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Human and Gender Development: 1990-1994

Introduction

Growth is not development.¹ Growth is increase in quantity — of output or incomes. Development is improvement in the quality of life. The two also serve different purposes. On the one hand, growth is concerned with the expansion of the material resources available to the population. On the other hand, development (*human* development, more specifically) proceeds from the much broader realization that “the real wealth of a nation is its people — both women and men. And the purpose of development is to create an enabling environment for people to enjoy long, healthy and creative lives.” [UNDP 1995: 11] “The purpose of development is to enlarge all human choices, not just income” [UNDP 1995: 11].

A country whose real income grows only modestly cannot be judged to have failed in attaining its development objectives if it performs well in more important aspects such as the greater availability and better delivery of social services (e.g., better education, health, and nutrition), a more equitable distribution of resources, a greater gender equality, or a better-preserved environment. In contrast, a country whose real income has increased rapidly has not necessarily succeeded in development if the gains from economic growth are appropriated by a privileged few, or when the most vulnerable members of the population fare worse in the process of this growth. Rapid

growth in real income may also be short-lived, especially when it was generated from the depletion of non-renewable resources. Hence, economic growth is not enough to achieve a higher, sustainable, and equitable level of development.

Nonetheless, economic growth *can* and *must* be regarded as a necessary component of development. Indeed, much of the discontent with the Philippines’ past performance has to do with its failure to sustain either growth *or* development. But this is because the relationship between the two is mutually reinforcing: both are needed to effect rapid and sustainable improvements in people’s material and social well-being. The connection may be seen in many ways.

First, an initially high level of human development makes available to a country a larger and better stock of productive resources (i.e., human capital). In combination with the existing stock of physical capital and natural resources, human capital can be used to increase output and income. The higher level of income this makes possible is in turn indispensable for achieving a higher level of human development. An increase in income makes more resources available to support improvements in human capital, e.g., in acquiring more education and better health, both by the government and private individuals.

Second, where incomes are rising, it is easier to improve the existing *distribution* of income and wealth, since additional income can be distributed disproportionately to the poor more easily than if redistribution were to be undertaken with fixed or shrinking incomes. Historically, few elites have been willing to devote resources to the marginalized social sectors.

In the latter case, redistribution would entail a change in the status quo where additional resources going to the poor would necessarily be taken from another income group.

Finally, one should not forget that the capabilities people acquire in human development must ultimately be expressed as "functionings", or socially useful and productive activities. Higher incomes are a measure of the degree to which potentials acquired in human development are actually turned into such activities. A regime that allows for increasing output is therefore also important for human development as one expression of human functionings. A failure to provide the economic outlets for human functionings ultimately leads to a deterioration of capabilities, such as when skills are lost with disuse [DE DIOS and MAPALAD 1996].

Precisely in response to the important distinction and relationship between growth and development, the idea of *human development* was advanced by the UNDP in 1990. Within this framework, a human development index (HDI) was conceived to measure how well a country has performed, not only in terms of real income growth, but also in terms of social indicators of people's ability to lead a long and healthy life, to acquire knowledge and skills, and to have access to the resources needed to afford a decent standard of living. Following recent revisions, this index is now constructed by looking at three outcomes of development: the state of

health (measured by life expectancy at birth), the level of knowledge and skill (measured by adult literacy and enrollment rates), and the level of real income per capita, adjusted to reflect the priority given to relieving absolute poverty.

The HDI, as constructed, has also been modified to reflect the systematic unfavorable economic and social conditions faced by women. These include the general tendency for women to receive lower pay for the same occupation, to find employment in jobs that are lower-paying, and in some countries, to be subject to discrimination in acquiring higher education and obtaining health services of quality equal to those to which males are entitled. In response to the issues related to gender disparities, the gender-related human development index (GDI) was born.

Beyond this, however, what is lacking is that side of human development which is concerned with how well these capabilities are utilized by people as they engage in productive activities, participate in cultural, social and political affairs, or enjoy leisure. The wider choice that people have over how and where to use their capabilities signifies "empowerment", or a development where people "participate fully in the decisions and processes that shape their lives" [UNDP 1996: 12]. To include this aspect of development (along with the particular interest on gender disparity), the gender empowerment measure (GEM), was constructed, an index that seeks to capture the extent of women's participation in political and civic organizations.²

For some time now, the UNDP in various *Human Development Reports* has rated human development in the Philippines and other countries using the HDI. In 1993, the HDI for the Philippines was reported as 0.665, which places the country among those having medium HDI. This is a significant achievement in historical terms, considering the country began with a low HDI of 0.375 in 1960. Estimates of the Philippine HDI for previous periods are 0.418 in 1970, 0.477 in 1980, and 0.533 in 1990.

This is also a notable accomplishment in relation to other developing countries, for which HDI averaged 0.57 in 1992. The Philippines did better than average for a developing country on the four components of HDI: life expectancy was 66.3 years, adult literacy rate 94 percent, enrollment rate 77 percent, and real income per capita is 2,250 purchasing power parity (PPP) dollars [UNDP 1995].³

As an indication of overall trends, the encouraging picture painted by the international HDI is undoubtedly justified. It would be wrong, however, to take this as an excuse for complacency. An adequate national average can mask large pockets of want and deprivation and thus be distant from what many people experience. For this reason, it is necessary to examine human development more closely by presenting the concept of the HDI in greater detail and examining ways to supplement the information it provides. In the section that follows, therefore, the HDI is first implemented at the provincial level. In the third section, the concept is then adjusted to a particular social group that is deprived, namely, women. The final section then shows how parallel attempts to document human and social conditions can supplement the information provided by the HDI.

Development Disparities Across Provinces

The *Philippine Human Development Report* of 1994, presented human development indices for regions of the country. The current report extends this by presenting estimates of HDI at the *provincial* level for the first time for the years 1990 and 1994. Two shortcomings arising from the use of a regional classification have made this necessary. An obvious one is that the composition of a region has not always been stable through time and cause breaks in the data. Data for the Cordillera Administrative Region (CAR) and

the Autonomous Region for Muslim Mindanao (ARMM), for example, will obviously not be available before the years they came into existence. The same thing may happen when provinces are created, of course, but this affects a smaller proportion of the total number of provinces.

The most important reason for moving beyond a regional presentation, however, is that a "region" is a category that involves no political constituency.⁴ It is a mere planning concept — useful in its own sphere, no doubt — but entailing no political responsibility or accountability. If it became known for instance that a region's HDI rose or fell, there would be no politician or office that could either take the blame or the credit. If human development is to make a practical impact, however, success or failure must have political consequences.

