



## CHAPTER 16

### **GLOBALIZATION AND NATION-BUILDING IN THE PHILIPPINES: State Predicaments in Managing Society in the Midst of Diversity**

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#### **Introduction**

When the Philippines acceded to the World Trade Organization (WTO) in 1995, the country demonstrated its determination to face the challenges of globalization. Recognizing that globalization is the buzzword of the 21<sup>st</sup> century and inevitably affects the growth and governance of many nation-states, the Philippines bravely entered the WTO to prepare itself for global competitiveness and reap the benefits that globalization may bring.

Despite its great optimism on joining the WTO, the Philippines is still lagging behind its Southeast Asian neighbors in terms of economic performance. Whereas Philippine economic growth was second only to Japan's in the 1960s, the Philippines at present is viewed as one of the sick men of Asia.

This chapter argues that the difficulties encountered by the Philippines in meeting the challenges of globalization stem from the nature of the Philippine state. The Philippines entered the global economic arena with its domestic political economy unprepared. The Philippine state has failed to create the kind of fertile socioeconomic environment that would have prepared the country for global competition.

#### **The Nature of the Philippine State**

The state that developed after the declaration of Philippine independence in 1945 may be described as both a "premature" and "weak" state. It is a premature state because it was born before reaching the full term of statehood. That is, it became a state not through the development of a cohesive national consciousness, but through the actions of its former colonial masters. As a result, the state's legitimacy is contested in some regions. The Philippine state's weakness, meanwhile, stems from its lack of relative autonomy from the parochial interests of dominant Filipino social classes, powerful political families and clans, an influential landed elite, and wealthy Filipino capitalists.<sup>1</sup>

The Philippines lacks the following characteristics of a mature and strong state:

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<sup>1</sup> See Temario C. Rivera, *Landlords and Capitalists: Class, Family and State in Philippine Manufacturing* (1994).

1. The ends and purposes of government have become settled and founded on a significant ideological consensus;
2. Most social groups (ethnic, religious, linguistic, and the like) have been successfully assimilated, or have achieved protection, equality, or self-determination through autonomy, federalism, or other special devices;
3. Secessionism no longer constitutes a major goal of minorities. Territorial frontiers have become legitimized and sanctified through legal instruments;
4. Leaders are selected on the basis of a regular procedure like elections. No group, family, clan or sector can hold power permanently;
5. Military and policy organizations remain under effective civilian control;
6. The mores of governance preclude personal enrichment through various political activities.<sup>2</sup>

#### *A Premature State*

The Philippine state is a premature state because its claim to statehood is predominantly based on anti-colonial sentiment rather on the “natural” bonds formed through common historical experience, consanguinity and identification with a common language or a common religion.<sup>3</sup> The anti-colonial sentiment in the Philippines was not even anchored on a popularly accepted notion of “nationalism” but rather on a limited or narrow elite conception articulated by 19<sup>th</sup> century Filipino thinkers initially spearheaded by Jose Rizal.<sup>4</sup> Anti-colonial sentiments developed in the Philippines not as a result of a natural blossoming of “national consciousness” but as a result of overwhelming exasperation with the three centuries of oppression under the Spanish colonial administration and a half-century of resentment under American rule with a four-year colonial interruption during the Japanese occupation.<sup>5</sup>

Another characteristic of a premature state is that its legitimacy is challenged. The Philippine state is considered legitimate by virtue of international recognition and “popular” support. However, as in other premature states in the world, resistance groups such as local communists and Muslim secessionist groups are contesting the legitimacy of the Philippine state.<sup>6</sup>

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<sup>2</sup> See K. J. Holsti, “War, Peace and the State of State”, *International Political Science Review*, Vol. 16, No. 4 (1995), pp. 332-33.

<sup>3</sup> *Ibid.*, p. 327.

<sup>4</sup> See Floro C. Quibuyen, *Rizal, American Hegemony and Philippine Nationalism: A Nation Aborted* (Quezon City: Ateneo de Manila Press, 1999). Also see Leon Ma. Guerrero, *The First Filipino: A Biography of Jose Rizal* (Quezon City: Guerrero Publishing, 1998) and John N. Shumacher, *The Making of a Nation: Essays on Nineteenth-Century Filipino Nationalism* (Quezon City: Ateneo de Manila Press, 1991).

