

# BUILDING AN ARCHIPELAGO OF GOOD GOVERNANCE

By Jose T. Almonte

*Given before the Annual General Assembly of Galing Pook Foundation,  
Astoria Plaza, Escriva Drive, Ortigas Center, Pasig City, 7 June 2008*

## TOWARD AN ARCHIPELAGO OF GOOD GOVERNANCE

I'M GREATLY PLEASED to be asked to continue our *conversations* on how to link up our 'Islands of Good Governance' so that they would form an 'Archipelago of Good Governance.'

I must confess that my audiences don't ask me back all that often. I remember addressing a group of senior journalists in 1992 at the Tower Club in Makati when, right in the middle of my talk, our *corporate host* left the conference room—and *never* came back.

And I couldn't focus on what I was going to say because I kept worrying we would be stuck with what I was certain would be an enormous bill for our splendid Chinese dinner. Fortunately he was gracious enough to sign the chit before he walked out.

AT OUR MEETING IN MARCH, we agreed we shouldn't be content with having "*islands of good governance*"—"governance" being the new *buzzword* for the effectiveness of institutions, business and civic mechanisms, and policies governing a country.

We Filipinos have been so starved of good governance for so long that our appetite for it has become *unlimited*. What we hunger for is a *whole archipelago* of good governance. We want the blessings of good governance to spread through all our 7,100 islands—including even those submerged at high tide!

Yet, if the May 2008 State Department Global Report is to be believed, *corruption* and the uncertain *rule of law* still lie at the root of our political problems.

So that, even as we gather to consider strategies for converging our islands of good governance into an archipelagic whole, we should start by *shedding* every illusion about how *challenging* this effort would be— and *how long* it would take.

## **OUR COUNTRY'S EXTRAORDINARY DIVERSITY**

ACHIEVING AN ARCHIPELAGO of good governance will be a great challenge—*because*, in its geography, ecology, natural resource endowments, economy, ethnicity and culture, our country is *extraordinary* in its *diversity*.

Our 7,100 islands—which make up the world's second-largest archipelago, after Indonesia—are mostly small and mountainous, with short river-systems of *limited* agricultural potentiality.

This fragmented geography resulted in scattered settlements with sparse populations. We have an estimated 110 ethnic groups and 170 spoken languages.

Our fragmented geography also produced a *highly fragmented* political system—whose ill effects we suffer until now. Even as late as the Spanish conquest in the sixteenth century, our Malay chiefdoms remained primitive *local oligarchies* ruled by chieftains and their freemen—with the bulk of the population being *debt-serfs* and household *slaves*.

Political power coalesced around the leaders of shifting alliance networks rather than around permanent, territorially-defined political units. Because of *shifting* cultivation, settlements were often transient. “Where the people are, there the village is,” the Pinatubo Agtas say until now.

Nor did the Philippines develop as a single colonial economy oriented toward Manila. Many local and regional elites rather tended to look outwards to other parts of Asia and beyond to satisfy their trading wants. Until now the linkages between the layers of our economy are *few* and *weak*. Large businesses are *not* connected to the medium enterprises, while medium enterprises are *not* connected to the small ones.

## **COLONIAL POLICY PERPETUATED LOCAL OLIGARCHIES**

COLONIAL POLICY PERPETUATED many of the local oligarchies of the pre-Conquest era, since both the Spaniards and the Americans ruled through the indigenous elite.

Under the Spaniards, members of the pre-colonial nobility became the *principalia* that staffed municipal governments. Members of this local ruling elite enjoyed social privileges, including exemption from the tribute and immunity from forced labor.

Beginning in the second half of the 1800s (Chinese) *mestizo* money lenders, entrepreneurs and large tenants (*inquilinos*) of the friar estates—satirized in Rizal’s *Kapitan Tiago*—had also started acquiring land and rising to elite status. The Americans began governing in cozy partnership with the descendants of this principalia and this mestizo elite—the *ilustrados*—in what one American historian characterized as “*compadre* colonialism.”

In the traditional, face-to-face society, *patronage mitigated* the harshness of this unequal social order. The powerful protected the weak and eased their chronic economic insecurity, in exchange for their loyalty and deference. In turn, the patronage system enlarged the patron’s following and increased his potential political power—which is valued both for its own sake and as a source of additional wealth.

