

ENGAGED GOVERNANCE
AN OVERVIEW OF THE PHILIPPINE EXPERIENCE

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As long as people are people, democracy in the full sense of the word will always be no more than an ideal. One may approach it as one would a horizon, in ways that may be better or worse...

Václav Havel to the United States Congress, 1990

Engaged Governance, as UNDESA defines it, is the attempt to draw on social capital in support of development management, through links between public and government institutions on the one hand and, on the other, non-governmental organizations (NGOs), civil society, the private (business) sector, academia and other groups. That Engaged Governance is today seen as an “emerging strategy” in many countries arises more often than not out of the need for more flexible and open responses in a globally-integrating world. But in more than a few developing countries, it is also emerging as the corrective to past failures in governance that have resulted in low growth, uneven development and widespread poverty.

The Philippines became a pioneer in Engaged Governance when in 1986, the dictator Ferdinand Marcos was overthrown by “People Power” during the EDSA Revolution.² Even as development had stalled and the country saw itself overtaken by previously envious neighbors, Filipinos had never lost sight of the liberal ideals which the Europe-educated brought back in the last decades of the Spanish colonial period as well as the democratic principles embedded by the American regime. On top of this, President Corazón Aquino understood that it was the very force of the empowered citizenry that had brought her to power which would guarantee the perpetuation of democracy as well as lay the foundations for broad-based development and prosperity.

This commitment to both genuine democracy *and* genuine development defines the Philippines in the post-Marcos era and is the explicit rationale underlying the country’s efforts to reform and enhance governance, which we define simply as “the traditions and institutions by which authority in a country is exercised.”³

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² EDSA refers to Epifanio de los Santos Avenue, Metropolitan Manila’s principal ring road.

³ Daniel Kaufmann, Aart Kraay and Massimo Mastruzzi: “Governance Matters III: Governance Indicators for 1996–2002”, *Working Papers*, World Bank, 2003, p.2

With the reinstatement of democracy in 1986, the new Constitution of 1987 proclaimed Engaged Governance, which is better known to Filipinos as participatory governance, or more broadly, “people empowerment”, as a central policy of the State, particularly in its promulgation that “The right of the people and their organizations to effective and reasonable participation at all levels of social, political, and economic decision-making shall not be abridged. The State shall, by law, facilitate the establishment of adequate consultation mechanisms.”⁴

This thinking has permeated much of Philippine political and civic life, and so this brief paper can only provide an overview of something that has been for over a decade a fulcrum of national discourse. Specifically, this paper will give a synopsis of the origin, experience, problems and outlook of two principal government-sponsored initiatives related to Engaged Governance that are particularly notable: one, at local levels through the provisions of the Local Government Code of 1991, and the other at the national level with the establishment of party-list representatives in the Philippine Congress. This will be followed by a glance at some initiatives of civil society and organizations such as the World Bank in the Philippines. Indeed, the focus here is Engaged Governance as an interaction between the State and civil society – comprising as it does in the Philippines NGOs and people’s, citizen’s and community groups – and will largely exclude the many relevant and interesting initiatives by private business in areas of alternative service delivery and corporate social responsibility (itself an exercise in Engaged *Corporate Governance* with civil society).⁵

Participation for “Genuine and Meaningful Local Autonomy”: The Local Government Code of 1991

Five years after being propelled into the presidency, Aquino signed the Local Government Code of 1991 into law. That this voluminous piece of legislation comprising 4 books and 536 sections had the potential to wholly transform Philippine governance – by substantially reversing the centralization of governance in Manila that had risen to an unprecedented degree under Marcos – was widely acknowledged. The President herself stated that the Code “...marks a high point in our effort as a people to strengthen democracy and attain a sustainable development. The new law lays down the policies that seek to institutionalize democracy at the local level. It hopes, therefore, to complete the initial process of empowering our people through direct participation in the affairs of government, by allowing them the widest possible space to decide, initiate and innovate...”⁶

⁴ 1987 Constitution of the Republic of the Philippines, Article XIII, Section 16.

