

Adventures in Philippine governance:
from “centralized local government”
to “localized central government” ...
to federalism?

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Decentralization in the Philippines

- 7,107 islands, 18 regions, 81 provinces, 145 cities, 1,489 municipalities and 42,036 barangays
- Enacted the Local Government Code of 1991 and the Organic Act for the Autonomous Region in Muslim Mindanao
- Considered a “fast starter” in decentralization in the East Asian region
- Achieved mixed results in implementing decentralization laws

Pre-colonial era to Post-Independence (1)

- Leadership in early Philippine settlements were based on family or kinship ties
- Spanish rule brought a “redefinition” of the existing socio-political milieu by the fusion of conversion to the Catholic faith with military and government rule
- “*Reduccion*” - barangays were coaxed or coerced into towns (cabeceras) organized around a newly-built church with a resident friar

Pre-colonial era to Post-Independence (2)

- Spanish colonial authorities adapted the barangays as administrative units headed by the cabeza de barangay (usually the datu of pre-colonial times) whose main responsibility was to collect taxes
- Spanish rule emanated from Manila through decrees and instructions from Spain
- Excessive centralization - “the center knows best”

Pre-colonial era to Post-Independence (3)

- First Philippine Republic (1898) - “decentralization and administrative autonomy” integrated into the Malolos Constitution
- However, short-lived due to American occupation (1902-1935)
- 1935 Constitution granted the President “control of all executive departments, bureaus or offices” and “exercise general supervision over all local governments”

Pre-colonial era to Post-Independence (4)

- Important laws on decentralization after Philippine independence
 - R.A. No. 2264 – increased the autonomy of city and municipal governments and reorganized provincial governments
 - R.A. No. 2370 - “Barrio Charter Act” recognized the barrio or village as a legal entity
 - R.A. No. 5185 - “Decentralization Act of 1967” increased financial resources and broadened decision-making powers over administrative matters

Martial Law and Post-EDSA Era (1)

- Declaration of Martial Law seen as a great setback for the local autonomy movement
- Although Presidential decrees declared the promotion of decentralization and local autonomy, the government remained highly centralized and only minimal substantive powers were devolved to local units
- P.D. No. 1 (Integrated Reorganization Plan) established an institutional framework for regional development by creating 12 administrative regions

Martial Law and Post-EDSA Era (2)

- 1973 Constitution – mandated a semi-parliamentary, unitary and supposedly decentralized government, but in reality upheld a centralized and authoritarian regime
- P.D. No. 824 – integrated 4 cities and 13 municipalities into the Metropolitan Manila Commission
- B.P. Blg. 337 (1983) – Local Government Code classified local governments as provinces, cities, municipalities and barangays, with the “higher” units supervising the “lower” units, and the President exercising general supervision over all LGUs

Martial Law and Post-EDSA Era (3)

- 1987 Constitution
 - Created autonomous regions in Muslim Mindanao and the Cordilleras
 - Provided for the enactment of a local government code
- R.A. No. 7160 – Local Government Code of 1991
 - Decentralization of major governmental services and placement of personnel under supervision of LGUs
 - Revenue raising power of LGUs and increased resources to finance devolved functions

Martial Law and Post-EDSA Era (4)

- Organic Act for ARMM
 - Establishment of a regional government
 - Creation of Regional Legislative Assembly
 - Election of Regional Governor with Executive power over ARMM
 - Creation of Shari'ah Appellate Court
 - Provision of fiscal autonomy, ancestral domain and ancestral lands
- A similar organic act for the Cordilleras not upheld by plebiscites – E.O. No. 220 constituted the Cordillera Administrative Region (CAR)

Regional Development and Decentralization (1)

- Positive effects:
 - More expeditious delivery of services at the local level
 - Accelerated undertaking of community development programs
 - More access to vital services
 - Best practices at the local level have garnered Galing Pook Awards

Regional Development and Decentralization (2)

- Negative effects:
 - Politicization of central-local relations (ruling elite exerted control over funds and their release)
 - Local expenditure responsibility is expanded while local fiscal capacity is not strengthened (ratio of local revenue to total revenue remained at 7-8%)
 - Devolution of spending functions without a similar devolution of taxation (resulting in attitude of LGUs that IRA shares are doleouts from the central government)

Lessons Learned (1)

- Mixed results (documented success stories, but mostly failures)
- Failure of decentralization efforts may be classified into three broad categories:
 - *Political and institutional design problems* (resulting in a “centralized local government”)
 - *Participation problems* (reserving reins of government to the elite and promoting patron-client relations)
 - *Regional development problems* (promoting a “localized central government”)

Lessons Learned (2)

- “Centralized local government”
 - Reserves vast powers to central government, particularly the President, who has executive control over the budgetary process
- Elite politics
 - Political clans with family members simultaneously occupying positions in the lower house and local government
- “Localized central government”
 - Political dependence of central government on LGUs to deliver “local command votes”
 - Extreme example: Ampatuans of Maguindanao and the “Maguindanao Massacre”

Federalism: the way forward?

- Federalism as the next logical step after devolution – proposed by some members of the academe and civil society
- However, the proposal has suffered two major setbacks during the GMA administration:
 - PIRMA case (Lambino vs COMELEC)
 - PGMA's bid for election as Representative of the second district of Pampanga – rumors of her aspiration to become House Speaker and push for constitutional amendments to a federal system so she can be elected Prime Minister

Alternatives to Federalism

- Under the PNOY administration, the bill outlining the Bangsamoro Basic Law was seen as the best option to "complement" the existing Local Government Code, and promote peace in Mindanao
- However, the bill has not passed during the previous Congress
- Other issues have diverted attention from the issue, i.e., SAF 44, upcoming elections, corruption cases

Federalism Revisited

- One of President Duterte's major programs is the creation of a federal system using the "Pimentel model"
- 11 federal states, with Metro Manila reconstituted as a "Federal Administrative Region"
- Involves revisions to the 1987 Constitution, which includes a process whereby federal states may secede from the Republic

Challenges to Federalism

- Budgetary constraints - from starting the process of Constitutional revisions ("Con-Con" or "Con-Ass") up to full implementation of the law
- Knowledge/awareness of the citizenry
 - Pulse Asia survey in July 2016 reported 73% of respondents having little (45%) to no awareness (28%) about the 1987 Constitution
 - The same survey shows 39% of respondents are "in favor" of federalism but not a parliamentary government, and believe that the 1987 Constitution should not be amended (44%)

Future Prospects

- Legislative measures to improve governance are only effective insofar as there exists the political will to implement them.
- Changes needed in the current system:
 - Improve distribution of IRAs to the LGUs
 - Grant of revenue-generating powers to LGUs without overtaxing the citizens
 - Establish mechanisms for public participation in policy making

Thank you!