This chapter for the first time estimates HDIs at the provincial level for the years 1990 and 1994 and attempts to evaluate the performance of provinces. The complete list of provincial HDIs is given in TABLE 2.1. For this purpose, the international procedure was slightly modified in order to harmonize national and subnational figures, the differences being explained in a technical annex. Using the modified method, the HDI at the national level is estimated to be 0.665 in 1990 and 0.660 in 1994. These figures continue to be comparable to that found using the conventional method (i.e., an HDI of 0.677). What will immediately be noted is that this represents a decline, and the reason is a fall in incomes. 1990 and 1994 are separated by the economic recession of 1991-1992. This fall in incomes affected many provinces in the country and sufficiently outweighed improvements in literacy and life expectancy to cause a small decline in HDI for the period.

Provincial HDIs of 0.8 or better may be considered "high", those in the 0.5-0.79 range classified as "medium", and anything less than 0.5 as "low". Using this rough classification, then, it will be seen (TABLE 2.2) that in 1994, only two of 74 provinces, namely Cavite and Rizal, came under the "high" classifica-

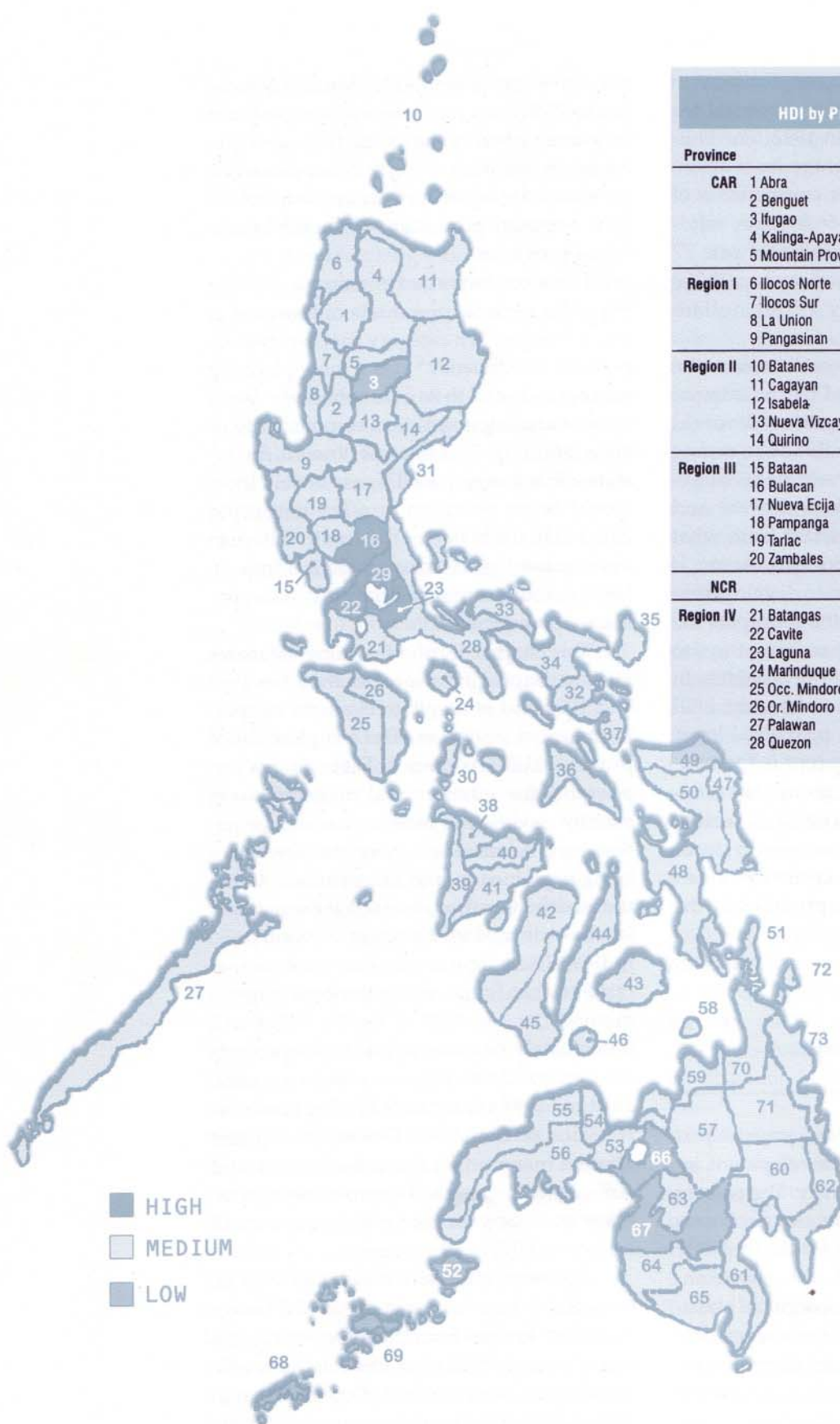


Table 2.1
HDI by Province (1990, 1994)

Province	HDI Over Time	
	1990	1994
CAR		
1 Abra	0.457	0.560
2 Benguet	0.671	0.672
3 Ifugao	0.405	0.409
4 Kalinga-Apayao	0.522	0.555
5 Mountain Province	0.506	0.541
Region I		
6 Ilocos Norte	0.652	0.649
7 Ilocos Sur	0.622	0.657
8 La Union	0.668	0.650
9 Pangasinan	0.585	0.629
Region II		
10 Batanes	0.755	0.798
11 Cagayan	0.592	0.657
12 Isabela	0.571	0.653
13 Nueva Vizcaya	0.566	0.637
14 Quirino	0.510	0.557
Region III		
15 Bataan	0.748	0.730
16 Bulacan	0.790	0.763
17 Nueva Ecija	0.628	0.657
18 Pampanga	0.721	0.731
19 Tarlac	0.598	0.613
20 Zambales	0.674	0.647
NCR	0.944	0.925
Region IV		
21 Batangas	0.663	0.716
22 Cavite	0.723	0.840
23 Laguna	0.732	0.774
24 Marinduque	0.660	0.658
25 Occ. Mindoro	0.569	0.651
26 Or. Mindoro	0.580	0.651
27 Palawan	0.550	0.545
28 Quezon	0.567	0.627

