

# DEVELOPMENT RESEARCH NEWS

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Photo by Jen Pioquinto/Flickr

## Improve performance of boys in PH educ—PIDS study

THE WELFARE OF boys is equally important as that of girls.

This is one of the key messages of a recent study by state think tank Philippine Institute for Development Studies (PIDS) on “Gender Equity in Education: Helping Boys Catch Up”, led by Vicente B. Paqueo and Aniceto C. Orbeta Jr., visiting research fellow and senior research fellow at PIDS, respectively.

Instead of merely targeting the educational status of girls, Paqueo and Orbeta argued that the government focus should be on “improving the status of educationally disadvantaged gender group, albeit males, at a faster rate”.

In the past, Filipino males used to be ahead of girls in terms of education completion.

However, the gap steadily narrowed until the mid-70s, when the proportion of female completing college education surpassed that of men.

This could be attributed in part to the global growth of the feminist agenda, where focus was given more to the advancement of women’s rights, including right to education.

This trend in decreased school attendance of boys, however, is not unique to the country.

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## Editor's Notes

The Philippines has been moving up the gender ranking through the years. It landed in the eighth spot in 2018 among 149 countries, scoring the highest in educational attainment, the only Asian country to be included in the top 10. A recent PIDS study that reviewed the country's progress in meeting the Sustainable Development Goals also revealed significant improvements in the basic education indicator, specifically in student completion rates.

Ironically, the situation is not as rosy on the ground. A closer look shows the country is lagging behind in gender parity in education. As discussed in the banner article and the infographics in this issue, PIDS studies found Filipino boys to be missing out in basic and secondary education, in terms of enrollment, performance, and completion rates. Girls receive more schooling and perform better than boys, and this gap is more pronounced among the low-income groups, reflecting the link between poverty and education. Providing higher allowance for boys under the government's conditional cash transfer program or *Pantawid Pamilyang Pilipino Program* (4Ps) is among the study's recommendations but it will not be enough. It is crucial to address the causes of poor school attendance and dropping out among boys. The surveys found personal interest as the foremost cause, both among primary and secondary school-age children, while the interviews with parents (Page 18)

Other Asian countries as well as Brazil have reported similar observation in academic performance.

## Boys lag behind

Based on the *2016 Annual Poverty Indicators Survey* (APIS), boys lagged behind girls in basic education.

Among boys aged 16 to 19, for instance, only 89 percent were able to complete elementary education, compared to 95 percent for their girl counterpart.

This figure further dwindles at the secondary level, where merely 64 percent of boys were able to complete secondary education compared to 79 percent of girls.

In terms of functional literacy rate, boys likewise exhibited lower performance than girls.

The same is true for the National Achievement Tests results among grade six students.

Sadly, the situation has hardly changed since a decade ago, based on the 2008 APIS.

A similar trend was noted by another PIDS study, suggesting that boys are at a higher risk of dropping out of school or obtaining a failing grade compared to girls in basic education.

According to Clarissa C. David, Jose Ramon G. Albert, and Jana Flor V.

Vizmanos, PIDS consultant, senior research fellow, and research specialist, in their study titled "Boys Are Still Left Behind in Basic Education", about two in every three out-of-school children (OOSC) in 2017, aged 5 to 17 years, were boys.

They also noted that the gender gap in OOSC was widest in the secondary upper level, where 22 percent of boys did not reach the expected level compared with only 12 percent of girls.

In the lower secondary level, the OOSC rate for boys was at 8 percent compared to merely 3 percent for girls.

Based on interviews with parents and teachers, the study showed that "poor performance can often lead to low motivation to continue school," which may eventually result in student dropout.

The research also revealed that boys were likely to obtain low grades, take remedial classes, and have difficulty in getting accepted to the next school level.

One of the reasons of school dropouts cited by the study is the lack of interest among students.

It stated that more boys in the primary level are "lacking interest than girls".

The same goes at the secondary level, where 60.6 percent of boys were reported to be lacking interest, compared to 41.8 percent of girls.



Computer and mobile games, along with peer influence and vices, were among the reasons why boys in higher grades drop out of school. (Photo by ABS-CBN News)

The “lack of interest”, according to the study, may, in turn, emanate from parents’ lack of interests in sending their children to school.

Gender disparities are also evident between boys and girls in terms of the cost of education.

The result of the survey showed that 13.7 percent and 6.4 percent of out-of-school primary-school-age boys and girls, respectively, cited cost of education as one of the causes why they do not attend school.

Other reasons why “a disproportionate number of boys in the higher grades dropped out of school” were “peer influence (i.e., *barkada*) and vices” and computer and mobile phone games.

According to the authors, male students were “more likely to engage in computer

and mobile games, skip school with their peers, and start drinking and smoking”.

### Gov’t cash transfers to benefit boys

The widening gender gap in education is most evident among Filipino poor-income families.

“The gap was much larger among the poorest 30 percent than the richest 30 percent,” according to Paqueo and Orbeta.

One solution identified by the researchers is the continued provision of conditional cash transfers, which have “favorable effect on the education outcomes between boys and girls”.

In particular, the authors reported that the *Pantawid Pamilyang Pilipino Program* or 4Ps “has significantly improved the school attendance rates for boys in elementary education”.

