transportation and communication had to come first. The highest spending was still on food, claiming 43.1 percent of total family expenditure in 2003. Poverty and the prohibitive costs associated with education are the main reasons why children and the youth are out of school.

The 2003 NSCB survey “Percentage of students aged six to 24 who were not attending schools” showed that 11.64 million Filipinos in this age group were not in school. Cited as third major reason for not attending school was the high cost of education; the first reason was that the out-of-school would rather search for employment to augment family income than go back to school. The top four reasons cited in the survey were: searching for employment (30.5 percent); lack of interest in schooling (22); high cost of education (19.9), and; involved in housekeeping (11.8).

According to the United Nations’ 2009 Philippine Human Development Report (PHDR), Philippine government spending per public school student increased a measly 1.38 percent per year in real terms from 2003 to 2008. Government investment in education still has not met the global standard of five to six percent of GDP.

Salaries and wages for the bureaucracy comprised 80 percent of the budget of the department of education, once considered the biggest government bureaucracy. A measly eight percent was left for operating expense, which also covered purchase of supplies, while almost nothing went to teacher training, instructional material development, curricular reform and other pedagogy-related components, said the UN report.

Department of Budget and Management (DBM) data support these claims. According to DBM data, capital outlay for “Construction of Elementary and High Schools in Areas Experiencing Acute Shortage” in 2005 was P1 billion (about 1.6 percent) of the total P102.58 billion education budget; in 2007 P1.6 billion of the total education budget

of P126.8 billion was spent for said school constructions. Its share in the total budget even decreased to 1.26 percent.

For “Support to Operations,” which are considered mandatory obligations, P14.78 million went to Maintenance and Other Operating Expenses (MOOE) for the elementary education sector and P21.37 million for the secondary education sector, both in 2005. In 2007, the allocation for these mandatory obligations increased: P30 million for the elementary school sector and P25.96 million for the secondary education sector. The P167.94-billion budget for 2009 assigned P2 billion to the department’s school building program, or 1.2 percent of the total budget. The figures would show that the nominal amount for the much needed schools construction may be increasing, but in relation to the total education budget, it is actually declining.

The UN report also highlighted that the education department had survived, during the period mentioned, by too much dependence on official development assistance (ODA) for programs aimed at reforming education content and improving infrastructure. This, the PHDR said, had resulted in the failure to mainstream education reform projects.

In his inaugural speech, President Noynoy Aquino said that his government will continue with the conditional cash transfer program, one objective of which is to encourage parents, once discouraged by poverty, to send their children to school. However, it might take more than cash incentives to ensure that students enroll and stay in school. Students, especially in poor rural areas, need proper school buildings, learning facilities and good, qualified teachers first.

The other major issue is ensuring that students complete elementary and high school education. Former education secretary Florencio Abad, now Aquino’s budget secretary, should give the new administration a heads up on the situation of basic public education.

Abad, in his 2007 paper “The State of Philippine Basic Public Education: Problems and Approaches,” pointed to sustainability as another problematic area that should be addressed. He cited these 2007 figures in his paper presented during a conference in Dumaguete City: out of an average of 1,000 children who enter Grade 1, more than 300 drop out before reaching Grade 6; drop-out rate between Grades 1 and 3 is two out of five and between Grades 4 and 6, three out of five. Out of more than 600 elementary school graduates, a little over 400 complete elementary in six years while about 250 finish it in 9.6 years due to repetition. Poverty is still the underlying cause of the inaccessibility of education and the lack of sustainability, as one out of five poor families have children aged seven to 14 years who never attended school or had been drop-outs at the lower grade levels.

Low Quality Education

Statistics characterizing the skills and competencies of graduating elementary and high school students have not been very encouraging either. The average scores in the DepEd-administered national achievement tests have not gone beyond 60 percent in recent school years. Data from DepEd September 2007 Fact Sheet reveal that the average score in Mathematics of Grade 6 students in the school years 2004 to 2008 was 60 percent; in Science, 59 percent; in English, 59 percent. In high school, the average scores in the national achievement test were more dismal: 45 percent for Mathematics; 42 percent for Science and 51 percent for English, all during 2004 to 2008. In 2005, a study made by the non-government group Kaakbay Citizens’ Development Initiatives (KAAKBAY CDI) reported that only six out of 100 students at that time were ready for high school, while also pointing out that the Philippines ranked 41 in Science and 42 in Mathematics in a study that involved 45 countries.

Government had not been lacking in solutions and approaches, but the more critical question is which would really work?

Various initiatives aimed at curriculum reform had been undertaken. One, which even became controversial, was the integration of the subjects Arts, Music, Physical Education, Home Technology and Araling Panlipunan (Social Studies), with Social Studies as the core subject and the teaching of citizenship and patriotism as the main values to be promoted. This program, initiated under former education secretary Raul Roco, reaped both criticism and praise. If one closely studies the set of competencies and knowledge that the integrated basic education curriculum want to develop and teach, here is a program that is excellent on paper but has not been thoroughly implemented because teachers have not been equipped enough to do integrated teaching.

Another proposition awaiting policy support or disapproval is the addition of two more years of basic education; the Philippines is one of only two countries that don't have 12-year basic education. Other countries have 11 to 14. This proposition was previously met with resistance, coming mostly from parents who already found it difficult to put their students through all six years of elementary schooling. Other education reform advocates are also concerned about having more changes in the basic education curriculum when the previous ones still need to be fully implemented and their effectiveness evaluated.

Increased use of technology to enhance the global competitiveness of Filipino students, as an approach to improving the quality of education, has won followers and critics alike. Abad himself raised concerns in 2007 over the education department's Cyber Education project. In his paper, he cited its inappropriateness, the department's lack of expertise to manage the project and the high costs required to implement it as reasons. Saying it was donor driven, he also saw a disconnect between education problems (high drop-out rate, poor quality of education, inadequate basic education, malnutrition and poor health conditions of students and poverty) and multi-media technology as solution.

The new government is in a tight spot, with meager public resources to contend with. It is clear from data coming from government itself that there is a need to make decisions on how to use the resources, in particular those intended for the education sector. These are decisions on whether to sustain a huge bureaucracy or sustain the education of poor Filipino children, and in general on how to spend money wisely.

The new government's pronouncements will need more back up in terms of political will and require that less attention is given to political consideration and payback. As Michael Berger said in his book "The Public School System," this system is most affected by forces external to it, such as a country's people, government agencies interacting with the education department, as well as other social and economic forces that influence decisions made on behalf of the education sector. There is no scarcity of experts and well-intentioned education reform advocates from academe and non-government organizations who could be tapped to help in the reform initiatives; less technocratic perspective limited by considerations for return on investment on "human capital" and more orientation towards holistic human development in favor of the marginalized are needed.

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A people oriented Asean.

FOI. Freedom of or
Access to Information
Policy for Asean.

Access to information
as a right.

80 countries

with freedom of

information

laws.

Community

building in Asean.

Asean Economic

Blueprint (AEC).

Free trade agreements (FTAs).

Peoples concerns.

Job losses.

Corporate control

over resources.

Erosion of policy rights.