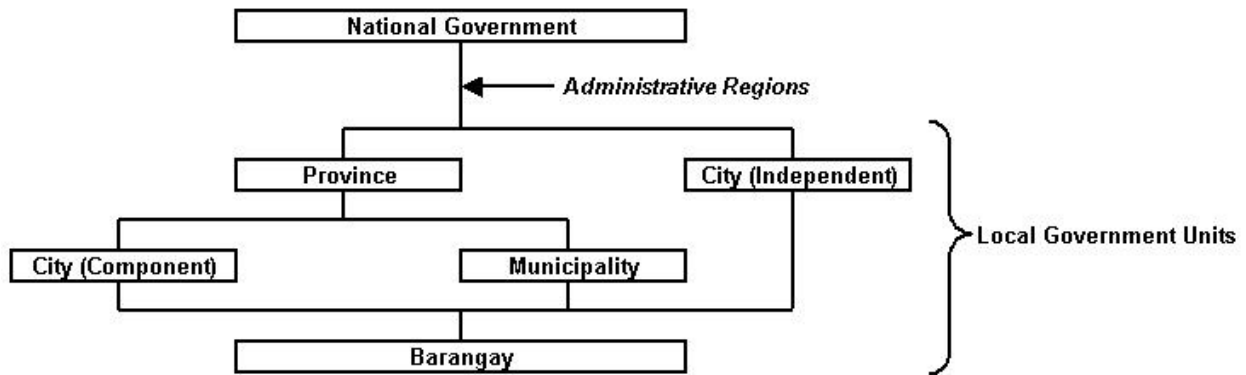
⁵ Many initiatives and exercises in Engaged Governance have involved the Asian Institute of Management at some stage – in either conceptualization and formulation, training, implementation, documentation or dissemination. The Institute has been closely concerned with development management since the early 1970s, through workshops, seminars, conferences, training programs, courses, research and award-giving. Focusing on the entirety of Asia rather than just the Philippines, valuable insights are also generated by the development management students themselves (who are from throughout the region) by way of their graduate research work.

⁶ General Primer on Republic Act No. 7160: The Local Government Code of 1991. Message of President Corazón Aquino, February 6, 1992.

Box 1.

National and Local Government in the Philippines

Philippine political subdivisions comprise the national government, together with what are termed Local Government Units: provinces and independent cities, cities and municipalities (towns) which are components of provinces, and *barangays* (villages or village-sized communities) which are components of cities and municipalities.



Under the Code, each Unit is composed of an executive and legislative power, together with local special bodies, as follows:

| Subdivision | Executive | Legislative Council (Sanggunian) | Local Special Bodies |
|--------------|-----------------|----------------------------------|--|
| Province | Governor | Sanggunian Panlalawigan | Provincial Health Board Provincial School Board Provincial Peace and Order Council Provincial Prequalification, Bids and Awards Committee Provincial Development Council |
| City | Mayor | Sanggunian Panlungsod | City Health Board City School Board City Peace and Order Council City Prequalification, Bids and Awards Committee City Development Council |
| Municipality | Mayor | Sanggunian Bayan | Municipal Health Board Municipal School Board Municipal Peace and Order Council Municipal Prequalification, Bids and Awards Committee Municipal Development Council |
| Barangay | Punong Barangay | Sanggunian Barangay | Barangay Development Council |

The Code stated the thrust of the new policy, which was that local autonomy at provincial, city, municipal and *barangay* (village) levels, coupled with mechanisms for accountability and participation, would facilitate “their fullest development as self-reliant communities and make them more effective partners in the attainment of national goals.” Local governments would be transformed from the mere extensions of the national government that they had become under Marcos into genuine local governments as well as venues for participation by ordinary Filipinos (see Box 1 for the new framework).

People could directly engage themselves in governance through the exercise of powers (only once a year) of recall, initiative and referendum. Local communities were also given the right, either directly or through organizations, to be consulted on government programs and projects before their implementation – or in the case of environmental issues, during their planning. Finally, the private sector was allowed to participate as an alternative deliverer of basic services at local levels.

Non-governmental organizations, recognized as “active partners in the pursuit of local autonomy”⁷, were given representation on the “local special bodies”: provincial, city, town and village-level Local Health Boards, the Local School Board, the Local Peace and Order Council, the Local Pre-Qualification, Bids and Awards Committee, and, perhaps most significantly, the Local Development Council, whose main features as laid out in the Code were as follows:

Local Health Board⁸

- Provincial, City and Municipality levels
- Responsibilities pertain mainly to operating and maintenance budgets and advisory and consulting roles
- Composed of the corresponding Local Chief Executive (co-chairman), Health Officer (vice-chairman), *Sanggunian* [Legislative Council] Health Committee Chairman, Department of Health Representative and a Private Sector or NGO Representative involved in health services

Local School Board⁹

- Provincial, City and Municipality levels
- Responsibilities pertain mainly to operating and maintenance budgets and advisory and consulting roles
- Composed of the corresponding Local Chief Executive (co-chairman), Superintendent or Supervisor of Schools (co-chairman), *Sanggunian* Education Committee Chairman, Treasurer, *Sanggunian* Youth Council Federation Representative, Parents-Teachers Association Federation Elected Representative, Teacher's Organizations Elected Representative and Non-Academic School Personnel Elected Representative

⁷ Local Government Code of 1991, Section 34.