<sup>5</sup> See Onofre D. Corpuz, *The Roots of the Filipino Nation*, Volumes 1 and 2 (Quezon City: Aklahi Foundation, Inc., 1989).

<sup>6</sup> C.B. O’Briend, “The Show of State in a Neo-Colonial Twilight: Francophone Africa,” in J. Manor (ed), *Rethinking Third World Politics* (London: Longman, 1991), p. 145.

The premature nature of the Philippine state may also be attributed to the fact that it derives its legitimacy from the actions of its erstwhile colonial master, the United States. The Philippine state is a colonial creation supported by a minority of people constituting the elite who, in turn, utilizes the apparatus of a weak state to get the needed “legitimacy” from the people through a defective electoral and party system.<sup>7</sup>

The Philippine state also is premature because the concept of a “Filipino national identity” is contested by some Filipinos, especially those from the Muslim, Cordillera, and Cebu areas. Some Filipinos identify more with their regions or ethnic origins than with the “Filipino nation.” The sense of Filipino regionalism seems to be greater than the sense of Filipino nationalism. One Filipino writer even laments:

We are a paradox even to ourselves. The cliché question of identity, for instance, bedevils many of us, not because we are unsure of ourselves but because we cannot, to our own satisfaction, define ourselves.<sup>8</sup>

Before the colonial period, a Filipino identity never existed. Pre-colonial inhabitants of the archipelago viewed themselves as *Ilocano*, *Bicolano*, *Cebuano*, *Tausug*, *Maranawan*, *Maguindanaons*, etc. The “Filipino” concept came from the Spanish name “Felipe” in honor of King Philip. During the Spanish period, the use of “Filipino” was an elitist concept with racial connotations. It was used to describe the Creoles, Spaniards born in the Philippines. The natives were called “Indios.”<sup>9</sup> As a result of intermarriage between Creoles and wealthy Indios and the emergence of Spanish and Chinese *mestizos*, the term Filipino eventually acquired a larger area of application in the 19<sup>th</sup> century.

Commemorations of the 100<sup>th</sup> anniversary of the Philippine Revolution showed that the quest for a Filipino national identity still preoccupies many writers.<sup>10</sup> The Philippines remains a political community in search of a national identity in an “imagined community.”<sup>11</sup>

#### *A Weak State*

The Philippine state is a weak state because its apparatus has constantly been under the control of a powerful family, clan or prevailing group for the primary purpose of personal aggrandizement.<sup>12</sup> The Philippine state continues to fail to insulate itself from the parochial interests of traditional families, clans and groups that have

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<sup>7</sup> Rommel C. Banlaoi and Clarita R. Carlos, *Political Parties in the Philippines: From 1900 to the Present* (Makati City: Konrad Adenauer Foundation, 1997). Also see Clarita R. Carlos and Rommel C. Banlaoi, *Elections in the Philippines: From Precolonial Period to the Present* (Makati City: Konrad Adenauer Foundation, 1997).

<sup>8</sup> F. Sionil Jose, *We Filipinos: Our Moral Malaise, Our Heroic Heritage* (Manila: Solidaridad Publishing House, 1999), p. 2.

<sup>9</sup> Renato Constantino, *The Making of a Filipino: A Story of Philippine Colonial Politics* (Quezon City: Foundation for Nationalist Studies, 1969), pp. 5-9.

<sup>10</sup> Elmer Ordonez (ed), *Nationalist Literature: A Centennial Forum* (Quezon City: University of the Philippines Press and the Philippine Writers Academy, 1995).

<sup>11</sup> Benedict Anderson, *Imagined Communities: Reflections on the Origin and Spread of Nationalism* (London: Verso, 1983).

