

RURAL DEVELOPMENT TOWARDS INCLUSIVE GROWTH

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INTRODUCTION

Honorable Heads of Delegation, Ambassadors, Government Secretaries, esteemed development partners from the government, donor institutions, the private sector, distinguished guests, ladies and gentlemen, a pleasant afternoon to each and every one of you.

It is an honor to be invited to take part in this year's Philippine Development Forum. It is the task at hand that I share my thoughts and insights as a member of civil society on the issue of inclusive growth with special attention on the rural communities. Talking straight from the heart, I would say, if the rural poor were present here today, I doubt if they could make head or tail of the statistical reports and jargon we would be exchanging. Some would even complain that trying to understand makes their brains bleed under the stress of trying to comprehend. I also doubt if they would be interested in all the intellectual exchange wherein they would ask, what is in it for me? Another round of talks? What they are interested in is to have a steady income, food on their table, clothes to keep them warm, medicines and health services for their ailing bodies, good education for their children, clean water, roofs that do not leak, homes where they can feel secure, peace based on justice and freedom to lay claim on their human rights.

I am not of the rural poor but have served the rural poor for more than 35 years. If and when those wishes become a reality then there is inclusive growth.

This is be an opportune time to forward the perspective of the organized sector of civil society specifically from the rural people's situation. My remarks come from many years of grassroots experience and living with the very poor of different sectors. I do hope that the suggestions and views may be picked up in this collegial atmosphere.

Let me give you a brief background of my person. I am the Chairperson of the Asian NGO Coalition for Agrarian Reform and Rural Development or ANGOC. We are a regional network of NGO associations throughout Asia engaged in issues that affect rural communities - namely food security, agrarian reform, sustainable agriculture, and participatory governance. ANGOC has about 220,000 primaries present in thirteen Asian countries. Among my many other hats, I am also the President of the Infanta Integrated Community Development Assistance, Inc. (ICDAI), a grassroots community based organization in the hinterlands of Infanta, Quezon, hemmed in by the great Pacific Ocean and the mighty Sierra Madre mountain ranges. I also served as parish priest of the town for 22 years. Thirty five years ago, my Manila friend used to call the place, "Where Angels dare not tread." I leave the meaning to your imagination.

Inclusive growth more so for the rural communities is a formidable challenge . It is difficult to delineate parameters. However since its significance is of national interest and nation building I will make some remarks based on my many years of experience. Given the limited time I have, I will just provide a simple understanding, in the perspective of the poor, what is inclusive growth; followed by some analysis of the recent growth scenario in the country in general vis-à-vis rural communities, after which I will look into some of the factors that impinge on inclusive growth, looking particularly at the rural communities. I will share with you a few of civil society's contributions to making growth more inclusive. Lastly, I will put forward some recommendations and points for actions.

DEFINING INCLUSIVE GROWTH

Simply stated, inclusive growth is making the fruits of development available and accessible to all, particularly the poor. It is including those who are too often excluded and marginalized by seeming development, both in geographical and social terms. Those who are left behind or relegated to the margins, geographically live in rural areas, while those who are excluded socially tend to be small or landless farmers, fisher folk, women and indigenous groups. Growth that is inclusive would mean a growth that not only creates opportunities, but more importantly, ensures equitable access natural resources and other opportunities.

TRICKLE-DOWN EFFECT OF GROWTH: A MYTH

Having said that, the question that I would now want to raise is: has growth been inclusive in the Philippines? As the reports show and admitted by Sec. Esperanza Cabral herself, inclusive growth has not been achieved in the Philippines.

The reviews for the Philippines in terms of aggregate growth have been positive. Macro economic fundamental are well in place, I best in 30 years. We have to congratulate the present administration. However, ordinary people who are non economists at that are confused why despite the economic progress reports attest to the weak equity and strong disparity regarding economic growth. The rural pool sees the trickle down effect as a mere myth. They cannot be blamed for their reading of the situation. The WG on MDG and Social Progress report for 2007 shows that despite MDG progress, there are uneven targets and wide disparities. I quote: "latest statistics show that the gap between rich and poor in the Philippine is widening with the richest 10% of families raking in more than a third of the country's total income....." "Poverty incidence increased to 26.9% for families in 2006 compared to 24.4% in 2003. In terms of poverty incidence among population, out of 100 Filipinos, 33 were poor in 2006, compared to 30 in 2003." The figures I have just mentioned are highlights of the national income accounts.

Due to this reality more rural poor continue mass exodus to the become part of the cancerous growth of urban societies, or become the overseas workers leaving behind the countryside.

So what have we missed? How have we gone astray?

CREATING OPPORTUNITIES FOR GROWTH IN THE RURAL AREAS

As I have said earlier, inclusive growth entails creating opportunities and ensuring equal access to opportunities. Following this argument, in the rural areas, when we speak of opportunities, we speak of land, specifically access to land. For rural families, **land is life and life is land**. Access to land leads to a source of livelihood, an increased sense of security, an increased level of resilience, and the opportunity to break out of one's poverty. Land means agriculture for the rural poor and yet investments in agriculture specially for the small farmers are terribly anemi.