⁸ Local Government Code of 1991, Sections 102 to 105.

⁹ Local Government Code of 1991, Sections 98 to 101.

Local Peace and Order Council¹⁰

- Provincial, City and Municipality levels
- Responsibilities pertain mainly to plan formulation, monitoring of programs and activities, situation assessments, and the receipt and endorsement of complaints¹¹
- Composed of the corresponding Local Chief Executive and the vice-Local Chief Executive (chairman and vice-chairman), together with representatives, where applicable, of the Departments of the Interior and Local Government, National Defense, Justice, Social Welfare and Development, Public Works and Highways, Trade and Industry, the Press Secretary, the National Security Council, the National Peace Commission, the National Bureau of Investigation, the National Police Commission, the Commission on Human Rights, the Dangerous Drugs Board, the Armed Forces of the Philippines Chief of Staff, the National Police and at least three appointed representatives from the private sector, “representing the academic, civic, religious, youth, labor, legal, business and media organizations”¹²

Local Prequalification, Bids and Awards Committee¹³

- Provincial, City and Municipality levels
- Responsibilities include “the conduct of prequalification of contractors, bidding, evaluation of bids, and the recommendation of awards concerning local infrastructure projects.”
- Composed of the corresponding Local Chief Executive (chairman), Treasurer, a representative of the *Sanggunian* (from the minority party if any), a practicing certified public accountant to be designated from the local chapter by the Philippine Institute of Certified Public Accountants (if any) and two NGO representatives who are members of the Local Development Council, chosen from among the organizations themselves.

Local Development Council¹⁴

- Provincial, City, Municipality and *Barangay* levels
- For Provincial, City and Municipal Development Councils, responsibilities include:
 - o Formulation of long-term, medium-term and annual socioeconomic development plans and policies
 - o Formulation of medium-term and annual public investment programs
 - o Appraisal and prioritization of socioeconomic development programs and projects
 - o Formulation of local investment incentives to promote the inflow and direction of private investment capital
 - o Coordination, monitoring and evaluation of program and project implementation
- These are composed of the corresponding Local Chief Executive (as head), all executives at levels beneath, the *Sanggunian* Appropriations Committee Chairman, the Congressmen or

¹⁰ The composition of these had been prescribed by Executive Order No. 320 of March 11, 1988, but established again under the Code, Section 116.

¹¹ Executive Order No. 320, Section 2.

¹² Executive Order No. 320, Section 1.

¹³ Local Government Code of 1991, Sections 37 and 38.

¹⁴ Local Government Code of 1991, Sections 106 to 115.

- their representatives, and representatives of NGOs operating in the jurisdiction who are to comprise no less than ¼ of the full Council
- For *Barangay* Development Councils, responsibilities include
 - o Mobilization of people’s participation in local development efforts
 - o Preparation of *barangay* development plans based on local requirements
 - o Monitoring and evaluation of national or local program and project implementation
 - These are composed of the *Punong Barangay*, all members of the *Sanggunian Barangay*, a representative of the Congressman, and, similarly to the others, representatives of NGOs operating in the jurisdiction who are to comprise no less than ¼ of the full Council
 - A standing Executive Committee represents the Local Development Councils when not in session; approved decisions of the Council concerning policies, plans and projects are submitted for the approval of the corresponding *Sanggunian*, which then carries out appropriate action.
 - Approved local development plans should be integrated into the plans of Councils at higher levels, up to the national government-level regional and national development plans.

Assessment

What has been the experience? The Code itself mandated a review after 10 years, and, as part of this, the Department of the Interior and Local Government in partnership with the Philippines-Australia Governance Facility published *A Study on People’s Participation in Local Development Councils* in November 2001. The focus on the Local Development Councils (LDCs) underscored the particular importance of these bodies as mechanisms for development planning that is democratic, grassroots, broad-based, inclusive and bottom-up.

The authors conducted consultative workshops and focus group discussions around the country and gathered concerns about LDCs at the provincial, city and municipality levels, distinguishing between the observations of members and outsiders. These, taken verbatim and *in toto*, are presented in Table 1.