*But*, as development proceeded, this closed social order began to break down. Land consolidation by the elite—spurred by the commercialization of agriculture—reduced small cultivators into share-tenants. The growing of sugar, copra, tobacco, and abaca for export markets (as well as rice for the rising cities) produced a *hacendero* elite that, as electoral politics developed, flourished through its ability to *convert* the wealth, the social prestige, and the votes it could command into political influence—and political influence into even more economic power.

The growth of the modern economy and the rise of port cities, which nurtured new classes of traders, industrialists and professionals, sharpened the inequalities between top and bottom in the income pyramid. As this economic distance grew, the landlords began to turn their backs on their social contract with their tenants and other dependents. They started moving to the cities and giving up their place as local patrons to populist political bosses. Meanwhile urban civil society began to exert its own reformist zeal on patronage politics.

### **DUAL ECONOMY, DUAL POLITICS**

UNLIKE NEIGHBOR-ECONOMIES, whose growth has been both higher and sustained for longer periods, our economy still hasn’t expanded enough to bridge the gap between the two sectors of our “dual economy.” An artifact of colonialism, the dual economy is characterized by a relatively modern sector existing alongside a

traditional sector that is itself dominated by subsistence agriculture.

Until now, the *dual-economy* and *oligarchic politics* are the principal influences in shaping national society. Its monopoly of political power has enabled a tiny elite to control social wealth and prevent the democratization of the political system. A *pervasive* patronage system—now based more on the *cash nexus* rather than on *reciprocal* social obligations—has demobilized everyday people and held back popular pressures for structural change. Despite Independence, a basic division persists between the urban, export-oriented sector of the economy and its rural subsistence sector. These influences have produced both our *irresponsible* elite and our *docile* and *dependent* people.

Let me now make a few *general* observations about the relationships between local governments and the national government—whose practical effects you know much better than I do.

#### **LOCAL GOVERNMENTS AND NATIONAL GOVERNMENT**

HISTORICALLY, political power in our country has been *highly diffused*. Until now, we as a people have a great deal to do to gather our regions, provinces, cities, towns and villages in one *coherent* Philippine state. Simply because the national government is inefficient, uncaring—and far away—local governments still enjoy a great deal of *de facto* autonomy.

As one result of this *de facto* autonomy, we have far-too-many *enclaves* of *authoritarianism*. No matter what Manila may decree, the law at ground level in many places is all too often still what the local *cacique* or factional-machine boss wishes it to be. We haven't really progressed all that far from the time the Spanish king's Philippine representatives could choose to "obey *but not* to comply."

*But* if local governments could still get away with interpreting national mandates to suit local power-holders, they also still must endure *capricious* releases of their IRA (internal revenue allotments) from an "*imperial*" Manila. The presidency's immense power of the purse makes local governments extremely vulnerable to the political importunings of Malacañang. Consider how efficiently the Arroyo Administration's political machine deals with oppositionist politicians who threaten her with impeachment.

Decentralization—which was finally accomplished in 1991 after being discussed for two decades—has been widely praised. It has increased the share of local governments in central government revenues; broadened the taxing authority of LGUs; and devolved some central government functions under the fine principle of *subsidiarity*.

Decentralization also plays to the already-strong sense of regional identity and loyalty that impedes the development of a national political identity. (Until now Cebuanos, Ilocanos and Bicolanos vote largely as language blocs. On occasion, Cebuanos apparently even sing the anthem in the local language.)

The pluses and minuses of decentralization for an archipelago of our endowments I think we should look at more closely. Because in the end, the gains in decentralization will be for naught if they do not also strengthen the national community.

#### **THE RISE OF ISLANDS OF GOOD GOVERNANCE**

THE RISE OF ISLANDS OF GOOD GOVERNANCE we could reasonably associate with the increasing political awareness of the middle- and low-income electorate. The survey firm *Social Weather Stations* (SWS) breaks down our social classes into an ABC income class of some 9% of the entire population; a D income-class of 71%; and an E income class of the extremely poor that makes up 20% of all Filipinos. And it is this great D income class that decides how elections turn out.

Of course even a good election is still a long way from assuring good governance. Reformist local governments born out of *electoral revolts* against entrenched political dynasties all too often find that winning an election is just the beginning of the obstacle course that stretches before them infinitely. Governing day to day becomes an even *tougher*—and *unending*—struggle against defeated local bosses backed by their patrons in Manila.

If just-emerged islands of good governance are to escape being *submerged* by counter-reformist *tsunamis*, they need all the *material* help—and the *moral* encouragement—they could get from their fellows. And providing this material help and moral encouragement is in my view *Galing Pook* Foundation's most obvious role—and value.

