

# Contributions and Contradictions: Philippine Civil Society and the Millennium Development Goals<sup>1</sup>

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## A. Civil Society as a Unifying Framework

1. NGO and POs (People's Organizations, or CBOs) in the Philippines
  - Enshrined in the Constitution of the Philippines, and recognized as significant players in the evolution of society
  - Over 30,000 NGOs and POs are registered with the Securities and Exchange Commission, along with registered cooperatives; an estimated 5,000 NGOs are considered to be genuine non-profit groups active at grassroots levels.
  - Genuine NGOs work toward organizing autonomous, democratic, and active community groups, or POs, able to address their priority issues; this entails empowerment and capacity building, advocacy for and with grassroots groups.
  - Most genuine NGOs of the post-Marcos era are engaged in critical collaboration with government toward sustainable development and social justice, but retain their right to oppose government actions that they believe are detrimental to the well-being and rights of excluded poor and disadvantaged groups.
  
2. Civil society may be seen as fulfilling three roles:<sup>2</sup>
  - As part of society  
Organized groups (not the family, and outside the market and the state), mainly, community-based organizations (CBOs), nongovernmental organizations (NGOs), trade unions, cooperatives, religious and faith-based groups, academia, media, (possibly) indigenous peoples
  - As a kind of society  
Promoter of selected values and norms, like poverty eradication, human rights, gender equity, environmental sustainability, international fair trade regimes, peace, anti-small-arms and landmines, and meeting social goals
  - As the public sphere  
Arena for broad-based debate and institutional collaboration; partnerships and networks; guarding of public democratic spaces, monitoring government and sometimes private sector performance; self-monitoring

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<sup>1</sup> Outline of presentation made at the Federal Ministry for Economic Cooperation and Development (BMZ), Bonn, Germany, April 26, 2005. Sociologist Mary Racelis is Research Scientist and former Director of the Institute of Philippine Culture, Ateneo de Manila University.

<sup>2</sup> Michael Edwards, *Civil Society* (Cambridge, England: Polity Press, 2004).

3. With regard to the MDGs, the Government of the Philippines National Economic and Development Authority (NEDA) emphasizes NGO roles indirect service delivery, policy advocacy, but especially its watchdog role of monitoring government performance and, more broadly, societal responses.
4. CSOs (NGOs and POs) are willing to contribute to MDG achievement, but also reserve the right to highlight problems and contradictions in the process.

## **B. The Philippines Today: Basic Information<sup>3</sup>**

1. Population of the Philippines = 85.5 million in 300,000 sq.km and 7,107 islands: estimated population by 2015 = 102.8 million Filipinos
2. One of the most risk-prone countries in the world from natural calamities, like typhoons, earthquakes, tidal waves, and drought, along with manmade disasters, like forest denudation and flooding, mining ecological disasters and groundwater pollution
3. Rate of growth 2.11%
4. 53% urban and 47% rural, with 2/3 of poverty found in rural areas and 1/3 in urban slums and informal settlements of the larger cities
5. Families below the national poverty line, 24.7% (in 2000)
6. Share in income/consumption of poorest and richest quintiles
  - Poorest quintile 4.7%
  - Richest quintile 53.3%
 (Each quintile has 17 million people, or 3.4 million families)
7. Unemployment 12.1% (2004), even though 3.2 million jobs were generated from 2001 to 2004; underemployment 16.9% (2004) of which 61% in rural areas.
8. GNP/GDP growth (2004) at 5.2% and 4.9%, respectively; investment to GDP ratio 20.1%; foreign direct investment US\$1.49 billion (2003); gross domestic savings 21%; export growth rate 3.4% (2004)
9. GDP per capita = \$1,026 (2004 prices and exchange rate).
10. The Philippine economy is growing, despite adverse effects of international shocks (Asian economic crisis, 9/11, SARS) that saw decreased foreign investment, slowed down major dollar earnings from remittances by Filipino workers in the Middle East and tourism..
11. External debt 61.9% of GDP
12. Fiscal deficit: public sector debt 101% of GDP
13. Social sector expenditures (of total expenditure) 41.81%

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<sup>3</sup> National Economic and Development Authority, "Second Philippine Progress Report on the Millennium Development Goals." Draft, April, 2005, pp. 20-23. The figures describing the current situation are derived from 2003 surveys unless otherwise stated.