Under the 4Ps, the government provides poor household beneficiaries with PHP 300 monthly cash grant for every child aged 0 to 14 years, regardless of school level.

In 2014, the education grant was extended to children up to 18 years old and increased to PHP 500 monthly for children in secondary school.

Certain requirements, however, must be complied, such as school attendance of children for 85 percent of school days, regular health checkups for mothers and children, and attendance in family development sessions.

### Fine-tune ‘gender equality’

Gender equality and empowerment of all women and girls is a global priority included in the 17 Sustainable Developments Goals (SDG) of the United Nations (UN).

According to the UN Entity for Gender Equality and Empowerment of Women, gender equality “implies that the interests, needs and priorities of both women and men are taken into consideration, recognizing the diversity of different groups of women and men”.

The concept of gender equality in the past years, however, has usually been limited to raising the status of women.

Thus, “there is a need to fine tune the way gender gap issue is addressed,” said Paqueo and Orbeta.

They stressed the importance of understanding education equality not just from the girls’ perspective but also from the boys’ perspective.

“Education programs must adhere to the original principle of gender equality,” they said.

*Ambisyon 2040*, the country’s vision for inclusive growth and development, entails investment in human capital, particularly through the provision of quality basic education.

As such, Paqueo and Orbeta called for using a gender lens in designing solutions to address educational development of Filipino males.

They emphasized the need to raise the academic performance of both gender categories.

It is important to pursue “gender equality strategies that would produce win-win results for boys and girls,” they added.

### **Institutional reforms matter, too**

Meanwhile, David, Albert, and Vizmanos urged the Department of Education (DepEd) to design and implement “specific learning materials and tools appropriate to a certain curriculum to accommodate diverse manners of learning”.

Teachers should also be allowed to exercise “flexibility in designing interventions specific to addressing barriers” that can affect the learning of boys.

The authors also suggested the “use of activity-based learning using manipulatives, tools, and experiments to illustrate lessons, to keep boys interested and motivated”.

Another recommendation is the grant of “incentives to schools and teachers who can develop effective learning interventions for boys”.

They also stressed the “need to enhance coordination with local government units through the Department of the Interior and Local Government and the local school boards to reduce school absenteeism and prevent boys, particularly those in older ages, from getting waylaid by peers and vices, including computer games”.

The authors also advised the DepEd to diversify the education workforce to strike a balance between male and female teachers, which could result in long-term impacts on boys.

They pointed out that increasing the number of male teachers with whom

boys can “identify with more directly” and “share their problems comfortably with” may have more positive effects, especially for those who lack male role models at home because of the absence of the father.

According to the authors, these interventions should be carried out to avoid long-term detrimental societal impacts, such as chronic intergenerational poverty, domestic abuse, violence against women, and low levels of female economic empowerment.

“It is time to treat the underachievement of boys’ education as an urgent problem that needs urgent solutions,” they said, arguing that the ultimate goal should be to reduce the overall OOSC incidence in the country and attain greater gender parity both in education outputs and positive social outcomes. **MJLS, RTT**



*The study recommends hiring more male teachers—with whom boys can easily identify with—to keep boys in school. Photo by Teach For the Philippines*

## Educ, employment of mothers key to sons' educ success



Mothers with high educational attainment are likely to send their sons to advanced schooling, study says.

THE IMPACT OF a woman's level of education transcends beyond her generation, as it determines even the educational success of her children, particularly her sons.

This is according to a study by Lawrence Dacuycuy and Connie Dacuycuy, consultant and senior research fellow, respectively, at the Philippine Institute for Development Studies (PIDS).

"Results show that between 68 percent and 81 percent of sons whose mothers are working and educated are highly likely to achieve advanced schooling, while sons whose mothers are working and less educated are more likely to be delayed in schooling," they stated.

While data are favorable for educated and working mothers, it meant otherwise for sons whose mothers received less or no education and are not part of the labor force.

To address such gap, the authors recommend policies aimed at breaking the dependence of an offspring's educational outcomes on family background.

For instance, they mentioned the Free Tuition Law, which can "weaken the link between initial conditions and educational opportunities of children relative to their parents".

Nonetheless, other PIDS researchers, such as Aniceto C. Orbeta Jr. and Vicente B. Paqueo, in a separate study in 2017, clarified that the policy on tuition still needs refining, as it is currently untargeted.

Related to this, Dacuycuy and Dacuycuy also suggested addressing the issue of "differential quality between elite universities and standard ones" to ensure positive outcomes on educational and social mobility. **CPSD**

## Include unpaid housework in GDP

THE VALUE OF unpaid housework in the Philippines amounts to PHP 2.5 trillion, or one-fifth of the country's gross domestic product (GDP), a study by state think tank Philippine Institute for Development Studies (PIDS) shows.

Seventy-five percent of this unpaid housework is performed by women, according to Michael Abrigo and Kris Abrigo, PIDS research fellow and consultant, respectively, and authors of the study.

Housework, including child care, is not considered inputs to a country's GDP.

Instead, GDP only measures the market value of all goods and services produced within the country during a specific period of time, normally a year.

Abrigo and Abrigo, however, underscored that household activities, such as cooking, washing the dishes, doing the laundry, cleaning, and child care, among others, are important and have quantifiable economic value.

"We want to bring home the message that there is value in housework," they emphasized, arguing that nonworking mothers, and even stay-at-home men, consume time in doing these activities.