	29 Rizal	0.823	0.813
	30 Romblon	0.476	0.511
	31 Aurora	0.590	0.600
Region V	32 Albay	0.546	0.612
	33 Camarines Norte	0.522	0.587
	34 Camarines Sur	0.545	0.618
	35 Catanduanes	0.510	0.591
	36 Masbate	0.434	0.488
	37 Sorsogon	0.469	0.544
Region VI	38 Aklan	0.549	0.605
	39 Antique	0.483	0.521
	40 Capiz	0.451	0.525
	41 Iloilo	0.562	0.607
	42 Negros Occ.	0.547	0.577
Region VII	43 Bohol	0.505	0.543
	44 Cebu	0.550	0.584
	45 Negros Oriental	0.501	0.544
	46 Siquijor	0.474	0.539
Region VIII	47 Eastern Samar	0.573	0.580
	48 Leyte	0.519	0.571
	49 Northern Samar	0.462	0.473
	50 Samar (Western)	0.398	0.487
	51 Southern Leyte	0.513	0.592
Region IX	52 Basilan	0.345	0.427
	53 Lanao del Norte	0.464	0.500
	54 Misamis Occ.	0.524	0.593
	55 Zambo del Norte	0.440	0.502
	56 Zambo del Sur	0.502	0.543
Region X	57 Bukidnon	0.518	0.560
	58 Camiguin	0.503	0.530
	59 Misamis Oriental	0.525	0.595
Region XI	60 Davao (del Norte)	0.554	0.613
	61 Davao del Sur	0.532	0.518
	62 Davao Oriental	0.506	0.526
Region XII	63 North Cotabato	0.483	0.547
	64 Sultan Kudarat	0.533	0.563
	65 South Cotabato	0.548	0.586
ARMM	66 Lanao del Sur	0.434	0.445
	67 Maguindanao	0.429	0.447
	68 Sulu	0.320	0.372
	69 Tawi-Tawi	0.360	0.384
Caraga	70 Agusan del Norte	0.502	0.559
	71 Agusan del Sur	0.497	0.486
	72 Surigao del Norte	0.547	0.568
	73 Surigao del Sur	0.529	0.607

Table 2.2
Distribution of Provinces by HDI
(number of provinces, 1990, 1994)

HDI Range	1994	1990
.39 or less	2	4
.40 - .49	8	15
.50 - .59	33	39
.60 - .69	22	8
.70 - .79	6	6
.8 or greater	2	1
<i>Total</i>	73	73

tion. (Metro Manila is excluded from this reckoning.) On the other hand, ten provinces showed low HDIs, namely: Ifugao, Masbate, Northern Samar, Western Samar, Basilan, Lanao del Sur, Maguindanao, Sulu, Tawi-tawi, and Agusan del Sur. The rest had medium levels of human development.

It is instructive to highlight four types of provincial performances: "high achievements" refer to the highest HDIs in 1994, while "poor performances" refer to the lowest levels of HDI. When speaking about changes, one the other hand, "most-improved" would be provinces that displayed the largest increases in HDI between 1990 and 1994, while "deteriorating performances" refer to the largest declines in HDIs between 1990 and 1994.

In 1994, of the ten provinces with the highest levels of HDI, only Cavite (0.840) and Rizal (0.813) and possibly Batanes (0.798) might be considered to have exceeded the 0.8 threshold for a HDI that is "high" even in absolute terms, and even these are separated by a considerable gap from Metro Manila, whose HDI is 0.925. Almost all the high-ranking provinces were to be found in Southern Tagalog or in Central Luzon (See TABLE 2.3). HDI levels, therefore, still appear to be broadly associated with proximity to Metro Manila, depicting the historical radiation of economic and social development from the capital region. The consequences of the old story are still apparent: infrastructure is more adequate in provinces adjacent to NCR, health and educational facilities more accessible, and public order and safety are relatively better. No doubt this is a result both of patterns of human settlements and of biases in political economy. This is also evident from the fact that all the high-achieving provinces, without exception, recorded the highest real income per capita, although the rankings according to HDI and those according to real income per capita differ.

The sole exception to this rule is Batanes, which shows high levels of life expectancy and functional literacy.⁵ The high achievement of Batanes in these non-income aspects

of human development teaches an unmistakable lesson on the benefits of devoting a large proportion of public spending to human development priorities and the virtues of having a small population. Batanes among all the country's provinces spent the most per head on human priority expenditures per capita in 1993 and 1994, the highest among all provinces. (In CHAPTER 3 of this Report).

The showings by Cavite and Laguna among the top league are quite expected. Apart from Metro Manila, it is these provinces which have received large inflows of new investments and are the preferred location for new industries, resulting in rising incomes. At the same time, non-income indicators continue to improve. The appearance of Pampanga may seem paradoxical at first sight, considering the devastation that has attended the province in the wake of the Pinatubo eruption. Part of this is already reflected in the life expectancy statistics, and the slightly lower functional literacy. On the other hand, the large increase in per capita income made up for this. This points partly to the performance of the nondevastated areas of the province, the effects of rehabilitation, as well as the economic resiliency of the Pampangueños themselves.

The strong performance of these provinces in all three aspects of human development contributed to their overall achievement. Life expectancy ranged between 66 and 72.6 years, functional literacy between 79.2 percent and 92.8 percent, and real income between 8,184 pesos and 14,057 pesos per capita.

In contrast, among the ten provinces with the lowest HDI (ranging from 0.4888 for Masbate to 0.372 for Sulu in 1994), one from Luzon, three from the Visayas, and six from Mindanao (of which four were ARMM provinces) (See TABLE 2.3), the factors accounting for the poor performance of these provinces vary widely. For Ifugao, the main problem was the relatively low functional literacy (in lower 50 percent), aggravated by its decrease between 1990 and 1994. Functional literacy for Basilan was even lower (48.1 percent) in 1994, although this was already a significant

Table 2.3
Top- and Bottom-Ten Provinces According to HDI (1994)

Top Ten	HDI	Bottom Ten	HDI
Cavite	0.840	Sulu	0.372
Rizal	0.813	Tawi-tawi	0.384
Batanes	0.798	Ifugao	0.409
Laguna	0.774	Basilan	0.427
Bulacan	0.763	Lanao del Sur	0.445
Pampanga	0.731	Maguindanao	0.447
Bataan	0.730	Northern Samar	0.473
Batangas	0.716	Agusan del Sur	0.486
Benguet	0.672	Western Samar	0.487
Marinduque	0.658	Masbate	0.488

Source Table 2.1

improvement over 1990 (when it was 38.1 percent). For the three Visayan provinces, as well as for Masbate and Agusan del Sur, the poor performance could be attributed mainly to low and falling incomes. The experience of ARMM provinces should cause the most concern, however, since they perform poorly in all three components of HDI. Life expectancy is lowest in that region (50 years or so), reflecting the effects of war and loss of security and the lack of health facilities. The poor performance is also due to low functional literacy, with the exception of Maguindanao, where functional literacy increased to 68.7 percent in 1994. Incomes are not only relatively low (in the order of 5,000 pesos per capita), but actually fell between 1990 and 1994 (except in Sulu). The decline in real income per capita in Tawi-Tawi was substantial (23 percent, or from 7,119 pesos in 1990 to 5457 pesos in 1994). The picture for income would no doubt look even worse if income distribution was taken into consideration.

