

# Harvests and Hardships

*Analyzing Overseas Migration  
and Philippine Rural Development*



Arriving				Departing			
FLIGHT	TO	FROM	STATUS	FLIGHT	TO	FROM	STATUS
101	MANILA	101	ON TIME	101	MANILA	101	ON TIME
102	MANILA	102	ON TIME	102	MANILA	102	ON TIME
103	MANILA	103	ON TIME	103	MANILA	103	ON TIME
104	MANILA	104	ON TIME	104	MANILA	104	ON TIME
105	MANILA	105	ON TIME	105	MANILA	105	ON TIME
106	MANILA	106	ON TIME	106	MANILA	106	ON TIME
107	MANILA	107	ON TIME	107	MANILA	107	ON TIME
108	MANILA	108	ON TIME	108	MANILA	108	ON TIME
109	MANILA	109	ON TIME	109	MANILA	109	ON TIME
110	MANILA	110	ON TIME	110	MANILA	110	ON TIME
111	MANILA	111	ON TIME	111	MANILA	111	ON TIME
112	MANILA	112	ON TIME	112	MANILA	112	ON TIME
113	MANILA	113	ON TIME	113	MANILA	113	ON TIME
114	MANILA	114	ON TIME	114	MANILA	114	ON TIME
115	MANILA	115	ON TIME	115	MANILA	115	ON TIME
116	MANILA	116	ON TIME	116	MANILA	116	ON TIME
117	MANILA	117	ON TIME	117	MANILA	117	ON TIME
118	MANILA	118	ON TIME	118	MANILA	118	ON TIME
119	MANILA	119	ON TIME	119	MANILA	119	ON TIME
120	MANILA	120	ON TIME	120	MANILA	120	ON TIME



Institute for Migration  
and Development  
Issues (IMDI)



Philippine Partnership for  
the Development of Human  
Resources in Rural Areas

# Harvests and Hardships

*Analyzing Overseas Migration  
and Philippine Rural Development*

Institute for Migration  
and Development Issues

Philippine Partnership for  
the Development of Human  
Resources in Rural Areas

December 2011

HARVESTS AND HARDSHIPS  
Analyzing Overseas Migration  
and Philippine Rural Development

Manila: IMDI and PhilDHRRA  
December 2011

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means--electronic, mechanical, photocopying, recording or otherwise--without the written permission of the Publishers.

The National Library of the Philippines CIP Data

Recommended entry:

Gregorio, Ma. Cristina Carmina and Jeremaiah Opiniano  
Harvests and Hardships: Analyzing overseas migration  
and Philippine rural development/Ma. Cristina Carmina  
Gregorio and Jeremaiah Opiniano... -- Manila: IMDI  
and PhilDHRRA, 2011

1. Overseas migration-Philippines. 2. Rural  
development-Philippines. 3. Remittances for development  
-Philippines-Case Studies

ISBN 978-971-94337-2-9

This publication received support from the Foundation for a Sustainable Society, Inc. (FSSI) and the Peace and Equity Foundation (PEF). Views expressed herein in this publication are the authors', not FSSI's and/or PEF's.

Book and cover design by Nathaniel R. Melican, a journalist.



# HARVESTS AND HARDSHIPS

Authors: Ma. Cristina Carmina Gregorio and Jeremaiah Opiniano (IMDI)

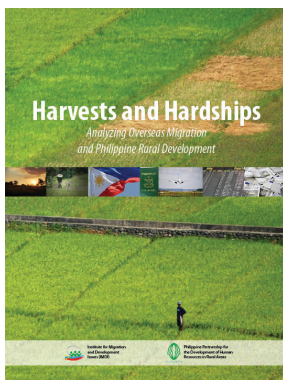
Survey Coordination: Jennifer Javier (PhilDHRRA)

Institute for Migration and Development Issues (IMDI)  
<http://www.ofwphilanthropy.org>; <http://almanac.ofwphilanthropy.org>  
653 Sanggumay Street, Mandaluyong City 1550, Philippines  
Email: [ofw\\_philanthropy@yahoo.com](mailto:ofw_philanthropy@yahoo.com)

Chair: Ildefonso Bagasao  
Executive Director: Jeremaiah Opiniano

Philippine Partnership for the Development of Human Resources  
in Rural Areas (PhilDHRRA)  
<http://www.phildhrra.net>  
59 C. Salvador Street, Loyola Heights, Quezon City 1108, Philippines  
Email: [nc@phildhrra.net](mailto:nc@phildhrra.net)

Chair: Dr. Ricardo Molina  
National Coordinator/s: Divina Luz Lopez (Current); Jesus Vicente Garganera (former)



## Photo Credits

All images in the front and back covers are licensed from stock.xchng [<http://www.sxc.hu>], an online royalty-free image provider powered by submissions of its users.

Front and back cover background: *Rice Plantation* [Image ID: 509125] by falk1984

Front cover row of images (from left to right):

*Suburban Field* [Image ID: 490300] by falk1984, *At Work* [Image ID: 1246921] by timobalk, *Philippine Flag* [Image ID: 986553] by nazreth, *Pasaporte* [Image ID: 743260] by greenolive, *Photos at a local airport* [Image ID: 1193546] by spanishwor, *Brussels Airport* [Image ID: 1138046] by Julie0815, and *Cash rules everything around me* [Image ID: 1166600] by RAWKU5.

# Table of contents

*(Click on the chapter name to go to the specific part of the book.)*

1. Introduction	1
2. Setting and impacts (Literature review on migration and rural development)	12
Part 1: Rural areas and their development as the setting	13
Part 2: Enter migration and its impacts into rural life	25
3. The Filipino exodus and rural development	34
Part 1: Development conditions in rural Philippines	35
Part 2: Overseas migration affecting Philippine rural development	70
4. Civil society's response to overseas migration	91
Part 1: Views on the overseas migration phenomenon	92
Part 2: Dabbling with overseas Filipinos' issues and resources	106
5. Needs of rural-based overseas migrant families	123
6. Analyses, conclusions and recommendations	150
Appendix 1: Respondents to the survey on OFW clients of the rural development NGOs (PhilDHRRA and non-PhilDHRRA)	160
Appendix 2: Specific suggestions to rural development NGOs on overseas migration and rural development	161
Bibliography	162

## A note about this study

# This ‘mash-up’ is a research and a communicative paper

As always, academics and technical people doing research for international, regional or national institutions are criticized for writing research in a language that only they and peers can understand. The strengths, however, of such kinds of research (be it basic or applied) are the theoretical underpinnings of the papers, sometimes the technical nuances of the field (e.g. econometric computations in economics, highfalutin concepts in fields such as anthropology or sociology), and more importantly the sharp analyses toward the end of these papers. An ordinary person can tell if a study is scholarly written.

There are others who are probably leaned to practical applications of things (i.e. practitioners). But like the first type of researchers, these research writers also have similar problems such as being too technical in the use of words and language, or even communicating in a manner that similar mortals—but not the general public—can understand. The criticism unto these researchers is that because they are too grounded, they cannot theorize existing phenomena happening around. By theorizing, the comfort zone of academics, it means making sense of things (for others, it includes presenting concepts and variables through paradigms).

Some people are trying to understand both types of researchers. Among them are journalists. Journalists are trained to explain (very) complex things in simpler language—simply because they write for readers, not just those who understand the subject matter. But in the realm of research writing, social scientists largely disregard journalists’ articles since these are “not done scientifically” (as if to show that journalism is a field without a science in gathering information, though the methods are different from how natural and social scientists do research). Though as Bill Kovach and William Rosenstiel write in *Elements of Journalism*, journalism is a “science of verification”. Amid their criticisms to journalists, many researchers quote journalists from the analyses they present in

newspaper articles, or even seek information from newspapers. Journalists have their unique ways of analyzing issues, even if for others these methods are “unscientific.”

So in the end, reading the pieces produced by these three types of “writers” ends up in seeing researchers talking to themselves through academic journals and technical papers, and journalists working on their own to communicate to a larger public.

Any way to harmonize the three? Yes, and this study, the authors think, can be considered a ***mash up***. In Internet language, a mash up is a web page or application that uses or combines data or functionality from two or many more external sources to create a new service. Simply said, mash-up is something that is a product of two or more things.

The study *Harvests and Hardships: Analyzing Overseas Migration and Philippine Rural Development* is proudly a mash up. It does not aspire to have all or some of its parts published in an academic journal, or in a newspaper, or in a research-aligned web portal. Good thing this study is in book form, a type of publication in which the style of writing is somewhat free-wheeling.

It is a mash up of attempts to try and adhere to the technicalities of research writing, and to the flair and wit of journalism (of how journalism pieces things together).

Primarily, the reason for this mash up is to *communicate* important and interesting insights on how the overseas migration phenomenon in the Philippines impacts on rural areas. Having said so, this study and its contents are hopefully fit for *everyone’s understanding*. This approach thus *democratizes the presentation of research*.

Second, this study thus *appreciates the inputs of both theoreticians and practitioners*. Many researchers are, admittedly, having a hard time balancing both theory and practice in a research paper. This is where the criticisms —hurled at either the theoretician or the practitioner, or both— comes in. In the end, nobody wins.

Third, doing mash ups like this study *tests the limits in the discipline of research writing*. Journalists writing research still cannot get the hang of writing like they are writing news stories and news analyses. Journalistic flair cannot even be exercised much in research, which adheres to the standards of technical writing. Researchers, for their part, are many times a bore to read since they essentially do technical writing. Beyond the technical nature of researchers’ writing, readers will only be amazed at such papers when researchers present their witty pieces and analyses towards the end of the study, and when they write “quotable quotes” that anybody, journalists included, can cite.

So it will not be surprising that readers of this study will “criticize” the way this paper is presented *and written*. Fine if they say that this paper “will not pass as a ‘research paper’” (“this fails the ‘norm’”). This reveals how these people still conform to their comfort zones.

But if a research cannot communicate, or cannot even stir somewhat the emotions and the intellectual fancy of readers (not just researchers or journalists), the paper does a disservice. The bookshelf is still vacant. Remember this quote from 18<sup>th</sup> century English poet Matthew Arnold: “Have something to say, and say it as clearly as you can. That is the only secret.”

We hope this paper is able to communicate, and please tell authors if there are things still incomprehensible. In some parts of this paper, the authors wrote like researchers, but in others they wrote like witty writers, or they did both.

We hope readers will understand where we are coming from, whether you agree with our approach or not. If the disagreement is merely on the way the study is written, we hope that the intellectual investments and theoretical discussions done in this publication *are not disregarded* in the field of research. Here we refer to an English author of both general and science fiction, Brian Aldiss: “A writer should say to himself, not, ‘How can I get more money?’, but ‘How can I reach more readers (without lowering standards)?’”

More importantly, we hope that while you are sipping coffee or lying in bed reading this, the study is a pleasurable read.

### ***The co-authors***

n.b. The study also humbly prides itself with an interesting mix-up of references, revealing the multidisciplinary nature of the migration phenomenon.



## Chapter 1:

# Introduction

### Rationale

FARMING in rural communities, as an American legislator has said, is “not just an economic industry, but a way of life”.

So is migration.

Human mobility is never unimportant in developing countries like the Philippines. There is migration to nearby rural or urban areas (their numbers are hard to document), and there is overseas mobility (this being currently a 9.4 million-strong demographic phenomenon).

Regardless, mobility is associated with the search for greener pastures —of *maayos na buhay* (in Filipino), of achieving a *maalwang buhay* (in Batangas<sup>1</sup> Tagalog) [Filomeno Aguilar, 2009].

Migration also suggests leaving some place behind. While people offer various reasons for migrating, the underlying message of Filipino mobility seems obvious:

“If you want to get ahead in life, migrate... No matter how cynical this may sound, there is no such offer in the rural areas. After all, what these migrants have in the places where they originated (are): a makeshift dwelling on somebody else’s lot...; no land to till, let alone own; no doctor in the barrio; no church services except during fiesta; a lousy school, even if tuition was free” [Gelia Castillo<sup>2</sup>, 1994a: 616].

---

1 Batangas is a province in Luzon islands that is south of the Philippine capital city of Manila (at least a two-hour vehicle ride).

2 Such statement was mentioned as a qualifier to an observation by Castillo from a city mayor of a renowned Philippine city that “the development of the countryside would also allow provincial areas a deeper and more substantive participation in the government’s program to turn the (Philippines) into a newly industrialized (country) by the turn of the (21<sup>st</sup>) century” [Mel Mathay, in Castillo, 1994: 615]. Castillo’s assertion is that if a rural area is developed, then the place becomes urban, and development analysts “do not define what is rural” [Castillo, 1994: 616].

There was even a time that international migration is “of minor significance” than other demographic processes such as fertility, mortality, and internal migration [in Alejandro Herrin, 1982: 331]. Change is a function of time [Gelia Castillo, 1979: 237] —and three decades after, among the cross-cutting facets of today’s Filipino future is overseas migration and the remittances that some 9.4 million compatriots in 220 countries send to the Philippines.

### **Assets**

Agriculture-dependent Philippines has also become what some call a “migration economy,” especially given the way that overseas migration has mitigated continually-prevailing shortfalls in the Philippine economy [Jeremiah Opiniano, 2010].

There is also a long-prevailing dynamic occurring: The interplay between rural areas and migration. Rural Philippines’ economic activities are both agricultural *and* non-agricultural. Income from non-agricultural (or non-farming) activities includes remittances from outside of folks’ rural birthplaces —whether within the Philippines or overseas [Arsenio Balisacan, 2008; Gilberto Llanto, 2005].

Thus saying, rural-based Filipinos now have themselves —i.e. labor— as economic assets. If agriculture (or fisheries) has its own fluctuations on rural Filipino households’ incomes, then they have to diversify income sources.

This is not a surprising occurrence, actually, in rural Philippines: “...that the more rural and agricultural the place, the greater the diversity of income sources<sup>3</sup>” [Gelia Castillo, 1979: 32].

More so that income diversification is not surprising also for Filipino farmers: “The low income and natural risks involved in farming exert pressure on farm families to seek other ways to augment family income” [Gelia Castillo, 1979: 32].

### **Alleys**

Income diversification, or more precisely moving out of poverty, in rural Philippines is where migration comes in.

Rural areas are a large hub of poverty even if many rural households in these areas continually rely on agriculture as a major form of livelihood. But it seems that relying solely on agriculture’s seasonality of bounty is not the case anymore.

Rural households now pass through three alleys or pathways to move out of poverty: farming, labor (or non-farming income) and migration [World Bank, 2008: 73]. These three pathways complement each other, as the World Bank observes: “non-farm incomes can enhance the potential of farming as a pathway out of poverty, and agriculture can facilitate the labor and migration pathways” [World Bank, 2008: 72].

Thus, migration outside of rural areas is a family strategy, especially since it can help families smoothen their consumption and therefore manage risks [Agnes Quisumbing and Scott McNiven, 2007], including risks coming from agriculture.

---

3 This is because, according to Castillo (1978), of greater underemployment and lower income from agriculture, “hence the necessity of seeking income and employment from other sources”.

True enough, household incomes of Filipino rice farmers<sup>4</sup> is increasing (from P68,974.85 in 1996-1997 to P127,799.95 in 2006-2007, says a recent study by the Philippine Rice Research Institute), and this coincides with the increasing share of non-farming activities —e.g. non-farming businesses (rubber production, wood craft, welding), *work overseas*— in farming households' incomes [Ronnell Malasa et. al, 2010].

The question now is if this effort to augment farming income will move these households away from agriculture [Arsenio Balisacan, 2008], or who among the family members of farming households will be willing to pursue rice farming in the future [Philippine Rice Research Institute, 2010].

### Adjustments

As Filipina national scientist and rural sociologist Gelia Castillo wrote [1979: 247]: “Time is an indispensable element in analyzing change, growth and/or development”.

How times have changed in rural Philippines.

In the fourth-class municipality of Maribojoc in Bohol, for example, slopes of rice fields have concrete houses beside them. The same type of bungalow can be seen near sugar plantations in Tuy municipality, Batangas province. If one goes to the *poblacion*, there is a Western Union outlet that connects incomes —and lives as well— from global to rural areas. The modern concrete house, in a Batangas village named Paraiso, is now “the standard,” the tangible prize, the embodiment of a migrant worker’s hard work, the “objectification of upward social mobility,” and the “memorial to overseas work” [Filomeno Aguilar, 2009: 122, 151-152].

A rural community, in areas such as in Sadanga, Mt. Province, has even seen overseas migration provide a mix of various community realities. For one, thanks to community members receiving remittances from abroad, these community members hire other villagers to clean irrigation canals. And when solving community problems, overseas Filipino workers (OFWs) and their households are whom other community residents turn to, as “community leaders” who can provide financial and other resources [Marie Noel Ngoddo, 2008].

These anecdotes, and many more, show how the overseas migration phenomenon has visibly changed rural Philippines over time, with overseas migration now becoming a major contributor to Philippine economic development. This is even if, as observed, many stakeholders in rural communities are less aware about the overseas migration phenomenon, or about the lives and conditions of co-villagers now based abroad [Jeremaiah Opiniano, 2010a].

---

<sup>4</sup> This is based on a study by the Philippine Rice Research Institute (PhilRice), *Changing Image of the Filipino Rice Farmer*, that covered 33 provinces and spanning the period 1996-1997 to 2006-2007.

### **Allusions**

So is overseas migration a sign of good things for rural development in the Philippines?

In general, overseas migration produces a mixed bag of social and economic impacts for individual migrants, households/families, communities, economic sectors, and the country [Jeremaiah Opiniano, 2008]. These impacts are well-documented and studied much in the Philippines.

For example, remittances from abroad have improved household incomes, but these are at the risk of vulnerabilities facing the unity of Filipino families [Commission on Population, 2007].

Notice also various newspaper reports on overseas workers who were repatriated due to various labor- and immigration-related cases: many of them have rural origins.

The number of actual Filipino poor has been reduced thanks to remittances, but inequality between the rich and the poor was not bridged [Ernesto Pernia, 2008].

Interestingly, how overseas migration impacts rural development in the Philippines is a relationship that has its own complexities.

Overseas migration also presents opportunities for rural development. For example, the phenomenon of Filipinos abroad donating to causes and development projects in the Philippines, called diaspora or migrant philanthropy, largely prevails in migrants' rural hometowns and in other rural areas [Jeremaiah Opiniano, 2005]. As an author writes, "It's more of a mindset than anything: 'Rural' means people willing to help one another."

Two-thirds of overseas Filipinos come from the rural areas [Asian Development Bank, 2005], thus it follows that the annual remittances coming in to the Philippines go straight to rural areas.

### **Study's significance and research questions**

OVERSEAS migration has permeated as an important social phenomenon in the Philippines. Most of the estimated 9.4 million overseas Filipinos scattered in almost every part of the world may have felt the economic, social, and probably personal and professional gains from their overseas mobility. Migration thus becomes a come-on for compatriots in the homeland (including those from rural Philippines) who may have the resources<sup>5</sup> to go overseas.

Frankly, international migration presents consequences and opportunities for rural Philippines, covering the migrants, households, communities, and socio-economic sectors who and which come from those areas.

And as this phenomenon persists and will increase, the challenge now is to maximize a "diasporic dividend" —i.e. the net-of-net benefit from overseas migration [Alvin Ang, in Jeremaiah Opiniano, 2010b; Fernando Aldaba and Jeremaiah Opiniano, 2008]. As well, igniting the development potential of overseas migration means the

---

<sup>5</sup> The role of resources that a prospective migrant has, in order to defray the financial costs associated with migration, is what makes overseas migration selective.

Philippines should harness the benefits of migration and minimize migration's attendant costs [Fabio Baggio, 2008: 124].

Thus, Filipinos' overseas migration *is an important rural development issue*. As well, "both migration out of the rural areas and improvements for those left behind are part of rural development" [Robert E.B. Lucas, 2007: 116].

Overseas migration coming from rural Philippines *is also an important development agenda* for non-government organizations and other socio-economic stakeholders in rural Philippines to provide some interventions. If two-thirds of overseas Filipinos come from rural Philippines [Asian Development Bank, 2005], and their remittances go to these areas, then rural areas are the frontiers in optimizing the development potential from Filipinos' overseas migration.

It is for these reasons that two non-government groups, the Institute for Migration and Development Issues (IMDI, an individual non-profit) and the Philippine Partnership for the Development of Human Resources in the Rural Areas (or PhilDHRRA, a network of rural development NGOs, foundations, and cooperatives), conducted this action research on overseas Filipinos and rural development. Using the findings of this study, both institutions will soon embark on activities that serve the overseas Filipino sector in rural Philippines as means to optimize the development potential of overseas migration.

#### **Box 1: Research questions and data gathering and interpretation methods**

This one-and-a-half-year exploratory study (done from August 2008 to June 2010) attempted to address five research questions through various quantitative and qualitative data gathering and data interpretation methods:

1. *How does overseas migration by Filipinos coming from rural areas impact various areas of rural development (e.g. agriculture, rural labor markets, poverty reduction, household welfare, etc.) in the Philippines?*

The research team, as shown in chapters two and three, did a state-of-the-art literature and studies review on overseas migration and rural development. The researchers also utilized multiple-year administrative and survey data on Filipinos' international migration and rural development produced by government agencies such as the Philippine Overseas Employment Administration (POEA), Commission on Filipinos Overseas (CFO), Bangko Sentral ng Pilipinas (BSP), the National Statistics Office (NSO), the National Statistical Coordination Board (NSCB), the Bureau of Agricultural Statistics (BAS), Department of Agriculture (DA), among others.

2. *What are the direct and indirect involvements of PhilDHRRA member-NGOs as regards overseas Filipinos' issues and endeavors?*

The research team did a survey on 65 PhilDHRRA member-NGOs and cooperatives (thus, the sampling is obviously purposive), testing their knowledge and awareness of overseas migration and its attendant issues. The questionnaire revolved around three major themes: a) respondents' relationships to relatives or family members who are abroad; b) their views on migration-related issues and migrants' capacity to participate in rural development initiatives; and c) awareness of overseas Filipino issues, and the integration of migration issues in the existing work of these NGOs and cooperatives.



Some 46 of 65 PhilDHRRA members answered this survey (for a 70.8 percent retrieval rate), and the network has a standard (i.e. 50 percent) for a PhilDHRRA-generated survey to be representative of the entire network.

3. *If PhilDHRRA member-NGOs and other NGOs have overseas Filipino worker (OFW) / OFW household beneficiaries in their rural communities' of operation, what are their socio-economic characteristics, issues and needs as relatives or families of overseas Filipinos?*

The research team did another survey, this time addressed to residents in rural Philippines<sup>6</sup> who belong to households that receive remittances from abroad (whether regularly or on occasion). Respondents must have been provided assistance by PhilDHRRA member-NGOs (e.g. fisheries, agriculture, agrarian reform, child and women welfare) and by other NGOs, but the later group comes from migration-rich provinces<sup>7</sup>.

A sample size of 384 was determined based on a 95 percent confidence level and a confidence interval of plus or minus 5<sup>8</sup>. Eventually, 381 questionnaires were evaluated as valid. Multi-stage sampling was done for this survey. To determine the provinces to be covered, purposive sampling was used. The research team identified the provinces with the highest number of households of overseas workers and permanent residents, based on data from the POEA and the CFO. These provinces were then matched with the areas of operation of PhilDHRRA's members. Only two provinces, Cavite and Laguna, are there areas where there is no PhilDHRRA member-NGO though there were respondents being assisted by other NGOs. Weights were applied to target provinces based on the number of overseas workers and permanent residents [see Appendix 1 for the provincial origins of respondents]. Finally, to identify the respondents, since there is no available list of families with members working or living abroad, snowball sampling was used where respondents provide referrals to other respondents with similar characteristics. Doing such purposive, multi-stage sampling approaches were based on research team's limited financial resources.

The questionnaire revolved around four major themes: a) respondents' socio-economic and demographic profiles (including uses of remittances coming from abroad); b) respondents' views on migration's economic and social-related issues; c) respondents' views on how migration impacts on their rural communities; and d) respondents' views on how NGOs can help address their socio-economic needs.

---

6 The reference for rural Philippines, for purposes of this study, is that the area is outside of Metro Manila or the National Capital Region.

7 The research team utilized purposive and cluster sampling. The clusters are two —the provinces of operation of the PhilDHRRA-member NGOs, and the provinces that have large migrant concentrations and that have respondents assisted by other NGOs. The latter cluster still satisfies the criterion of the survey's respondent: He or she is assisted by an NGO but who has a relative abroad.

8 The confidence level represents how often the true percentage of the population who would pick an answer lies within the confidence interval. Meanwhile, the confidence interval represents the margin of error.

4. *What are the experiences of some PhilDHRRA member-NGOs in their involvement with overseas Filipinos (as clients for NGO services, donors to NGO projects, or as possible partners in some rural development initiatives)?*

The research team also did case studies of three PhilDHRRA member-NGOs with current involvements, whether directly or indirectly, with overseas Filipinos. This proves that unconsciously, PhilDHRRA and its members have been serving the overseas Filipinos sector even if this sector is not among the priority sectors of their development projects.

The three NGO subjects had overseas Filipinos as clients for NGO services, as donors to the NGO's projects, and as those who are indirectly served in existing projects of the NGO. The case study subjects (whom field visits, key informant interviews, documentation, and participant-observation activities were done) include:

- The *Center for Agrarian Reform and Rural Development (CARRD)*, which has an ongoing project with a cooperative of agrarian reform beneficiaries, the Nagkasama Multi-purpose Cooperative based in Balayan, Batangas. This is a case study of an NGO that is indirectly helping overseas Filipinos;
- The Cebu City-headquartered *VICTO National Cooperative Development Center (VICTO National)*, a secondary cooperative federation with over-230 primary cooperatives as members. Its organic partner cooperative federation, the Philippine Cooperative Central Fund Federation (PCF), has an existing program that directly services overseas Filipino workers and VICTO National provides technical and training support to PCF's existing program; and
- The *Mahintana Foundation*, an operating foundation based in Polomolok, South Cotabato, since it is receiving donations from a group of Filipinos based in another country.

5. *What are the implications of the rural development impacts of overseas migration to PhilDHRRA's efforts at optimizing the development potential of migration for rural development?*

Given the state-of-the-art literature and studies review, as well as findings from the two surveys and the three case studies, the researchers answered this fifth research question by cross-referencing the literature and studies with the survey and case study findings through triangulation. This triangulation attempted to: a) list down the challenges overseas migration poses in bringing about rural development; b) identify the overseas migration issues that cut across existing rural development issues that rural development NGOs are addressing; and c) summarize an overseas migration-and-rural development agenda for rural development NGOs (not just for PhilDHRRA).

## Analytical framework

LOOKING at how overseas migration impacts on rural development is never easy to do. For one, internal migration must be factored in. For another, these impacts of overseas migration on rural areas will not be complete without looking at rural households which do not have members who migrated elsewhere.

The study (including the literature review and the findings) will be analyzed based on a *sustainable rural development-and-migration framework* [see Figure 1]. The framework was developed out of discourses on: a) What makes rural areas “rural” [William Friedland, 2002; Gelia Castillo, 1979]; b) The sustainable livelihoods approach [Ian Scoones, 1999] in which people utilize agricultural, non-agricultural and migratory means to sustain their livelihoods [World Bank, 2008; Frank Ellis, 1998]; c) The positive and negative consequences and impacts of international migration on development [Jeremaiah Opiniano, 2010; Jeremaiah Opiniano, 2008; Commission on Population, 2007]; d) How international and internal migration impact on rural development [Robert E.B. Lucas, 2007]; and e) The frequent discussion in the migration-and-development literature about maximizing the development potential of international migration and minimizing the costs brought about by migration [Fabio Baggio, 2008; Fernando Aldaba and Jeremaiah Opiniano, 2008].

First of all, the rural areas have a natural resource base (e.g. land, forests, fishing areas) where a visible number of people depend their livelihoods on. Rural areas are also segmented into agricultural and non-agricultural economic sectors. The pathways to sustained livelihoods by rural folk include migration (whether international or internal)<sup>9</sup>.

So internal and international migrants forge ties with their rural households and birthplace communities —be it through sending remittances, making and sustaining contact with direct family members, relatives and friends or neighbors, or other means. This interaction between the rural area and the place(s) of destination of migrants, including international migrants, leads to three interrelated scenarios:

1. Resources are sent to rural areas as a result of migration;
2. This sending of resources is sustained, thus migration is bringing social and economic impacts to rural areas, the rural area’s various sectors, and to rural households. These impacts cover areas such as agriculture, the rural labor market, or the use of natural resources in the rural area;
3. Migration also forges relationships with the rural areas’ various actors (including migrant households). All these actors, whether directly or indirectly, are affected by the resources coming from migration, and migration’s social and economic impacts. These impacts resulting from migration, not surprisingly, can lead to potential conflicts between and

---

<sup>9</sup> It has been observed by some scholars that members of poorer, rural families are more likely to migrate internally, whereas wealthier counterparts have a high propensity to migrate internationally. This observation can be tested. A note however, is to be taken from geography: distance discourages migration, since distance involves costs [Robert Lucas, 2007: 111-112].

among these actors (e.g. complaints from non-migrant households about rising land values given the purchases made by migrant households; views from have-nots about the haves, including migrant households).

The circulation of migrants' ties to their rural birthplaces is not all about problems, however. Migration also provides opportunities which rural areas can, and have the potential to, maximize. Among the opportunities are remittances. It is to note, however, that in such a possibility, the primary goal remains the achieving of sustained rural development so that the rural economy, with or without migration, is robust.

A sustained rural economy thus sees households enjoy the distributive effects of migration that benefit both the rural area and rural households (migrant and non-migrant). A sustained rural area sees the area as able to adapt to various livelihood conditions; is resilient to vulnerable economic and ecological shocks; sustain the rural area's natural resource base; and sees growth in either agricultural or non-agricultural sectors (or in both). These conditions in the rural area can, hopefully, lead to seeing more rural households improve their well-being, move out of poverty, and eventually maximize their own resources coming from their use of farming, non-farming, and migratory means of earning a living.

But surely, the achievement of sustained rural development (that eventually leads to sustained rural livelihoods) will entail actions from the various actors in rural areas. This is where international migration interacts with rural development and the rural areas' actors.

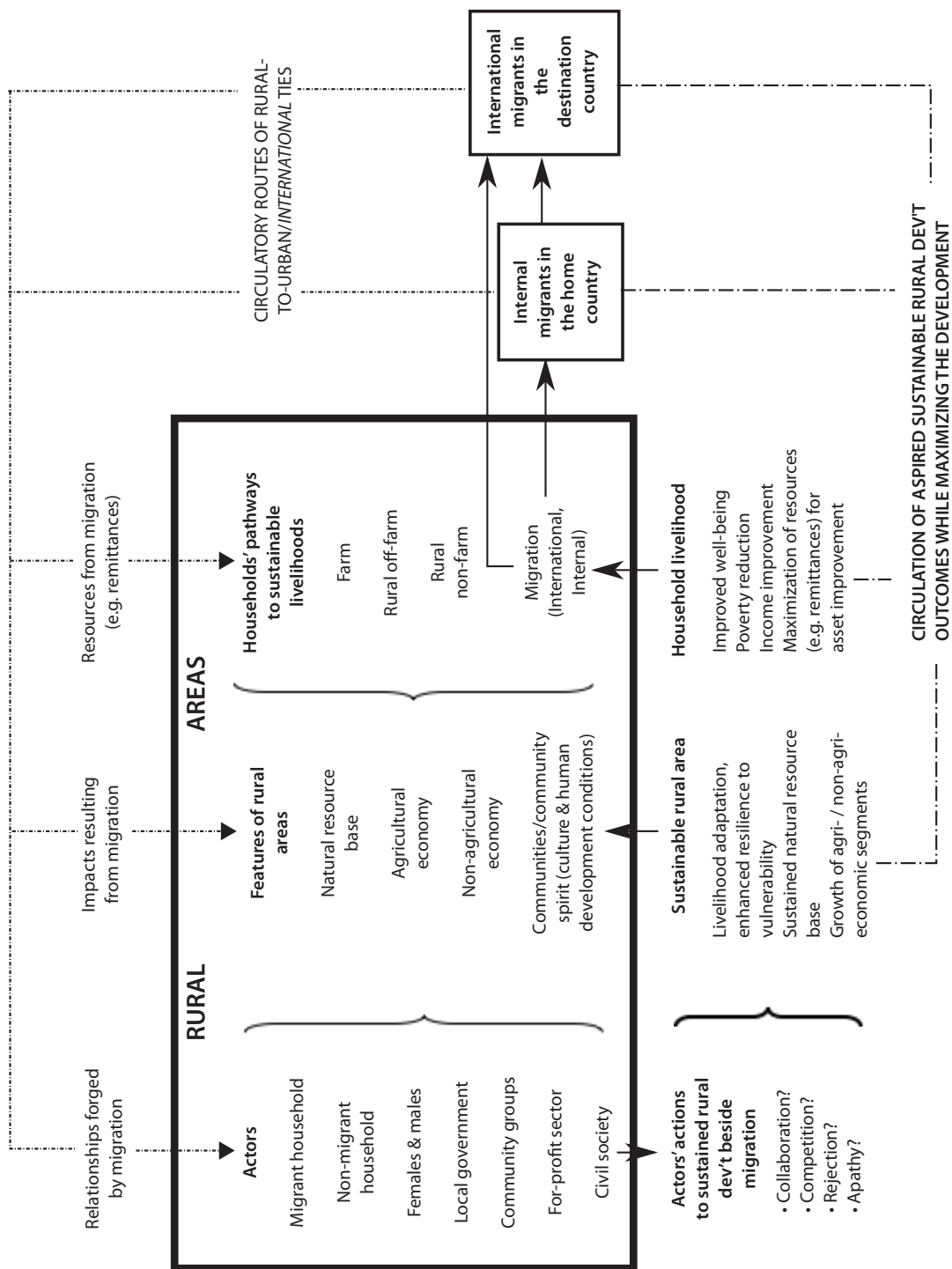


Figure 1: The Sustainable Rural Development-and-Migration Framework



## Cultivating rural prosperity with migration?

THE late Japanese sustainable agriculture pioneer Masanobu Fukuoka, in his renowned 1978 book on natural farming titled *The One-Straw Revolution*, wrote: “The ultimate goal of farming is not the growing of crops, but the cultivation and perfection of human beings.”

Fukuoka’s thought thus leads to the reality that farming, labor and migration are rural households’ three pathways out of poverty [World Bank, 2008]. More than the complementarity of the three pathways to each other, it seems that agriculture starts off a rural household’s pursuit of economic prosperity and enhanced well-being [Sally Findley, 1987]. Income diversification through agricultural and non-agricultural means is a given in rural and agricultural areas [Gelia Castillo, 1978: 32].

And when the means to achieve, and eventually sustain, economic prosperity cannot be done by agriculture alone, this is where migration (including overseas migration) enters into the picture.

So begins the telling of stories and of observations how rural Filipino communities keep up with an entire nation’s embracing of the overseas migration phenomenon, and the costs and opportunities associated with migration.

## Chapter 2:

# Setting and impacts (Literature review on migration and rural development)

“Moving on is a simple thing, but what it leaves behind is hard.”  
—Dave Mustaine (lead guitarist of *Megadeth*)

SIMPLY put, migration provides a mixed bag of impacts. Migration is not even “a guaranteed pathway out of poverty” [World Bank, 2008: 80].

The impacts of international migration on individual migrants, households, communities, socio-economic sectors, and countries of origin and destination are complex. Remittance incomes, for example, help improve incomes of families, but some family members may not work while these resources flow. Many community members lift themselves out of poverty for making the migration decision, and it is possible that incomes of poorer populations may be raised indirectly through remittances’ trickle-down, multiplier benefits [Robert E.B. Lucas, 2007: 112-113] to rural areas’ economic segments. Migration also buoys inequality between the “haves” and the “have-nots” and leaves behind pockets of rural poverty, no doubt, since poorer populations are isolated from the migration process [Robert E.B. Lucas, 2007: 114]. Migration provides families’ needs like schooling and health or even resources for investment or business, but also leaves behind a trail of social costs that family members try to manage.

Though less studied, these impacts may be the same for internal migration.

So with today’s interest on the implications of migration (in particular international migration) to development comes this paper’s focusing on the rural areas. International migration and rural development itself is a wide arena for debate and study [Gelia Castillo, interview], and the range of effects of both international migration (as well as internal migration) upon rural development are manifold and need to be investigated systematically [Robert E.B. Lucas, 2007: 115-116].

## Part 1:

# Rural areas and their development as the setting

## Rurality

“Not rural sights alone, but rural sounds.  
Exhilarate the spirit, and restore  
The tone of languid nature.”

—William Cowper (18<sup>th</sup> century English poet)

THE tale happens at places with serene surroundings, pristine natural resources, and calm moments. This is even if the meaning of the word “rural” remains unclear.

As popularly perceived, rural areas are hubs of agricultural and fishing activities given the presence of farms, fishing grounds and other natural resources such as mountains, forests and waterfalls. Agriculture is a major source of livelihood and economic upkeep for many rural people, while urban areas get resources such as food and raw materials from rural areas.

People can easily tell when an area is “urban” or “rural”. But the word “rural” is something that rural sociologists (supposed experts on rurality and rural areas) are having a hard time precisely defining.

Earlier scholars think that rural areas are rural areas because of three elements: population density, agriculture, and values and norms [William Friedland, 2000:1-2]. For others, being in a rural society means that people are engaged in various activities — farming and non-farming; people primarily live in a regenerative natural environment; and people go to rural areas in order to relax [John Gray, 2009].

Aside from features such as the presence of natural resources and population density, rural areas are places: a) where most people spend most of their time on farms; b) that are abundant with relatively cheap land; and c) that are associated with long distance and poor infrastructure, which lead to high transaction costs [Caroline Ashley

and Simon Maxwell, 2001: 397]. Even with the absence of an exact definition for the term “rural,” the human eye can tell that rural areas “are clearly recognizable” [Caroline Ashley and Simon Maxwell, 2001: 397; William Friedland, 2002: 1-3].

The diversity of the features of rural areas worldwide still cannot stop the fact that these areas are changing fast. Caroline Ashley and Simon Maxwell [2001: 400] think rural areas will:

1. Begin to stabilize their population levels, possibly with a lower dependency ratio initially as birth rates fall, but then a higher one, as migration (and HIV-AIDS) removes young rural adults;
2. Improve their connectedness through more roads and other infrastructure (including telecommunications);
3. Improve human capabilities, thanks to better education and health;
4. See the great majority of rural people functionally landless —either without land altogether, or with a small pot of land;
5. Have incomes from mostly non-agricultural sources (though these non-agricultural income sources remain linked in many cases with agriculture);
6. Feature farms that are predominantly commercial (i.e. buying most inputs and selling most of their output), and the commercial farms’ input and output marketing systems have been integrated, industrialized, and sophisticated; and
7. Have farms (other than farms for part-time subsistence) that will get larger.

Thus, with the above forecasts about rural areas: a) Disparities between rural areas will increase; b) Agriculture’s contribution to gross domestic product will be lesser; and c) Agriculture will become a net recipient of government revenue [Caroline Ashley and Simon Maxwell, 2001: 401].

Amid the absence of a clear concept of “rural,” changes that are happening in rural areas leads us to discussing another related concept: rural development.

## **Rural development**

“Rural towns aren’t always idyllic. It’s easy to feel trapped and be aware of social hypocrisy.”

—Bill Pullman (American actor)

THE concept “rural development” is easily comprehensible as to its meaning.

But rural development, no thanks to the persistence of rural poverty, “is in a troubled state” and has been “stuck” [Caroline Ashley and Simon Maxwell, 2001: 395].

The observation is similar earlier on: “Rural development is notoriously slow, complex and up to now quite bereft of magic... After all these years of institutional experimentations in agriculture and rural development, one can only be humble and less

sanguine on what will work" [Gelia Castillo, 1983: 5].

As to why these concerns on rural development have prevailed, causes include a faltering agricultural sector, the limited economic impact of small farms in the rural landscape, and the rising growth of the rural non-farm economy (or RNFE, i.e. income-generating activities outside of farming) [Caroline Ashley and Simon Maxwell, 2001: 396]. But the struggles facing rural development do not imply that there is no agricultural "fatigue" and rural development "blues," and "neither agricultural nor rural development has become passé" [Gelia Castillo, 1994a: 615].

The solution to "achieving rural development," as a rural sociologist thinks, is not only about setting indicators to capture the economic, demographic, and physical changes these rural areas have experienced. Achieving rural development may require coming back to the essence of *rurality*:

"Because rural communities have a natural resource base, and since environmental degradation is associated with rural poverty and a higher level of out-migration, then the productive and sustainable management of natural resources, and the institutional arrangements which make it possible, should be the central concern of rural development, and indicators to this effect must be developed.

Productivity, growth and income increases are inadequate indicators of rural development. *A sustained, renewed and productive natural resource base* achieved through viable institutional arrangements will not be antithetical to urban development, but will be its strong underpinning." [Gelia Castillo, 1994a: 617-618, *emphasis Castillo's*].

Nevertheless, new rural development paradigms may have to consider a rural development situation wherein "agriculture takes its place along with a host of other and actual potential rural and non-rural activities that are important to the construction of viable rural livelihoods" [Frank Ellis and Stephen Biggs, 2001: 445]. Rural development may thus be "about all the various assets rural people access, and about the structures and processes which mediate how those assets are transformed into income and other desired outcomes" [Caroline Ashley and Simon Maxwell, 2001: 411].

At this stage of human existence, various rural areas are changing in terms of demography, economic activity, and its relationships with other geographical areas. So for the rural population to maintain its economic upkeep, they may have to employ diverse livelihood strategies that are multi-locational and multi-occupational [Caroline Ashley and Simon Maxwell, 2001: 417]. This is where the sustainable livelihoods discussion — particularly, sustainable rural livelihoods— comes in.



## Reaping for more returns

LIVELIHOOD, drawing from definitions by British researchers, “comprises of capabilities, assets (including material and social resources) and activities required for a means of living” [Institute of Development Studies in Ian Scoones, 1998: 3].

For a livelihood to be sustainable, it means that a person or a household “can cope with, and recover from, stresses and shocks, maintain or enhance its capabilities and assets, while not undermining the natural resource base” [Institute of Development Studies in Ian Scoones, 1998: 3].

A sustainable livelihood also means that a household is able to utilize their various capitals —natural capital (e.g. soil, water, air), economic or financial capital (e.g. cash, credit, savings, economic assets), human capital (e.g. skills, knowledge of the worker, good health, physical capability), and social capital (e.g. friends, networks, organizational affiliations)— to eke out a living [Ian Scoones, 1998].

It is not even surprising that the more rural the place, the more that households are diversifying their income sources [Gelia Castillo, 1979]. Rural livelihood diversification sees rural households construct “a diverse portfolio of activities and social support capabilities for survival, and in improving their standard of living” [Frank Ellis, 1999: 2]. So, if the sources of incomes are more diverse, rural households will improve their resilience in the long-run whatever problems or shocks come in their way [Frank Ellis, 1999: 2] such as natural disasters, job losses, floundering small businesses, or even agriculture-related losses.

We can thus classify rural incomes as having the following economic segments: *rural farm income*, *rural off-farm income*, and *rural non-farm income* (the third segment is sometimes mixed up with rural off-farm income). The first segment sees incomes primarily coming from agriculture. Off-farm incomes, for their part, are those coming from allied activities such as forestry, fisheries, and hunting.

Rural non-farm income, the third segment, covers earnings that are independent from agriculture by doing non-farming work or enterprises. This also covers earnings coming from within rural areas and from areas outside of rural areas, such as urban areas, other rural areas, and from overseas countries [Caroline Ashley and Simon Maxwell, 2001; Department for International Development, 2002]. Examples of rural non-farm incomes include retail trade, manufacturing, tourism, and work in offices, schools and hospitals, among others.

As observed, rural non-farm incomes are growing, thus becoming a substantial source of rural household income [Caroline Ashley and Simon Maxwell, 2001; Department for International Development, 2002; World Bank, 2008]. The question is thus posed: can the rural non-farm take up the slack from rural farm and off-farm segments [Caroline Ashley and Simon Maxwell, 2001]? Of course, having diversified incomes and utilizing rural non-farm income have both their advantages and disadvantages [see Box 2].

Vis-a-vis rural development efforts, it may be helpful if this cross-sectoral and multi-occupational diversity of livelihoods in rural areas “may need to become the cornerstone of rural development efforts” —if we are to reduce rural poverty [Frank Ellis and Stephen Biggs, 2001: 445].

**Box 2: Impacts of income diversification  
and of rural non-farm incomes (RFNI)**

	Positive impacts	Negative impacts
Diversified income sources [in Frank Ellis, 1999]	<ul style="list-style-type: none"> <li>• <i>Buffer for seasonal incomes.</i> For example in farming where yields are seasonal, diversification can contribute to reducing adverse effects from farming by using labor and generating alternative sources of income during harvest seasons.</li> <li>• <i>Reduction of income risks.</i> This means the risks faced by one income source can be mitigated by another income source.</li> <li>• <i>Higher income and asset improvement.</i> Given increased incomes, households can then purchase or invest in assets like sending children to school or buying property/ies.</li> <li>• <i>Environmental benefits.</i> Since income sources are not only agricultural, there is lesser time spent in exploiting natural resources. At the same time, additional incomes can even be used to improve the natural resource base, for example buying fertilizers and using new farming technologies to improve farm production.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Income inequality.</i> Diversified households (or the “better-off”) will have more incomes than those households whose income sources are not diversified.</li> <li>• <i>Farm output.</i> If time may be spent on non-farming sources of income, a household’s farm may be rendered unimportant.</li> <li>• <i>Adverse gender effects.</i> While the man may be doing various income generating activities, the woman is relegated to household chores as well as in subsistence food production. Meanwhile, if a male household member is overseas, the situation may compel the woman left behind to do both household and farming duties.</li> </ul>

	<b>Positive impacts</b>	<b>Negative impacts</b>
Rural non-farm incomes [in Overseas Dev't Institute, 2002]	<ul style="list-style-type: none"> <li>• <i>Tightening of labor markets that the poor depend on.</i></li> <li>• <i>Helping the managing of risks.</i> This happens when income sources are spread over.</li> <li>• <i>Complementing other income sources.</i> Incomes from agriculture may be used to run a small retail store, or remittances from abroad may be invested in farm inputs.</li> <li>• <i>Adding value to farm activities.</i> Here, farmers learn new skills aside from farming, providing them with opportunities to also gain new contacts or enter into new markets (e.g. business).</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Providing incomes too low for basic needs, as well as conditions inadequate for basic human rights (e.g. abuse of domestic workers).</i></li> <li>• <i>Insecure incomes due to massive underemployment in rural areas</i></li> <li>• <i>Structural inequality, especially since rural non-farm incomes have various income returns (farming income versus income from retail trade versus remittances from urban areas).</i></li> <li>• <i>Rural non-farm activities are found in distant areas (e.g. urban centers, overseas countries) that, thus, disperses the labor force from the rural areas and contributing to the breakdown of families and communities.</i></li> <li>• <i>Erosion of possible community collective action</i> since other household members are outside of rural areas of origin.</li> </ul>

## Routes and their links

“Geography has made us neighbors. History has made us friends. Economics has made us partners, and necessity has made us allies. Those whom God has so joined together, let no man put asunder.”