### C. Current State of the MDGs Goals and Targets for 2015: Government Assessments of the Probability of Achieving Them

1. See Annex for a review of Philippine progress toward the achievement of the eight specific goals and fourteen targets<sup>4</sup>  
Professor Jeffrey Sachs praises the Philippine government's incorporation of the MDGs into the Medium Term Philippine Development Plan, 2004-2010: "I can say without doubt that this is in my view among the best of the best around."<sup>5</sup>
2. NEDA estimates that as of 2003-04, the probability of achieving the goals or targets is:<sup>6</sup>
  - *high* in the areas of extreme poverty, child health, safe drinking water, gender equality in education, HIV/AIDS, malaria, and tuberculosis;
  - *medium* for maternal and reproductive health, food and nutrition, elementary education participation, environmental sustainability, population management, and slum-dwelling; and
  - *low* for universal primary education or elementary cohort survival.
3. President Gloria Macapagal Arroyo's strong commitment to the MDGs is highlighted in her:
  - 10-point program for economic development and poverty reduction, which highlights six pledges to poor Filipinos for implementation during her administration (2004-10):
    - Create six million jobs
    - Provide clean water
    - Bring power to the entire country
    - Increase the number of classrooms
    - Lower the cost of medicines
    - Provide credit for micro-, small and medium enterprises
  - Public statements on the MDGs
    - "... I assure you that I will continue to provide the political will to drive it [MDG plan] forward to fruition, and... provide the political will to wage the fight against terrorism alongside the war against poverty.

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<sup>4</sup> Ibid.

<sup>5</sup> Jeffrey Sachs, Presentation made at A Journey of Bold Ambition: The Philippine Launch of the Millennium Project Report, *Investing in Development – A Practical Way of Achieving the Millennium Development Goals*, Dusit Nikko Hotel, Makati City, 16 February 2005. Proceedings prepared by the Office of the United Nations Resident Coordinator, March 2005. See p. 38 of the proceedings.

<sup>6</sup> Romulo L. Neri, Opening Remarks made at A Journey of Bold Ambition: The Philippine Launch of the Millennium Project Report, *Investing in Development – A Practical Way of Achieving the Millennium Development Goals*, Dusit Nikko Hotel, Makati City, 16 February 2005. Proceedings prepared by the Office of the United Nations Resident Coordinator, March 2005. See pp. 33-37 of the proceedings.

- “We launch this practical plan to attain the millennium development goals to build prosperity for our people, and in the process to mop up the breeding grounds of terrorist recruits.”<sup>7</sup>

#### **D. Government Perspectives on Cross-Cutting Challenges: Priorities for Action<sup>8</sup>**

1. Rectify wide regional disparities.
  - Focus targeting efforts on the most vulnerable: people located in: disaster-prone areas, rural small farmers/fisher/miners, urban poor in informal settlements, ethnic minorities, especially Muslim Filipinos concentrated in ARMM and indigenous people located on ancestral domains in the uplands or remote coastal areas
  - Strengthen Local Government Units (LGUs) capacity to provide for and manage MDG-related services
  - Expand and improve the quality of MDG-related programs and projects
2. Increase resource allocations for MDG-related programs and projects
  - Pursue revenue measures: tax collection, anti-corruption efforts
  - Protect MDG-related programs and projects from budgetary cutbacks
  - Strengthen collaboration among government, civil society, private sector, and multilateral and bilateral agencies
3. Accelerate and implement strictly laws that are conducive to MDG success
  - Improve policy dissemination
  - Impose sanctions for violators
  - Review and amend inappropriate laws
4. Strengthen monitoring and evaluation systems
  - Improve data collection and data quality
  - Disaggregate data by gender and geography
  - Make better use of DevInfo system
5. Scale-up localization campaigns
  - Expand pilot areas
  - Replicate best practices
  - Build LGU capacities

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<sup>7</sup> Gloria Macapagal Arroyo, Closing Message at A Journey of Bold Ambition: The Philippine Launch of the Millennium Project Report, *Investing in Development – A Practical Way of Achieving the Millennium Development Goals*, Dusit Nikko Hotel, Makati City, 16 February 2005. Proceedings prepared by the Office of the United Nations Resident Coordinator, March 2005. See Annex D, pp. 54-56.