<sup>12</sup> *Ibid.*, p. 332.

dominated and benefited from Philippine politics. These forces compete with the Philippine state in exercising effective control over its diverse population.<sup>13</sup>

As a result of the weakness of the Philippine state, “preferential access to state resources and state-conferred economic opportunities have traditionally been given to political elite, friends and relatives of the regime in control of the state power.”<sup>14</sup> A weak Philippine state results in the “politics of privilege,” a rent-seeking activity causing corruption and mismanagement of the Philippine political economy.<sup>15</sup> One scholar describes this as “booty” or “crony” capitalism in which private interests are pursued using public resources and in which economic and political oligarchs abuse the apparatus of the state.<sup>16</sup>

A premature and weak Philippine state has produced weak institutions of governance; thus, it is unable to manage the ethnic, religious and socioeconomic diversities in its society. The advent of globalization not only aggravates these diversities but also makes the Philippine state and its institutions of governance even weaker for their failure to forge a national consensus necessary for nation-building and socioeconomic development.

### **Diversities and Tensions in the Philippine Society**

The Philippines is a highly diverse society. With an archipelago of more than 7,100 islands, its geographical setting has caused considerable ethnic, religious and socioeconomic fragmentation. Although some Filipino scholars argue that the waters connecting these islands unite Filipinos, in reality they serve merely as channels of transportation facilitating inter-island commerce and migration rather than transmitters of national unity and propagators of national consciousness. These waters can even be the source of inter-island conflict due to ambiguous coastal boundaries and ineffective government policies. Aggravating the situation is the mountainous Philippine terrain, which makes *intra-island* interaction similarly problematic. The Philippines’ physical geography has produced a highly diverse society, as shown by the presence of at least five major languages spoken in the country with more or less 80 distinct ethnic dialects.

#### *Ethnic Diversity*

Filipinos are products of an ethnic mix composed of Malay, Chinese and indigenous groups with Muslim, Spanish and American influences. Of the three external influences, the mark left by the Americans is regarded as the most pervasive and visible.<sup>17</sup> It is even argued that because of the great impact of American culture, it

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<sup>13</sup> The author’s use of a weak state concept is heavily influenced by Joel Migdal, *Strong Societies and Weak States* (Princeton: Princeton University Press, 1988).

<sup>14</sup> Francisco A. Magno, “Weak State, Ravage Forests: Political Constraints to Sustainable Upland Management in the Philippines,” *Philippine Political Science Journal*, Numbers 33-36 (June 1991-December 1992), pp. 81-82.

<sup>15</sup> Paul D. Hutchcroft, “The Politics of Privilege: Assessing the Impact of Rents, Corruption, and Clientelism on Philippine Development,” *Institute for Popular Democracy Occasional Paper No. 1* (February 1997).

<sup>16</sup> Paul D. Hutchcroft, *Booty Capitalism: The Politics of Banking in the Philippines* (Quezon City: Ateneo de Manila Press, 1998).

<sup>17</sup> F. Landa Jocano, *Filipino Prehistory: Rediscovering Precolonial Heritage* (Metro Manila: Punlad Research House, 2000), p. 37.

almost succeeded in replacing Filipino native cultures.<sup>18</sup> This prompted one American writer to describe Filipino culture as a “damage culture.”<sup>19</sup> Filipino scholars, of course, vehemently denounce this.<sup>20</sup>

While the Malay group may dominate this ethnic mix, the most influential group is that of Chinese descent. Ethnic-Chinese Filipinos represent around 1.2 percent of the total population, and more than half can be found in Metro Manila (primarily because the greater number of Chinese associations are in Metro Manila).<sup>21</sup> Most of the leading families controlling the Philippine economy and politics have Chinese blood, including Jose Rizal, the Philippine national hero, and former President Corazon Aquino. Her cousin, Eduardo Cojuangco, Jr., once viewed as a crony of the former president Ferdinand Marcos crony, chairs one of the biggest corporations in the Philippines—the San Miguel Corporation. Lucio Tan, identified as a crony of former president Joseph Estrada, is one of the wealthiest Filipino Chinese businessmen, having owned Philippine Airlines, Air Philippines, Asia Brewery, Tanduay Distillery, and Fortune Tobacco Company.