—John F. Kennedy (former United States President)

PLACE becomes a livelihood.

Enter geography into the discussion, in particular three places: rural, urban, and the overseas country<sup>10</sup>.

Rural-to-urban movement (or internal migration) is made prominent with discussions about urbanization since the 1970s and 1980s, given the droves of people from rural areas heading to urban centers to access economic opportunities.

For its part, international migration can come directly from rural areas, or the situation is that rural-originated people go to urban areas first, settle there, and then decided to try it out overseas<sup>11</sup>. Given the volumes of international remittances reaching developing countries (even if international migrants are smaller in number compared to internal migrants), the trend is observed to be called “migration and development”.

Wherever the location of the migration, going elsewhere is among the strategies to diversify rural livelihoods [Ian Scoones, 1998; Caroline Ashley and Simon Maxwell, 2001; Overseas Development Institute, 2002; World Bank, 2008]. Migration is also one example of what is called rural non-farm employment (RNFE). In the case of migration, the urban or overseas-sourced remittance<sup>12</sup> is the rural non-farm income.

*Why migrate?* The decision to migrate, whether to another place within the home country or to an overseas country, is remarked to be a family strategy by rural households rather than an individualistic decision [Robert E.B. Lucas, 2007; 108]. But as observed, in the case of rural areas, migration is a survival strategy rather than an asset accumulation strategy [International Fund for Agricultural Development, 2007].

In relation to the discourse on sustainable livelihoods, internal or international migration may be affected by structural and socio-cultural factors in rural areas which can serve as “push” and “pull” factors for migration. If farming and off-farming incomes decline; if the rural area remains physically backward and lacking in social services; if rural poverty, high underemployment, lack of formal work opportunities prevail in rural

10 This also does not discount the reality that people from lowly rural areas move to developed rural areas. It is just that some of these developed rural areas have not yet been classified as cities, citing the example of the Philippines. Rural-to-rural migration is “far more common in lower income countries” [Robert E.B. Lucas, 2007: 107].

11 This is called step migration in demography. Another example is if a person from a rural area moves to one city then transfers to a more developed city.

12 Obviously, international remittances are larger in amount than domestic remittances.

areas; and if there is rampant environmental degradation, expect migration to happen.

At the same time, urban and overseas areas can provide pull factors. For example, if urban areas become developed, if the quality educational institutions and quality jobs remain urban-based, or if export processing zones and tourism areas are present elsewhere, migration then becomes an incentive. Even recruitment for urban employment or for overseas employment, given wage differentials (rural-to-urban, rural-versus-urban-versus-international), is a lure for migration.

Migration as a livelihood diversification strategy by rural households may create the impression that the decision to migrate is entirely economic. This does not discount the possibility, however, of having other reasons why people migrate such as maximizing skill opportunities elsewhere for professional growth, or family-related reasons such as family settlement. But the look at internal and international migration as livelihood diversification strategies [see *Table 1*; adoption from Cecilia Tacoli, 2003] may lead people to analyzing: a) The links between rural, urban and overseas areas; b) The economic, livelihood and social interactions of not just the rural households and the migrant household members elsewhere, but the rural, urban and overseas areas; and c) How internal and international migration provides various social and economic impacts unto rural households.

*Who migrates?* Distance discourages migration; the farther a place's distance, the more costly it is to go there. Given that, who migrates to where then? There seems to be a consensus that members of poorer, rural families can migrate, or may likely to migrate, internally (even droves of rural-to-urban migration are less likely to happen from villages that are said to be "remote" from metropolitan areas). In comparison, middle-income to wealthy families may have the higher probability to go overseas<sup>13</sup>. The discussion also proves that migration is selective, while the very poorest cannot migrate [Robert E.B. Lucas, 2007: 111-112].

---

<sup>13</sup> The difficulty though lies in defining the income level of a household [Robert E.B. Lucas, 2007: 111].



**Table 1: Migration as a livelihood diversification strategy and rural-urban-international interactions —Leads to the ‘push’ and ‘pull’ of migration from rural areas**

Factors affecting livelihoods in rural areas	Migration as a livelihood diversification strategy	
	Urban areas in home country (internal migration)	Overseas countries (international migration)
<b>Structural factors</b>		
Decline in farming and off-farming incomes	Income diversification through domestic remittances	Income diversification through international remittances
Expansion of urban / peri-urban areas	Income diversification; intensify agricultural production to capture urban consumers	Income diversification; invest assets in urban centers, or in rural origins, in home country whenever possible
New employment opportunities (e.g. tourism areas, export processing zones, centers of domestic and overseas recruitment)	Changes in migration direction and composition (gender, age, educational attainment)	Changes in migration direction and composition (gender, age, educational attainment)
Accessing outside areas as markets for agricultural production	Intensify agricultural production to capture urban markets	Targeting overseas townmates as consumers of rural produce
Educational opportunities and professional options for non-agricultural workers	Internal migration to access non-agricultural job opportunities, including low-skilled jobs for less-educated workforce	International migration to access non-agricultural job opportunities, including low-skilled jobs for educated workforce at home
Environmental degradation	Income diversification through rural non-farm income and internal migration	Income diversification through rural non-farm income and international migration
Physical backwardness and lack of basic services in rural areas	Permanent settlement in urban areas; domestic remittances (regular, irregular) to maintain rural ties	Permanent settlement in overseas areas; international remittances (regular, irregular) to maintain rural ties
Rural poverty	Income diversification, with internal migration as among the strategies	Income diversification, with international migration as among the strategies
High underemployment, and lack of formal job opportunities	Search for quality jobs with gainful incomes	Search for jobs (even low-skilled jobs) with higher incomes
<b>Socio-cultural factors</b>		
Increased market information (e.g. target markets for goods)	Agricultural intensification and adaptation	
Extended social network	Increased scope of migration (more destinations)	Chain and network migration to bring relatives or neighbors abroad (e.g. possibly recruit new workers from rural areas)
Changes within a household's relations (gender and generational)	Increase in migration “to find more opportunities” outside of the hometown; decline of rural households as units of production and consumption; increasing income diversification among young people	Increase in migration “to see the world” and find opportunities outside of the home country; decline of labor participation among rural household members in the rural economy given size of remittances

Source: Authors [Table and some of its texts were adopted from Cecilia Tacoli, 2003:7]

*Geographical dependency?* Current discussions now provide the role of economic geography in providing development to both developed and less-developed areas. Amid the economic differences between leading and lagging regions, as well as rich and poor countries, there is much room for these areas to depend on each other.

The discussion on economic geography by the World Bank's 2009 World Development Report is centered on three Ds—density, distance, and division. Density sees people populating areas known to have robust economic activities, where welfare services and gainful jobs are present. Given the economic concentration in these dense areas, these areas' growth is associated with economic activities present and, eventually, with the people found in these dense areas.

Given the situation, which promotes distance between places, the suggestion is to bridge the distance between lagging and leading regions through economic integration (i.e. flow of goods and capital, or even labor).

Division, for its part, covers differences between and among countries. What matters here are: a) Borders, especially since divisions can pose barriers to the flow of goods, capital, ideas and even people; b) Neighborhoods, especially since economic progress in one country affects neighboring countries; and c) Cooperation between places and countries since this can result into agreements to reduce barriers, and lowering of transaction costs, to the flow of goods, labor, capital, and ideas [World Bank, 2009].

*Migrating to places with things that are "abundant".* In general, the 2009 World Development Report is batting for the economic benefits of agglomeration (or the process of gathering into a mass). What is the role then of human mobility, or migration, into this discussion? Basically, labor or human talent appears to earn higher returns in places where labor is abundant, whether workers in urban centers or foreign workers in rich overseas countries. It means that people (especially those with skills) are economically productive if they are around with others, so they migrate. Thus, migration and agglomeration feed off each other—and migration is a means for people to earn returns from investing their skills and talents [World Bank, 2009a: 158].

This perspective on migration and agglomeration is visibly seen in internal migration. As for international migration, it is not surprising that there are certain areas within host countries, such as the state of California in the US, the city of Melbourne in Australia, or construction hub Dubai in the United Arab Emirates, where there are sizeable numbers of overseas migrants side-by-side with various economic activities.

*Rural development remains important.* But what is the point in discussing agglomeration and migration in relation to rural development? Rural development remains an imperative and the agglomeration of economic activities in leading places will bridge these areas to lagging places—if lagging regions improve the economic *and* social conditions of residents.

Migration, be it internal or international, then offers lagging areas opportunities for economic growth since migration helps increase the earnings prospects of movers [World Bank, 2009a: 161]. Internal or international migration is also crucial to overcoming poverty and smoothing household consumption in the wake of shocks such as falling agricultural incomes [World Bank, 2009a: 166]. At the same time, since migrants connect to their rural birthplaces, economic and social resources (e.g. remittances, donations to hometowns, links to markets outside of rural areas) are then providing opportunities to rural areas [World Bank, 2009a: 159].

It must be made clear, however, that *working for development at home remains the primary goal* of national governments or even local leaders in lagging rural areas [United Nations Development Programme, 2009]. If that situation happens, especially if basic social services are accorded to residents of lagging regions, people will not be forced to migrate out of necessity.

Thus, the quality of future migration from rural origins improves [World Bank, 2009a: 169].

## Relevance

GIVEN the preceding discussions on rurality, rural development, sustainable livelihoods, migration, and economic geography, *both rural development and migration are important agenda to rural areas, and to the stakeholders found in these areas*. At the center of both agenda are rural people, who directly and indirectly benefit from migration.

Why are rural development and migration important agenda?

1. Even if the rural area of origin improves, *rural folk will continue to migrate so that they have more income sources* [Sally Findley, 1987]. Human mobility is also a function of not just surviving, but also of further maximizing returns by movers and their families.
2. Thus, thanks to overseas migration, *rural-originated overseas migrants and migrant households contributed a lot to rural economic development*. It makes sense to serve also this segment of the rural economy (even if they may be fewer in number), especially since there are opportunities associated with migration.
3. If the rural birthplace improves, *migrating elsewhere becomes more of a choice rather than a forced economic option*.
4. *Improving the rural origin also matters since these areas will seek out capital from urban area. Besides, migrants elsewhere will favor improvements in their rural hometowns*.
5. Anywhere in the world, migrants' welfare conditions are an important rural development agendum. Internal and international migrants are rural areas' links to resources that cannot be otherwise found in the rural area. If migrants are among the major economic contributors to a rural area's development, it

makes sense to connect with them through the provision of economic and social services. More importantly, despite migrants' physical absence in rural birthplaces, they are still members of the rural community [Robert E.B. Lucas, 2007].

6. *An improved rural area benefits migrants and non-migrants.* Besides reaping benefits from migration, *rural areas can also harness economic benefits from developed areas where people flock together.*

Migration (including international migration) is thus *a rural development issue*. Whatever happens to migrants elsewhere affects the rural origin.

As well, whatever happens in rural areas can have migration-related factors. For the longest time, migration's social and economic impacts unto rural areas have been seeping into daily rural life.

## **Part 2**

# **Enter migration and its impacts into rural life**

MIGRATION is never an easy decision for the rural household.

But in a rural environment where income diversification is a means to improve welfare and reduce risks, migration helps smoothen families' efforts at coping with rural economic risks.

How does migration impact on various, inter-related areas of rural development? The range of these effects is manifold. Those who leave and who remain in rural hometowns are both part of the rural population of concern, and of rural development [Robert E.B. Lucas, 2007: 116].

Like usual discussions in relation to international migration and development, there are unsettled relationships and interesting dynamics surrounding the links between international migration and rural development.

Looking at the positive and negative consequences of international migration on rural development will be done at three levels: at the rural household level, at the rural hometown level, and at various areas of concern in rural development (such as agriculture, rural employment, rural poverty, among others).

## **Household**

THERE is agreement that migration is a livelihood strategy on the part of the rural household. This is because household income needs to be diversified so that the house is able to reduce risks [Rosemary Vargas-Lundius and Guillaume Lanly, 2007: 16-17; Raphael Babatunde, 2010]. Migration of some household members is seen also as internally part of a household's strategy of spreading risks, managing assets, and enjoying better costs of living [Robert E.B. Lucas, 2007: 109]. For others, such as what is observed in Albania, migration may be a strategy to move out of agriculture [Juan Miluka et. al, 2006].

Overseas migration has proven to have improved the income levels of households receiving remittances, as well as household welfare and well being [Jeetendra Aryal, 2005: 9; Rosemary Vargas-Lundius and Guillaume Landy, 2007: 14]. Not surprisingly, food consumption expenditures were higher in remittance-receiving households, and remittance incomes have also increased total household income, assets acquired, and supplies of calories and micro-nutrients, while improving the nutritional status of children, as in the case of Nigeria [Raphael Babatunde, 2010].

Acquisition of remittances also enables rural households to increase their access to other capital assets —revealing the fungibility of remittances (meaning, remittances as money can be interchanged with other assets). Remittances may be used to pay for children's education (investing in human capital), buy a shop (purchasing physical capital), set up a small business (investing in entrepreneurial capital), and improve households' access to natural land through land or lot purchases (investing in natural capital) [Lorenzo Cotula and Camilla Toulmin, 2004: 13].

What can also be observed is that if these remittance-receiving rural households enjoy greater access to these other assets, the situation can support the emigration of other household members. In turn, the rural household gets more remittances [Lorenzo Cotula and Camilla Toulmin, 2004: 13].

Meanwhile, some observe that receiving remittances diminishes the rural household's work effort [Robert E.B. Lucas 2007: 110], as some family members devote significantly fewer hours in agricultural production (observed to be happening both in total and on a per capita basis in Albania) [Juan Miluka et. al, 2006: 6].

Interestingly, international migration also creates gender-related dynamics in rural households —and the context of these dynamics is unique in themselves [*see Box 3*]. It shows that the roles of both women and men are affected given a family's decision to diversify livelihoods (including having a migrant family member).

### **Box 3: Gender dynamics in rural migrant households**

OVERSEAS migration creates a mixed bag of impacts onto both women and men in rural areas.

It has been observed that while it is male labor that is able to take advantage of diversification roles, women are then relegated to household duties and to ensuring subsistence food production [Lorenzo Cotula and Camilla Toulmin, 2004: 23].

Thus, if the man is the one who migrates, women do reproductive roles and engage in traditionally male chores such as agriculture-related work [Rosemary Vargas-Lundius and Guillaume Landy, 2007: 16]. Responsibilities for both household livelihoods and agriculture even increase for women, but this is associated with the woman left behind's greater decision-making power within the household owing to her managing of remittances from abroad.

The gendered impacts of international migration onto women and men in rural areas are also linked to ensuring rural household welfare and dealing with the social costs of migration. For example, in schooling, parental absence may mean less supervision of children's school attendance and the loss of any positive influence through learning inside the home [Robert E.B. Lucas, 2007].

## Hometown

WHETHER rural households have a migrant member or not, everyone benefits — whether directly or indirectly— from international migration and remittances.

Not surprisingly, these benefits from migration are more visible in migrant households.

Migrants or their rural-based households, in fact, can be considered as rural areas' informal financial intermediaries [J. Edward Taylor and Alejandro Lopez-Feldman, 2007: 2]. Owing to remittances, migrants and migrant rural households may be considered as surrogate "financial institutions," especially in rural areas where formal insurance schemes and access to credit are lacking [Juan Miluka et. al, 2006: 5].

Migrants can also do a lot of things for rural hometowns. Given migrants' collective donations of time, business networks, investments, transfer of skills, culture and knowledge, migrants abroad can: a) market hometown rural products and services in their host countries; b) encourage fellow migrants to invest in the rural communities of origin; and c) provide or donate collective financial support, expertise, and knowledge to projects in the hometown such as health clinics, road repairs, and rural income generating efforts [International Fund for Agricultural Development, 2007: 1].

Thus, the economic activities brought about by migration can create rural non-farming jobs [International Fund for Agricultural Development, 2007: 2]. At the same time, if remittances are invested in farming and off-farming or non-farming activities, and in entrepreneurial endeavors, it can generate jobs for rural folk [International Fund for Agricultural Development, 2007: 1].

Farming households that receive remittances abroad even help generate agriculture-related jobs. Households with migrant members may see the ones left behind requiring outside labor to continue farming-related activities of the household left behind. Of course, the context of such is that members of rural households with migrant members devote fewer hours in agricultural production [Juan Miluka et. al, 2006], especially if the ones left behind are too old to continue farming. In countries like Nepal, the hiring of agricultural labor increases when households' remittance incomes increase [Jeetendra Aryal, 2005: 9].

Rural areas are known to be areas with high poverty incidence. International migration even draws up significant numbers of rural folk from below the poverty line [Robert E. B. Lucas, 2007: 111].

It does not mean, however, that migration in particular, or rural income diversification in general, has not left behind problems related to a rural area's poverty picture. Pockets of poverty are "no doubt left behind" [Robert Lucas, 2007: 114]. At the same time, diversification is associated with disparities between the haves and have-nots, with the former being able to diversify income compared to the latter [Frank Ellis, 1999: 5].

But do rural households without migrant members benefit from migration? They do, albeit indirectly [*see Box 4*].



**Box 4: Rural poor indirectly benefit from migration**

IF one believes that migration provides trickle-down benefits to rural communities, then the rural poor without any migrant member can indirectly benefit from migration.

While the very poorest families may not be able to receive large sums of money from abroad, a significant portion of remittances are received by families who would otherwise be in poverty.

Since the very poorest cannot migrate overseas (owing to the distance and the attendant costs associated with migrating to faraway places), migration “certainly encompasses members of many poor families and poor families do receive significant remittances”.

The poor may not be directly involved in migration and remittances, but one cannot rule out the possibility that incomes of poorer populations “may be raised indirectly through the migration process”. This can be through the following: a) other poor rural folk participate in chain or replacement migration to urban areas, and possibly to overseas countries; b) the benefits coming out of the investments made by migrants such as new jobs generated, greater availability of a more goods, and remittance-financed public amenities benefit the entire rural population; c) remittances help expand economic activities in rural areas, and this can positively impact on rural folk; and d) the rural poor participate in activities such as constructing houses of migrant households —these activities being examples of the multiplier effect of migration [Robert E.B. Lucas, 2007: pages 112-113].

**Hold in check**

REAL stories can be gleaned from how international migration impacts various areas of rural development.

And the rural area and its people, given continued migration, are trying to keep some things under control given the pros and cons of diversifying rural incomes.

Rural livelihood diversification provides many positives [all in Frank Ellis, 1999]. Since diversification *reduces risks*, rural households affected by incidents such as climate-related incidences or off-peak incomes due to seasonal harvesting access other livelihood sources to make up for possible losses. As livelihood diversification also *leads to higher incomes*, rural households are in a better position to use available resources and skills, as well as spatially- dispersed income earning opportunities (earned both within and outside of rural areas).

Livelihood diversification then *improves assets*, especially when these are put into productive use. Diversified households are able, and are capable, to acquire financial, natural, physical, and human capital so that existing income levels improve further.

Even *the environment also benefits from income diversification*. Households with diversified incomes may want to invest their resources in improving the quality of the natural resource base. At the same time, given other sources of income, time that is spent in exploiting natural resources (e.g. forestry, fishing) has become less remunerative compared to the time spent in doing other things [all in Frank Ellis, 1999].

But income diversification also has its disadvantages [all in Frank Ellis, 1999]. One of them is that the situation breeds disparity between the poor and the better off.

Income diversification may even result in the stagnation of the home farm. For example, while abundant male labor may be working elsewhere, the number of workers that is required to do tasks such as land preparation and harvesting is depleted.

There is also a gender angle. The gist here is that male labor can diversify their income sources and activities, whereas women may be relegated to doing household chores and to doing subsistence agriculture production.

*Migration and rural development: The mix up.* Zooming in specifically to overseas migration, the impacts of migration (as a livelihood diversification strategy) on rural development are an interesting mix. Summaries of these impacts are presented in the succeeding texts:

- *Agricultural productivity and farming.* There are conflicting views whether the additional buck coming from migration is plowed to agricultural productivity. Overall, agricultural productivity and the well-being of rural families are altered by the outmigration of family labor [Ismael Ortega-Sanchez and Jill Findies, 2001].

In some contexts, such as in Mexico, remittances have not only increased incomes of families left behind, but as well as the productivity of land [J. Edward Taylor and Alejandro Lopez-Feldman, 2007: 12].

Remittances may have led into a reduced labor effort into agriculture for migrant households both in total and on a per capita basis. But the situation has not led, thus far, to a decline in agricultural income<sup>14</sup>. The fear though, is that migration may be a strategy to move out of agriculture [Juan Miluka et. al, 2006: 3].

The financial improvements enjoyed by migrant households engaged in agricultural activities may even be beneficial, as they may venture into commercial farming activities. If that is the case, then employment opportunities for other villagers are created [Rosemary Vargas-Lunduis and Guillaume Lanly, 2007: 17].

However, in some contexts, migration is not being used to improve agricultural productivity. This is because migrant households, even with remittances, spend comparatively less than their non-migrant counterparts —indicating that the former may divest in agriculture because of migration and remittances. There is an observation that migrant households do not appear to invest more in chemical fertilizers and farm equipment [Juan Miluka et. al, 2006]. In Lesotho, in a survey of farming households whose overseas migrants are in South Africa, as well as non-migrant farming households, it was observed that remittances facilitate current agricultural production (instead of substituting for it). Possibly, if remittances are reduced, there might be reduced technical efficiency in agricultural production [Motsamai Mochebelele and Alex Winter-Nelson, 2000].

There are differences in how migrant and non-migrant households utilize agricultural technologies. Migrant and non-migrant corn farming-households in Mexico, for example, were implementing the same farming technology, or were

<sup>14</sup> In other contexts, remittances have overtaken agriculture as the main source of income for rural households [Rosemary Vargas-Lundius and Guillaume Lanly, 2007: 13].

allocating the same combination of inputs in producing corn. Meanwhile, the sowing of seeds seems to be more important to families without migrants than for those with migrants<sup>15</sup> [Ismael Ortega-Sanchez and Jill Findies, 2001: 23].

Who may gain more or less in agriculture as a result of outmigration? The impact may be greater in traditional rural households which have low assets, while rural households with a semi-modern lifestyle and with some endowments coming from migration remain affected by migration [Ismael Ortega-Sanchez and Jill Findies, 2001: 24].

- *Rural employment.* The impact of migration on rural labor starts with the migrant household. Given remittances, family members seem to devote less time to agricultural production. This is on top of what others see as the dependency to remittances: that members left behind reduce their work effort owing to forthcoming remittance flows [Juan Miluka et. al, 2006] and to take care of the migrant's child or children left behind [Robert E.B. Lucas, 2007: 110].

But with less labor time for family members comes opportunities for other people in the rural labor market.

It seems that remittances have created opportunities for employment in agriculture. This is since the remittance-receiving household-cum-farmland owner will be having less time for farming —and he or she will hire others to till the farm. Increasing remittances in Nepal led farmers to use both family labor hired labor. In such a situation, a land rental market, as well as a labor hire market within a village, has been created [Jeetendra Aryal, 2005: 9]. In southern Morocco, migrant households entrust land cultivation activities to other household members (particularly women), to sharecroppers, or to hired laborers —resulting in improved wage levels and sharecropping<sup>16</sup> conditions [Rosemary Vargas-Lundius and Guillaume Lanly, 2007: 15].

Outmigration has been a way for rural folk to alleviate underemployment in agriculture, and to protect the livelihoods of farmers who stayed behind. Migration from rural areas with a large of pool of labor has also allowed for the better use of this underutilized labor who can find other work in other areas for the meantime [International Fund for Agricultural Development, 2007: 1]. But how does migration impact on rural employment depends who are the migrants and how long they have been gone in the rural area [Rosemary Vargas-Lundius and Guillaume Lanly, 2007: 14].

---

15 This is a result of the econometric computations of Ortega-Sanchez and Findies [2001: 23] where non-migrant households have higher elasticities, compared to migrant households, in these agriculture-related activities. Elasticity (in economics) sees a variable responding a lot to small changes; in this case, the variable being looked at to respond to some changes is remittances.

16 In agriculture, sharecropping is when which a landowner allows a tenant to use his or her land, in return for a share of the crop produced on the land. For example, the landowner and the tenant can agree on a 50-50 or 60-40 share.

If a rural area is agricultural-based, migration may pose some challenges. These areas may become dependent to remittances [Lorenzo Cotula and Camilla Toulmin, 2004: 1]. Brain drain is also a problem, as well as “brawn drain” [Rosemary Vargas-Lundius and Guillaume Lanly, 2007: 19-20]. In such a competition for scarce human capital (“brawn drain”), migration may further constrain households from investing in a high-return-but-labor-intensive activity [J. Edward Taylor and Alejandro Lopez-Feldman, 2007: 4], such as agriculture.

A greater context of such a “brawn drain” in the agricultural sector is the declining employment of the agricultural sector for developing countries. This is because educated young workers from rural areas move out of agriculture since the agricultural sector lacks job opportunities, yields low incomes, and is vulnerable to natural threats like droughts and typhoons [Rosemary Vargas-Lundius and Guillaume Lanly, 2007: 13].

- *Access to land.* Migration provides interesting impacts unto people’s access to natural resources like land.

For example, non-migrant households may have less access and reduced capabilities to acquire land. The situation concerning land access may even entice conflict between migrant, non-migrant households and over development stakeholders since all of them seek to buy residential land. Thus, remittances may raise issues such as land-use patterns, land competition and disputes, and land-access for non-migrant households [Lorenzo Cotula and Camilla Toulmin, 2004: 1].

Investing in land is a frequent form of remittance use (such as in southern Morocco where migrant households were found to have a higher propensity to invest in land). This asset may be acquired either through formal transfers of land purchases, or through informal transactions (especially since sellers of land, such as those in Mali, have no formal land titles). Migrants even seek the help of an intermediary to broker the deal of the land purchase [Lorenzo Cotula and Camilla Toulmin, 2004: 18-19]. Conflicts can possibly occur between and among rural households with various income classes; in Pakistan, for example, international remittances by upper-income households led to increased ownership of irrigated and rain-fed agricultural lands [Lorenzo Cotula and Camilla Toulmin, 2004: 23].

In summary, the following are the issues surrounding remittances and land access [all in Lorenzo Cotula and Camilla Toulmin, 2004]:

- a. Will remittances increase the security of existing land access (for example: obtaining land titles, payment of mortgages to land, and making productive use of land through hired labor and additional agricultural inputs)?
- b. Will remittances by migrant households, who do not have access to sufficient land, lead them to resorting into renting and leasing land for the long term (so that they earn more from their investment in agriculture)?

- c. Will migrant households, given their remittances, cultivate more land and use their money to hire more labor and provide additional agricultural inputs?
  - d. Will land-loan relations be strained because of remittances? For migrant households who may own land that is lent out to others but who are not primarily using this asset: will migrant households' efforts to claim back "their lands" affect their relations with the tenants they hired?
  - e. Will migrant and non-migrant household members be at peace, or be at war, when it comes to inheriting land (simply because the former has money)?
  - f. How will remittances affect land use, and the legal issues surrounding land use, by rural folk?
- *Rural investments.* Are migrants and migrant households interested to invest in their rural birthplaces? In some instances, migrant households have been investing in agriculture through hired labor or additional agricultural inputs [Lorenzo Cotula and Camilla Toulmin, 2004; Juan Miluka et. al, 2006; J. Edward Taylor and Alejandro Lopez-Feldman, 2007].

But migrants' success in accumulating capital and skills does not lead to an automatic effort for them to invest "productively" in rural origins. The migrant's educational level, the living conditions in destination countries, amount of remittances sent, age profiles of migrants, the migrant's intention to return home, the demographic and income characteristics of the migrant household, the migrant household's access to local assets; and the social, economic and ecological conditions in the rural birthplace (e.g. prices of land) are all considerations for migrants' investments in their rural hometowns [International Fund for Agricultural Development, 2007: 2; Lorenzo Cotula and Camilla Toulmin, 2004: 24].

However, investment decisions are likely to be affected by a range of factors. On the part of the migrant, is there a desire to return home? How much remittances are sent and where are these used? Are younger migrants more keen in investing money in non-farming enterprises as compared to farming? Other factors to consider in these investment decisions include the income levels of rural households receiving remittances, as well as the conditions in the rural area (How is the quality of land back home? Is agriculture profitable? Do rural hometowns have improved roads and access to other outside markets?) [Lorenzo Cotula and Camilla Toulmin, 2004: 24].

This is where the rural migrant household looks at what are available—and viable—in the rural hometown. They may be willing to invest, but some of these rural migrant households may be reluctant to invest no thanks to their distrust with local government authorities and local stakeholders [Lorenzo Cotula and Camilla Toulmin, 2004: 24].

## Hope

AS migration will persist, rural areas have continually embraced various social and economic impacts of human mobility.

Everyone, including non-migrant households and the rural poor, are affected by migration. So in the thrust to harness the resources of migration to precisely bring about sustained rural development, it will take time for migration, migrants and their remittances to achieve such a rural hometown dream —especially if the rural hometown is not prepared to harness this development potential from migration.

The vision, therefore, is seeing migration helping achieve distributive and sustainable rural development that benefits not just migrant households but everyone. Lorenzo Cotula and Camilla Toulmin have given us images surrounding such a vision:

“The distributive impact of migration may change over time. Information may become more readily available, and migrants’ networks abroad may motivate and help others to follow. Therefore, poorer households may also be able to seize the opportunities offered by migration.

First, poorer households receiving remittances can increase their income and diversify their livelihoods. Secondly, cultural change facilitated by migration may make lower classes... more confident of challenging traditional elites. Therefore, for households, horizontal mobility (migration) and vertical mobility (i.e. social mobility) are strictly intertwined in a mutually-reinforcing circle. Ultimately, the distributive effects of remittances may change considerably from place to place, depending also on the distribution of income and wealth before migration [Lorenzo Cotula and Camilla Toulmin, 2004].”

## Chapter 3:

# The Filipino exodus and rural development

THE Philippines, traditionally an agricultural economy, has many reasons why her rural areas are pushing rural folk elsewhere.

If conditions in the home country such as economic need and prevailing poverty have pushed Filipinos (from wherever they come from) to migrate overseas, all the more that these conditions happen in the rural areas.

It is no wonder then that two-thirds of overseas Filipinos originated from rural Philippines [Asian Development Bank, 2005]. Thus, rural areas face the numerous opportunities and challenges brought about by overseas migration.

There are many key messages—from the macro, meso, to the micro—in the links surrounding overseas migration and rural development in the Philippines [*in chronological order*]:

1. The growth of the Philippine economy booms and busts, and the country's growth does not result into as many jobs;
2. Overseas migration continues to mitigate shortfalls of the Philippine economy;
3. Generating jobs at home is among the country's biggest development challenges;
4. Socio-economic disparities among regions in the Philippines remain stark;
5. Agricultural productivity in the Philippines remains struggling;
6. The prevalence of high rural poverty proves that growth has not trickled down;
7. Integrating the Philippines' regions through infrastructure remains deficient;
8. Asset reform remains wanting for many among the Filipino rural poor;
9. Improving the Philippine rural financial landscape remains ongoing;
10. Philippine domestic production and jobs are seeing the increasing role of the non-agricultural sector;
11. Overseas migration seems to be keeping pace with Philippine agricultural productivity;
12. Overseas migration is a livelihood survival strategy for Filipino farmers and fisherfolk; and
13. Overseas migration leaves behind visible and persistent rural development issues.



## Part 1

# Development conditions in rural Philippines

RURAL Philippines is remarked by some development analysts as the frontlines of national development. This is why some are pinning their hopes on bottom-top, localized approaches to development in nearly two decades of decentralizing government authorities and functions to rural areas' local government units.

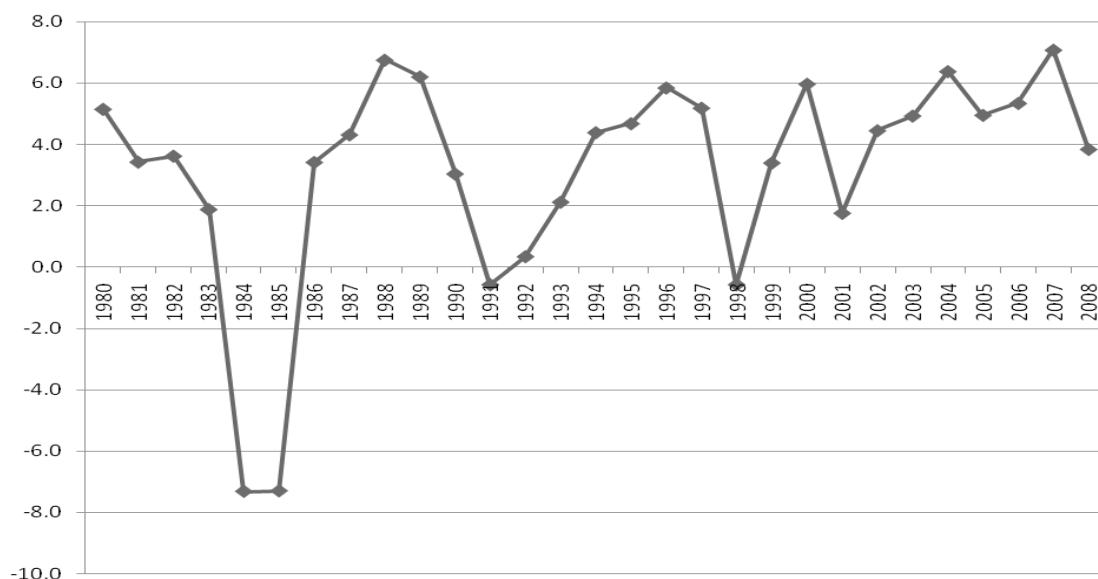
But rural development "blues" persist in the Philippines [Gelia Castillo, 1979] as these are a function of macro- to micro-level socio-economic factors.

## Up and down

*Macro-economic growth.* A boom-and-bust scenario of macroeconomic growth typically defines the Philippine economic situation. This so-called "boom and bust cycle" of Philippine economic growth is always associated with economic and political crises, natural or man-made triggers, and internal and external triggers [Fernando Aldaba and Reuel Hermoso, 2010: 8-9] —the most recent of which was the 2008 global economic and financial crisis [see Figure 3].

The Philippine economy is also observed to have the following traits [see also Table 2]:

1. *Consumption primarily drives Philippine economic growth* in the last several years. Consumption is already a 60-to-70 percent of gross domestic product (GDP);
2. *Investments continue to decline in the Philippines.* In the last five years, the percentage to GDP of gross fixed capital formation (an indicator of a country's level of investments) has stuck to within the 14 percent range. Meanwhile, the country's foreign direct investment levels (looking at FDI's percentage to GDP) are among the lowest in Southeast Asia [Fernando Aldaba and Reuel Hermoso, 2010a];



**Figure 3: Philippines' gross domestic product growth rates, 1980-2008**

(Data from the World Bank, 2009)

**Table 2: Percentages to GDP of major development indicators for the Philippines**

as % of GDP	2001	2002	2003	2004	2005	2006	2007	2008
Total national government outstanding debt *	65.7	71.0	77.7	78.3	71.4	63.8	55.8	56.3
Tax revenues **	13.5	12.5	12.8	12.4	13.0	14.3	14.0	14.1
Gross fixed capital formation +	17.9	17.6	16.8	16.1	14.4	14	14.7	14.7
Gross savings +	32.2	33.6	28.7	31.4	30.2	33.3	34.2	33.7
Agriculture, value added **	15.1	15.1	14.6	15.1	14.3	14.2	14.2	14.9
Industry, value added **	31.6	31.8	31.9	31.7	31.9	31.7	31.6	31.6
Services, value added **	53.2	53.1	53.4	53.2	53.8	54.2	54.2	53.5
Private consumption expenditures ***	70.6	69.4	69.2	68.7	69.3	70.1	69.4	
Remittances from overseas Filipinos ~	8.5	9.0	9.5	9.8	10.8	10.9	10.0	9.8

**Sources:**

- \* Philippines Bureau of Treasury
- + Asian Development Outlook 2010 (Asian Development Bank)
- ++ World Bank Development Data (as of 2009)
- +++ in Fernando Aldaba and Reuel Hermoso (2010)
- ~ in Jeremiaah Opiniano (2010)

3. *Agriculture's contribution to domestic production is declining, while industry's share has not spiked significantly. Services is the one that provides major contributions to the Philippine economy, proving that labor is the Philippines' major economic asset;*
4. *Strikingly, outstanding debt eats up much of the government's resources. This is why as much social services cannot be provided to citizens. Tax revenues have also not risen to significant numbers to sustain the operations of government; and*
5. *As many development analysts and multilateral organizations have observed, the Philippine economy has been kept afloat by remittances from Filipinos abroad.*

## Up and just afloat

*Overseas migration's inputs to macro-economic development.* Overseas migration is the one that currently sustains the Philippine economy and makes up for the country's slack in agriculture and industry. Never has this economic importance to overseas migration been made evident in the past decades; the growing number of overseas Filipinos — made up of temporary migrants, permanent migrants, and irregular or undocumented migrants— have played a large part to keep the economy afloat [see Table 3].

**Table 3: Stock estimates of overseas Filipinos**

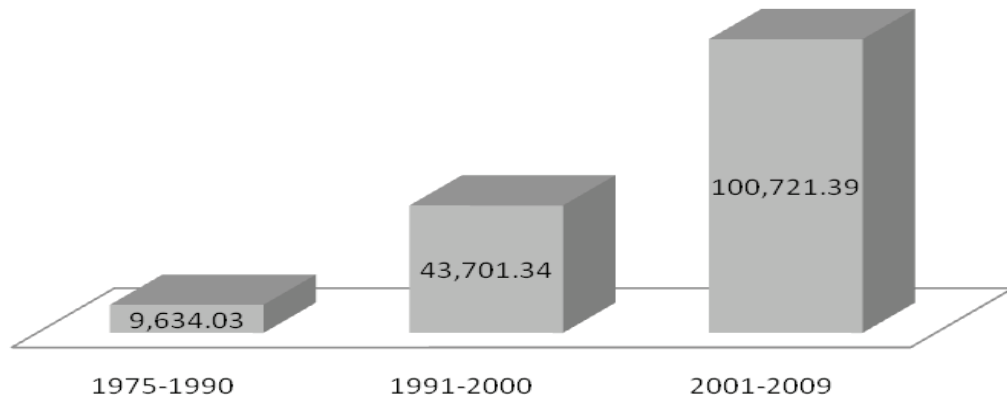
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Permanent migrants	2,736,528	2,807,356	2,865,412	3,187,586	3,391,338	3,556,035	3,692,527	3,907,842	4,056,940	4,424,680
Temporary migrants	3,049,622	3,167,978	3,385,001	3,599,257	3,651,727	3,802,345	4,133,970	3,626,259	3,864,068	4,324,388
* Land-based workers	2,794,353	2,912,709	3,168,970	3,370,255	3,404,020	3,527,848	3,867,417	3,364,645	3,533,644	3,977,238
* Sea-based workers	255,269	255,269	216,031	229,002	247,707	274,497	266,553	261,614	330,424	347,150
Irregular migrants	1,625,936	1,607,170	1,512,765	1,297,005	881,123	974,792	900,023	653,609	658,370	704,916
Total estimate	7,412,086	7,582,504	7,763,178	8,083,848	7,924,188	8,233,172	8,726,520	8,187,710	8,579,378	9,452,984

Source: Commission on Filipinos Overseas, various years

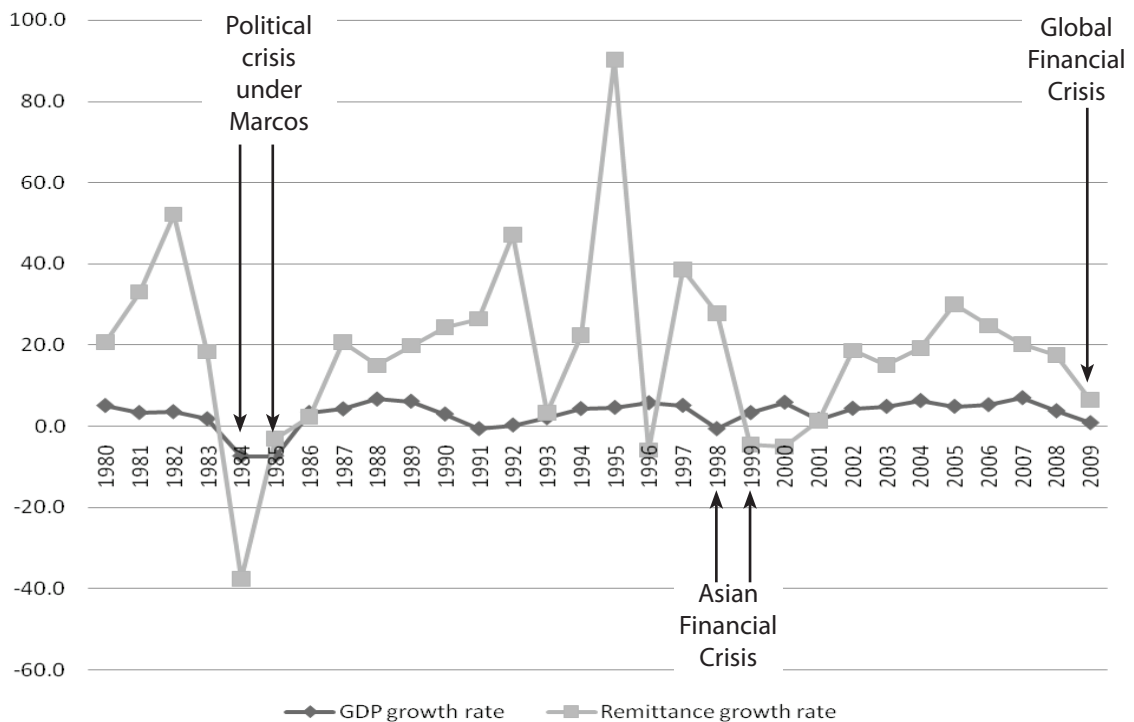
Remittances are the country's biggest gain from overseas migration, especially during the last nine years<sup>17</sup> when the Philippines' formal banking system recorded US\$100.721 billion [see Figure 4]. At the same time, remittances by overseas Filipinos (except in the years 1984-1985, and 1999-2000) were observed to be still growing

<sup>17</sup> The formal banking system, given instructions and regulations from the Bangko Sentral ng Pilipinas (Philippine Central Bank), has improved in the recording of remittances. The last nine years was also marked by increasing competition from the remittance industry to serve the overseas Filipino population, a situation that saw the promotion of sending remittances through formal or banking channels.

annually amid episodes of low economic growth (including the years when the country was struck with externally-generated financial crises, and the country's own political crisis). The observation that remittances still rise amid economic problems in the Philippines was made evident in the last decade [see Figure 5].



**Figure 4: Remittances from overseas Filipinos, 1975 to 2009**  
(Bangko Sentral ng Pilipinas, various years)



**Figure 5: Annual growth rates of remittances from overseas Filipinos, 1976 to 2009**  
(Bangko Sentral ng Pilipinas, various years)

Remittances from overseas Filipinos are even the country's number one sources of dollars, and overseas migration is filling up the slack from low investments, a stale manufacturing sector, and low productivity in agriculture [see Table 4].

**Table 4: Sources of dollar inflows to the Philippines**

Year	Sources of dollar inflows (in US\$ billion)				Remittances as % of		
	Official dev't aid (net)	Foreign direct investments (net)	Portfolio investments (net)	Overseas Filipinos' remittances	ODA	FDI	Portfolio investments
2001	0.568	0.195	0.125	6.031	1,061.80	3,092.82	4,824.80
2002	0.569	1.542	0.227	7.578	1,331.81	491.44	3,338.33
2003	0.722	0.491	0.501	7.578	1,049.58	1,543.38	1,512.57
2004	0.449	0.688	0.518	8.550	1,904.23	1,242.73	1,650.58
2005	0.567	1.854	1.465	10.689	1,885.19	576.54	729.62
2006	0.565	2.921	2.525	12.761	2,258.58	436.87	505.39
2007	0.647	2.916	3.178	14.449	2,233.23	495.51	454.66
2008	0.608	1.403	-1.289	16.426	2,701.64	1,170.78	(1,274.32)

Sources: World Bank country development indicators, Bangko Sentral ng Pilipinas

## Under target

*Employment conditions and homeland job generation.* Employment is a major development issue in the Philippines. Job generation is also a big issue for Philippine rural areas.

Some observe that even with years of economic growth, the situation does not translate into jobs generated for the economy. Economists refer to such a situation as jobless growth [Fernando Aldaba and Reuel Hermoso, 2010a; Jeremaiah Opiniano, 2010]. The Philippines still has a high unemployment rate, but the bigger problem is underemployment [Fernando Aldaba and Reuel Hermoso, 2010a] since many workers are currently subjected to low-quality wages and work conditions [see Table 5].

Even job generation in the Philippines remains slow to meet the rising number of entrants into the labor force. The annual number of homeland jobs generated still cannot bridge the gap between the employed and the unemployed [see Table 6]. Even though job generation includes securing overseas jobs for newly-hired overseas workers, not even overseas employment can further speed up overall job generation efforts [see Table 7].