At a conference at the Asian Institute of Management in 1994, Senator Aquilino Pimentel, the main proponent of the Code when it was still a bill in the Senate, observed that the main problem was lack of knowledge about the Code’s provisions. The Code’s purposes were being achieved because “more money and resources are now being shared with local governments and power is being devolved to the people and to local governments”; but “the full potential of the Code has yet to be tried”, the main reason being “more ignorance than malice on the part of government – central and local – and on the part of the people of what powers rights and obligations are now theirs as a result of the enactment of the code.”¹⁵ Pimentel called for “a massive and systematic information drive”, something also stressed to this author by Cesar Sarino, the Secretary of the Interior and Local Government who participated in the Code’s drafting and passage, in early 2003.

¹⁵ Aquilino Pimentel, Jr., “The Local Government Code: An Overview”, presented at the Conference “Decentralization, Sustainable Development and Governance: Implications for Policy Making.” Asian Institute of Management and the International Development Research Center. Manila, February 7-8. 1994.

Table 1.

Members and Non-Members Assessment of Local Development Councils

| Subdivision | Local Development Council Members | Non-Members |
|---------------------|--|---|
| Province | <ul style="list-style-type: none"> • Lack of information dissemination on LDC activities • Lack of people’s participation, associated with problems concerning accreditation • Lack of knowledge about the rules of the LDC and about the role of members on the LDC • Lack of regular meetings of the LDC • Limited capability on technical matters, particularly with respect to prioritization of projects, technical and financial matters • Inadequate knowledge about the budget • Desire on the part of members for automatic approval of LDC-approved projects by the <i>Sanggunian</i> | <ul style="list-style-type: none"> • Lack of information about the LDC and its activities • Lack of genuine participation and exclusion of People’s Organizations • Non-functional LDCs • Lack of consultation by LDC members with outside bodies • Political interference with NGO accreditation process, lack of transparency in accreditation • NGOs not involved with planning, implementation, monitoring and evaluation |
| City | <ul style="list-style-type: none"> • Lack of information about the role of LDC members and their powers • Difficulty in accrediting of NGOs • Lack of participation by some NGO members • Lack of funds to do anything • Membership too large to be effective • Weak collaboration between LGO and members from Local Government • Too few meetings | <ul style="list-style-type: none"> • Lack of information about LDC activities • Non-functioning of LDCs • Local Chief Executive determines which NGOs are invited to participate, political interference, lack of transparency in accreditation • Difficulty in being accredited • No consultation with people on LDC projects • Lack of transparency in the city budget |
| Municipality | <ul style="list-style-type: none"> • Limited funds to undertake development projects • Lack of participation on LDCs, especially by NGOs • LDC participation is considered expensive to members, particularly NGO members, resulting in a lack of NGO motivation • LDC members are not aware of their roles • Projects are not properly prioritized due to lack of consultation/knowledge | <ul style="list-style-type: none"> • Lack of knowledge about LDCs and its role • Lack of communication about LDC activities, no consultation • Problems with getting accredited, poor identification of local NGOs • Improper composition of LDC, with no NGO participation • Political interference |

Source: Department of the Interior and Local Government and Philippines-Australia Governance Facility, *A Study on People’s Participation in the Local Development Councils*, Manila, 2001, pp. 37-39.

Sarino worried that the “defining spirit” of the Republic – People Power – was yet to be placed properly in the driver’s seat. His assessment was that the participation by citizens had not yet been institutionalized as envisaged, because of the reluctance of the Local Chief Executives to involve fully their constituencies or because of the lack of information among the NGOs for them to appreciate fully their empowered role in local governance. There was also, in many cases, the sheer impracticality of forming the Local Development Councils, given the number and mix of the mandated members. He called for the release of funds necessary to see the provisions of the Code realized (from both local and national government), as well as greater political will from the national government to compel local governments to implement the law properly.¹⁶

Another analysis by a prominent NGO leader, Danilo Songco, pointed to wariness and distrust as the greatest hindrance, together with lack of awareness of the Code on both sides, lack of resources and organizational issues among NGOs – all of which resulted in the long amount of time it took before fruitful collaborations became evident.¹⁷ In terms of formal participation in governance, Songco observed that many (or even most) of the local development councils and the other local special bodies have not functioned effectively, because of lack of skills on all sides – on the part of the local governments as local government was a recent concept, the attitude of local elected leaders towards the appointed members of the local bodies, and lack of finance for civil-society participation in governance

Indeed, the shift in paradigm brought on by the Code was painful for many NGOs as well as for local officials. As Songco wrote, “Long immersed in a tradition of opposition to the state, nongovernmental organizations and people’s organizations were faced with the challenge of entering into strategic partnerships with government both at the local and national level.” The adjustment entailed an understanding among NGOs of themselves no longer as alternatives to government, but rather more subtly as “alternative service delivery mechanisms, innovators of effective development strategies that can be translated into actual policy and advocates for alternative developmental policies.” In short, the NGOs needed to engage constructively and strategically rather than reactively, and also outgrow their old role as oppositionists.

