

# Geography and human development in the Philippines: implications to policy and practice of local autonomy and development

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Thank you UNDP and HDN for inviting the Department of the Interior and Local Government to this morning's launch of the 2012/2013 Philippine Human Development Report.

On behalf of Secretary Mar Roxas and the DILG, we would like to congratulate the Human Development Network, led by Prof. Noel de Dios, for producing another breakthrough in raising the quality of policy discourse on human development in the Philippines; this time, with huge implications on the scope and direction of devolution and local autonomy in the context of geography and people's well-being.

*Salamat, Noel, sa kaukulang pansin ng HDN sa kahalagahan ng pisikal na espasyo sa pamantayan ng makataong pag-unlad—at ang katumbas na pagsusuri sa kalagayan, kapangyarihan at kapasidad ng pamahalaang lokal upang maisulong ito, laluna ng probinsiya at karatig-bayan. Indeed, human development occurs in physical spaces, although*

these spaces are within more complex arrangements not necessarily consistent and compatible with one another.

We call them local governments and administrative regions from an institutional lens; agro-ecological zones from an ecology spatial framework; leading and lagging economies from a growth or poverty perspective; and, among others, urban and rural areas from an economic density approach.

The fit of all these spaces into a singular, homogeneous politico-administrative construct is at best problematic, and so political, legal and institutional accountability are not in sync with the most desirable strategic directions based on geo-ecological givens—as the Human Development Report correctly pointed out.

I will therefore speak on the policy implications of the findings in the Philippine Human Development Report, particularly to DILG as the overall agency deputized by law and the President to perform general oversight functions to LGUs.

**Paradox: province as ‘weakest link’ but also cited as locus of inclusive human development and economic integration**

My personal take away from the Philippine Human Development Report is as straight-forward as one of its main findings: the province is—and I quote from the

Report—the “weakest link” in promoting inclusive human development and economic integration.

To be fair, the reasons for this are, by and large, a function of legal-institutional constraints beyond the control of the province. But there are also capacity and resource issues fairly within its control but circumscribed nonetheless within the same constraints. Allow me please to draw from your findings and to respond accordingly.

First, the capacity of provincial governments for integration within its jurisdiction and to pursue trans-boundary potentials, which the Human Development Report refers to as ‘neighborhood effects’ or ‘spillovers’ is something that the Local Government Code has somehow anticipated but not quite.

Inter-local cooperation it is called. This is the first level anticipation in the LGC under the umbrella of decentralization and local autonomy. In operational terms, this means fostering the willingness and commitment of LGUs to band together administratively, by virtue of their proximity and contiguity with one another, as well as the necessities of market forces and shifts, including the need to manage positive and negative effects.

But the lessons of experience seem to offer opportunities to unlearn—such as the case of Metro Manila featured in the Human Development Report, whose levels of economic

integration, population density, urban sprawl and social ills require trans-boundary management and vision.

However, current arrangements in NCR have been inward-directed, parochial and territorial, with limited incentives for inter-LGU and inter-regional approach—with Central Luzon and Calabarzon, for example, whose economies are geographically integrated with that of Metro Manila.

There is no incentive either for metropolitan governance that goes beyond 9-year term limits of local chief executives and in response to scale opportunities or externalities over time.

Another lesson of experience that needs to be corrected, based on evidence from the Human Development Report, is the effect of withdrawing cities from the natural, geographical and economic linkages with the province and its environs.

Once a province is politically dismembered, its revenue base is eroded, economic vibrance reduced, and capacities for service delivery diminished—all contrary to the natural integration and scale for which the province and environs, including cities, should have been allowed to emerge under the administrative supervision of the province.

Again, the Report cited the case of the Metro Iloilo-Guimaras Economic Development Council as an example that included

Iloilo City and Guimaras Province, plus five municipalities of Iloilo, but unwittingly or wittingly left out Iloilo province in the aggrupation. This does not violate the provisions of the Code, but seems contrary to the requisites of economic integration and administrative coordination.

This is where the LGC fails to trigger the appropriate response and reinforces the status quo. The Code has, for example, entrenched the rigidities of political subdivisions, the myopia of LGU's interests within defined territories, and the irreversible setback of what HDN called 'political mitosis' or having cities grow out of provinces, that hinders natural economic integration and administrative scale, necessary to strategically respond to geo-ecological opportunities or challenges.

And, if I may be candid, political interests benefiting from current arrangements also do not help. Cases of inter-LGU aggrupation, for example, have either been pursued out of political sponsorship or control; seldom informed by good business case or some rigorous analytics similar to what the Human Development Report offers.