**Table 5: Domestic employment, unemployment and underemployment**

Year	Domestic Employment Data, all in 000 (below are end-October figures of the Labor Force Survey)					
	Employment		Unemployment		Underemployment	
	Employed (in 000)	Rate	Unemployed (in 000)	Rate	Underemployed (in 000)	Rate
1997	27,888	92.1	2,377	7.9	5,805	20.8
1998	28,262	92.6	3,016	9.6	6,701	23.7
1999	29,003	90.6	2,997	9.4	6,415	22.1
2000	27,775	89.9	3,133	10.1	5,526	19.9
2001	30,090	90.2	3,271	9.8	4,995	16.6
2002	30,252	89.8	3,423	10.2	4,628	15.3
2003	31,553	89.8	3,567	10.2	4,989	15.8
2004	31,733	89.1	3,886	10.9	5,357	16.9
2005	32,876	92.6	2,620	7.4	6,970	21.2
2006	33,185	92.7	2,621	7.3	6,761	20.4
2007	33,671	93.7	2,248	7.4	6,104	18.1
2008	34,533	93.2	2,525	6.8	6,028	17.5
2009	35,477	92.9	2,719	7.1	6,875	19.4

Sources of data: October rounds of the Labor Force Survey data — National Statistics Office (various years)

**Table 6: Homeland job generation**

Year	Number of employed, in 000	Estimated number of jobs generated, in 000 (difference from previous year)	Number of unemployed, in 000	Gap between annual jobs generated and unemployed, in 000	GDP growth
2001	30,090	2,315	3,271	956	1.7
2002	30,252	162	3,423	3,261	4.4
2003	31,553	1,301	3,567	2,266	4.9
2004	31,733	180	3,886	3,706	6.3
2005	32,876	1,143	2,620	1,477	4.9
2006	33,185	309	2,621	2,312	5.3
2007	33,671	486	2,248	1,762	7.1
2008	34,533	862	2,525	1,663	3.8
2009	35,477	944	2,719	1,775	0.9

Economists compute the jobs generated by the country by subtracting the numbers of employed in a given year and in the previous year. Authors' computations based on data from the October rounds of the Labor Force Survey (National Statistics Office)

**Table 7: Homeland job generation and overseas job generation in the Philippines (annual)**

Year	[A] Number of homeland employed, in 000	[B] Estimated number of homeland jobs generated, in 000 (difference from previous year)	[C] Deployed new-hire contract workers abroad <sup>1</sup>	[D] Estimated number of homeland jobs generated plus overseas jobs filled	[E] Estimated difference of homeland plus overseas jobs (difference from previous year)	[F] Number of unemployed, in 000	[G] Estimated gap between new homeland and overseas jobs generated, and the number of homeland unemployed (G = D-F)	[H] Gross domestic product growth rates (in %)
2001	30,090	2,315,000	258,204	2.057 million	2.054 million	3,271	1.217 million	1.7
2002	30,252	162,000	286,128	0.448 million	(1.609 million)	3,423	1.814 million	4.4
2003	31,553	1,301,000	241,511	1.542 million	(0.067 million)	3,567	3.500 million	4.9
2004	31,733	180,000	280,475	0.460 million	0.393 million	3,886	3.493 million	6.3
2005	32,876	1,143,000	284,285	1.427 million	1.034 million	2,620	1.586 million	4.9
2006	33,185	309,000	308,122	0.617 million	0.417 million	2,621	2.204 million	5.3
2007	33,671	486,000	313,260	0.799 million	0.375 million	2,248	1.873 million	7.1
2008	34,533	862,000	376,437	1.238 million	0.863 million	2,525	1.662 million	3.8
2009	35,477	944,000	349,715	1.293 million	0.055 million	2,719	1.426 million	0.9

*Estimates done by Jeremaiah Opiniano (2010)*

*Notes: a) Economists compute the jobs generated by the country by subtracting the numbers of employed in a given year and in the previous year; b) Annual data in column A, the number of homeland employed, are cumulative.*

*Columns B, D, E, and G are estimates.*

<sup>1</sup> - *Sending new-hire overseas workers thus becomes critical because these represent new jobs for some members of the labor force. Data on new-hire migrant workers is taken here since re-hired migrant workers have maintained having work abroad (whether for an old or a new employer).*

*Sources of data: Labor Force Surveys (end-of-October figures); Philippine Overseas Employment Administration*

Most of the country's labor force is found in the agricultural sector, the sector that has the highest incidence of poverty [see Table 8]. Many workers in the agricultural sector are among the underemployed, and underemployment is a major labor market concern in the Philippines given workers' exposure to vulnerable, less-paid, less-quality work. Looking at the classes of workers, the combined percentage shares of unpaid family workers and the own account workers is around 48 percent of the total employed workforce [see Table 9].



**Table 8: Employed persons by major industry group**

Major industry grouping	2004	2005	2006	2007	2008
<i>Philippines</i>	31,613	32,313	32,636	33,560	34,089
Agriculture, Hunting and Forestry	10,013	10,234	10,254	10,342	10,604
Fishing	1,368	1,394	1,428	1,444	1,426
Mining and Quarrying	118	123	139	149	158
Manufacturing	3,061	3,077	3,053	3,059	2,926
Electricity, Gas and Water Supply	120	117	128	135	130
Construction	1,700	1,708	1,677	1,778	1,834
Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	5,872	6,147	6,202	6,354	6,446
Hotels and Restaurants	806	861	887	907	953
Transport, Storage and Communications	2,427	2,451	2,483	2,599	2,590
Financial Intermediation	328	341	344	359	368
Real Estate, Renting and Business Activities	690	734	783	885	953
Public Administration and Defense, Compulsory Social Security	1,491	1,481	1,485	1,551	1,676
Education	938	978	999	1,035	1,071
Health and Social Work	361	375	359	373	392
Other Community, Social and Personal Service Activities	835	775	801	849	833
Private Households with Employed Persons	1,487	1,517	1,612	1,740	1,729
Extra-Territorial Organizations and Bodies	2	1	2	2	1

Source of data: Bureau of Labor and Employment Statistics, Department of Labor and Employment

**Table 9: Employed persons by class of worker**

<b>Class of worker</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<i>Philippines (in 000)</i>	31,613	32,313	32,636	33,560	34,089
<i>Percentage shares</i>					
Wage and salary workers	52.11	50.49	51.09	52.17	52.35
Unpaid family workers	11.16	12.05	12.29	12.07	12.21
Own account: self-employed	31.67	32.75	32.25	31.50	31.25
Own account: employer	5.07	4.70	4.37	4.26	4.19
<i>Unpaid family workers and own account combined</i>	47.90	49.51	48.91	47.83	47.65

Source of data: Bureau of Labor and Employment Statistics, Department of Labor and Employment

## Uneven

*Social and economic disparities across regions.* There remain disparities in growth across the country's different regions. This situation may be desirable for some, but for others, regional disparities have led to a situation where lagging regions do not enjoy as much economic priority (in the form of infrastructure and basic social services, for example) [Arsenio Balisacan, Hal Hill and Sharon Faye Piza, 2009: 169].

At least a third to the country's GDP comes from the National Capital Region, with that alone already showing the regional disparity. Regions that are near NCR, Southern Tagalog and Central Luzon, also benefited given their respectable contributions to the country's GDP [see Table 10].

These disparities surrounding growth in the regions reflect that development has not uniformly trickled down [CIRDAP, 2009: 11]. More developed regions have higher per capita GDP (led by NCR) than less-developed regions [see Table 11].

The situation of regional differentiation in the Philippines can be explained in three factors: a) Regions with higher average initial incomes tend to have higher growth rates; b) NCR (or Metro Manila) makes up a big chunk of the Philippine economy, and regions near the NCR—Central Luzon and Southern Tagalog—grew faster than the other regions given their proximity to Metro Manila; and c) Regions that primarily depend on services and manufacturing grew more in incomes than those primarily relying on agriculture [CIRDAP, 2009: 11].

Social indicators also reveal the disparities between leading and lagging regions of the country. Leading regions have low levels of poverty incidence, longer life expectancy rates, and higher functional literacy and enrolment rates. Not surprisingly, when computing for regions' human development indices (HDI), lagging regions got lower HDI scores [see Table 12].

**Table 10: Regional growth and structure in the Philippines (by region), 1975-2005**

Regions	1975-1985	1985-1995	1995-2005	1975-2005
<i>Avg. growth of regional GDP (at 1985 prices)</i>				
Philippines	2.5	2.5	4.3	3.4
Luzon	2.6	2.8	4.3	3.6
National Capital Region	2.4	2.8	4.9	3.7
Central Luzon and Southern Tagalog	2.6	3.1	3.6	3.4
Other regions in Luzon	3.0	2.3	4.3	3.4
Visayas	2.4	2.1	4.4	3.4
Central Visayas	2.7	2.6	5.1	3.9
Other regions in the Visayas	2.3	1.7	3.9	3.1
Mindanao	2.2	1.7	3.8	2.8
<i>Share of national GDP</i>				
Luzon	62.6	64.8	65.7	64.4
National Capital Region	28.8	31.6	30.7	29.9
Central Luzon and Southern Tagalog	23.3	23.2	24.7	24.3
Other regions in Luzon	10.5	10.0	10.3	10.1
Visayas	16.7	16.3	16.3	16.3
Central Visayas	6.4	6.5	6.9	6.5
Other regions in the Visayas	10.3	9.8	9.4	9.8
Mindanao	20.8	19.0	18.0	19.3
<i>Share of total population</i>				
Luzon	54.3	55.1	56.0	55.1
National Capital Region	12.3	13.2	13.0	12.8
Central Luzon and Southern Tagalog	22.8	23.9	26.0	24.2
Other regions in Luzon	19.2	18.0	17.1	18.1
Visayas	23.2	21.4	20.3	21.7
Central Visayas	7.9	7.5	7.5	7.6
Other regions in the Visayas	15.3	13.9	12.8	14.0
Mindanao	22.5	23.5	23.7	23.2

Source: Arsenio Balisacan, Hal Hill and Sharon Faye Piza (2009)

**Table 11: Regional per capita GDP (at 1985 constant prices)**

Regions	2002	2003	2004	2005	2006	2007	2008
Philippines	12,900	13,252	13,814	14,209	14,673	15,405	15,686
National Capital Region	30,161	31,730	33,957	35,983	37,868	40,241	41,624
Cordillera Administrative Region	17,827	17,848	18,190	17,954	18,209	19,099	19,043
Region 1 – Ilocos	7,175	7,209	7,445	7,680	7,989	8,277	8,289
Region 2 – Cagayan Valley	7,634	7,590	8,166	7,690	8,131	8,500	8,518
Region 3 – Central Luzon	10,930	11,092	11,077	11,145	11,405	11,838	12,049
Region 4A – Calabarzon	13,388	13,853	14,102	14,130	14,371	14,800	14,759
Region 4B – Mimaropa	11,549	12,120	12,295	12,742	12,604	13,482	13,546
Region 5 – Bicol	6,071	6,214	6,445	6,647	6,691	7,058	7,222
Region 6 – Western Visayas	11,432	11,699	12,364	12,733	13,101	13,834	14,166
Region 7 – Central Visayas	12,157	12,419	13,046	13,550	13,918	14,816	15,008
Region 8 – Eastern Visayas	6,254	6,362	6,564	6,641	6,847	6,915	7,020
Region 9 – Western Mindanao	9,332	9,482	9,678	10,143	10,150	10,669	10,684
Region 10 – Northern Mindanao	13,713	13,904	14,610	14,942	15,670	16,527	17,050
Region 11 – Southern Mindanao	12,270	12,842	13,471	13,795	14,161	14,846	15,153
Region 12 – Central Mindanao	10,854	11,112	11,506	11,502	11,987	12,499	12,792
CARAGA	6,600	6,516	6,593	6,727	7,042	7,441	7,534
ARMM	3,271	3,290	3,383	3,433	3,480	3,585	3,572

Source: National Statistical Coordination Board (National Income Accounts)

**Table 12: Key social and economic indicators in the Philippines' regions**

Regions	Poverty				Income Gini ratio	Life expectancy at birth	Adult functional literacy rate	Primary and secondary enrolment rates	Human dev't index (HDI)					
	Incidence		% to Total											
	1988	2003	1988	2003										
Philippines	34.4	26.0	100.0	100.0	1988	2003	1988	2003	1988	2003	1994	2003	1990	2003
National Capital Region	9.5	4.9	3.8	2.6	44.2	42.9	66.4	70.0	90.0	94.6	91.7	92.5	0.944	0.804
Corollera Administrative Region	39.1	15.3	2.2	1.0	37.2	43.0	60.5	66.2	82.9	85.5	90.7	95.3	---	0.648
Region 1 – Ilocos	25.5	16.9	4.3	3.4	38.1	41.3	565.4	69.5	71.9	88.4	90.2	91.6	0.592	0.649
Region 2 – Cagayan Valley	39.2	26.2	4.4	3.4	40.5	47.1	62.5	67.0	71.8	84.3	86.3	92.6	0.560	0.603
Region 3 – Central Luzon	15.3	13.6	4.4	5.7	39.6	37.7	67.2	70.9	82.1	86.8	87.8	91.0	0.695	0.654
Region 4 – Southern Tagalog	31.7	20.8	11.1	13.0	41.3	43.7	65.4	68.9	75.9	88.7	84.6	92.8	0.654	0.646
Region 5 – Bicol	60.9	45.7	12.8	10.7	41.1	49.7	63.0	68.6	67.5	79.8	84.1	90.6	0.488	0.538
Region 6 – Western Visayas	34.4	26.7	9.2	7.8	42.2	46.2	63.8	68.3	66.0	81.5	85.0	93.9	0.527	0.601
Region 7 – Central Visayas	55.2	36.6	12.0	10.4	44.5	47.3	66.1	70.7	68.2	81.6	80.7	90.6	0.528	0.592
Region 8 – Eastern Visayas	53.7	45.0	8.6	8.2	39.4	48.2	59.8	65.6	60.4	76.5	80.0	91.5	0.473	0.520
Region 9 – Western Mindanao	47.6	49.7	5.8	7.6	45.3	52.6	61.4	66.3	62.7	73.0	76.3	94.9	0.458	0.524
Region 10 – Northern Mindanao	44.9	29.8	4.9	4.1	48.8	47.9	62.4	68.6	75.5	82.6	72.2	90.6	0.531	0.610
Region 11 – Southern Mindanao	46.9	26.8	8.8	7.2	41.6	50.7	63.2	68.8	68.7	77.4	72.4	90.1	0.571	0.624
Region 12 – Central Mindanao	35.8	34.1	3.2	4.2	40.8	45.9	61.2	66.5	61.0	80.0	81.1	93.1	0.479	0.551
Autonomous Region of Muslim Mindanao	23.4	63.4	2.0	7.2	34.3	40.6	52.0	54.2	55.2	65.9	57.6	91.0	---	0.370
Caraga	30.1	36.9	2.5	3.7	37.8	44.9	60.2	64.8	75.2	80.5	76.2	93.2	---	0.531

Note: Computations using the Spearman correlation coefficient ( $\rho$ ) by the authors showed that regional mean income is highly correlated with poverty incidence ( $\rho = 0.78$ ), the human development index ( $\rho = 0.85$ ), and functional literacy ( $\rho = 0.75$ ). Regional mean income is, however, weakly correlated with the Gini ratio or inequality ( $\rho = 0.20$ ) and primary enrollment ( $\rho = 0.39$ ). The correlation between HDI and poverty is also high ( $\rho = 0.85$ ), but the correlation between HDI and the Gini ratio is low ( $\rho = 0.05$ ). (Spearman correlation coefficient is used to discover the strength of a link between two sets of data, [in <http://geographyfieldwork.com/SpearmansRank.htm>]).

Source: Arsenio Balisacan, Hall Hill and Sharon Foye Piza (2009: page 173)

(Authors' calculations were based on the National Income Accounts [National Statistical Coordination Board], the Functional Literacy and Mass Media Survey [National Statistics Office], and the Philippine Human Development Reports [Philippine Human Development Network]).

Noticeably also, the Philippines has high inequality rates —especially in lagging regions<sup>18</sup>. There is even no improvement in income inequality levels (as measured by the Gini coefficient) among regions [CIRDAP, 2009: 28] [see Table 13].

**Table 13: Inequality among Philippine regions (as measured by the Gini coefficient)**

	2000	2003	2006
Philippines	0.482	0.461	0.458
National Capital Region	0.445	0.402	0.399
Cordillera Administrative Region	0.444	0.402	0.399
Region 1 – Ilocos	0.407	0.393	0.395
Region 2 – Cagayan Valley	0.423	0.441	0.422
Region 3 – Central Luzon	0.359	0.352	0.399
Region 4A – Calabarzon	0.409	0.404	0.408
Region 4B – Mimaropa	0.408	0.436	0.411
Region 5 – Bicol	0.446	0.466	0.443
Region 6 – Western Visayas	0.459	0.437	0.433
Region 7 – Central Visayas	0.469	0.471	0.464
Region 8 – Eastern Visayas	0.481	0.458	0.483
Region 9 – Western Mindanao	0.473	0.520	0.505
Region 10 – Northern Mindanao	0.479	0.482	0.481
Region 11 – Southern Mindanao	0.432	0.457	0.401
Region 12 – Central Mindanao	0.463	0.477	0.401
Autonomous Region of Muslim Mindanao	0.317	0.358	0.311
Caraga	0.412	0.430	0.445

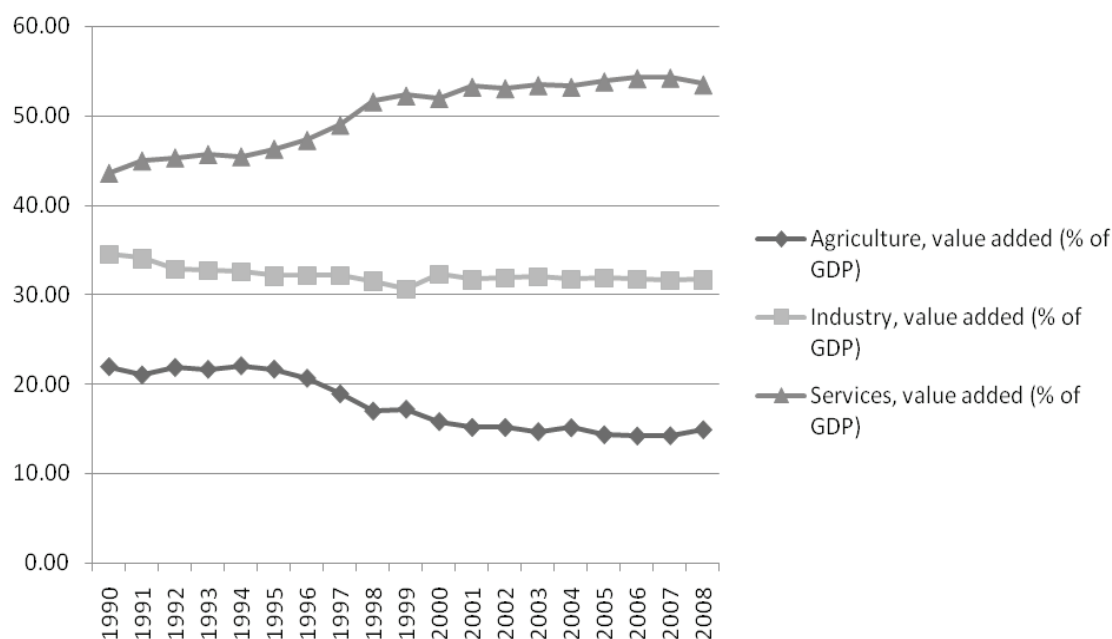
Source of data: National Statistical Coordination Board, in Carlos O. Abad Santos (in CIRDAP, 2009)

## Unproductive?

*Agricultural productivity in the Philippines.* The Philippines was akin to agriculture. But over the years, the role of agriculture to the country's growth output is declining [see Figure 6].

On an annual basis, the agricultural sector has yet to gain significant headway—and like the Philippine macro-economy, the agricultural sector also has its own “boom and bust” cycle of annual growth [see Table 14]. The year 2009, for example, was a bad year for the agricultural sector given the typhoons and the economic impact of the global economic crisis. The said year yielded the lowest growth rate of agricultural production in the last nine years.

18 Although Arsenio Balisacan notes that inequality *within* regions, not *between* regions, that accounts for more than 80 percent of national variations in household income [Arsenio Balisacan, Hal Hill and Sharon Faye Piza, 2009: 174].



**Figure 6: The value added contributions of agriculture, industry and services to Philippine GDP (Data from the World Bank, 2009)**

**Table 14: Annual growth performance of the Philippine agricultural sector**

	2002	2003	2004	2005	2006	2007	2008	2009
Growth of agriculture sector	3.69	3.77	5.06	2.24	3.88	4.68	3.92	0.37
Growth of crops sub-sector	1.39	2.98	4.89	0.48	4.37	5.57	4.05	-1.42
Growth of livestock sector	4.39	2.99	-0.41	2.04	2.57	2.38	-1.06	1.24
Growth of poultry sector	6.13	1.76	4.23	1.41	-0.37	0.31	4.71	1.82
Growth of fisheries sector	6.77	7.51	9.45	6.47	6.31	6.81	5.78	2.45
Farm gate prices	3.56	2.17	12.71	3.34	4.56	4.48	14.82	1.81
Gross value of agricultural production*	617.9	664.7	783.9	815.5	887.6	971.8	1,162.3	1,187.9
Gross value of crops production*	305.4	330.6	383.2	406.8	458.8	510.3	634.9	632.0
Gross value of livestock production*	110.8	117.7	145.6	154.2	154.7	163.2	181.0	196.0
Gross value of poultry subsector*	88.6	96.5	116.0	107.8	110.7	117.7	130.9	144.3
Gross value of fisheries sector*	113.1	119.9	139.1	146.8	163.4	180.7	215.5	215.6

\* In PhP billion, at current prices

Source of data: Bureau of Agricultural Statistics  
(Agency's press releases on agricultural performance, with year-long figures presented in the releases)



The following can help explain the agricultural sector's declining contribution to Philippine development over the years:

1. *Agricultural sector's (in)efficiency.* The performances of the country's major crops (through looking at their gross value added [or GVA] rates) can provide indications of the efficiency of the agricultural sector. The efficiency seems mixed when looking at the performances of major crops [in CIRDAP, 2009: 12-13]: Palay is diminishing its GVA in agriculture; banana and sugarcane posted high increases in growth; and coconut and corn recorded the lowest growth rates. Both the livestock and poultry sectors are posting declining growth rates, while a resurging aquaculture sector has led to rising growth rates for the fisheries sector. The forestry sector, no thanks to environmental abuse, posted the lowest growth rates [see Table 15].

**Table 15: Average annual growth rates of gross value added of agriculture, by commodity at 1985 prices**

Industry / Commodity	1992-1995	1995-2000	2000-2005
Crops	2.07	1.51	2.63
Palay	4.80	3.25	3.29
Corn	-3.75	1.78	3.04
Coconut	2.65	-0.57	2.74
Sugarcane	-6.87	3.16	4.08
Banana	0.24	9.39	4.90
Other crops	2.81	-0.33	1.47
Livestock and poultry	4.67	4.69	5.05
Livestock	4.76	4.41	2.30
Poultry	4.57	5.04	3.90
Fishery	2.07	1.47	6.67
Forestry	-28.52	-5.20	0.14
Total	1.84	2.15	3.65

Source: National Statistical Coordination Board (by Carlos O. Abad Santos, in CIRDAP, 2009: 13)

2. *Productivity.* A look at the yield output of major crops can reveal the level of productivity of the agricultural sector. The yield outputs of the major crops are mixed [in CIRDAP, 2009: 14]. All major crops increased their yields; corn, pineapple and banana had the highest growths in yield, while rice and corn recorded modest increases. Overall, however, the crop yields are below their potential [see Table 16], even if the land area devoted to agriculture —varying around 12 to 13 million ha.— has remained generally stable [in CIRDAP, 2009: 14] [see Table 17].

Thus, it is not surprising that the Filipino farmer, over the years, has yet to have substantial improvements in productivity. A look at the productivity of the country's agricultural workforce across regions shows the slow progress of Filipino farmers' productivity [see Table 18].

**Table 16: Distribution of gross value added in agriculture by sub-sector and commodity at 1985 prices, 1995-2005**

Crop	1995	2000	2005	Ave. annual growth rate
Rice	2.8	3.1	3.7	2.53
Corn	1.5	1.8	2.4	4.27
Coconut	4.0	4.2	4.5	1.07
Sugarcane	65.6	62.0	62.1	-0.50
Banana	10.9	15.0	15.8	3.37
Pineapple	21.0	36.3	36.8	5.10

Source: National Statistical Coordination Board (by Carlos O. Abad Santos, in CIRDA, 2009: 14)

**Table 17: Crop area (in '000 ha) and share (%)**

Crop	1993		1998		2006	
	Area	Share	Area	Share	Area	Share
Palay	3,282	26.9	3,170	26.6	4,160	32.0
Coconut	3,075	25.2	3,731	31.3	3,337	25.6
Corn	3,149	25.8	2,354	19.8	2,571	19.7
Banana	326	2.7	328	2.8	429	3.3
Sugarcane	384	3.2	344	2.9	392	3.0
Cassava	211	1.7	215	1.8	205	1.6
Mango	61	0.5	115	1.0	180	1.4
Coffee	141	1.2	148	1.2	126	1.0
Rubber	85	0.7	93	0.8	94	0.7
Pineapple	67	0.5	38	0.3	50	0.4
Other crops	1,405	11.5	1,369	11.5	1,476	11.3
Total	12,187	100.0	11,906	100.0	13,020	100.0

Source: National Statistical Coordination Board (by Carlos O. Abad Santos, in CIRDA, 2009: 15)

**Table 18: Annual productivity of Filipino workers in the agricultural sector, by region (in PhP)**

	2004	2005	2006	2007	2008
CAR	3,085.39	3,230.03	3,468.75	4,157.78	4,603.79
Ilocos	7,085.07	7,971.51	8,396.50	9,185.94	10,208.92
Cagayan	4,847.83	4,665.64	5,315.97	5,931.23	7,174.27
Central Luzon	9,807.51	10,630.66	11,243.80	11,995.90	14,105.30
Calabarzon	16,424.30	15,867.00	15,908.75	17,566.45	19,659.03
Mimaropa	6,815.02	6,858.91	7,691.05	8,025.99	9,671.26
Bicol	2,824.35	2,964.38	3,113.02	3,489.85	3,852.90
Western Visayas	5,645.23	5,998.82	6,675.23	6,786.22	7,718.69
Central Visayas	4,355.85	4,284.46	4,306.75	4,519.34	4,911.62
Eastern Visayas	4,049.94	4,332.49	4,953.95	5,357.92	6,676.22
Zamboanga	6,179.20	6,764.39	7,803.64	8,999.55	10,402.37
Northern Mindanao	7,743.15	7,985.27	9,283.93	10,799.61	12,596.68
Davao	7,557.08	7,951.43	8,519.77	9,721.89	10,638.96
Soccksargen	8,359.64	8,295.30	9,670.20	11,214.70	12,672.63
Caraga	5,140.93	5,596.76	5,968.55	6,580.50	7,237.74
ARMM	3,337.59	3,521.57	3,638.51	3,571.75	4,104.89

*Productivity of workers in the agricultural sector was computed by dividing the annual gross value added in agriculture with the number of workers in the agriculture sector (including fisheries)*

*Sources: Bureau of Labor and Employment Statistics and the National Statistical Coordination Board*

3. *Efficiency of planting.* How the country's major crops contributed to GVA in agriculture will reveal if farmers are efficient in their planting activities. While palay and corn have large shares in land area, they contributed a relatively low share in the GVA of the crops sub-sector [in CIRDAP, 2009: 14]. The GVA share of palay is either below or is minimally above its percentage share of crop area [see Table 19].

**Table 19: Share in GVA of crop production vis-a-vis crops' shares in crop area (all in %)**

Crop	1993		1998		2006		Change (1993-2006) of share of GVA in crop production
	GVA share	Share of crop area	GVA share	Share of crop area	GVA share	Share of crop area	
Palay	26.5	26.9	25.4	26.6	35.0	32.0	9.5
Coconut	15.0	25.2	15.9	31.3	15.9	25.6	0.9
Corn	12.1	25.8	10.2	19.8	12.5	19.7	0.4
Sugarcane	6.3	2.7	5.0	2.8	5.4	3.3	-0.9
Banana	4.7	3.2	5.6	2.9	8.5	3.0	3.8
Coffee	2.5	1.7	2.3	1.8	1.7	1.6	-0.8
Cassava	2.2	0.5	2.2	1.0	1.7	1.4	-0.5
Mango	2.1	1.2	5.7	1.2	4.6	1.0	2.5
Pineapple	2.1	0.7	2.5	0.8	2.4	0.7	0.3
Rubber	0.7	0.5	0.9	0.3	1.1	0.4	0.4
Other crops	25.9	11.5	24.2	11.5	11.1	11.3	-14.8

Source: National Statistical Coordination Board (by Carlos O. Abad Santos, in CIRDAP, 2009: 15)

4. *Who benefits more from agriculture?* The farm gate and wholesale prices of crops are indicators if the costs of production are profitable to farmers or not. This price comparison can also tell if it is either farmers (i.e. farm gate prices) or the middlemen (i.e. wholesale prices) who are benefitting from the selling of agricultural products to the market. Not surprisingly, the price differentials of the farm gate and wholesale prices are stark —and middlemen can rake in a minimum of 66 percent to a maximum of 267 percent of the farm gate prices in some agricultural commodities. So, Filipino farmers continue to lose much in the end [see Table 20].

**Table 20: Difference of prices (farm gate and wholesale prices) of selected commodities (in PhP)**

Commodity/Crop	2005			2006			2007			2008		
	FG	WS	%	FG	WS	%	FG	WS	%	FG	WS	%
<i>Cereals</i>												
Palay/Rice (fancy)	11.08	25.61	131	11.05	26.07	136	12.39	27.37	121	15.02	35.26	135
Palay/Rice (other variety)	10.43	23.31	123	10.46	24.04	130	11.22	24.98	123	14.13	32.92	133
<i>Fruits</i>												
Papaya (hawaiian)	7.75	18.77	142	6.44	21.42	233	5.54	21.19	282	4.78	17.30	262
Pineapple (hawaiian)	5.24	16.55	216	4.30	16.07	274	4.89	17.01	248	5.02	18.42	267
<i>Vegetables</i>												
Cauliflower	10.65	36.68	244	16.20	41.43	156	16.24	41.38	155	18.55	46.01	148
Carrot	16.75	28.12	68	18.18	30.11	66	15.87	30.86	94	19.51	34.97	79
Tomato	11.66	19.43	67	11.77	19.56	66	11.50	19.74	72	12.66	22.80	80

FG – farm gate; WS – wholesale

Source of data: Bureau of Agricultural Statistics (BAS) (in PhilDHRRA, 2010)

5. *Agricultural land-holding patterns.* The tenure status of agricultural lands is an important indicator of agricultural productivity and profitability. If there is security of tenure in the land, either from ownership of the land or from clear property rights, there is an incentive for the farmer to increase their investments in land. The tenure status of land is related to a major asset distribution issue: land reform.

The country's most recent Census on Agriculture and Fisheries (CAF) reveals that nearly a fifth (48.4 percent) of farms are fully owned by the farmer, while some 21.6 percent of farms are tenanted farms [see Table 21]. There is also an increase in the number of farms. Given the increase in shared tenancy of land, the situation can help reduce landlords' and farmers' uncertainties, and the situation facilitates access to capital —benefiting both the landlord and the farmer [Carlos O. Abad Santos in CIRDAP, 2009: 17].

However, while the number of farms increased, the total land area of all farms decreased. The number of farms distributed under tenancy decreased and the area of farms held under tenure instruments increased —these being a positive sign for land ownership and distribution. But insecure tenure farms (i.e. the land areas that are “rent free” and that are “not reported”) are increasing.

**Table 21: Share in GVA of crop production, and distribution of farms—by tenure type**

Tenure of parcel	1991		2002	
	No, of parcels	%	No, of parcels	%
<i>Share of GVA in crop production</i>				
Fully owned	3,889,625	43.6	4,074,355	42.7
Tenanted	1,733,585	19.4	1,915,583	20.1
Leased/rented	522,487	5.9	526,228	5.5
Rent free	1,294,160	14.5	883,724	9.3
Held under CLT / CLOA	291,164	3.3	389,105	4.1
Owner-like possession other than CLT / CLOA	1,069,982	12.0	1,402,715	14.7
Other	106,284	1.2	97,006	1.0
Not reported	25,008	0.3	259,512	2.7
Total	8,932,294	100.0	9,548,227	100.0
Tenure of parcel	1991		2002	
	Area (ha.)	%	Area (ha.)	%
<i>Distribution of farms (area) by tenure type</i>				
Fully owned	4,847,472	49.1	4,629,887	48.4
Tenanted	2,322,446	23.5	2,061,767	21.6
Leased/rented	574,242	5.8	521,538	5.5
Rent free	366,448	3.7	398,391	4.2
Held under CLT / CLOA	380,464	3.9	458,040	4.8
Owner-like possession other than CLT / CLOA	1,190,092	12.1	1,292,132	13.5
Other	163,619	1.7	121,697	1.3
Not reported	26,091	0.3	76,583	0.8
Total	9,870,874	100.0	9,560,035	100.0

CLT – certificate of land transfer; CLOA – certificate of land ownership award.

Source: Census of Agriculture (in CIRDAP, 2009: 17-18)

6. *Job generation in agriculture is feeble.* Another indicator of how the agricultural sector performs is the amount of jobs generated in the said sector. Job generation in the agricultural sector<sup>19</sup> is slow paced: From 2004 to 2008, only an estimated 650,000 jobs were generated in the agricultural sector [see Table 22].

<sup>19</sup> In labor force statistics, the agriculture sector includes the agriculture (including livestock and poultry), fisheries, and forestry subsectors.

The job generation effort is even more problematic for the smaller fisheries sub-sector, said to be the segment of the agricultural sector that carries the highest level of poverty incidence [NGOs for Fisheries Reform, 2010]. The fisheries sector, says government data, has around 1.4 million workers. However, the job generation efforts of the fisheries sector is dwindling as some regions' fisheries sectors even had years when no jobs were generated [see Table 23].

**Table 22: Jobs generated in the agricultural and fisheries sector, in thousands**

	2004- 2005	2005- 2006	2006- 2007	2007- 2008	Total		2004- 2005	2005- 2006	2006- 2007	2007- 2008	Total
Philippines						Central Visayas					
* Agricultural	247	54	104	245	650	* Agricultural	48	34	17	34	133
* Non-agricultural	453	269	820	284	1826	* Non-agricultural	66	119	75	13	273
CAR						Eastern Visayas					
* Agricultural	-6	9	8	9	20	* Agricultural	5	-31	-2	3	-25
* Non-agricultural	11	-1	23	-4	29	* Non-agricultural	30	-46	28	15	27
Ilocos						Zamboanga					
* Agricultural	-2	27	-25	16	16	* Agricultural	25	-15	8	8	26
* Non-agricultural	22	38	59	29	148	* Non-agricultural	10	5	34	37	86
Cagayan Valley						Northern Mindanao					
* Agricultural	-15	-7	2	-17	-37	* Agricultural	16	-50	-16	46	-4
* Non-agricultural	-36	16	34	13	27	* Non-agricultural	23	1	38	12	74
Central Luzon						Davao					
* Agricultural	28	10	23	12	73	* Agricultural	6	-5	6	30	37
* Non-agricultural	47	116	89	63	315	* Non-agricultural	7	5	22	18	52
CALABARZON						SOCCKSARGEN					
* Agricultural	27	64	-9	6	88	* Agricultural	20	-24	25	22	43
* Non-agricultural	118	157	132	-1	406	* Non-agricultural	35	-2	31	15	79
MIMAROPA						ARMM					
* Agricultural	44	31	0	21	96	* Agricultural	-24	91	60	-3	124
* Non-agricultural	4	37	34	-21	54	* Non-agricultural	28	33	-3	18	76
Bicol						Caraga					
* Agricultural	27	-36	-5	39	25	* Agricultural	24	-25	-7	16	8
* Non-agricultural	27	-24	43	-1	45	* Non-agricultural	9	-18	14	15	20
Western Visayas											
* Agricultural	14	-10	19	8	31						
* Non-agricultural	31	-15	31	11	58						

*Economists compute for jobs generated by subtracting the number of employed of the current and previous year.*

*Source of data: Bureau of Labor and Employment Statistics*



**Table 23: Jobs generated in the fisheries sector, in thousands**

	Jobs generated in the fisheries sector (in 000)					
	2002- 2003	2003- 2004	2004- 2005	2005- 2006	2006- 2007	2007- 2008
Philippines	105	104	27	34	16	-18
National Capital Region	0	-2	1	-2	1	-2
Cordillera Administrative Region	0	-2	0	0	0	-1
Ilocos Region	0	0	3	3	9	7
Cagayan Valley Region	-2	-1	-1	2	-2	1
Central Luzon	3	3	2	0	0	-4
Calabarzon	17	15	16	8	-3	-5
Mimaropa	-1	-1	7	8	-2	3
Bicol	-8	11	11	4	-4	-4
Western Visayas	13	7	1	3	15	-5
Central Visayas	5	13	11	12	-5	-7
Eastern Visayas	13	9	-6	-5	5	6
Zamboanga	23	25	-9	-9	-8	9
Northern Mindanao	4	4	5	-9	3	3
Davao	-15	-6	-5	0	-3	7
SOCCKSARGEN	20	-3	6	0	1	1
Autonomous Region of Muslim Mindanao	31	34	-12	20	9	-28
Caraga	-1	-4	0	-2	-2	3

*Economists compute for jobs generated by subtracting the number of employed of the current and previous year.*

*Source of data: Bureau of Labor and Employment Statistics*

## Unabated

*Poverty reduction.* Poverty is largely a rural phenomenon, and poverty reduction is notoriously slow in the Philippines.

The recent three rounds of the triennial Family Income and Expenditures Survey (FIES) showed that Philippine poverty incidence even rose [see Table 24]. Expectedly, more developed regions had smaller poverty incidence rates.

**Table 24: Poverty incidence in the Philippines**

Regions	Poverty incidence among families (% estimates)		
	2000	2003	2006
Philippines	27.5	24.4	26.9
National Capital Region	5.8	4.8	7.1
Cordillera Administrative Region	30.8	25.8	28.8
Region 1 – Ilocos	29.5	24.4	26.2
Region 2 – Cagayan Valley	25.3	19.3	20.5
Region 3 – Central Luzon	17.3	13.4	16.8
Region 4A – Calabarzon	15.2	14.5	16.7
Region 4B – Mimaropa	36.4	39.9	43.7
Region 5 – Bicol	45.3	40.6	41.8
Region 6 – Western Visayas	36.7	31.4	31.1
Region 7 – Central Visayas	31.5	23.6	30.3
Region 8 – Eastern Visayas	37.6	35.3	40.7
Region 9 – Western Mindanao	38.6	44.0	40.2
Region 10 – Northern Mindanao	38.0	37.7	36.1
Region 11 – Southern Mindanao	27.9	28.5	30.6
Region 12 – Central Mindanao	40.7	32.1	33.8
Autonomous Region of Muslim Mindanao	53.8	45.4	55.3
Caraga	43.8	47.1	45.5

Source: Family Income and Expenditures Survey (FIES), National Statistics Office

If we further analyze Philippine poverty data, economist Carlos O. Abad Santos' computations reveal the following trends of poverty in rural Philippines [in CIRDAP, 2009: 25-27]:

1. By per capita mean incomes, rural mean incomes are roughly one half of urban mean incomes while. Per capita mean incomes of agricultural households, meanwhile, are roughly one half of the mean incomes of non-agricultural households [see Table 25];
2. By household and by per capita, poverty incidence is higher in rural than in urban areas [refer to Table 25];

3. Most of the Filipino poor, by sector of work and when one compares wage earners and self-employed workers, are found in the agricultural sector [*refer to Table 25*];
4. By share to the total number of poor people, Filipinos found in the agricultural sector are a huge 60-plus percent of the total Filipino poor [*see Table 26*]; and
5. What further aggravates the poverty and inequality problems are the shares to total income of the poor [*see Table 27*]. The poorest (first decile) only get less than two percent of overall income, and even the combined percentage shares of the first to the seventh deciles (the 70 percent of the Philippine population) are still below the income share of the tenth or the richest decile [*in CIRDAP, 2009: 28*] [*see Table 27*].

**Table 25: Anatomy of Philippine poverty: by area, by sector, and by type of income earners**

	2000	2003	2006
<i>Per capita mean income by area, in 1997 prices</i>			
Overall	28,384.96	27,429.75	26,529.53
* Urban	38,398.98	36,089.80	34,322.71
* Rural	18,755.67	19,099.73	18,954.15
<i>Per capita mean income by agri-/non-agri, in 1997 prices</i>			
Overall	28,384.96	27,429.75	26,529.53
* Non-agriculture	34,616.34	33,121.85	29,183.02
* Agriculture	16,476.33	15,966.67	16,949.32
<i>Poverty incidence by household, by type of area</i>			
Philippines	28.41	24.65	26.12
* Urban	14.98	10.66	12.37
* Rural	41.35	38.39	39.63
<i>Poverty incidence per capita, by type of area</i>			
Philippines	33.97	30.24	32.02
* Urban	18.59	14.02	16.35
* Rural	48.76	45.84	47.22
<i>Per capita, by sector/industry</i>			
Philippines	33.97	30.24	32.02
* Unemployed	18.48	13.14	16.32
* Agriculture	56.69	53.89	55.52
* Mining	53.85	47.33	45.41
* Manufacturing	21.08	17.21	20.25
* Utility	9.19	4.454	8.63
* Construction	34.59	28.25	32.74
* Trade	20.01	14.96	18.62
* Transportation	21.61	17.55	21.65
* Finance	11.18	8.67	8.18
* Services	13.60	11.74	14.55
<i>Among wage earners and self-employed</i>			
Wage earners			
* Agriculture	62.19	58.31	62.07
* Non-agriculture	20.54	17.35	20.25
Self-employed			
* Agriculture	55.17	52.54	53.51
* Non-agriculture	23.10	16.10	19.76

Source of data: Computations made by Carlos O. Abad Santos (in CIRDAP, 2009), using the Family Income and Expenditures Surveys (FIES)

**Table 26: Share of poor people, by sector / industry**

Sector / Industry	2003		2006	
	No.	% share	No.	% share
Philippines	24,000,682	100.00	26,862,637	100.00
* Unemployed	1,306,132	5.44	2,034,731	7.57
* Agriculture	15,969,821	66.46	16,430,799	61.17
* Mining	151,038	0.63	183,907	0.68
* Manufacturing	981,053	4.09	1,087,243	4.05
* Utility	15,903	0.07	32,882	0.12
* Construction	1,674,263	6.98	1,949,254	7.26
* Trade	1,329,778	5.54	1,833,827	6.83
* Transportation	1,400,809	5.84	1,729,146	6.44
* Finance	172,115	0.72	189,298	0.70
* Services	1,019,770	4.25	1,391,550	5.18

Source of data: Computations made by Carlos O. Abad Santos (in CIRDAP, 2009), using the Family Income and Expenditures Surveys (FIES)

**Table 27: Percentage distribution of total family income by income decile**

	2000	2003	2006
Total	100.0	100.0	100.0
First decile	1.7	1.8	1.9
Second decile	2.7	2.9	2.9
Third decile	3.5	3.8	3.8
Fourth decile	4.4	4.7	4.7
Fifth decile	5.5	5.8	5.8
Sixth decile	6.9	7.2	7.2
Seventh decile	8.8	9.1	9.0
Eighth decile	11.7	11.9	11.9
Ninth decile	16.4	16.6	16.9
Tenth decile	38.4	36.3	36.0
Total of first to seventh decile	33.5	35.3	35.2

Source of data: National Statistical Coordination Board (citing Family Income and Expenditures Survey), in Carlos O. Abad Santos (in CIRDAP, 2009)

## Unconnected?

*Rural infrastructure.* Infrastructure is important since people and goods will be able to move quickly and efficiently [Arsenio Balisacan, Hal Hill and Sharon Faye Piza, 2009]. Developed infrastructure also reduces the costs of shipping agricultural products, and links local producers to other markets [CIRDAP, 2009: 19].

But the Philippines remains deficient in the infrastructure sector. Still, better-off regions have the capacity, as well as the political influence, to fund better-quality physical facilities [Arsenio Balisacan, Hal Hill and Sharon Faye Piza, 2009]. The exceptions here are the regions in Mindanao since government and donor organizations have funneled development aid to the country's poorest island group [see Table 28].

The infrastructure problem of the Philippines can be a reflection of: a) the government's chronic fiscal constraints and budget cuts to infrastructure spending; b) the lack of cohesion and coordination among agencies involved in infrastructure development (led by the Department of Public Works and Highways); and c) the corruption and political patronage that continue to prevail in infrastructure projects [Arsenio Balisacan, Hal Hill and Sharon Faye Piza, 2009].

**Table 28: Infrastructure indicators in the Philippines, by region**

Regions	Road density (kms. per sq. km.) <sup>a</sup>		Access to potable water (% of HHs)		Access to electricity (% of HHs)		Telephone line density (per 100 HHs)		Irrigation serviced <sup>b</sup> (%)	
	1988	2005	1988	2004	1988	2004	1988	2005	1988	2005
Philippines	0.27	0.78	71.9	80.1	59.9	79.5	1.6	7.8	46.4	45.2
National Capital Region	4.29	15.55	92.0	85.7	97.6	99.0	10.1	25.2	--	--
Cordillera Administrative Region	0.12	0.33	66.2	76.2	51.7	75.5	0.6	5.7	35.3	75.5
Region 1 – Ilocos	0.53	1.12	83.9	89.5	70.07	86.2	0.3	4.3	67.4	64.5
Region 2 – Cagayan Valley	0.14	0.43	80.2	97.9	61.3	78.4	0.1	1.2	54.3	42.8
Region 3 – Central Luzon	0.61	0.94	96.0	96.2	83.4	94.4	0.5	4.8	64.7	53.8
Region 4 – Southern Tagalog	0.28	0.62	78.1	84.5	63.8	86.1	0.4	8.4	48.8	49.6
Region 5 – Bicol	0.14	0.44	60.9	74.2	40.7	66.6	0.2	2.1	38.6	49.6
Region 6 – Western Visayas	0.35	0.77	54.4	73.4	43.5	72.6	0.6	6.2	59.4	39.4
Region 7 – Central Visayas	0.36	1.42	57.6	74.8	43.6	74.1	0.9	7.8	43.3	57.8
Region 8 – Eastern Visayas	0.37	0.75	60.9	79.5	33.2	68.4	0.1	3.7	45.4	59.4
Region 9 – Western Mindanao	0.10	1.11	40.8	59.7	43.4	54.5	0.3	1.0	58.5	48.4
Region 10 – Northern Mindanao	0.23	0.83	66.2	79.8	56.3	72.5	0.2	4.6	49.1	43.4
Region 11 – Southern Mindanao	0.12	0.32	73.6	69.9	52.1	70.9	0.5	5.5	41.0	36.3
Region 12 – Central Mindanao	0.12	0.56	69.7	74.3	46.6	66.8	0.1	2.8	34.6	28.3
Autonomous Region of Muslim Mindanao	0.13	0.34	22.9	40.9	20.2	44.0	0.1	1.4	17.9	14.8
Caraga	0.15	0.36	77.7	79.7	61.1	69.2	0.1	5.1	33.0	24.7

*a* – Road density is adjusted for quality (concrete equivalent)

*b* – Irrigation serviced refers to the ratio of total irrigated area to potential irrigable area

(Authors' calculations based on the data from the Department of Public Works and Highways; the Annual Poverty Indicators Survey and Family Income and Expenditure Survey of the National Statistics Office; and the Philippine Statistical Yearbook of the National Statistical Coordination Board)

Source: Arsenio Balisacan, Hal Hill and Sharon Faye Piza (2009: page 175)

These rural infrastructure-related issues will have an impact on the connectivity and spatial integration of Philippine regions —and eventually rural people’s access to economic opportunities that can help improve their lives<sup>20</sup>.