When asked if the Code was a reform that was too radical and too sweeping given its numerous unprecedented and untried provisions and principles, and if it would not have been better to implement it in phases or by way of a pilot project, Sarino agreed that it may have been too much all at once. However, a gradual implementation, ideal in principle, would have risked political derailment or dilution of the entire enterprise at one stage or another – particularly as the Aquino administration was ending in 1992 and the agenda of whomever would form the succeeding government was unknown. It was a question of writing as much into the law as possible, getting it passed while the political will to do so was evident and dealing with issues of implementation and execution afterwards.

To reiterate, the common elements identified as problematic in terms of fulfilling the potential for Engaged Governance in the Code are lack of information, lack of experience, lack of funds

¹⁶ Cesar Sarino, interviews with the author, Manila, March 2003

¹⁷ Danilo A. Songco, “Strategic Partnerships through People’s Participation in Local Governance”, Governance and Local Democracy (GOLD) Project, *Occasional Papers*, No. 97-05, Manila, 1997.

and lack of trust. While inadequate preparation and strategic planning for its implementation seems to be a key factor, there have been success stories. The Asian Institute of Management attempted to identify these together with the factors that saw the Code's potential realized in some instances, and thwarted in others.

One significant and obvious factor is leadership – but of a specific kind, which has been termed “bridging leadership”. This is “an approach to leadership characterized by the capacity to initiate and sustain a collaborative process designed to achieve meaningful social change through the collective action of multiple and diverse stakeholders.”¹⁸ In the Philippines, where the country is weighed down with the baggage of decades and even generations of distorted and exploitative governance, a leadership that can, in adopting a collaborative approach towards complex problems, overcome at the same time acrimony, mistrust and prejudice, make all the difference. The Philippines may have very large amounts of social capital arising from a civil society that existed for many decades and has burgeoned since 1986, but – and not to put too fine a point on it – it seems to take a “bridge leader” to build the relationship and trust capital that allows for that social capital to be accessed and harnessed in development management.

Two demonstrative cases are the cities of Marikina in Metropolitan Manila, and Naga¹⁹ in the province of Camarines Sur²⁰. Bayani Fernando²¹ and Jesse Rebredo, their respective mayors, were exceptionally able at bringing people together and instituting structural and transformational change.²² Rare in their focuses on building institutions and processes rather than the traditional Philippine reliance on force of personality, they both established consultative mechanisms, and Rebredo in particular went beyond the provisions of the Code and ensured that all accredited NGOs and People's organizations – 44 strong – were represented in the Naga People's Council. The experiences of Marikina, Naga and others has generated enough data that points to a relationship between the competitiveness of Philippine cities and how well they involve their constituents and groups.²³

Indeed, Songco also wrote that successful models that have evolved over the decade since the Code was passed are turning out to be a great boost to local governments. He himself cited the marked improvement in the effectiveness of the Dumaguete²⁴ City Development Council with the participation of NGO representatives, the funding of an NGO desk and liaison by the provincial government of Camarines Sur, the reporting mechanisms instituted by Naga City (by Mayor Rebredo), the rejection of a power project by the civil society-influenced Negros

¹⁸ Steven D. Pierce, “Bridging Differences and Building Collaboration: The Critical Role of Leadership”, for the Bridging Leadership Course, Asian Institute of Management, Manila, October 7-9, 2002.

¹⁹ The provincial capital of the province of Camarines Sur.

²⁰ In the Bicol region of southeast Luzon.

²¹ Now Chairman of the Metropolitan Manila Development Authority (the coordinating body for the various components comprising the national capital) and prospective candidate for Vice-President in the 2004 elections.

²² Daniel del Rosario, “The Internal Assessment of Marikina City”, management case, Asian Institute of Management, Manila, 1998; and Melissa Mamaclay, “Mayor Rebredo (B)”, management case, Asian Institute of Management, Manila, 2000.