“We should convert these time units into monetary units,” they explained.

In a stereotypical Filipino family, the father is usually the breadwinner while the mother stays at home to take care of the kids or even the elderly, in the case of extended families. The contribution of the mother is usually undervalued given that they do not earn income.

The *Gender Equality in the Labor Market in the Philippines* published by the Asian

Development Bank reported that women are primarily responsible for household and care tasks and have higher work burden.

In the Philippines, 84 percent of the total household time for child care is performed by women. As such, domestic and care work can sometimes hinder women’s participation in paid work.

In 2011, for example, data from the Department of Labor and Employment

showed that as much as 31 percent of working-age women reported that they were not able to work due to household or family duties.

Meanwhile, only 3 percent of men reported this.

Even if mothers, or even fathers, stay at home, “this does not mean their time does not have value,” Abrigo and Abrigo said. **MJLS**

## Invest more on people and the planet—UNESCAP

COUNTRIES IN THE Asia-Pacific region including the Philippines should look beyond economic growth and focus more on investing on people and the planet to achieve inclusive development.

Vatcharin Sirimaneetham, economic affairs officer of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), emphasized this during a policy dialogue jointly held by UNESCAP and the Philippine Institute for Development Studies.

According to Sirimaneetham, while still broadly stable and relatively higher than the rest of the world, economic growth in the Asia-Pacific region is greatly challenged

by regional issues such as trade tensions, financial instability, low labor productivity, and uncertainties brought about by the technological revolution.

While the region has seen steady economic growth in the past few decades, such growth is not really producing social inclusiveness and ecological sustainability. “It is now the time for us to think beyond economic growth and integrate the social and environmental dimensions of development,” Sirimaneetham said.

### Shift in mindset needed

Sirimaneetham argued that a “shift in mindset” from a development perspective



that is focused on economic growth to a development that prioritizes the well-being of the people and the environment is important for the region to achieve the Sustainable Development Goals (SDGs) outlined in the 2030 Agenda.

Citing the results of the UNESCAP's *Economic and Social Survey of Asia and the Pacific 2019*, the region needs an additional investment of about USD 1.5 trillion (PHP 78.9 trillion) annually to reach its SDGs, he explained.

Aside from an additional annual investment of about USD 200 billion (PHP 10.5 trillion) on infrastructure, the region also needs to invest an additional amount of about USD 669 billion (PHP 35.2 trillion) to ensure people wellness. The amount shall

cover implementation of various social protection programs such as targeted cash transfers, efficient social protection services, nutrition-specific interventions, universal access to quality education and health coverage, and programs to increase agricultural productivity.

Similarly, a projected amount of USD 590 billion (PHP 31 trillion) per year should be spent in promoting environmental sustainability, the survey reported.

### Harnessing synergies

While these “ambitious” investment projections are generally affordable for most countries, such investments will still be a challenge for some, according to Sirimaneetham.

“Some countries [in the Asia-Pacific region] will not be able to finance these SDGs by themselves; it is possible only with strong development partnership between the government and the private sector,” Sirimaneetham explained. He also urged the government to make SDG programs more appealing to encourage greater private sector participation and investment.

Sirimaneetham also suggested focusing efforts on areas that are “substantial and within reach”, such as eradicating poverty, achieving food security, promoting health and well-being, and ensuring quality education. Initial progress and investment gaps were already identified in these areas, according to the UNESCAP report. **CPSD**

## PH makes headway in achieving SDGs

THE PHILIPPINES MADE significant progress toward achieving the targets outlined in the United Nations (UN) Sustainable Development Goals (SDGs).

This was highlighted in the Philippines 2019 Voluntary National Review (VNR) of the SDGs that showed improvement in the areas of providing quality education, labor productivity, and reducing income equality among Filipinos.

Presenting the VNR during a policy dialogue recently organized by the Philippine Institute for Development Studies (PIDS) and the United Nations Economic and Social Commission for Asia and the Pacific, PIDS



The country's student completion rates are improving, according to the 2019 Voluntary National Review of the Sustainable Development Goals. (Photo by QMusset and BNachtergaele/UNDP)

Senior Research Fellow Jose Ramon Albert said the Philippines “has seen marked improvements” in basic education performance indicators, particularly in student completion rates.

However, he noted gaps in absorptive capacity, especially in the secondary education where teacher-to-student ratio remains low at 1 for every 32 students. In the primary level, the ratio is somewhat higher at 1 for every 27 students. Albert also noted that 4 out of 5 schools have computers, but only 1 out of 4 schools has internet access as of 2016.

According to Albert, with the increased in labor productivity at 8.4 percent in 2017, unemployment registered at 5.7 percent—one of the lowest since 2015. But the jobs agenda persist as a major issue given the 16.1-percent underemployment rate in the country.

“The quality of jobs need to be improved to help address the issue of underemployment in the country,” Albert said. He proposed strengthening the government’s implementation of the Inclusive Innovation Industrial Strategy, which aims to build new industries, clusters, and agglomeration, as well as ensure growth of micro, small, and medium enterprises, and strengthen human resources.

Reduction in income inequality was also observed with the growth of average per capita income at 1.7 percent starting in 2006 up to 2015, with the bottom 40 percent of the income distribution growing faster at 2.2 percent in the same period. This growth, however, appears to be concentrated in the country’s capital, with per capita income of the National Capital Region thrice that of the Autonomous Region in Muslim Mindanao.