## Unmet

*Asset reform issues.* Given the income disparities in the country, asset reform thus becomes important. Asset reform refers to the redistribution of resources to designated marginalized sectors (e.g. land for farmers, municipal waters for fisherfolk, and ancestral land for indigenous people) by awarding them a tenurial instrument so that these sectors own, and have security of tenure to, an asset. Asset reform also includes the provision of support services to these marginalized sectors so that they can make the best use of their acquired asset [PhilDHRRA, 2010: 15].

But as a report card-cum-survey on asset reform efforts revealed, the processes of securing a tenurial instrument leaves much to be desired<sup>21</sup> [see Table 29]. For these three sectors’ efforts of ensuring the asset redistribution processes, it was evaluated that asset reform processes “have been slow” [PhilDHRRA, 2010: 26]. The necessary support services once these assets have been redistributed were also noticed to be “highly deficient” [PhilDHRRA, 2010: 29]. Thus, when looking at the net satisfaction of beneficiaries of asset reform programs [see Table 30], asset reform is needed and desirable [PhilDHRRA, 2010: 30].

Asset reform matters in relation to the rural poor’s efforts at improving their poverty and income conditions —coming from a previously deprived condition. This issue of asset reform is all the more be tied to the rural poor’s efforts at finding ways to possibly diversify incomes.

---

20 In an empirical study on a fishing village in a certain locality (municipality of Dinahican in Bataan province) and its accessibility to other markets given a road improvement project, the road improvement project’s benefits were favorable to the fishing population: enabling trade and investment of fish products; increasing market competition to selling fish in the area; bringing down of production costs due to decline in fuel consumption and decline of travel time to bring the fish products; and eventually increasing household incomes [Jerry Olsson, 2008].

21 As results show in Table 29, the process of obtaining certificates of land ownership awards (CLOAs) falls short of the ideal 100 percent maximum efficiency. The process of obtaining certificates of ancestral domain titles (CADTs) after filing certificates of ancestral domain claims (CADCs) takes much time for indigenous people. Lastly, the mapping of municipal fishwaters so that fisherfolk can own a pocket of water remains unsatisfactory.

**Table 29: Evaluation of the means to redistribute assets and avail of support services upon receiving redistributed assets**

Criterion	Ideal norm	Survey result
<b>1. Processes in securing the tenurial instrument</b>		
<i>Agrarian reform</i>		
Collective CLOAs subdivided	100 percent	58 percent
Leaseholders with CLOAs in process	100 percent	80 percent
Lag from CLOA issuance to distribution	90 days	Over a year
<i>Fisheries</i>		
Municipalities mapped	100 percent	72 percent
Mapped with corresponding ordinances	100 percent	67 percent
<i>Ancestral domains</i>		
Time from application to CADT issuance	1.5-to-2 years	3 years
Time from CADT issuance to awarding	15 days	6 months
Time from CADC conversion to CADT	1 year	4 years
<b>2. Asset reform program's provision of support services</b>		
<i>Agrarian reform</i>		
Access to credit	100% access (70% gov't)	44.3 percent (7.3 percent gov't)
Access to post-harvest facilities	100% access (70% gov't)	47.7 percent (37.9 percent gov't)
Access to infrastructure	100% access (100% gov't)	75.5 percent (96.2 percent gov't)
Access to extension services	100% access (70% gov't)	60.9 percent (83.7 percent gov't)
Access to production inputs (e.g. fertilizers)	100% access (80% gov't)	58.6 percent (53.4 percent gov't)
<i>Fisheries</i>		
Access to credit	100 percent	56.5 percent (35.9 percent gov't)
Access to post-harvest facilities	100 percent	32.6 percent (83.3 percent gov't)
Access to infrastructure	100 percent	69.6 percent (98.4 percent gov't)
Access to extension services	100 percent	89.1 percent (97.6 percent gov't)
<i>Ancestral domain</i>		
Access to credit	100 percent	7.3 percent (11.1 percent gov't)
Access to infrastructure	100 percent	79.6 percent (97.7 percent gov't)
Access to extension services	100 percent	74.1 percent (94.8 percent gov't)

The results come from a survey of 1,851 agrarian reform beneficiaries (ARBs) found in agrarian reform beneficiaries (ARCs), of 108 holders of certificates of ancestral domain claims and titles (CADCs and CADTs), and 92 fishing municipalities. The rating system adopted was as follows: 65 – very poor; 70 – poor; 75 fair (passed); 80 – good; and 85 and above – very good.

Source of data: Philippine Asset Reform Report Card (PhilDHRRA, 2010)



**Table 30: Net satisfaction to the processes and benefits of the asset redistribution efforts**

Category	Agrarian reform (%)	Ancestral domain (%)	Fisheries (%)
Satisfied with the process of securing the tenurial instrument	55.6	48.2	28.3
Satisfied with the basic and support services provided	35.2	44.4	18.5
Felt better off now than before the issuance of the tenurial instrument	80.9	69.4	56.5

*The results come from a survey of 1,851 agrarian reform beneficiaries (ARBs) found in agrarian reform beneficiaries (ARCs), of 108 holders of certificates of ancestral domain claims and titles (CADCs and CADTs), and 92 fishing municipalities. The rating system adopted was as follows: 65 – very poor; 70 – poor; 75 fair (passed); 80 – good; and 85 and above – very good.*

*Source of data: Philippine Asset Reform Report Card (PhilDHRRRA, 2010)*

## Unbanked, underserved

*Improving the rural finance landscape.* For a long time, the Philippines is observed to be having a less-developed rural financial market. Before, policy reforms for the Philippine rural financial market were made to provide credit access to small farmers and other small borrowers for their capital and investment requirements. Since the 1990s, a policy shift saw the rural financial sector becoming market-oriented (i.e. rural financing activities largely done by the private sector) [Gilberto Llanto, 2005: 5]. While there is scant empirical data on the precise number of the unbanked population<sup>22</sup> in the Philippines, there are estimates that only 26 percent of the Philippine population has access to financial services [The World Bank, 2008: 190]. In the Philippines: a) Some 302 out of 1,000 people have deposit accounts; b) There are some 21 bank branches and 14 automated teller machines per 1,000 square kilometers; and c) There are about seven bank branches and five ATM branches per 100,000 people [see Table 31].

**Table 31: Financial access indicators for the Philippines**

Indicators	
Composite measure of access to financial services (% of population)	26 percent
Loan accounts per capita	No data
Loan-income ratio	No data
Deposit accounts per capita (number)	302.05
Deposit-income ratio	1.77
Ratio of private credit to GDP (average 1999 to 2003)	0.405
GDP per capita (2003, in US\$)	989
Geographic branch penetration (number of branches per 1,000 sq. km.)	21.40
Demographic branch penetration (number of branches per 100,000 people)	7.83
Geographic ATM penetration (number of ATMs per 1,000 sq. km.)	14.52
Demographic ATM penetration (number of ATMs per 100,000 people)	5.31

*Source: Finance for All? Policies and Pitfalls in Expanding Access (World Bank, 2009b)*

<sup>22</sup> The unbanked population is also referred to as the “financially excluded” group since no banking services reach them, or they have yet to access formal banking or financial services.

The number of supervised and regulated financial institutions in the country is actually growing, although the number of rural banks (one major financial institution in the rural areas) decreased from 695 in 2006 to 631 in 2009, given spates of rural bank closures [see Table 32].

**Table 32: Physical network of financial institutions in the Philippines**

Types of financial institutions	End-December 2006			End-December 2009		
	Total	Head office	Other offices	Total	Head office	Other offices
Supervised / regulated financial institutions by the central bank	20,811	7,131	13,680	23,701	7,240	16,461
1. Banks	7,710	862	6,848	8,620	785	7,835
A. Universal and commercial banks	4,313	39	4,274	4,520	38	4,482
* Universal banks	3,807	17	3,790	4,009	18	3,991
- Private domestic banks	3,383	11	3,372	3,569	11	3,558
- Government banks	412	3	409	424	3	421
- Branches of foreign banks	12	3	9	16	4	12
* Commercial banks	506	22	484	511	20	491
- Private domestic banks	423	8	415	427	7	420
- Government banks	67	3	64	69	3	66
- Branches of foreign banks	16	11	5	15	10	5
B. Thrift banks	1,322	84	1,238	1,333	73	1,260
C. Rural and Cooperative banks	2,075	739	1,336	2,767	674	2,093
- Rural banks / microfinance-oriented banks	1,964	695	1,269	2,605	631	1,974
- Cooperative banks	111	44	67	162	43	119
2. Non-bank financial institutions	13,094	6,262	6,832	15,076	6,450	8,626
A. With quasi-banking functions	31	12	19	37	14	23
B. Without quasi-banking functions	13,063	6,250	6,813	15,039	6,436	8,603
- Non-stock savings and loan associations	119	82	37	164	70	94
- Pawnshops	12,839	6,084	6,755	14,800	6,306	8,494
- Others	105	84	21	75	60	15
3. Offshore banking units	7	7	0	5	5	0

Source: *Bangko Sentral ng Pilipinas (Supervision and Examination Sector)*

Cooperatives are another important financial institution. Regulated by the Cooperative Development Authority, cooperatives target small savers and entrepreneurs and enjoy tax-free privileges. Most cooperatives in rural Philippines are found in Central Luzon and Davao regions, and a big chunk of cooperatives are multi-purpose cooperatives (i.e. cooperatives having savings, loan and investment products) [see Table 33]. Cooperatives are where ordinary farmers and fisherfolk, among other members of the rural population, access credit.

**Table 33: Operating and registered cooperatives (as of 2009)**

By regional presence	N	By type of cooperative	N
National Capital Region	2,608	Multi-Purpose Cooperative	19,700
Cordillera Administrative Region	761	Credit Cooperative	1,826
Ilocos	1,416	Service Cooperative	833
Cagayan Valley	914	Consumer Cooperative	494
Central Luzon	2,766	Producer Cooperative	402
CALABARZON	1,812	Marketing Cooperative	292
MIMAROPA	669	Federation	169
Bicol	735	Cooperative bank	59
Western Visayas	1,840	Union	52
Central Visayas	1,765	MPN	8
Eastern Visayas	1,030	MP-Non Agricultural	6
Zamboanga	963	Multi-purpose	3
Northern Mindanao	1,847	Workers Cooperative	3
Davao	2,269	Insurance Cooperative	2
SOCCKSARGEN	1,233	Fisherman Cooperative	1
Caraga (as of 2008)	1,209		

Source: Cooperative Development Authority (in Roberto Mina, 2010)

But the previous decade has seen the rise of microfinance institutions (MFI). Microfinance is the handing out of uncollateralized financial services to the poor population, and has been remarked to have been making a difference in poverty alleviation. The Philippines is remarked, in fact, to be among the global leaders in microfinance. Universal/commercial banks, rural banks, cooperatives, and non-government organizations are considered part of the country's microfinance sector.

As of 2009, the Bangko Sentral ng Pilipinas said that 214 banks (thrift, rural and cooperative types) have microfinance operations, with an outstanding portfolio of nearly PhP6.4 billion, serving nearly 900,000 households, and with these households having some PhP1.5 billion in savings [Bangko Sentral ng Pilipinas, 2009]. The NGO sector, though not regulated by the BSP, has its own networks and that practice self-regulation. While there are no consolidated figures on the number of clients served by microfinance NGOs, it is believed that all types of MFIs have reached over 2,000 (including branches) and some 5.2 million poor Filipinos have availed of microfinance services [Department of Finance and National Credit Council, 2009].

These three financial institutions —rural banks, cooperatives, and microfinance institutions— make up the financial institutions in rural Philippines. As they all strive to improve their organizational efficiency and their provision of financial products and services, the scale of the unbanked population remains daunting. These rural financial institutions play a role in farmers' and fishers' access to credit<sup>23</sup>.

23 There was an observation that requirements for agricultural loans imposed by government financial institutions are tedious to farmers, fisherfolk and the cooperatives of farmers [PhilDHRRA, 2010].

Agricultural credit is an important support service to farmers. But still, there is lack of financial depth in rural areas, thus leading to a “very limited access” to financial services [Gilberto Llanto, 2005: 19]. Loans for agricultural production have barely increased even if, from 1990 to 2008, financial institutions have lent out an average of P148.9 billion in agricultural production loans [see Table 34].

**Table 34: Agricultural production loans (in PhP million)**

Year	Amount	Year	Amount
1990	41,247.0	1999	170,479.7
1991	46,164.5	2000	114,506.2
1992	56,109.6	2001	122,596.2
1993	69,777.3	2002	123,460.3
1994	74,335.7	2003	135,158.4
1995	82,571.1	2004	167,956.9
1996	564,718.8	2005	108,935.9
1997	376,242.8	2006	93,228.0
1998	115,078.6	2007	153,832.2
1999	170,479.7	2008	193,055.3
Average (1990-2008)		148,996.71	

Source of data: Agricultural Credit Policy Council (citing data from Bangko Sentral ng Pilipinas and other sources)

Credit access<sup>24</sup> by small farmers and tillers is important, especially since many of these farmers are small-farm owners or who are farmers who are either poor or have limited financial resources for farming [CIRDAP, 2009: 18].

While the agricultural production loans are there, the bigger issues surrounding the handing out of these loans are the following: a) Who availed of those loans since only a small portion of small farmers have access to credit [PhilDHRRRA, 2010: 4]; b) Loans to agriculture are a small percentage, or insignificant, of the total loans granted by all banks [CIRDAP, 2009: 18; Gilbert Llanto, 2005: 19]; c) There is higher incidence by farmers to access loans from informal lenders [Gilberto Llanto, 2005: 18]; and d) Agricultural loans are only up to a fifth of agricultural output [see Table 35]. The major challenge here is the institutionalization of more efficiency and longer-term financial resources in the agriculture and rural sector so that the agricultural sector registers higher growth [Gilberto Llanto, 2005: 19].

24 A survey on rural borrowing behavior [Agricultural Credit and Policy Council, 2001] showed: a) Borrowers continue to choose a creditor primarily on the basis of access (including easy collateral requirements, minimal documentation, and fast processing; b) more borrowers (40%) choose to borrow from a source since there is no collateral required; c) Majority of borrowers (58%) availed of a loan only once, as the average size of the first loan is PhP13,265.14 and the third loan is PhP8,025.33; d) borrowers borrowed money primarily for business (68%) and personal (39%) purposes, while most borrowers (89%) borrow for farm production; and e) At least a fifth of respondents have past due loans.

**Table 35: Loan-to-output ratio -- Ratio of agricultural loans to gross value added in agriculture**

Year	GVA in agriculture (million PhP)	Agri-related loans (million PhP)	Ratio
2000	547,472.4	114,506.2	20.92
2001	583,618.7	122,596.2	21.01
2002	625,906.5	123,460.3	19.73
2003	656,068.2	135,158.4	20.60
2004	772,335.1	167,956.9	21.75
2005	816,006.8	108,935.9	13.35
2006	885,669.9	93,228.0	10.53
2007	974,142.5	153,832.2	15.79
2008	1,162,660.7	193,055.3	16.60
Average			17.82

Source of data: Agricultural Credit Policy Council (citing data from Bangko Sentral ng Pilipinas and other sources)

## Upsurge

*Non-agricultural economy in rural areas.* With the agricultural sector slumping, and rural incomes in threat of not meeting people's daily needs, it has become logical for rural folk to tap non-agricultural sources of income —and eventually, for one rural area or for a Philippine region, to buoy the non-agricultural economic sector.

One can even notice that agriculture's contribution to regional domestic production in lesser-developed regions is higher compared to highly-developed regions [see Table 36]. This means that poorer areas still rely heavily on agriculture.

**Table 36: Shares of gross value added (GVA) in agriculture and non-agriculture to gross regional domestic product**

	2002	2003	2004	2005	2006	2007	2008
<i>Agriculture</i>							
Philippines	15.11	14.64	15.07	14.30	14.16	14.19	14.86
Cordillera Administrative Region	6.78	9.49	9.98	9.53	9.49	11.00	11.63
Ilocos	33.56	33.88	34.67	35.09	34.90	34.20	34.68
Cagayan	40.70	37.72	42.12	40.03	40.29	41.01	43.02
Central Luzon	19.77	18.46	18.49	18.73	18.41	18.74	19.53
Calabarzon	17.99	19.16	19.25	17.75	17.62	17.75	18.71
Mimaropa	35.28	36.01	34.50	32.99	36.15	33.59	35.79
Bicol	21.22	19.29	20.35	19.93	18.57	18.15	18.59
Western Visayas	22.65	21.04	20.93	20.05	19.85	18.51	18.51
Central Visayas	10.34	9.12	9.26	8.67	8.26	7.99	8.24
Eastern Visayas	28.03	27.58	27.88	27.44	27.40	28.85	30.67
Zamboanga	38.70	37.66	37.37	37.69	38.11	39.60	40.42
Northern Mindanao	26.92	26.27	28.24	26.89	32.03	26.63	28.26
Davao	22.79	22.99	24.28	23.11	22.39	22.97	22.99
Soccksargen	37.15	37.42	39.94	37.38	37.83	39.90	40.90
Caraga	32.88	33.33	34.85	36.42	31.45	27.34	30.11
Autonomous Region of Muslim Mindanao	48.02	46.40	51.59	47.40	50.88	51.09	52.29
<i>Non-agriculture</i>							
Philippines	84.89	85.36	84.93	85.70	85.84	85.81	85.14
Cordillera Administrative Region	93.22	90.51	90.02	90.47	90.51	89.00	88.37
Ilocos	66.44	66.12	65.33	64.91	65.10	65.80	65.32
Cagayan	59.30	62.28	57.88	59.97	59.71	58.99	56.98
Central Luzon	80.23	81.54	81.51	81.27	81.59	81.26	80.47
Calabarzon	82.01	80.84	80.75	82.25	82.38	82.25	81.29
Mimaropa	64.72	63.99	65.5	67.01	63.85	66.41	64.21
Bicol	78.78	80.71	79.65	80.07	81.43	81.85	81.41
Western Visayas	77.35	78.96	79.07	79.95	80.15	81.49	81.49
Central Visayas	89.66	90.88	90.74	91.33	91.74	92.01	91.76
Eastern Visayas	71.97	72.42	72.12	72.56	72.6	71.15	69.33
Zamboanga	61.30	62.34	62.63	62.31	61.89	60.40	59.58
Northern Mindanao	73.08	73.73	71.76	73.11	67.97	73.37	71.74
Davao	77.21	77.01	75.72	76.89	77.61	77.03	77.01
Soccksargen	62.85	62.58	60.06	62.62	62.17	60.10	59.10
Caraga	67.12	66.67	65.15	63.58	68.55	72.66	69.89
Autonomous Region of Muslim Mindanao	51.98	53.60	48.41	52.60	49.12	48.91	47.71

Source: Computations based on data from the 2009 Philippine Statistical Yearbook  
(National Statistical Coordination Board)

Farmers engaging in both agricultural and non-agricultural livelihood activities improved their incomes and exited the poverty threshold. A panel data survey of rice farmers from over-30 provinces, done by the Philippine Rice Research Institute or PhilRice, showed that: a) A decade of rice farmers' gross household income increased nearly two-fold (from PhP68,974.85 in 1996 to P127,799.95 in 2006-2007); b) The share of rice farmers' non-agricultural income is increasing while their share of incomes from rice farming is declining; and c) There is a dramatic improvement in farmers' socio-economic conditions since nearly a sixth of these households are above the poverty threshold [Ronnell Malasa, Marlon Velayo and Sergio Francisco, 2010].

While rice income may have contributed to the improvement of the socio-economic conditions of these rice farmers [Ronnell Malasa, Marlon Velayo and Sergio Francisco, 2010], non-agricultural activities by these rice farmers also played a role (non-rice farming activities mentioned include rubber production, wood craft, welding, and *work overseas*) [Philippine Rice Research Institute website, 2010].

This survey reflects that overseas migration is but becoming a fact of Philippine rural and agricultural life—and international migration is seeping in to rural development conditions.



## Part 2:

# Overseas migration affecting Philippine rural development

A HOST of economic, agricultural and environmental factors are pushing people from rural Philippines out of their birthplaces. Meanwhile, other places (even places within rural areas) are offering better opportunities.

These summarize the push and pull factors of Filipinos' overseas and internal migration (the later whether rural-rural or rural-urban) coming from their rural birthplaces [Thelma Paris and Arma Bertuso, 2009]. Usual discussions on international migration by Filipinos talk about people's search for economic opportunities and some personal reasons (e.g. professional growth, escape from personal or family problems), as well as economic problems like joblessness, prevalence of poverty and lack of sufficient income as the major push factors for migration. Meanwhile, some of the pull factors for overseas migration include: wage differentials between origin and sending areas; demands for specific jobs and types of workers in overseas countries (e.g. female domestic workers and caregivers, nurses, able-bodied construction workers); population pressures facing developed nations (e.g. ageing population, lack of young workers); and the influence of networks and family members in the areas of destination.

But given the analysis of how migration —rural-rural, rural-urban, rural-overseas, and rural-urban-overseas— from rural areas happens, we can posit that the push factors for migration include [also in Thelma Paris and Arma Bertuso, 2009]:

- a) Growing rural populations that exert pressure on using available land for cultivation, coupled with slow agricultural productivity that impacts on the employment and income opportunities in the rural economy;
- b) An increasing labor force in rural areas that cannot find as much employment opportunities in the low-productive agricultural sector and in the small, formal job market of the non-agricultural sector;
- c) Environmental degradation in forests, water systems, and farms that impact on people's farming and off-farming livelihoods; and

- d) High underemployment (i.e. low quality, low-paying job) and poverty incidence in rural regions [see Table 37].

**Table 37: Underemployment and poverty incidence in Philippine regions**

Region	Underemployment rates (end-Oct.)				Poverty incidence among families		
	2004	2005	2006	2007	2000	2003	2006
Philippines	16.8	21.1	20.3	18.1	27.5	24.4	26.9
National Capital Region	12.6	13.3	13.3	11.6	5.8	4.8	7.1
Cordillera Administrative Region	13.3	22.5	20.0	18.0	30.8	25.8	28.8
Ilocos	15.1	15.8	15.5	13.8	29.5	24.4	26.2
Cagayan Valley	19.9	20.0	24.4	14.0	25.3	19.3	20.5
Central Luzon	5.9	12.3	9.2	7.5	17.3	13.4	16.8
CALABARZON	11.8	16.6	16.7	15.8	15.2	14.5	16.7
MIMAROPA	19.4	19.7	16.7	25.1	36.4	39.9	43.7
Bicol	31.2	35.1	17.5	34.8	45.3	40.6	41.8
Western Visayas	19.9	24.4	38.4	22.0	36.7	31.4	31.1
Central Visayas	11.0	19.9	26.0	11.4	31.5	23.6	30.3
Eastern Visayas	25.5	30.1	17.9	27.3	37.6	35.3	40.7
Western Mindanao	18.4	22.3	29.8	19.8	38.6	44.0	40.2
Northern Mindanao	28.6	33.9	23.8	34.0	38.0	37.7	36.1
Southern Mindanao	22.1	25.9	28.6	15.5	27.9	28.5	30.6
SOCCKSARGEN	21.7	30.4	19.1	19.6	40.7	32.1	33.8
Caraga	21.7	23.5	25.6	21.4	43.8	47.1	45.5
Autonomous Region of Muslim Mindanao	8.2	17.5	23.9	25.8	53.8	45.4	55.3

Source: Bureau of Labor and Employment Statistics and National Statistical Coordination Board

Pull factors for migration, on the other hand, reveal that spatial economic disparities are lures for lagging areas to move to progressive areas. Apart from wage differentials between rural, urban and/or overseas areas, other pull factors for migration from rural areas include [also in Thelma Paris and Arma Bertuso, 2009]:

- Lure of urbanization's economic and job opportunities;
- Presence of better agricultural technologies in other rural areas (e.g. another municipality, or a province's city)
- Demand for labor in overseas countries, with information on this demand available in rural areas; and
- Role of family members, relatives, clans and fellow rural folk who are in the destination areas to influence migration decisions.

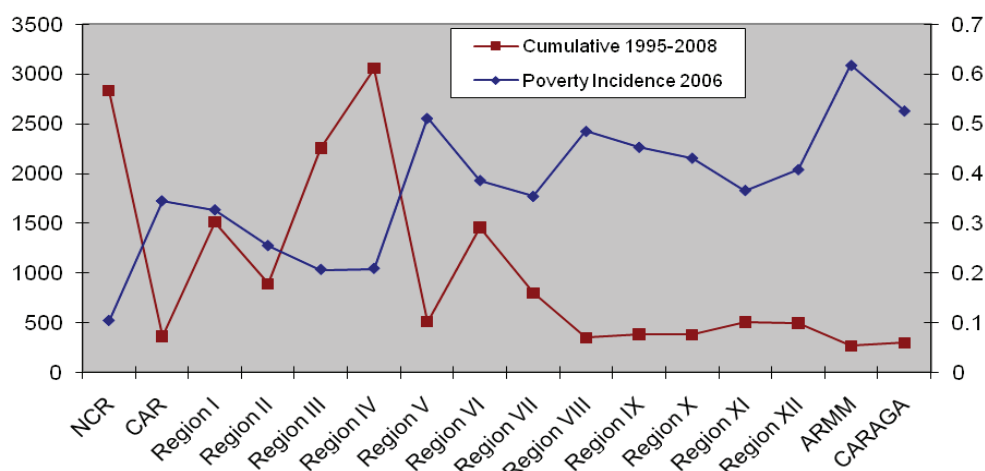
In the Philippines, overseas migration has been maximized by people coming from developed rural regions, including Philippine regions near the NCR, since they are near the epicenter of Filipinos' overseas migration [see Table 38]. Regions with high numbers of overseas Filipino workers also have lower poverty incidence levels, pointing to the observation that the poor cannot easily migrate overseas [see Figure 7]. At the same time, it is also not surprising that remittances from abroad were more abundant in developed regions than in lagging regions [see Table 39].

Thus, are we now in a situation where overseas migration has become a major economic lifeline for rural Philippines?

**Table 38: Number of overseas Filipino workers, by region (in 000)**

Region	2001	2002	2003	2004	2005	2006	2007	2008	2009
National Capital Region	200	216	182	194	244	248	280	280	266
Cordillera Administrative Region	23	18	20	24	28	33	37	38	40
Ilocos	104	90	82	86	113	115	135	156	164
Cagayan	58	62	63	57	62	80	103	110	109
Central Luzon	135	142	119	149	170	220	250	290	281
Southern Tagalog (Calabarzon & Mimaropa)	183	203	184	202	245	271	339	392	346
Bicol	32	33	32	32	35	38	52	62	57
Western Visayas	90	96	98	92	115	144	148	156	176
Central Visayas	46	38	52	49	68	83	89	112	116
Eastern Visayas	13	24	19	24	29	33	37	58	55
Zamboanga	28	24	18	22	25	33	35	36	42
Northern Mindanao	20	26	27	28	37	42	54	56	53
Davao	43	24	32	34	46	47	45	56	53
Soccksargen	25	28	31	30	49	61	73	90	80
Autonomous Region of Muslim Mindanao	10	15	13	31	40	17	17	24	46
Caraga	18	11	10	10	20	47	54	66	25

Source: Annual Survey on Overseas Filipinos (National Statistics Office)



**Figure 7: Number of OFWs and poverty incidence by region (in Alvin Ang, 2010)**

**Table 39: Estimated amounts of remittances from abroad received by families with overseas migrant households, 2000 to 2006 (PhP)**

Region	2000	2003	2006
Philippines, number of households receiving assistance from abroad	1,107,259	1,310,162	1,601,494
Total amount of cash, gifts and other forms of assistance from abroad (PhP)	208,848,568,748	245,856,408,359	348,524,945,202
Region 1 – Ilocos	14,691,148,697	16,472,009,742	24,049,134,223
Region 2 – Cagayan Valley	4,217,401,676	6,873,942,992	8,743,655,485
Region 3 – Central Luzon	24,153,196,425	37,562,809,548	61,415,193,611
Region 4 – Southern Luzon (Calabarzon and Mimaropa)	35,245,382,193	52,648,847,012	73,497,790,429
Region 5 – Bicol	4,620,558,139	8,367,876,995	9,656,530,053
Region 6 – Western Visayas	15,427,915,484	17,878,794,138	22,151,825,937
Region 7 – Central Visayas	8,386,482,601	15,555,415,658	22,897,571,849
Region 8 – Eastern Visayas	3,620,903,737	4,974,469,972	10,570,748,690
Region 9 – Western Mindanao	2,796,397,985	2,738,596,439	5,972,878,833
Region 10 – Northern Mindanao	3,748,981,287	10,128,247,845	15,273,397,750
Region 11 – Southern Mindanao	3,319,412,015	4,047,027,129	5,645,602,845
Region 12 – Central Mindanao	2,404,300,905	3,905,690,648	4,721,979,994
Autonomous Region of Muslim Mindanao	649,339,333	952,308,079	1,766,531,487
Caraga	1,267,261,430	1,825,008,531	3,060,539,306
Cordillera Autonomous Region	3,428,949,647	4,338,890,015	5,506,051,429
National Capital Region	59,407,307,595	57,586,473,617	73,595,513,283

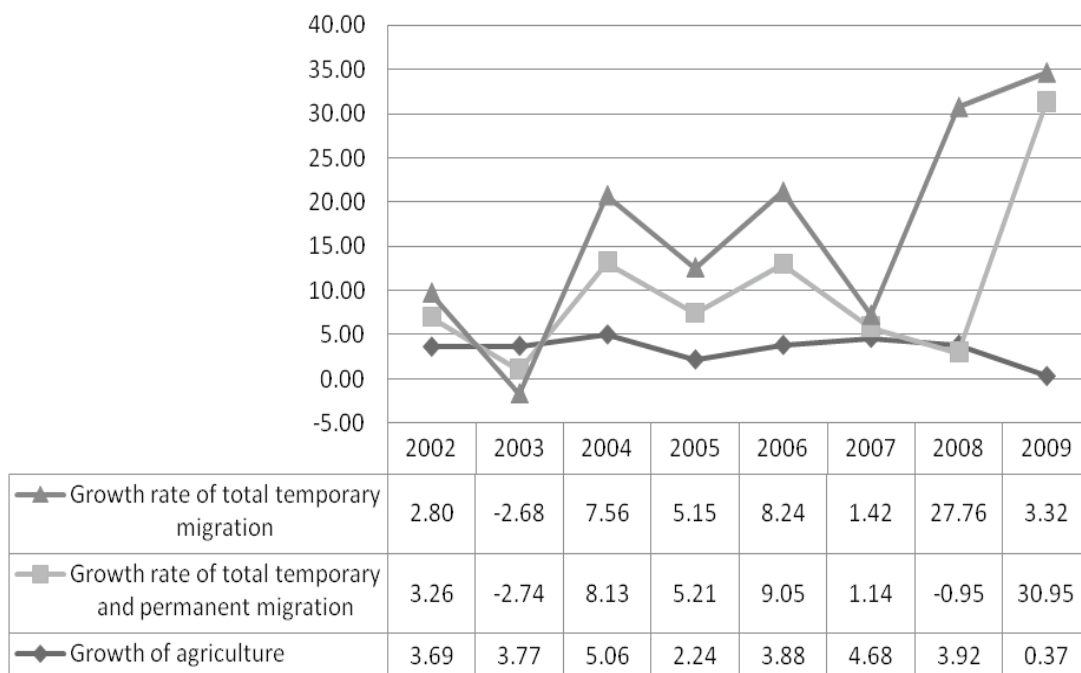
*Estimates by Dr. Alvin Ang of the University of Santo Tomas, using data from the 2000, 2003 and 2006 Family Income and Expenditures Survey (FIES) of the National Statistics Office (NSO)*

*Source: Philippine Migration and Development Statistical Almanac (2009)*

## Up and coming?

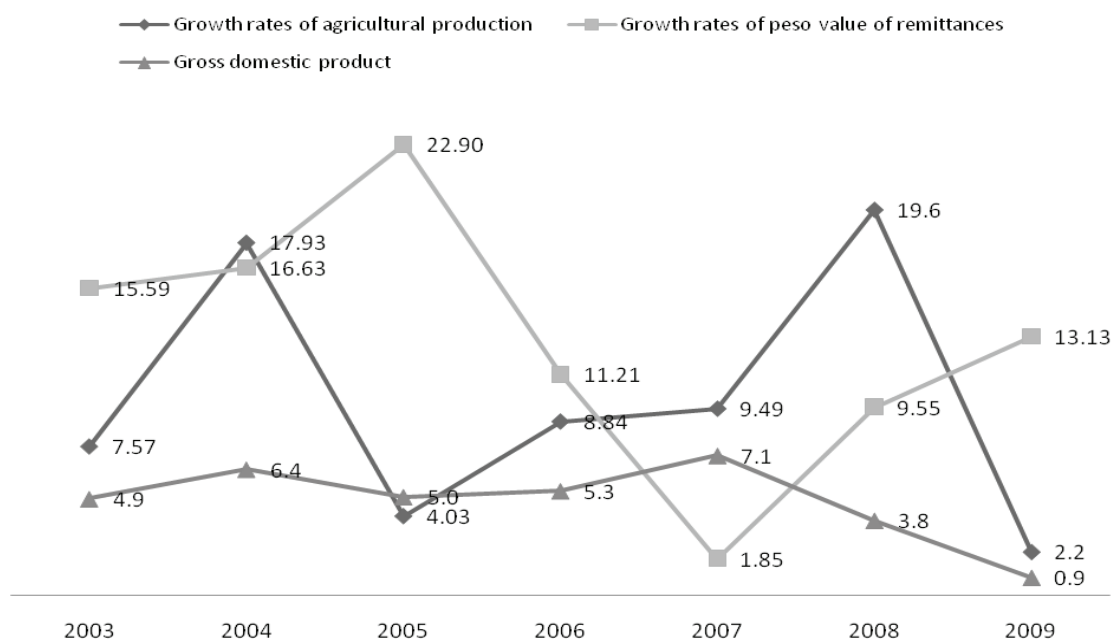
*Overseas migration versus agriculture: Which is growing more?* There is an observation that overseas migration and remittances have already kept pace with agricultural productivity.

At the macro-level, the rate of overseas migration —both temporary and permanent— has been outpacing the growth of the agricultural sector. This situation is evident from the years 2004 to 2009, the years when temporary overseas migration surged to annual record flows [see Figure 8].



**Figure 8: Growth rates of agriculture, temporary overseas migration, and temporary and permanent overseas migration**

At the macro level also, especially when we compute for the peso value of billion-dollar remittances (by multiplying the dollar values with the annual average peso-US dollar exchange rate), there is unpredictability in which sector has better growth rates in a certain year. Covering the period 2003 to 2009, four of the seven years covered saw remittances' growth rates outpacing agriculture's growth rates. Although, except for one year (2007), remittances were consistently outpacing gross domestic product growth rates by more than three times. In the years that agricultural production outpaced GDP, there was modest outpacing that is, at most, two times (in the year 2009, when both agricultural production and GDP struggled because of the global economic crisis) [see Figure 9].



**Figure 9: Growth rates of agricultural production, remittances, and gross domestic product**

Overseas labor migration is a leading performer in job generation efforts for Filipinos. New-hire overseas jobs are almost twice the size as the new jobs generated by agriculture [see Table 40].

**Table 40: Remittances versus loans made to agriculture and fishing (in PhP billion)**

Year	New jobs generated by agriculture (in 000)	Overseas jobs <sup>1</sup> for newly-hired overseas workers (in 000)	Estimated new jobs gap: new-hire overseas jobs and new jobs in agriculture (in 000)
2005	247	284	37
2006	54	308	254
2007	104	313	209
2008	245	376	131
Total	650	1,281	631

<sup>1</sup> – The whole number in thousands was used here, coming from data on the deployment of OFWs. Economists compute for jobs generated by subtracting the number of employed of the current and previous year.

Sources of data: Philippine Overseas Employment Administration (POEA) and computations on new jobs generated in agriculture coming from data of the Bureau of Labor and Employment Statistics

Rural folk searching for sources of credit, and who are having a hard time accessing credit from formal financial institutions, have found households with overseas remittances as sources of informal credit. This has been proven by anecdotal evidence [e.g. see Naomi Hosada, 2008]. Total remittances by these migrant households are at least nearly double (in 2006, more than triple) all the loans handed out by formal financial institutions for agricultural production [see Table 41].

**Table 41: Remittances versus loans made to agriculture and fishing (in PhP billion)**

	2000	2003	2006
Remittances of migrant households (in PhP billion)	208.848	245.856	348.524
Loans made to agriculture and fishing (all in PhP billion)	114.506	135.158	93.228
Gap: Remittances versus loans to agriculture and fishing (PhP billion)	94.342	110.698	255.296
Remittances as % of loans to agriculture and fishing	182.39	181.90	373.84

*Sources of data: Family Income and Expenditures Survey (2000, 2003 and 2006 estimates), and Agricultural Credit Policy Council (through Bureau of Agricultural Statistics)*

*Remittances and agricultural productivity at the regions.* Comparing remittances and agricultural productivity, however, is a different story when it comes to the regions.

Data show that even if remittances are an increasingly major source of income for rural households, both leading and lagging overseas migration regions are still visibly dependent on agriculture [see Table 42]. It is worth noting that the country's two leading overseas migration regions, Central Luzon and Southern Tagalog (the latter combining CALABARZON and MIMAROPA) have declining shares of agriculture's contribution to regional production while remittances' percentage to gross regional domestic production is slowly increasing. Remittance incomes as well are at least a third of the total value of agricultural production [see Table 43].



**Table 42: Percentage shares of agriculture and remittances to gross regional domestic production, by region**

Regions	2000		2003		2006	
	GVA in agriculture	Remittances	GVA in agriculture	Remittances	GVA in agriculture	Remittances
Region 1 – Ilocos	34.45	14.21	31.55	13.12	34.90	13.98
Region 2 – Cagayan Valley	43.26	5.71	40.22	8.60	40.29	8.20
Region 3 – Central Luzon	19.85	9.15	18.22	10.81	18.41	13.26
Region 4 – Southern Luzon (Calabarzon and Mimaropa)	22.59	7.51	18.77	8.63	20.43	9.02
Region 5 – Bicol	21.05	5.35	19.90	7.62	18.52	6.51
Region 6 – Western Visayas	24.64	7.05	20.90	6.35	19.85	5.59
Region 7 – Central Visayas	10.47	3.55	9.70	5.25	8.26	5.49
Region 8 – Eastern Visayas	26.06	4.47	26.40	5.01	27.40	7.69
Region 9 – Western Mindanao	37.83	3.58	36.21	2.83	38.11	4.43
Region 10 – Northern Mindanao	23.55	3.01	24.52	5.14	26.25	5.51
Region 11 – Southern Mindanao	31.24	1.70	21.00	2.16	22.39	2.14
Region 12 – Central Mindanao	28.89	2.84	34.29	2.81	37.83	2.41
Autonomous Region of Muslim Mindanao	51.30	2.07	45.42	2.58	50.88	3.34
CARAGA	32.13	2.59	31.63	3.33	31.45	3.96
Cordillera Autonomous Region	11.07	4.31	9.49	4.44	9.49	4.28

Sources of data: National Statistical Coordination Board (NSCB)-Philippine Statistical Yearbook and estimates of remittances per region using the Family Income and Expenditures Survey (FIES) done by economist Alvin P. Ang (in *First Philippine Migration and Development Statistical Almanac*, 2009)

**Table 43: Value of agricultural production vis-a-vis remittances by migrant households**

	2000	2003	2006
Total value of production in agriculture (in PhP billion)	547,472.5	656,068.3	885,670.0
Total remittances of all migrant households (in PhP billion)	208,848.5	245,856.4	348,524.9
Total remittances of migrant households that exclude the National Capital Region (in PhP billion)	149,441.2	188,270.0	274,929.4
Remittances as % of total value of production			
* Including the National Capital Region	38.15	37.47	39.35
* Excluding the National Capital Region	27.30	28.70	31.04

Sources of data: Estimates on remittances per region coming from the Family Income and Expenditures Survey (FIES' 2000, 2003 and 2006), and the Bureau of Agricultural Statistics (BAS)

## Upscaling livelihoods?

*Remittances as major income sources in rural communities.* An initial question begs on how big remittance incomes from abroad are at the provincial level. For a start, a statistical databank called the Philippine Migration and Development Statistical Almanac [Institute for Migration and Development Issues, 2009] filled that information gap thanks to estimates on remittances at the regional and provincial levels (using data from the triennial Family Income and Expenditures Survey) [refer to Table 39].

With the available data, we can now compare if private, foreign-sourced remittances are bigger than what many provincial local governments earn. The provincial estimates on overseas remittances by migrant households were then cross-tabulated with the audited incomes<sup>25</sup> of provincial local government units. Some 55 of the 77 provinces had more remittance incomes than the incomes of provincial LGUs in 2003, and the total difference between remittances and provincial LGUs' incomes is PhP151.219 billion. Three years later, in 2006, 60 out of 77 provinces had more remittance incomes and the total difference between remittances and provincial LGUs' incomes surged to PhP228.048 billion [see Table 44].

Noticeably, provinces with lesser levels of poverty incidence had more remittance incomes and incomes for the provincial LGUs. In contrast, many of the poorest provinces saw their provincial governments needing to earn more. For the latter group of provinces, it is not surprising if most of their incomes come from agriculture. These large variances between remittance incomes and provincial LGUs' incomes may indicate two things: either remittance incomes are not invested or used in the province, or these monies find their way in the underground economy as undeclared transactions [Alvin Ang, 2010].

**Table 44: Remittances versus incomes of provincial local government units**

	2003	2006
No. of provinces with more remittances than provincial LGU incomes	55 of 77	60 of 77
Total remittances of migrant households (n=77 provinces)	245,856,408,359	348,524,945,202
Total incomes of provincial local government units (n=77 provinces)	40,604,828,823	50,482,223,851
<i>Total incomes of provinces with more remittance incomes (PhP)</i>		
* Remittance incomes	183,685,704,989	271,152,163,649
* Provincial LGUs' incomes	32,466,474,037	43,103,883,707
<i>Total incomes of provinces with more provincial LGU incomes (PhP)</i>		
* Remittance incomes	3,923,156,788	4,634,443,586
* Provincial LGUs' incomes	8,138,354,786	7,378,340,144

Sources of data: Estimates on remittances per region coming from the Family Income and Expenditures Survey (2003 and 2006), and the Bureau of Local Government Finance (2003 and 2006)

25 This dataset comes from the Bureau of Local Government Finance (an attached agency of the Department of Interior and Local Government) and covers 2003 and 2006 data for 77 of the country's 79 provinces.

The next question then arises: How important are these remittances as part of rural livelihoods? It brings to mind the ways people in the rural areas diversify their income sources:

- 1) *Domestic and overseas remittances as buffer funds.* A survey of small farms<sup>26</sup> and small farmers in the Philippines [Centro Saka, 2008] reveals that rice, corn, coconut, and banana farmers are earning lesser net incomes compared to sugar and rubber farmers. Noticeably, while all types of farmers surveyed had non-agricultural sources of income, sugarcane and rubber farmers mentioned remittances and relatives from abroad as among these sources of income. Rubber farmers noticeably had smaller net incomes from planting their primary crop, and it is likely that they get their additional income from non-agricultural sources, from planting crops other than their primary crop, or from *international and/or domestic remittances* [see Table 45]<sup>27</sup>.

**Table 45: Net income of small farmers and their other sources of income (in Php)**

Crops	Rice	Corn	Sugarcane	Coconut	Banana	Rubber
<i>Combined mean net annual income from all income sources (crop, other crops, other income sources)</i>						
	Rice: 71,276	Corn: 50,816	Sugar: 132,974	Coconut: 49,928	Banana: 63,372	Rubber: 174,786
<i>Most commonly identified non-crop sources of income</i>						
Sources of non-farming income	Hog raising Labor Carpentry Store Tricycle driving Rental or thresher Driver Laundry services Pension LGU employment	Labor Carpentry Motorcycle Hog raising Plow rental Corn drying CAFGU Retail vending Fishing	Small store <i>Remittance from abroad</i> Labor Driver Tricycle driver/owner Hog raising Pension Salary of spouse LGU / national government agency employment	Labor Fishing Wood gathering Pension Small store Employment LGU employment Carpentry Honorarium Laundry	Charcoal making Small store Carpentry Driver Tricycle driver Trader LGU employee Labor Pension Teacher	Sari-sari store <i>OFW</i> Tricycle driver

Total, 1,194 farmers across six types of crops, covering 20 cities and municipalities, with 3% margin of error

Source of data: Centro Saka (2008) Survey of Small Farms and Small Farmers

26 Centro Saka used here the definition of small farms that is from 0.001 to 5 hectares.

27 A separate survey of farm workers, that includes seasonal agricultural workers from the same six crop varieties as the survey on small farmers [Eugene Tecson, 2009], would give an indication of how low incomes from farming work can be, and that these farm workers had to get other income sources. For this survey of 1,301 rice, corn, sugarcane, coconut, banana and rubber farm workers (95 percent level of confidence), their annual average incomes from other income sources (other crops, non-agricultural income and possibly remittances [though they are not specifically mentioned in the report]) are higher than these farm workers' net annual incomes from farming work.

Various studies reveal that some agricultural workers got incomes from remittances from abroad and from outside of their rural hometowns. This is true in surveys done in various villages in the province of Leyte [Nick Emtage and Jungho Suh, 2005; F.T. Barlina and Ly Tung, 1992; Julie Roa et. al, 2008], in a coastal village in Guimaras province [R. Asong et. al, 2002]; and even in a fishing village in Negros Oriental province where remittance incomes complemented incomes coming from a marine protected area [Peter van Beukering et. al, 2007] [see Box 5].

**Box 5: Even fisherfolk are catching overseas remittances**

THERE are accounts that fisherfolk, among the most economically vulnerable groups in the agricultural sector, have no choice but to source out other income sources—including domestic and overseas remittances.