<sup>8</sup> National Economic and Development Authority, PowerPoint presentation at the Multisectoral Consultative Workshop based on the Second Philippine Progress Report on the Millennium Development Goals, February 2005.

6. Develop a strong advocacy plan
  - Increase media reporting on the MDGs
  - Expand MDG champions and policy advocates
  - Create a viable campaign for MDG awareness

#### **E. National Government Advocacy and Implementation Strategies toward the MDGs**

1. Issuing regularly the Philippine Progress Report on the MDGs after a multi-stakeholder review (every 18-24 months), using it as a tool for awareness raising, advocacy, alliance building, renewal of political commitments, and compliance monitoring
2. Promoting workshops at national, regional, and local levels on mainstreaming the MDGs, enhancing the capacity to monitor global human commitments; upgrading statistical capacities to measure MDG progress and utilize appropriate indicators; assessing MDG performance relative to other Asia-Pacific countries; establishing the Social Development Management Information System (SOMIS), etc.
3. Accounting for how much goes to MDG-related programs, activities and projects by linking the Medium-Term Philippine Development Plan (MTPDP) 2004-2010, to the MDGs, with targets specified for 2010 also
4. Identifying investments per goal and target through the Medium-Term Public Investment Program (MTPIP), 2005-2010 that integrates planning, programming and budgeting
5. Urging the involvement of civil society organizations (CSOs), the business sector, and international multilateral and bilateral donors.
  - Civil society: NGOs as partners, especially Social Watch Philippines;
  - Academe: enhancing schools of public administration outreach to LGUs for training in good governance that incorporates MDGs
6. Launching the “10 to 10 Campaign: Engaging People and Communities: Advancing Governance Reforms towards the Realization of the MDGs” – from October to December 2004, President Macapagal-Arroyo’s 10-point legacy, especially human rights, gender; public administration reform for service delivery, environmental governance, anti- poverty and empowering and engaging the basic sectors, local governance scaling up reforms towards the realization of the MDGs
7. Briefing Congress – Senate and House of Representatives – to promote urgent and responsive legislation for achieving MDGs and ensure corresponding budget allocations: House of Representatives Special Committee headed by a strongly committed Congresswoman provides oversight function

## **F. Localizing the MDGs: Mobilizing an Enabling Environment for LGUs through the Department of Interior and Local Government**

1. Framework: creation of an LGU local development plan that includes targets and increased budgets for MDGs, appropriate policies and legislation, improved basic services delivery and replication of good practices, local monitoring systems, LGUs being accountable for MDGs in their constituency, and accomplishment of MDG targets as part of LGU performance evaluation
2. Capacity building for newly elected and re-elected officials toward MDGs; training in the use of guide options per target and expected increase in budgetary allocation for basic social services
3. Documentation, dissemination, and replication of best practices among LGUs
4. Enhancing supportive setting for local CSO and business sector participation

## **G. Civil Society Perspectives**

1. For many NGOs and POs, the MDGs offer an opportunity to engage with, and when called for, confront the government on issues of people empowerment through community organizing, poverty reduction, environmental sustainability, population managements human rights, and the many other issues in which NGOs and POs are already engaged; most welcome the task of monitoring societal progress toward goal and target achievement.
2. The MDG approach (8 goals and 14 targets) is too limited to address seriously the complexities of poverty. Accordingly, poverty reduction cannot be achieved unless a more holistic framework is adopted to encompass the roots of continuing poverty and exclusion in the Philippines.
  - The MDGs focus only on one of the five basic elements of the Philippines poverty reduction strategy, that is, basic services, giving far less attention to other elements of poverty reduction embodied in the National Anti-Poverty Commission framework (developed by government and civil society in 2001). In the context of mainstreaming gender equity and environmental sustainability, poverty reduction requires:
    - asset reform
    - livelihood and employment
    - basic services
    - people's participation in governance
    - social protection, security from violence, and institution building
  - While targets are useful for mobilizing government and the public around measurable outcomes, that very same campaign approach tends to de-emphasize the *processes* needed to reach the goals, especially community-generated initiatives, local government outreach, accountability of the

bureaucracy, and protection of the civil and political rights of poor and excluded people (including the half not reached by 2015).<sup>9</sup>