²³ Asian Institute of Management Policy Center, City Competitiveness Program.

²⁴ In Negros Oriental province, among the Visayas islands.

Occidental Provincial Development Council, and the civil society-proposed integrated livelihood project approved by the Regional Development Council of the Ilocos Region²⁵.

Participation for the “Broadest Possible Representation” in Congress: The Party-List System

In addition to local autonomy, the 1987 Constitution also provided for the addition of sectoral representatives “representing a significant minority of society” in the lower house of the national Congress to supplement the district representatives.²⁶ This was given effect under the Ramos government by way of Republic Act No. 7951 of February 28, 1995. The declared policy in the Act drew from the Constitution and asserted that

The State shall promote proportional representation in the election of representatives to the House of Representatives through a party-list system of registered national, regional and sectoral parties or organizations or coalitions thereof, which will enable Filipino citizens belonging to the marginalized and underrepresented sectors, organizations and parties, and who lack well-defined political constituencies but who could contribute to the formulation and enactment of appropriate legislation that will benefit the nation as a whole, to become members of the House of Representatives. Towards this end, the State shall develop and guarantee a full, free and open party system in order to attain the broadest possible representation of party, sectoral or group interests in the House of Representatives by enhancing their chances to compete for and win seats in the legislature, and shall provide the simplest scheme possible.²⁷

The law also stated that, “Any organized group of persons may register as a party, organization or coalition for purposes of the party-list system...provided, that the sectors shall include labor, peasant, fisherfolk, urban poor, indigenous cultural communities, elderly, handicapped, women, youth, veterans, overseas workers, and professionals.²⁸ Disqualified were “any national, regional or sectoral party, organization or coalition” that was religious in character or purpose, an advocate of violence or unlawful means towards its goal, or foreign or foreign funded.

Again like the Local Government Code, this law was widely acknowledged for its transformative potential, and innovative with its introduction of proportional representation in addition to the traditional first-past-the-post system used for district representation.

But once more the experience would be mixed, for reasons involving implementation largely similar to those with the Code. For the 1998 election, when the law would first be implemented, the number of organizations applying for registration into the party-list system was, at 123, very large – something which many took as a sign of enthusiasm and others of opportunism. In the end, however, due to the failure of the (independent) Commission on Elections to conduct an effective public information campaign, only a quarter of the national electorate who voted cast their second party-list vote in addition to their first district vote. The result was that only 14 seats were filled by the 13 organizations that had succeeding in getting past the mandated 2 percent

²⁵ Also known as Region I, comprising the provinces of Ilocos Norte, Ilocos Sur, La Union and Pangasinan in the north and eastern part of Luzon.

²⁶ Article VI, Section 5.

²⁷ Republic Act No. 7941, Section 2.

²⁸ Republic Act No. 7941, Section 5.

threshold of total votes cast. The other 38 seats in Congress reserved for sectoral representatives were left vacant.

In the next congressional elections in May 2003 (a congressional term lasts three years), 162 organizations participated under the party-list system, but again, a number of these went unfilled as a controversy as to the eligibility of the participants – something that had also been experienced three years earlier – erupted. While some of the party-list organizations were sectoral groups, coalitions, people’s organizations and political parties, others were fronts for several large established political parties (including the ruling party) and government-affiliated movements. There were also organizations headed by well-known members of the political and business elite who had claimed to represent certain “marginalized” sectors, as well as professional and trade associations.

The matter was brought to the Supreme Court for “guidance” and in June 2001, it released eight principles based on its interpretation of the law and its spirit for ascertaining who should take their seats in Congress, and which the Commission on Elections was to follow in accrediting or disqualifying groups for inclusion on future ballots. These included that

The political party, sector, organization or coalition must represent the marginalized and underrepresented groups identified in the Section 5 of Republic Act No. 7941. In other words, it must show – through its constitution, articles of incorporation, by-laws, history, platform of government and track record--that it represents and seeks to uplift marginalized and underrepresented sectors. Verily, majority of its membership should belong to the marginalized and under-represented. And it must demonstrate that in a conflict of interests, it has chosen or is likely to choose the interest of such sectors...

While even major political parties are expressly allowed by Republic Act 7941 and the Constitution to participate in the party-list system, they must comply with the declared statutory policy of enabling “Filipino citizens belonging to marginalized and underrepresented sectors...to be elected to the House of Representatives”. In other words, while they are not disqualified merely on the ground that they are political parties, they must show that they represent the interests of the marginalized and underrepresented...