Fishermen from San Miguel Bay, Camarines Sur largely depend on fishing but also derive earnings from “non-fishery, non-agricultural related” income sources such as remittances from children working in other places. Fishermen with motorized boats got most of their non-fishery/non-agricultural income from remittances [Cristina Lim, Yoshiaki Matsuda and Yukio Shigemori, 1995]. The context here is that many people in the area think fish catch is worse. There is also some indication that some fisherfolk expressed willingness to leave fishing if there is non-fishing employment outside of the village [William Sunderlin, 1994].

At another fishing community, San Andres, in the municipality of Bauan, Batangas, two-thirds of households primarily depend on fishing and fish vending while a visible one-third of households receive domestic and international remittances [Susan Russell, 2006: page 68]. In this same fishing community, some fishing households operate a “mixed household economy” in which household members contribute income from wage labor, teaching, or migrant remittances [Susan Russell and Rani Alexander 2008: page 20].

Remittances may be a significant source of investment in fishing-related assets, although these may only be invested when the fisherman expects a better rate of return from fishing than from other income sources [Edward Allison and Frank Ellis, 2001: page 384]. But if conditions in fishing communities such as in San Miguel Bay, e.g. poor marketing system, low level of fishing technology, fishermen’s non-compliance and authorities’ lax enforcement of fishing rules and regulations, prevail [Cristina Lim, Yoshiaki Matsuda and Yukio Shigemori, 1995], it may be unwise to invest remittance incomes in fishing.

- 2) *Shifting income sources?* Some studies, including panel data surveys, have revealed that some rural households are depending less on farming incomes and are getting more overseas and domestic remittances.

Surveying households in Albay, Camarines Sur and Sorsogon provinces, Edna Reyes [1987: 13] noticed a big leap in net income from other income sources that “may have been due largely to increased remittances, gifts and support from household members as more and more workers migrated to Manila and even abroad for better paying jobs”.

A separate study by Nicholas Emtage [2004b] showed that “experienced foresters” and “well-off households” got the highest remittance amounts and are the least reliant to farming as sources of cash income<sup>28</sup>.

Covering panel data (spanning five different years; n=3,000 households) from rain-fed, irrigated and upland rice-growing villages in Pangasinan province, Jonna Estudillo, Yasayuki Sawada and Keijiro Otsuka noticed that: a) There was a rise of the number of overseas workers in all three types of farming villages, and overseas remittances became the dominant income source 19 years after; and b) The contribution of access to land to income growth and poverty reduction has declined because of the shift to non-farm income sources, which is a result by the decline in the relative profitability of rice farming [2007: 7, 9 and 26].

Nobuhiko Fuwa’s 30-year-long panel data of rural households’ pathways out of poverty (in a village in central Pangasinan province) saw the decline in the degree of dependence to the agricultural sector for livelihood and the increase of one group<sup>29</sup> of respondents, the “regularly-employed,” due to the expansion of international migration opportunities. The situation has also contributed to the proportion of upward mobility through regular employment, rather than through agriculture [Nobuhiko Fuwa, 2006: 6].

In a survey (n=140 households) in a Leyte barangay, it was found that inconsistencies in securing bountiful agricultural income have led some community members to migrate elsewhere. The situation has thus seen remittances becoming a significant source of total income (23 percent in the village), even if only a few households have members have family members working overseas [J.P. Leones and Sarah Feldman 1998: 793-794].

- 3) *Remittances’ roles in rural communities’ income and credit constraints.* The ability of the poor in agriculture to improve their lot is substantially hampered by their low incomes, little access to credit, and sluggish growth of productive job opportunities outside of the farm [Arsenio Balisacan, 1993b: 546]. So when rural households face income and expenditure shocks, they use gifts and loans from coming from better-off household and community members. This risk-sharing effort, to include receiving gifts from neighbors with overseas relatives, helps smoothen income-related problems, such as what were observed in a Samar village [Naomi Hosada, 2008].

---

28 For this study, Emtage’s classifications [2004] of farming households were as follows: group 1 – *confident farmers* who have the greatest interest in development of commercial tree farming; group 2 – *doubtful farmers* who have the largest areas of farming land and second largest cash incomes; group 3 – well-off households who have the largest cash incomes, who are the least reliant on farming, and are the most interested in expanding their non-farming activities; group 4 – *Disadvantaged group* who has the lowest gross annual income and who have the greatest reliance for farming; and group 5 – *Experienced foresters* who have relatively low dependence on farming and who have the highest levels of participation in community forestry programs and in community organizations.

29 Fuwa classified the study’s respondents into four socio-economic groupings: the irregularly employed, the tenant-farmer, the small owner and the regularly employed.

A survey<sup>30</sup> (n=206 households) in farming villages in the Cordillera mountains found that gifts and transfers are “extremely common” and remittances from migrant workers are among the sources of these gifts. This is while rural households access consumption loans through informal arrangements with relatives and neighbors [Susan Lund and Marcel Fafchamps, 1997: 11 and 28]. These informal risk-sharing arrangements help households protect their livelihoods, as households with more numerous and prosperous friends find it easier to receive gifts and borrow money for sickness and unemployment.

## Unresolved

*Visible rural development issues beside the overseas exodus.* Overseas migration leaves an array of social and economic consequences —both positive and negative— to rural communities, and even to agriculture.

The impacts of overseas migration unto rural areas may be dependent on demographic variables such as the gender, age and educational attainment of the rural-originated migrant, the type of overseas movement (temporary work or permanent settlement, low-skill or high-skill job), employment in the rural area prior to migration (whether agricultural or non-agricultural), and the self-sufficiency of the migrant [Thelma Paris and Arma Bertuso, 2009; interviews with Thelma Paris and Gelia Castillo]. It is thus crucial for studies to determine these demographic circumstances<sup>31</sup>.

International migration’s impacts on rural development in the Philippines can be looked at from various areas:

- a) *Poverty reduction.* There is overwhelming consensus that overseas migration and remittances have uplifted people’s incomes and remittances have made rural folk escape poverty. One study of how remittances impact on the incidence, depth and severity of poverty showed that overseas labor migration provided “a significant, direct, and independent poverty-reducing” impact [Loradel Capistrano and Maria Lourdes Sta. Maria<sup>32</sup>, 2006: page 29]. Having household members who are overseas workers, in another study, enables the households to climb the income ladder “quite rapidly”—and a

---

30 The survey was conducted just after the rice harvest, during the planting season, and after the new crops harvested have been transplanted [Susan Lund and Marcel Fafchamps, 1997].

31 For example, a survey (n=140 households) on internal and international migration from the municipality of Paombong, in Bulacan province, found that a sixth of migrants are male; 56 percent are college graduates; and there is a 75-25 percent share for internal and international migration movements [Belen Medina, 1993].

32 Capistrano and Sta. Maria looked at how migration and remittances impact on the level, depth, and severity of poverty (using poverty statistics, Gini coefficients, the Family Income and Expenditures Survey and the Survey on Overseas Filipinos, and employing panel regression).



significant number of those who climb over poverty come from the poor [Manolo Abella and Geoffrey Ducanes<sup>33</sup>, 2008].

However, since high-income households benefit more from overseas migration than low-income households, domestic remittances were more welfare-enhancing for poor households than international remittances [Ernesto Pernia, 2008]. It may even take time for the multiplier effects of overseas remittances to reach the poor [Alvin Ang, 2006]. Overseas migration as a sustainable poverty reduction mechanism is even questionable to some [Ernesto Pernia, 2008].

- b) *Spatial disparities in overseas migration opportunities among regions and within rural communities.* Previous studies have proven that leading regions found overseas migration more beneficial than lagging regions. Regions with more overseas Filipinos and eventually more remittances had lower poverty rates than lagging regions [Alvin Ang, 2006; Ernesto Pernia, 2008].

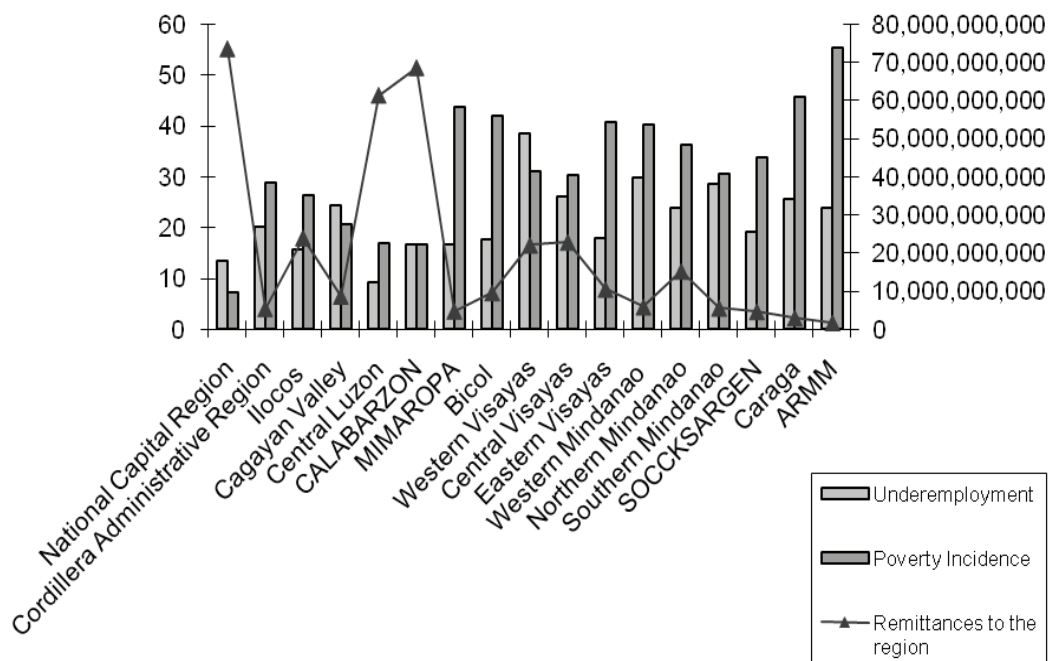
It can also be observed that regions with high underemployment and poverty incidence rates have lesser amounts of remittances from abroad [see Figure 10]. The situation can mean that the poverty reduction feature of overseas migration may have inadvertently propagated the continued inefficiencies of labor markets in rural areas (particularly high underemployment and visible unemployment) [Jeremiah Opiniano, 2009].

Overseas migration has positively brought in some newfound wealth — or even hope — in rural communities on top from what the rural community already has, such as garlic plantations in an Ilocos Norte municipality [Stephen Griffiths, 1978]. A survey found that migrant households felt that their communities are more progressive now than five years ago [Stella Go, 1983].

Although, some rural communities feel an increasing gap between the “haves” and “have-nots” while there is overseas migration. In one survey done at a resources-poor Leyte barangay (n=140 households), remittances from abroad were responsible for almost half of the income inequality in the area [J.P. Leones and Sarah Feldman, 1998]. Another paper<sup>34</sup> also observes that regardless if a Philippine province receives much or less remittances from abroad, these leading and lagging provinces have similar poverty thresholds —suggesting that remittances are not being translated into poverty reducing activities [Alvin Ang, 2010].

33 Abella and Ducanes used data from the Family Income and Expenditures Survey (1988-2003), Labor Force Survey (1988-2004), and the Annual Poverty Indicators Survey (1998).

34 Ang’s paper [2010] cross-tabulated per-province data on overseas remittances and poverty thresholds.



**Figure 10: Underemployment, poverty incidence rates and overseas remittances per region, 2006**

- c) *Impacts on agriculture, agricultural productivity, and gender roles in agriculture.* Given international (and internal) migration, interesting dynamics are occurring in agriculture.

One impact is on labor for agriculture. There is less involvement in agriculture from family members and the situation is compensated by hiring outside labor with the help of remittances [Thelma Paris et. al, 2008], thus benefiting seasonal agricultural workers and jobless workers. Although, what is left behind is an ageing labor force in the agricultural sector that may be disinterested in learning new agricultural technologies to improve their farming practices [Thelma Paris and Arma Bertuso, 2009].

There is also that possibility that overseas and domestic remittances are invested in farming and in farm inputs. In a survey (n=406 migrant and 407 non-migrant households) covering two rain-fed and two irrigated farming villages, migrant households in rain-fed areas invested remittances in farm inputs while migrant households in irrigated areas devote 15 percent of remittances to farm inputs [Thelma Paris et. al, 2009].

But would devoting remittances to farm inputs actually lead to productivity? A study's computations showed that there are no significant differences in average yields by migration status and crop season in both migrant and non-migrant farming households [Thelma Paris et. al, 2009].

Remittance receipts by farming households with overseas migrants have also influenced land use practices, or even investment decisions for the left behind to invest in other planting crops. In a case study (of a rice farming



area in a Mt. Province municipality), spouses left behind receiving overseas remittances were being egged on by overseas spouses to invest remittances into other commercial crops and not on the primary crop, which is rice. In this same rural community, where rice farming is struggling, migrant households are demanding for more garden land in order to grow other crops [Deirdre McKay, 2005].

But interestingly, gender dynamics are happening. With one overseas, especially if the migrant is male, there is a change of gender roles in tilling the farm [Thelma Paris and Arma Bertuso, 2009]. All of a sudden, especially if the male is out for long periods, the female becomes the farm manager and not the unpaid laborer —and the women have to make “on the spot” decisions on what to do with the farm [Thelma Paris et. al, 2009].

While there are farming-related tasks done exclusively by men and women, there are farming tasks that are shared by both men and women [Thelma Paris, et. al, 2009]. This situation represents additional burdens for women since they also do parenting and household roles. They are even responsible for using the remittances received for farming-related purposes such as repaying farm debts and buying farm inputs [Thelma Paris et. al, 2009]. A look at the empowerment<sup>35</sup> of women in these migrant (as well as non-migrant) households even reveals that women in migrant households are more empowered than women in non-migrant households in their decision making over farm and non-farm related matters [Thelma Paris et. al, 2009].

- d) *Food security and rural household welfare.* Food security is a major issue in agriculture and rural development —and remittances (especially from overseas) are positively ensuring food security [Thelma Paris et. al, 2009]. Temporary migration was even identified as among the ways that some surveyed residents in Bulacan province were doing to address food security [Emelita Balatibat, 2004], as well as for those in a farmland and a watershed area in Leyte province [Julieta Roa, Anke Niehof and Lisa Price, 2004]. A 24-village survey on food security, done in Bulacan (n=192), found that 17 percent of households were receiving income “in dollars or yen” [Josefa Edralin and Cristino Collado, 2005].

And if food security concerns have been addressed, so are household welfare concerns of rural households. A survey (n=299 migrant and non-

---

35 Thelma Paris et. al [2009: 6] developed a woman’s empowerment index (WEI) to measure the decision-making authority of the principal female / wife depending on the presence or absence of the husband. Scores assigned were: 1 – husband only; 2 – husband greater than wife; 3 – husband and wife jointly; 4 – if wife dominates the husband; and 5 – if wife makes the decision even if the husband is present or decision is done by the wife only. For both agriculture- and non-agriculture related decisions, women in migrant households had higher scores than women in non-migrant households [Thelma Paris et. al, 2009: 18].

migrant households) done in two Ilocos Norte municipalities showed that greater expenditure items of migrant households are for food and education [Louis Rommel de Jesus, 2010]. Even in farming households where a visible portion of remittances are for farm inputs, food security and children's education are the primary uses of remittances [Thelma Paris et. al, 2009]. These micro-level findings are consistent with nationwide income and expenditures data where food, education and health are the primary uses of remittances by migrant households [see Table 46].

Household welfare also includes how families are managing the social costs of migration on the family, an area that has been studied much by international migration research. Thus, this visible downside to the remittance bonanza all the more occurs in rural communities.

**Table 46: Income and expenditure allocations of Filipino migrant households**

<b>Expenditure allocations (% share)</b>	<b>2000</b>	<b>2003</b>	<b>2006</b>
<i>Average share to Total Expenditures %</i>			
Food	44.92	44.24	43.31
Education	4.49	4.11	4.39
Health	2.26	2.45	2.97
Durables	2.15	2.60	2.20
Transport and Communication	6.17	6.92	7.20
Housing Operations	2.04	2.05	2.09
<i>Average Share to Total Income %</i>			
Wage (agricultural)	1.53	2.31	2.61
Wage (non-agricultural)	27.03	27.98	25.57
Domestic Remittance	2.74	3.47	3.80
Entrepreneurial Income	17.29	19.46	19.28
Investment Income	7.46	7.07	6.51
Savings	13.66	10.56	9.45
<i>Characteristics of Household (Mean)</i>			
Family Size	4.98	4.78	4.75
No. of Employed Family Members	1.50	1.55	1.59
Type of Household*	1.32	1.29	1.34
Quintile Position	3.88	3.79	3.69

\* Investments is the summation of interests from deposits, dividends, rental income and pensions

From Alvin Ang et. al, 2009, using data from Family Income and Expenditure Surveys, 2000, 2003 and 2006.

- e) *Access to finance and assets (agricultural and non-agricultural).* Consistent with findings from overseas studies, migration and remittances help ease farmers' financial and credit concerns, such as in farming [Thelma Paris et. al, 2009] and other economic needs in rural communities. The situation has tagged remittance receiving households as the new "leaders" in rural communities [Marie Noel Ngoddo, 2008].

Although remittance receipts might not automatically lead to agricultural productivity [in Thelma Paris et. al, 2009], remittances provide positive impacts into rural people's non-agricultural, non-land assets. A panel data survey in Bukidnon province (n=767 households) on migration's impact on assets, consumption and credit constraints found that remittances may have a positive impact on housing and consumer durables, non-land assets and total expenditures. Remittances' biggest impact unto these households was in raising the value of non-land assets [Agnes Quisumbing and Scott McNiven, 2007].

Yet there is the concern that sizeable amounts of remittance receipts may be "wastefully spent" [Julieta Roa, Anke Niehof and Lisa Price, 2004]. At the same time, investing in remittances may also have to depend on: a) the potential trade-offs between returns to capital and the desire to go back home to the birthplace [J.P. Leones and Sarah Feldman, 1998]; and b) the viability of venturing into agriculture or fishing-related enterprises given the absence of favorable business and environmental conditions in home communities [e.g. Cristina Lim, Yoshiaki Matsuda and Yukio Shigemi, 1995].

- f) *Environmental sustainability.* This aspect of rural life is not immune to the impacts of overseas migration in rural communities (as what Lorenzo Cotula and Camilla Toulmin [2004] found). For example, in an Ifugao municipality, demand for more garden land coming from overseas migrant households may lead to a water shortage, thus limiting the availability of land for wet rice. The situation may even lead to competition among migrant and non-migrant households to access these scarce natural resources [Deirdre McKay, 2005].
- g) *Conditions at rural communities.* Not many studies have been done on this regard, but rural communities are changing as a result of overseas migration. All the more that the usual gains and costs of overseas migration are seen from a community standpoint.

The remittance situation has made some rural communities improve their income and welfare conditions. In a survey (n=900 remittance and non-remittance receiving households) done in the municipality of Jones, Isabela, nearly 60 percent of the Jones's rich households have dependents abroad [Marie Christine Duran and Rona Panganiban, 2002]. Respondents to a survey (n=218) done in two cities in Lanao del Norte and Lanao del Sur had seen the favorable changes brought about by overseas employment [Myrna Aban et. al, 1988].

And who benefits from this remittance situation? A study of migrant and non-migrant households in four rural municipalities<sup>36</sup> has found that anticipating better economic conditions (with overseas migration "helping improve that economic condition") is higher among migrant and non-migrant households with middle- and high-income levels [Maruja Asis, 1995].

36 Those municipalities were Sta. Elena, Laguna; San Rafael, Batangas; San Miguel, Pampanga; and San Fabian, Iloilo [Maruja Asis, 1995].

In an upland village (in Batangas province) named “Barangay Paraiso,” overseas migration has changed the lives of residents, and overseas migrants’ activities are related to entrepreneurship, building houses, marriage, maintaining contact with overseas kin, schooling, and family care of migrant children are not only tied to the local culture in the village. These activities are operating under a “culture of relatedness<sup>37</sup>” where ties between and among people are constructed through everyday practices, and that covers ties within family members and members of the immediate community, as well as across boundaries [Filomeno Aguilar, 2009].

In a renowned migrant-sending municipality in Batangas, the coastal municipality of Mabini, migrant families (mostly with kin who work in Italy as domestic helpers) have better diets, large homes, and access private education and health care services. But the cost of land and real properties rose, leading to more taxes collected. But what were also observed were: a) Inequality; b) Family problems associated with migration (e.g. children involved in vices, uncompleted schooling due to petitions to go to Italy); c) Rising cost of living; and d) The decline in agricultural production and in involvement in fishing (since migrant families can afford to buy food from outside their community, and because of increased hog raising enterprises that were financed by overseas remittances) [Charito Basa and Lorna Villamil, 2009].

## Up to task

AS OVERSEAS migration has become a fact of life in Philippine rural communities, stakeholders in rural communities are up to task in addressing the problems and maximizing the benefits of overseas migration [see Table 47].

Yet studies and observations are revealing that overseas (or domestic) migration is an escape to problematic socio-economic and environmental conditions in rural communities. At the same time, migration may have also bred some rural development issues—economic, agricultural and probably environmental—that will challenge the vision of achieving sustainable rural development beside the continued overseas exodus of rural folk, the presence of non-agricultural activities, and lingering socio-economic disparities between places.

---

37 This culture of relatedness helps maintain the familial, community, and cultural ties between migrants abroad and people in the home community [Filomeno Aguilar, 2009].

**Table 47: Summary of international migration's consequences on Philippine rural development**

Unit(s) of analysis	Area of rural development	Observations
Macro: Agriculture and overseas migration	Agricultural development	<ul style="list-style-type: none"> <li>• Growth of agricultural sector is declining but the growth rate of overseas migration is rising</li> <li>• Remittances are nearly 40 percent of the total value of agricultural production</li> <li>• Remittances from abroad outstripped loans handed out for agricultural production</li> </ul>
Meso-to-micro: Poverty incidence	Rural poverty reduction	<ul style="list-style-type: none"> <li>• Remittances make the poor exit the poverty trap</li> <li>• Overseas remittances are more welfare-enhancing for well-off households; Multiplier effects of overseas remittances may take a long time for these to benefit the poor</li> </ul>
Meso-to-micro: Spatial disparities in overseas migration opportunities	Inter-area access to development opportunities	<ul style="list-style-type: none"> <li>• Leading regions have more overseas migrants and remittances than lagging regions</li> <li>• Regions with high underemployment and poverty incidence rates have less overseas remittances</li> <li>• There is an income gap between migrant and non-migrant households within communities</li> </ul>
Meso-to-micro: Incomes at provincial levels, by crop sectors, and at local communities	Community-wide, sectoral-wide sources of livelihood	<ul style="list-style-type: none"> <li>• More provinces had higher overseas remittance incomes than the total incomes of provincial local government units</li> <li>• Through income diversification, some farmers and fisherfolk in identified crops have buoyed net annual incomes with help from non-agricultural activities and by overseas and/or domestic migration. This helps ease income and credit constraints.</li> <li>• Noticeable shift in getting more income sources —to non-agricultural and/or migration from agricultural sources— especially given agricultural-related problems that hamper productivity.</li> <li>• Migrant households obviously benefit more than non-migrant counterparts</li> </ul>
Meso-to-micro: Sources of food	Food security	<ul style="list-style-type: none"> <li>• Remittances ensure food security</li> </ul>
Micro: Family welfare	Social costs of migration	<ul style="list-style-type: none"> <li>• Overseas migration may impact on family ties negatively</li> </ul>
Micro: Duties of men and women in family and in agriculture	Gender roles in migration and agriculture	<ul style="list-style-type: none"> <li>• Men and women in migrant households share agricultural tasks</li> <li>• Women do both agriculture- and family-related responsibilities especially when husbands are abroad for long periods (including managing remittances for family needs and farming needs)</li> </ul>
Micro: Labor in agriculture, technical efficiency in farming, and use of farming land	Agricultural productivity	<ul style="list-style-type: none"> <li>• Less family members but more outside labor are involved in agricultural activities of migrant households</li> <li>• Remittances are invested in farm inputs</li> <li>• Remittances or no remittances, there is no visible difference in crop yield between migrant and non-migrant households</li> <li>• Remittances influence land use practices</li> </ul>
Micro: Income, credit and assets (agricultural, non-agricultural)	Access to finance and assets	<ul style="list-style-type: none"> <li>• Remittances ease financial and credit concerns</li> <li>• Remittances raise value of non-land, non-agricultural assets</li> <li>• Concern is raised if investing remittances in agricultural activities is wise given existing agricultural and environmental conditions</li> </ul>
Micro: Use of natural resources	Environmental sustainability	<ul style="list-style-type: none"> <li>• Remittances help induce demand for natural resources which, in turn, may sacrifice the availability of these resources</li> </ul>
Micro: Conditions in rural communities	Hometown development and cultural relations	<ul style="list-style-type: none"> <li>• Overseas migration meets up with rural cultures and traditions</li> <li>• Overseas migration and remittances improve rural infrastructure and household incomes, but at the cost of declining productivity in agriculture</li> </ul>

The indications all point to improving the conditions back in the rural home, including the conditions of poor rural families. As an outcome of their survey in Leyte, given the inequality that overseas remittances bred among farming households, J.P. Leones and Sarah Feldman [1998] wrote: “Unless the physical and human capital of the poorest families are increased, these families are unlikely to benefit as much as wealthier families do from an increase in more lucrative non-farm activity in resource poor regions.”

Improving socio-economic conditions in rural birthplaces —those same conditions that helped push rural folk to make overseas and domestic migration a forced option for economic survival— remains a fundamental task indeed.

## Chapter 4:

# Civil society's response to overseas migration

WHILE Filipinos' overseas migration is as commonplace a social reality, have non-government organizations (NGOs), foundations and cooperatives realized this reality and its implications to Filipino socio-economic life?

Admittedly, overseas Filipinos or overseas migration is not a sector of involvement and an advocacy agendum of many Philippine NGOs, foundations and cooperatives. In the Philippines' ongoing billion-dollar remittance boom, business sectors have been chasing the migrant market. The entertainment industry, for example, has already made a living from movies and soap operas inspired by migrants' tales of tragedy and triumph.

Still, mainstream NGOs and foundations working outside of the overseas migration sector —and which are found in rural areas— have yet to embrace overseas migration as a socio-economic issue.

This study on overseas migration and rural development is a means for rural NGOs, foundations, and cooperatives to learn more about the overseas migration sector. All these non-government actors are possible stakeholders in supporting overseas Filipinos, and in maximizing the development potential of international migration. The Philippine Partnership for the Development of Human Resources in the Rural Areas (PhilDHRRA), a network of NGOs, foundations and cooperatives involved in rural development, is one interested stakeholder —and hopes that this current study will provide more information about international migration *and* rural development.

This chapter analyzes not just the views of PhilDHRRA members on overseas migration, but describes and analyzes ongoing efforts with overseas Filipinos by some of PhilDHRRA members'. One set of findings comes from a survey of PhilDHRRA members testing their awareness, knowledge and attitudes on the overseas migration phenomenon as it affects rural development. Another set comes from the conduct of three case studies of the direct and indirect involvements of three PhilDHRRA members for the overseas Filipino sector.

## Part 1:

# Views on the overseas migration phenomenon

THIS set of research findings outlines how PhilDHRRA members view overseas Filipinos and overseas migration vis-à-vis PhilDHRRA members' involvement with rural development issues (that primarily do not include overseas migration).

It is not surprising that survey results picture a seeming limited level of awareness by most of the PhilDHRRA members on how overseas migration impacts on rural areas and the socio-economic issues facing rural folk.

## Missing?

THE purposive survey of PhilDHRRA member-NGOs, foundations and cooperatives<sup>38</sup> sought to validate the prevailing observations about overseas migration and overseas Filipinos not being considered as sectors for civil society involvement. It appears that the observation holds true in the current survey.

- 1) *Sectors and themes of involvement.* When asked who and what sectors do respondents serve and provide help to, 39 member-NGOs serve farmers; 37 serve women; 26 NGOs have services for fisherfolk and children/young people; and 25 NGOs service indigenous peoples. By theme of involvement, 41 member-NGOs are into livelihood/cooperatives/microfinance, 36 NGOs are working on the environment, and 35 are involved in agriculture/rural development. Some 30 NGOs have programs and interventions on local governance, as well as on health [see Table 48]. Only about four NGO-respondents said "they are helping" overseas Filipinos.

---

38 Of the 46 respondents, almost half (22 respondents, or 47.8 percent) operate in Mindanao; just above half of respondents have been operating as NGOs/foundations/cooperatives from 16 to 25 years (14 respondents have been in operation for 16-to-20 years [30.4%], and 12 respondents for 21-25 years [26.1%]); and above a third of respondents (n=17, for 37%) currently have one to ten staff members in their NGOs, foundations and cooperatives.



- 2) *Funding sources.* Not surprisingly, only a few respondent-NGOs got donations from overseas Filipino individuals and organizations (three respondents apiece). Most of the NGOs get their resources from foreign donors, especially official development aid (34, or 73.9%) and grants from northern NGOs (22, or 52.2%). There are also a visible number of respondents that got resources from local government units (19, or 43.3%) and from sub-contracted projects of fellow NGOs (17, or 37%) [refer to Table 48].

**Table 48: Respondents' sectors and themes of involvement, as well as funding sources (multiple response)**

	F	%
<i>Sector being supported</i>		
Farmers	39	86.7
Fisheries	26	57.8
Indigenous peoples	25	55.6
Women	37	82.2
Children, youth	26	57.8
OFWs, if any	4	8.9
Others	9	20.0
<i>Themes of involvement</i>		
Agrarian reform	18	40.0
Environment	36	80.0
Education	29	64.4
Health	30	66.7
Agricultural development	35	77.8
Rural employment	17	37.8
Livelihood / microfinance / cooperatives	41	91.1
General family welfare	21	46.7
Infrastructure	16	35.6
Disaster relief and rehabilitation	12	26.7
Local governance	30	66.7
Peace and order	12	26.7
Others	11	24.4
<i>Funding sources</i>		
<i>A. Foreign donors</i>		
Bilateral government funding (Official development assistance with local counterpart)	34	73.9
Northern NGO or international NGO (based abroad or with a Philippine office)	24	52.2
Northern or international foundation (based abroad or with a Philippine office)	5	10.9
<i>B. Local donors</i>		
National government agency / government-owned and controlled corporation	13	28.3
Local government unit(s)	19	41.3
Filipino grantmaking /operating foundation	11	23.9
Filipino corporation / corporate social responsibility office	6	13.0
Filipino NGO with grants or sub-contracted projects	17	37.0
Filipino Church group	2	4.3
Filipino individuals / families	11	23.9
<i>C. Overseas Filipino donors</i>		
Individuals	3	6.5
Organization/group	3	6.5

Source: Survey of PhilDHRRA members

- 3) *Relating to the overseas migration phenomenon.* Even if only a few respondents get resources (e.g. grants, donations, earned income) from overseas Filipino donors, it does not mean that staff members of these NGOs, foundations and cooperatives are alien to the overseas migration phenomenon. Asking these NGOs if they have staff members with relatives abroad is a first step for their organizations to help overseas migrants, and eventually their NGOs can relate to the overseas migration phenomenon.

Some 13 respondents have one-to-two staff members with relatives abroad and another 12 respondents have three-to-four staff members having kith and kin abroad. Most relatives of these NGO staff members seem to be permanently residing in the United States (15 respondents) and Canada (12 respondents) [see Table 49].

**Table 49: Do NGO staff members have kith and kin abroad?**

	F	%
<i>Number of relatives</i>		
None	7	15.2
1 – 2	13	28.3
3 – 4	12	26.1
5 – 6	8	17.4
7 – 8	2	4.3
9 and above	4	8.7
<i>Countries of destination of relatives</i>		
Australia	1	3.4
Belgium	1	3.4
Brunei	1	3.4
Canada	11	37.9
France	1	3.4
India	1	3.4
Israel	2	6.9
Italy	1	3.4
Japan	2	6.9
Korea	1	3.4
The Netherlands	1	3.4
Norway	1	3.4
Qatar	1	3.4
Kingdom of Saudi Arabia	2	6.9
Saipan (CNMI)	1	3.4
Seafarer	2	6.9
Singapore	1	3.4
Spain	1	3.4
Sweden	1	3.4
Switzerland	1	3.4
United Kingdom	5	17.2
United States of America	15	51.7
United Arab Emirates	4	13.8

Source: Survey of PhilDHRRA members

- 4) *Source of knowledge about the overseas migration phenomenon.* More than half of respondents were made aware about overseas Filipinos through the mainstream media (i.e. television, radio, newspapers, movies, Internet). Even so, the number of respondents who did not respond to the question (n=7) is bigger than respondents who learned about the overseas migration phenomenon from people in the communities where their NGO/foundation/cooperative operates [see Table 50].

**Table 50: Source of knowledge about the overseas migration phenomenon**

	<b>F</b>	<b>%</b>
From the mainstream media	27	58.7
From individual/group members of the communities where our NGO operates	3	6.5
From personal friends	2	4.3
From advertisements scattered around threat I have personally seen	-	-
From sceneries in rural communities	1	2.2
From NGO discussions or from NGO friends who are involved with OFWs	2	4.3
From community gatherings	1	2.2
From a seminar / conference attended	-	-
Others	3	6.5
No response	7	15.2

Source: Survey of PhilDHRRA members

## Mindsets

*Perceptions about overseas migration coming from rural communities.* The survey of NGO-members of PhilDHRRA asked respondents to rank the economic and social dimensions of overseas migration from the perspective of their being in rural areas.

Not surprisingly [see Table 51], the item “Those with remittances / money” ranked first on items surrounding the economic dimension of overseas migration. This was followed by the item “Those with concrete houses and who have acquired properties abroad,” and the item “Those who are renowned in specific jobs” (e.g. domestic work).

As regards the social / psychological dimension of overseas migration, ranking first among the responses list was “Those who are renowned in specific jobs,” followed by “Those who return home and called as *balikbayan*,” and by “Those who endure the absence of parents and still manage to perform well.” Notably, test items that refer to overseas Filipinos as those with problems were ranked low [refer to Table 51].

And when the respondent-NGOs were asked about the influence of overseas Filipinos in their rural communities, the first-ranked test statement was “Those who encourage relatives and others to go overseas and try it out there.” The second- and third-ranked statements were statements pertaining to overseas migrants as donors [refer to Table 51].

**Table 51: Test statements about overseas Filipinos and being in the rural areas**

	Rank
<i>Economic</i>	
Those with remittances / money	1
Those with concrete houses and who have acquired properties	2
Those who are renowned in specific jobs	3
Those who are financially well-off	4
Those who are financially dependent on remittances	5
Those with small businesses	6
Those being chased at by relatives for help and support	7
Those who have been victimized by scams	8
<i>Social / psychological</i>	
Those who are renowned in specific jobs	1
Those who return home and are called as <i>balikbayan</i>	2
Those who endure the absence of parents and still manage to perform well	3
Those who “got lucky” overseas and have been abroad for a long time	4
Those families being helped by relatives to take care of children left behind	5
Those who have married foreign spouses out of personal choice or out of convenience	6
Those with family problems or issues	7
Those who have faced abuses abroad	8
Those who get killed or jailed overseas	9
<i>Overseas Filipinos via-a-vis rural communities</i>	
Those who encourage relatives and others to go overseas and try it out there	1
Those being asked for support during fiestas	2
Those who give donations to the rural community	3
Those responsible for why money flows in rural communities	4
Those families who care more about themselves than fellow community members	5
Those who have made the poor look poorer because they have more money than the others	6

Source: Survey of PhilDHRRA members

## Managing their own issues

*Attitudes of member-NGOs towards the personal and family needs of overseas Filipinos as juxtaposed to rural development conditions.* Member-NGOs were asked questions<sup>39</sup> concerning the links between the overseas migration phenomenon and rural development issues. Those questions were asked in order to analyze respondents' views about the relevance of the issues and conditions of overseas Filipinos (with particular reference to those living in rural areas) to conditions in rural areas. In summary, respondents think that migrants and their families have limited financial knowledge; try to solve their own problems that migration brought about; seem to be impatient about the growth of their rural hometowns; and primarily influence other community members to try their luck at going abroad to improve socio-economic conditions [all in Table 52].

- *As owners of resources.* While majority (63%) agreed that overseas Filipinos and their families are the primary decision makers to using their remittances, half of respondents disagreed that migrants and their families have ample knowledge about managing their finances, and where best to put invest their monies;
- *On the social costs of migration to migrant families vis-à-vis seeking assistance from others.* A third of respondent-NGOs think that overseas Filipinos and their families are able to manage their own problems. About 67.4 percent of respondents think migrants and their families in their communities are trying to solve —on their own— their socio-economic problems, and do not pro-actively seek help from groups within their communities. In relation, some 65.3 percent of respondents agreed that migrants and their families in their local communities have managed to endure and overcome the social costs of migration;
- *Community apathy?* Are overseas migrants and their families apathetic about their communities of origin? About half of survey respondents think so. In relation, 71.8 percent of respondents agreed migrants and their families are impatient about the growth and progress of rural communities, or even about the politics prevailing in local communities. The irony, however, is that 60.9 percent of respondents think migrants and their families are sensitive to the needs of their communities and donate (especially when their help is asked);
- *Seeking understanding and support for migrants' socio-economic problems.* Nearly half of respondents (45.6%) disagreed migrants and their families are searching for advice and support on where best to put their incomes and savings, and which social service groups can help address their family issues. But 60.9 percent of respondents agreed that migrants and their families are searching for community members who can understand their needs and issues, and who can sympathize with them; and

39 A mix of test statements bearing the economic and social consequences of overseas migration was purposively shown in this portion of the questionnaire.

- *Affected by the exodus in communities?* As to the culture of migration in these local communities, some 71.7 percent of respondents think that migration is a means to improve rural people's lives and escape from hardships in their birthplaces.

**Table 52: Test statements about overseas Filipinos and being in the rural areas**

	SA	A	D	SD	DK	NR
Overseas Filipinos and their families in our community are the primary decision makers on how their remittances will be used and maximized.	30.4	32.6	17.4	6.5	10.9	2.2
Overseas Filipinos and their families in our community are trying to solve their socio-economic problems on their own, and do not pro-actively seek help from groups in the community	23.9	43.5	21.7	4.3	4.3	2.2
Overseas Filipinos and their families in our community have ample knowledge about managing their finances, and where best to put their monies that will make these grow to their benefit.	6.5	32.6	45.7	4.3	6.5	4.3
Overseas Filipinos and their families in our community have managed to endure and overcome the social costs associated with the migration / absence of a family member, especially the parents.	19.6	45.7	19.6	2.2	10.9	2.2
Overseas Filipinos and their families in our community care less about the socio-economic issues facing our community, which can drive neighbors to go abroad as well. They also carry a "to each his own" attitude.	8.7	41.3	37.0	6.5	4.3	2.2
Overseas Filipinos and their families in our community are sensitive to the needs of our place, and whenever possible, donate some resources to address community needs and issues –especially when their help is asked.	8.7	52.2	23.9	2.2	10.9	2.2
Overseas Filipinos and their families in our community are searching for advice or support on where best to put their incomes and savings, and which social services groups can help address their family issues.	6.5	28.3	41.3	4.3	17.4	2.2
Overseas Filipinos and their families in our community are impatient about the growth and progress of our place, or even about the politics governing the community.	28.3	43.5	10.9	4.3	10.9	2.2
Overseas Filipinos and their families in our community are searching for community members who can understand their needs and issues, and who can sympathize with them.	8.7	52.2	21.7	2.2	13.0	2.2
Overseas Filipinos and their families in our community think that if neighbors go abroad like them, it will help improve their lives and escape from hardships in their birthplaces.	17.4	54.3	10.9	2.2	13.0	2.2

Legend: SA–strongly agree; A–agree; D–disagree; SD–strongly disagree; DK–don't know; and NR–no response

Source: Survey of PhilDHRRA members

## Limited

*Level of knowledge on overseas Filipino issues.* Respondents were asked ten questions to determine the level of their knowledge about overseas migration issues. Most of the NGO respondents answered correctly to questions related to public perception or popular belief about overseas Filipinos. Most respondents are also not sure, or are incorrect, in questions pertaining to international migration and development facts and analyses [see Table 53], which is not surprising. The responses to these test questions imply that mainstream NGOs may have limited knowledge of overseas migration issues, including those issues that directly affect their rural areas of operation.

**Table 53: Respondents' answers to tests-of-fact statements on Filipinos' overseas migration**

Test statements	Item is Correct	Item is Incorrect	I Don't Know	No response
Filipinos abroad can be found in 50 countries worldwide (Answer: Incorrect)	54.3	15.2	30.4	-
Overseas migration by Filipinos is renowned for being mostly made up of female migrant workers and immigrants (Answer: Correct)	73.9	13.0	10.9	2.2
Overseas Filipinos have been called many times 'modern-day' heroes for saving the Philippine economy (Answer: Correct)	91.3	8.7	-	-
The Philippines receive US\$12.8 billion in remittances through banks in 2007 (Answer: Correct)	32.6	2.2	60.9	4.3
Filipinos are renowned in names or tags such as Japayuki or maid. (Answer: Correct)	54.3	43.5	2.2	-
The migration overseas by our skilled nurses and doctors is a drain to the country's health system (Answer: Correct)	93.5	4.3	2.2	-
Remittances are not the primary sources of income of majority of Filipino families who receive monies from dependents abroad—including those overseas Filipino families belonging to the lower income bracket (Answer: Incorrect)	23.9	54.3	21.7	-
According to a recent study by a University of the Philippines economist, remittances reduced poverty by huge percentage points (Answer: Correct)	21.7	21.7	54.3	2.2
According to Philippine government data, overseas migration has reduced domestic unemployment even as the Philippines has a larger labor force (Answer: Correct)	39.1	30.4	30.4	-
Regions in the Philippines with less poverty incidence have more overseas Filipinos, overseas Filipino families, and remittances compared to those regions with high poverty incidence (Answer: Correct)	34.8	32.6	32.6	-

Source: Survey of PhilDHRRA members

## Directly felt?

*Attitudes and views toward international migration and rural development issues.* After knowing respondents' knowledge and awareness about the overseas migration phenomenon as it affects them and the rural areas, the survey also sought respondents' attitudes toward international migration as a rural development issue, and the rural development issues that migration brought about.

At least half of respondents think that overseas migration issues are "visibly felt" rural development issues (24 of 46 respondents), and that overseas migration issues have an impact on the usual rural development issues that NGOs are involved in (25 of 46 respondents). Though overseas migration may be a visibly-felt rural development issue that has an impact on usual rural development issues, nearly half of respondents (20, or 43.5 percent) think overseas migration issues are indirectly related to usual rural development issues [see Table 54]. This indirect relationship to rural development issues comes as no surprise.

Although, at least a third of respondents (17, or 37%) are unsure if international migration has brought more negative or positive impacts on rural development. Some 12 respondents (26.1%) think migration has brought more negative consequences to rural development [refer to Table 54].

For those respondents (n=11) which said that overseas migration issues are directly related to usual rural development issues, the overseas migration issue is directly related to children and youth, women, and general family welfare as well as to education and livelihood / cooperatives / microfinance [see Table 55]. These imply that the direct link of overseas migration to rural development issues is seen at the migrant family's level.

**Table 54: Views on international migration as a rural development issue and concern**

	F	%
<i>Are international migration issues visibly-felt rural development issues?</i>		
Yes	24	52.2
No	10	21.7
Unsure	12	26.1
<i>Do you think international migration issues have an impact on the usual rural development your NGO has interventions in?</i>		
Yes	25	54.3
No	10	21.7
Unsure	11	23.9
<i>Are international migration issues directly or indirectly related to your usual rural development issues of intervention?</i>		
Directly related	14	30.4
Indirectly related	20	43.5
Unsure	12	26.1
<i>Are the consequences of international migration more positive / negative to achieving development in rural communities?</i>		
More positive	9	19.6
More negative	12	26.1
Unsure	17	37.0
No comment	5	10.9
No response	3	6.5

Source: Survey of PhilDHRRA members



**Table 55: To what rural development sector or theme is migration related to? (n=11)**

	F	%
<i>Sector</i>		
Farmers	9	64.3
Fisheries	6	42.9
Indigenous peoples	6	42.9
Women	11	78.6
Children, youth	11	78.6
Others	2	14.3
<i>Theme</i>		
Agrarian reform	4	28.6
Environment	3	21.4
Education	10	71.4
Health	9	64.3
Agricultural development	7	50.0
Rural employment	6	42.9
Livelihood/microfinance/cooperatives	10	71.4
General family welfare	11	78.6
Infrastructure	2	14.3
Disaster relief and rehabilitation	2	14.3
Local governance	4	28.6
Peace and order	3	21.4

Source: Survey of PhilDHRRA members

## Uninvolved, uncertain?

*Attitudes and views toward international migration and rural development issues.* After ascertaining respondents' knowledge, awareness, and attitudes on the overseas migration phenomenon, the survey also sought respondents' views if overseas migration can be a sector of nonprofit involvement for them. As mentioned earlier, almost all of respondents do not have overseas migration as a theme of nonprofit involvement.

- *Current or previous involvement.* As expected, 42 of 46 respondents are not involved with a project benefitting of overseas Filipinos and their families — whether previously or currently. Likewise, 28 NGOs have not received donations and social investments from overseas Filipinos and their families [see Table 56].

Not surprisingly, 19 respondents think the current projects of the member-NGOs have not impacted or influenced on overseas Filipinos and their families in the NGOs' areas of operation. About 13 other respondents think their projects have an indirect influence unto migrants and their families in local communities [refer to Table 56].

**Table 56: Respondents' involvement (current, previous) with overseas Filipinos**

	F	%
<i>Does your NGO / foundation / cooperative have a previous or current project for overseas Filipinos and their families?</i>		
Yes	1	2.2
No	42	91.3
Unsure	2	4.3
No response	1	2.2
<i>Has your NGO / foundation / cooperative received donations and social investments from overseas Filipinos and their families?</i>		
Yes, directly	7	15.2
Yes, indirectly	4	8.7
No	28	60.9
Unsure	5	10.9
No response	2	4.3
<i>Did the previous or current project of your NGO/foundation/cooperative have impact or influence on overseas Filipinos and their families in your areas of operation?</i>		
Yes, directly	3	6.5
Yes, indirectly	13	28.3
No	19	41.3
Unsure	8	17.4
No response	3	6.5

Source: Survey of PhilDHRRA members

- *Uncertainty in supporting migrants?* There seems to be uncertainty among the respondents if they would like to be involved in providing economic and social services to overseas Filipinos. But if serving overseas Filipinos and their families is through providing basic services and rural infrastructure, there is certainty from at least half of respondents to help overseas Filipinos. This is probably because these needs in rural areas affect everyone, including migrants and migrant families [see Table 57].