CHAPTER

5

REGIONAL

CHALLENGES

Claiming the Right to Information in Asean

BY NEPOMUCENO MALALUAN AND JENINA JOY CHAVEZ

The Asean Charter includes as one of the purposes of the Asean the promotion of “a people-oriented Asean in which all sectors of society are encouraged to participate in, and benefit from, the process of Asean integration and community building.” As the Asean moves ahead with work relating to the implementation of the Asean Charter, including through the Roadmap for an Asean Community and the Asean Intergovernmental Commission on Human Rights (AICHR), it is high time that the Asean made good its rhetoric of people orientation, and start the process of developing and adopting a Freedom of or Access to Information Policy for Asean. By this we mean a set of concrete rules or policies providing for the substantive and procedural details by which the people in the region are able to access information produced or received by Asean and its many organs in the course of its work, subject only to narrow list of reasonable exceptions.

We claim this as a right, based on public interest norms as well as internationally accepted legal principles.

From a public interest perspective, an access to information policy will provide an indispensable platform to secure accountability, greater participation and better policies for a truly responsive community building in the region. It will also play a facilitating role for people’s advocacy on urgent regional concerns as well as in pushing for alternatives.

At the legal front, the right to information is now recognized as an obligation not just by individual states but by intergovernmental bodies as well. Article 19 of the Universal Declaration of Human

Rights states: "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers." This article comprehends not just freedom of expression, but a distinct right to information as well, which is confirmed by state practice at both national and international levels.

At state level, more than 80 countries have instituted freedom of information laws. In Asean, Thailand was an early starter with a Constitutional right to information as well as an access to information law as early as 1997. The Philippines, while it has a right to information in its 1987 Constitution, has an ongoing broad campaign for the passage of a Freedom of Information Act. After a long-drawn campaign, Indonesia passed a Freedom of Information Act in 2008, and is now dealing with implementation issues. There is an emerging movement as well in Malaysia and the start of discussions on access to information in Vietnam and Cambodia.

At international level, there are regional and international instruments as well as emerging jurisprudence confirming the right to information. A number of international bodies such as the Asian Development Bank, the World Bank, the United Nations Development Programme and the institutions under the European Union, have all adopted access to information policies or regulations.

In a strategy meeting in Bangkok in October 2010, various regional and national organizations made a commitment to develop a draft access to information policy and launch a regional campaign for its adoption by Asean. The policy will include: an elaboration of the policy and legal basis for the instrument; the scope in terms of information and Asean organs covered, and to whom the right will be available; the list of exceptions; the procedure for access, including how to lodge requests, their processing and the manner by which the information will be made available or the access is denied; an appeals mechanism; and provisions for record keeping and pro-

active disclosure of information. They called on the governments of the Philippines, Thailand and Indonesia, having the most advanced national recognition of the people's right to information, to take the lead in working for the reference of the matter to the Asean Summit for its inclusion in the agenda and work mandate.

In the meantime, the different organs of Asean would do well to already start building a practice on good record keeping and transparency in their work. The Asean Community Councils, as they proceed to flesh out the Roadmap for an Asean Community, should make information on its continuing work accessible to people in the region both proactively and by being responsive to access requests. The same is true for the AICHR. These bodies should also be able to tap the Asean Secretariat as well as the Asean National Secretariats as conduit or mechanism for record keeping, proactive disclosure, and information request and access points.

For the people in the region, there is no escaping dealing with Asean. There is a need to reclaim people's space in regional processes, policies and governance, and to advocate an alternative regionalism—from Asean's regionalism focused on security, non-interference and market-based economic integration, towards a regionalism based on cooperation for equitable development, strong regional social policy, respect for human rights, responsible climate strategy, and people's diplomacy and solidarity. There is also a need to articulate demands on urgent common people's concerns in the region, including human rights, labor mobility and migration, health, environment, common susceptibility to crisis and the regional development gap. All these require a working access to information policy in Asean to make people's intervention well informed and effective.

Business as Usual in Asean's Trade Policy

By JOSEPH PURUGGANAN

“Closer ties among larger markets” seems to be the mantra of trade policies across Southeast Asia as governments continue to pursue policies that further liberalize trade in goods and services and ease restrictions on investments, even as the Association of Southeast Asian Nations (Asean) aims to create one single regional market.

Community building, as Asean governments have defined this objective of regional integration, has gained momentum, at least in the level of official policy.

The most advanced aspect of regional community building is in the area of the economy. In 2007, Asean adopted the Asean Economic Community (AEC) Blueprint, which defined the block's strategies and plans for enhanced regional economic integration. The fact that the AEC blueprint came ahead of the two others—the political and security blueprint and the socio-cultural blueprint—would have to be an indication that economic integration has now become Asean's top priority. This is a far cry from Asean's early years when economic issues took a back seat to politico-security issues faced by the fledgling regional block.

The clear centerpiece of Asean's approach to economic integration has been its pursuit of free trade agreements (FTA). Asean is emerging as the hub for FTA activity in the region with agreements being negotiated and forged with its main dialogue partners. Asean has secured comprehensive trade and investment deals with China, Japan, Korea, Australia and New Zealand, and India. It has likewise launched negotiations with the European Union and explored long-term economic partnership with the United States.

Ambition and Secrecy

Asean has by and large pushed for what can generally be described as WTO-plus agreements. These deals contain chapters on the so-called Singapore issues of investment, competition policy, trade facilitation and government procurement that were already rejected by developing countries in the WTO negotiations.

Aside from subscribing to an ambitious liberalization agenda, another common feature of these FTAs is that they were/are being negotiated in almost total secrecy. Copies of the official negotiating texts are inaccessible to the public and very minimal spaces for public consultations regarding these negotiations are opened up in the process. Often, copies of the final agreement are made public only after the negotiations have been concluded. In the case of the Asean-Australia and New Zealand FTA (AANZFTA), for example, the final texts of the agreement remain inaccessible to the public even after the deal has been sealed.

Investment Regime in Asean

Recent efforts in Asean to further open up trade in goods and services through these bilateral and regional free trade agreements have been preceded by reforms undertaken at the country level to liberalize investment regimes. Over the years, Member States have undergone considerable reforms in their investment policies, effecting a shift from being generally restrictive of foreign participation to being more liberal and encouraging of incentives to foreign investments. Regulations covered by these reforms are those dealing with the entry and establishment of investments, restrictions on the level of foreign ownership, performance requirements and special treatment and incentives for foreign investors.

Although these unilateral reforms have been for the most part driven by competition from within the region for foreign direct investments (FDI) and was in response to the changing international climate favoring more liberal investment regimes, these policy changes

across the region nevertheless paved the way for what has been referred to as de facto integration or market driven integration. Not surprisingly, as labor and trade analyst Rene Ofreneo pointed out “it has been the transnational corporations (TNCs) that have either regional operations in Southeast Asia or in the individual Asean countries that have been integrating Asean.” De facto integration resulted from the establishment by these TNCs of their vertically integrated production chains across the region.

A more recent trend however has been the greater emphasis on bilateral and regional trade and investment agreements as main mechanisms not just of liberalization but of regional integration as well. De jure integration or integration driven by formal institutional arrangements has become the preferred mode of Asean.

The Framework Agreement on the Asean Investment Area (AIA) has since been revised with the forging of the Asean Comprehensive Investment Agreement in Cha-am, Thailand, on 26 February 2009. The comprehensive and “forward looking” agreement is envisioned to create an investment regime in the region that is “comparable to international best practices” in order to increase intra-Asean investments and enhance Asean’s competitiveness in attracting inward investments into Asean.

One thing new about the Comprehensive Agreement is that it has made the objective of regional integration more explicit. The creation of a “free and open” investments regime is meant to achieve the end goal of economic integration as defined under the AEC.