By the very nature of the party-list system, the party or organization must be a group of citizens, organized by citizens and operated by citizens. It must be independent of the government. The participation of the government or its officials in the affairs of a party-list candidate is not only illegal and unfair to other parties, but also deleterious to the objective of the law: to enable citizens belonging to marginalized and underrepresented sectors and organizations to be elected to the House of Representatives...

...[N]ot only should the candidate party or organization represent marginalized and underrepresented sectors; so also must its nominees...Surely, the interests of the youth cannot be fully represented by a retiree; neither can those of the urban poor of the working class, by an industrialist. To allow otherwise is to betray the State policy to give genuine representation to the marginalized and underrepresented...

...[T]he nominee must likewise be able to contribute to the formulation and enactment of appropriate legislation that will benefit the nation as a whole....The nominee of a party, national or regional, is not going to represent a particular district.²⁹

²⁹ Katherine G. Adraneda, “[Supreme Court] issues guidelines for party-list organizations”, *CyberDyaryo*, June 29, 2001.

In the end, only 64 of the 162 organizations which had run in the elections were found to adhere to these guidelines, and only 12 had thereby won seats. With the May 2004 elections only 5 months away, it remains to be seen whether the wrinkles have finally been ironed out and if enhanced Engaged Governance in the national legislature can be made a reality as envisaged.

Other State-Sponsored Engaged Governance Initiatives

Many government institutions and pieces of legislation, particularly those concerned the environment and “sustainable development” have for many years provided for the participation of NGOs and the private sector as a matter of course. Part of the government’s Council for Sustainable Development is a secretariat of NGOs which collaborates with government officials. The Department of Environment and Natural Resources has instituted NGO participation in the Environment and Natural Resource Councils across the country, as has the Department of Agriculture with the Fisheries and Aquatic Resources Management Councils, and many other agencies, such as the Department of Energy and the Department of Agrarian Reform. Indeed, it becomes apparent that, for the Philippines, the main challenge is not necessarily one of extending participation, but rather of effective building of institutions that can function as sustained venues for participation, ensure that mechanisms work successfully and implement the outcomes of the participatory process.

A World Bank Initiative: The Filipino Report Card

The “Filipino Report Card” was a 2000 initiative of the World Bank, and was an attempt at a “bottom-up assessment” mechanism by which government agencies would obtain “credible and collective feedback” regarding their performance as assessed by “citizen-clients”.³⁰ Rather than focusing on inputs or mechanisms, which is what the state-sponsored initiatives of the Local Government Code and party-list representatives sought, it focuses on performance and how the assessment of performance could itself be a driver of change.

A “national client satisfaction survey”: was carried out by the Bank with a reputable local research organization, Social Weather Stations, and covered 1,200 households across the country. The initiative sought to consolidate problems by sector and highlight the worst problems as well as the best practices, thereby drawing attention to areas that “trouble clients most and can trigger public pressure and collective action.” This was an instance of Engaged Governance, most especially since “This shift to think of Filipinos as customers or clients rather than beneficiaries requires that their ‘voices’ count in the design, delivery and assessment of public services.” The Report Card in itself was participatory as it involved consultations with government, civil society, academic institutions and the private sector in the design of the questionnaire and in the analysis and presentation of the results, which were widely disseminated. And it was produced in different versions to address the needs of different

³⁰ Bhuvan Bhatnagar, “Filipino Report Card on Pro-Poor Services: A Summary”, in *Prosperity Building for the Poor*, AIM Policy Center, Asian Institute of Management, Manila, 2001.

audiences, focusing on health, education, water, housing, subsidized rice distribution and the flagship poverty program of the then-prevailing administration of President Joseph Estrada.

The project was such a success at generating valuable information that there are prevailing efforts at institutionalizing it, as other developed and developing countries have done – most notably the United States and India. When presented with the Philippine experience at a World Bank workshop in 2001, seven out of twelve developing countries showed great eagerness to pursue their own versions. And indeed, the entire concept of improving the delivery of government services, particularly to the poor, forms the subject of the Bank’s latest World Development Report.

Civil Society Initiatives: Participatory Budgeting

The focus of civil society in the Philippines has recently centered on government budgets on both national and local levels, with the realization that involvement in the entire budget process stands to greatly enhance public accountability as well as government effectiveness. As prioritization is “the key to a relevant and efficient budget”, there must be “a multi-stakeholder approach to strategic planning” in order to arrive at a “representative prioritization” of the budget.