Most-improved performances are shown by those provinces displaying the largest increases in HDI between 1990 and 1994. They are presented in TABLE 2.4. One encouraging observation is the fact that three of the ten worst performers registered large increases in HDI. These are Basilan, Western Samar, and Sulu (where the HDIs increased by 24.06 percent, 22.48 percent and 16.54 percent, re-

Table 2.4
Largest Changes in HDI (1990-1994)

Provinces with the Largest Improvements		Provinces with the Largest Declines	
	% change		% change
Basilan	22.46	Zambales	-3.99
Western Samar	22.48	Bulacan	-3.46
Abra	22.36	La Union	-2.81
Sulu	16.52	Davao del Sur	-2.54
Capiz	16.48	Bataan	-2.31
Cavite	16.24	Agusan del Sur	-1.23
Sorsogon	16.02	Rizal	-0.85
Catanduanes	16.01	Palawan	-0.85
Southern Leyte	15.27	Ilocos Norte	-0.48
Surigao del Sur	14.83	Marinduque	-0.24

Source Table 2.1

spectively, from their 1990 levels). The achievements of these provinces are real and should be recognized, precisely since they occurred under far from ideal conditions. Basilan is notable for the large increases in its functional literacy and average income. Western Samar's per capita income fell, but this was made up for by large increases in literacy and life expectancy. In the case of Sulu, the largest improvement was in terms of a substantial increase in functional literacy (from 36.3 percent in 1990 to 52.7 percent in 1994). In all ten provinces, without exception, large improvements in HDI came through higher functional literacy. This was helped by increases in average income in Basilan, Surigao del Sur, and Cavite (Abra and Southern Leyte to a lesser extent) experienced increases in average income.

Of 73 provinces, exactly ten experienced actual declines in HDI between 1990 and 1994. For some of these, the extent of the decline was in the order of 3-4 percent (e.g., Zambales, 3.99 percent; Bulacan, 3.46 percent). For others, the extent was moderate (e.g., Ilocos Norte, 0.48 percent; Marinduque, 0.24 percent). (See TABLE 2.4) The largest source of the decline in HDI in all ten provinces was falling average incomes, which affected virtually the entire country. It should be noted that this decline also affected Metro

Manila, whose HDI fell during the period from 0.944 to 0.925 during the period. The same factor was behind the fall in HDI for the entire country. The loss of incomes, however, was made worse by a fall in functional literacy in a few provinces (e.g., Davao del Sur, Agusan del Sur and, surprisingly, Bulacan).

The picture of human development in the first half of the 1990s continues to show the influence of past historical and political biases: absolute standouts are few and far between, and geographical concentration of development is still evident. Nonetheless significant changes must be noted. The most hopeful among these is the continuing improvements among provinces with the lowest HDIs, and the gradual movement of provinces in the middle echelons.

HDI and Other Measures of Deprivation and Well-being

How closely is human development related to income? Income, of course, is one of the components of the human development index, and affects that measure directly. The fact that other aspects of development may not be reduced to simple income-increases is made vivid by examining whether these other aspects and incomes are closely related.

The two diagrams below (FIGURE 2.1 and FIGURE 2.2) show how real per capita income (which is increasing on the horizontal axis) relates with functional literacy and life expectancy across provinces. The message that emerges is that indeed there is some weak relationship between incomes and these other two variables. Still there is enough of a dispersion that suggests that no self-acting principle guarantees that poorer provinces must always have shorter life expectancies than richer provinces, or that richer provinces invariably have higher life expectancies than poorer ones. Statistically, there is a positive relationship between real per capita income on the one hand and literacy and life expect-

Figure 2.1
Life Expectancy and
Income (1994)

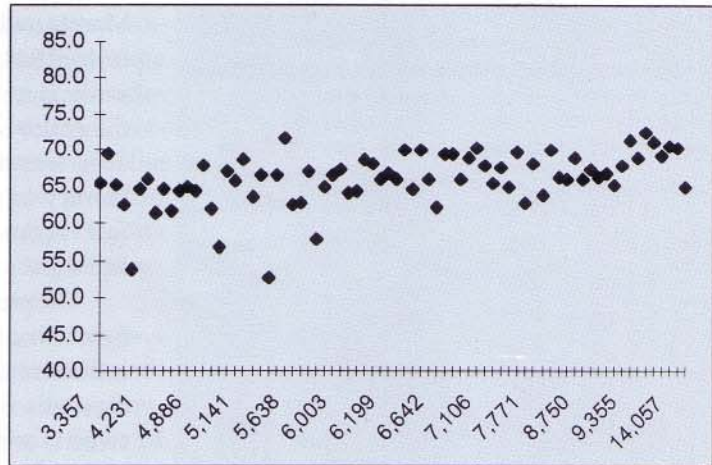
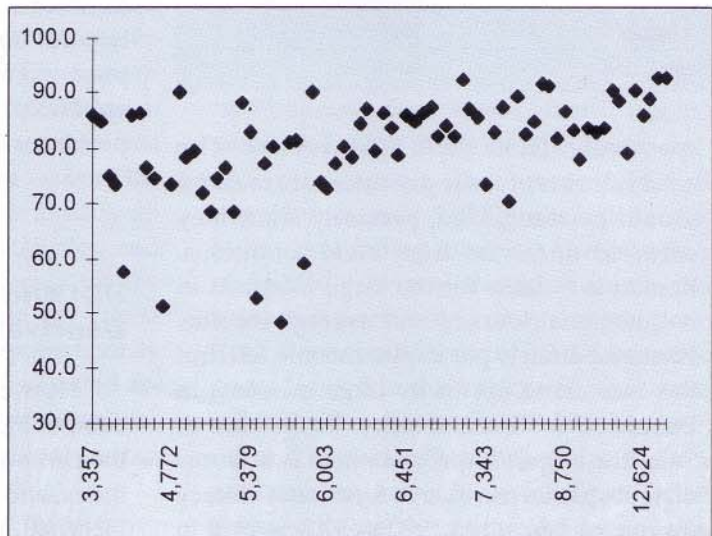


Figure 2.2
Functional Literacy and
Income (1994)



ancy on the other. But this relationship is weak and explains only about one-fifth (20.6 percent) of the variation in life expectancy, and even less (18.7 percent) of the differences in functional literacy. The rest of the variation must be attributed to other factors.⁶ The discussion in the chapter on governance suggests that higher public spending on human priority areas may be an important reason.

Another way of visualizing this “non-equivalence” is to compute an HDI *without the income component*, including only literacy and life-expectancy, and see how closely this index moves with per capita income. The result is that only 23.8 percent of the variation in such an index is explained by average incomes.

The existence of several systems of social statistics that at times appear to compete for

public attention may appear bewildering. Apart from the HDI, two other important official efforts at monitoring human development and progress are the “minimum basic needs approach” (MBN), which has been recommended by the Social Reform Council, and the continuing efforts to improve the measurement of income-poverty.