3. Although NEDA's framework plan is reasonably holistic, actual implementation remains a source of serious concern in traditionally skeptical civil society circles.
  - Rather than adding new resources, MDG implementation calls for reorganizing existing budget and financial allocations into different sets of pro-poor priorities. In the process, powerful interests may counteract this thrust, corruption may undermine positive results, or sheer inefficiency and lethargy on the part of certain government entities may hamper success.
  - Most contentious will be the localizing process, leading to skepticism in NGO circles about the capacity and commitment of LGUs to accelerate MDG achievement in their localities.
    - Although there are some very progressive LGUs and notable government-promoted community-based programs (e.g., the DSWD's KALAHI-CIDSS-KKB, or community driven development), NGO experiences with local government and sometimes the private sector regarding priority to basic services, pro-poor programs, and support to community-based initiatives has often been problematic.
    - The pressure on government entities to report on MDG progress may well result in top-down approaches to "speed-up" implementation rather than in community-initiated, -managed and -sustained efforts.
    - Local elites often dominate LGUs and are likely to resist any attempts at reordering highly skewed power relations to allocate more benefits and give greater voice to the poor.
  - The Administration's attention to combating terrorism may lead to the narrowing of democratic space, deflect attention from poverty-reduction, and further slow down MDG achievement.
4. Although the Philippines is considered a middle-income country, this designation conceals significant obstacles to MDG achievement.
  - National government debt has ballooned to 78.7% of GDP, which is more than five times the government revenues for 2004; debt servicing (interest only) makes up 32% of the 2004 budget, while total debt service (principal and interest payments) comes to 68% of total national government cash disbursements.

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<sup>9</sup> David Satterthwaite, "The Millennium Development Goals and Poverty Reduction," in *The Millennium Development Goals and Local Processes: Hitting the Target or Missing the Point?*, ed. D. Satterthwaite (London: International Institute for Environment and Development, 2003), 7-46.

- Budget cuts in 2003 saw national government social service expenditure decline from 4.9 in 2000 to 4.2%; local governments kept their social services allocations constant at 0.8%, however;
      - Capital outlay is a low 3% of GDP;
      - Fiscal flexibility is shrinking while non-discretionary payments (personnel expenditures, interest payments, block grants to local government units) are rising;
      - The public sector debt is 130% of GNP, incurred for the most part during the Marcos dictatorship; and
      - Tax collections are declining (12.9%) and tax reform legislation has been delayed.
  - Middle income countries are ineligible for concessional foreign loans or debt forgiveness, despite widespread poverty marked by significant disparities in income and assets that are often disguised by the statistics of averages; being a middle-level human development country, the Philippines is expected to finance its MDG performance through domestic resources or non-concessional foreign loans or private fund flows. The most the Philippines can expect are debt swaps with creditor countries or lending agencies, in return for MDG-oriented programs.
  - The Macapagal-Arroyo Administration program to improve the country's economic standing may be too optimistic, considering past performance:
    - Control public debt and accelerate tax collection
    - Manage off-budget risks better, i.e. national government guarantees for loans by government corporations, LGUs, and large private companies
    - Establish institutional reforms in tax administration and expenditure management to gain support for the fiscal reform agenda.
5. The monitoring or watchdog CSO role faces daunting challenges.
- While the President and NEDA may welcome CSO monitoring of MDG performance, some government officials in national agencies and LGUs under pressure to produce results may resent the “interference” of “non-elected groups” like CSOs in pointing out deficiencies. NGOs/POs fear this could in turn provoke reactions ranging from simple non-cooperation by government to the other extreme of the kinds of violence perpetrated by shadowy vigilante groups on crusading journalists, outspoken radio commentators, and critical NGOs.
  - The database for monitoring MDG aspects is woefully inadequate, especially at local barangay and municipality levels. The structure and processes for effective monitoring and evaluation have yet to be installed in base

communities across the nation, and need to incorporate processes for communities themselves to monitor progress.