### Raising capacities of the province as locus of economic integration and inclusive human development

This brings me to my second point. If we see the province as the locus of sound economic integration and inclusive human development, what needs to be done within the

control of the Executive Branch, apart from legislative advocacies to revisit the Code? How do we help the province break free from the “weakest link” to the “winners circle”, so to speak?

First, the National Government is now reversing centrally determined norms for planning and budgeting to take account of priority needs from below. I am referring to a process and approach called bottom-up-budgeting, or what we call BuB.

BuB as an approach tempers the sectoral-regional approach of national government agencies—which is tantamount to ignoring local concerns in development planning on account of ‘devolution’ and ‘autonomy’, based on the findings of the Report.

The BuB re-introduces a sectoral-local convergence with a strong social protection and poverty reduction bias; this time, allowing community-based and locally-nuanced priorities to “filter upwards” and get included in the performance budgets and targets of national line agencies.

As a process, the participatory mechanisms allow local identification and endorsement of priority poverty reduction programs to regional poverty reduction action teams, whose complete staff work will supposedly lead to priorities being funded in NGA budgets and implemented thereafter. Most BuB priorities are in support of human

development, particularly access to potable water, local roads, hunger mitigation and disaster preparedness.

BuB is admittedly work-in-progress and there is an opportunity for provinces to do a lot more in terms of determining poverty reduction and human development priorities in LGUs in collaboration with CSO partners.

The question that should be responded to by provinces is: given the resources available, what are the strategic few that will bring the most meaningful impacts in terms of scale?

The province is not there yet: it might take some time for it to make its strategic presence felt. This may be attributed to willingness and capacity. Bold decisions based on the imperatives of human development and economic integration may not necessarily be as popular as 'divide-by-N' at the national and local levels, as explained in the Report. Where trade-offs are costly at the provincial level, these should be compensated or counter-balanced by appropriate incentives from the National Government.

What could these incentives be or what form of institutions or instruments should emerge or be made available by the National Government? I guess the responses will require whole-of-government thinking outside this forum.

DRRM and CCA norms have also fostered a shift from jurisdiction-based and silo-reinforcing local behaviors.

Along the 18 major river basins, for example, we see LGU alliances emerging for shared governance in addressing or mitigating natural hazards, particularly hydro-meteorological. Disasters have taught us the grim reality that natural hazards and risks respect no political boundary or color. And so we are witnessing local governance being transformed by ecological givens.

For example, we have nine MRB Councils<sup>1</sup> working on DRRM convergence among LGUs and NGAs and four local government alliances formulating their respective MRB strategic plans in Regions 2, 3 and 6. These demonstrate inter-local cooperation founded on geo-ecological interests and long-term well-being of all.

We hope to see more of this transforming local governance, consistent with the advocacies of the Human Development Report.

### Communicating the HDR to stakeholders at the local level

Finally—on my third point—it was tough reading to go over the gems of analyses and findings from the Report. The HDR has so much to offer, especially to practitioners in the field.

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<sup>1</sup> Cagayan MRB Council, Abra River Mgt. Council, Pampanga River Basin Committee, Agro River Basin, Panay River Basin Alliance, CDO River Basin Committee, Tagoloan River Basin Council, A7-Pasig Laguna De Bay, and Metro Manila-Rizal Network.



My concern—and this is more of a request—is the need to communicate to provincial governments and other LGUs, and build the constituency of political and administrative support from local chief executives and other stakeholders.

The LCEs' disciplinal ecology and professional exposure—if I may be allowed to use these terms—are as diverse as you and me. I do not wish to assume that most local officials are able to appreciate easily the implications of the Report to the day-to-day operations of LGUs. We need to seek them out and communicate accordingly.

We have a lot of local chief executives out there who are as engaged and committed as our human development partners are here today. They, too, want to work for meaningful change in governance and development outcomes in their communities and with their constituencies. We have to reach them, with this kind of discourse.

The paradox is—we see the province or the LGUs as the weakest link. But we also see them as the locus of change; the site of transformation for inclusive human development.

*Naniniwala ako na lalong maitataas pa natin ang antas ng pagsusuri, pagbabalangkas at pagsusulong ng makataong pag-unlad, kung mapapalawak natin ang pang-unawa, pagtanggap at pagsasaangkop ng pamahalaang lokal—*

*partikular na ng lalawigan at karatig-bayan, sa usaping pangkaunlaran para sa lahat.*

Again, congratulations to UNDP and HDN *at magandang umaga po.*

*Maraming salamat.*