

The Fight Against Poverty: A Battle That Can Still Be Won

Wigberto E. Tañada

President

Philippine Rural Reconstruction Movement

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WE LIVE IN EXTREMELY DIFFICULT TIMES. TODAY, there are more poor Filipinos than at any time in recent Philippine history. According to the official census, there are now more than 31 million Filipinos, or almost 40 percent of the population, who are poor.

What does it mean to be poor?

Exactly what does it mean to be poor? Being poor means being denied freedoms, opportunities and choices most of us, the relatively better-off, take for granted.

Being poor means being deprived of the benefits of development. In our country, more than 80 percent of the national income goes to just half the total of Filipino families. The poor settle for the leftovers – living on less than PhP38 a day.

Being poor means being condemned to a hand-to-mouth existence. With no stable source of income, finding food is a daily struggle for the poor.

Being poor means becoming easy prey to life-threatening but curable diseases because of prohibitive prices of medicines and professional health services.

Being poor means sending children to work rather than keeping them in school. Thus among the poor, almost a third of schoolchildren drop out before completing grade school.

Being poor means living with the reality of limited access to basic social services. The poor have limited access to housing, electricity, water and toilet facilities.

Being poor means suffering the brunt of natural and man-made disasters – to be the perennial victims of displacement caused by typhoons and rising floodwaters, squatter evictions, and worst, as a result of war.

Where are the poor?

Where are the poor? We can find them everywhere except perhaps the exclusive villages of Metropolitan Manila.

More than two-thirds of the poor, or almost 22 million, reside in agriculture-dependent rural areas. In terms of poverty incidence across regions, Muslim Mindanao, the Bicol region, Eastern and Western Visayas are the areas where more than half of the population lives below the poverty line. It is no wonder then that these same regions continue to be rocked by social upheavals and political unrest. Muslim Mindanao remains engulfed in armed conflicts. The region is host to a number of Muslim secessionist movements, the largest being the Moro Islamic Liberation Front. The Visayas and the Bicol region remain the strongholds of the resurgent New People's Army – one of the oldest existing armed community groups in Asia

What can be done?

Poverty is a disease that we have failed miserably to cure.

It would seem that with every change of administration comes a renewed commitment to fight poverty. Various projects and programs have been designed and implemented ostensibly to ease the suffering of the poor. With all these well-intentioned initiatives, we ask, why is it that four out of ten Filipinos still live in poverty?

We ask ourselves, when will we finally win the battle against poverty? Will it condemn us, as a people and as a nation, to slow and painful death? To say that poverty is inevitable is an affront to our dignity and an insult to our collective intellect. Our fate depends on the choices we make today. We must choose and act now.

First, to eradicate poverty, we have to create jobs through sustained economic growth. Through strong economic growth, our neighboring countries in East Asia were able to eradicate absolute poverty in just two decades. Growth of the Philippine economy, unfortunately, has been characterized by boom-and-bust cycles.

We must ensure, however, that we do not achieve economic progress at the expense of the environment. For the majority of poor Filipinos, survival means relying on the generosity of nature. The poor depend on natural-resource-based activities for their livelihood. Their lives therefore are inextricably linked to the health of the environment.

Second, poverty reduction will require genuine asset reform. Economic growth will be useless if not every Filipino benefits from it. Economic growth will not lead to poverty reduction if the rich continue to get a bigger portion of the national wealth. Giving the poor the opportunity to share in the economic gains will require comprehensive asset reform. This means fast-tracking the implementation of the land reform program.

Third, we have to control the growth of our population. Unabated population growth is wiping out whatever gains may have been achieved from slow economic growth. From 1970 to 2000, a period of thirty years, the population of the Philippines more than doubled – from 37 million



to 77 million. With an annual population growth rate of 2.5 percent and annual GDP growth rate of 3.5 percent, real per capita income barely increased in the last thirty years. More and more Filipinos are competing for limited economic resources. In another thirty years, it is estimated that the population of the country will reach the 150 million mark. Unless population growth is checked, the future that we face is bleak.

Fourth, we have to rethink the politics of full-blast financial and trade liberalization. According to government, implementation of financial and trade liberalization policies will benefit the Philippines through greater inflow of foreign capital and increased access to export markets. Unfortunately, liberal economic policies have only made the country vulnerable to externally induced economic crises. The Asian financial crisis showed us the disastrous consequences of liberalizing the financial market for liberalization's sake. The financial contagion not only led to the depreciation of the local currency, it also resulted in the deterioration of living standards as employment and incomes decreased. Now it is difficult to tell precisely when the next big regional or global financial crisis will hit the Philippines. On the other hand, rapid trade liberalization without due consideration given to the level of readiness and development of local industries has aggravated the situation of the Philippines as an import-dependent country. Every day, we are swamped with news of local firms closing shop, unable to survive foreign competition at home and in the export markets. Already, thousands of workers are being laid off. The situation is so severe that many small and medium enterprises, or SMEs, are unable to remit the social security contributions of employees. The lesson is simple — we have to protect the livelihoods of our own countrymen. If this will require reversing liberalization policies, then we have to do it.

Fifth, we have to invest in the poor. Majority of poor Filipinos depend on agriculture for their livelihoods. Unfortunately, our agricultural sector remains underdeveloped as a consequence of historical government neglect. Philippine agriculture is still based on small-scale farming. To develop the sector and thus help improve farm income, the government and the private sector must increase investments in infrastructure, research and development, marketing and technology among others.



Investing in the poor also means ensuring their access to basic social services, more importantly education and health services. The poor are poor because they have limited opportunities. They have limited opportunities because they lack proper education and also because of poor health. This means that public expenditure policy must be reformed toward an increased bias on social spending.

Sixth, we have to institute good governance. Good governance is characterized by accountability, predictability, transparency and participation. Accountability ensures that those who exercise public authority are made responsible to the citizens for their actions. Predictability means the fair and consistent application of the law. Transparency requires availability of accurate and timely information. Participation means expanding access and influence of the poor in policy-making process.

We have suffered a lot from bad governance. Graft and corruption, red take and other administrative dysfunctions contribute to the worsening problem of poverty. Through corruption, money that could have been used for poverty reduction programs have been lost. Over the past 20 years, according to the Office of the Ombudsman, we have lost more than US\$48 billion due to corruption.



Finally, we, as Filipino citizens, must begin to fulfill our obligations to our nation. Oftentimes, we blame the government for every single problem of the country. We must realize that government alone cannot solve all the country's problems. As citizens, it is our duty to contribute to nation building. Simple acts such as respecting the law and participating in worthwhile community projects will go a long way in our struggle to make this country prosper.

Conclusion

All of us envision a Filipino society where every citizen lives in dignity and equitably share the benefits of development, where women and men are able to exercise their rights fully and enjoy the same opportunities. This vision cannot continue to remain but a dream on the horizon for the many of our people.

If we start believing that we are one people, that we are one nation, that in the end, it is only us, Filipinos, who can help ourselves, that is only by working together that we can build a future that will be better than the present, then the battle against poverty will be won.

There is no substitute for relying on ourselves for our own deliverance. Self-reliance is essential, very necessary, specially in a rapidly globalizing world.

Let us get our act together now.

P R R M - C B I S
Philippine Rural Reconstruction Movement
Conrado Benitez Institute for Sustainability