- The criteria for monitoring many of the goals cannot be applied across the board but must be disaggregated by, e.g. rural-urban, gender, age/generation, ethnicity, levels within poverty groups
6. Civil society groups envision their role as primarily bringing about transformative social change for the benefit of poor, marginalized, and excluded groups, and holding government and the society at large accountable.
- Jumping on the MDG bandwagon may compromise CSO autonomy and ability to play their preferred roles:
    - if MDG activities distract them from their basic mandate, e.g. organizing small farmers around agrarian reform rights or urban informal poor groups around tenure security demands, or assisting indigenous groups to claim their ancestral land and deal effectively with the incursions of mining companies, and
    - if they avail of government resources to promote MDG implementation.
  - NGOs roles also include global governance monitoring and advocacy, e.g. involvement in World Trade Organization debates with the aim of effecting more equitable trade relations; Intellectual Property Rights (IPRs), reduction in the arms trade, trafficking of women and children, peace, etc.: successful efforts here may do more in the long run to reduce poverty than current piecemeal approaches.

## H. Donor Roles in the Philippine Context

1. Trade liberalization and competitiveness of markets that are not carried out at the expense of the poor.
2. Fulfill commitments to the 7% target or increasing foreign assistance to poor countries *Note*: Germany expects to increase development assistance to 0.35% in 2006, 0.5% in 2010, and 0.7% in 2014.<sup>10</sup>
3. New thinking on international debt reduction, debt swaps and more, to promote MDGs and the poverty reduction agenda
4. Significantly expanded funds allocated directly to CSOs to promote their broader community organizing, sustainable development, and human rights initiatives; encourage attention also wherever feasible, to MDG concerns.

## I. Concluding Note

In summary, Civil Society Organizations consider achieving the MDGs to be a worthy aim, but the process must be understood as a mechanism toward a transformative paradigm of global equity, solidarity and good governance.

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<sup>10</sup> Editorial, "Germany Steps Up to the Plate," *The New York Times*, April 14, 2005, A-30.

## ANNEX

### Assessment of Philippine Progress Toward the MDG Goals and Targets

#### Goal 1: Eradicate extreme poverty and hunger

*Target 1: Reduce extreme poverty (by ½)*

- 10.4% of Filipino families live below the subsistence food threshold, that is, suffer from food insecurity (down from 12.3% in 2000)
- 24.7% of Filipino families were income poor in 2003
- Two regions in Mindanao have the highest percentages of food-poor; six regions in Luzon exhibit extreme poverty at levels lower than the national average.

*Target 2: Food and nutrition, especially under-five children (reduce malnutrition by ½)*

- 56.9% of households have food intakes below the dietary energy minimum (down from 69.4 in 1993, but the rate of decline of 1.25% is not enough to achieve the 1.85% per year rate needed to meet the 34.7% target by 2015)
- 27.6% of children 1-5 years, are underweight (down from 30.6 in 2001, but the average rate of decline of 0.53% is below the 0.69% needed to meet the target of 17.25% by 2015).

#### Goal 2: Achieve universal primary education

*Target 3: Primary education (universal)*

- Although participation rates are at 90% nationally, the cohort survival rate remains problematic at 69.84%. This means that 3 out of 10 children drop out before completing elementary education (6 grade levels). Regional disparities are great: 47% for the Autonomous Region of Muslim Mindanao (ARMM) and 88% in the Ilocos Region, northern Philippines; Simple literacy rate is 93.9, with ARMM registering the lowest at 70.7% and the National Capital Region (Metropolitan Manila and environs) at 99.1%.