The ethnic diversity of the Philippines is exemplified by the distribution of Filipino indigenous ethnic communities, called the *Lumad*. These indigenous groups are generally marginalized. The total number of indigenous ethnic communities in the country has not yet been accurately reported (partly due to their relative geographical isolation which makes them inaccessible to census takers).<sup>22</sup> But there are at least 106 ethnic groups.<sup>23</sup> Most of these are found in peripheral areas of the Philippines living in abject poverty and, more often than not, victims of government developmental projects.<sup>24</sup>

### *Religious Diversity*

While the dominant religion in the Philippines is Christianity (which is split into Roman Catholicism and Protestantism with its various denominations), the rise of Islam in the Philippines is a serious security concern not only because of the surge of Islamic fundamentalism being propagated by the minority but also because of the increasing confidence of Filipino Muslims in asserting their identity as a *Bangsa Moro*, or Moro Nation. Many Muslim Filipinos refuse to call themselves Filipinos, viewing themselves more as members of the *Bangsa Moro*. But the term “Moro” itself, like

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<sup>18</sup> Ibid.

<sup>19</sup> James Fallows, “A Damaged,” *Atlantic Monthly* (November 1987), pp. 49-58.

<sup>20</sup> See Paz P. Mendez and F. Landa Jocano, *Culture and Nationhood: A Philosophy of Education for Filipinos* (Manila: Centro Escolar University Research and Development Center, 1991), pp.1-6.

<sup>21</sup> Teresita Ang See, “The Ethnic Chinese as *Filipinos*” in Leo Suryadinata (ed), *Ethnic Chinese as Southeast Asians* (Singapore and London: Institute of Southeast Asian Studies, 1997), p. 174. For additional readings on *Filipino* ethnic Chinese, see Chinben See, “The Ethnic Chinese in the Philippines” in Leo Suryadinata (ed), *The Ethnic Chinese in the ASEAN States: Bibliographical Essays* (Singapore and London: Institute of Southeast Asian Studies, 1989), pp. 203-220.

<sup>22</sup> F. Landa Jocano, *Filipino Ethnic Indigenous Communities: Patterns, Variations, and Typologies* (Metro Manila: Punlad Research House, 1998), p. 21.

<sup>23</sup> Ibid.

<sup>24</sup> See F. Landa Jocano, *Problems and Methods in the Study of Philippine Indigenous Ethnic Cultures: A Preliminary Overview* (Quezon City: University of the Philippines Asian Center, 1994).

“Filipino,” has alien roots. Spanish colonizers introduced the term in the 16<sup>th</sup> century when they confused the Muslim people of Mindanao with the “moors.”<sup>25</sup>

Were it not for the Spanish colonization of the Philippines for 333 years and introduction of the Roman Catholic religion, the country would have been a Muslim state like its Southeast Asian neighbors.<sup>26</sup> As early as the 15<sup>th</sup> century, the Islamic religion already existed in the Sulu Archipelago in the southwest Philippines. By the mid-16<sup>th</sup> century, two sultanates had been established as far north as Manila.<sup>27</sup> The Spanish arrived in the midst of this wave of Islamic proselytism.<sup>28</sup>

Filipino Muslims are more active now in the politics of the Philippine “nation-state.”<sup>29</sup> They are more vocal because of the global and regional trend of Islamic resurgence.<sup>30</sup> The increase in “democratic space” as a result of the demise of authoritarianism in the Philippines is also enabling Muslim Filipinos to articulate more boldly their causes. The revolt in Mindanao is a function of the rise of Islam in Philippine politics.<sup>31</sup>

There are three major Muslim resistance groups, not to mention the various ethnic Muslim groupings such as the *Tausugs*, *Maguindanaons* or the *Maranawans*. These resistance groups call themselves Philippine Mujahideen.<sup>32</sup>

The oldest major Muslim secessionist group is the Moro National Liberation Front (MNLF) founded by an ethnic Tausug leader, Nur Misuari. In 1974, the MNLF declared the establishment of the *Bangsa Moro* Republic.<sup>33</sup> It has also received recognition from the Organization of Islamic Conference as the “sole and legitimate representative” of the *Bangsa Moro* people. The MNLF has since concluded peace talks with the Philippine government.<sup>34</sup> But at present, the MNLF is split into three factions: the Anti-Nur Misuari MNLF faction, the Pro-Nur Misuari MNLF faction and the MNLF Integrees. The Pro-Nur Misuari faction is alleged to be the main culprit in a massacre in Sulu in 2002 that led to the arrest of Nur Misuari.