The agreement spells out the steps to achieve this goal: progressive liberalization of investment regimes of Member States; provision of enhanced protection to investors of all Member States and their investments; improvement of transparency and predictability of investment rules, regulations and procedures; joint promotion of the region as an integrated investment area, and; cooperation to create favorable conditions for intra-Asean investments.

What the agreement does in effect is align national investment policies across the region to conform to common principles and objectives in order to create an Asean investment area that is more transparent, predictable and investor-friendly. The regional framework complements the reforms made at the individual country level to ease regulations on investments in favor of liberalization coupled with stronger investor protection.

The agreement further outlines Asean's priority sectors for investment liberalization as: manufacturing; agriculture; fishery; forestry; mining and quarrying; services incidental to the five priority sectors; and any other sectors as may be agreed upon by Member States.

Peoples Concerns

Civil society organizations and social movements have raised serious concerns against these Asean FTAs.

Job Losses

The ambitious agenda to further liberalize trade in goods and services would have profound negative consequences on jobs and livelihoods. While proponents of these deals dismiss job losses and worker displacements as mere temporary adjustment costs that would be offset by the positive trade creation effects of such agreements, any negative effect on employment particularly at a time of serious global economic crisis would have dire consequences on development.

Corporate Control Over Resources

Another issue levied against these FTAs is that they advance the interests of corporations over the development interests of countries or regions and its peoples. Corporate control particularly of public goods and resources is a particularly critical issue. With the goal of enhancing foreign investments, we would expect governments to

be more aggressive and adamant in pushing for policies that would ease restrictions on investments, increase incentives and provide more protection for foreign corporations.

The weakening of domestic investment regulations, including the removal of restrictions that are enshrined in national laws and constitutions, in favor of corporate interests is a particularly serious issue in an environmentally and socially critical sector like mining where the livelihoods, rights, security and well-being of entire communities are at stake and have for decades been seriously contested.

Erosion of Policy Rights

FTAs also have the effect of eroding policy space or the ability of governments to use tariff and other trade-related policies to advance its own development objectives. Under ‘free trade’ regimes, governments lock-in their tariff and trade policies by way of their commitments and obligations under the agreements. The direction of trade policy is often just one way, moving towards the eventual elimination of tariffs and other trade barriers with very limited space and flexibilities for countries to calibrate these policies in line with their own development objectives or to safeguard domestic economies against import surges.

The adherence to investment disciplines that guarantee and protect investor rights, particularly the rights of investors to claim compensation for acts by the state or states that are deemed to impede or violate these rights, further undermine development policy space. The number of cases brought up for arbitration and the huge amounts of money demanded by corporations under NAFTA create a “chilling effect” against any policy or regulation affecting the acts of corporations. This may lead to a reversal of existing ordinances and laws at the local and national levels that regulate the activities of mining corporations and/or stifle the power of local and national governments to enact new legislation or policies regulating investments for fear of being sued by these corporations for millions of dollars.

Exacerbating Regional Asymmetries

While the Asean FTAs recognize these asymmetries and hope to address these by way of differentiated obligations for the least developed countries in the region, these deals nevertheless are pushing for an ambitious trade and investment agenda that could very well exacerbate poverty and inequality among and within countries in the region. Asean's obsession with closer economic relations through these comprehensive and ambitious trade and investment deals, coupled with the weakening of regulation at both the national and regional levels, may in fact lead to exactly the opposite—a region further divided along economic, political and social lines.

Business-As-Usual Trade Policy

All of these policies however were drafted and adopted with a pre-crisis mindset and using pre-crisis assumptions.

In terms of trade policy, the general consensus among governments and multilateral institutions like the WTO, the World Bank and Asian Development Bank is to push more aggressively for free trade as panacea for trade contraction.

The clear position of Asean governments is to continue their strong commitment to free trade by standing firmly against protectionist measures, while refraining from raising new barriers and working with other partners to ensure an early conclusion of the Doha Development Agenda as well as continually pushing for free trade agreements in order to stimulate growth and investment in the region, in partnership with other cooperation frameworks, such as EAS, APEC and G20.

There is no retreat therefore but rather more push for export led model of economic development.

Conclusion

A crucial question therefore is to what extent have Asean and Asean Member States moved towards making their development strategies more equitable and sustainable in the wake of the global economic and climate crises.

The global crisis compels us to re-think old paradigms especially when old assumptions of progress and development no longer hold. In the case of FTAs, it is quite clear that FTAs are not about developing equal partnerships but about perpetuating existing inequalities. A number of serious concerns have been levied against these types of trade agreements. We must continue to resist and put pressure on the governments to rethink trade policies, to renegotiate unfair trade agreements and to push for alternatives—better terms of trade and frameworks for economic relations.

The Cochabamba Water Wars Continuing Inspiration for Water Justice and Democratization

BY MARY ANN MANAHAN

In the year 2000, tens of thousands of people came out in the streets of Cochabamba, Bolivia to clamor for the cancellation of a very controversial service contract with a private water company, Aguas del Turnari¹ and return SEMAPA, the city's public water company, to the state. Known worldwide as the Cochabamba water wars, it provided the world a picture of the impact of privatization of water services and de-commodification of water and of the struggles against this. As a young activist at the University of the Philippines, reading about the water wars offered to this writers much inspiration and insights on the power of a politicized citizenry. It was a testimony that in the 21st century, water had become one of the pivotal arenas around which social mobilizations and campaigns were being launched.

A decade later, the meanings and lessons of the Cochabamba water wars are more relevant than ever in Asia, a diverse region that shares a lot of similarities with Bolivia in terms of political and economic history and developments. Both regions were subjected to structural adjustment programs in the late '70s and early '80s by international financial institutions (IFIs) such as the World Bank and International Monetary Fund and to neoliberal policies and privatization experiments in the '90s. In both too, widespread poverty continues to be a day-to-day reality and corruption in government is very much embedded in the culture of governance, even as the

tradition of popular movements and citizens' rising up to demand for their rights remains strong as well.

For us in Asia, specifically in the Philippines, the lessons and meanings of the water wars resonate in many ways.

Movements for Water Justice

Like Bolivia, Asia has very dynamic and diverse “water justice movements” that work on different water issues and are creating spaces of resistance, establishing alternatives in different areas, and making small and big revolutions in the process.

The Cochabamba Water Wars resonate in Asia because it is about the struggle for survival and for sustaining life— for the recovery of water as a commons, for water justice and for democratization of access to resources and social-economic-political space. Water is a fundamental element in the survival of all life, which is why it has been called the ‘lifeblood’ of this planet. As the experience in Bolivia and elsewhere in Asia have shown, enclosing water through privatization of water services and resources lead to widespread unequal access to safe water and sanitation, thereby increasing inequitable charging of water rates and disconnection of local communities traditionally nurturing this resource from the use and enjoyment of this precious resource.

Privatization has become pervasive and includes privatizing fish lots and communal fishing grounds, as in the case of Tonle Sap Lake Basin, which threatens Cambodia’s food security, economy and cultural identity. This is further complicated by the IFIs and government’s support for mega infrastructure projects like dams. In India, the controversial Sardar Sarovar dam has displaced and further impoverished millions of indigenous peoples, fishing and farming communities.

Another problem is China's penchant for dam-construction, which has become a cross-border or trans-boundary issue. In the Philippines, large scale irrigation projects in the forms of dams funded by the World Bank abound; these projects in fact have been around since the '70s. For the Bank, dam projects have been a mechanism to address energy and flood control needs, promote agricultural development and, in the process, small farmers' welfare. But reality contradicts rhetoric: the projects have displaced many small farmers, landless, rural poor, both men and women, who were supposedly the "targeted beneficiaries". This was evident in the cases of Pantabangan Dam in Pampanga, which displaced thousands of farming families, and the Chico River Basin Development Project in Mountain Province, which was strongly opposed and successfully stopped by indigenous communities despite martial law.