Official statistics on poverty incidence refer to the percentage of all households whose incomes fail to meet a statutorily defined level that is deemed sufficient to provide food and nonfood subsistence. For the last decade where comparable data are available poverty incidence has declined, beginning with 44.2 percent in 1985, falling to 40.2 percent in 1988, to 39.9 percent in 1991 and 35.5 percent in 1994. A serious shortcoming of poverty statistics at the moment is the

unavailability of reliable data at the *provincial* level. This is because the food and non-food baskets continue to be defined at the regional levels, which may or may not be relevant to specific provinces. (An alternative being proposed is the definition of a "fixed level of living" [BALISACAN 1997] which may eliminate the need to define varying baskets across areas.)

One other shortcoming in existing poverty statistics is the lack of a basis for comparison for periods before 1985. The improvement in the poverty situation is at once easy and difficult to understand.

On the other hand, the "minimum basic needs" approach is primarily a tool for planning and social mobilization. The philosophy underlying MBN is closely related to that on which HDI is based [PCFP 1995]. Eight variables are selected, two of each corresponding to education (basic literacy and cohort survival rate), health (infant mortality and child malnutrition), and shelter (water service and sanitary toilets). Income is also considered by including poverty incidence and a province's contribution to total poverty. These variables are then scaled and weighted equally to arrive at an MBN "score" which, like the HDI, ranges from a low of zero, meaning complete deprivation of basic needs, to a maximum of one, implying a complete fulfillment. (MBN-related statistics are also provided in the APPENDIX TABLES to this volume.) As a tool for social mobilization, the MBN-approach permits a more liberal inclusion of social indicators, as these are perceived by communities. (See Box 2.1.) It is unfortunate, however, that the all-provincial MBN index was computed only once (in 1991), which again prevents any comparison through time.

A ranking of provinces according to HDI in 1990, when compared with a similar ranking by MBN in 1991 yields a correlation coefficient⁷ of 0.8 (TABLE 2.5), which is quite significant. It should come as no surprise, on the other hand, that the correlation between HDI and per capita income is strong, since the latter is a part of the former. The mes-

Table 2.5
Relationships Among Measures
of Well-being and Deprivation
(Pearson correlation coefficients*)

	MBN (1991)	Poverty incidence	Income Per Capita**
HDI (1990)	0.80	-0.589	0.878
HDI (1994)	na	-0.719	0.888
MBN (1991)	-	-0.618	0.236
Nonincome HDI (1994)	-0.073	0.488	
Poverty incidence (1994)		-0.729	

Notes * The Pearson correlation coefficient is a measure of association between any two series of variables, X and Y, whose value ranges from 0 (no correlation) to 1 (perfect correlation).

** Batanes is excluded from these computations for want of income data.

sage that emerges is that per capita income-differences among provinces are much larger than their differences in health and education, so that the variation in HDI is dominated by this source.

It cannot be said, however, that health and education differences are *reducible* on this account to income differences, for there is a much weaker correlation (0.488) between the "non-income HDI" and average income. The correlation between non-income HDI and poverty incidence is similarly weak, which is to be expected, since headcount poverty is primarily an average income phenomenon. That is, for a given distribution of income, poverty incidence falls if average income increases (hence the high correlation between per capita incomes and poverty incidence). The lesson that emerges from this, therefore, is the importance in the Philippine context of considering health and education separately from income. As a measure of well-being, therefore, HDI is "intermediate" between a measure based purely on income, and one such as MBN, which places a heavier weight on non-income variables.

As already mentioned, rankings of provinces according to HDI bear a close, though not perfect, resemblance to rankings according to other measures of deprivation. TABLE 2.6 below shows the twenty-five most deprived provinces according to both the HDI

Box 2.1 The Minimum Basic Needs Approach

The government's official thrust to assess the quality of life is the formulation of a set of indicators based on minimum basic needs (MBN). It is the core strategy in the Social Reform Agenda (SRA), the Ramos administration's key program to address the quality of life of the poor. The MBN approach was formally proclaimed as the core strategy of SRA in 1995 through Proclamation No. 548 of 6 March 1995 and Administrative Order 194 of 30 May 1995, providing for the adoption of the SRA Convergence Policy and Its Operationalization.

MBN is an approach for determining social priorities and monitoring the effectiveness of government programs. Human needs are divided into survival, security, and enabling needs, each of which is further elaborated: food and nutrition, health, water and sanitation and clothing are termed survival needs; security encompasses shelter, peace and order and public safety, and income and employment; enabling needs include basic education and literacy, people's participation and family care/psychosocial needs. From such a framework, 33 indicators at the household level are identified formulated as the minimum requirements to address these ten basic needs.

The central component of the MBN approach is the installation of an information system at the *barangay* level, whose primary purpose is to make the community use the information to determine what measures they can undertake to respond to these problems. This deviates from the traditional mold of having an information system serve merely the management team of government and nongovernment organizations. The structure for gathering information is designed to elicit the participation of community residents, nongovernment organizations and the government. Collection, processing and analysis of information is to be undertaken by the convergent team. Data are to be validated through community assemblies to ensure that information derived is consistent with the real life situation of community members.

The principal aim of the MBN approach, however, is not the passive gathering of information but the mobilization of local communities to help themselves and assert their influence. In analyzing local situations, the MBN approach is the last but the most crucial step — planning common actions and determining priorities, implementation, and monitoring and evaluation to ascertain how much improvement has taken place in the locality. MBN monitoring forms have been formulated by a National Technical Working Group management

team for collecting information from households on the 33 indicators and for summarizing information per *barangay* and higher political boundaries (i.e., municipalities and provinces). The Household MBN Form is to be filled up on a yearly basis, normally in the first quarter of the succeeding year for the preceding year.

Local government units may also "localize" the approach, however, that is modify it to suit actual conditions. Among others, LGUs have translated the MBN forms into the local language and included local problems not captured in the MBN form. In San Pedro, Agdao, Davao City, for example, two more indicators were included in the top ten priority problems addressed in this area, tuberculosis and drainage.

Barangays are encouraged to set up a public information system to depict their condition to the community residents for greater transparency. Some of the approaches applied include the preparation of community data boards on MBN accomplishments per area. Spot maps are constructed to facilitate the location of households. Spot maps also contain household data boards demonstrating information on the condition of the household according to selected MBN indicators. Some areas, like Davao and North Cotabato have even applied color-coding schemes to show the magnitude of the problem of families in their localities. Green signifies "no problem"; yellow indicates that some family members are afflicted by the problem (e.g., not all pregnant women had tetanus toxoid). Red indicates failure of a family to meet the MBN, while blue means not applicable. Data boards which have been installed are considered a form of "social pressure" for the community and government to respond to problems in the locality. These inspired local implementors and the community to immediately act on the problems which have been collected and identified in the MBN information system.

The active participants in planning process are the local development councils in provinces, cities, municipalities and *barangay*. They encompass not only the local government unit sectoral implementors, the local chief executive but also nongovernment organizations, with at least one-fourth of the total membership constituted from the latter. Thus, MBN harnesses existing structures. MBN Technical Working Groups may be created at each level to take charge of advocacy, capability-building, technical support for the instituting the MBN approach at lower levels and consolidation/analysis of MBN information.