The second major group is the Moro Islamic Liberation Front (MILF), which claims to be the vanguard of the Islamic movement in Mindanao. Hashim Salamat, supported by the ethnic Maguindanaons of Mindanao, founded the MILF in 1977 when he and his supporters split from the MNLF.<sup>35</sup> The MILF also has a splinter

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<sup>25</sup> Peter Gowling, *Mosque and Moro: A Study of Muslims in the Philippines* (Manila: Federation of Christian Churches, 1964). Also see Cesar Majul, *Muslims in the Philippines* (Quezon City: University of the Philippines Press, 1973).

<sup>26</sup> John Pelan, *The Hispanization of the Philippines* (Madison: University of Wisconsin Press, 1959).

<sup>27</sup> David Wurfel, *Filipino Politics: Development and Decay* (Quezon City: Ateneo de Manila Press, 1988), p. 2.

<sup>28</sup> Ibid. Also see Peter Gowling (ed), *Understanding Islam and Muslims in the Philippines* (Quezon City: New Day Publishers, 1988).

<sup>29</sup> Patricio N. Abinales, “Mindanao in the Politics of the Philippine Nation-State: A Brief Sketch,” *Philippine Political Science Journal*, Numbers 33-36 (June 1991-December 1992), pp. 120-141.

<sup>30</sup> Mehol K. Sadain, *Global and Regional Trends in Islamic Resurgence: Their Implications on the Southern Philippines* (Pasay City: Foreign Service Institute, 1994).

<sup>31</sup> See T. J. S. George, *Revolt in Mindanao: The Rise of Islam in Philippine Politics* (New York, Melbourne, Kuala Lumpur: Oxford University Press, 1980).

<sup>32</sup> Alvaro Andaya, *Philippine Mujahideen, Mandrigma* (Manila: Published by the author, 1994).

<sup>33</sup> Cesar A. Majul, *The Contemporary Muslim Movement in the Philippines* (Berkeley: Mizan Press, 1985).

<sup>34</sup> See Abraham S. Iribani, “GRP-MNLF Peace Talks: 1992-1996” (MA Thesis: National Defense College of the Philippines, 2000).

<sup>35</sup> See Margarita Cojuangco, “The Role of the MILF in the Mindanao Problem” (MA Thesis: National Defense College of the Philippines, 1988).

group engaged in various kidnapping and extortion activities. The Philippine government was in peace talks with the MILF as of this writing.

The third group is the extremist Abu Sayyaf, believed to have links with the Al-Qaida network of Osama Bin Laden. The fundamentalist Abu Sayyaf aims to establish an Iranian-style Islamic state in the southern Philippines.<sup>36</sup> Like the MNLF, Abu Sayyaf is also factionalized. Khadafy Janjalani, brother of slain founder Abduragak Abubakar Janjalani, is heading a fundamentalist Islamic resistant movement in Basilan. The other faction is headed by Galib Andang, alias Commander Robot, who is operating in Jolo. The government has been in hot pursuit of Abu Sayyaf due to the group's criminal activities, such as kidnapping, extortion and murder, and its suspected Al-Qaida links.

### *Socioeconomic Diversity*

Pervasive poverty is the main security problem of the Philippines.<sup>37</sup> According to the latest Annual Poverty Indicators Survey (APIS) conducted by the National Statistics Office (NSO), of the 14.37 million Philippine families in 1998, 5.75 million belonged to the lower 40 percentile on the income scale, while 8.62 million belong to the upper 60 percentile. Families in the upper 60 percentile on the income scale scored best in almost all socioeconomic indicators. But in terms of the number of families belonging to each income strata, families in the lower 40 percentile are almost as numerous as those in the upper 60 percentile.<sup>38</sup> These figures indicate that a significant number of Filipino people are living below the minimum basic needs framework, which states that:

- In order to sustain life, the family needs to be healthy, to eat the right kind of food, to drink safe water and to have good sanitation.
- To protect the family from any harm or danger, it needs to be sheltered in a peaceful and orderly environment and it should have a livelihood that can support its family members to acquire their basic needs such as food, shelter, etc.
- To be able to attain the survival and security needs of the family, its members should be educated and be functionally literate in order to participate actively in any community development and to take care of its psycho-social needs.<sup>39</sup>

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<sup>36</sup> Jukpili M. Wadi, "Philippine Political Islam and the Emerging Fundamentalist Strand," in Carmencita C. Aguilar (ed), *Cooperation and Conflict in Global Society* (Quezon City: International Federation of Social Science Organization, 1996).