All these privatization projects and new enclosure of water have resulted in growing resistance and in the advocacy for innovative approaches to water stewardship. Dam-affected communities, together with environmentalists, NGOs, academe and other advocates in the Mekong region have time and again rightfully resisted and defended their lives and homes against the onslaughts of mega-infrastructure projects. Closer to home, a popular resistance in the '80s, led by the peoples of Kalinga and Bontoc in the Mountain Province of the north, against the Chico river dam project drew widespread support from inside and outside the country. Because of the sheer determination and courage of the dam-affected people led by indigenous community leader Macli-ing Dulag, the World Bank withdrew its funding and later, prompted the institution to formulate its operational guidelines for projects affecting indigenous peoples.

There is also a vibrant and dynamic anti-IFI movement in South Asia and Southeast Asia that have been exposing the real impacts of privatization programs in their communities and have called for these institutions to get out of Asia. Another area where resistance is also strong is the campaign against water bottling companies, such as Coca-Cola, which have been extracting groundwater and diverting it

to their plants at the expense of communities; in Plachimada, India, the people managed to get Coca-Cola out of their community. Many communities in Asia are also fighting against extractive industries and agribusiness which have been polluting ground and surface water. The anti-mining campaigns in the Philippines led by different coalitions, one of which is the *Tigil Mina* (stop mining), have employed multi-pronged strategies and tactics to defend the communities from being displaced and to protect their watersheds. A good example of innovative strategy is the partnership between community-based water users, village governments, municipal governments, water service providers and non-governmental organizations. The partnership, anchored on the recognition of the benefits of watershed protection, has served as means of opposing mining applications within the Sibalom Natural Park in Antique province.

There is an effort also to link up these different struggles and these are being led by indigenous peoples, rural women, small farmers and anti-mining groups in Southeast, East and South Asia. Rivers, which have been polluted by both domestic and industrial use, are also being rejuvenated to reclaim peoples' lives and livelihood.

Public Water for All

The Water Wars also highlights an important component of the water justice struggles—developing alternatives. Examples of alternatives in Asia persist even as private capital and corporations still dominate much of the peoples' lives and societies, especially in the area of access to, control and sustainability of drinking water supply or water service provision in both rural and urban areas. These alternative models of water service provision are very wide ranging, as they depend on the condition and specificities of a particular area or country. There is no 'one-size-fits-all' alternative that has emerged. But common among these alternatives is responding to the need for people-centered and progressive public water management and on-the-ground solutions, particularly to the problem of water access and universal coverage, especially for the poor and marginalized.

There are strong public and community water delivery systems in the Philippines, Malaysia, Hong Kong, South Korea, Cambodia and Japan where consumers and communities directly participate. Majority of municipal water services are still public—either provided by the state or local governments, and/or community-based organizations. Public utilities in Japan, for example, have achieved universal coverage for its population, translating into delivery of high quality drinking water, very low leakage levels and good labor conditions for the unions.

Another public utility, the Phnom Penh Water Supply Authority in Cambodia, undertook a massive rehabilitation of a decrepit water distribution system after the Khmer Rouge reign and embarked on strengthening management capacity to minimize unregistered or unmetered service connection in slum areas and/or among informal settlers.

In India, the Self-Employed Women's Association (SEWA), a trade union and community-based movement of poor and self-employed women workers in the State of Gujarat, was able to establish, and now continues to operate and maintain a system that provides safe potable water to its members, minimizing time spent for fetching water and giving the women more time for livelihood activities.

Similarly, in the Philippines, urban-based organizations of water users, exemplified by the Bagong Silang Community Water Service Cooperative of Caloocan City, one of the waterless communities in Metro Manila, have used their consumer-owned utility to secure dependable water supply from third party bulk providers at reduced transaction costs and negotiated with financial institutions to secure funds for the improvement of their water supply and distribution system. The cooperative's inherent characteristics of democratic control, peer-level monitoring and enforcement of rules are helping drastically in reducing management cost and providing some relief on the pressure to commercialize the service. Such community-based and consumer-owned water systems are bridging the gap in water service delivery in many parts of Asia.

There are also state, community and social movement democratization experiments in India where large parts of the population remain without access to water and sanitation, but also where concrete and workable alternatives to privatization exist. For example, in the state of Tamil Nadu, engineers of the Water and Drainage Board have changed their view of water. This change in attitude and ways of working has created enormous impacts in terms of bringing water to the poorest of the poor communities in rural areas, thereby empowering them. Women in the communities and those marginalized are now taking a pro-active role in taking care of their water sources, ensuring safe and quality drinking water for all members of the community. They even have their own oversight/monitoring system. These are strong positive tools for improving public water service delivery.

Finally, there are public-public and public-community partnerships, or not-for-profit partnerships between public water operators, communities, trade unions and other social-economic groups. In the Philippines, there is the labor-management cooperation within water districts over performance benchmarking, which is a practical management and decision making tool. By undergoing capacity building trainings, both labor and management not only enhance their technical skills but will provide opportunities for both parties to cooperate in the delivery of quality public service. An example is the public-community partnership between the Residents Association of Tinagong Paraiso in Bacolod, central Philippines, and a local NGO, which negotiated with the Bacolod City Water District the provision of community tap stands for slum communities. Managed and maintained by the resident association, these community water points greatly improved access to clean water among the informal settlers and urban poor.

In Thailand, the competing demand for water by households, agriculture, tourism and industry led to the different interest groups in the Ping River—local NGOs, residents of communities located upstream and downstream of the river, Hang Dong farmers and

Hmong Hill Tribe—to negotiate and balance such competing demand. They eventually came up with an acceptable system of water allocation.

These alternatives highlight two things. One, like the case of Bolivia where social participation is not only a concept but a widespread practice, peoples' real participation as well as transparency and accountability in the decision making process are very important in ensuring improved access to and control over water. As Vibhu Nayyar, founding mentor of the Center of Excellence for Change ,puts it, "through a partnership between people who have suffered from lack of access to water and water agencies who believe in democratic functioning, can we ensure safe, equitable, and adequate water resources and ensuring sustainable water systems."

Two, while there are no perfect alternatives, building and articulating alternatives remain a collective process, which should be inclusive, gender just and participatory, and not only relegated to the government or state. There are numerous such processes which are happening in various countries; for instance in the Philippines, there is the Development Roundtable Series (DRTS) created by Focus on the Global South-Philippines. This is a process-platform for different groups to come together to discuss development policy issues in the hope of reaching collective diagnoses of problems in urban and rural water service provision, in resource management, conflict and regulation, and in identifying the requirements for addressing them and the political opportunities that can be used by groups affected by such problems. Such a process-platform combines on-the-ground problem solving, building alternatives and identifying policy reforms which water advocates can push for collectively.

The Climate Change Challenge

Ten years after the Water Wars, the challenges that the world face are more immense. The multiple crises in food, climate change and water are affecting people's daily lives in more threatening ways.

The water crisis is intensified by climate change and environmental degradation, such as the shrinking of forests and swamps that are resulting in chronic flooding and droughts. Global warming is accelerating the melting of Himalayan snowcaps that feed Asia's great rivers.