The information gathered is designed primarily to be used at the local level, e.g., by the local planning council (the barangay development council). It has been advocated, however, that the information should also be transmitted to higher levels to make the latter understand the condition of lower political boundaries. The information derived will also provide higher levels of government rational criteria in apportioning resources for areas which may be needing additional support. At the national level, a National Technical Working Group on MBN provides policy directions, oversees the implementation, and extends technical support on the implementation of the MBN approach.

Nearly all provinces and cities have been mobilized for the MBN approach. As of the end of 1995 97 percent of all city mayors and 95 percent of all provincial governors have been briefed. Trainors have also been trained in almost all provinces (91 percent) and cities (94 percent), although the rate at which technical working groups have been organized is greater for provinces (85 percent) than cities (37 percent). There is inadequate information to show the status of mobilization in municipalities.

It must be remembered, however, that MBN is primarily a local affair, taking place at the barangay level. From this aspect, progress has been much more modest. Only a total of 72 barangays were introduced to MBN and were in the various phases of implementation as of 1995. This total represents only 0.2 percent of 42,380 barangays. Of the 72 barangays introduced to MBN, 62 (86 percent) have reported being able to organize their area-based teams. Sixty (83 percent) have completed and nine are gathering data on MBN indicators. Twenty seven (or 37.5 percent) have incorporated MBN in their local plans and 30 (41.7 percent) have installed data boards. For 1996, the Presidential Commission to Fight Poverty reported an improvement in coverage with 24.6 percent of all barangays reportedly having installed MBN. No detailed information on the extent of localization have been obtained from reports transmitted by local government units, however. It is difficult to ascertain at this point to what extent these localities have already integrated their information in local development plans.

Among the first barangays to commence with the localization of MBN were those mobilized for the Integrated Approach to Local Development Management (IALDM) by non-governmental organization partners of the Department of Interior and Local Gov-

ernment-Local Government Academy (DILG-LGA). In the assessment of the accomplishments of the IALDM/MBN Capability Building Program of the DILG, 56.5 percent of 23 barangays in IALDM areas have achieved this phase by the end of 1995. Six of the 23 even indicated that they have plunged into the phase of responding to their MBN plans. These are barangays in the cities of Cebu, Lapu-Lapu, Cagayan de Oro and Davao; and the provinces of Surigao del Sur and North Cotabato.

Problems and issues have cropped up in MBN implementation. Among these are inability to do the surveys due to financial constraints; varying interpretations of MBN indicators; lack of commitments among local chief executives to the program; and inadequate coordination among provincial, barangay and national actors; and the tendency to view MBN as purely passive monitoring system rather than a component of a participatory process. Of course, there is finally a nagging question whether the approach will be sustained with a change in administration.

While it is premature to conclude how the MBN approach has led to the improvement of quality of life in the community, some initial commentaries drawn from the documentation of MBN implementation in IALDM areas indicate the impact of MBN on local development implementors and the community. On the part of local implementors, MBN facilitated focus on the most important requirements of the community. One of the case writers on IALDM success stories wrote: "the local government has much to gain, for the results gave them the basis for which to spend its limited resources with assurance that what is given is really the need of the majority." This response indicates MBN's contribution to efficient management. Awareness of the condition in the locality has also motivated community members to do something about their problems, to work together as a team, to develop self-reliance and depend on community resources.

The introduction of the MBN approach demonstrates local initiative in determining quality of life of the Filipino people. It is a creative complement and parallel to the Human Development Index (HDI) which is processed from aggregate data from various national agencies. The MBN approach provides an opportunity to community residents to have a role in gathering information and to using this in their own decision-making processes. As a volunteer remarked, "*Dili ni sa gobyerno. Ato ning responsabilidad, kita magtinabangay.*" — VICTORIA A. BAUTISTA

and the MBN developed by the Commission to Fight Poverty. Sixteen of the 25 HD-deprived provinces (64 percent) are also found in the MBN list, while 17 of the list are among those with the highest incidence of poverty. On the other hand, sixteen provinces on the MBN list are also among those with the highest incidence of poverty.

One of the contributions of rating systems such as the HDI is that they permit authorities to determine priorities. This is especially important when resources are limited and there is a need to focus efforts on key sectors or areas. Regrettably, however, the government's selection of the "Club 20" provinces that are to be the focus of its Social Reform Agenda appears to have benefited little from any of these objective criteria. It has been noted [MONSOD 1997] that

the Club 20 "includes only six out of the 20 provinces with the highest headcount poverty incidence, only one out of the 20 provinces with the largest number of poor, and only nine out of the 20 provinces with lowest Human Development Index".

Gender Development

An important aspect of elaborating people's well-being involves identifying specific groups that may be deprived. The GDI improves on HDI by measuring the *comparative* social well-being of male and female citizens of a country. In essence, GDI can be thought of as taking the value of HDI and discounting it in the presence of gender disparities. The greater these disparities, the higher the discount applied to HDI. In the absence of any gender disparity, on the other hand, the HDI would equal the GDI. (The details of obtaining GDI are explained in the TECHNICAL NOTES.)

GDI should ideally be estimated at the level of provinces for the same reasons that HDI was. The incompleteness of data, however, is an obstacle that cannot be surmounted for the moment. Instead, therefore, estimates of GDI for the country's regions for the years 1990 and 1994 are presented in the first and second column of figures in TABLE 2.7. For comparison, the HDIs for the regions for the same years have also been estimated and are presented in the third and fourth columns of figures in the same table.

Between 1990 and 1994, the estimates of GDI ranged from a low of 0.104 (for Region IX in 1994) to 0.467 (for NCR also in 1990). In both years, NCR displayed the best performance (although its GDI in fact decreased from 0.467 in 1990 to 0.449 in 1994).

The first thing to be noted is the extremely low values of GDI in *all* regions of the country. Not even the NCR's performance, which was rated highly when pure HDI was considered, can be rated decent.