<sup>37</sup> For an excellent conceptual and practical reading of Philippine poverty, see Arsenio M. Balisacan, "What Does it Take to Win the War Against Poverty in the Philippines?" in Eduardo T. Gonzales (ed), *Reconsidering the East Asian Economic Model: What's Ahead for the Philippines* (Pasig City: Development Academy of the Philippines, 1999), pp. 83-109. Also see Anna Marie A. Karaos, "Urban Governance and Poverty Alleviation in the Philippines", in Emma Porio (ed), *Urban Governance and Poverty Alleviation in Southeast Asia: Trends and Prospects* (Quezon City: Ateneo de Manila University, 1997).

<sup>38</sup> NSO Website, "Annual Poverty Indicators Survey" of the National Statistics Office.  
<http://www.census.gov.ph/data/sectordata/ap98.html>.

<sup>39</sup> Ibid.

Filipinos were severely affected by the 1997-98 Asian financial crisis. In the latest survey, about 94 percent of all Filipino families reported that they were affected by the crisis. In response to the crisis, one in every two families in the lowest 40 percent income bracket changed their eating patterns while three out of ten families increased their working hours.<sup>40</sup>

### **The Impact Of Globalization On Nation-Building**

The advent of globalization is compounding the already complicated problem of nation-building in the Philippines. One reason is that globalization has not produced the same benefits for all ethnic and interest groups in Philippine society. Combined with the lack of a strong and effective “safety net,” globalization is exacerbating poverty and thereby intensifying the country’s ethnic, religious and socioeconomic divisions. Globalization, therefore, is challenging an already premature and weak state’s ability to manage its ethnic, socioeconomic and religious diversities. This constricts the capacity of the Philippine state to develop and to build the Filipino nation and to achieve economic development.

One product of this is the persistent separatist clamor by Filipino ethnic groups, particularly Muslim groups that feel they are being neglected in the process of globalization and that they would be better off independent from the central Philippine government. Since colonial times, Filipino Muslims have searched constantly for the kind of leadership that will transform their hopes and aspirations into economic and social reality.<sup>41</sup>

Other interest groups have also expressed concern about the negative effects of globalization. In a study by the International Forum on Globalization, it was found that globalization policies have contributed “to increased poverty, increased inequality between and within nations, increased hunger, increased corporate concentration, decreased social services and decreased power of labor vis-à-vis global corporations.”<sup>42</sup>

Globalization has led to the widening of socioeconomic disparities in the Philippines as some social actors are given greater opportunities than others.<sup>43</sup> It has favored the more mobile, the more adaptable, and the globally scarce commodities and human skills, as opposed to immobile, self-contained, and globally abundant ones. Traditional Philippine agriculture, for instance, has been unable to cope with globalization and, because of the relatively high price of Philippine agricultural products, “increasingly represents a drag on manufacturing and the more dynamic and globally tradable parts of the economy.”<sup>44</sup>

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<sup>40</sup> Ibid.

<sup>41</sup> See Romulo M. Espaldon, “Towards a National Muslim Development Policy” (undated manuscript). Espaldon was a Minister of Muslim Affairs and Ambassador to Saudi Arabia and Egypt.

<sup>42</sup> Jerry Mander, Debi Baker and David Korten “Does Globalization Help the Poor?” *IFG Bulletin* (San Francisco, California: International Forum on Globalization), Volume 1, Issue 3m (2001).

<sup>43</sup> Emmanuel S. De Dios, “Between Nationalism and Globalization” in Filomena S. Sta. Ana III (ed), *The State and the Market: Essays on a Socially Oriented Philippine Economy* (Quezon City: Action for Economic Reforms, 1998), p. 28.

<sup>44</sup> Ibid.