In the Philippines, such challenges are magnified by the impacts of super typhoons Ondoy and Pepeng that hit the country's capital and neighboring provinces; the result were flashfloods and destruction of agricultural crops, hundreds of lives and many communities. The country lies along the western rim of the Pacific Ring of Fire, which is a belt of active volcanoes, major earthquake faults, and tropical cyclones, making the Philippines more vulnerable to extreme weather disturbances brought about by climate changes. Recent climate change simulations by the government agency Philippine Atmospheric, Geophysical, and Astronomical Services Administration (PAGASA) and the Manila Observatory using global circulation models projected more intense rainfall events in the northern areas of the country, while the southern areas will face greater risk of drought from El Niño. The early onset of El Niño, for instance, is affecting not only the drinking water supply but also irrigation for agriculture. This will greatly affect on the country's capacity to feed its population and can be disastrous if not addressed properly.

The impacts of climate change will also be exacerbated by other socio-economic stresses (e.g., population growth, urban expansion, economic growth, globalization, etc.) that will in turn have substantial effect on water resources such as scarcity (drought) and over-abundance (flooding). While the country's vulnerability will increase in the future, the coping capacity of most of the population is limited due to poverty, lack of access to social capital, institutional fragmentation and increasing gap between people's needs and government responses.

Climate change is also exacerbating existing geopolitical conflicts and problems, as water is used as tool for occupation. This is happening in Palestine where Israel limits the Palestinians' use of well water to drive them off their lands. The struggle for water becomes intertwined with their struggle for self-determination and liberation.

Government responses to climate change and political conflict would spell the difference for peoples' ability to access water. As the earth's lifeblood, water becomes a new frontier for cooperation, the success of which both requires and fosters peoples' solidarity. The challenges are daunting but provide a great opportunity to imagine, dream and construct a better tomorrow, especially for the future generation.

Navigating Critical Waters

The significance of the Cochabamba water wars in essence is reflected in the need and desire to recreate societies, to collectively come up with a new paradigm and 'vision' of how water should be valued and managed, and to fire up a politicized citizenry as well ordinary people to defend public interest through collective action.

In the Philippines, the Filipino people, under a new government, are provided with new opportunities to recreate and redirect its country's path to development. Still, despite this new opportunity, old problems are haunting the water sector, exacerbated by formidable challenges of climate change, population growth, overexploitation of groundwater sources, excessive and wasteful use, inefficiencies in the distribution system (high wastage due to leaks, water thefts, illegal connection), salt water intrusion, forest denudation and watershed degradation. In order for the new opportunity of having a new government to work declining access to water as a result of population growth and the inability of water service providers to expand services should be in the priority of challenges that government will address. In 2006, official figures estimated that 80

percent of the population had access to safe drinking water, with 67 percent having piped water connection. This was far below the 1999 coverage of 90 percent. Also, the 2004-2010 Medium Term Philippine Development Plan (MTPDP) and President's Priority Program on Water underscored that there are 432 waterless² municipalities outside Metro Manila, 210 communities within Metro Manila and 201 municipalities in conflict zones. There is also the rural-urban divide, with rural areas having only as much as 23 percent coverage (household connections) and 58 percent for urban areas.³

Institutional fragmentation, according to many studies, is the main cause of the many problems in the water sector. But water policies and laws have also been largely incoherent or inconsistent with each other. For example, the previous MTPDP has encouraged integrated water resources management but the Mining Act of 1995 has allowed mining applications in critical watershed areas. In the same vein, previous administrations have upheld Private-Public Partnerships as a strategy to bring in investments and financing but the country still suffers from low sector investment and access to financing, especially for the poor and marginalized communities. It remains to be seen how the new government will address these problems. The appointments of progressive officials from civil society offer hope and opportunity for constructive engagements.

The conjuncture in the Philippines is akin to the situation that led to the Cochabamba Water Wars—the lessons offered by that event can be an iconic example of the many possibilities through which the Philippine government can solve the water issue. The greatest lesson for this writer is that the new paradigm should reclaim, defend and re-establish water as commons, making this resource not only an issue of social justice but also of access to democratization. The challenge is how to collectively navigate these critical waters and chart a new path for the country.

This article was originally delivered as a keynote speech during the opening plenary session of the 10 Años dela Guerra del Agua of the III Feria del Agua on April 15, 2010 at Complejo Fabril, Cochabamba, Bolivia, in celebration of the 10 Years of the Water Wars.

Endnotes

- 1 In 1999, the World Bank recommended the privatization of Cochabamba's municipal water supply company, SEMAPA, through a concession to a private consortium, Aguas del Tunari, which involved International Water, a subsidiary of Bechtel. A law was passed called the Drinking Water and Sanitation Law in October 1999 that basically paved the way for privatization.
- 2 By Philippine standards, access to potable water should be a clean supply of at least 50 liters per capita daily (lcpd) available from water points no more than 250m from the user's residence. Waterless communities are categorized into five groupings (a) those supplied from unprotected or poor-quality sources; (b) communities which have outrun local water sources; (c) communities and households unable to access sufficient potable water due to governance issues, rights-of-way issues, poverty, and supply distribution equitability issues; (d) households that are too scattered or remote from each other for communal water systems, and are presently using unimproved household systems; and (e) communities which already have basic point-source systems but aspire for household connections and therefore declare themselves 'waterless'. See The Water Dialogues, The Philippine Water Situation, undated.
- 3 WHO, UNICEF, 2006

(6th Asean People's Forum in Hanoi, Vietnam) **On Solidarity and Action for a People-Oriented Asean: Personal Reflections**

BY FANG CHIH-YUNG

Since it was a people's forum, I was expecting it to be open to anyone who would like to participate, even for non-Asean people like me. I knew the venue had limited space and the organizers had to face constraints in resources that having too many participants wasn't realistic, but who should have been excluded in case the registered number exceeded the organizers' accommodating capacity? What groups should be let in and which 'shut out' from this annual parallel event with the Asean summit?

In the run-up to the event, there had been exchanges about the organizers' supposed attempts to block some regional non-government organizations (NGOs) from participating, especially NGOs working on human rights and democracy issues, to which the Vietnamese government is very 'sensitive.'

Complaints were voiced out (or murmured) against the Vietnamese group in the Programme Committee from some diversion from agreed and implemented protocols in the past APF events.

Massive, intensive and, hopefully, productive

According to official records, the number of registered people of the Forum exceeded 1,000 but the actual participants numbered more than 700. The composition of the delegation was diverse in terms of countries represented, issues of concern and advocacies presented.

On the first day, three plenary sessions were held on the following themes: “Building Asean Community-opportunities and challenges”, “Asean in the Changing World”, and “Understanding Vietnam.” As a 43-year old regional, international and inter-governmental organization, Asean has achieved much in the areas of economic integration, but less in the political security realm as well as in the social-cultural, which are the three pillars of the organization. Today, it’s hard to imagine, but not impossible, that an Asean member state will resort to force to sort out skirmishes with its peers even though there are heated issues over borders, both on land and sea. The Asean Free Trade Area (AFTA) continues to take shape and the intra-regional economic exchange and activities are growing steadily, if not fast. However, according to the panel members and audience in the plenary discussions, an Asean identity amongst Asean people is still lacking, which reflects the amount of work still needed to be done to strengthen the social-cultural pillar.