In terms of poverty, data from the 2018 *Family Income and Expenditure Survey* that covered first semester of last year suggested a reduction in poverty incidence for a period of three years, which was likely to be a combination of the effects of income growth and reduction in inequality.

Although the percentage of Filipinos with per capita incomes below half the median income has decreased from 18.7 percent in 2006 to 15.9 percent in 2015, “vast differences exist across age groups,” Albert reported. The youth are the most vulnerable to poverty, particularly those below 15 years old as 23.9 percent of them come from families with per capita incomes below half the median per capita income.

In addressing labor problem in the country and to sustain the country’s momentum in achieving the SDGs, “support and collaboration of the academe and the private sector, particularly the business community, is needed to provide full, productive employment, and decent work for Filipinos,” Albert said. The government should continue implementing programs designed to improve the living conditions of Filipinos, such as social protection, conditional cash transfer, community development, and livelihood and employment programs, among others.

The VNR, led by the National Economic and Development Authority, in partnership with the PIDS and the United Nations Children’s Fund, intends to gauge the country’s progress in meeting the SDGs. **RTT**



*Ensuring that programs designed to improve the Filipino living condition (e.g., social protection and livelihood programs, among others) are in place will sustain the country’s momentum in achieving the SDGs, says Jose Ramon Albert, senior research fellow at the Philippine Institute for Development Studies.*



# HOW TO HELP BOYS CATCH UP

## Closing the Gender Gap in Basic Education

While the Philippines has achieved positive developments in reducing the prevalence of out-of-school children (OOSC), gender gaps in basic education remain. Studies reveal that boys lag behind in school enrollment, performance, and graduation rates.

Goal 5 of the Sustainable Development Goals requires an examination of

gender disparities, particularly the determination of equitable access to quality education by both sexes.

This Policy Issue at a Glance shows the extent of gender disparities in various education performance metrics. It also suggests policy recommendations to address the problem of gender gaps among OOSC. **GGM**

## Prevalence of OOSC in the Philippines



**Who are the out-of-school children?**

Out-of-school children (OOSC) are those children in the **official school age range** who are **not enrolled in schools for their required age**. The count also includes primary-aged children and older who are either in preprimary or nonformal education, but excludes secondary-aged children who are in primary school.


*(Based on the global definition of OOSC espoused by the United Nations Children's Fund)*

IN 2017, ABOUT


# 1.2M = 5.3%

Filipino children aged 5-15 years were OOSC of all Filipino children aged 5-15 years

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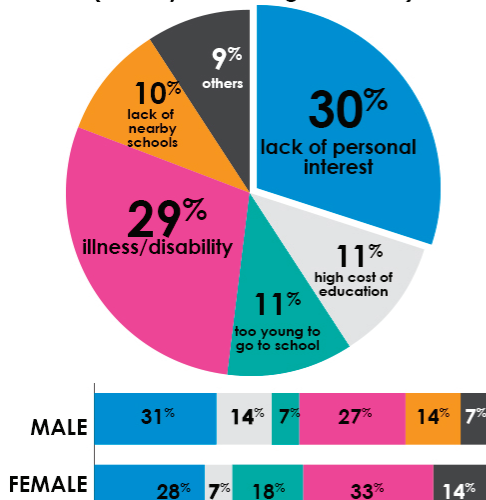


**3** in every **4**  
OOSC belonged to families in the **bottom 25 percent** of the **income ladder**

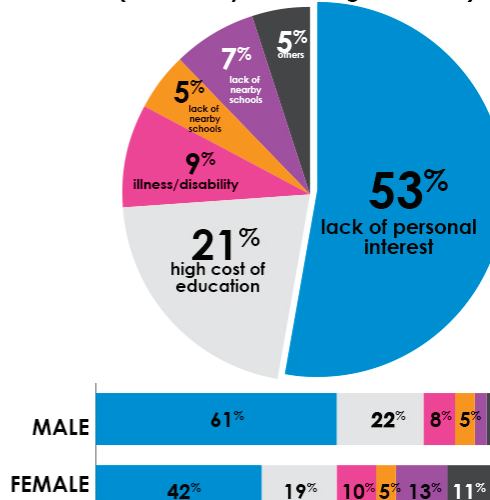


**2** in every **3**  
OOSC were **BOYS**

REASONS FOR NOT ATTENDING SCHOOL (Primary-school-age children)



REASONS FOR NOT ATTENDING SCHOOL (Secondary-school-age children)



## Why are they not in school?

Source: Authors' calculations based on 2017 Annual Poverty Indicator Survey of the Philippine Statistics Authority

## Vulnerabilities of Boys



Boys are more likely to engage in computer and mobile games, skip school with their peers, and start drinking and smoking.

Computer and mobile phones-based games were common reasons for chronic absenteeism and lack of focus among boys.

The older boys get, the more they develop difficult attitude problems, especially if they are falling behind academically.



## How to Engage and Motivate Boys

Given that boys are at a higher risk of dropping out or obtaining a failing grade, interventions need to focus more in keeping them in school. Below are some recommendations drawn from this PIDS study.