*Galing Pook* should endeavor to become a working *community* of individual apostles of good governance—eager and able to *encourage, support, defend* and *enlarge* regions of good governance throughout our country.

### **PROJECTS TO PROMOTE GOOD LOCAL GOVERNANCE**

WHAT, THEN, COULD BE DONE to connect our islands of good governance so that they can spread over larger portions of the archipelago?

Obviously we need to attract more idealistic, more vigorous and more courageous young people into local politics. And good people will never become attracted to local politics until they are assured their votes will get counted and they get a fighting chance at winning. This means we should all work for the thorough-going reform of our electoral system.

The things we need to do to reform our electoral system and set it on a new footing are well known. All we Filipinos lack is the political will. And this political will, civil-society reformers must supply—because the law of supply and demand also works in the political market. If policymakers are to be compelled to supply a specific type of public policy, there must be an expressed demand for it.

Professionalization of the civil service is another civic cause that LGUs should, in my view, espouse. And this we can begin to do by raising salaries into rates competitive with the private sector; installing a meritocracy through service grades set by examinations; and stabilizing tenures by transferring the appointing power for officers from the President to the civil service system.

It would be difficult for our islands of good governance to raise the morale of their bureaucracies if these local bureaucracies must function in the context of a demoralized national civil service.

Certainly, too, LGUs should all benefit from a thorough-going study of how best to make full use of the new taxing powers that they've just been awarded; and the functions formerly assigned to Cabinet departments that have been devolved to them.

At the local level, there are many potentially beneficial linkages between local government units that *Galing Pook* might encourage.

These linkages should certainly include not only the *exchange* of experience in best LGU practices but how to transform other local leaders to also become achievers—activities *Galing Pook* apparently already does intensively.

“Islands of Good Governance” should also seek constantly to spread their influence to neighboring provinces, cities, towns—most easily through economic complementation, economic clustering and administrative example.

### **BECOME A MOVEMENT FOR GOOD GOVERNANCE**

NOW TO SUM UP AND CONCLUDE. Politically, most of our local governments still are enclaves of authoritarianism—ruled either by the traditional “big people” or by factional-machine bosses. Fortunately, in more recent times, development has built up what Nene Guevara felicitously calls “islands of good governance”—towns, cities and (a few) provinces that have come into the hands of *reformist* and *modernizing* local governments.

Through the agency of *Galing-Pook* Foundation, we aspire to somehow merge these fortunate islands and to spread their benign influence among their peers, until we have a whole archipelago of good governance. And I’m sure that, if we continue to put our heads together, we should be able to figure out ways of spreading *Galing-Pook’s* gospel of good governance.

But local governments, by definition, have *narrow limits*. Local governments can only do so much. Their power and their influence only extends so far. So that, if we are to unify our islands of good governance into an archipelago of good governance, we will also need *reforming* and *modernizing* leadership *at national level*—to match the quality of leadership already demonstrated by our local-government achievers.

In the Philippine context, such leadership can come only from a reforming and modernizing President. In our country, only the President has that kind of *transformative* political power.

And, unfortunately, raising such an exceptional national leader is beyond the capability of our present-day politics—which is still based overwhelmingly on the long-established patronage system.

To think otherwise is to delude ourselves, and to risk condemning our country to yet more years of corruption and disarray.

The patronage system compels the *would-be* President to make all sorts of sleazy deals to obtain the ‘command votes’ that only local warlords and factional bosses can deliver. And to finance these dubious transactions, he/she will willingly *mortgage* the office he/she has not yet even won to political entrepreneurs, vested interests, and oligarchic groups. Once in office, the same patronage system works to ensure the leader’s staying power.

There simply is no way a presidential candidate could avoid making these deals—and yet win, and once elected continue to remain in office. The single exception I could recall was the victory of General Ramos in 1992. But that was because of Ramos’ sterling reputation and the great number of candidates. The professional politicians, by splitting the command votes cancelled each other out and enabled Ramos to eke out a victory as a minority President with less than a quarter of the total vote.

No—I’m afraid an election as usual in 2010 will not give us the exceptional President we need, who will match your sense of devotion to your constituents with his/her sense of the nation, and his/her feeling for this country we all love.

Given the absence in our country of reformist/heroic leaders such as those who have risen in Korea, Taiwan, Singapore, Malaysia, it seems to me that you—our local political achievers—have no choice but to organize—once you are ready—a national ‘people power’ movement for good governance that would replicate nation-wide the phenomenal 2007 ‘people power’ election in Pampanga Province.#