On the second day of the Forum, 16 workshops on different issues were organized; four parallel workshops were held where the attendance was high. For example, the workshop on “Economic Integration, Cooperation and Trade,” which focused on economic integration as Asean’s centrepiece program for community building, was packed with more than 150 people. The big issue in this workshop was Free Trade Agreements (FTAs). Since the World Trade Organization (WTO) Doha Round had been shelved, Asean countries and Asean region as a whole have been eagerly pursuing FTAs with developed economies, such as the European Union (EU), Japan and Australia, and with emerging ones such as China and India. However, the “FTA frenzy” among Asean countries incurred much criticism from Asean civil society organizations (CSOs) because the development trajectory still follows the neo-liberal paradigm, which has been much discredited in the recent global financial crisis. Some case studies from Indonesia and Thailand show the negative impacts of FTAs on Asean, in which majority of the members are still developing countries, and some are even among the poorest in the world. It is not difficult to foresee how FTAs, and hence open market, are going to damage their vulnerable economies when they engage world economic powers.

People's Calls to Asean

On the last day of the Forum, an interlude event attracted people's attention. A group of Thai participants made an impromptu presentation to protest against the Thai government's measures to quell the Red Shirts. This kind of "drama" would probably have been muted in an Asean official meeting, but in this occasion, the Forum lived up to its historical spirit of being of, by and for the people by giving space to the protesting group.

Three other events had been scheduled on this day, namely two plenary sessions on "Asean People's Integration and Cooperation for Building a People-oriented Community" and "Discussion on the Draft Final Statement", as well as the closing ceremonies. The discussion on draft statement was conducted in a democratic way and open-minded manner. The facilitators did their best to allow as many voices as possible to be heard and to accommodate opinions from different sectors, including women, laborers, farmers, refugees, migrants, children, etc.

For a big conference like APF, with more than 700 participants representing diverse issues, peoples and geographies, it wasn't easy to have a consensus on a concluding statement. Therefore the discussion was long and tedious but was considered necessary, a characteristic that had been missing in many Asean's official meetings.

In the final statement, a groundbreaking demand for the governments of Asean was presented: to create a fourth pillar on the Environment alongside the current pillars on Political Security, Economic and Social Cultural. As a region abundant with natural resources and manpower, Asean is attracting more investment from other countries/regions in fast pace. The fast growing economy in recent years also hastened the exploitation of natural resources. However, due to immature institutions and insufficient enforcement of regulations on environmental protection, Asean is facing severe environmental degradation. Moreover, as most Asean countries are still at the

developing stage, they are restrained by limited resources to deal with natural disasters caused by climate change. Therefore, the 6th APF in Hanoi found it very critical for Asean governments to tackle environmental issues seriously and include environment as one of the pillars. These would just be basic steps toward enhancing Asean's capacity to deal with climate change.

Towards a People-Oriented Asean

The solidarity night would always be a highlight in this kind of gatherings, because of its less formal and more interpersonal nature. The organizers welcomed the participants with Vietnamese hospitality and ambience: by the Hotel pool were buffet and Vietnamese-style street food stalls, while lotuses and candles floated on the blue water enchanting everyone that looked. The Vietnamese groups kicked off the all-night performance through its traditional music and dance, and the other national delegations followed and contributed their share in this cultural gala. The performances epitomized Asean: a big gathering of diverse peoples who sing in their own tunes and languages, and dance with their own moves, all sounding and looking exotic, yet with familiarity recognized by everyone.

As for finding coherence and harmony in the Asean community, the Asean should find the answer in the Asean people's ideas, suggestions, comments, criticisms and most important of all, participation. There is still a long way to go to have a real Asean identity and community that is designed and led by people and caters to people. However, there is no doubt Asean People's Forum will continue to be an important platform to initiate the movement towards a real people-orientated Asean.

As somebody from a non-Asean, non-UN, non-WHO, non-almost-every-international-organization country, I truly envy the Asean family for what they share and where they are walking together towards. I'm still happy I was part of this Asean People's Forum. All the best to Asean and Asean people!

Burma in Malaysia: Working, Watching, Waiting

BY AYA FABROS

The day Aung San Suu Kyi was released a frantic buzz filled the Burmese corner of town. I was in one of the dry goods store, waiting for Zar, browsing through a week old Burmese newspaper I couldn't read. The owner, Zar's friend told me I have to go; Zar was coming but I had to go. The police were coming so they needed to close the shop.

I met up with Zar at a coffee shop on the other side. He asked me if I wanted anything to drink and I asked him what's going on. He told me, it's ok, don't worry, the police just coming, it happens all the time.

"Once a month, sometimes very close, one a week like that. Depends," Zar explains in his broken English.

Known for tough crackdowns on illegal migrants, the Malaysian migration regime has become almost synonymous to regular raids.

"You see here, many people come. Most of the foreigners come to shopping around here. So who is an illegal, legal can't be divided each other. So find out the illegal people here, that's why the police always check around. But not to worry, I'm a legal one, got the passport and paper also from the government, only I cannot hold the passport," he went on, showing me a photocopy of his passport, which was held by his employer.

It is said that there are an estimated 50,000 Burmese in Malaysia, although it is difficult to pinpoint exact numbers in light of their situation, the multiple and complex factors underpinning this cross-border movement of refugees fleeing from political turmoil, migrants in search of jobs, documented and undocumented entrants. In Malaysian detention centers, it has been noted that the Burmese make up majority of those detained 'illegals' staying in the country. Zar is among the few legal ones with an actual permit, for which he says, his employer had to shell out RM 3000.

"That's why they keep the passport," he tells me.

Zar has been in the country for almost 10 years. Working as a cook at a small hotel in town, he earns about RM 800 a month, half of which he sends back to his mother in Burma.

"My mother and Aung San Suu Kyi, I think the same age. She is 65." Zar tells me about her, as we waited for Aung San Suu Kyi's release to be announced online.

"She worked for the government before, you know, now she retired. In 1988, she joined demonstration of government people and she was sent to prison. I was 10 years old and left by myself. The government came and told me that my mother was in meeting somewhere. But my mother came back after three months and she told me what really happened. When they release her, they gave her a paper saying she retired but they did not give her any money. My mother she's very old, now she lives with my auntie."

He talked about all this in one stream, as if talking about one's parents, what they do, protests, prison, one after the other, were the most normal thing in the world. And as if imprisonment and retirement were everyday conversation topics; and the injustice of unlawful detention and withheld pensions is part of one fluid continuum of a world that has hardly been fair. 'So she is very, very, old now cannot work anymore.'

Zar is an only child. And so now it's his turn to work. He was a Physics student at a local university in Burma when he decided to go to Malaysia. Working part time in a hotel, he met his former boss, a Malaysian, who offered him a job overseas. He thought to himself, I stay here and study but there is no job, no rights. And so the boy, who started having to fend for himself at the age of 10, left his country for the first time.

Zar fiddled with his laptop, checking mizzima, irrawady, as he told me all this. 'This is my friend; every day I work almost 12 hours then on my free time I watch the news from my country from all over the world, here.'

By 3:30, no announcement had been made yet. Zar told me he had to go, get back to work. He only gets a two-hour break from 2-4 pm every day, working from 9 in the morning 'til 11 at night. We decided to just catch up again next week. Zar paid for our coffee. We parted ways, without our anticipated good news about Aung San Suu Kyi.

Around late afternoon, when I found out, I sent messages to some Burmese workers I'm in contact with. Zar sent me back a text message: 'Thank you. I very happy but have to work now.'

The next day, I visited the same corner again, entering another Burmese kedai unannounced. I ordered a 100plus from the owner at the counter. "Did you watch Aung San Suu Kyi last night?" I just threw it out there, showing him the stylized, sort of pop art sticker and the other Free Burma paraphernalia I had, my props to back up my poor language skills.