### 1 USE DIFFERENT LEARNING TECHNIQUES

DepEd can design and deploy specific learning materials and tools appropriate to a certain curriculum to accommodate diverse manner of learning.

### INCORPORATE MORE ACTIVITY-BASED LEARNING TOOLS

Activity-based learning using manipulatives (physical tools for teaching and engaging students), and experiments to illustrate lessons are likely to keep boys interested and motivated.



### 3 HIRE MORE MALE TEACHERS

Increasing the number of male teachers can provide more models of behavior whom boys can identify with directly.

### INCREASE THE ALLOWANCES FOR BOYS UNDER THE CONDITIONAL CASH TRANSFER (PANTAWID) PROGRAM

Since the opportunity cost for schooling is higher for boys than for girls, increasing the conditional cash transfer allowances for boys, especially at a later age, must be considered.

### 4



This infographic is based on PIDS Policy Notes 2018-20 titled *Boys are still left behind in basic education* and PIDS Discussion Paper 2018-25 titled *Out of School Children: Changing landscape of school attendance and barriers to completion*. Both were written by Clarissa David, Jose Ramon G. Albert, and Jana Flor V. Vizmanos, PIDS consultant, senior research fellow, and research specialist, respectively.

# POLICY ISSUE AT A GLANCE

# Gender pay gap still hurts agri women



*Female agricultural workers are still disadvantaged in terms of wage, earning 79 percent of the total salary of their male counterparts, expert says. (Photo by the International Rice Research Institute)*

FILIPINO WOMEN REMAIN at a crucial disadvantage when it comes to securing agricultural gains, such as wages.

Despite the efforts of the government to boost women participation and income in the agricultural sector, a new study by state think tank Philippine Institute for Development Studies (PIDS) reveals that female agricultural workers are earning 79 percent for every peso that male agricultural workers get for the same type of work.

Roehlano Briones, PIDS senior research fellow and author of the study, shared this insight during a PIDS public seminar on the theme “Engendering Work and Human Capital: Promoting Opportunities and Understanding Tradeoffs through a Gender Lens”.

In 2016 alone, Briones revealed that “wages in agriculture for male were still higher by around PHP 12.”

He added that the gap has been persistent, usually in the order of PHP 10 to PHP 12 in real terms.

In 2015, the gap reached as high as PHP 15.

This simply means that “the same activity can be paid different wages, in fact lower wages for women compared to men in agriculture,” Briones bared.

In terms of crops, women planting sugarcane were the ones experiencing the biggest gender pay gap compared to those planting *palay*, corn, and coconut.

Women agricultural workers also continue to face other barriers, particularly those relating to access to land, financial services, and social capital, making agriculture a less profitable venture for them.

Briones clarified, however, that this is not unique to the Philippine setting, as “women worldwide are generally paid lower.”

## Address gender pay gap

The PIDS researcher identified at least three approaches to address the issue on gender pay gap in the Philippine agricultural sector.

Among these is the prioritization of women as recipients of government services and transfers, thereby increasing their bargaining power.

A 2018 study led by PIDS President Celia Reyes noted that men are more likely to be recipients of government services especially among agricultural workers in the rural areas. These services include those provided by the Social Security System, Government Service Insurance System, and the Philippine Health Insurance Corporation.

The same study revealed that the agricultural sector has the least likelihood of access to social insurance.

Aside from improving access to government services and transfers, Briones also urged the government to establish active women's groups in rural labor market information. Community organization efforts, together with information and advocacy campaigns, with a strong gender dimension, must also be rolled out in the rural areas.

Lastly, he added that the government should provide support for gender mainstreaming and protection of women's rights at the grassroots.

This support should ideally cover campaigns to educate stakeholders, including male farm operators, about women's rights and gender equality, to combat the discriminatory treatment of women in agriculture.

## PH as Asia's most gender fair country

Ironically, the Philippines currently tops the global rankings in gender equality and has even put in place various laws that will

supposedly advance the interests of Filipino women across sectors.

In 2018, the World Economic Forum (WEF) ranked the country eighth worldwide in gender equality, the only Asian country in the top 10.

WEF also commended the country's closer gender gap in terms of economic participation and opportunity due to an increase in wage equality for similar work.

Through the years, the Philippine government has also passed several laws on the rights and welfare of women in agriculture, such as the Comprehensive Agrarian Reform Law (CARL), Agriculture and Fisheries Modernization Act (AFMA), and the Magna Carta of Women.

For instance, CARL grants women equal rights to tenure, share in output, and representation in decisionmaking bodies.

On the other hand, the AFMA explicitly provides for a focus on women in terms of access to credit, information and marketing support, and for special training projects.

Meanwhile, the Magna Carta of Women provides for equal treatment of women and men in the titling of land and issuance of stewardship contracts and patents over public land, customary tenure in ancestral domains, and in the sharing of the produce of farms and aquatic resources, together with other asset entitlement.

Based on the findings of Briones, however, it is apparent that these laws are still insufficient to advance women's interests, particularly in agriculture. **RGV**



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# Lack of STEM, PhD grads hinder PH innovation



*The youth's lack of interest in science and technology partly explains the country's poor innovation performance, experts say.*

THE LIMITED NUMBER of science, technology, engineering, and mathematics (STEM) graduates in the Philippines is affecting the country's innovation performance.