**Table 57: Respondents' views on possible migration-and-development areas of involvement**

	Yes	No	Unsure, but is possible	Don't know	No response
Maximizing remittances and the lack of knowledge, as well as access, to financial services and enterprise development support	41.3	6.5	43.5	8.7	-
Social costs of overseas migration	37.0	15.2	34.8	13.0	-
Lack of basic services in rural communities	65.2	4.3	23.9	6.5	-
Rural infrastructure and special concerns	50.0	4.3	32.6	4.3	8.7

Source: Survey of PhilDHRRA members

- *No opportunities from serving overseas Filipinos?* Stunningly, 30 of 46 respondents (65.2%) think there are no opportunities for their organizations if they serve overseas Filipinos; meanwhile, 35 of 46 respondents (76.1%) think there are no opportunities for their organizations if they seek support from overseas Filipinos [see Table 58]. It does not also come as a surprise that 26 respondents do not know how to tap migrants and their families for possible donations and social investments.

But on a positive note, 28 respondents think other services and interventions are needed to serve the overseas Filipinos sector [refer to Table 58]. What these results imply is that many respondents' low level of awareness about overseas Filipinos and their socio-economic issues make them less aware about the development potential of overseas migration (especially so that this potential can happen in rural communities).

**Table 58: Views on possibly serving and seeking support from overseas Filipinos**

	F	%
<i>Does your NGO / foundation / cooperative think there are no opportunities for the group if it serves overseas Filipinos?</i>		
Yes	4	8.7
No	30	65.2
Don't know	11	23.9
No response	1	2.2
<i>Does your NGO / foundation / cooperative think there are no opportunities for the group if it receives support from overseas Filipinos?</i>		
Yes	1	2.2
No	35	76.1
Don't know	8	17.4
No response	2	4.3
<i>Does your NGO / cooperative / foundation know where the overseas Filipinos are in their communities of operation?</i>		
Yes	26	56.5
No	19	41.3
No response	1	2.2
<i>Does your NGO / cooperative / foundation know how to tap overseas Filipinos and their families in the communities they operate for possible donations and/or social investments?</i>		
Yes	19	41.3
No	26	56.5
No response	1	2.2

Source: Survey of PhilDHRRA members

- *Needs in order assess whether to serve overseas Filipinos or not.* When asked what would they need to serve overseas Filipinos and their families, the top three needs of respondents are: first, information about overseas Filipinos, especially in their communities; second, available information on how overseas Filipino issues are affecting usual development issues; and third, examples of programs by other rural development NGOs that serve overseas Filipinos, or that have overseas Filipinos as donors and social investors [see Table 59]. The results reveal that these respondents' thirst for more information about overseas Filipinos, their socio-economic conditions and issues, and the sector's contributions to development.

As well, 28 of 46 respondents (60.9%) think other interventions are needed to serve overseas Filipinos and their families (eight respondents said no to the item, and nine did not respond to the question).

**Table 59: Things needed in order to serve overseas Filipinos and their families**

	Rank
Information about overseas Filipinos, especially in our communities	1
Actual good and bad tales from overseas Filipinos and their families on how they manage their situations	8
NGO partners that are knowledgeable about overseas Filipinos issues	4
List of OFW self-help groups based in the provincial areas of operations, and of overseas Filipino associations based overseas	10
Capacity-building activities that will help our group to know more about overseas Filipinos issues	5
Available information on how overseas Filipino issues are affecting usual rural development issues	2
Examples of programs by other rural development NGOs that serve overseas Filipinos, or that have overseas Filipinos as donors and social investors	3
Accessible financial institutions that have financial products and services catering to Filipinos abroad and their families	9
Accessible NGOs / cause-oriented groups that have social services to overseas Filipinos and their families	7
Information on how overseas Filipinos and their resources can contribute to rural/local economic development	6

*Source: Survey of PhilDHRRA members*

## Reality check

RESULTS of the survey of PhilDHRRA member-NGOs' awareness and knowledge of, and attitudes toward, the overseas migration phenomenon in the Philippines reveal one reality: Overseas migration as a rural development issue has yet to sink in to the consciousness of these non-government actors.

This does not come as a surprise. Media's popularization of the OFW phenomenon may not be enough to prop up awareness; these NGOs may have realized that overseas migration remains a private family matter—and the positive consequences of migration are primarily felt by migrants and migrant families (not immediately by the bigger rural community). It is also possible that since this segment of the rural population is not as marginalized as farmers or fisherfolk, these NGOs under the PhilDHRRA network do not feel the need to serve overseas Filipinos (even if these migrants and migrant families face social costs).

Even with the Philippines' history of dealing with overseas migration, overseas migration is an emerging issue for Philippine civil society organizations. But mainstream civil society organizations, quite frankly, have yet to fully embrace the migration phenomenon as a major social issue. Migrants' resources (i.e. remittances) may be a come-on for these NGOs, foundations, and cooperatives to be involved in the overseas migrant sector, but these are not the be-all and end-all of serving the overseas Filipinos sector.

The survey findings, however, provide a realization that overseas migration impacts on rural life in some ways. This is where PhilDHRRA members have expressed a desire to seek for more information how overseas migration impacts on rural life and development in rural areas. More than just information, directly experiencing the problems of overseas migrants and their families in rural communities may be another way to feel. Another way is to determine how usual rural development issues (e.g. agrarian reform, environmental degradation, low productivity in agriculture and fisheries) are linked to rural folk's search for additional livelihood and, eventually, to human mobility.

## **Part 2:**

# **Dabbling with overseas Filipinos’ issues and resources**

ALTHOUGH there is currently minimal involvement in overseas migration issues from the PhilDHRRA network, some member-NGOs and cooperatives of PhilDHRRA have been directly and indirectly involved with overseas Filipinos.

Three cases are to be featured here. One is an NGO for agrarian reform beneficiaries, whose partner cooperative realized that it is indirectly involved with the economic conditions facing ARBs who have embraced overseas migration to gain additional income. Another case covers a federation of cooperatives that explicitly has a program for overseas Filipino workers. The last case covers an operating foundation that has partnered with an association of overseas Filipinos that donates to identified development causes in the motherland.

It is to note that these three PhilDHRRA member-NGOs —the Center for Agrarian Reform and Rural Development (CARRD), the VICTO National Cooperative Federation, and the Mahintana Foundation— were not given prior orientation about overseas Filipinos, and relied on their expertise in nonprofit, non-government work and in dealing with usual rural development issues. But the lessons from the involvement of these three PhilDHRRA members can provide lessons as to how the entire PhilDHRRA network can approach its involvement for the migrant sector in the near future.

### ***Case 1: NGO, cooperative realize ARBs beef up incomes with dollars***

THE Center for Agrarian Reform and Rural Development (CARRD) is involved in agrarian reform and in adopting livelihood-related programs for agrarian reform beneficiaries (ARBs) found in agrarian reform communities (ARCs). Part of CARRD's work is the formation of a cooperative for ARBs in Batangas, called the Nagkasama Multi-Purpose Cooperative, which has now spun off into an independent cooperative.

Regarded as a CARRD local affiliate, Nagkasama is a cooperative of sugarcane workers in the municipalities of Tuy and Balayan in Batangas province. These two municipalities in Batangas province are known areas for sugarcane farming, and for having a visible number of sugarcane farmers who have benefited from government's comprehensive agrarian reform program (CARP).

In the beginning, landowners gave the farmers a share of the sugarcane profits. However, it took relatively four months before the farmers actually received the money and the landowners barely lent money or advanced the payments to the farmers. As such, the sugarcane farmers were making ends meet. Thanks to former President Corazon Aquino's enactment of the CARP law in the mid-1980s, sugarcane farmers finally got their opportunities to own land and use this asset to move up the poverty line.

Nagkasama, during that time, was called the "Katipunan ng Samahang Magsasaka" (KASAMA), and was involved in advocacy and legal assistance for ARBs. KASAMA organized seminars and meetings that made the farmers aware of government laws and programs that allowed them to own land. The farmers claimed that the original landowners have been disregarding the rights and benefits that sugarcane farmers stand to gain through agrarian reform. The original landowners, however, made it difficult for the farmers to gain their small parcel of land through a series of court cases and through intimidation. KASAMA also had para-legals who helped tenants learn more about agrarian reform, and were instrumental in mediating and winning cases in behalf of the tenants. Luckily, KASAMA covered farmers from eight municipalities across western Batangas then and some sugarcane farmers eventually became small landowners.

Eventually, Nagkasama was organized as a community-level federation of agrarian reform cooperatives in 1996. With CARRD's help, Nagkasama was registered in 1998 with the Cooperative Development Authority; CARRD also provided PhP1.5 million in financial assistance to the cooperative, as well as technical assistance through training sessions in making project proposals and in creating an operations manual for the cooperative.

From its initial federation set-up, the general assembly decided to turn Nagkasama into a primary cooperative in 2003 due to low contributions from members. Membership fee with Nagkasama costs PhP100, as there is also a PhP500 contribution to the shared capital fund, which is tapped for member's loans. Essentially, if members do not contribute to the shared capital, they will not be able to borrow money from the cooperative.

Nagkasama also has made its trucking services a capital build-up (CBU) initiative where each trip to deliver harvested sugarcane contributes Php500 to the shared capital and another Php300 is set aside for savings.

At the time of the conduct of this case study, Nagkasama had a total of 276 members. These members have a total of 359.59 ha. of cultivated land<sup>40</sup> (predominantly on lease-hold). The cooperative, for its part, has paid up capital worth Php2.134 million, and assets worth Php13.414 million [see Table 60].

**Table 60: Profile of the Nagkasama MPC, its membership, and its resources**

	2006	2007	2008
<i>Membership</i>			
Total members	277	284	276
▪ Males versus females	189 vs. 91	190 vs. 94	187 vs. 89
▪ Farmers versus non-farmers	243 vs. 34	232 vs. 52	219 vs. 57
<i>Cultivated land owned by members (in ha.)</i>			
Total cultivated land	386.72	369.64	359.59
▪ CLOA	66.62	59.62	56.32
▪ Lease-hold	264.10	255.60	250.40
▪ Small owner cultivator	40.70	39.82	38.27
▪ Others	15.30	14.60	14.60
<i>Capital shares of the cooperative (in PhP)</i>			
▪ Paid-up capital	515,952.18	1,447,899.16	2,134,659.41
▪ Subscribed capital	2,800,000.00	2,840,000.00	8,535,637.62
<i>Assets and liabilities of the cooperative (in PhP)</i>			
• Total assets (PhP)	n.a.	13,189,435.65	13,413,940.30
• Total liabilities (PhP)	n.a.	10,801,568.00	10,209,764.67
• Equity (PhP)	n.a.	1,492,399.06	2,134,659.67
• Production revenues (PhP)	n.a.	1,675,326.22	2,493,942.63
• Net income (PhP)	n.a.	525,574.75	479,599.75

Sources: Records and financial statements of Nagkasama Multi-Purpose Cooperative

40 Farmers with certificates of land ownership award (CLOA) are those who have received farmland that they have to pay in tranches for a period of 20-30 years. Land on leasehold refers to an agreed tax rate per hectare that the farmer pays to the owner. The rates were initially pegged at 1975-1978 production rates but has significantly changed year-on-year. Comparatively, among all land ownership types, farmers find the small-owner cultivator as most beneficial because the land is actually owned by the farmer while the others require constant payments.

CLOA requires settlement of ownership for decades, while leasehold ownership requires payment for the duration of land use, otherwise they face a case with the real landowner. And with unstable and often low profits, farmers often end up in debt.



Nagkasama's financial products and small businesses are related to sugarcane farming. Its main financial product is the crop loan where member-farmers can loan high amounts, with their owned land and paid-up capital as collaterals. Nagkasama also offers three savings schemes for members: mandatory savings, voluntary savings, and time deposit (which is seldom offered to members). Similarly, the cooperative's CBU project allows automatic deduction for loan payments for those who have savings. Also, each sugarcane truck contributes to Php500 capital build-up fund and Php300 savings amount, which can be withdrawn at the end of each milling season. Meanwhile, from the rainy months of July to November when production is low, Nagkasama extends emergency loans amounting to Php1,000 per month to members (with 3% interest per annum and a 6% rebate).

## Stalled

MOST sugarcane farmers only rely on farming and have no other source of income, so access to credit through Nagkasama proved to be helpful.

Previously, farmers joined Nagkasama to own land and learn about their entitlements under agrarian reform. Later on, farmers availed production loans in order to buy fertilizer and other additional expenses for sugarcane farming. Nagkasama also helped sugarcane farmers in sugarcane production because they do not have enough money to complete capital requirements for production. Through the money farmers are borrowing from Nagkasama, farmers have extra funds to spend for their daily needs.

But ARBs face constraints due to a variety of reasons like low production with expenses higher than the actual selling price. The size of farmland itself limits higher production income for the sugarcane farmers. Each farming family in Batangas is roughly given three hectares to farm, although some have five hectares. Unexpected events like typhoons, illnesses in the family, or even marriage of children suddenly reduce the little income farmers have. But despite the low income, most farmers claim that they have been able to provide for their families and put their children to school largely because of farming income.

Sugarcane income has also altered the income preferences of families across generations. While parents have continuously relied on sugarcane production as a primary source of income, their educated children have pursued more professional jobs related to their studies. Some children have even decided to work abroad. Since the children did not have a hard life like their parents, they do not appreciate farming even if they were educated from sugarcane proceeds.

But around 2007, Nagkasama noticed the rise of members who have relatives abroad. Some individual members borrowed money from Nagkasama (through crop loans) to send their children to work abroad and financing their pre-departure expenses. In this case, the member-farmer would pay up an existing loan early so that they may

make a new a loan for the migration expenses of a son or a daughter. Officials of the cooperative attested to this, as they do not have any control over how the money from the crop loans is being used.

While the primary focus of the cooperative is to serve members who are beneficiaries of the government's agrarian reform program, it was discovered that 32 of the 276 members of Nagkasama have relatives who are overseas. Many of these relatives send occasional remittances while some remit more frequently, especially in the case of spouses [see Table 61].

It is to note that the province of Batangas is a major origin community of overseas migrants, be it temporary migrants or permanent migrants. In 2006 alone, an estimated 41,081 overseas migrant families received a staggering PhP11.688 billion from their dependents abroad [Institute for Migration and Development Issues, 2009].

**Table 61: Profile of Nagkasama members with relatives abroad**

Relationship	Number
Sons or daughters	19
Brothers or sisters	5
Nieces	1
Cousins	1
Spouses *	2
In-Laws	1
No information	4

*Note: One of these farmers with a spouse abroad also has children overseas*

*Sources: Records of Nagkasama Multi-Purpose Cooperative, courtesy of Mr. Eduardo Garcia*

## Supported

OVERSEAS migration had thus become part of farmers' livelihood [see also Box 6].

One farmer has a generous elder brother in the United States who, despite being retired and having his own family abroad, still sends money to his brother. Through the remittance, the farmer has been able to send a child to a private school.

Meanwhile, another ARB noted receiving around PhP5,000 from his child abroad. But since the interviewee's family is made up of 15 members, nothing is left for savings from the remittance. The same is true for one interviewee whose ex-wife worked as a waitress in Costa Rica. When they were still married, the wife would intermittently send money. Although he admits to have saved a bit, the savings were not invested and were eventually depleted soon after the end of their marriage.

In some instances, the family members at home influence the remitter abroad to save some of the remittances being sent. For instance, a respondent has a sibling who works in Oman as an electrician. The sibling abroad sends around PhP15,000 monthly to their mother; from the amount remittances, PhP10,000 is immediately saved —intended

to benefit the remitter abroad. The remaining PHP5,000 is for the family's daily expenses.

Farmers with relatives abroad receive remittances intermittently (and they call the remittance as *ambon* [*"ako'y inambunan ng remittance"*]). The situation varies from family to family. Some parents do not expect to receive from their children especially when they have their own families to primarily support. Farmers with single children abroad, for their part, receive money more often. Meanwhile, some farmers are luckier to receive remittances from their older siblings, which cover the education of their children among others.

With the little remittance that farmers receive, they generally claim that none is set aside for savings. One farmer-respondent, for example, receives PHP3,000 a month and still finds the amount "insufficient" due to the high cost of goods. Another farmer-respondent said the money received from their children was used to pay monthly electricity bills and other household expenses, as well as spend during emergency situations.

Even migrants abroad are the ones settling the loans of their dependents abroad in the cooperative. An example is a farmer-respondent whose sibling works as a domestic worker in Greece, and who occasionally remits money to the father. When the debts of the farmer at Nagkasama grew, it was the sibling abroad who settled the debt—as she even prodded the father to leave the cooperative.

The farmers have also explored other sources of income. A number of farmers have been raising animals, specifically hogs and carabaos. On the other hand, some farmers plant vegetables for their daily meals and sell these as well. Despite the low additional income from non-farming sources (excluding remittances), farmers delight in the fact that they need not borrow money to buy their food.

#### **Box 6: With overseas migration looming, goodbye to farming?**

One farmer is lucky to have a spouse, as well as two children, who are currently working in the United Arab Emirates. "Rose," the spouse of "Ruffy" (a sugarcane farmer who is in his 60s already) is responsible for the family's small concrete house, purchases of television and a laptop computer (with a web camera, so that those in UAE can call on Ruffy), and a small *sari-sari* (retail) store. They live in a far-flung *sitio*—with rough roads—in Balayan.

Noticeable in the case of "Ruffy" is that he is hiring outside labor to till his family's sugarcane land. Some of the money to pay the services of the hired labor comes from the remittances abroad. There was also a time when "Ruffy" migrated to Metro Manila—when the children were still studying—to work as a jeepney driver since, he says, income from farming is not enough. "Rose" mentioned that a loan made by "Ruffy" from Nagkasama financed her trip (she was previously an irregular migrant). Rose is also willing to settle Ruffy's remaining debts at Nagkasama ("Ruffy" is the only member of Nagkasama with a spouse abroad).

Rose declared that she and her children will bring Ruffy to the UAE soon so that he enjoys his retirement. While Rose still has a son (and his wife and children) living with Ruffy, she declared the reed-thin husband's impending trip to the UAE will signal an end to his farming duties.

## **Stuck?**

FARMERS receiving remittances from abroad often use the money to pay bills, and have little opportunities to save or invest these—for example, by placing time deposits in Nagkasama. Farmers consistently noted that “there was not enough” money to save and to invest in Nagkasama, and most of their relatives abroad did not understand the rationale of the cooperative.

When asked about the possibility of their relatives investing their hard-earned money abroad in the Philippines (whether in Nagkasama or in any other financial institution), the farmers said this is unlikely because it did not make sense to invest at home when they already have opportunities abroad. Some relatives abroad have also become less inclined to support Nagkasama as the farmers back home have become mired in debt upon joining the cooperative.

Some children overseas, for their part, were able to allocate remittances to farming-related purposes (e.g. purchasing of trucks to haul the sugarcanes, money to help irrigate lowland farmlands) and non-farming business ventures (e.g. a stall in the public market).

Nagkasama officials interviewed also admitted they have no idea how to use the existing products and services of the cooperative to maximize the remittances of members who have migrant relatives. For example, other financial institutions have a loan product called pre-departure loans.

If remittance amounts increase to a level where there would be excess for savings, there is a potential to link the savings and investible funds of migrant relatives to the financial products and existing business ventures of Nagkasama—and it can potentially bolster the financial standing of the cooperative, while helping the farmers with relatives abroad financially. Although farmer-interviewees claimed that it is “possible” to invest remittances in the cooperative, they say remittances received are “sufficient” for family consumption purposes, and their relatives abroad may have some misgivings with investing money in the cooperative.

### ***Case 2: Helping OFW entrepreneurs a tough grind for cooperatives***

THE old Visayas Cooperative Development Center or VICTO co-organized the Philippine Partnership for the Development of Human Resources in Rural Areas (PhilDHRRRA) in 1984 (though VICTO was formed in 1974 in Cebu City). Given years of organizational transitions, which include the spinning off of its trust fund into a cooperative federation—the Philippine Cooperative Central Fund Federation (PCF), VICTO is now named the VICTONationalCooperativeFederationandDevelopmentCenter.VICTONational, though with a predominantly-Visayan membership, is now recruiting primary cooperatives that are based in Luzon and Mindanao as members. Both cooperative federations VICTO National and PCF currently have over-200 member-cooperatives each.

PCF (then named the Visayas Cooperative Central Fund) is organically linked to VICTO National. The officials of both cooperative federations mentioned that while PCF is focused on buoying investments, VICTO National is into capacity-building and training on how its member-cooperatives can improve their social services to its members<sup>41</sup>. VICTO National has programs that are aligned to creating market economies; to promoting some social development advocacy agenda (e.g. gender); and to promote networking between and among cooperatives. Meanwhile, PCF is primarily involved with capital generation and servicing loans.

## Loans

WHILE VICTO National is the PhilDHRRA member, VICTO's organically-linked sister federation PCF is the one that operates an enterprise lending program for returning overseas workers.

Since 2004, the Livelihood Development Program for OFWs (LDPO) of the Overseas Workers Welfare Administration (OWWA) and the National Livelihood Development Corporation (NLDC) has been handing out enterprise loans to returning OFWs. OWWA and the NLDC act as wholesalers. PCF is the lead conduit-cum-retailer of OWWA in the Visayas (coursed through the agency's regional offices in western, central and eastern Visayas regions), and PCF has been handing out LDPO loans to OFWs since 2005.

OFWs themselves, or a family-member (as certified by OWWA), can avail of the LDPO loans once they undergo business counselling, individualized supplemental training on business planning and financial management, and character investigation. For individual borrowers, the maximum loan amount is PhP 200,000 (with a 9% interest rate per annum). Critical to loan approval of the OFW's loan application are the applicant's business plan and collateral, such as land and bank assets. OFWs are also required to become a member of a PCF-member cooperative for them to avail LDPO loans.

---

41 It is to note that cooperatives traditionally offer both economic *and* social services to members.

## Load

FROM 2005 to 2008, PCF has handed out 164 LDPO loans worth PhP27.625 million [see Table 62], as retail stories were among the usual lines of business by loan avalees. Some returning OFWs were successful in their business ventures [see Box 7], such as one who currently owns a chain of spas.

### Box 7: Entrepreneurial diligence for OFW-cum-cooperative member

"SALLY" used to work at a spa in Jeddah, Saudi Arabia together with her driver-husband "Joey." Despite enjoying the high-esteem of their employers and a stable income during the years they worked overseas, the couple sold *pansit* to fellow OFWs, to grocery stores, to hospitals and to machine shops (A native of Davao City, "Joey" brought his recipe of cooking *pansit* in Saudi Arabia). With the success of their noodles in Jeddah, the couple decided to go back to the wife's hometown, the municipality of Minglanilla (in Cebu province). The couple was not able to save enough money from their nine-year overseas stint, though they are persistent in venturing into noodle manufacturing.

The couple applied for LDPO funds through PCF, and was able to borrow PhP200,000. Since the loan was not enough, the couple borrowed again—this time, to PCF's own resources, amounting to PhP1 million. The couple then became members of a PCF member-cooperative.

The loans were used to set up the backyard noodle factory and to purchase equipment (e.g. mixers, noodle-cutting machine). The factory has also employed some 10-to-15 people, and it churns out *pansit canton*, dried *miki* noodles, and *lumpia* wrappers.

The couple's noodle manufacturing business became a hit, and their "Five Star Noodle Factory" was the biggest supplier of noodles to Minglanilla while supplying some of the public markets in neighboring Cebu City. The factory earns around PhP 15,000 a day (they sell, for example, *pansit canton* at PhP30 per kilogram).

As the business is continually growing, the couple allotted an area in their compound to set up a second mini-factory that has a slicer, a cauldron, a pressing machine, and a small fireplace.

Sound business management practices also enabled the couple to set aside PhP44,000 monthly that was used to repay their loans with PCF.

But PCF's loan officers admit that many of the OFWs are not successful entrepreneurs.

It was observed that many of the OFW borrowers' enterprises do not last long. At the same time, these loan officers frequently hear family-related problems by these borrowers that, for many instances, are directly affecting the enterprises that these borrowers run. For example, instead of using earnings from the business as additional capital, these earnings go to usual family expenses. Some of their borrowers even went back overseas.

More importantly, PCF loan officers said that there is a "high number" of LDPO avalees with past due loans, and these loans have been restructured already.

**Table 62: Performance of the Philippine Cooperative Central Fund Federation for the Livelihood Development Program for OFWs**

Performance summary (2005-2008)	
Beneficiaries	• 164 approved overseas Filipino borrowers
	• 177 approved loan accounts (including those who borrowed more than once)
	• 79 individual male borrowers and 86 female borrowers (including those with multiple loans)
	• 12 beneficiaries have two or more approved loans—ten of them female
Total loans approved	• PhP27.625 million
Average loans	• Per account: PhP156,073.44
	• Per year: PhP176,562.50 (2005), PhP164,970.71 (2006); PhP143,050.85 (2007); and PhP136,666.67 (2008)

Source: Records of the Philippine Cooperative Central Fund Federation (PCF), through Ms. Eunice Enriquez

## Lessons

IN late 2009, PCF sought the help of the training officers of VICTO National to conduct a workshop on entrepreneurship and on financial education for LDPO borrowers. One of the training officers tapped was a former overseas worker who went to Afghanistan on a consultancy related to cooperatives. As narrated by the training officer, LDPO attendees “learned valuable lessons” —and the training became a tear-jerking affair since attendees linked their family-related issues to the conduct of their enterprise activities. One common tale is how abundant money coming from overseas work can easily disappear.

The reality, the trainor says, is that not all OFWs are entrepreneurial.

PCF’s loan officers and the VICTO National trainor also revealed that most LDPO applicants “need a lot of coaching” in, for example, crafting a business plan (often the basis if the loan payment would be feasible), and in handling money properly. This is where future capacity building interventions can be provided by sister-federation VICTO National.

PCF officials also admitted that they learned about the financial and entrepreneurial behavior of OFWs through the federation’s conduct of the LDPO program. For example, current and returned OFWs are hampered with a usual finance-related problem: lack of savings.

It is important to note though, that monitoring and evaluation for both OWWA and PCF are limited to the loan portfolio. As such, behind each family’s loan history are stories of how do they continue to deal with the social costs of migration. These dual tales, as a PCF loan officer thinks, are key to understanding the economic needs of OFWs and their families.

Experiences from the LDPO have made PCF realize that the handing out of enterprise loans must be reinforced with providing financial education so that OFWs will better handle their businesses and try to save. PCF also hopes that the number of OFWs with past due loans will be reduced as the federation continues being OWWA’s conduit for the LDPO.



### **Case 3: Foundation helps migrant donors hand out donations systematically**

THE Mahintana Foundation<sup>42</sup> is a grantmaking and operating foundation that has decades of experience doing social development work for South Cotabato and nearby Sarangani province. Mahintana was once the corporate giving arm of Dole Philippines, until it spun off as an independent foundation. Among its programs are education, health, cooperatives and environmental preservation.

Since Mahintana's independence from Dole Philippines in 1993, the foundation has implemented its work under four pillars: 1) Basic social services; 2) Cooperative development and institution building; 3) Environmental conservation and regeneration; and 4) Livelihood enhancement and enterprise development. Their projects have been supported by foreign and local donors.

From 1993 to 2007, Mahintana's basic social services program has implemented 23 projects, reaching 645,787 households and 309 partner LGUs, churches and schools with an allocation of PhP 36.470 million. Mahintana has also implemented 34 environmental projects that benefitted 6,640 households, and with a total worth of PhP 55.05 million. The foundation's endeavors related to building cooperatives number to 20 projects (worth PhP13.24 million), reaching 2,149 households.

Since Mahintana Foundation has largely been associated with community development work in the areas surrounding General Santos City and the provinces of South Cotabato and Sarangani, it often receives requests for assistance, including requests for books to fill up the libraries of marginalized schools.

## **Systematic**

MAHINTANA'S experience in implementing development projects systematically is even done to a unique set of donors: Filipinos abroad.

Since 2007, Mahintana has been a partner of two United States-based Filipino organizations: MoveOn Philippines (a foundation that hands out books and other school equipment to poor provinces), and the Philippine Medical Society of Florida-East Coast Chapter (a group of doctors and health professionals that is involved in doing medical and surgical missions).

Mahintana Foundation employs its own system of disbursing donations, of targeting recipients, of and ensuring that these resources support "a development agenda" in the communities the two migrant donor groups help [see Figure 11].

Notable in this case is the fact that Mahintana has an array of documentation work that ensures that donations received from the overseas Filipino groups go to targeted beneficiaries (whether requested through Mahintana, or by evaluation of Mahintana).

---

42 The Mahintana Foundation was named after the Bla-an tribe, an indigenous group believed to be one of the earliest inhabitants of Southern Mindanao. Coming from the words "mahin" (sea) and "tana" (land), the foundation was organized in 1977 through the initiative of executives from Dole Philippines, Inc. and professionals from South Cotabato.



This approach systematizes the donations and philanthropic work of migrant donor groups, whose members are volunteers and are “well-meaning amateurs” in doing development work [Institute for Migration and Development Issues, 2007].

These written reports and photographs are then sent to officials of the partner of the migrant donor groups via e-mail two-to-three days after the donations are turned over to beneficiaries. One of these groups even did not mandate such kind of detailed reports, but Mahintana Foundation officials say these reports are “standard operating procedures” whenever the foundation receives donations.

## Samples

*MoveOn Philippines.* MoveOn<sup>43</sup> Philippines is a non-profit association of migrant Filipinos based in the state of Florida. It began cooperating with Mahintana as early as 2007 when MoveOn asked Mahintana for a list of schools requesting for books. Mahintana replied by sending profiles of the target beneficiary schools (including the number of students, location of the schools, and how far the schools are from urban areas). In cooperation with the adopted schools of Dole Philippines’ school nutrition program, Mahintana Foundation became a conduit for MoveOn Philippines’ book donations to reach Dole Philippines’ adopted schools.

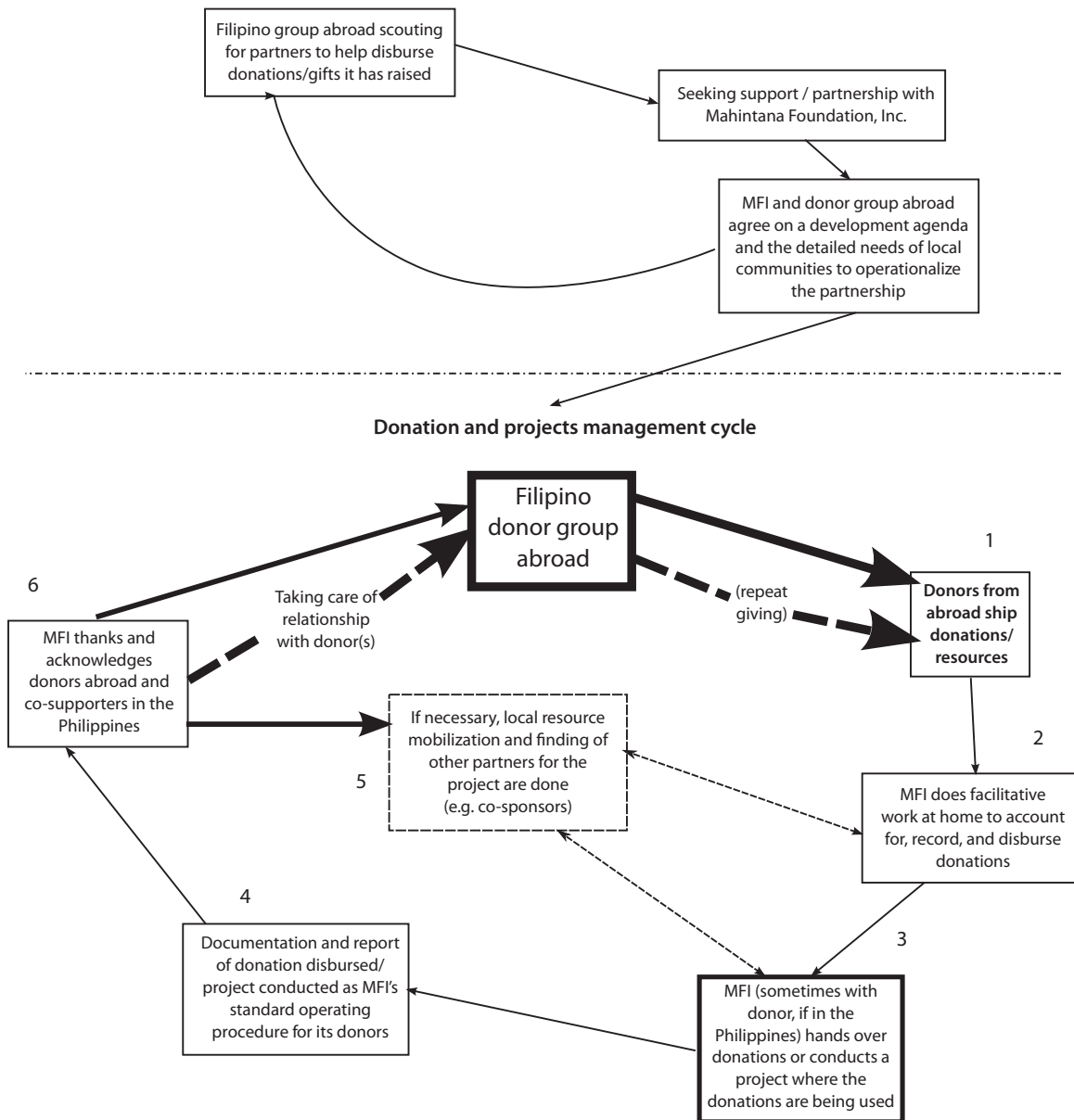
The first batch of book donations arrived in 2007 together with two laptops, and from then on, donations arrive three times a year. Sometimes, donations included computer monitors and other learning materials.

Aside from matching the donors and the beneficiaries, Mahintana Foundation makes an inventory of the donated books and organizes a turnover ceremony attended in by the schools’ principals and students. That way, Mahintana gets feedback from the school. The inventory and turnover ceremonies were quite useful for tracking the beneficiaries of the books. Together with pictures from the turnover ceremony, a Mahinatana staff member immediately prepares a report and a press release which are then submitted to MoveOn Philippines. An example is a turnover ceremony done at a local university, the Mindanao State University-General Santos City campus, where university officials expressed written thanks to donors and, more importantly, there is a tarpaulin banner (with the logos of the partner organizations, including MoveOn and Mahintana) announcing the turnover ceremony.

Information covering the years 2008 to 2009 showed that MoveOn had donated over-35,000 books to schools within the areas covered by Mahintana Foundation [see Table 63].

---

43 After the researchers conducted the case study, MoveOn Philippines was renamed READ Philippines (READ stands for Reach, Educate, Assist, and Develop) this year.



**Figure 11: Schematic diagram of efforts by Mahintana Foundation to systematize migrant philanthropy partnerships**

**Table 63: Book donations by MoveOn Philippines to beneficiaries c/o Mahintana Foundation**

Donations made	Number
Books public libraries	4,606
Reference materials for elementary school students	18,995
Reading books for elementary school students	1,568
Reference materials and workbooks for high school libraries	5,895
Reference books for college students	2,578
Books for college libraries	2,280
Total	35,922

Source: Records of the Mahintana Foundation

*Philippine Medical Society of Florida.* The partnership between Mahintana Foundation and the Philippine Medical Society of Florida was made possible with the help of a few medical doctors (former consultants of Dole Philippines) who eventually migrated to the US. Those doctors eventually met more Filipino doctors and organized a medical society. PMS actually organizes medical missions all over the Philippines, and has yet to provide assistance to the municipality of Polomolok, South Cotabato until another group, the Hawai'i-based Aloha Medical Missions, pulled out due to security concerns.

From 2007 to 2009, the Philippine Medical Society of Florida had sent thousands of books and conducted two medical missions in cooperation with Dole Philippines and Mahintana Foundation. PMS brought in a team of 40-50 doctors who did reconstruction surgeries and conduct medical missions with indigenous peoples providing medicines of about two months. While the doctors used their skills and donated their time, Dole Philippines provided up to PhP1 million (per medical and surgical mission) worth of counterpart funding to cover hospital equipment expenses. Dole has even arranged for the shipment of additional medical equipment useful for post-surgical consultations in cooperation with partner local hospitals. By coursing their donations [see Table 64] through Mahintana Foundation, the transfer of equipment from donor to beneficiary becomes free of tax coming from import duties.

**Table 64: Donations made by the Philippine Medical Society of Florida**

Donations made	Details of donations	Number
Book donations	46 elementary and 15 secondary schools and two public libraries in the municipalities of Surallah, T'Boli, Maasim, and Polomolok	23,117 books
Surgical missions	Indigent patients receiving free surgical procedures	129 patients
Monetary worth of other forms of assistance rendered	Food and other expenses during the trip	P200,000
	Expenses to pay the cost of shipping medical equipment	US\$2,93 and PhP4,000

Source: Records of the Mahintana Foundation

## **Synergy**

THE case of the Mahintana Foundation demonstrates a direct involvement by a PhilDHRRA member-NGO to allow overseas Filipinos to contribute to addressing rural development concerns (in this case, improving education and healthcare). As a facilitating institution, Mahintana Foundation is able to link donors and donees, and find a common ground between the resources available to be shared and the needs of the community.

By utilizing its partnerships in the local community, Mahintana Foundation is able to tap the cooperation of local government units, local health officials and schools, and Dole Philippines to identify needy communities. This situation has allowed donors abroad, such as MoveOn Philippines and the Philippine Medical Society of Florida, to channel their donations effectively.

Since the rationale behind all these activities is to simply assist a generous organization of Filipinos abroad to help a needy rural community, migrant donors were not actually expecting a systematic transfer of donations. But through the initiative of Mahintana Foundation to document all the donations, the donors were more than encouraged to keep on giving more to meet the needs of compatriots at home.

## **Serious look**

OVERSEAS Filipinos are one unique group. Their economic and social conditions vary, regardless if the migrant is temporarily or permanently abroad.

To the credit of CARRD / Nagkasama Multipurpose Cooperative, VICTO National / PCF, and the Mahintana Foundation, these PhilDHRRA members have learned the ropes of dealing with overseas Filipinos on their own. They have learned that there are migrants who have been successful, who are struggling, and who have faltered in their experiences as overseas migrants. They have also learned that Filipinos, particularly those living in rural areas, continue to face with the hardships of life head on.

Overseas migration does offer an opportunity to individuals, families, and rural communities. But the three featured cases offer the lesson that maximizing this opportunity coming from overseas migration requires careful study, as well as unique approaches, to make things work.

As well, the situation primarily requires NGOs to understand<sup>44</sup> the overseas migrant:

"A serious plan to link overseas Filipinos and their families should involve nothing short of endeavoring to *know their needs and concerns, not only financial but also social*. We have to be aware about some of the huge social costs of international migration, such as family problems brought about by long absence or separation, that have preceded all these remittances and benefits being received by their family members. Knowing your customer (KYC) here does not only refer to its regulatory meaning (in banking and financial parlance), but also *entails knowing the needs of the one who sends, as well as those who make the spending decisions*" [Ildefonso Bagasao, 2006].

The case studies, nevertheless, reveal opportunities where mainstream non-government organizations, foundations and cooperatives can cooperate with overseas Filipinos. At the same time, there are opportunities in which non-migrant NGOs, foundations and cooperatives can serve the overseas Filipinos sector. This includes being involved in their usual rural development advocacies [see Table 65].

Overall, the three cases reveal that there is room for nonprofit involvement to benefit not just the overseas Filipinos sector, but to addressing rural development issues of which overseas migrants have been, and can be, a part of—as those affected by these rural conditions, and as those who can contribute to improving those conditions. The desire for change, i.e. to make leaving to another place an option rather than a forced economic need, is but the grand vision of prospective efforts to link overseas migration and rural development.

---

44 Ildefonso Bagasao (2007) thinks that: a) Overseas Filipinos *do not have access to reliable information on the various savings, investment or business options available*, and rely generally on relatives and friends when making investment or business choices; b) Overseas Filipinos are *absentee investors/donors/entrepreneurs, and need reliable partners in the Philippines* to assist them in identifying viable investments, businesses, and development initiatives; and c) Because of their overseas experience, overseas Filipinos *are used to efficient systems*, and they expect no less from Philippine service providers.

**Table 65: Migration and development issues and possible interventions from non-government organizations, foundations and cooperatives**

International migration issue	General intervention	Response of development NGOs, foundations and cooperatives	Response of migrant-oriented NGOs, foundations and cooperatives
Maximizing remittances and the lack of knowledge, as well as access, to financial services and enterprise development support	Link to microfinance institutions, cooperatives, and other rural financial institutions	Provide such services in their areas of operation	Linking rural financial institutions and OFW family circle organizations; Financial literacy; surveys and database on remittance use by migrant families; transfer of knowledge on migration-and-development issues to non-migrant NGOs
Social costs of international migration	Programs for returned OFWs and the spouses and children of migrant workers	Provision of psycho-social services; links to social welfare groups, medical professionals, lawyers and counselors	Programs for migrant spouses and children (legal assistance, family and child welfare, psycho-social services, health)
Lack of basic services	Community organizing and empowerment, linking overseas Filipinos to local government units in hometowns	Existing NGO programs on livelihood, food security, housing, employment, microfinance, enterprise development	Providing specific information about overseas Filipinos' issues and concerns
Rural infrastructure and special rural development concerns	Linking the rural community to overseas Filipinos	Needs assessment; development NGOs as focal points to overseas Filipino associations and the stakeholders in the hometown communities	Assistance to link development NGOs with overseas Filipino associations; database on Filipinos abroad (e.g. from a specific hometown)

Source: Ildefonso Bagasao (2006)

## Chapter 5:

# Needs of rural-based overseas migrant families<sup>45</sup>

THE Filipino overseas exodus is everywhere.

Even data produced by government agencies reveal that all Philippine provinces, rich and poor, have overseas based residents and families receiving remittances from abroad.

It is thus not surprising that rural women and men being assisted by non-government organizations, foundations and cooperatives have embraced the overseas migration phenomenon. They include farmers and agrarian reform beneficiaries, fisherfolk, small savers who are members of cooperatives, workers in the informal economy, and beneficiaries of programs in rural development, women and child welfare, and microfinance.

While rural folk were assisted by rural-based NGOs, foundations and cooperatives for other reasons, livelihood diversification decisions led to their adoption of overseas migration<sup>46</sup>. As regards the rural area, not even a robust agricultural sector (beefed up by agricultural commercialization and expanded opportunities to boost agricultural output), or the presence of improved public facilities, can stop migration [Sally Findley, 1987].

This embracing of overseas migration may be a result of “relative deprivation”—the increased desire for a higher level of living, “that it is possible to live better” [Sally Findley, 1987].

---

45 It is to note that these needs are based primarily on the views of respondents to a survey of clients of rural development NGOs—within and outside of the PhilDHRRA network—with relatives abroad. This survey’s aim is to know these social and economic needs of overseas Filipinos and their families/relatives, and not to establish generalizability. The survey is also not intended to be a survey that will analyze micro-data, like what micro-economists do.

46 While the survey did not ask if respondents have family members who migrated elsewhere within the country, internal migration by relatives of these respondents (sometimes in tandem with international migration) is not a remote possibility.

What follows these respondents' embracing of overseas migration is their adjustment to the economic and social consequences of overseas migration. These adjustments come head on with the usual rural development conditions that rural folk face.

This chapter intends to share these rural peoples' views on how overseas migration affects their lives and their rural communities. This leads to the identification of needs of overseas Filipinos and their families that rural-based NGOs, foundations and cooperatives can provide interventions in the future.

## Diversification

DEMOGRAPHICS<sup>47</sup> can tell that respondents are diversifying livelihoods.

Noticeably, three-fourths of survey respondents are married (76.4%), and are mostly in the prime ages of working, i.e. from 18 to 55 years old (a total of 71.9%). Above 60 percent of respondents provide for the needs of families with three to six members [see Table 66].

**Table 66: Demographics of respondents**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
<i>Age</i>				
Below 18	3	0.8	2	1
18-25	20	5.2	14	6
26-30	37	9.7	30	7
31-35	42	11.0	33	9
36-40	40	10.5	36	4
41-45	43	11.3	39	4
46-50	46	12.1	41	5
51-55	46	12.1	41	5
56-60	35	9.2	32	3
61-65	22	5.8	16	6
66-above	45	11.8	41	4
No answer	2	0.5	2	0
<i>Civil status</i>				
Single	43	11.3	34	9
Married	291	76.4	248	43
Widow/er	37	9.7	35	2
Separated	6	1.6	6	0
No answer	4	1.0	4	0
<i>Living arrangements with relatives</i>				
Living alone	4	1.0	1	3
1-2 people	44	11.5	40	4
3-4 people	110	28.9	97	13
5-6 people	128	33.6	106	22
7-8 people	58	15.2	49	9
9-10 people	25	6.6	22	3
11 or more people	12	3.1	12	0

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

47 Other demographic information about the respondents: a) *Which groups assisted them?* Some 327 of them were assisted by PhilDHRRA-member NGOs and cooperatives while 54 respondents were assisted by NGOs outside of the PhilDHRRA network; b) *Gender*. About 70.6 percent of respondents (n=269) are female; and c) *Religion*. Some 78.2 percent of respondents are Roman Catholic.



Since most of respondents are married, most of them try to earn in order to meet the needs of their children (52.4%) and their parents (15.5%) (many respondents reside with these immediate and extended family members). Nearly a third of employed respondents are working everyday (65.7 percent) [see Table 66]. While the predominant occupations of respondents are farmers/forestry workers/fishermen (13.1% of respondents) and government workers (10.8%), half of respondents are jobless [see Table 67].