Table 2.6
25 Most-Deprived Provinces
by 1994 HDI and 1991 MBN Index

	1994 HDI		1991 MBN
* Sulu	0.320	* Sulu	0.2512
Basilan	0.345	* Maguindanao	0.3912
* Tawi-Tawi	0.360	* Masbate	0.4010
Samar (Western)	0.398	* North Cotabato	0.4227
* Ifugao	0.405	* Ifugao	0.4369
* Maguindanao	0.429	Zamboanga del Sur	0.4429
* Masbate	0.434	Basilan	0.4631
* Lanao del Sur	0.434	* Zamboanga del Norte	0.4684
* Zamboanga del Norte	0.440	* Lanao del Sur	0.4799
* Capiz	0.451	* Surigao del Sur	0.4829
* Abra	0.457	* Agusan del Sur	0.4960
Northern Samar	0.462	* Tawi-Tawi	0.4980
* Lanao del Norte	0.464	* Kalinga-Apayao	0.5110
* Sorsogon	0.469	* Lanao del Norte	0.5202
Siquijor	0.474	<i>South Cotabato</i>	<i>0.5202</i>
* Romblon	0.476	* Sultan Kudarat	0.5218
* Antique	0.483	* Bukidnon	0.5259
* North Cotabato	0.483	Negros Oriental	0.5259
* Agusan del Sur	0.497	Negros Occidental	0.5266
Negros Oriental	0.501	Samar (Western)	0.5306
Agusan del Norte	0.502	* Capiz	0.5366
Zamboanga del Sur	0.502	* Davao Oriental	0.5400
* Camiguin	0.503	Leyte	0.5500
Bohol	0.505	Northern Samar	0.5508
* Mountain Province	0.506	Misamis Occidental	0.5630
* Davao Oriental	0.506	Nueva Ecija	0.5631

* Among the 25 provinces with the highest poverty incidence in 1991, 1994.

This owes largely to the greater disparity in incomes between women and men in 1994. It will be recalled that average income in Metro Manila decreased during the same period, owing to the recession of 1991-1992. The intriguing phenomenon requiring further investigation is the extent to which the gap in incomes increases when average incomes fall.

At the other end of the spectrum lies Region IX (Western Mindanao), which performed consistently poorly in terms of GDI and ranked lowest in both years. The other four regions with the lowest GDI in 1994 were Central Mindanao (0.157), Eastern Visayas (0.182), Bicol (0.193), Northern Mindanao (0.195). It is disturbing that Western Mindanao's GDI, in addition to its low absolute value, fell further from 0.119 in 1990 to 0.104 in 1994. The biggest factor influencing that region's GDI performance was the large gap in incomes that existed between males and females. NCR and Western Mindanao were the only two regions that manifested deterioration in GDI; all other regions showed improvements. GDI improvements have occurred owing to a number of factors. *First*, as may be expected, life expectancy increased for all regions for both males and females throughout the period. The smallest gap in life expectancy is found in Region II (Cagayan Valley), averaging 2.8 years, while the largest gap is found in Region IV (Southern Tagalog), averaging 7.4 years.

Second, functional literacy for both males and females has increased for all regions without exception. As for gender disparity in access to knowledge, females in 1994 matched or outdid males in all regions (except in ARMM where functional literacy was 63.2 percent among males and 59.1 percent among females).⁸ This is strikingly different from the observation in 1990, where five regions (i.e., NCR, Regions I, II, III, and XII) showed males as having an advantage over females in functional literacy.

Although not explicitly included in the calculation of GDI, other data support the observation of improving educational levels

Table 2.7
Gender Development Indices (1990, 1994)

	GDI		HDI		GENDER DISPARITY (%)	
	1990	1994	1990	1994	1990	1994
NCR	0.467	0.449	0.944	0.925	50.5	51.4
I-Ilocos	0.228	0.230	0.592	0.630	61.4	63.5
II-Cagayan Valley	0.182	0.231	0.560	0.640	67.4	63.9
III-Central Luzon	0.266	0.271	0.695	0.709	61.7	61.9
IV-Southern Tagalog	0.257	0.283	0.654	0.714	60.7	60.4
V-Bicol	0.165	0.193	0.488	0.570	66.1	66.0
VI-Western Visayas	0.183	0.207	0.527	0.594	65.3	65.2
VII-Central Visayas	0.184	0.201	0.528	0.580	65.1	65.3
VIII-Eastern Visayas	0.171	0.182	0.473	0.538	63.7	66.2
IX-Western Mindanao	0.119	0.104	0.458	0.524	74.0	80.2
X-Northern Mindanao	0.179	0.195	0.531	0.578	66.4	66.3
XI-Southern Mindanao	0.205	0.239	0.571	0.621	64.2	61.5
XII-Central Mindanao	0.125	0.157	0.479	0.556	73.9	71.8

Note The index of gender disparity is obtained by taking the percentage difference between the HDI and the GDI, i.e., $100 \times (\text{HDI} - \text{GDI})/\text{HDI}$.

for females relative to males: for example, enrollment ratios tend to be higher for females than for males. One explanation for higher female enrollment rates (which are evident in 1990 and 1994 data) is the greater tendency for males to inherit tangible property (e.g., a piece of land or a family enterprise) than for females. By contrast, females have tended to "inherit" a higher level of education. It remains unclear, however, whether parents themselves encourage their daughters to acquire higher education, or whether daughters look forward and realize that their best prospects are met by developing human skills [QUISUMBING 1994].

The improvement in GDI over time suggests that the status of women has improved in absolute terms, through longer life expectancies, higher literacy, and more earning opportunities. But these trends have affected both women and men. To what extent has the lot of women improved relative to that of men?

An answer to such a question may be attempted by considering the trend in the indicator of *gender disparity*, namely the percentage reduction of the GDI from the HDI

[UNDP 1995: 79].⁹ The indicator of gender disparity is given by the percentage reduction of the GDI from the HDI [UNDP 1995: 79], that is, $100 \times (\text{HDI} - \text{GDI}) / \text{HDI}$. The higher the value of this indicator, the larger the gap between the GDI and the HDI, and the higher the gender disparity. If men and women were equal in all respects, then HDI would equal GDI, and the value of this indicator would be 0.

The last two columns of TABLE 2.7 report the estimates of this indicator for all regions in 1990 and 1994. Both years reveal large degrees of gender disparity. Even the best performer in both years, NCR, had a GDI that was only half its HDI, while other regions show corresponding figures ranging from 62 percent to 79 percent. Gender disparity was greatest in Western and Central Mindanao, which also ranked lowest in both years. Other regions showed figures ranging from 62 percent to as much as 79 percent. Gender disparity is greatest in Northern and Central Mindanao, whose GDIs were also the lowest in both years, although their ranking switched during the period.

Notwithstanding the country's relatively favorable international position on gender, therefore, it is difficult to conclude that the gap between genders was actually closing in the first half of this decade. Indeed, in four regions, namely NCR, and Regions I, VIII and IX, the gender gap actually increased. This implies that any worsening in conditions in these regions was disproportionately borne by women, or, in the case of improvements, that women obtained a disproportionately small share. In six others (namely Regions III, IV, V, VI, VII and X), the gap basically remained as wide. In these regions, the improvement in women's well-being occurred as no more and no less than a consequence of improvements in average social conditions. Only in Regions XI and XII was there a significant tendency for it to close.