Speaking at a seminar on innovation organized by state think tank Philippine Institute for Development Studies (PIDS), Jose Ramon G. Albert, PIDS senior research fellow, said that investments in human capital are not being prioritized.

He specifically lamented the very little spending on scholarships for STEM strand in the country, resulting in the lack of local scientists and engineers.

"There is no systematic effort to address this issue. There is, supposedly, but it is not enough," Albert explained.

"There are twice more lawyers than there are researchers, scientists, and engineers in this country. That is part of the problem," he added.

This is also true for William G. Padolina, former president of the National Academy of Science and Technology, who lamented the youth's lack of interest in pursuing higher studies, despite the opportunities and grants being offered by the government.

"Many of our research scholarship slots are not being availed of anymore. We do not know what is happening to the younger generations, but they no longer have the ambition to pursue a doctoral degree," the former secretary of the Department of Science and Technology (DOST) explained.

## R&D funds, 'money pots'

In 2018, the Global Innovation Index ranked the Philippines 73rd out of 126 economies in terms of innovation, which is the same as that in 2017.

Previous reports said that part of the reason for this poor innovation performance is the insufficient funds for research and development (R&D).

On the other hand, Padolina, who also served as a member of the PIDS Board of Trustees, said the problem lies in the management of R&D funds.

"It is, in my experience, still at the very infant stage," Padolina explained.

He pointed out that the government does have "money pots" for R&D, which are lodged in agencies such as DOST and the Department of Trade and Industry (DTI).

Some R&D funds are also distributed to offices like the Department of Agriculture and the Commission on Higher Education, as well as state universities and colleges, according to Padolina.

However, problems, such as lack of dedicated offices to oversee R&D projects, particularly on the compliance and budget aspects, affect their quality.

## Investment on businesses also important

In the same event, Xavier Cirera, a senior economist at the World Bank, presented

the results of the *Philippine Innovation Public Expenditure Review 2019* and found that there is a “large bias in innovation toward science and technology”.

He urged the government to rebalance its policy mix to include “business innovation”.

Furthermore, the focus of policies, especially by the DTI, should not depend

much on the size of firms, but on the improvement of their innovation performance.

“Rather than supporting small and medium enterprises per se, support the specific objectives of productivity, of exports, and then think about who needs the support,” Cirera explained.

“We need to break this focus on quantity and on [small and medium enterprises], and go more to the specifics. I think we

need to be more refined on anchoring these policies in a specific governance. You want to increase export? You want to increase innovation? You want to increase startups? Alright, focus more on that,” Cirera added.

The World Bank conducts the Public Expenditure Review of Innovation Policy on science, technology, and innovation to help countries improve their policymaking and budgeting on these areas. **GBDC**

## PH poised to win US-China trade war

THE PHILIPPINES COULD emerge as one of the winners of the ongoing trade war between the United States (US) and China.

This was according to Mahinthan Joseph Mariasingham and Paul Neilmer Feliciano, researchers from the Asian Development Bank (ADB) during a symposium on global economic environment led by state think tank Philippine Institute for Development Studies recently.

To realize said potential, Mariasingham and Feliciano argued that the Philippine government must be able to improve the country’s economy to attract trade from tariff-affected economies.

This means that the gains will not be automatic, as the country may still need to compete with its peers in the Association of Southeast Asian Nations (ASEAN) when it comes to the shares in trade redirection.

Currently, however, the Philippine is lagging behind its ASEAN peers in this aspect, with Malaysia and Viet Nam reaping most of the gains, particularly in manufacturing.

In the ADB study of Mariasingham and Feliciano, for instance, Viet Nam alone may already capture as much as 66 percent of export gains in ASEAN. Malaysia, on the other hand, may secure as much as 29 percent of the trade gains.

Meanwhile, the Philippines, under a worst-case scenario, might only be able to secure 4 percent of the trade pie.

The country should also take caution given that not all sectors are also expected to



benefit from the trade war, with business services seen to be negatively affected if conflict continues to escalate.

The ADB researchers also viewed the standing of Philippine workforce as “Taiwan’s most importance workforce in

technology industry” as one of the main drivers why the country may still improve its share in trade gains.

They also advised the Philippine government to take advantage of new trade arrangements, such as the

Regional Comprehensive Economic Partnership, the Asia-Pacific Trade Agreement, and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, to gain even more from trade redirection. **RGV**

## RESEARCH DIGESTS

### PN 2019-05

#### **Financial Sector Development: A Review**

by *Melanie S. Milo*

This *Policy Note* assesses the financial sector development in the Philippines vis-a-vis other member-states of the Association of Southeast Asian Nations (ASEAN). Among others, it finds that the Philippines has lagged behind other comparable ASEAN member-states, particularly Malaysia and Thailand, with respect to financial deepening, access, and efficiency. Nonetheless, it finds that the Philippine banking system fared better in terms of financial stability. The study urges the Philippine government to push for a more diversified, dynamic, competitive, and resilient financial system that offers a wider range of financial products and services both to consumers and businesses through more efficient delivery channels.