#### Goal 3: Promote gender equality

*Target 4: Gender disparity in education (universal)*

- Boys lag behind girls in virtually all characteristics: simple literacy: 93.2 (boys) to 94.6 (girls); functional literacy: female rates higher in all regions except ARMM (63.6 boys, 62.1% girls)
- Participation rates: Elementary and high school levels, females slightly higher but minimal disparity. At tertiary level, female participation is 55% and females make up 60% of graduates
- Gender disparities in education show need to address lower male involvement

#### **Goal 4: Reduce child mortality**

*Target 5: Under-five mortality (reduce by 2/3)*

- Infant mortality rate = 29/1000 live births (down from 34 in 1992); Child mortality rate 40/1000 (down from 54 in 1992)
- Government is concerned about the continuing decline in fully immunized one-year-olds from 65% in 2000 to 62% in 2002.

#### **Goal 5: Improve maternal health**

*Target 6: Maternal mortality (by 3/4)*

- MMR is estimated at 172/100,000 live births but may be as high as 200 to 250/100,000 live births; wide disparities exist regionally (1995 figures): 320.28 in ARMM vs 199.06 in NCR.
- 10 Filipina mothers die everyday from childbirth and pregnancy related causes; the baby will likely die as will under-5 siblings in the ensuing months or next 2-3 years.
- Data base for MMR is poor.

*Target 7: Reproductive health access (universal)*

- Fertility rate: 3.5%
- Contraceptive prevalence rate: 28%
- Population growth rate = 2.11

#### **Goal 6: Combat HIV/AIDS, malaria, and other diseases**

*Target 8: HIV/AIDS (halt and reverse)*

- 2,200 seropositive cases in 2004; up from 1,451 in 2000
- Prevalence rate below 1%.: likely to achieve this goal

*Target 9: Malaria and other major diseases (half and reverse)*

- Malaria is the 8<sup>th</sup> leading cause of morbidity but is declining.
- Tuberculosis is the 6<sup>th</sup> leading cause of death and morbidity: 38 deaths/100,000 and 142/100,000 morbidity.

#### **Goal 7: Ensure environmental sustainability**

*Target 10: Sustainable development and environmental losses (reverse)*

- 22 million hectares of forest cover in 1900 were reduced to 6.5 million hectares by 1988 but has increased to 7.2 million has. in 2004.
- 18-20 million people are living in upland areas engaging in unsustainable agricultural practices.
- Significant forest denudation has brought flash floods and landslides, resulting in widespread destruction and loss of life.
- Coastal mangroves have declined by 57% in the last 23 years.
- 50% of the 63 national parks have lost their biological diversity.

- Air quality (total suspended particulates) is below standard, leading to significant air pollution in most major cities.
- Solid waste management in Metro Manila especially, faces severe problems, with 5,345 tons generated per day and expected to double by 2010; only 65 t 75T are collected and only 13% recycled.

*Target 11: Safe drinking water (reduce lack of access by ½)*

- 80% access in 2002. But there are wide regional disparities: ARMM 33% vs. Central Luzon 96%
- 86% households with sanitary toilets; disparities between ARMM at 44.7% and NCR at 98%.

*Target 12: Slum dwellers (significant improvement in the lives of 100 million worldwide by 2020)*

- Government estimates 588,853 poor informal settler families nationally, 51% (or 300,315 families) in NCR. But this is probably a serious under-estimation, since Metro Manila's informal settler families alone have been estimated at 660,000 families, or one-third of the 2 million families making up its 10 million population.
- Addressing slum dwellers needs would entail a multi-faceted approach covering secure land tenure, housing, health, nutrition, water, sanitation, education, safety, and related concerns.

## **Goal 8: Develop a global partnership for development**

*Target 13: Trading and financial system; governance, development, and poverty*

- Modest economic growth rates with GNP/GDP at 5% and 4% respectively
- Exports have not grown relative to imports since 2001.
- Global competitiveness rankings continue to slide.

*Target 14: Debt management*

- National government debt at PhP3.82 trillion (\$69 billion)
- Debt servicing takes 1/3 of the 2004 budget; actual total debt service 68% of the total national government cash disbursement in 2004.
- Real per capita spending for health, education, social security, housing, welfare and employment, went down as social expenditure to GDP declined from 4.9% in 2000 to 4.2% in 2003.