A workshop in June 2001 identified existing civil society initiatives that in fact cover all parts of the process through networking and coordination.³¹ For example, the Philippine Governance Forum examines budget formulation and review, as well as working to advance budget literacy and review capabilities; Government Watch of the Philippines tracks what is spent, which is not necessarily identical to what is allocated – particularly in the presence of prevalent graft and corruption; and finally, *Ulat sa Bayan* [Message to the Nation] focuses on community monitoring of government reports and discusses the effectiveness of government projects. The World Bank’s Filipino Report Card complements this network by monitoring society’s level of satisfaction, and local groups are working to continue this in a systematic way. The challenge is to extend what is becoming a quite sophisticated and coordinated degree of civil society participation beyond the national level and a limited number of local governments, as well as institutive formal participatory mechanisms in the budget process similar to those laid down in the Code in areas such as development planning.

Conclusion

The years after the EDSA Revolution saw continuous political commitment to the institutionalization of People Power and the initial widespread promotion – by way of a new Constitution and key legislation – of Engaged Governance years before the term would have been understood by the vast majority of Filipinos. Certainly, Corazón Aquino’s successor Fidel Ramos, who became President in 1992, had (as Armed Forces Chief of Staff) also been instrumental in Marcos’s overthrow and was just as dedicated to concepts of “democratic

^W Policy Workshop on Participatory Budgeting and Local Government, part of the “National Conference on Prosperity Building for the Poor, Asian Institute of Management, Manila, 25 June, 2001.

development”. As Ramos said even before he became President, “Every development plan will fail for as long as we do not enlist the people’s energies and talents to move this country forward. Empowering the people means, first, giving ordinary Filipinos a greater voice in the way their local communities and their country are run...”³²

The last years of the Ramos administration saw the very evident growth and strength of civil society and people’s groups when the President initiated (legal) moves to amend the Constitution and was soundly thwarted by opposition from among these organizations. Apparently the Philippines is only third to Brazil and India in the size of its civil society community – an indication of the immense amount of social capital that stands to be exploited and harnessed. Certainly, the ousting of President Joseph Estrada in 2000 was facilitated by the outpouring of people and groups scandalized by the corruption and misgovernment that was widely believed to have characterized his truncated presidency.

Gloria Macapagal-Arroyo also committed herself to Engaged Governance, and strongly supported the World Bank-sponsored Filipino Report Card. She claimed to hold her Cabinet accountable to responsiveness to grassroots feedback, and stated that “I will ensure that my organization [the national government] creates and respects genuine mechanisms for regular feedback from our citizen-customers, and subsequently uses this feedback to render better service to them.”³³

In the 17 years since EDSA, the 13 years of the Local Government Code and the 8 years of the Party-List Act, there have been a great many experiences and insights generated which are related to Engaged Governance. Consistent commitment through government-driven and civil-society-driven initiatives is the living legacy of People Power. So too are the initiatives of business and other elements of the private sector – not treated in this short paper – in capacity-building of local institutions and provision and delivery of goods and services once exclusive to government agencies.

These all form the larger part of the Philippines’ contribution to the subject – a contribution underpinned by a determination to achieve both democracy and development: to build “a new model of third world economic development where there is a balance between growth and equity, modernization and environmental consciousness, peace and progress, and where growth is private sector-led – all in the context of a democratic system of governance. This is the choice we have made and this is this choice that we will follow.”³⁴

However, the Philippines can also contribute a warning as well as inspiration. The country’s experience perhaps points past Engaged Governance as a form and process and, given the actual state of the country today, highlights questions as to its ultimate efficacy in the presence of what has been observed to be the country’s poor record of institution-building, its unfortunate traditions of politicized bureaucracy and populist leaderships and, perhaps most significantly,

³² Fidel V. Ramos, Speech to the League of Governors, Iloilo City, Philippines. March 10, 1991.

³³ Cited in Bhatnagar, *op. cit.*

³⁴ Roberto F. de Ocampo, President of the Asian Institute of Management and former Secretary of Finance, in Wilfredo V. Villacorta and W. Scott Thompson (eds.), *The Philippine Road to NICHood*, De La Salle University Press, Manila, 1996.

long-standing political economy considerations involving deeply entrenched vested interests among the political and economic elite. The country scores highly on Engaged Governance as a process, but rather lower on translating the process into enhanced developmental outcomes and greater “customer” satisfaction. But success, when held up to an ideal, will always be qualified.

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