

Persistent Underdevelopment: The Case Bangsamoro

PHILIPPINE UPDATE CONFERENCE 2016:
Sustaining the Momentum for Change Beyond 2016
2nd and 3rd September 2016
The Australian National University

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Outline

- Economic Development in Mindanao
- The Bangsamoro and Key Indicators
- The Challenges of Development
- Story of Underdevelopment
- Extractive Landscape
- Possible Way Out

Economic Development in Mindanao

- Development in Mindanao is marked by sharp contrast
- Unequal development has huge welfare implication
- The ARMM or Bangsamoro is being left behind and the gap is increasing
- Fastest growing regions in the Philippines (Northern Mindanao and Davao Regions) adjacent to the slowest growing region - the Bangsamoro
- It seems that the promises of the “*Land of Promise*” is only true for others but not for some, especially the Bangsamoro

PROPOSED BANGSAMORO CORE TERRITORY

A. The present geographical areas of the ARMM

- Provinces: Basilan, Sulu, Tawi-tawi, Lanao del Sur and Maguindanao
- Cities: Marawi and Lamitan

B. Areas that voted Yes to inclusion in the ARMM in the 2001 plebiscite

6 Lanao del Norte towns

- | | |
|----------|----------|
| Baloi | Pantar |
| Munai | Tagoloan |
| Nunungan | Tangkal |

39 out of 208 barangays in six towns in North Cotabato

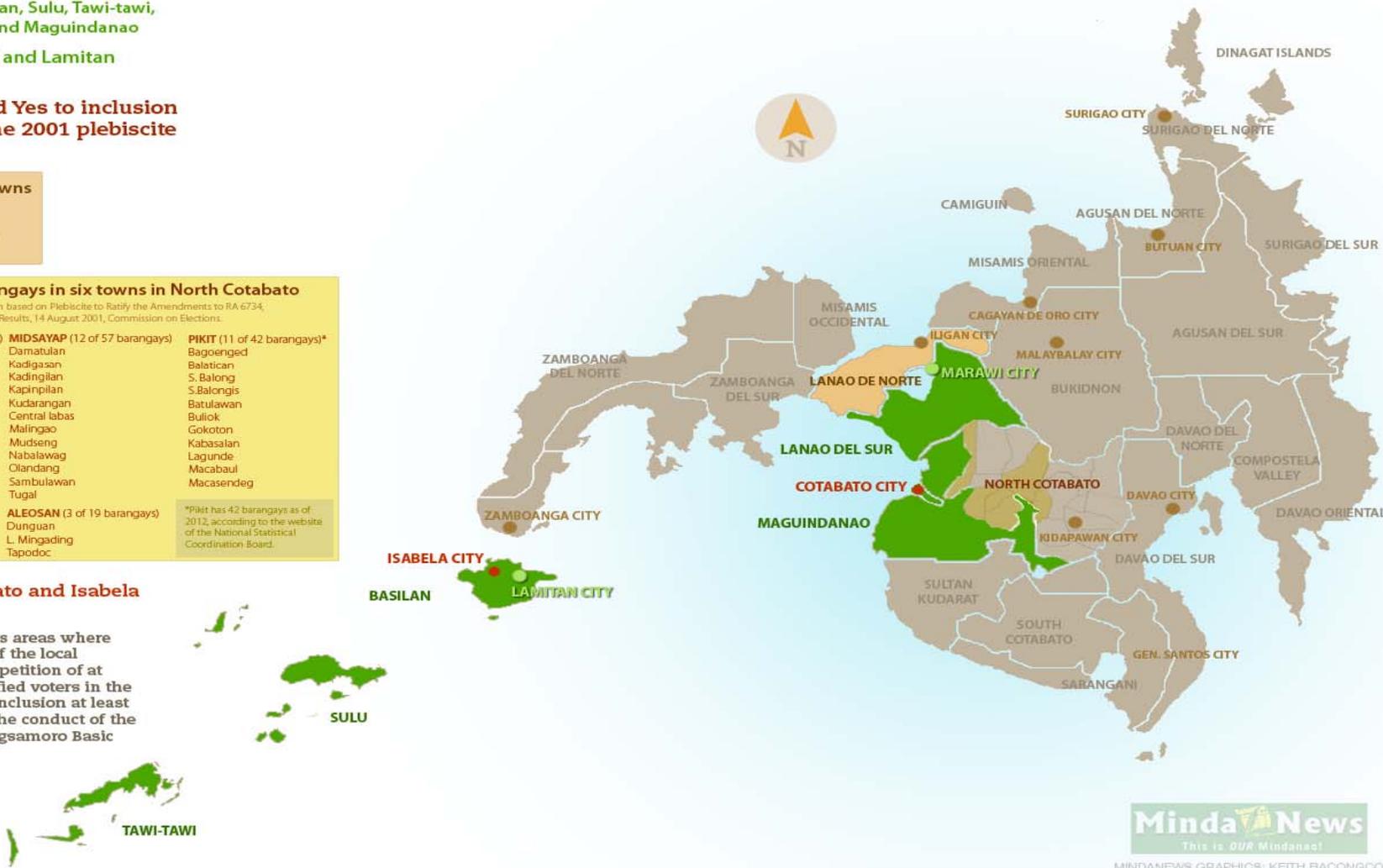
From Prof. Rudy Rodil's compilation based on Plebiscite to Ratify the Amendments to RA 6734, Consolidated ARMM Referendum Results, 14 August 2001, Commission on Elections.