He paused, actually looked at me, said yes and smiled. "Bolleh Beritanya? Chakap," I asked. It was my version of can I talk to you about it; ask questions in my elementary, broken Bahasa Malayu?

He pointed to a table, and made a hand gesture, which seemed to mean sure, hold on a minute, sit down. I did as I was told. This was a complete shift from the last time I talked to him, when he hardly acknowledged my presence. I started coming to this particular shop a couple of days before the elections, talking to customers, asking them what they thought. People sort of humored me, let me sit at their tables to talk, although clearly stressing that they couldn't care less about the polls. "It's a lie, imitation," I was told in many different ways, when I pressed to inquire about the resumption of elections in Burma after 20 years.

Kyaw was one of those who just brushed this event aside. Now, I'm back at his shop, and he's about to sit down next to me. He showed off his Aung San Suu Kyi posters and memorabilia. He rolled out one medium sized poster, stopped for a bit to gaze at a younger Suu Kyi, and then sort of grazed his fingers, almost but not quite touching her image.

Watching him, I was reminded of several articles I've read recently, where some analysts talked about the romanticized regard, the almost blind adulation for Aung San Suu Kyi.

"I'm sorry," he tells me. "I always crying when I talk about her. I don't know." He turned away, and I tried not to look at him when I realized that his eyes were filling up with tears.

"Last night, I'm watching and my wife ask me, 'why are you crying?' I cannot stop. But I tell her it's not a sad cry; it's happy cry."

Kyaw is 46 years old. He came to Malaysia in 1996, driven out by political turmoil in the country. Today, he manages a small canteen catering primarily to Burmese customers, a shop he co-owns with his Indonesian wife. He told me about his father who was imprisoned after 1990. He told me about his daughter, who was born in Malaysia, who cannot speak or read Burmese, who only has a vague notion of the country, much less its struggles.

'I think because she make me think what is happening. What is do to her, what is do to us. And I think about her. It is her heart.'

We had the conversation with Metallica playing in the background. He seemed to like Metallica, among other bands, at least judging from his wide collection of framed musician posters—

Pantera, Scorpions, the Beatles, Bob Marley along with Bruce Lee and Aung San Suu Kyi, an interesting parade of icons, which hung on the lively blue wall of his shop.

"So what do you think about her release?" I prodded on.

"I think temporary. No change."

I was surprised by his response. I was expecting something else I suppose, after seeing his earlier display of unmistakable reverence, the kind of worship that I often saw from Catholic devotees who prayed earnestly, touching the face, the feet of the Virgin Mary. I thought I would hear something more optimistic, a little bit more upbeat, especially, after listening to people last week firmly, repeatedly declared that they didn't believe in the elections, "only Aung San Suu Kyi can change things." But I heard the same answers from everyone else.

Practically the same thing too, from Mr. Soe, who told me over lunch a couple of days ago, "I think it's fake. Just for two months, three months. I'm waiting. I know already. They have plan."

Mr. Soe works as a cook for a Thai restaurant in Jelutong. He is 52 years old, married and with two children. He's been working in Malaysia for 14 years, sending his earnings back home to his family left behind.

"You have to think one step ahead. The junta is clever."

“So what do you think their plan is?”

Mr. Soe then brought up the recent elections, the landslide win, the ensuing unrest. He then tells me, “so now people are happy, this is making people happy. And then later they will announce something I know. I wait. Maybe they will change the pictures. They retire and no longer wearing the uniform. Then they will announce something. I’m already old, I already see many things. My generation experienced nothing, nothing but hardship.”

As they spoke of their elation about Aung San Suu Kyi, there was this jagged wariness that could be readily detected, from Mr. Soe, from Ali, from Zar, a strange marriage of hope and despair, probably instilled by time and again learning the hard way that appearances could not be trusted.

Before he came to Malaysia, Mr. Soe was a photographer for a newspaper. He would walk miles and miles to get good pictures. “There is a road and I take picture of some broken. I go back to the newspaper and they say stop the printing we cannot put this picture. They don’t want anything show like that.”

He told me he gave up being a photographer at some point, frustrated by circumstances, pushed out by the meager pay. He and other migrant workers here compared wages between their country and Malaysia. In Burma, they told me, people would earn about 3-5 ringgit a day, while here they earn around RM 20-30, with overtime and at times some part time work.

“In my country everyone is very poor. Very quiet. Only working. Working for money, working to eat,” Mr. Soe said.

There seemed to be a consensus in terms of their assessment of peoples’ dispositions, whether in Burma or overseas. “Junta already make like this everybody, no political, only working money to eat.”

Kyaw shares, “I come here to Malaysia and I see everything, I see tall buildings, everything and I thinking why not the same. You see everything not the same. Not only the building, but everything not the same. In my country, nobody can say about political, if they say, then they will be arrested.”

Zar seems to share similar sentiments, although he has other observations. He knew about being arrested for political reasons, locked up (and ‘hit with a very hard stick, because they say only first time’) as a student for putting up some protest posters in campus. They released him after a couple of days, and told him that if they caught him again next time, the punishment would be tougher.

In Malaysia, where Zar works at least 12 hours a day, at times with no day off in a month, Zar told me, sometimes he gets ‘very bother.’

“In my country no human rights, now I come to Malaysia, it’s like same. It’s like we are prisoner. Like we are servant from the old times in another country,” he noted.

In different conversations, I asked all of them if they wanted to go back to Burma.

Mr. Soe replied, “I have to stay in Malaysia to work, for my children.”

“I want to but not yet. I think change come but a long time. Now I working, watching, waiting. I believe, really this, but many, many years more,” Kyaw told me.

“Sometimes my friends get very depression about our life here but cannot go home. They feel so bad, they’re drinking a lot. I tell them, don’t do this. We stay in another country to learn, to get experience. So when we go back, we can do more. And if our country progress, we don’t have to go overseas to work,” Zar said.

2010 IN FIGURES

The 2010 economic accounts of the Philippines indicate improvements in the economic sectors, even as the country underwent political transitions, compared to 2009 figures. The National Statistics Coordination Board (NSCB) reports that compared to 2009, the Philippine economy saw a significant increase in both the Gross Domestic Product and the Gross National Product in all the four quarters of 2010. The most recent report of GDP expansion was for the 3rd quarter of 2010, which factored in 6.5 percent growth—roughly eight times more than the 3rd quarter of 2009, which recorded only an 0.8 percent increase.

However, despite these economic triumphs, the 2010 inflation rate for all items was at 3.8 percent for the entire country, which is higher than the 2009 average of 3.2 percent. Food, beverage and tobacco industries experienced the most inflation in contrast to other areas and commodities. The inflation is especially apparent in the National Capital Region—from an average of 1.6 percent in 2009, the NCR's inflation rate skyrocketed to 4.0 percent in 2010. Meanwhile, the inflation rate for areas outside NCR was only 3.7 percent, slightly lower than 3.9 in 2009.

On the upside, the years 2009 and 2010 both showed stability in terms of job availability. According to the Labor Force Survey of the National Statistics Office, the Philippines maintained its 92.9 percent employment rate and 7.1 percent unemployment rate. However, underemployment rate in 2010 was higher, albeit faintly, as 19.6 percent unemployment was recorded for said year, as opposed to 19.4 percent in 2009. Similarly, the numbers of employed, unemployed and underemployed people were also somewhat higher in 2010, but did not vary much from the 2009 figures for the

same areas. Services also remained to be the largest major industry group in 2010, followed by agriculture and industry, respectively.