The Next Step: Better Measures and Policy Follow-through

In the past few years, great progress has been made in representing the broadest and most glaring disparities in human development and in focusing attention on the most critical sectors. The point that distinct attention must be paid to *primary* health and *basic* education; that improvements in these areas do not automatically follow upon increasing private incomes, so that government must play a crucial role in ensuring their provision; that average income must rise nonetheless to sustain human development; that equity of access is often more important than the average spending on social services; that locally designed and implemented initiatives, properly supported, are often more responsive and more lasting than those imposed from above — these and many more lessons are learned from the human development paradigm.

Nonetheless, there is a continuing need to find and develop specific indicators that will lead to policies that are more forward-looking and finely tuned, lest achievements in broad indicators become an excuse for complacency. The following areas appear particularly urgent.

EDUCATION. Broad international comparisons place the Philippines holding its own with respect to the typical indicators of learning: basic or even functional literacy, enrollment rates, and average years of schooling are higher than those in other developing countries. These are essentially measures of coverage and access. Other statistics such as the cohort-survival rates or completion rates may give an inkling of whether the current situation is being maintained. The country's completion rate, for example, leaves much to be desired, with 30 percent of children starting elementary school being unable to complete their attendance.

Nor is there any disguising the fact that the *quality* of the performance of grade school and high school pupils in core fields such as language, mathematics, and science has re-

mained at levels far below international standards.

One obvious measure of quality of educational outcomes, for example, is performance in standard tests, and it is surprising this has not been used more extensively. Internationally, the country's performance in standard tests such as those under the International Mathematics and Science Study (in which the country was virtually third-last in math and second-last in science) may also be used. Closer to home, scores on the National Elementary Achievement Test (NEAT), and the National Secondary Achievement Test (NSAT) may be used to rate the performance of schools in different localities and compared with the resources spent on maintaining them. The well-known chasm separating the quality of public and private schools, for example, may actually be measured in this manner (See, e.g., TAN 1997).

HEALTH AND POPULATION. AS a summary measure, life expectancy gives a broad picture of health status, but this is a variable which many others feed into, and which changes only gradually. There is a need, therefore, to inquire into more particular sources of poor health and to develop "early warning" indicators for health status. For particular areas, other indicators that may be considered are the share of population with access to safe water and sanitation, and malnutrition among children.

With respect to population and urbanization, the Philippines faces unfavorable trends. Between 1960 and 1992, the population grew at 2.6 percent per year, exceeding the developing countries average of 2.3 percent during the same period. Although this rate is projected to fall to two percent between 1992 and 2000, it remained high and will continue to exert pressure on the country's resources. In urban areas, the population is expected to grow at a higher rate until the end of the century. This will exacerbate the poverty incidence among urban dwellers, raising the urgency of effective poverty alleviation programs.

ENVIRONMENT. Notwithstanding the media attention and political rhetoric focusing on the environment, the spadework that seeks to provide a baseline for setting environment-priorities — by resource, by geographical area, by type of environmental problem — remains surprisingly preliminary. Yet it is clear that rapid population growth, growing urbanization and industrialization, and pockets of poverty will continue to exert ever-growing pressure on the environment. Effective national and local indicators of environment quality need to be developed urgently to sensitize policy-makers and mobilize people.

INCOME INEQUALITY. Regardless of the measure used, it is generally conceded that absolute poverty in the Philippines has decreased over the past decade. As of 1994, 35.5 percent of all families, or 40.2 percent of the total population, were officially considered poor. This remains a high figure, but represents a significant improvement over the incidence of poverty in 1985, which stood at 49.2 percent. From one viewpoint, this should not be surprising: after all, income per person *rose* between the two periods, so that unless income became more severely maldistributed between the two periods, one *ought* to expect poverty to decrease, as it has.

On the other hand, the country's performance in improving income distribution has been less encouraging. In 1994, the poorest 40 percent of the population received only 13.7 percent of total income, a proportion *smaller* than what they received almost a decade ago (TABLE 2.8). By contrast, the richest 20 percent of all families in the country receive more than half (52 percent) of all income in 1994 as they have done for over a decade.

In a sense, it may be unfair to argue about the record on inequality, since the government has not seemed to regard it as a key priority to change the existing distribution of income. Instead, the focus implicitly appears to be the elimination of absolute poverty, and to be fair, a significant degree of success seems to have been achieved in the

Table 2.8
Income Shares of the Two Poorest
Quintiles and Richest Quintile

Year	Share of the Poorest 40 percent	Share of the Richest 20 percent
1985	14.3	52.1
1988	14.3	51.8
1991	13.2	53.9
1994	13.7	51.9

Source NSCB (various years), *Family Income and Expenditure Surveys*.

latter. In this respect, however, a divergence of opinion may exist between the government and those representing the basic sectors. It has been noted [MONSOD 1996], for example, that the goals of the Social Reform Agenda, whose original goal from the viewpoint of the basic sectors was to "address the

basic inequities of Filipino society", have become amorphously fused with quite distinct concerns for absolute poverty and "fast-tracking" of growth and development in selected provinces. The difficult debate that seems to have been avoided is whether and to what extent reforms in the ownership of existing wealth and incomes are required before economic growth and human development can occur. But Philippine society will ultimately have to confront the issue of equity in wealth and incomes. This will happen sooner if economic growth should fail. But even if economic growth should continue as hoped for, and progress against absolute poverty is made, then the people's attention should shift as a matter of course from the absolute poverty that materially incapacitates them, to the relative poverty that disenfranchises them socially.

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Notes

- 1 To avoid the confusion, growth has sometimes been referred to as 'economic development', although the latter is still broader in scope than the former. This is probably because of the role of efficiency in increasing the material well-being of the population. Development, as used above, has been clarified as "human or social development", signifying emphasis on the satisfaction of social needs.
- 2 A possible further stage in improving these measures would be to explicitly incorporate the role of the environment in the sustainability of development.
- 3 Averages for other developing countries were as follows: life expectancy, 61.5 years; adult literacy rate, 68.3 percent; and enrollment rate, 54 percent.
- 4 This was not always so. Under the Commonwealth, senators were elected from regional constituencies.
- 5 Unfortunately, the real income for Batanes could not be computed owing to the absence of official price indices for the province. This is a serious shortcoming, since nominal incomes for the province are likely to be overstated relative to other provinces, owing to high domestic prices.
- 6 Linear relationships between life expectancy and literacy on the one hand and real per capita income on the other are given by: (1) Life expectancy = $61.537 + 0.000667 \text{ Income}$, and (2) Functional Literacy = $69.382 + 0.0016 \text{ Income}$.
- 7 The correlation coefficient between two variables X and Y is defined as $S_i(X_i - m_x)(Y_i - m_y) / n s_x s_y$, where X_i and Y_i are the i th observations of the two variables, n is the number of observations, m_x , m_y are the averages, and s_x , s_y are the standard deviations of the two variables.
- 8 Functional literacy was equal among males and females in Cagayan Valley in 1994.
- 9 This is given by $(\text{HDI-GDI})/\text{HDI}$.