### PN 2019-04

#### **Challenges in the Philippine Mining Industry**

by *Eligia D. Clemente*

This *Policy Note* revisits the legal framework on Philippine mining, focusing on the Philippine Mining Act (PMA) of 1995 and the Indigenous People’s Rights Act (IPRA). It uncovers several issues on the implementation of PMA and IPRA, such as the circumvention of the requirements of permits, delays in the declaration of the claims of the indigenous peoples (IPs), and institutional issues within the National Commission on Indigenous Peoples (NCIP). It also notes discrepancies

in the implementation of these laws across regions. The study urges the government to review its mining policies and come up with a common implementing guideline for all agencies involved to eliminate personal tendencies to relax rules.

### PN 2019-03

#### **Taxation in Financial Services under TRAIN**

by *Geminiano L. Sandoval Jr.*

This *Policy Note* analyzes the taxes imposed by the Tax Reform for Acceleration and Inclusion (TRAIN) Act and their impact on the liberalization thrusts of the Philippine government for the various sectors of the country, particularly the financial services sector. The study found that the change in the rates of taxes on financial transactions has increased the friction costs, or the value of the total transaction prices inhibiting the smooth flow of trade and investment. The study urges the government to revisit the imposition of taxes on the financial sector. It argues that while taxes are meant to raise funds for the government, they may discourage investors and businesses from neighboring countries.

### PN 2019-02

#### **ICT Regulation and Regulatory Authority**

by *Lai-Lynn A.B. Barceñas*

This *Policy Note* revisits the country’s regulation on information and communications technology (ICT), particularly the laws, rules, and regulations governing the ICT sector. Among others, it reveals issues in the

implementation of the Department of Information and Communications Technology Act (DICTA), which resulted in incompatible or overlapping functions of the Department of Information and Communications Technology (DICT) with other departments. The study recommends the strengthening of DICT’s role in ICT matters by defining the extent of its functions in relation to the ICT sector, as defined in DICTA. It also calls for the removal of unnecessary requirements in the establishment and operation of telecommunications and broadcasting services providers, particularly the need for a legislative franchise.

### PN 2019-01

#### **Pressures on Public School Teachers and Implications on Quality**

by *Clarissa C. David, Jose Ramon G. Albert, and Jana Flor V. Vizmanos*

This *Policy Note* revisits the chronically overworked state of public school teachers in the Philippines. It finds that the workload of public school teachers is not only limited to teaching but also to other nonteaching tasks. Because of this workload, actual teaching is increasingly being sidelined by the multitude of other responsibilities and roles that teachers play. The study also finds the dropout rate as a faulty metric of teacher performance. Given these findings, it urges the government to address human resource distribution at the Department of Education. It also recommends the conduct of evidence-based studies in reducing teacher workload.

# The social contract theory in Philippine experience

by Sylwyn C. Calizo and Arvie Joy A. Manejar\*



WHEN THE FILIPINO people adopted the 1987 Constitution, they set in the preamble that the government shall “embody [the people’s] ideals and aspirations” alongside the “protection of life, liberty, and property”. The Philippine Constitution manifests a social contract.

Social contract refers to the voluntary and collective agreement among individuals (citizens) to assign a common agent (government or sovereign) that will safeguard and uphold their individual rights. It is a theory on its own, which has been developed by several philosophers as early as the mid-1600, when Thomas Hobbes first introduced the concept of a *State of Nature*. Other influential contributors to the theory includes John Locke with his version of a *Contract of Government*, Jean-Jacques Rousseau adding in his idea of a *Common*

*Good*, Immanuel Kant and his *Distinction of Rightful and Intelligible Possessions*, and most recently, John Rawls’ principle of *Justice as Fairness*.

The social contract has been a powerful theory explaining how governments are formed. Its foundation comes from the assumption of humanity’s state of nature, wherein individuals are inclined to do either evil (Hobbes’ idea) or good (Locke’s idea).

In the former, governments are formed under a single sovereign whose primary role is to control the evil in people, thus, establishing peace and order. Meanwhile, the latter takes on a libertarian approach, wherein individuals provide mutual and collective consent to be governed by people whose primary role is to protect the individual rights to life, liberty, and

property—democratic principles of government enshrining the power of the people.

Rousseau, on the other hand, saw humanity’s state of nature to be neutral. Individuals voluntarily traded their individual liberty for collective liberty in an attempt to protect the will of the people (common good) and, by doing so, protect their individual rights and freedom.

Kant furthered on the *Common Good* by differentiating rightful and intelligible possession of properties. He claimed that all properties can freely be used by any person (intelligible possession) but it would require a common agent (government or sovereign) to obligate individuals to respect the private property of another (rightful possession). Without a common agent, property rights, for him, would not be possible.

Finally, Rawls’ principle of *Justice as Fairness* assumes that individuals agree through deliberation, as in the case of democratic processes, to define the rules that will guide society. It is this process that will define the powers of government in upholding the individual rights and obligating the duties of each person.

## The public consultation processes

Borne from the social contract the Filipino people manifested through the 1987 Constitution, it is only natural for stakeholders to demand public consultation on government projects affecting and threatening their individual rights to life, liberty, and property.



In line with the Constitution, the Local Government Code of 1991 declares, as a matter of policy, that “the State shall require all national agencies and offices to conduct periodic consultations with appropriate local government units, nongovernment and people’s organizations, and other concerned sectors of the community before any project or program is implemented in their respective jurisdictions.”

No single process for public consultation is defined in Philippine legislation. Nonetheless, government agencies have applied their own procedures for facilitating it.