Yet along with the economy, another aspect that greatly improved in 2010 was the remittances of overseas Filipino workers. It appeared to have increased in the period January to November 2010, compared to the same period in 2009.

ECONOMIC ACCOUNTS

National Income Constant 1985 Pesos

In Million PhP

	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
	2009	2010	2009	2010	2009	2010	2009	2010
GDP	381,227	413,976	413,067	444,302	402,221	432,398	458,420	--
GNP	381,227	413,976	413,067	444,302	402,221	432,398	458,420	--

Source: National Statistics Coordination Board (http://www.nscb.gov.ph/secstat/d_accounts.asp)

National Income Current Pesos

In Million PhP

	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
	2009	2010	2009	2010	2009	2010	2009	2010
GDP	1,735,242	1,941,818	1,859,880	2,095,162	1,868,569	2,046,464	2,215,226	--
GNP	234,212	277,317	290,521	314,698	296,636	347,119	309,698	--

Source: National Statistics Coordination Board (http://www.nscb.gov.ph/secstat/d_accounts.asp)

GDP Growth

In Percent

	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
	2009	2010	2009	2010	2009	2010	2009	2010
GDP	0.4	7.3	1.5	7.9	0.8	6.5	2.3	--

Source: National Statistics Coordination Board (<http://www.nscb.gov.ph/sna/default.asp>)

PRICES

YEAR-ON-YEAR INFLATION RATE BY AREA AND COMMODITY GROUP

Area/ Commodity/ Group	2010													2009	
	AVE.	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	AVE.	Dec
PHILIPPINES															
All Items	3.8	3.0	3.0	2.8	3.5	4.0	3.9	3.9	4.3	4.4	4.4	4.2	4.3	3.2	4.3r
Food, beverages, and tobacco	3.0	2.0	1.9	2.0	3.2	3.5	3.2	3.1	3.1	3.1	3.1	3.8	4.3	5.8	5.2
Housing and repairs	1.7	1.9	1.9	1.8	1.6	1.5	1.7	1.6	1.7	1.7	1.7	1.8	2.0	2.9	2.1
Fuel, light, and water	13.2	11.5	12.0	8.3	11.9r	15.3	14.3	16.4r	16.8r	18.0r	14.6	11.0	9.2	-2.6	7.7
NATIONAL CAPITAL REGION															
All items	4.0	3.4	3.6	2.2	3.5	4.5	4.1	4.1	4.6	5.3	5.0	4.0r	3.5r	1.6	3.8r
Food, beverages, and tobacco	1.8	0.8	0.7	-1.0	1.2	2.3	2.0	2.2	2.2	2.3	2.4	3.0	3.5	5.1	5.6
Housing and repairs	1.6	2.3	2.3	2.1	1.5	1.4	1.5	1.5	1.4	1.3	1.4	1.1	1.4	2.8	2.1
Fuel, light, and water	17.8	16.9	18.5	10.9	19.2	24.8	19.5r	20.2	19.1	25.5	19.9	11.8	5.7	-1.4	4.7
AREAS OUTSIDE NCR															
All items	3.7	2.8	2.8	2.9	3.5	3.7	3.8	3.9r	4.3r	4.1	4.1	4.2r	4.6	3.9	4.5
Food, beverages, and tobacco	3.4	2.4	2.3	2.8	3.8	3.8	3.5	3.4	3.3	3.3	3.3	3.9	4.5	6.1	5.1
Housing and repairs	1.8	1.5	1.5	1.6	1.6	1.6	1.9	1.7	1.9	2.1	2.1	2.2	2.4	2.9	2.1
Fuel, light, and water	10.9	8.7	8.6	6.9	8.1	10.4	11.6	14.4r	15.6r	13.8r	11.8	10.5	11.1	-3.2	9.3r

Source: National Statistics Office (<http://www.census.gov.ph/data/sectordata/2010/cp101208r.htm>)

JOBS

Employment Rate

In Percent

Labor Force Survey

Year	1st Quarter (January)	2nd Quarter (April)	3rd Quarter (July)	4th Quarter (October)
2009	92.3	92.5	92.4	92.9
2010	92.7	92.0	93.1	92.9

Source: National Statistics Office, Labor Force Statistics (<http://www.census.gov.ph/data/sectordata/data/lf.html>)

Unemployment Rate

In Percent

Labor Force Survey

Year	1st Quarter (January)	2nd Quarter (April)	3rd Quarter (July)	4th Quarter (October)
2009	7.7	7.5	7.6	7.1
2010	7.3	8.0	6.9	7.1

Source: National Statistics Office, Labor Force Statistics (<http://www.census.gov.ph/data/sectordata/data/lf.html>)

Underemployment Rate

In Percent

Labor Force Survey

Year	1st Quarter (January)	2nd Quarter (April)	3rd Quarter (July)	4th Quarter (October)
2009	18.2	18.9	19.8	19.4
2010	19.7	17.8	17.9	19.6

Source: National Statistics Office, Labor Force Statistics (<http://www.census.gov.ph/data/sectordata/data/lf.html>)

Employed Persons by Major Industry Group

In Percent

Labor Force Survey

Sector	1st Quarter (January)		2nd Quarter (April)		3rd Quarter (July)		4th Quarter (October)	
	2009	2010	2009	2010	2009	2010	2009	2010
Agriculture	34.6	32.8	35.2	32.5	33.6	33.9	34.0	33.6
Industry	14.2	14.8	14.5	15.5	14.9	14.9	14.5	14.7
Services	51.2	52.4	50.3	52.0	51.5	51.2	51.4	51.7

Source: National Statistics Office, Labor Force Survey

Number of Employed

In Millions

Labor Force Survey

Year	1st Quarter (January)	2nd Quarter (April)	3rd Quarter (July)	4th Quarter (October)
2009	34.3	35.0	35.5	35.5
2010	36.0	35.4	36.3	36.5

Source: National Statistics Office, Labor Force Statistics (<http://www.census.gov.ph/data/sectordata/data/dfs.html>)

Number of Unemployed

In Millions

Labor Force Survey

Year	1st Quarter (January)	2nd Quarter (April)	3rd Quarter (July)	4th Quarter (October)
2009	2.9	2.8	2.9	2.7
2010	2.8	3.1	2.7	2.8

Source: National Statistics Office, Labor Force Statistics (<http://www.census.gov.ph/data/sectordata/data/dfs.html>)

Number of Underemployed

In Millions

Labor Force Survey

Year	1st Quarter (January)	2nd Quarter (April)	3rd Quarter (July)	4th Quarter (October)
2009	6.2	6.6	7.0	6.9
2010	7.1	6.3	6.5	7.1

Source: National Statistics Office, Labor Force Statistics (<http://www.census.gov.ph/data/sectordata/data/dfs.html>)

OFW Remittances

In Thousand U.S. Dollars

	Annual	January to November	Growth Rate (%)
2009	17,348,052	15,780,177	8.17
2010	--	17,068,871	

	Jan	Feb	Mar	Apr	May	June
2010	1,372,788	1,413,127	1,553,492	1,520,200	1,578,938	1,623,638

	Jul	Aug	Sep	Oct	Nov
2010	1,616,778	1,502,887	1,600,554	1,673,725	1,612,700

Source: National Statistics Office, Overseas Filipinos' Remittances (<http://www.bsp.gov.ph/statistics/keystat/ofw.htm>)

Cess Celestino, Focus' Research Assistant, put together the report and did the write-up.