PIGKAWAYAN (8 of 40 barangays)	MIDSAYAP (12 of 57 barangays)	PIKIT (11 of 42 barangays)*
Lower Baguer	Damatulan	Bagoenged
Balacayon	Kadigasan	Balatican
Buricin	Kadingilan	S. Balong
Datu Bimasing	Kapinpilan	S. Balongis
Kadingilan	Kudaranan	Batulawan
Matilac	Central labas	Bulok
Patot	Malingao	Gokoton
L. Pangankalan	Mudseng	Kabasalan
KABACAN (3 of 24 barangays)	Nabalawag	Lagunde
Nanga-an	Olandang	Macabaul
Simuhay	Sambulawan	Macasendeg
Sanggaladong	Tugal	
CARMEN (2 of 28 barangays)	ALEOSAN (3 of 19 barangays)	
Manarahan	Dunguan	
Nasapian	L. Mingang	
	Tapodoc	

*Pikit has 42 barangays as of 2012, according to the website of the National Statistical Coordination Board.

C. Cities: Cotabato and Isabela

D. All other contiguous areas where there is a resolution of the local government unit or a petition of at least 10% of the qualified voters in the area asking for their inclusion at least two months prior to the conduct of the ratification of the Bangsamoro Basic Law



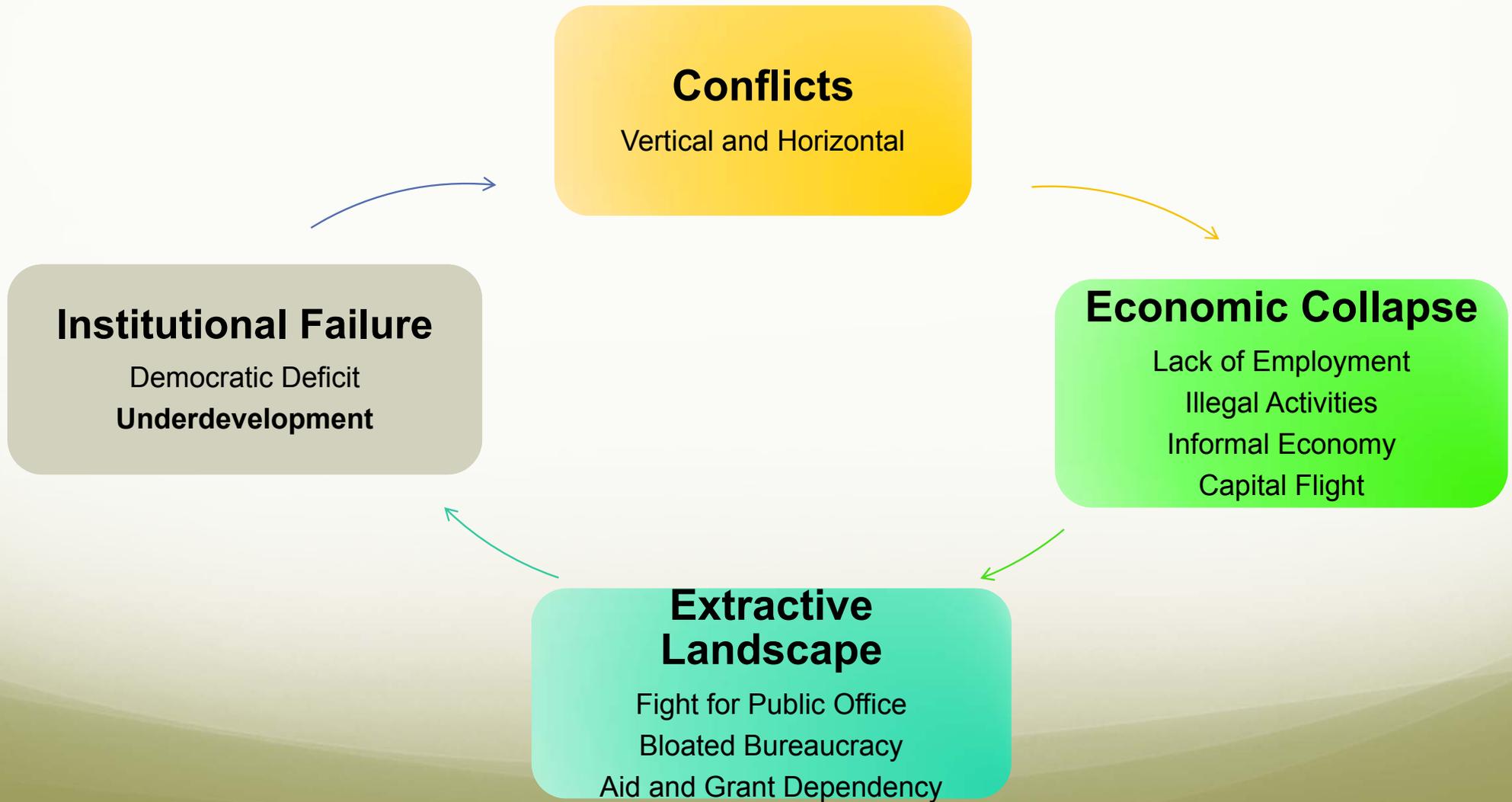
Bangsamoro Key Indicators

- In 2012, the Human Development Index is 0.499 the lowest in the country (0.681 for Philippines and 0.829 for Metro Manila)
- Per Capita Income is Php14,321 while Metro Manila has Php183,747 and the Philippines at Php65,904
- Life Expectancy is at least 5 to 10 years shorter compared to the rest of the Philippines
- Mean years of schooling is also the lowest in the country
- Poverty Incidence is the highest in the country (in Lanao del Sur the incidence is 67.3% in 2012)

The Challenges of Development

- The Bangsamoro contributes less than 1% of country's GDP (on average around 0.65% annually from 2000 to 2013)
- Lowest investment, domestic trade, private firms, commercial floor areas, banks and other financial institutions (there are 22 bank branches and 25 ATMs in the entire Bangsamoro)
- “Disconnected” from the rest of the country in terms of infrastructure, commercial activities, and economic linkages
- Informal sector comprise large part of the economy
- Fiscal capacity is also the weakest in the country (more or less 90% of LGUs expenditures are financed by the National Government)

The Story of Underdevelopment



The Extractive Landscape

- Failure of the economy to generate jobs and livelihood means that the government is the best source of riches and sustenance
- Clans and political families fought for control of government offices
- Winning a government office is a matter of survival and prosperity for the entire clan or political family
- People are willing participants as they sell their votes to the highest bidder during elections
- The mechanism designed to bring development failed and instead perpetuate underdevelopment

Possible Way Out

- There is a need to break the cycle!
- As long as there are riches to be made in elective positions, the fighting will continue and bloody conflict for power will persist
- Realignment of funds away from elective positions to a development agencies (e.g. Bangsamoro Development Agency) or line agencies of the government
- It may not totally eliminate extractive behavior and corruption but it will end the cycle of violence and hostilities within the Bangsamoro
- **Transition period to the proposed Bangsamoro Government is crucial.**

Thank you...