There are countries in which globalization has had a positive effect on the economy and politics. It has been noted that “effective adaptations to globalization are well under way in a number of developing countries.”<sup>45</sup> As a result of globalization, some developing countries “have increased their share of trade in goods and services, and new technologies have created jobs and stimulated dynamic local economies.”<sup>46</sup> Globalization is also said to have facilitated the spread of democratic governments in developing countries and helped sustain “the legitimacy of those that have been created in recent years.”<sup>47</sup> As a consequence of global integration brought by the process of globalization, improvements in the real incomes of people in developing economies can be expected.<sup>48</sup>

Globalization is not the root cause of the tensions in Philippine society. Poverty causes these tensions, and poverty is the result of weak institutions of governance.<sup>49</sup> This weakness stems from the premature and weak nature of the Philippine state.

#### *Globalization and the Philippine State*

If globalization has intensified socioeconomic divisions and conflicts, this is due to the inability of the Philippine state to implement policies preparing the country for global competitiveness. The Philippines finds it hard to cope with the globalization process because its weak institutions of governance have failed to create suitable socioeconomic and political conditions that will attract more capital and technology from both domestic and foreign sources necessary for economic growth. To overcome these challenges and reap the benefits of globalization, the weak and premature Philippine state needs to be reinvented through institutional reforms aimed at strengthening its institutions of governance and creating a suitable environment for growth.

#### *Reform of the Bureaucracy*

The Philippines has a very inefficient bureaucracy, especially its revenue-generating agencies. The Philippine bureaucracy “has suffered from the limited technical skills and low moral of its personnel and has to live with recruitment rules and promotion procedures heavily tainted by patronage politics.”<sup>50</sup> Under a premature and weak state, Philippine bureaucracy is marred by rampant corruption favoring the families and friends of the bureaucrats.<sup>51</sup>

Inefficient and corrupt bureaucracy intensifies the socioeconomic, religious and ethnic tensions in the Philippines as it hampers the delivery of needed services to the

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<sup>45</sup> Merilee S. Grindle, “Ready or Not: The Developing World and Globalization,” in Joseph Nye and John Donahue (eds), *Governance in a Globalizing World* (Washington DC: Brookings Institution Press, 2000), pp. 178.

<sup>46</sup> Ibid.

<sup>47</sup> Ibid.

<sup>48</sup> Frankel, pp.45-71.

<sup>49</sup> This assertion is contrasting the argument of James Petras, “Globalization: A Critical Analysis,” *Journal of Contemporary Asia*, Vol. 29, No. 1 (1999), pp. 3-37.

<sup>50</sup> Temario C. Rivera, “Democratic Governance and Late Industrialization” in Filomena S. Sta. Ana III (ed), *The State and the Market: Essays on a Socially Oriented Philippine Economy* (Quezon City: Action for Economic Reforms, 1998), p. 257.

<sup>51</sup> Alfred McCoy (ed), *An Anarchy of Families: State and Families in the Philippines* (Madison: University of Wisconsin-Madison Center for Southeast Asian Studies, 1993).

people. It also leaves the Philippines unprepared to cope with the challenges of globalization.

Reforming the Philippine bureaucracy is a gargantuan task requiring implementation of a merit-based recruitment system and a clear-cut career incentive scheme to attract and sustain the best and brightest into the civil service.<sup>52</sup> The World Bank suggests the following measures:

1. Limit the scope of patronage in public employment by depoliticizing the civil service and strictly regulating the use of casual and contractual workers;
2. Decompress the government pay scale to provide competitive salaries up to senior levels;
3. Strengthen performance evaluation, implement related awards and sanctions, and enhance meritocracy in appointments and promotions.<sup>53</sup>

#### *Electoral Reform*

Philippine elections are characterized by irregularities, fraud, manipulation, vote buying, intimidation and violence.<sup>54</sup> The prevalence of election fraud during the counting of ballots, the use or threat of force by political warlords to compel people to vote in their favor, and vote buying among politicians are undermining the democratic process. Although the Philippines is among the few Asian countries with a long historical experience in electoral politics, Philippine elections are nothing more than overt expressions of competing personal interests and ambitions of party leaders belonging to or allied with dominant families, clans, landlords and business groups.<sup>55</sup>

Despite the introduction of a Party-List Law to allow more room for sectoral representations in the House and to encourage small political parties to participate in local elections, marginalized sectors are still underrepresented because of patronage politics and a strong kinship system in the Philippines. Ironically, many “small parties” participating in the party-list system are “satellite” parties of traditional politicians.<sup>56</sup> Among the measures needed to reform Philippine elections are:

1. Allowing absentee voting;
2. Computerizing the election procedure and the counting of votes;
3. Implementing stiffer penalties for election offenses;
4. Regulating campaign finance;
5. Making electoral fraud a serious crime under the law.

