



## DOES ECONOMIC GROWTH TRANSLATE TO SOCIAL DEVELOPMENT?

# Economic performance and the MDGs in Western Visayas

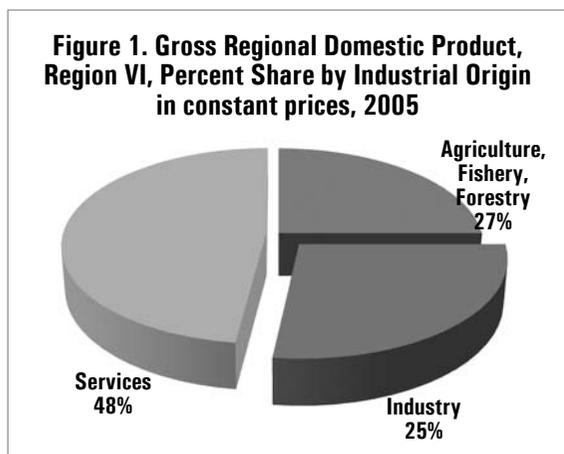
► By **GAY D. DEFIESTA** and **JESSICA DATOR-BERCILLA**\*

### **Western Visayas: Economic profile and performance**

**W**ESTERN Visayas (Region VI), situated at the heart of the Philippine islands, has a total land area of 20,223.2 sq. km and comprises six provinces and 117 municipalities with a population of 6.2 million. The region is predominantly agricultural, having 43 percent of land resources utilized for such purposes. Its major products are sugarcane, palay and mango. It is also one of the leading producers and exporters of fishery and aquaculture products, being bounded by two rich fishing grounds, the Sibuyan and Visayan Seas.

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The economic structure of Western Visayas is dominated by the services sector. Based on gross regional domestic product (GRDP) in 2006, it has consistently contributed 41-47 percent to the total, followed by agriculture and industry with 28-30 percent and 14-24 percent respectively. For year 2005, the same pattern is observed with services still leading in terms of percentage share.

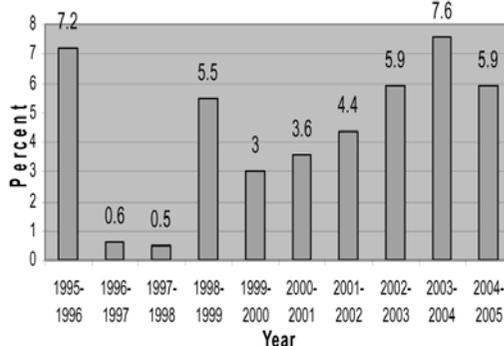


Source of data: 2006 Regional Social and Economic Trends, Western Visayas. NSCB

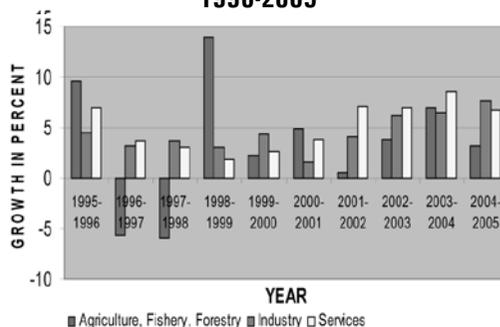
The region is the fourth highest contributor to the country's gross domestic product. For the 10-year period of 1996-2005 the value of its output was about 7 percent of GDP while that of NCR, 30-31 percent. Considering the performance from 1995 to 2000, economic growth in Western Visayas is quite erratic. The lowest point was during the financial crises and El Niño from 1996-1998 when GRDP grew only by 0.5-0.6 percent for the period. Agriculture, fishery and forestry suffered much during this time, experiencing negative growth rates. From then on, the region's growth performance picked up at a lower pace (5 percent) compared to the rate (7.2 percent) prior to the crisis. For the year 2005, economic performance declined to 5.9 percent from 7.6 percent in the previous year. Agriculture, fishery and forestry posted the highest reduction from 7 percent in 2004 to only 3.2 percent in 2005. Notably, the sector has been lagging behind industry and services in terms of growth since 1996.

Employment in Western Visayas is registered at 92.4 percent in 1996 and 93.9 percent in 2005. During the 10-year period, a 90 percent average rate was maintained. Among the provinces, Capiz has the high-

**Figure 2. GRDP Growth, Region VI 1995-2005**



**Figure 3. GRDP Growth, Region VI By Sector 1996-2005**



Source of data: 2006 Regional Social and Economic Trends, Western Visayas. NSCB

est employment and labor participation rate. Among the sectors, agriculture absorbed more than half the total employed persons (52 percent) in the region. Since year 2000 however, the number declined as more workers were being absorbed in the nonagricultural sectors. Employment data also show fewer employed females than males. The ratio is 60/40, which means that of the total employed persons, 60 percent are males and only 40 percent are females.