For indigenous people (IP) communities, the right to land leads to self-determination, cultural integrity and autonomy. In other communities, improved access to land has resulted in the reduction of unemployment and poverty, reduction of tensions and conflicts over resources, increase of productivity thus ensuring food security, more sustainable management of lands and improved overall peace for greater economic and political stability.

We can ensure equal access to opportunities for the rural poor by providing them access and rights to land. First, in terms of policies and laws , the Philippines already has a plethora of policies promoting access to land to different sectors such as farmers, fisher folk, upland dwellers and indigenous peoples. We have the CARP/CARL, IPRA, and various laws on forestlands, but as everyone knows, but we are missing their proper implementation. These laws and policies face numerous institutional issues that affect their

implementation, like the lack of capacities among implementing agencies, and the lack of budget to implement the laws and their accompanying programs.

Let's take for instance the CARP. In terms of budget support, the government, through RA 6657, initially appropriated only fifty (50) billion pesos for the program for the first ten years of the program's implementation or a mere five (5) billion pesos per year. This was despite early estimates that the Program cost for the period 1987-1997 would be about P221 billion. Then in 1998, during the first extension of the program, Congress again merely appropriated only another fifty billion pesos for the ten-year extension period.

There is also the bigger problem of inconsistencies among these laws due to different interpretations and overlaps in scope. These have resulted in conflicts and even violent deaths amongst the different poor sectors covered by such laws and policies. Government has tried to harmonize the laws through dialogues and by setting up joint agency mechanisms. Though helpful in coordinating the direction of agencies in conflict, these mechanisms have not reached the involved basic sectors whose conflicts remain yet unsolved by the current policy. For instance, IP claims over their ancestral lands are now being contested by the agrarian reform claims of lowland farmers (with the support of DAR), resulting in conflicts between indigenous communities and farmers in a growing number of areas. LGUs also represent another group of competitors to IP community land claims. There is therefore a need to seriously look into coming up with a policy that will address such inconsistencies and conflicts.

The national land act after more than 20 years is still waiting too be passed.

Even sadder is that the Government's current policies may counter to the goals of these laws. For instance, the revitalization of large scale mining operations in the country poses threats to the claims of minority groups. Digital maps produced by the Philippine Association for Intercultural Development (PAFID),

an NGO dealing with the problems of cultural minority groups, show that mining areas are in direct conflict with 30% of ancestral domains of IPs.

Mere physical distribution of land is never enough; we also need adequate support services. As well, strengthening capacities of those to whom access to land is given is necessary to sustain opportunities for growth brought about by such transfer of assets. We need to build on communities' local knowledge, their innate capacities and their ability for self determination. These are the ingredients for an enabling environment for the rural poor.

ENTER CIVIL SOCIETY

The existence of civil society is vital in any democracy. The term civil society is used to encompass NGOs, community-based organizations, women's organizations, trade unions, social movements, and advocacy groups. In the Philippines, civil society has been here to exact accountability from the government and other groups. Civil society provides the voice for the voiceless. We speak when no one dares and raise questions no one dares to ask. More importantly, civil society has been behind many development innovations that are tried and tested in the field due to their flexibility, rabid desire to pursue innovations and models, consistency in tenure and local knowledge and expertise of the culture as well as the appropriateness of technology. Last but not least, community based NGOs are embedded and form an integral part of the community, as stakeholder desiring for development of their communities.

Furthermore, what lends credibility to our work is that we are participatory - we work at the grassroots, we work with organizations at the grassroots, we are the grassroots. Through community-based approaches, we build capacities and empower communities to effectively chart their future, according to their own aspirations, as well as actively engage in local governance. This entails working in tandem with other civil society organizations and local government units.

Some of the roles of NGOS are:

1.) Exact accountability to government. We have used monitoring, evaluation, alternative mechanism for good governance and efficiency in partnership with government and other institutions. Good governance is still wanting. Corruption is not the sole monopoly of government, however in order to maximize the monitoring role of CSOs, government institution should widen the freedom of information for all. Of late the social watch the oda watch the alternative budget initiative have helped inclusive growth. Angoc in turn has a good and deep study on bank watch. It has facilitated studies and policy as well as strategies for internationally funded project in partnership with IFAD. It has facilitated among others the tripartite partnership for land access with the International Land Coalition.

2. CSOs provide voice to the voiceless. To speak for the good of the marginalized when others dare not speak due to political constraints. Lobby, engaging government with grassroots communities toward clear cut development agenda.

3. Local NGOs are creators of innovations tried and tested in the field. They are resilient, flexible. NGO workers have rabid desire to pursue new models of development. They possess local knowledge and expertise of the local culture as well as the appropriateness of technology. Last but not the least community based NGOs are embedded and form an integral part of the communities.

Time is limited to provide many examples. However, allow me to give you some examples that I myself have experienced.