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<sup>52</sup> Rivera (1998), p. 257.

<sup>53</sup> See World Bank, “Combating Corruption in the Philippines.” <http://www.worldbank.org/eapsocial/library/corruption.htm>.

<sup>54</sup> See Carlos and Banlaoi (1997). Also see Luzviminda Tangcangco, *The Anatomy of Electoral Fraud* (Manila: MJAGM, 1992) and Ma. Aurora Catillo, et. al., *Manipulated Elections* (Quezon City: University of the Philippines, 1985).

<sup>55</sup> Renato S. Velasco, “Campaign Tactics in the 1987 Legislative Elections” in Renato Velasco and Sylvano Mahiwo (ed), *The Philippine Legislature Reader* (Quezon City: Great Books Publishers, 1989), p.62.

<sup>56</sup> See Soliman M. Santos, Jr., “The Philippine Tries the Party-List System: A Progressive Approach” and David Wurfel, “The Party-List Elections: Sectoral or National? Success or Failure?” both in *Kasarinlan: A Philippine Quarterly of Third World Studies*, Vol. 13, No. 2 (Fourth Quarter, 1997).

### *Political Party Reform*

Philippine political parties are ideologically undifferentiated, except for the underground communist party. There is only one ideology guiding all electoral parties in the Philippines, the liberal ideology. As a result, Philippine political parties are highly personalistic rather than programmatic.

The most notable features of Philippine political parties are the minimal intraparty solidarity, endemic interparty switching, and party similarities in terms of programs, organizations and campaign strategies.<sup>57</sup> Filipino political party leaders are usually political patrons from wealthy families and clans. These politically undifferentiated and oligarchic parties have created a party environment characterized by “political butterflies,” or party turncoats. Despite the constitutional mandate allowing a multi-party system in the Philippines, political parties in the Philippines, in general, are either administration parties or opposition parties.

As such, Philippine political parties are weak. Their weakness mirrors that of the Philippine state, which prevents the effective management of ethnic, religious and socioeconomic tension in the country. Without a strong party system with a clear program of government, the Philippines will continue to be plagued by persistent national crises.

Since political parties are vital instruments in the articulation of the demands and desires of the people and important vehicles to mobilize the people to achieve successful economic growth and effective governance, there is a move to reform and strengthen the Philippine party system. The suggested measures include:

1. Increasing party discipline by implementing the concept of a “party whip” and penalizing “political butterflies”;
2. Requiring political parties to build a reliable mass political base;
3. Adopting measures to monitor the continuity of party organization so that a party’s life span is not dependent on the life span of its leaders;
4. Implementing measures that penalize political parties that cannot sustain their organizational set-up.

### *Socioeconomic Reform*

To bridge the gap between the rich and poor, the Philippine government has formulated a series of medium-term development plans with socioeconomic reform packages. The Philippine government even accepts the view that successful economic growth and effective governance cannot be achieved without a strategy for socioeconomic reform. However, the weakness of the Philippine state is preventing implementation of socioeconomic reform programs. Thus, implementation of socioeconomic reform programs is a function of institutional reform, which has been discussed above.

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<sup>57</sup> Banlaoi and Carlos (1997), p. 34. Also see Carl Lande, *Leaders, Factions and Parties: The Structure of Philippine Politics* (New Haven: Yale University Southeast Asian Studies Monograph Series No. 6, 1964).

**Conclusion**

The Philippine state is in the predicament of having to face globalization while at the same time undergoing the painful process of nation-building in a highly diverse society. The weakness of the Philippine state in facing these challenges is causing the pervasive poverty that results in ethnic, socioeconomic and religious tension. To overcome these challenges, there is a need to strengthen the Philippine state and its institutions of governance through bureaucratic, electoral, party, and socioeconomic reforms.