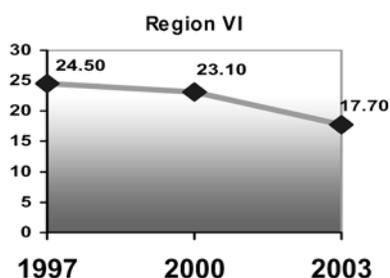
### Economic growth and poverty in the region

Economic growth is useless if not translated to better standards of living or improved and wider access to jobs, education and healthcare, among others. Social indicators are useful measures that show whether progress benefited the poor and the marginalized. The Millennium Development Goals (MDGs) specify achievements in the eradication of extreme poverty and hunger, achievement of universal primary education, promotion of gender equity/equality and women

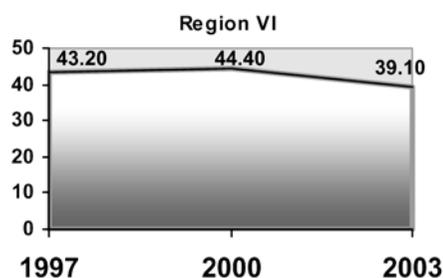
empowerment, reduction of infant and child mortality, improvement of maternal healthcare, combating HIV/AIDS, malaria and other diseases, population and environmental sustainability, and the development of broad-based partnership for development by 2015.

The report of the Western Visayas office of the National Economic and Development Authority showed poverty situation in the region has improved. From 1997-2003, persons living below subsistence level declined from 24.5 percent of the population in 1997 to 17.7 percent in 2003. The figure indicates that people living below the food threshold, estimated to be Php 8,386 per capita per year, was reduced by 6.8 percent in six years. Poverty incidence is also declining, from 43.3 percent of the total population in 1997 to 39.1 percent or 31.1 percent of families in 2003. This statistic however, is still high compared to the national average of only 24.7 percent. Moreover, regional poverty gap of 21.1 percent is also above the national level at only 13.9 percent (Western Visayas MDG Report, NEDA Region VI, 2007). Neda pointed that one of the leading cause of poverty in the region is large family size and high population growth.

**Figure 4. GDRP Growth, Region VI 1995-2005**



**Figure 5. Poverty Incidence among families (in percent)**



Source: NSCB Region VI, lifted from NEDA MDG Report 2006

Besides poverty statistics, nother indicator of poverty is prevalence of malnutrition among children and adults. Data from Neda and NSCB Region VI show a decline in the number of malnourished preschool children from 21.82 percent in 1990 to 7.13 percent in 2000 but in 2004, the figure climbed to 17.8 percent, a big difference from previous years. The following year, malnutrition among preschoolers improved slightly from 17.8 percent to 15.2 percent. On the other hand, prevalence among school children worsened from 27 percent in 2004 to 27.78 percent in 2005.

### Where have the children gone?: Of children and unfinished education

While poverty and nutrition are improving, education statistics are getting worse. Participation and enrolment rates in elementary and high school are lower compared to the previous years. The same is true for the cohort survival and completion rates. These imply that the number of children going to school is declining, and that fewer of them are surviving and completing their education.

**Table 1. Education Statistics in Region VI (Public Elementary and Secondary Schools)**

Indicator	Year and Percentage	Year and Percentage
Net Participation Rate in Public Elementary Schools	2000 - 87.8%	2004 - 76.9%
Net Participation Rate in Public Secondary Schools	2003 - 49.7%	2004 - 45.6%
Cohort Survival Rate in Public Elementary Schools	1990 - 72.79%	2004 - 59.75%
Cohort Survival Rate in Public Secondary Schools	2000 - 70.87%	2004 - 61.97%
Completion Rate in Public Elementary Schools	1990 - 67.69%	2004 - 57.47%
Completion Rate in Public Elementary Schools	2000 - 62.08%	2004 - 57.39%

Source: data from NSCB Region VI, lifted from NEDA MDG Report 2006

NEDA cited several reasons for the worsening education statistics. These are poverty; inadequate instructional facilities such as classrooms, books and chairs; inability to cope with school work due to poor nutrition and illness.

### And where are the men in schools?

In terms of gender equality, Western Visayas has gained some milestones particularly in education. Official statistics show that women in the region have better educational situation than men. More women are enrolled in high school, tertiary and post graduate schools. They also have a higher tendency to stay in school compared to males as shown by cohort survival and completion rates. In employment however, men have higher participation rate than women. Although women comprise more than half of government positions in the region, most of them are occupying low positions while males occupy most of the leadership positions. In regional line agencies, 73 percent of the heads are male. Moreover, there are more male than female judges as well as more male elected officials.