For instance, the Department of Environment and Natural Resources (DENR) implements the Philippine Environmental Impact Statement (EIS) System, which issues an Environmental Compliance Certificate (ECC) to projects deemed to have social acceptability resulting from public participation and assessments.

Another similar procedure exists with the National Wages and Productivity Commission’s 2015 Guidelines in the Conduct of Public Consultations, which detail the process starting from the issuance of notices up to the actual public consultation.

Although processes for public consultation exist, its implementation can be questionable. A common complaint among stakeholders is that agencies conduct public consultations only to comply with their legal responsibilities. Public consultations, made only for

compliance, render stakeholders’ concerns simply as inputs.

For instance, in a complaint filed in 2018 before the DENR and the Environmental Management Bureau, as reported by the *Philippine Daily Inquirer*, “Manila Bay reclamation projects in Bulacan, Navotas, Manila, and Cavite have been found engaging in patently illegal development activities without consent from communities and clearance from scientific assessors, thus, rendering public participation mechanisms debased.”

### When stakeholders are left unheard

When the common agent collectively assigned by individuals under a social contract fails to uphold and safeguard their individual rights, this lends to a feeling of being devalued and ignored.

People-centered, clean, and efficient governance is a key principle championed by the National Economic and Development Authority in the *Philippine Development Plan 2017–2022*, and participatory governance, which includes public consultations, has yet to improve in its implementation.

For instance, stakeholders coming from affected communities threatened by the Manila Bay reclamation projects have voiced their sentiments, with some of the top words being “proper”, “community”, “right”, “home”, “relocation”, “welfare” “destroyed”, “lack”, “loss”, and “work”. These now form a narrative, wherein

individuals are being robbed of their right to life (proper community), liberty (welfare destroyed and loss of work), and property (right home relocation).

Despite this, local government units, such as the City of Manila, have continued to approve reclamation projects in Manila Bay, according to a *Philippine Star* report. Sadly, such approval leaves environmental advocates, local inhabitants, and other stakeholders unheard. This goes against the concept of social contract, as the interest of the state now supersedes the common good.

Similarly, the Philippine Mining Act of 1995 identified the integral role of the local community through its provision on the Free, Prior, and Informed Consent (FPIC). However, indigenous people (IPs) lack sufficient facilitation from the National Commission on Indigenous Peoples, which is mandated to leverage them against big developers. This is aggravated by the 15-year delayed policy formulation of the FPIC finalized only in 2012.

These breaches could particularly be seen with the *Kaliwa* Dam project. While the said project is being proposed to alleviate the water crisis of Metropolitan Manila, the consent of IPs was allegedly not taken.

It begs the question then: should the consent of the majority take precedence over the consent of the local community?

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*\*The authors are research analysts at the Philippine Institute for Development Studies.*

## Editor's Notes (continued from page 2)

and teachers of students at risk of dropping out revealed how low parental oversight, computer shops and mobile games, peers, and vices, among other factors, are causing their poor academic performance and chronic absenteeism. These are issues that cash transfers will not automatically solve. They are symptoms of deeper psychological and social problems that are afflicting today's youth. With the Department of Social Welfare and Development (DSWD) espousing the convergence strategy, interventions to tackle the drivers of lack of personal interest and other causes of low school performance could be a joint effort between the DSWD through the 4Ps and the Department of Education (DepEd). The family development sessions (FDS) of the 4Ps can serve as a vehicle to teach the parents about parenting and life skills to help them reach out to their children. After all, the home is the child's first school and parents are the first teachers. The two departments can collaborate on enhancing the current topics of the FDS and developing the modules based on the information needs of the 4Ps families, among other activities. Closer partnership between the DSWD and the DepEd and with civil society and community groups working with the youth, women, and children could be the key to closing the gender gap in education and solving other problems confronting Filipino families.

In the labor sector, a gender concern highlighted in this issue is the lower wage received by women in paid agricultural activities for the same work performed by men. This is just one of the many challenges confronting women in agriculture, however. They remain the more vulnerable group compared to men given their lower access to land, financial services, and even social protection. This reflects the need for targeted programs that address these gender disparities, such as prioritizing women as recipients of government services and transfers. In the home, women also do most of the work, yet their contribution remains invisible in the economy. The authors of a PIDS study calculated that the value of unpaid housework in the Philippines is worth PHP 2.5 trillion or one-fifth of the gross domestic product. A bill has been filed in the House of Representatives early this year seeking to provide an allowance to full-time mothers or homemakers belonging to low-income families to recognize their economic contribution and provide financial assistance.

This issue also contains an article discussing the low innovation capacity of the country due to the low numbers of science, technology, engineering, and mathematics graduates (STEM). Experts attribute this problem to the youth's lack of interest in pursuing STEM courses and higher studies, and to the poor management of research and development funds in the country. Another article looks at the possible gains the country could reap from the trade tensions between the United States and China. Completing this issue is a piece by PIDS research analysts Sylwyn Calizo and Arvie Joy Manejar on the country's experience in implementing the social contract theory. **SVS**

## About DRN

*Development Research News* is a quarterly publication of the Philippine Institute for Development Studies (PIDS). It highlights the findings and recommendations of PIDS research projects and important policy issues discussed during PIDS seminars. PIDS is a nonstock, nonprofit government research institution engaged in long-term, policy-oriented research.

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