**Table 66: Who do respondents raise income for, and what are their work arrangements?**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
<i>Relatives living with the respondent (multiple response, n=563)</i>				
Parents	87	15.5	73	14
Children	295	52.4	256	39
Siblings	50	8.9	38	12
Nieces/nephews	37	6.6	28	9
Grandparents	6	1.1	5	1
Cousins	7	1.2	5	2
In-laws	22	3.9	16	6
Uncle/auntie	8	1.4	5	3
Grandchildren	31	5.5	24	7
Husband/wife	19	3.4	15	4
Living alone	1	0.2	1	0
<i>Work arrangements of respondents in terms of time (n=381)</i>				
Everyday	134	65.7	122	12
Weekly	11	5.4	10	11
Monthly	35	17.1	30	5
Every other week	1	0.5	0	1
Others	23	11.3	22	1

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

**Table 67: Respondents' type of work, by occupational grouping**

	F	%
Officials of government and special interest organizations, corporate executives, managers, managing proprietors, and supervisors	41	10.8
Professionals	13	3.4
Technicians and associate professionals	14	3.7
Clerks	24	6.3
Service workers and shop and market sales workers	12	3.1
Farmers, forestry workers, and fishermen	50	13.1
Trades and related workers	25	6.6
Laborers and unskilled workers	11	2.9
Others		
- Housewives	2	0.5
- Retirees	1	0.3
No response	7	1.8
No work	178	46.7
Total	381	100.0

*The Philippine Standard Occupational Classification (PSOC) was used to present the occupations of respondents.*

*Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives*

For those with work, 40.2 percent said they have other income sources apart from their current work (57.9% of the employed group have no additional income source, while 1.9% did not respond to the question). This additional income source excludes remittances from abroad, and is evidence that there is livelihood diversification by these households. Most of the endeavors respondents are engaged in are non-agricultural work and self employment (i.e. business).

Educational attainment can also be a proxy variable to determine respondents' engagement with agricultural and non-agricultural types of work. About 31.5 percent of respondents are college graduates, 22.3 percent are high school graduates, and 12.3 percent are college undergraduates—all likely to engage in non-agricultural work. Those working as farmers or fishermen can be drawn either from the elementary undergraduates (3.7%), elementary graduates (10.5%), and high school undergraduates (11%) [see Table 68].

**Table 68: Educational attainment of respondents**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
Elementary undergraduate	14	3.7	11	3
Finished elementary	40	10.5	33	7
High school undergraduate	42	11.0	37	5
High school graduate	85	22.3	73	12
College undergraduate	47	12.3	40	7
College graduate	120	31.5	107	13
Vocational/Technical course undergraduate	4	1.0	3	1
Vocational/Technical course graduate	21	5.5	17	4
Did not go to school	2	0.5	2	0
Others (graduate studies, master's degree)	4	1.0	3	1
No response	2	0.5	1	1
Total	381	100.0	327	54

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

As earlier mentioned, respondents were clients of PhilDHRRA member-NGOs and non-PhilDHRRA NGOs —and overseas migration-related problems were not the primary reason why these NGOs helped them. Most of the respondents were provided: a) medical and health assistance; b) microfinance services (i.e. credit); c) educational assistance; d) capacity building services to improve existing micro-enterprises; and e) assistance to protect their rights as farmers or fisherfolk [see Table 69]. It can be noticed that the assistance provided by rural-based NGOs address the primary economic and social needs of these people, i.e. livelihood, education, and health.

**Table 69: Forms of assistance the NGOs provided to respondents (multiple response)**

	As % to total respondents (n=381)		As % to PhilDHRRA assisted respondents (n=327)		As % to non-PhilDHRRA assisted respondents (n=54)	
	F	%	F	%	F	%
Advocacy for our rights over our land or fisheries	104	27.3	100	30.6	4	7.4
Protection of rights as farmers/fisherfolk/IPs	119	31.2	117	35.8	2	3.7
Providing support services as asset reform beneficiaries	101	26.5	91	27.8	10	18.5
Medical / health assistance	201	52.8	179	54.7	22	40.7
Educational assistance	148	38.8	144	44.0	4	7.4
Financial assistance for hunger mitigation	118	31.0	115	35.2	3	5.6
Microfinance services	154	40.4	147	45.0	7	13.0
Capacity building for microenterprises	122	32.0	119	36.4	3	5.6
Family welfare	110	28.9	87	26.6	23	42.6
Job placement	97	25.5	91	27.8	6	11.1
Community organizing / participation in civic activities	100	26.2	95	29.1	5	9.3
Assistance during natural disasters	84	22.0	82	25.1	2	3.7
Capacity-building on financial management	91	23.9	84	25.7	7	13.0
Assistance for environmental protection	105	27.6	89	27.2	16	29.6
Legal assistance	78	20.5	76	54.7	2	3.7
Other forms of assistance	14	3.7	14	44.0	0	0.0

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

While the current survey did not ask the before-migration and after-migration economic conditions of respondents' families, respondents' ownership of durable and non-durable assets were asked. Some 69.3 percent own a house and lot while 63.5 percent own a pre-paid mobile phone. Nearly a fourth of respondents have savings accounts (39.4%) and automated teller machine (ATM) cards (39.6%), indicating that they are "banked". About 38.1 percent of respondents own a farm land, which might have come due to the benefits of the country's agrarian reform program or from acquiring resources that made them able to purchase land. At least a third of respondents own a vehicle (36.2%), a personal computer (31.2%), and a post-paid mobile phone line (35.2%). One can interject that these respondents who have been assisted by NGOs may have overseas relatives to thank for helping them acquire, and later on buoy, assets [see Table 70]. The acquisition of more assets is among the benefits of livelihood diversification, thus making them go up the poverty line. The situation may also lead to another possibility: that these families are able to finance prospective overseas and domestic migration by family members and relatives.

It can also be noticed that respondents and their families are middle-class to high income earners. When asked about their average monthly income (to include overseas remittances), a third of respondents earn some P8,001-P15,000 (30.7%), while nearly 20 percent belong to the “poor” sub-group of migrant households since their monthly incomes range from P2,001-8,000 (13% for those earning P2,001-5,000 and 6.7% for those earning P5,001-8,000). Combining the percentage shares of those earning from P2,000-P15,000, there is an almost equal share of low-to-middle class income earners (50.4%), while the others are upper-middle-to-upper class income earners, i.e. those earning P15,001 up to more than P100,000 (49.6%) [see Table 71].

**Table 70: Assets owned by respondent’s family (multiple responses)**

	F	% of all respondents (n=381)	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
Vehicle	138	36.2	118	20
Computer	119	31.2	103	16
Cellphone (pre-paid)	242	63.5	201	41
Cellphone (line)	134	35.2	116	18
Savings account	150	39.4	124	26
ATM card	151	39.6	127	24
Credit card	44	11.5	37	7
House and lot	264	69.3	226	38
Farmland	145	38.1	134	11
Fishpond	7	1.8	7	0
Farm animals	87	22.8	83	4
Non-agricultural lands	38	10.0	34	4
Microenterprises	49	12.9	46	3
Agriculture-related enterprises	25	6.6	23	2
Houses for rent	19	5.0	15	4

Source: Survey of PhilDHRRA member and non-member NGOs’ clients with overseas relatives

**Table 71: Respondent family's average monthly income (including overseas remittances)\***

	F	%	PhilDHRRA assisted (n=237)	Non-PhilDHRRA assisted (n=33)
P2,000-5,000	35	13.0	32	3
P5,001-8,000	18	6.7	16	2
P8,001-15,000	83	30.7	72	11
P15,001-20,000	15	5.6	14	1
P20,001-25,000	33	12.2	29	4
P25,001-30,000	20	7.4	19	1
P30,001-40,000	22	8.1	17	5
P40,001-50,000	10	3.7	7	3
P50,001-75,000	14	5.2	12	2
P75,001-100,000	12	4.4	12	0
P100,001-and above	8	3.0	7	1
Total	270	100.0	237	33

\* A limitation of this dataset is that the research team was not able to ask in the questionnaire the exact amount of the monthly income of respondents.

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

## Dispersal overseas

DEMOGRAPHICS can also tell how overseas migration has helped diversify the income sources of people from the rural areas.

For this specific survey, respondents were asked who are the relatives working or residing abroad, where are they, what is their work abroad, how long have they been abroad, and if these relatives directly remit to the respondent and to the respondent's family.

Sons and daughters make up a third (32.7%) of respondents' overseas relatives. A fifth (21%) are respondents' siblings, i.e. their own sisters and brothers, while another fifth (22.2%) are spouses. Many of these overseas relatives are fairly recent overseas migrants, i.e. being overseas from one to five years (39%) and less than a year (14.3%); some relatives have been away for 16 to 25 years, and more [see Table 72].

Some 23.1 percent of respondents are "laborers and unskilled workers" (136 respondents), with most of them being female domestic workers. Another 20.9 percent (n=123) are "service workers and shop and market sales workers," mostly male construction workers [see also Table 72].

Many of respondents' overseas relatives are in countries where many Filipinos flock for temporary overseas work and for permanent residency. About 107 relatives (18%) are in the Kingdom of Saudi Arabia, the top destination of migrant workers based

on government statistics. Another 101 relatives (16.9%) are in the United States, the top destination of permanent residents. Some 50 relatives (8.4%) are in another prominent destination country, the United Arab Emirates; 40 relatives (6.7%) are in Canada, and another 30 relatives (5%) are in Italy<sup>48</sup> [see Table 74].

**Table 72: Relatives of respondents who are working / living abroad**

	<b>F</b>	<b>%</b>
<i>Overseas relatives of respondents (n=509)</i>		
Parents	26	5.2
Son/daughter	165	32.7
Siblings	106	21.0
Nieces/nephews	16	3.2
Cousin	25	5.0
In-laws	23	4.6
Aunt/uncle	18	3.6
Grandchildren	1	0.2
Husband/wife	112	22.2
Stepson/daughter	10	1.0
Others	7	1.4
<i>Years of overseas stay of the relative (n=593)</i>		
Less than a year	85	14.3
1-5 years	231	39.0
6-10 years	99	16.7
11-15 years	75	12.6
16-20 years	64	10.8
21-25 years	8	1.3
More than 25 years	29	1.3
No response	2	0.3
<i>Occupations of relatives abroad (n=589)</i>		
Officials of government and special interest orgs., corporate executives, managers, managing proprietors, supervisors	19	3.2
Professionals	79	13.4
Technicians and associate professionals	26	4.4
Clerks	48	8.1
Service workers and shop and market sales workers	123	20.9
Plant and machine operators and assemblers	82	13.9
Trades and related workers	48	8.1
Laborers and unskilled workers	136	23.1
Special occupations	3	0.5
Others: Housewives	7	1.2
Others: Retirees/pensioners	6	1.0
Others: Student	2	0.3
Don't know	2	0.3
No response	7	1.2
Not applicable	1	0.2

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

48 Both Canada and Italy are destination countries for temporary and permanent migrants, as these countries also provide favorable permanent residency opportunities to foreign workers.

**Table 73: Countries of work/residence of respondents' overseas relatives (multiple response; n=504)**

<b>Countries</b>	<b>F</b>	<b>%</b>
Australia	13	2.2
Bahrain	5	0.8
Brunei	1	0.2
Canada	40	6.7
China	3	0.5
Cyprus	2	0.3
Egypt	1	0.2
France	1	0.2
Germany	7	1.2
Greece	2	0.3
Grenada	1	0.2
Guam	1	0.2
Guatemala	1	0.2
Hong Kong-China	23	3.9
Ireland	2	0.3
Israel	10	1.7
Italy	30	5.0
Japan	23	3.9
Jordan	4	0.7
North Korea	8	1.3
South Korea	6	1.0
Kuwait	16	2.7
Libya	1	0.2
Macao-China	1	0.2
Macedonia	1	0.2
Malaysia	6	1.0
New Zealand	2	0.3
Nigeria	1	0.2
Norway	3	0.5
Oman	1	0.2
Pakistan	1	0.2
Qatar	16	2.7
Saudi Arabia	107	18.0
Singapore	11	1.8
Spain	3	0.5
Sweden	1	0.2
Switzerland	2	0.3
Syria	1	0.2
Taiwan	20	3.4
Thailand	3	0.5
Timor Leste	1	0.2
United Arab Emirates	50	8.4
United Kingdom	12	2.0
United States	101	16.9
West Bank and Gaza	7	1.2
West Indies	1	0.2
Other response: Europe	1	0.2
Other response: Indian Ocean	1	0.2
Are residing in multiple countries	41	6.9

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives



The survey showed that some 55.1 percent of respondents have at least one or two relatives abroad. As well, at least one relative directly sends money to the respondent (65.6%) and to the families of respondents (87.4%). However, amid the receipt of remittances from relatives abroad, 70.6 percent of respondents said their income does not primarily come from overseas remittances [see Table 74]. This means the income diversification efforts are done.

There is even a sense of help from relatives here so that other family members or relatives go overseas. About half of respondents (51.4%) borrowed money to finance the overseas trip of relatives [refer to Table 74]. Borrowing can be seen here as an investment since future remittances will be sent to family members and relatives in their rural homes.

**Table 74: Overseas relatives' remittance relationships with respondents**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
<i>Respondents' number of overseas relatives</i>				
1-2 relatives	210	55.1	171	39
3-4 relatives	75	19.7	65	10
5-6 relatives	40	10.5	36	4
7-8 relatives	10	2.6	9	1
9-10 relatives	20	5.2	20	0
11 relatives or more	20	5.2	20	0
No response	6	1.6	6	0
<i>Number of overseas relatives who send remittances to respondent</i>				
1 relative	250	65.6	212	38
2 relatives	83	21.8	74	9
3 relatives	28	7.3	26	2
4 relatives	10	2.6	8	2
5 relatives	7	1.8	4	3
6 relatives	1	0.3	1	0
7 relatives	1	0.3	1	0
No response	1	0.3	1	0
<i>Number of relatives who send remittances to respondents' families</i>				
1-2 relatives	333	87.4	286	47
3 or more relatives	47	12.3	40	7
No response	1	0.3	1	0
<i>Do all of respondents' income comes from abroad</i>				
Yes	109	28.6	88	21
No	269	70.6	236	33
No response	3	0.8	3	0
<i>Did respondents borrow money to co-finance relatives' overseas trips?</i>				
Yes	196	51.4	176	20
No	143	37.5	114	29
I don't know	34	8.9	29	5
No response	8	2.1	8	0

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

## Directly benefiting

The profile on the remittance relationships of respondents was validated when respondents were asked to enumerate all their overseas relatives abroad. Overwhelmingly, these relatives remit money directly to the respondents' families (88.7%) and to the respondent (73.4%). The remittances of nine out of ten relatives identified directly benefit the families of respondents, (92.5%), while these same remittances from seven out of ten overseas relatives directly benefit respondents themselves (73.4%) [see Table 75].

**Table 75: Remittance behavior of respondents' overseas relatives (multiple response)**

	F	%
<i>Does your relative directly remit money to your family? (n=594)</i>		
Yes	527	88.7
No	67	11.3
<i>Does your relative remit money directly to you? (n=595)</i>		
Yes	437	73.4
No	158	26.6
<i>Does your family directly benefit from the remittance? (n=598)</i>		
Yes	553	92.5
No	39	6.5
<i>Do you (respondent) directly benefit from the remittance (n=594)</i>		
Yes	441	74.2
No	136	22.9
Don't know	1	0.2
No response	16	2.7

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

It was also found that nearly a sixth of respondents' relatives abroad (58.4%) remit monthly. At the same time, it was found that commercial banks (46.4%), money transfer organizations like Western Union or Money Gram (20%), and door-to-door remittance services (19.7%) were the top conduits of overseas relatives' remittances [see Table 76].

Respondents were also asked about the remittances of relatives abroad that were remitted to them last year. It can be noticed that remittances are small. Nearly a fifth of respondents (18.4%) sent P2,001-P5,000 last year, while almost another fifth (18.9%) remitted P8,001-15,000. Thus, a fourth of all overseas relatives identified to be sending remittances sent small amounts from P2,000 to P15,000 last year. Meanwhile, those overseas relatives remitting within the range of P15,001 to P40,000 total to almost a fourth of all overseas relatives (24.3%). Thus, the monthly average range of this remittance segment is from P1,250 to P3,333.33 [refer to Table 76].

If this trend of low remittance sending is reflected on a monthly basis (which was the predominant frequency of remittance receipt by respondents), it may indicate that the overseas remittances are a drop in the bucket of the monthly incomes of respondents' families. In terms of who is the relative remitting, the results may indicate

that those relatives who sent lower remittances are siblings (brothers or sisters), nieces or nephews, cousins, in-laws, aunts or uncles, and grandchildren of respondents. Those who sent higher remittances are either some children of respondents who are the families' primary breadwinners, or the spouses of respondents since they tend to children's needs at home. This may also mean that the overseas remittance is not the primary source of income of respondents.

**Table 76: Remittance behavior of respondents' overseas relatives (multiple response)**

	F	%
<i>How frequent do they remit money? (n=599)</i>		
Monthly	350	58.4
Every two months	58	9.7
Once or twice a year	64	10.7
3-to-5 times a year	82	13.7
Others	34	5.7
Don't know	1	0.2
No response	10	1.7
<i>How do your relatives abroad send money? (n=595)</i>		
Via commercial bank	282	47.4
Rural bank	9	1.5
Cooperative	5	0.8
Door-to-door	117	19.7
Western Union / Money Gram	119	20.0
Courier company	2	0.3
Pawnshop	8	1.3
Personally given by relative (brought home)	26	4.4
Given through a friend ( <i>padala</i> )	15	2.5
Through text	3	0.5
Others	9	1.5
<i>Average remittances sent by overseas relatives (n=585)</i>		
P2,000-5,000	108	18.4
P5,001-8,000	32	5.4
P8,001-15,000	111	18.9
P15,001-20,000	36	6.1
P20,001-25,000	61	10.4
P25,001-30,000	19	3.2
P30,001-40,000	27	4.6
P40,001-50,000	28	4.8
P50,001-75,000	55	9.4
P75,000-100,000	37	6.3
P100,001 and above	74	12.6

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

Respondents said their daily expenses cover basic needs. The top four expenses of respondents (which also indicate their top expenses that come from all the incomes they get, including overseas remittances) are food consumed at home (92.7%), water and electricity bills payments (78.5%), communication and medical expenses (68% each), and educational expenses (67.7%). These findings [see Table 77] are consistent with previous studies on where do overseas migrants' families spend their money [Alvin Ang, et. al, 2010; Asian Development Bank, 2005].

What is surprising is the other identified uses by respondents of spending their incomes (including remittances). About 48.8 percent of respondents save, whether for future emergencies or for mid-to-long-term investments. This, however, coincides with paying debts for respondents' daily expenses (45.9 percent) —revealing that incurring debts is a common occurrence for Filipinos in rural areas. At least a fourth of responses (41.7%) use their incomes and overseas remittances for renovating their homes —this being a common sight for Filipinos in the provinces since remittances help finance dreams of owning a home [see Table 78]. Another surprising result is that a third (35.7%) purchased educational plans.

**Table 77: Expenditure items of respondents' households**

	F	% of total respondents (N=381)	PhilDHRRA assisted (N=327)		Non-PhilDHRRA assisted (N=54)	
			F	% of N	F	% of N
Food consumed at home	342	92.7	291	89.0	51	94.4
Food consumed outside of home	147	39.8	115	35.2	32	59.3
Liquor	20	5.4	18	5.5	2	3.7
Cigarettes	27	7.3	21	6.4	6	11.1
Lottery	12	3.1	9	2.8	3	5.6
Water and electricity bill payments	299	78.5	248	75.8	51	94.4
Transportation expenses	217	57.0	176	53.8	41	75.9
Gasoline	97	25.5	82	25.1	15	27.8
Communication expenses	259	68.0	217	66.4	42	77.8
Home appliances and furniture	192	50.4	160	48.9	32	59.3
Personal effects / toiletries	218	57.2	176	53.8	42	77.8
Clothes and shoes	203	53.3	168	51.4	35	64.8
Expenses for education	258	67.7	219	67.0	39	72.2
Leisure activities	74	20.1	58	17.7	16	29.6
Medical expenses	259	68.0	210	64.2	49	90.7
Rental payment	36	9.8	26	8.0	10	18.5
Tax payment	143	38.8	118	36.1	25	46.3
Expenses for special occasions	199	52.2	161	49.2	38	70.4
Gifts / donations	156	42.3	121	37.0	35	64.8
Other expenses	21	5.7	18	5.5	3	5.5

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

**Table 78: Expenditure items where remittances are also used**

Age brackets	F	% of total respondents (n=381)	PhilDHRRRA assisted (n=327)		Non-PhilDHRRRA assisted (n=54)	
			N	% of N	N	% of N
Payment for debt on everyday expenses	175	45.9	151	46.2	24	44.4
Payment for debt on business	46	12.1	44	13.5	2	3.7
Payment for debt incurred to finance relative's trip abroad	94	24.7	88	26.9	6	11.1
To buy a lot or a farmland	55	14.4	50	15.3	5	9.3
To buy a house and lot	57	15.0	51	15.6	6	11.1
For house renovation	159	41.7	142	43.4	17	31.5
To improve farmland	52	13.6	46	14.1	5	9.3
To improve fishpond	12	3.1	12	3.7	0	0.0
To purchase educational plans	136	35.7	108	33.0	28	51.9
To purchase health insurance plans / contributions	98	25.7	81	24.8	17	31.5
To lend money to other relatives	71	18.6	61	18.7	10	18.5
To lend to friends or neighbours	51	13.4	40	12.2	11	20.4
For business capital	83	21.8	76	23.2	7	13.0
To spend during special occasions	120	31.5	93	28.4	27	50.0
Savings	176	48.8	148	45.3	28	51.9
Other intended purposes	17	4.4	13	4.0	4	7.4

Source: Survey of PhilDHRRRA member and non-member NGOs' clients with overseas relatives

The overseas remittance also includes some perks for dependents left behind, such as the *balikbayan* box (a container box filled up with gifts to the family such as food, clothes, personal care products, some electronic equipment, among others). A sixth (62.2%, n=237) of respondents got a *balikbayan* box from relatives abroad. A fourth of those 237 *balikbayan* box recipients receive a box once a year (40.8%), as others receive a box either twice (29%), thrice (10.5%), or even 12 times a year (0.8%) [see Table 79].

**Table 79: Respondents' receipt of a *balikbayan* box**

	F	%	PhilDHRRA assisted	Non-PhilDHRRA assisted
<i>Do you receive a balikbayan box?</i>				
Yes	237	62.2	204	33
No	142	37.3	121	21
No response	2	0.5	2	0
Total	381	100.0	327	54
<i>How many times did you receive a balikbayan box in a year?</i>				
Once	97	40.8	83	14
Twice	69	29.0	60	9
Thrice	25	10.5	21	4
Four times	11	4.6	11	0
Five times	6	2.5	6	0
Six times	2	0.8	2	0
Seven times	1	0.4	1	0
Ten times	1	0.4	0	1
Twelve times	2	0.8	1	1
No response to question	23	9.7	20	3
Don't know	1	0.4	1	0

*Numbers may not add up due to rounding off*

*Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives*

Another perk of income diversification that is buoyed by overseas migration is a propensity to save. Above half of respondents (54.6%, n=208) are able to save, while the non-savers gave a host of reasons for their inability to save (e.g. enough income for daily expenses, incomes "sufficient" for family's needs, among others). Not surprisingly, the commercial bank is the most preferred place for half of savers (55.8%) to keep their savings. But given the rural outreach of cooperatives, whether multi-purpose or credit and savings cooperatives, some 22.1 percent of savers place their savings in rural cooperatives. This may be because these cooperatives are near their residences, or respondents are currently members of these cooperatives [see Table 80].

**Table 80: The savings propensities of respondents and their families**

Are respondents' families able to save? (n=381)			PhilDHRRA assisted (N=327)		Non-PhilDHRRA assisted (N=54)	
	F	%				
Yes	208	54.6	180		28	
No	169	44.3	143		26	
No response	4	1.0	4		0	

Where do respondents' families who save keep their savings? (n=208)	Total savers		PhilDHRRA assisted (N=180)		Non-PhilDHRRA assisted (N=28)	
	F	%	F	% of N	F	% of N
Commercial bank	116	55.8	97	53.9	19	67.9
Rural bank	27	13.0	24	13.3	3	10.7
Cooperative	46	22.1	46	25.6	0	0.0
Kept personally	34	16.3	27	15.0	7	25.0
Informal revolving fund	4	1.9	3	1.7	1	3.6

Numbers may not add up due to rounding off

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

## Dabbling with migration

RESPONDENTS may have decided to have some relatives to work or reside abroad as an investment. But such investment comes with it risks.

These risks are visibly felt at the family level. Nearly a sixth of respondents (57%) think family problems arose given the departure of a family member overseas [see Table 81]. The situation can be probably seen for those children and for spouses who are overseas. Parents left behind worry for the safety of their children, especially relatively young overseas migrants (i.e. those abroad for one to five years now). Spouses, especially with children to tend for in the rural residence, all the more carry those family-related issues associated with the migration of either the father or mother, or both. Even respondents' families had to spend in order to resolve the family-related problems brought about by overseas migration; some used remittances from abroad to solve these problems [see Table 82].

**Table 81: Do family problems arise due to the departure of a family member to work abroad?**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
Yes	217	57.0	186	31
No	159	41.7	137	22
I don't know	1	0.3	0	1
No response	4	1.0	4	0

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

**Table 82: Resolving migration-related family problems through spending**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
--	---	---	----------------------------	-------------------------------

*Have respondents spent money in solving overseas migration-related family problems?*

Yes	128	33.6	108	20
No	185	48.6	158	27
I don't know	63	16.5	57	6
No response	5	1.3	4	1
Total	381	100.0	327	54

*Have respondents used the remittance in solving family-related problems brought about by overseas migration? (n=128)*

	Those who incurred costs (n=128)		PhilDHRRA assisted (n=108)		Non-PhilDHRRA assisted (n=20)	
	F	%	F	%	F	%
Yes	93	72.7	77	71.3	16	80.0
No	32	25.0	28	25.9	4	20.0
I don't know	11	8.6	9	8.3	2	10.0
No response	1	0.8	1	0.9	0	0.0

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives



Since these respondents are in rural communities, and there is a culture of relatedness [Filomeno Aguilar, 2009] that prevails between and among people and families here and abroad, the current survey also asked respondents their thoughts on identified situations surrounding overseas migration, family welfare, and community relations between these migrant families and immediate community members. It can be gleaned from these results that respondents are facing the social costs of migration head on, and resolve these issues on their own. Though, community conditions have their means to influence the decision to migrate [all in Table 83].

- *Family well being.* There is a sense that families of these respondents are managing the family-related social costs associated with overseas migration head on. About half of respondents (50.9%) agreed that children of overseas workers, given the absence of one or two parents, are not well taken care of. Though, many disagreed (44.9%) that children cannot concentrate on their studies given the absence of one or both parents, and that they resort to vices and to being rebellious within their families.

As for the welfare of elderly members of these families with overseas-based relatives, 44.9 percent of respondents disagreed there is no one left to take care of these elder family members. Half of respondents (50.9%) agreed children feel they are not well taken care of by their parents since one parent is, or two parents are, out of the country.

Just above half of respondents are able to save, though it was not mentioned whether the savings was used for emergencies or for long-term investments. But it is not surprising that 64.3 agreed “they cannot save” since remittances are used for daily expenses (e.g. food consumed at home, utilities). Amid the need to spend the remittances on daily needs, half of respondents disagreed (50.1%) they lack the knowledge on how to budget and invest remittance money. The ability to handle remittances properly and make some savings or investments impacts on a family’s handling of the social costs of overseas migration and, hopefully, makes families at home less reliant on overseas migration and remittances.

- *Attachment with relatives.* There is a sense that respondents are attached to overseas relatives: About 89.3 percent agreed they continue to worry for the safety of their overseas relatives. As well, 57 percent of respondents disagreed they are emotionally unattached to relatives and need to do something to improve their dealings with them.
- *Family’s economic needs and overseas migration’s influences.* There seems to be mixed views about how economic conditions in rural communities pushed them to decide on overseas migration as a livelihood diversification strategy.

Consistent with the earlier result that most families do not rely on remittances from abroad as a major income source, nine out of ten respondents disagreed

that the family members at home do not need to work because of overseas remittances (90.9%).

Respondents were also asked their views on employment and livelihood conditions that may have influenced their families' overseas migration decisions. Given the high number of unemployed respondents, it was not surprising that 56.7 percent agreed it is difficult to obtain a job in their rural communities and a major source of livelihood is overseas remittances. Though, there are a visible number of those who disagreed that there is no job in rural communities.

Respondents were also asked if the farm land or the fish pond is unproductive and this made them decide to send overseas relatives. Even if a third of all respondents have farm land as an asset, 35.7 percent of respondents had no comments to the said query.

- *Migrant families' welfare and seeking support from immediate communities.* Given that overseas migrants and their families face unique socio-economic and family welfare conditions, it is interesting then to find out if there is a sense of a community response given the implications of overseas migration unto family welfare.

About half of respondents (52.2%) agreed that people in the community are, or have been, victims of illegal recruitment. It is to note rural areas are a common source of illegally recruited workers, including trafficking victims. Some 30 respondents even believed that migration is a last resort given their economic needs, as well as the rising costs of living.

Meanwhile, 46.7 percent of respondents disagreed that their overseas relatives are victims of abuse, unfair labor practices and other similar welfare cases. Still there are about 27 percent of respondents who agreed that relatives abroad are victims of these incidents.

It is but logical that the first recourse is to seek help from within their rural communities. However, nearly half of respondents (48.6%) agreed that this help or assistance is not readily available in their immediate rural communities in case their overseas relatives need help.

**Table 83: Views toward family-related situations affected by overseas migration**

		SA	A	D	SD	NC
Family well-being	There is no parent that is taking care of the children left behind. The children then feel they are not well taken care of by their parents.	12.6	38.3	30.2	4.7	14.2
	Children behind by parents working abroad cannot concentrate on their studies because of the absence of the parent/s. Some even rebelled and turned to harmful vices.	7.9	30.0	38.1	7.9	16.5
	There is no one left to care for the elder members of the family	3.9	28.1	40.2	4.7	23.1
	We lack the knowledge on how to budget and invest our remittance money	5.2	33.9	40.7	9.4	10.8
Family's economic needs and overseas migration influences	It is difficult to obtain a job in our community, that is why our main source of income comes from remittances abroad.	11.8	44.9	31.5	5.2	6.6
	The farmland/fishpond is unproductive that's why we decided to send one of our relatives abroad.	2.9	32.2	24.9	4.2	35.7
	Family members who are left behind continue to worry for the safety of their relatives.	36.0	53.3	6.3	0.5	3.9
Attachment with overseas relatives	We feel emotionally unattached to relatives who have been working abroad but we try to rekindle our relationship with him/her.	5.2	25.5	44.1	12.9	12.3
	Our friends and neighbors always ask for financial help from us because they know they have relatives abroad.	7.3	39.1	32.8	6.3	14.4
Migrant families' welfare and seeking support from immediate communities	Relatives abroad are victims of abuse, unfair labor practices, and others	5.5	22.0	36.7	10.0	25.7
	Help or assistance is not readily available for families in the Philippines in case their relatives are in need.	6.3	42.3	34.4	4.7	12.3
	There are people in our community who are/ were victims of illegal recruiters <sup>+</sup>	13.4	38.8	18.6	2.4	26.7

Legend:

SA – strongly agree; A – agree; D – disagree; SD – strongly disagree; NC – no comment

Some numbers may not add up due to rounding off

<sup>+</sup> Among PhilDHRRA non-member respondents, 30 respondents think that the reason people in the community are victims of illegal recruiters is because of "high cost of living"

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

## Dealing with community realities

FOR sure, communities are affected by overseas migration realities that migrant families primarily face.

In reverse, the negative consequences that migration brought about in rural communities (e.g. inequality or the gap between the “haves” and have-nots,” community involvement that includes overseas migrants and migrant families, the benefits of remittances to communities, community-wide jealousy to the visible resources of migrant families) go back to the families affected by overseas migration. Even existing community conditions push rural folk overseas. These community-related realities associated with overseas migration and hometown development were asked to respondents.

Above half of respondents (53.8%) said overseas migration provided both positive and negative impacts to their rural communities. At the same time, the impact of these community-wide consequences of overseas migration unto families is both positive and negative, for 58.5 percent of respondents [see Table 84].

**Table 84: Views on the impact of migration issues on rural communities**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
<i>How is your community affected by migration?</i>				
Positive	82	21.6	72	10
Negative	12	3.2	10	2
Both positive and negative	204	53.8	171	33
Community is not affected	31	8.2	27	4
I don't know	41	10.8	36	5
I don't care	9	2.4	9	0
No response	2	0.5	2	0
<i>What is the effect to your family of community issues brought about by overseas migration?</i>				
Positive	70	18.4	61	9
Negative	14	3.7	11	3
Both positive and negative	223	58.5	192	31
Community is not affected	35	9.2	31	4
I don't know	32	8.4	25	7
I don't care	6	1.6	6	0
No response	1	0.3	1	0

*Numbers may not add up due to rounding off*

*Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives*

Respondents were also asked their views on community-related conditions and impacts of overseas migration, as well as their views if their rural communities have improved given overseas migration [all on Table 85].

- *Community-level push factors for overseas migration.* Above half of respondents agreed that low incomes in the agricultural sector “forced” people to work (54.8%); lack of employment opportunities in the rural communities have left people with no choice but to migrate (72.7%); and rampant corruption and unfair politicking (67.4%), as well as widespread negative community issues (65.4%), made people think of migrating to other countries;
- *Overseas migration’s influence and impacts to rural communities.* Majority of respondents agreed that rural communities are swarmed with big, luxurious houses courtesy of remittances (89.2%); that family-level problems brought about by overseas migration are affecting rural communities directly (74.6%); that remittances are a major income source for communities especially since business is not lucrative (62.5%); and that rural communities lack nurses, doctors and other professionals because they already migrated (56.4%); and
- *Aspirations for community-wide improvements vis-à-vis overseas migration.* Most of respondents agreed that in spite of overseas migration, overseas-sourced remittances, and the rising number of families with overseas relatives: a) communities’ economic situations are still the same (63.5%); b) public services provided by local government units are insufficient (57.8%); and c) poverty still prevails in rural communities (71.6%).

The results of this set of findings indicate that improving socio-economic conditions in rural communities remains much to be desired—that overseas migration is a “forced option” to get out of economic misery, and that respondents feel their immediate rural communities remain unchanged. What results are also showing is that to the respondents’ point of view, overseas migration is now impacting on rural community life and has yet to spur change in these same rural communities.

**Table 85: Views on the situations facing rural hometown communities as rural folk go abroad**

		SA	A	D	SD	NC
Community-level push factors for overseas migration	With low income on farming, farmers and fisherfolks in our community are forced to work abroad	11.0	43.8	21.0	3.1	21.0
	There are no employment opportunities in our community so people have no choice but migrate	12.9	59.8	18.4	2.4	6.6
	There is rampant corruption and unfair politicking in our community. People are fed up that's why they migrate	24.1	43.3	12.6	2.1	17.8
	Negative community issues are widespread in our area that's why people are thinking of migrating to other places	17.1	48.3	12.9	2.9	18.9
Overseas migration's influence and impacts to rural communities	There are families in our communities with big, luxurious houses, coming from remittances	33.6	55.6	7.9	0.0	2.9
	The problems of families with relatives abroad are directly affecting our community	10.0	64.6	10.2	1.0	14.2
	Remittances are a major source of income in our community since business is not lucrative	9.7	52.8	28.9	1.8	6.8
	Community lacks nurses, doctors and other professionals because they already migrated	13.9	42.5	28.6	3.1	11.8
Community improvements vis-à-vis overseas migration?	The economic situation is still the same even if remittances flow in our community	12.1	51.4	26.0	1.3	9.2
	Public service provided by our local government is insufficient despite inflow of remittances	12.9	44.9	19.7	2.4	20.2
	Poverty is still prevalent in the community even if there are families with relatives abroad	13.6	58.0	21.8	1.6	5.0

Legend: SA – strongly agree; A – agree; D – disagree; SD – strongly disagree; NC – no comment

Some numbers may not add up due to rounding off

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

When confronting these community-wide problems or concerns, will community members abroad help their rural hometowns, and will community members in the hometown help migrant families? There seems to be a disconnect as regards doing civic action to resolve overseas migration-related and community-related problems. On one hand, nearly a sixth of respondents (59.7%) think there are no groups or organizations that help or assist in resolving migration-related problems. However, 59.5 percent of respondents think that Filipinos abroad may help in solving the problems facing rural communities [see Table 86].

**Table 86: Are there groups or organizations in your community that help or assist with migration-related problems? (n=381)**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
<i>Are there groups in your community that help or assist in addressing migration-related problems?</i>				
Yes	76	20.0	72	4
None	227	59.7	191	36
I don't know	77	20.2	63	14
No response	1	0.3	1	0
<i>Do you think fellow Filipinos abroad can help in solving the problems in the community?</i>				
Yes	225	59.5	204	21
No	38	10.1	26	12
I don't know	114	29.9	93	21
No response	4	1.0	4	0

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

## Deplete of assistance?

IT was not surprising that nonprofit action for overseas Filipinos and their families based in the rural areas was not visible.

Even though these respondents were assisted by PhilDHRRA and non-PhilDHRRA NGOs, many of them (63.6%) did not think of seeking help or assistance to these same NGOs to address migration-related problems [see Table 87]. Although, for some 17.6 percent of respondents, they sought the help of these NGOs to resolve migration-related problems. This means that there is room for nonprofit action to address the needs and concerns of overseas Filipinos and their families.

**Table 87: Have you thought of seeking help or assistance from the NGO as regards addressing migration-related problems? (n=381)**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
Yes	67	17.6	60	7
No	240	63.0	201	39
No response	68	17.8	66	2
Not applicable	6	1.6	6	0

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

Respondents were thus asked what these NGOs can do to them if these respondents and their families seek NGOs' assistance in addressing migration-related problems. The top two needs are related to sourcing out incomes, such as entrepreneurship (first) and providing employment opportunities for relatives left behind (second). Providing advice to help ensure the safety of overseas relatives was the third priority, followed by counselling to take care of family members and children of overseas migrants based in rural homes (fourth) [see Table 88].

For these NGOs doing rural development work, including those who have yet to see opportunities from overseas migration (as observed in the survey of PhilDHRRA member-NGOs [see Chapter 4]), there might be an opportunity in providing assistance to overseas Filipinos. About 96.5 percent said they and their relatives abroad are willing to help the NGOs' community-related programs if the NGOs assist them in addressing migration-related problems [see Table 89]. This indicates that it is the overseas remittance recipients themselves who are telling the NGOs that they are willing to reciprocate the help NGOs will provide them.

**Table 88: If you are to seek help or assistance from this NGO regarding migration-related problems, what type of assistance will you need?**

	Weighted mean	Rank
Capacity-building on financial management and investment	4.75	5
Counselling on how to care for family members left behind, especially children	4.74	4
Entrepreneurship	3.43	1
Employment opportunities for relatives left behind	3.81	2
Advice on safety for temporary and permanent migrants	4.59	3
Legal assistance for cases of relatives abroad	4.84	6
Debt payment	6.21	9
Support services that may be availed of (health, education, calamity aid, etc.)	5.12	7
Advocate for our rights as relatives of overseas Filipinos	5.22	8

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives



**Table 89: Respondents' willingness to support NGOs' community programs if they and their relatives abroad were provided help? (n=370)**

	F	%	PhilDHRRA assisted (n=327)	Non-PhilDHRRA assisted (n=54)
Yes	357	96.5	304	53
No	6	1.6	6	0
No response	18	2.0	17	1

Source: Survey of PhilDHRRA member and non-member NGOs' clients with overseas relatives

## Development agenda

THE findings of this current survey of rural folk assisted by NGOs and who have relatives based abroad have already provided the needs that nonprofit actors can begin to reflect on.

The findings also imply a development agenda for rural development NGOs, foundations and cooperatives. For one, these families receiving overseas remittances face both rural development and overseas migration-related problems head on. For another, their remittance behavior is an agendum that warrants further interventions from civil society organizations. Not only can NGOs, foundations and cooperatives can address the social costs of migration that these families face, but these groups can also use economic-related interventions for migrant families to better handle their resources and, eventually, diminish the existing gravity of their dealing with the social costs of migration.

These respondents have also proven to handle these problems on their own since many of them feel that there are not much NGOs willing to help them. Sure, they might have been helped by NGOs (including PhilDHRRA members), but these migrant relatives have not thought of seeking help from these NGOs which previously helped them on other issues, but not on overseas migration issues. The situation reveals a deficit in many Philippine rural areas as regards providing nonprofit action for overseas Filipinos and their families.

However, an overwhelming number of respondents has expressed willingness that they and their overseas relatives are willing to help NGOs, foundations and cooperatives if they all help them in their dealing with overseas migration issues and realities. This means that overseas migrants and their families can be future players in addressing rural development issues, provided that overseas migration concerns are also considered in prospective nonprofit actions.

## **Chapter 6:**

# **Analyses, Conclusions and Recommendations**

HARVESTS and hardships are both seen in rural areas when residents adopt overseas migration to diversify their rural livelihoods.

The families, communities, and economic sectors in these rural areas are all directly and indirectly affected by these positive hauls from overseas migration (especially remittances and the assets acquired given remittances), as well as by the problems the phenomenon posed.

In an ideal situation, development may be viewed as a vehicle for rural families to create options to either move out or stay in rural areas [Sally Findley, 1987: 240]. But as some of the findings of this current research may have implied, rural residents and their families surveyed may have limited options to stay —or may even have limited means to go somewhere to maximize their economic potentials. For now, it seems that a rural household's intention to migrate outside of the rural area is associated with their feeling that there are insufficient livelihood opportunities, or that they prefer a job or a living environment different from their rural environment [Erniel Barrios, 2008: 26].

Thus saying, in the last three to four decades that have seen many rural Filipinos resort to overseas migration, rural areas and their families have long coped with how overseas migration has gained and cost them.

Yet the situation is not all negative for rural areas. There are opportunities arising from not just the overseas migration of rural residents, but also from the geographic relationships between leading and lagging areas, as well as progressive and developing countries.

The World Bank [2009: 168-169] provides a vision of how rural areas can work on a future beside continued overseas migration:

“Not everyone chooses to migrate. Moving can be a costly, difficult and disruptive decision...(M)ovements of labor—from villages to towns, between towns and cities, across borders in the same region, and from poor to distant wealthy countries— are selective. Migrants are not the same as people who stay behind. And while many individuals move in search of a better job or higher education, many others—particularly those in the rural areas of low and middle-income countries— seek basic schooling and health care for their families.

But this (type of) migration is economically inefficient. By overlooking the provision of basic social services in outlying areas—such as schools, primary health centers, and even basic public infrastructure—policy makers can unwittingly influence the choice to migrate, motivating households to move for reasons other than to exploit economic opportunities. While the move is welfare improving for these families, the economy may end up worse off.

By focusing more attention on providing education, health and social services in outlying, economically lagging areas, governments can go a long way toward eliminating some of the reasons households are pushed to migrate. These efforts can, in turn, improve the quality of migration.”

## **Hometown improvement**

THE task of improving the social and economic conditions of rural areas remains fundamental.

This vision operates in a situation where rural households continue to use various means—farming, off-farming, non-farming, and migration—to sustain their livelihoods. As well, these rural areas sustain their local economies through agricultural and non-agricultural means (with migration providing supplementary economic resources) while they continue to manage their natural resources.

Hometown improvement is the way to not only address rural poverty, or to meet rural folk’s social and economic needs, or to welcome incoming resources from migrant community members. Developing the hometown will eventually improve the quality of future migration from the rural areas—producing migrants who went elsewhere by choice and not as a forced economic option.

Since many rural areas in the Philippines may not progress without supplementary resources from overseas and internal migrants, development stakeholders might as well begin developing *a rural development and migration strategy*. The spirit of this strategy is that local rural areas will see their social and economic pillars —rural folk, local government, business, civil society, and overseas and internal migrants— providing contributions to rural development. There have been many strategies, for example, by rural development NGOs these past decades that utilized people’s participation to implement integrated approaches to rural development<sup>49</sup>. The time is ripe for rural development actors to integrate approaches on sustainable, integrated development with harnessing the resources from overseas Filipinos.

## **Bearing with overseas migration**

SOMETHING is also essential in this respect: outcomes of overseas migration are relevant to consider in rural development efforts.

The analysis on overseas migration and rural development [*see Chapter 2*] has shown that overseas migration does provide rural development outcomes that are both a bane and a boon to rural areas. Farming families adopting overseas migration, for example, have been using remittances to improve their farming assets and properties and even provide jobs to other rural folk. However, there is the risk that some of these farming families may leave farming in the future and their diminished work effort. As observed by some [Thelma Paris et. al, 2009], the farming harvests by those with and without migrants are almost similar even if the former had remittances. Some rural families have made overseas migration their way out of poverty, though the gap between the rich and the poor has not been bridged in many rural areas —and the rural areas still have poor people [Robert E.B. Lucas, 2007; J.P. Leones and Sarah Feldman, 1998].

The situation that currently happens is that overseas migration is a route to escape from agriculture, in the guise of searching for more economic opportunities. What this insight implies is that a faltering agricultural sector —whose profits and job generation efforts are meek, and its size is small to accommodate a growing workforce— is one major push factor for overseas migration by Filipinos from rural areas. This leads to a “new kind of rurality” that is permeating rural areas, as evidenced by the green bucks that rural families, including farmers and fisherfolk, haul from their overseas relatives.

Some suggested that one of the ways that the development potential of migration may be harnessed is to link remittances with agriculture [Fernando Aldaba and Jeremaiah Opiniano, 2008]. The suggestion seems strategic since improving the productivity of the agricultural sector is critical for growth of rural areas, of the agricultural sector, and of the country as a whole. At the same time, agriculture is where most of the Filipino poor are found —and if there is rapid agricultural productivity, then poverty reduction efforts will be accelerated [World Bank-East Asia and Pacific Region,

---

<sup>49</sup> An example in this regard is the Sustainable Integrated Area Development Approach (SIAD) of PhilDHRRA.

2010: 31-32].

But is investing in agriculture a sound decision on the part of the overseas migrant if the sector has stagnated and if there is lack of support to the agricultural sector? Some rural folk who were previously overseas workers were bold enough to make that decision to invest in agriculture and they succeeded through hard work and through knowing new farming techniques [*see Box 8*].

For migrant investments to come to agriculture, the long-standing problems that persisted in both agriculture and infrastructure development must be addressed, such as property rights and agrarian reform, improving roads, irrigation centers and public facilities, and addressing fundamental asset reform issues facing farmers and fisherfolk. Doing so will attract rural investments. There is also empirical evidence [Jerry Olsson, 2008] that show that if infrastructure in a rural area improves, it buoys the trade and investment of local products, provides an arena for market competition, brings down production costs, bridges the distance between local producers and target markets, and eventually leads to increasing rural household incomes. If such is the case, then remittance incomes from abroad are ripe to be invested in these rural hometowns with improved physical structures.

