

Annual Public Policy Conference 2021

Presentation of Concept Paper and Theme for DPRM/APPC 2021

2021 DPRM Steering Committee Meeting
14 July 2021



Philippine Institute for Development Studies
Surian sa mga Pag-aaral Pangkaunlaran ng Pilipinas

Background

The ACPC theme will also be adopted as the overall theme for the Development Policy Research Month (DPRM).

APPC 2021 Scientific Committee

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APPC/DPRM 2021 Concept and Theme

Reset and rebuild for a better Philippines in the post-pandemic world

RESET: to clear errors, remove problematic applications, or put away things that entangle.

REBUILD: to make extensive changes, demolish obsolete rules, processes, and systems, and provide new ones.

Imagine a **BETTER** Philippines and enable a more effective functioning of our systems and processes.

APPC/DPRM 2021 Concept and Theme

Resetting Capitalism

Ethical Capitalism

Green and Inclusive Recovery

Robust and Healthy Workforce

Main theme: Resetting Capitalism

“The Great Reset”

The **Great Reset** is a proposal by the World Economic Forum (WEF) to rebuild the economy sustainably following the COVID-19 pandemic.

- Build new foundations for the world's economic and social systems
- Steer the market towards fairer outcomes
- Investments advance shared goals, such as equality and sustainability

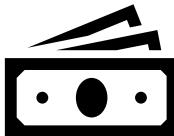
Main theme: Resetting Capitalism

Questions for discussion

- How must we reset our ways of life and rebuild toward a better normal?
- How can we build new foundations for the world's economic and social systems?
- How can we steer the market towards fairer outcomes?
- How can we ensure that investments advance shared goals, such as equality and sustainability?

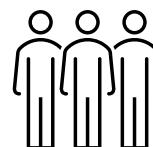
Subtheme 1: Ethical Capitalism

Which economic system would best serve us today?



Shareholder Capitalism

- Interests of only one stakeholder (the owner) dominate
- Goal: Maximize profits and shareholder value



Stakeholder Capitalism

- All stakeholders are considered, including employees, customers, and suppliers
- Focus: Long-term value creation

Subtheme 1: Ethical Capitalism

In the US, about 190 firms signed a **Business Roundtable Statement** on corporate purpose declaring “a fundamental commitment to all stakeholders.”

Over 60 global industry leaders, including in developing Asia, committed to the **Stakeholder Capitalism Metrics** released by the International Business Council under the WEF.

In late 2020, the Philippine Business Group (comprising more than 20 business associations in the country) similarly signed a **Covenant for Shared Prosperity**.

The Philippine Securities and Exchange Commission has supported elements of stakeholder capitalism, now enshrined in the **Code of Corporate Governance** which took effect in 2017.

Subtheme 1: Ethical Capitalism

Questions for discussion

- Will a stakeholder model foster or hinder corporate/economic growth in a post-COVID environment? What kinds of tradeoffs can be expected?
- How willing are businesses to follow a stakeholder model? Will they be inclined to adopt universally accepted environmental, social, and governance (ESG) metrics, which are designed to help achieve the SDGs?
- What will be the effect on firms? On financial markets? On the latter, do we have an investor base that is cognizant of the long-term benefits of a sustainability/stakeholder mindset among firms?
- Should stakeholder principles be further enshrined in corporate governance laws? What are the pros and cons of codification? What have been the good/bad outcomes of the recent changes in the corporate governance code?

Subtheme 2: Green and Inclusive Recovery

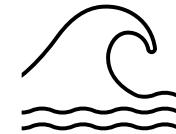


Green Economy

“ One that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities.

Low carbon, resource efficient and socially inclusive.”

-United Nations Environment Programme 2011



Blue Economy

“ Sustainable use of ocean resources for economic growth, improved livelihoods and jobs, and ocean ecosystem health.”

-World Bank 2017

In a sense, the blue economy is part of the green economy.

Subtheme 2: Green and Inclusive Recovery

Building resilience entails conservation of green and blue ecosystems as well as climate change adaptation and mitigation.

The conservation strategies of the Philippines are somewhat inadequate if juxtaposed with the targets.

PH progress on SDGs pre-pandemic:

SDG 14 (life below water)
Stagnating

SDG 15 (life on land)
Decreasing

-Sachs et al. 2020

Climate targets and well-being targets should be seen as complementary.



Food security



Energy development and use



Waste management



Conservation of green and blue ecosystems



Preparing for climate change-related diseases and addressing health inequities

Subtheme 2: Green and Inclusive Recovery

Questions for discussion

- Who are the crucial stakeholders in accelerating climate targets and building resilience in the green and blue economy? Are they doing enough?
- In what areas of green and blue economy can public-private partnerships or even pure private sector participation flourish? Are there areas that can be targeted by stakeholder capitalism?
- What are the tradeoffs in pursuing a low carbon future for a developing country like the Philippines? In which sectors are the tradeoffs prominent and can these be quantified?
- How accessible are innovations and solutions for the transition to resilient green and blue economy for developing countries such as the Philippines? What is the extent of the technological capacity for developing countries to research and develop solutions on their own?

Subtheme 3: Robust and Healthy Workforce

COVID-19 highlighted existing health inequities faced by low-compensation workers as they are more likely to encounter poor work-related conditions.

They are more likely to:

- live in crowded conditions or in areas with high levels of pollution
- take congested public transportation
- lack the financial resources to afford adequate protection even while away from the workplace
- feel compelled to go to work even on sick days as the opportunity cost of not working is just too high
- have pre-existing health conditions given the environment they are in and the stresses they encounter

Subtheme 3: Robust and Healthy Workforce

While digitalization and the Fourth Industrial Revolution have facilitated the transition to remote work and distance learning, ***differences in the ability to access*** these technologies have exacerbated existing inequalities among households and across countries.



Rethinking social protection systems for the workforce



Focusing on health at work



Reimagining schooling and future-proofing education



Mobilizing a reskilling revolution



Closing the gaps (digital divide, gender gap, youth unemployment)

Subtheme 3: Robust and Healthy Workforce

Questions for discussion

- What needs to be fixed in social protection systems for workers to reduce inequities and ensure inclusion during and after the pandemic?**
- How has digital technology been used to cope with the impacts of COVID-19 on labor and employment and social protection? What are the best practices and models around the world that a developing country like the Philippines may emulate?**
- What is the future of training and re-skilling, labor and employment, and social protection? What should the new and better normal in these areas look like post-pandemic?**



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policy research

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