In Infanta, Quezon, my organization ICDAI has worked together with another NGO, SEARICE, PhilRice, as well as the International Rice Research Institute. We all rejected the idea of producing hybrid rice. We promoted sustainable

agriculture in its many facets, Leisa, bio dynamic, natural farming, and organic agriculture. Indigenous knowledge and practices complemented by the transfer of new and appropriate technology, the use of agriculture best practices in rice, resulted in an amazingly high yield of 187 cavans per hectare three harvests after the worst disaster in the town's history. 9.3 tons per hectare is more than double the national harvest in rice.

Partnership between CSO's and government agencies at the local scene proved successful.

Many of you may remember that in 2004, a series of typhoons battered Infanta, and several other parts of Quezon and Aurora. We lost more than a thousand lives, not to mention, livelihoods of an overwhelming majority of our communities. In the aftermath of a disaster, hope grows dim. Recovery seems slow, most especially for the poor. After working for decades in this area, we were disheartened because it seemed that all our efforts went down the drain. But we persisted. We've transformed the disaster into an opportunity for growth by righting the wrongs. Slowly but surely, we have helped restore livelihoods of communities by rehabilitating the soil, providing chickens, improving rice yields.

The farmers with self confidence met the great challenge and emerged as winners. Participatory processes and respect for knowledge coomplementation fared well. Yes, those poor farmers who we simply empowered did wonders. This is what you call inclusive growth. I have seen it happen on the ground, and I tell you that it is one important and effective way we can move forward as a nation. Community by community, from the rural areas. Localization and devolution have its parameters in coming up with true participatory empowerment and giving importance to the social capital of the rural poor and the CSOs.

In a way, disasters bare a profound truth - that you cannot fix things by starting at the top. You have to start at the bottom. And when you start targeting those most in need, as what happens in times of disasters, you lay the foundation of a sustainable economy. The secret word is ownership, which comes from a process of appreciation, valuing and owning. Development becomes inclusive when people participate as able stakeholders.

Besides multi stakeholder partnership, Localization of partnership is a corollary strategy for inclusive growth.

CONCLUSION AND RECOMMENDATIONS

While I have said that the key principle in creating better opportunities for the rural poor is through better access to land, the delivery of basic social services must be improved, especially to poor areas. Better access to education and health services are critical if we are to help lift the rural poor from poverty. These significantly increase the chances of the poor to improving their lives. This is aligned with the government's as well as the international development community's commitment to the achievement of the MDGs. Based on the NSCB's MDG watch, we are falling short of meeting certain goals, including those on primary education. Financing for development or for the MDGs for that matter is crucial, nay, imperative, not only for our government but also for donor institutions. Government must allocate more resources for such purpose to realize the maximum utility and productivity of our human assets. On this note the government should review the allocation scheme of its annual budget particularly looking at how more investments an be allocated for basic services and rural development.

In summary, I still believe that for inclusive growth to be realized, rural development must be a priority in public plans and funds. Why, for the simple reason that poverty in our country has a rural face. We cannot grow now and distribute the benefits later because this will prove unsustainable. And so, as a

way of contributing to the discussion on how to accelerate inclusive growth, and with special focus on poor and underdeveloped rural areas, let me end by posing some points for action:

- 1) Passage of a National Land Use Act . The National Land Use Act shall articulate the national policy that will regulate the interests of the various stakeholders. Specifically, this will: (a) address conflicting land uses found in different laws like CARP, IPRA, UDHA, NIPAS, Fisheries Code, etc.; (b) provide for rational land use taking into consideration the lands to be protected, the lands to be used for productive purposes, settlements development and infrastructure development; and (c) be participatory in nature. Congress should ensure adequate funding for the National Land Use Act, particularly for the resolution of disputes and delineation of lands.
- 2) Review of resource extractive policies such as mining for infrastructure, industrial, and urban development.
- 3) Repeal of the Automatic appropriations of debt servicing in the GAA towards better financing for development/MDGs
- 4) Support food self sufficiency using the localization of agriculture approach followed by the philosophy and praxis of the community based approach. Our country is an archipelago and almost every municipality and province has different ecosystems and kinds of people with their own characteristics.
- 5) Corruption plagues the country and deprives the poor of their due benefits coming from public funds; corruption is not the monopoly of the government. It has become a plague that has engulfed every sector. The government has to initiate the right to information policy and provide

more avenues for civil society to function in demanding accountability from government.

6. Continue mechanisms of partnership, dialogue i.e NGO world bank DOF and others.

The organized sector of civil society can best contribute to inclusive growth because they are where the people really are. Many NGOs have proven efficiency and viability in their activities. The innovation capacities of grassroots NGOs with national networks working at national and international levels can be very effective partners of both local and the national government.

The rural poor continue to run to earn to survive. They have become weary, wary and worried about development projects and their future.

Will development ever come their way?

Let us run together and benefit together in the "Amazing Race toward the tipping point that will catapult us as a modern nation

Lest we forget: "ordinary people can do extraordinary wonders", just trust them and give them the right opportunities.