At the same time, improving the agricultural sector runs in tandem with improving the rural non-farming economic sector. Improving the rural non-farming sector is not only a means to sustain the ongoing livelihood diversification efforts of rural households, but this is also meant to provide more dynamism into the overall economic activities of rural areas. Even a robust non-farming economic sector will feed off resources to the farming sector. At the same time, overseas or internal migrants, as well as other rural folk, will now have more options to invest either in the farming and non-farming sectors, or both —whatever situation is found to be profitable and favorable for investors.

**Box 8: Successful agricultural entrepreneurs who are ex-OFWs**

*Rosalie Ellasus* (San Jacinto, Pangasinan)

She was a former nanny and marketing executive in Singapore, and a nursemaid in Canada. She used some her savings from overseas work to plan corn using biotechnology. At first she had a 1.3 ha. farm, but the farm expanded 6 ha. after she tried out biotechnology practices. She is now one of the country's successful genetically-modified corn producers. This former president of the Philippine Maize Federation (PhilMaize) is also a winner of the Kleckner Trade and Technology Advancement Award in 2007 for using biotechnology to solve the production challenges on her farm [Rudy Fernandez, 2009].

*Eliseo Sonillo* (Iloilo province)

Sonillo worked for six years as a horticulturist in the United States. He then went back to his home province, Iloilo, in 2006 to improve the family farm. With support of technicians from the Department of Agriculture, Sonillo started planting mango trees. To date, he now has over-136 fruit bearing mango trees in his mango plantation. He even uses techniques like pruning and fruit bagging to reduce the use of chemicals and minimize the spread of fungal diseases in the farm. In 2009, he was cited as the Outstanding High Value Commercial Crop (HVCC) farmer for Western Visayas by the Department of Agriculture [Philippine News Agency, 2009].

*Nestor Urbien* (Magsingal, Ilocos Sur)

Urbien once worked in a big dairy company in Al-Ghata, Saudi Arabia. He returned to the Philippines in the early 1990s since other nationals are being hired for lower pay. In his return, he previously planted tobacco, but since he was not earning from tobacco planting, Urbien shifted to corn production. In 2000, he planted three ha. of yellow corn and got 7.1 tons per hectare—and the production soon grew. He also employs improved techniques of production, as well as fertilizes his plants with organic and chemical fertilizers. For his feat, he was adjudged as the country's Most Outstanding Corn Farmer of the Year by the Department of Agriculture in 2009 [Agribusinessweek, 2009].

But in improving both agriculture and non-farming sectors with supplementary help from overseas migration, rural areas and their stakeholders must be prepared to mitigate the negative consequences brought about by overseas migration. These consequences directly impact on families receiving remittances, and their enduring of migration's large and unseen social costs affects their impending productivity in rural areas.

At the same time, communities will surely be affected by the trickle-down benefits of migration, and local leaders and stakeholders must find ways to improve local communities so that remittances and other resources from outside the rural areas will funnel local economic development activities. If a sound local economic development strategy that is enjoying support from overseas migrants and their resources leads to a situation that poverty in rural areas is reduced, then rural areas should expect further investments that are not out of hometown empathy but are out of maximizing economic opportunities being made available unto people, whether migrants or not.

There is also a stress at improving the investment climate in rural areas. The investment climate<sup>50</sup> refers to the “political, administrative, economic and infrastructural conditions for getting a reasonable return on investment as perceived by potential private investors” [World Bank-Agriculture and Rural Development Department, 2006: 2]. If this investment climate in rural areas is improved, then it gives incentives to people from within the community and outside of it (including overseas relatives) for them to make productive use of their investible resources. It will take a herculean effort on the part of rural hometowns and their stakeholders to improve their area’s investment climate. As indicated in the findings of one of the surveys done by this current study, migrant families are looking for support for entrepreneurship and employment opportunities for them and for other members of rural communities. In a survey on rural households’ perception on rural development, among the areas that got the lowest agreement are the availability of jobs and livelihoods, and efforts at employment and livelihood expansion and diversification in rural areas may need to be revisited and updated [Erniel Barrios, 2008: 23-24].

But corollary to having an improved investment climate is the improvement of social services in rural areas. People in the rural areas are facing many disadvantages in availing of these social services, and rising poverty in these areas is evidence that social services (especially health and education) have yet to improve the conditions of the rural poor and the socially excluded. Improving economic conditions in rural areas will not prosper without complementary efforts to accelerate basic social services, and this goes as well to making overseas migration supplement rural development efforts.

All these suggestions show that improving rural areas and addressing the social and economic conditions of overseas migrants are not competing development agenda. In fact, if both improving rural development and addressing the conditions of overseas migrants are taken as agenda, both sectors will feed off each other. Rural development, if achieved, will lead to improving rural conditions and the quality of future human mobility outside of rural areas. Overseas migrants, if they are given socio-economic support, will be more than glad to support rural development initiatives once they see those as workable and inciting to change. Even this current study’s survey of rural development clients with overseas relatives has shown that rural relatives of overseas Filipinos are willing to help in rural development endeavors, if rural development NGOs help address respondents’

---

50 As the World Bank wrote: “Crucial for a positive assessment of the investment climate is that peace prevails and the law and order conditions are conducive to private sector development. There must be reasonable economic stability, financial stability, a realistic exchange rate, and low inflation. Conducive business laws, property rights, and bankruptcy laws should be in place and enforced by clearly defined judicial authorities. Important elements also are: the free entry for new enterprises; freedom to trade domestically and internationally without serious administrative obstacles; freedom to operate, without the need for permits that are difficult to obtain and without heavy administrative burdens; and functional competition laws, auditing requirements, industrial standards and market regulations. Also important are quality and availability of public services; availability of a health, educated and skilled labor force; availability of financial services; and availability of infrastructural services such as transport, telecommunications, mail, power, water, and sanitation [World Bank-Agriculture and Rural Development Division, 2006: 2].



socio-economic needs as overseas migrants and migrant families. All the more that development NGOs, foundations and cooperatives that are members of the Philippine Partnership for the Development of Human Resources in the Rural Areas (PhilDHRRA), or rural NGOs in general should see overseas migrants as an opportunity to tie their rural development efforts with the needs of overseas migrants.

## **Rural institutions' roles**

THE findings of this exploratory research on overseas migration and rural development in the Philippines provide prospective roles unto various institutions in rural areas [*specific suggestions onto rural institutions are found in Appendix 2*]. Their role is to ensure that the social and economic transformations that migration brings do not result in deepening social polarization [Cecila Tacoli, 2010].

A primary stakeholder here is the *local government* in the rural area. They are challenged to understand how overseas migration and remittances impact on their rural areas, especially since seeking migration for livelihood diversification is a function of the lack of gainful incomes and employment in the rural area [Manuel Orozco, 2003]. These economic shortcomings are the responsibilities of local government units. But since many Philippine local governments are still largely unaware about overseas migration [Scalabrini Migration Center, 2010], they are missing out on the possibilities arising from migration's development contributions. Local governments in rural areas are even at the forefront of not just maximizing the development potential of migration, but of providing programs and services to their overseas-based rural community members. And since two-thirds of overseas Filipinos come from rural areas, there is a natural inclination for many of these overseas Filipinos to look back at their rural hometowns. The challenge for local governments is how to calibrate their local development work to include the concerns of their overseas townmates, as a way to woo their trust and win their faith into the rural hometown. For example, if remittances are the ones buoying economic activity in many rural hometowns, local governments must be ready with their programs to help direct these remittances into local, profitable businesses.

*Local businesses* are expected to be involved in the efforts to maximize the development potential of overseas migration, especially since this involves remittances. The robustness of entrepreneurial activity in the rural areas can provide indications if overseas migrants' investments have a place in local economic activity, and have a potential to grow in the birthplaces where they come from. It is expected that prospective overseas migrant investors in rural hometowns will provide competition to local businesses (or have been providing this competition already, in the case of those migrant families who already have existing businesses). But local chambers of commerce will definitely welcome the infusion of entrepreneurial investments from overseas townmates in order to help stimulate economic activity and job creation. Local businesses will tell if the rural investment climate is favorable to future investors or not.



*Local civil society organizations and the various groups that belong to it (NGOs, people's organizations, cooperatives, foundations, community organizations, rural improvement clubs, Church groups, among others)* are in a position to provide social and economic services to not just the rural poor and disadvantaged, but also to overseas migrants and their families facing vulnerable situations as a result of their coping with overseas migration. PhilDHRRA-member NGOs, foundations and cooperatives, for example, that will adopt overseas migration-related development activities in the future will lead to a situation that rural areas will now have new centers of care and support to overseas migrants.

But what about the limited awareness of these rural development NGOs to overseas migration issues? These nonprofit actors can begin initiating simple activities that will let them establish familiarity between overseas migration and the issues and concerns in rural communities. This research has shown that many walks of rural life have embraced overseas migration, and rich and poor rural communities across the country have their families and community-based groups of current and former overseas Filipino workers. NGOs can begin their understanding of overseas migration issues by conducting simple village-level gatherings with overseas migrants (beginning with the people whom they helped for other rural development concerns) and forming support groups of these families and associations with overseas workers. Rural development NGOs under the PhilDHRRA network must begin to capitalize on the 60.9 percent of rural NGO clients with overseas relatives who are searching for community members who can understand their needs and issues as migrants.

It is through these community-level gatherings that rural development NGOs, foundations and cooperatives may understand how overseas migration links up with usual issues in the rural areas. One other step that these rural development NGOs may do is to determine who among their clientele of farmers, fisherfolk, indigenous people, women and children/youth are found overseas. The rural development NGOs will then realize that these people's issues as farmers, fisherfolk, indigenous people, women, and children/youth are either linked to migration, or have caused them to adopt overseas migration decisions for livelihood diversification. These NGOs will also realize that their involvement in rural development is also trying to address the root causes of rural folk's exodus from their hometowns.

In return, since these families of migrants have improved their economic lot, remittance-receiving families are in a position to make a difference in addressing usual rural development issues in their areas —whether through occasional visits to the rural hometown, through long-distance relationships, or through the help of families left behind in the rural hometown. In the end, the spirit of being in the rural areas —of helping each other— will prevail. In many rural communities, overseas migrants have proven to help rural folk since that gesture is part of their culture of relating to their families and immediate communities [Filomeno Aguilar, 2009], and even of sharing the blessings that overseas migration brought unto some of these rural families [Naomi Hosada, 2008].

Thus, the collaboration between rural development NGOs, foundations and cooperatives and overseas Filipinos and their families and organization will naturally

come. Given that overseas migrants have already spelled out their social and economic needs, PhilDHRRA member-NGOs, foundations and cooperatives are now in the position to begin addressing those needs through their usual expertise in rural development work (e.g. agricultural productivity, entrepreneurship and microfinance, social services to distressed women and children, community organizing, among others).

Those *rural folk* who did not embrace overseas migration are not, and should not, be left out in the discussion. Rural NGOs have proven many times that if rural folk are consulted, they can be directly involved in improving rural conditions. Rural folk, especially if they are organized and trained, have even developed their own local development plans in consultation with other stakeholders, and with the help of other development actors like NGOs and people's organizations. Rural folk also possess the resources (not necessarily financial, but time, labor, and some of the assets they own) that can be harnessed as assets for local development. If many of these people-centered development efforts that rural folk themselves participated in have worked, there is no reason why rural folk are excluded in efforts to harness the development potential of overseas migration. At the same time, maximizing this development potential from overseas migration will not work without the participation of rural folk.

Many can learn from the experience of the Philippine government's flagship anti-poverty program, the multi-million dollar Kapit Bisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS). This is a community-driven development program managed by the Department of Social Welfare and Development (DSWD), and targeting the poor found in many of the country's poorest areas. Studies on KALAHI-CIDSS have proven that there is increased participation in village assemblies and that households whose members are involved in communal activities will likely have their development preferences represented in community development proposals. These prime movers from the community are not necessarily public officials or the richest, best educated individuals —and they play a large role in driving community-driven projects [Julien Labonne and Robert Chase, 2007]. If there is already such an experience from the ground, it will then be easy to motivate overseas townmates to contribute to local efforts to work for community-driven development. Overseas migration thus offers a potentially interesting model of driving community-driven rural development, especially if overseas Filipinos have proven to have provided development aid in rural areas.

Of course, *overseas Filipinos, their families and associations based in the Philippines and abroad* are a stakeholder in rural development. They are a stakeholder not merely because they can bring in resources that can be mobilized for development, but because they also desire for improved conditions in their rural hometowns. Apart from the social capital that they already have mobilized while overseas, these overseas townmates also bring with them new ideas that can somewhat help improve the rural hometown. Their philanthropic activities, for example, also bring with them ideas that they have acquired abroad and that they urge their rural hometowns to adopt. Overseas Filipinos are exposed to better systems abroad, and their distance from the rural hometown make them potent actors in instilling change in their rural hometowns. There have been many anecdotal

pieces of evidence of some rural areas' local elections being influenced by overseas migrants voting for progressive local leaders, proving that migration can transform local governance systems [Cecilia Tacoli, 2010].

These overseas migrants, as well as their families in the hometown, are also looking for some form of empathy from their rural hometown, especially when they face vulnerable situations overseas. If the hometown, for example, has efforts for her overseas migrants like pre-departure orientations, legal assistance for distressed migrant workers, social services for migrant families and children, or even local investment incentives for overseas townmates, those abroad will be more than motivated to help their rural hometowns.

## Help that's on the way

OVERSEAS migration is only being recognized lately as a relevant development occurrence, more so as an important development agendum in Philippine rural areas. But more awareness raising work remains necessary.

The Philippines is an economy that, for decades now, has seen overseas migration influence aspirations of development and economic mobility. Rural areas have long embraced this social phenomenon—and they cannot disregard migration's development consequences any longer. The number of people involved, the volumes of economic resources they harvested abroad and plowed back to rural areas, and the hardships these rural folk face while overseas, are simply too visible to be ignored.

Embracing overseas migration as a rural development issue does not mean, however, that greater rural development issues will not be addressed. Whatever decisions people make to widen their latitudes for progress, whether to stay or to go elsewhere, the improvement of the rural hometown, the bolstering of the agricultural sector and the non-farming economic segment, and the acceleration of social services in rural areas, are all important.

One should expect, though, that not even improving the conditions in rural areas, nor agricultural development, will stop rural folk from considering migration [Sally Findley, 1987]. People will continue to search for opportunities, including going elsewhere, to maximize their fullest potential. But the end goal of pursuing rural development beside overseas migration is to achieve a promising socio-economic future in rural areas that people who decide to stay or go out will enjoy.

As rural institutions, including development NGOs/foundations/cooperatives, will be expectedly involved in overseas migration and rural development in the next few years, the challenge for them is to prove that there is promise in making the rural hometown robust, and seeing overseas migrants contribute to that robustness.

Should they become involved in efforts to make overseas migration contribute to rural development, and in finally providing nonprofit support to this major sector of Philippine society, development stakeholders may be assured that the "rural spirit"—of people helping each other out, whether they are at home or elsewhere—will come their way.

## Appendix 1:

### Respondents (n=381) to the survey on the OFW clients of the rural development NGOs (PhilDHRRA and non-PhilDHRRA)

Province	Number of respondents	Percent to total respondents	Number of temporary migrants (2007)	Number of permanent migrants (1988-2007)
<i>Luzon (n=254)</i>				
Laguna	22	5.8	15,264	38,315
Ilocos Norte	16	4.2	3,344	36,208
Ilocos Sur	8	2.1	5,409	19,834
Batangas	20	5.2	17,780	25,539
Benguet	11	2.9	4,481	473
Bulacan	19	5.0	12,410	33,795
Cavite	32	8.4	20,081	56,569
Nueva Ecija	13	3.4	5,742	18,565
Pampanga	34	8.9	14,602	69,803
Pangasinan	30	7.9	14,625	59,826
Rizal	20	5.2	10,002	36,885
Tarlac	12	3.1	5,679	21,160
Zambales	17	4.5	3,554	43,482
<i>Visayas (n=68)</i>				
Iloilo	30	7.9	21,723	16,624
Cebu	38	10.0	18,241	51,678
<i>Mindanao (n=59)</i>				
Davao del Sur	34	8.9	8,117	19,117
Maguindanao	25	6.6	3,993	164

## **Appendix 2:**

# **Specific suggestions to rural development NGOs on overseas migration and rural development**

1. Financial management activities for both migrant and non-migrant rural folk so that they all learn how to judiciously use their abundant and meager resources.
2. Entrepreneurship loans and business development support, especially for overseas migrants wishing to park their remittances into entrepreneurial activities in rural hometowns.
3. Provision of competitive financial products and services that are aligned to the uses of remittances by overseas Filipinos and their families.
4. Community organizing activities that target families of overseas Filipinos as well as informal and formal associations of overseas workers in the provinces (referred to as “Overseas Filipino Workers Family Circles” by the government).
5. Orientation activities unto rural development NGOs on the basic issues, needs and concerns of overseas Filipinos and their families
6. Fine-tuning of counselling and social service activities to cover the welfare needs and human rights concerns of overseas Filipinos and their families.
7. Seeking technical assistance and more information from established migrant NGOs about the basics of the overseas migration phenomenon and its surrounding issues.
8. Improving the information base in rural areas about the overseas migration phenomenon —not just about information on overseas migration opportunities,
9. Piloting sustainable integrated area development (SIAD) approaches that integrated the needs and concerns of overseas Filipinos.
10. Assisting overseas donors to their hometown in directing their philanthropic resources to a development agenda in the rural hometown, and that address long-standing rural development issues (e.g. livelihood, lack of assets, improving rural facilities such as roads, irrigation systems, post-harvest facilities).
11. Collaboration between local and overseas residents to monitor local governance conditions and the work of local government officials and other development stakeholders in the rural area.

# Bibliography

- Aban, Mryna et al.  
1988 "The Socio-Economic Impact of Overseas Employment among Workers from the Two Lanaos." *Philippine Sociological Review* 33: pp. 49-59.
- Abella, Manolo and Geoffrey Ducanes  
2008 "OFWs and Their Impact on Household Poverty." Bangkok, Thailand: International Labour Office-Regional Office for Asia and the Pacific.
- Adger, W. Neil  
2002 "Migration, remittances, livelihood trajectories and social resilience." *AMBIO: A Journal of the Human Environment* 31(4), June, pages 358-266. In [http://ambio.allenpress.com/perlserv/?request=get-document&doi=10.1639%2F0044-7447\(2002\)031\[0358%3AMRLTAS\]2.0.CO%3B2&ct=1](http://ambio.allenpress.com/perlserv/?request=get-document&doi=10.1639%2F0044-7447(2002)031[0358%3AMRLTAS]2.0.CO%3B2&ct=1) (accessed on 6 June 2010).
- Agribusiness Week  
2009 "Former OFW makes big money from yellow corn." 5 April. In [www.agribusinessweek.com/former-ofw-makes-big-money-from-yellow-corn](http://www.agribusinessweek.com/former-ofw-makes-big-money-from-yellow-corn) (accessed on 2 September 2010).

Agricultural Credit Policy Council

- 2003 "Small farmers and fisherfolk: How many are they?" *Policy updates series no. 2 (series of 2003)*, Agricultural Credit and Policy Council (ACPC), June.
- 2001 "Revisiting rural borrowing behaviour: The results of the survey on small farmer and fisherfolk indebtedness 2000." *Policy updates series no. 2 (series of 2001)*, Agricultural Credit and Policy Council (ACPC), August.

Aguilar, Filomeno (with John Estanley Peñalosa et. al)

- 2009 **Maalwang buhay: Family, Overseas Migration, and Cultures of Relatedness in Barangay Paraiso.** Quezon City, Philippines: Ateneo de Manila University.

Aldaba, Fernando and Jeremaiah Opiniano

- 2008 The Philippine 'Diasporic Dividend:' Maximizing the Development Potentials of International Migration." In Fabio Baggio and Maruja M.B. Asis (editors). **Moving Out, Back and Up: International Migration and Development Prospects in the Philippines.** Quezon City, Philippines: Scalabrini Migration Center, pages 127-162.

Allison, Edward and Frank Ellis

- 2001 "The livelihoods approach and management of small scale fisheries." *Marine Policy* 25: pp. 377-388.

Ang, Alvin

- 2010 "Maximizing the benefits of OFW remittances at the local governments." Unpublished paper for the Local Government Development Foundation.
- 2006 "Workers' Remittances and Economic Growth in the Philippines". Paper presented at *2<sup>nd</sup> Development Conference of the GRES (Theme: "Which Financing for which Development?")*, University of Bordeaux, France, 23 November.

Ang, Alvin, Shikha Jha and Guntur Sugiyarto

- 2009 "Remittances and Household Behavior in the Philippines." ADB Economics Working Paper no. 188, Asian Development Bank.

- Aryal, Jeetendra Prakash  
2005 "Assessing the impact of remittance income on household welfare and land conservation investment in Mardi Watershed of Nepal: A village general equilibrium model." In [www.feem-web.it/ess05/files/Aryal.pdf](http://www.feem-web.it/ess05/files/Aryal.pdf) (accessed on 6 June 2010).
- Asian Development Bank  
2005 **Enhancing the Efficiency of Overseas Filipino Workers' Remittances.** Manila, Philippines: Asian Development Bank.
- Asis, Maruja  
1995 "Overseas employment and social transformation in source communities: Findings from the Philippines." *Asian and Pacific Migration Journal* 4(2-3): pp. 327-346.
- Asong, R. et. al  
2002 "Alternative livelihoods in a coastal village." In [http://www.worldfishcenter.org/Pubs/Wif/wifglobal/wifg\\_asia\\_alternative.pdf](http://www.worldfishcenter.org/Pubs/Wif/wifglobal/wifg_asia_alternative.pdf) (accessed on 7 June 2010).
- Babatunde, Raphael and Enrica Martinetti  
2010 "Impact of remittances on food security and nutrition in rural Nigeria." In [www.unipv.eu/on-line/en/Home/InternationalRelations/CICOPS/documento5711.html+Impact+of+remittances+on+food+security+and+nutrition+in+rural+Nigeria&hl=en&pid=bl&srcid=ADGEESilteOzjgv1bl1FMkV\\_3Fj4U7eV\\_z0tM38wvG8cD9QLboD5V2rJJAZ4wp\\_Ba4c\\_dHCC3VO9z8-VHK5N2m5f07O1-X0PQ7qARzhx6Ub3ngSv0mWpio48UYjVZSbp7MvliythyO&sig=AHIEtbRZAXIzqOVom\\_R0VRmSt0AvaDuQhg](http://www.unipv.eu/on-line/en/Home/InternationalRelations/CICOPS/documento5711.html+Impact+of+remittances+on+food+security+and+nutrition+in+rural+Nigeria&hl=en&pid=bl&srcid=ADGEESilteOzjgv1bl1FMkV_3Fj4U7eV_z0tM38wvG8cD9QLboD5V2rJJAZ4wp_Ba4c_dHCC3VO9z8-VHK5N2m5f07O1-X0PQ7qARzhx6Ub3ngSv0mWpio48UYjVZSbp7MvliythyO&sig=AHIEtbRZAXIzqOVom_R0VRmSt0AvaDuQhg) (accessed on 9 June 2010).
- Bagasao, Ildefonso  
2007 "OFW Money Flows in the Countryside." Presented at the national conference of the Rural Bankers Association of the Philippines (RBAP), Davao City, May.  
2006 "OFW Money Flows in the Countryside." Presented at a workshop for the Partnership and Access Centers of the Peace and Equity Foundation, Cebu City, May.



- Baggio, Fabio  
2008 "The migration-development disconnect in the Philippines." In Maruja M. B. Asis and Fabio Baggio (editors). **Moving Out, Back and Up: International Migration and Development Prospects in the Philippines**. Quezon City, Philippines: Scalabrini Migration Center, pp. 109-126.
- Balisacan, Arsenio  
2008 "Poverty Reduction: What We Know and Don't". Presented at the *Centennial Lecture Series of the University of the Philippines*, Quezon City, Philippines (organized by the University of the Philippines System), January.
- 1993a "Agricultural growth and rural incomes: Rural performance indicators and consumption patterns." *Discussion paper series no. 94-12*, Philippine Institute of Development Studies (PIDS), August.
- 1993b "Agricultural growth, landlessness, off-farm employment and rural poverty in the Philippines." *Economic Development and Cultural Change* 41(3), August: pp. 533-562.
- Balisacan, Arsenio, Hal Hill and Sharon Faye Piza  
2008 "Spatial disparities and development policies in the Philippines". In <http://siteresources.worldbank.org/INTPHILIPPINES/Resources/WDR2009PaperBaliscanda.pdf> (accessed on 6 June 2010).
- Balatibat, Emelita  
2004 "The linkages between food and nutrition security in lowland and coastal villages in the Philippines." November. Unpublished dissertation, Wageningen University. In [citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.124.326&rep1&type=pdf](http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.124.326&rep1&type=pdf) (accessed on 7 June 2010).
- Barlina, F. and Ly Tung  
1992 "FARMI's experiences of wealth ranking in the Philippines: Difference farmers have different needs." *RRA Notes 15* (published by the International Institute of Environment and Development), London, United Kingdom, pp. 48-50.
- Barrios, Erniel  
2008 "Infrastructure and rural development: Household perceptions on rural development." *Progress in Planning* 70: pp. 1-44.

- Basa, Charito and Lorna Villamil  
2009 "Migration, local development and governance in two small towns: Two examples from the Philippines." *Working Paper Series on Rural-Urban Interactions and Livelihood Strategies* (no. 17), International Institute for Environment and Development (IIED), September.
- Bulanday, Beverly  
2009 "Overlooked, underserved. Yet OFW families are ample." *Policy briefs series no. 4*, Institute for Migration and Development Issues (IMDI). June.
- Capistrano, Ma. Lorna and Maria Lourdes Sta. Maria  
2006 "Impact of international labor migration and OFW remittances on poverty in the Philippines." *DP no. 0706*, University of the Philippines School of Economics.
- Castillo, Gelia  
1994a "Agricultural 'fatigue' and rural development 'blues:' Are they both passe?" *Philippine Journal of Development* 21(1 and 2), first and second semesters: pp. 615-621.  
1994b "Rural development reconsidered: Some emerging niches for population studies." *Philippine Journal of Development* 21(1 and 2), first and second semesters: pp. 565-598.  
1979 **Beyond Manila: Philippine Rural Problems in Perspective.** Ottawa, Canada: International Development Research Centre (IDRC).
- Centre for Integrated Rural Development for Asia and the Pacific (CIRDAP)  
2009 **A CIRDAP Country Study: The Philippines. Assessing Rural Development Initiatives, Exploring Future Opportunities.** Dhaka, Bangladesh: CIRDAP.
- Centro Saka  
2008 "Philippine small farms: Profile and policy implications." *Rural Development Review* 2(1). Quezon City, Philippines: Centro Saka.
- Commission on Population (Philippines)  
2007 **Filipinos Beyond Borders: Population and Development Dimensions of Overseas Labor Migration (State of the Philippine Population Report 4).** Mandaluyong City, Philippines: Commission on Population (PopCom) and the United Nations Population Fund (UNFPA).

- Cotula, Lorenzo and Camilla Toulmin  
2004 "Till to tiller: Linkages between international remittances and access to land in West Africa." *LSP Working Paper no. 14*, Food and Agriculture Organization-Livelihood Support Program, July.
- De Jesus, Luis Rommel  
2010 "The impact of remittances on the expenditure patterns of rural households: The case of Ilocos Norte." Unpublished undergraduate thesis, Economics, University of the Philippines School of Economics, April.
- Department for International Development (DFID)  
2002 "Non-farm income in rural areas." *Key Sheets no. 14*, DFID-Rural Livelihoods Department, October.
- Deshingkar, Priya  
2004 "Understanding the implications of migration for pro-poor agricultural growth." Paper prepared for the DAC POVNET Agriculture Task Group Meeting, 17-18 June, Helsinki, Finland.
- Duran, Marie Christine and Rona Katrina Panganiban  
2002 "A Study on the Welfare of OFW-Supported Households in Jones, Isabela." Undergraduate thesis, AB Economics, University of the Philippines.
- Edralin, Josefa and Cristino Collado  
2005 "Decentralized governance and food security: Perceptions from rural local governments and communities in Bulacan province, the Philippines." In <http://unpan1.un.org/intradoc/groups/public/documents/UN/UNPAN020696.pdf> (accessed on 8 June 2010).
- Ellis, Frank  
1999 "Rural livelihood diversity in developing countries: Evidence and policy implications." *Natural Resource Perspectives no. 40*, Overseas Development Institute (ODI), April.
- Ellis, Frank and Stephen Biggs  
2001 "Evolving themes in rural development 1950s-2000s." *Development Policy Review* 19(4): pp. 437-448.

- Emtage, Nicholas  
2004a "An investigation of the social and economic factors affecting the development of small-scale forestry by rural households in Leyte province, Philippines: A typology of rural households in relation to small-scale forestry." Unpublished dissertation, University of Queensland (Australia), August.
- 2004b "Typologies of landholders in Leyte, Philippines, and the implications for development of policies for small-holder and community forestry." In "Human Dimensions of Family, Farm and Community Forestry (IUFRO International Symposium 2004)," Washington State University, USA. 29 March-1 April.
- Emtage, Nicholas and Jungho Suh  
2005 "Variations in socio-economic characteristics, farming assets and livelihood systems of Leyte rural households." *Annals of Tropical Research* 27(1): pp. 35-54.
- Estudillo, Jonna, Yasayuki Sawada and Keijiro Otsuka  
2007 "Changes in household endowments and their returns: Income dynamics and poverty reduction in the Philippine villages, 1985-2004." *FASID Discussion Paper Series on International Development Strategies no. 2007-11-002*, Foundation for Advanced Studies on International Development (FASID), Tokyo, Japan.
- Fernandez, Rudy  
2009 "OFW-turned-farmer now biotech hero." October 4. In [www.philstar.com/article.aspx?articleid=510914](http://www.philstar.com/article.aspx?articleid=510914) (accessed on 2 September 2010).
- Findley, Sally  
1987 **Rural Development and Migration: A Study of Family Choices in the Philippines.** United States of America: Westview Press, Inc.
- Friedland, William  
2002 "Agriculture and rurality: Beginning the 'final separation?'" In [http://www2.ucsc.edu/cgirs/research/environment/afsrp/publications/Friedland\\_2002.pdf](http://www2.ucsc.edu/cgirs/research/environment/afsrp/publications/Friedland_2002.pdf) (accessed on 6 June 2010).

- Fuwa, Nobuhiko  
2006 "Pathways out of poverty: A case study in socio-economic mobility in the rural Philippines." In [www.h.chiba-u.ac.jp/mkt/SocMobfin7.pdf](http://www.h.chiba-u.ac.jp/mkt/SocMobfin7.pdf) (accessed on 6 June 2010).
- Go, Stella  
1983 "A community-level study." *Philippine Labor Review* 9(1), January-June: pp. 51-58.
- Gray, John  
2009 "Rurality and rural space: The 'policy effect' of the Common Agricultural Policy in the Borders of Scotland." In [http://epress.anu.edu.au/tracking/mobile\\_devices\\_ch01.html](http://epress.anu.edu.au/tracking/mobile_devices_ch01.html) (accessed on 6 June 2010).
- Griffiths, Stephen  
1978 "Emigrant and Returned Migrant Investment in a Philippine Village." *Amerasia* 5(2): pp. 45-67.
- Herrin, Alejandro  
1982 "Population and development research in the Philippines: A survey." In Philippine Institute of Development Studies. **Survey of Philippine Development Research II**. Makati City, Philippines: Philippine Institute of Development Studies (PIDS), pp. 288-349.
- Hosada, Naomi  
2007 "Exchange and reciprocity among *homo mobilitas*: A view from a Samar village, Philippines." Presented at the conference "Transnational Communities in Asian Peripheries: Perspectives from Comparative Area Studies," Toyo University.
- Institute for Migration and Development Issues  
2009 **Philippine Migration and Development Statistical Almanac**. Mandaluyong City, Philippines: IMDI.
- International Fund for Agricultural Development  
2007 "Proceedings of the roundtable on migration and rural employment." February.

- Labonne, Julie and Rob Chase  
2007 "Who's at the wheel when communities drive development: The case of the KALAH-CIDSS in the Philippines." *Paper no. 107, Social Development Papers*, the World Bank.
- Leones, J.P. and Sarah Feldman  
1998 "Non-farm activity and rural household income: Evidence from Philippine microdata." *Economic Development and Cultural Change* 46(3): pp. 789-806.
- Leyesa, Maria Daryl  
2008 "Survey findings: Who are the women in agriculture?" *Rural Development Review* 2(2). Quezon City, Philippines: Centro Saka.
- Lim, Cristina, Yoshiaki Matsuda and Yukio Shigemi  
1995 "Problems and constraints in Philippine municipal fisheries: The case of San Miguel Bay, Camarines Sur." *Environmental Management* 19(6): pp. 837-852.
- Llanto, Gilberto  
2005 **Rural Finance in the Philippines: Issues and Policy Challenges.** Philippines: Agricultural Credit and Policy Council and the Philippine Institute of Development Studies.
- Lucas, Robert E.B.  
2007 "Migration and rural development." *Journal of Agricultural and Development Economics* 4(1): pp. 99-122.
- Lund, Susan and Marcel Fafchamps  
1997 "Risk-sharing networks in rural Philippines." In [www.economics.ox.ac.uk/members/marcel.fafchamps/homepage/risk.pdf](http://www.economics.ox.ac.uk/members/marcel.fafchamps/homepage/risk.pdf) (accessed on 8 June 2010).
- Malasa, Ronnell, Marlon Velayo and Sergio Francisco  
2010 "Changing image of the Filipino rice farmer." Study of the Philippine Rice Research Institute (PhilRice) Socio-economics department. May.
- Medina, Belen  
1993. "Outmigration: The Case of Paombong Village Families". *Philippine Social Sciences Review* 51 (1-4). January-December

- McKay, Deirdre  
2005 "Reading agricultural landscapes: Female migration and agricultural transition in the Philippines." *Geografisk Tidsskrift, Danish Journal of Geography* 105(1): pp. 89-99.
- Miluka, Juan et. al  
2006 "The vanishing farm? The impact of international migration on Albanian family farming." *Policy Research Working Paper no. 4367*, the World Bank-Development Research Group (Poverty Team). In [http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2007/09/24/000158349\\_20070924103913/Rendered/PDF/WPS4367.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2007/09/24/000158349_20070924103913/Rendered/PDF/WPS4367.pdf) (accessed on 6 June 2010).
- Mina, Roberto  
2010 "Preliminary mapping of the Philippine cooperative sector." Unpublished paper for the Civil Society Resource Institute (CSRI).
- Mochebele, Motsamai  
2000 "Migrant labor and farm technical efficiency in Lesotho". *World Development* 28(1).
- National Statistical Coordination Board  
2009 **Philippine Statistical Yearbook 2009**. Makati City, Philippines: NSCB.
- Ngoddo, Marie Noel  
2008 "*Qui Bono?* Empowerment / Disempowerment vis-a-vis Material Resources in a Community Undergoing Changes from Within and Influences from Outside." Seminar Paper, Master of Arts in Social Development, University of the Philippines-Baguio, Baguio City, Philippines.
- NGOs for Fisheries Reform  
2010 "Civil society assessment of the 2004-2010 MTPDP for fisheries." Unpublished paper prepared for the Caucus of Development NGO Networks (Code-NGO).
- Ollson, Jerry  
2008 "Improved road accessibility and indirect development effects: Evidence from rural Philippines." *Journal of Transport Geography* 17(6): pp. 476-483.

Opiniano, Jeremaiah

- 2010a "Addiction to migration persists." *Policy briefs series no. 7*, Institute for Migration and Development Issues (IMDI). May.
- 2010b "Will Noynoy do a Cory on overseas labor export?" News story for the *OFW Journalism Consortium* published in ABS-CBNNews.com, in <http://www.abs-cbnnews.com/global-filipino/05/19/10/will-noynoy-do-cory-overseas-labor-export> (3 June 2010).
- 2009 "Filipinos' international migration and its impact on domestic employment conditions." Unpublished paper for the University of Santo Tomas Research Cluster on Culture, Education and Social Issues (RCCESI), April.
- 2008 "The panorama and drama of international migration and development in the Philippines." In Robert Stojanov (editor). **Development, Enviroment, and Migration: An Analysis of Linkages and Consequences**. Olomouc, Czech Republic: Palacky University.
- 2005 **Good News for the Poor; Diaspora Philanthropy by Filipinos**. Quezon City, Philippines: Association of Foundations-Philippines.

Ortega-Sanchez, Ismael and Jill Findies

- 2001 "Production impacts of labor outmigration in agrarian economies: The case of corn farmers in central and southern areas in Mexico." Presented at the Annual Meeting of the American Agricultural Economics Association, May. In <http://ageconsearch.umn.edu/bitstream/20063/1/spo1or01.pdf> (accessed on 9 June 2010).

Paris, Thelma and Arma Bertuso

- 2009 "When left behind to toil the land: An overview on out-migration and its impacts on agriculture n the Philippines." Unpublished.

Paris, Thelma and Fay Rola-Rubzen

- 2008 "Impact of migration and off-farm employment on roles of women and appropriate technologies in Asian and Australian mixed farming systems." Final report to the Australian Centre for International Agricultural Research (ACIAR), August.



- Paris, Thelma et. al  
2009 "Labor out-migration on rice farming households and gender roles: Synthesis of findings in Thailand, the Philippines and Vietnam." Paper presented at the FAO-IFAD-ILO Workshop "Gaps, trends and current research in gender dimensions of agricultural and rural employment: Differentiated pathways out of poverty," 31 March-2 April, Rome, Italy.
- 2008 "Comparative analysis of the impact of labor outmigration and remittances on income and rice productivity in the Philippines, Thailand and Vietnam." Presented at the 53<sup>rd</sup> Australian Agricultural and Resource Economics Society (AARES) Annual Conference, 10-13 February, Cairns, Australia.
- Pernia, Ernesto  
2008 "Is labor export good development policy?" Presented at the Third Ayala Corporation-University of the Philippines School of Economics Economic Forum, Makati City, Philippines (organized by the Ayala Corporation), 15 October.
- Philippine Institute of Development Studies  
2010 "How do Philippine provinces fare in terms of human development?" *Policy Notes no. 2010-01*, Philippine Institute of Development Studies, February.
- Philippine News Agency  
2009 "OFW-turned-farmer urges overseas workers to invest in agriculture." 29 June. In [www.postivenewsmedia.net/am2/publish/Cities\\_and\\_Towns\\_23/OFW-turned-farmer\\_urges\\_overseas\\_workers\\_to\\_invest\)\\_in\\_agriculture\\_printer.shtml](http://www.postivenewsmedia.net/am2/publish/Cities_and_Towns_23/OFW-turned-farmer_urges_overseas_workers_to_invest)_in_agriculture_printer.shtml) (accessed on 2 September 2010).
- Philippine Partnership for the Development of Human Resources in the Rural Areas (PhilDHRRA)  
2010 "Civil society assessment of the 2004-2010 MTPDP for agriculture." Unpublished paper prepared for the Caucus of Development NGO Networks (Code-NGO).
- 2010 **Philippine Asset Reform Report Card**. Quezon City, Philippines: PhilDHRRA.

- Pomeroy, Robert et. al  
1997 "Evaluating factors contributing to the success of community-based coastal resource management: The Central Visayas Regional Project-1, Philippines." *Ocean and Coastal Management* 27(1): pp. 35-54.
- Quisumbing, Agnes  
1994 "Intergenerational transfers in Philippine rice villages: Gender differences in traditional inheritance customs." *Journal of Development Economics* 43(2): pp. 167-195.
- Quisumbing, Agnes and Scott McNiven  
2007 "Moving forward, looking back: The impact of migration and remittance on assets, consumption, and credit constraints in the rural Philippines." *ESA Working Paper no. 07-04*, Food and Agriculture Organization (FAO)-Agriculture Development Economic Division, September.
- Reyes, Edna  
1991 "The role of rural non-farm employment in Philippine development." *Discussion paper series no. 91-04*, Philippine Institute of Development Studies (PIDS), March.  
1987 "The structure of rural household income and its implications on rural poverty in Bicol, Philippines." *Staff paper series no. 87-05*, Philippine Institute of Development Studies (PIDS), October.
- Roa, Julieta et. al  
2004 "Farmers' decision making strategies on selecting rootcrop varieties in the Visayas Region, Philippines." In <http://ir.obihiro.ac.jp/dspace/bitstream/10322/2269/1/J090223-1.pdf> (accessed on 8 June 2010).
- Roa, Julieta, Anke Niehof and Lisa Price  
2004 "Food availability and access: The case of fragile areas in the Philippines." In [http://www.neys-vanhoogstraten.nl/UserFiles/File/Food\\_availability\\_and\\_access\\_-\\_the\\_case\\_of\\_fragile\\_areas\\_in\\_the\\_Philippines.pdf](http://www.neys-vanhoogstraten.nl/UserFiles/File/Food_availability_and_access_-_the_case_of_fragile_areas_in_the_Philippines.pdf) (accessed on 9 June 2010).

- Russell, Susan  
2006 "Labor, discipline, debt and effort in a Philippine fishing community." In E. Paul Durrenberger and Judith Marti (editors). **Labor in Cross-Cultural Perspectives**. Maryland, USA: Alta Mira Press, pp. 65-86.
- Russell, Susan and Alexander Rani  
2000 "Of beggars and thieves: Customary sharing of the catch and informal sanctions in a Philippine fishery." In E. Paul Durrenberger and Thmoas King (editors). **State and Community in Fisheries Management: Power, Policy and Practice**. Connecticut, USA: Greenwood Press, pp. 19-40.
- Scalabrini Migration Center  
2010 "Realizing migration and development in the Philippines: Charting new policies, perspectives and partnerships." Unpublished executive summary, Migrant Associations and Philippine Institutions in Development (MAPID) project.
- Scoones, Ian  
1998 "Sustainable rural livelihoods: A framework for analysis." *IDS Working paper 72*, Institute of Development Studies. In [www.ids.ac.uk/download.cfm?file=wp72.pdf](http://www.ids.ac.uk/download.cfm?file=wp72.pdf) (accessed on 8 June 2010).
- Solimen, Julia and Betty Gayao  
2005 "The role of indigenous food sources in nutrition and changing socio-economic conditions in an ethno-community in northern Philippines." In [http://www.neys-vanhoogstraten.nl/UserFiles/File/The\\_role\\_of\\_indigenous\\_food\\_sources\\_in\\_nutrition\\_and\\_changing\\_socio-economic\\_conditions\\_in\\_an\\_ethno-community\\_in\\_northern\\_Philippines.pdf](http://www.neys-vanhoogstraten.nl/UserFiles/File/The_role_of_indigenous_food_sources_in_nutrition_and_changing_socio-economic_conditions_in_an_ethno-community_in_northern_Philippines.pdf) (accessed on 8 June 2010).
- Sunderlin, William  
1994 "Resource decline and adaptation through time: Fishers in San Miguel Bay, Philippines, 1980-1993." *Ocean and Coastal Management* 25 (3): pp. 217-232.

- Tacoli, Cecilia  
2010 "Editorial: Governance, migration and local development." *Environment and Urbanization* 22(1), April.  
2003 "Editorial: The links between urban and rural development." *Environment and Urbanization* 15(1), April.
- Taylor, J. Edward and Alejandro Lopez-Feldman  
2007 "Does migration make rural households more productive? Evidence from Mexico." *ESA Working Paper no. 07-10*, Food and Agriculture Organization (FAO)-Economic and Social Development Department, March.
- Tecson, Eugene  
2009 "Profile and status: Philippine farm workers." *Rural Development Review* 3(1). Quezon City, Philippines: Centro Saka.
- Van Beukering, Pieter et. al  
2007 "Case study 4: Apo island (Philippines): The role of marine protected areas in reducing poverty." November. In [http://prem-online.org/archive/19/doc/Country\\_report\\_Apo\\_Island\\_Philippines.pdf](http://prem-online.org/archive/19/doc/Country_report_Apo_Island_Philippines.pdf) (accessed on 7 June 2010).
- Vargas-Lunius, Rosemary and Guillaume Lanly  
2007 "Migration and rural employment." Paper prepared for the IFAD Roundtable on Migration and Rural Employment, February.
- Wiggins, Steve and Peter Hazell  
2010 "Access to rural non-farm employment and enterprise development." Background paper for the IFAD Rural Poverty Report 2010. In <http://www.ifad.org/rural/rpr2010/background/5.pdf> (accessed on 5 June 2010).
- World Bank  
2009a **Reshaping Economic Geography (World Development Report 2009)**. Washington, D.C., United States of America: The World Bank.  
2009b **Finance for All? Policies and Pitfalls in Expanding Access**. Washington, D.C., United States of America: The World Bank.  
2008 **Agriculture for Development (World Development Report 2008)**. Washington D.C., United States of America: The World Bank.

World Bank-Agriculture and Rural Development Division

2006

**The Rural Investment Climate: It Differs and it Matters.**

Washington D.C., United States of America: The World Bank.

World Bank-East Asia and Pacific Region

2010

**Philippines: Fostering More Inclusive Growth.** Manila,

Philippines: The World Bank.

# ABOUT THE PUBLISHERS



The **Institute for Migration and Development Issues (IMDI)** was formed in 2004 as a non-stock, non-profit organization. The Institute does policy research, advocacy, networking, databanking, and development journalism on international migration and development issues in the Philippines.

IMDI has done policy studies on: migration and development policy, migration as a population-and-development (PopDev) issue, remittances, migrant philanthropy, the

economics of migration, migration statistics, migration and rural development, migration and local governance, and migration, entrepreneurship and investment.

The Institute also hosts the Philippine Diaspora Philanthropy Portal (<http://www.ofwphilanthropy.org>) and the Philippine Migration and Development Statistical Almanac (<http://almanac.ofwphilanthropy.org>), the latter of which has a book version.




The **Philippine Partnership for the Development of Human Resources in the Rural Areas (PhilDHRRRA)** is a non-profit network of 67 foundations, non-government organizations and co-operatives, all involved in various rural development activities across the country.

Among PhilDHRRRA's programs are: research and documentation, policy advocacy, resource mobilization, network management, and its flagship rural development approach called Sustainable Integrated Area Development (SIAD).

PhilDHRRRA, now 28 years old, has regional offices in the Philippines' three major island groups.





**Institute for Migration and Development Issues (IMDI)**  
<http://www.ofwphilanthropy.org>; <http://almanac.ofwphilanthropy.org>  
653 Sanggumay Street, Mandaluyong City 1550, Philippines  
Email: ofw\_philanthropy@yahoo.com

**Philippine Partnership for the Development of Human Resources in Rural Areas (PhilDHRRA)**  
<http://www.phildhrra.net>  
59 C. Salvador Street, Loyola Heights, Quezon City 1108, Philippines  
Email: nc@phildhrra.net