### What's happening to our children?:

#### Of infants, children and mortality

Perhaps, a most disturbing observation from the official data from Region 6 is its rising infant mortality and under-five mortality rates in comparison to the national average ( see Table 2). As of 2003 data, infant mortality rate in Western Visayas is at 39 per 1000 live births in comparison to the national average of only 30 per 1000 live births. Under-five mortality rate in the region is also at 50 per 1000 live births. According to NEDA Region VI, the rate is far beyond the MDG target of only 18.1 per 1000 live births. This data was drawn by NEDA from the NDHS 2003 reports. However, if it were to be compared to the FHSIS data of the DOH-CHD Region VI report from 2003-2005 (see Table 3), there is an inconsistency in the two data bases.

**Table 2. Comparative Infant Mortality and Under-five Mortality Rates, 1998 & 2003**

Area	IMR/1000 Live Births		UFMR/1000 Live Births	
	1998	2003	1998	2003
Philippines	36	30	54.9	42
Western Visayas	26	39	41.6	50

Source: NDHS, Reports, 1998 & 2003

<sup>1</sup> Neda Region VI, Goal 4 Reduce Child Mortality, draft MDG report for 2007.

<sup>2</sup> Ibid, p. 51

<sup>3</sup> Neda Region VI, Goal 5 Improve Maternal Health, draft MDG report for 2007, p. 52

**Table 3. FHSIS DOH-CHD Region VI report on infant mortality rate per '000 Live Births**

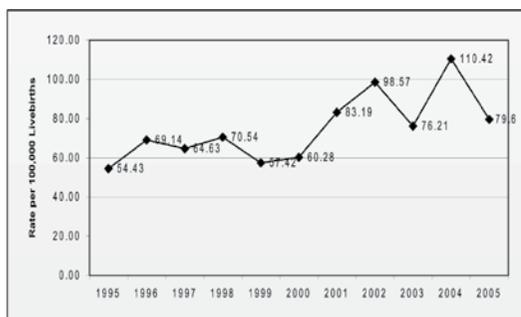
Province	2003	2004	2005
Aklan	14.14	16.99	15.24
Antique	10.9	12.28	12.57
Capiz	10.16	9.87	7.09
Guimaras	5.37	6.78	11.24
Iloilo	10.98	27.86	10.52
Negros Occidental	8.56	7.97	7.56

Neda attributes the disturbing trends of infant and under-five mortality rates in the region to diseases (infectious and degenerative) that result from poor health-seeking behaviors of mothers, poor hygiene and environmental sanitation, lack of access to potable water and poor eating habits.<sup>1</sup> All these despite the numerous projects focused on children like the newborn screening (NBS), the expanded program on immunization (EPI), the training of health workers on the institutionalization of the integrated management of childhood illnesses (IMCI), the provision of vitamins to target infants with micronutrient deficiencies (MMPC), maternal and child health trainings under Unicef's country programme for Children (CPC) and the extensive implementation of the early childhood development (ECD) which is a national programme under the supervision of the Department of Social Welfare and Development (DSWD).<sup>2</sup>

### Maternal mortality trends: Laudable...but not yet

In general, the rate of maternal mortality in the region has declined based on the FHSIS data (see Figure 6). It is noteworthy that the provinces of Iloilo and Aklan recorded a decline in their maternal mortality ratio.<sup>3</sup> Most laudable is the zero mortality death in Guimaras. On the other hand, provinces of Antique and Capiz and the cities of Iloilo and Bacolod reported higher maternal mortality rates. Moreover, childbirths attended by trained health personnel is only at 62.88 percent in the region with only Iloilo and Bacolod cities going beyond the benchmark of

**Figure 6. Maternal Mortality Rates Trend Based on the FHSIS Western Visayas, 1995-2005**



Source: MDG Draft Report 2007

80 percent<sup>4</sup> Consistent with this is the finding that many childbirths in the region do not happen in health facilities except in the cities of Iloilo and Bacolod.<sup>5</sup>

The maternal deaths are attributable to “late referrals, inadequate medical management and the incompetence of health staff to handle obstetrical emergencies,”<sup>6</sup> as well as the poor health-seeking behavior of mothers. These are despite the fact that the region has a high number of schools providing for health education, have intensively implemented women’s health and safe motherhood initiatives that even includes pre-pregnancy health packages.<sup>7</sup> It will be noted from the NEDA report, however, that the implementation is not across all provinces and municipalities.

An interesting component of the report is the inclusion of family planning highlighting contraception as a main methodology. While it is understandable that birth spacing is essential to women’s physical health, the report’s focus on contraception as a major method to maternal health may not comprehensively and adequately address factors that contribute to poor maternal health in the region.

### HIV/AIDS: A growing reality in the region

To date, people diagnosed with HIV/AIDS are less than 1 percent of the general population of the

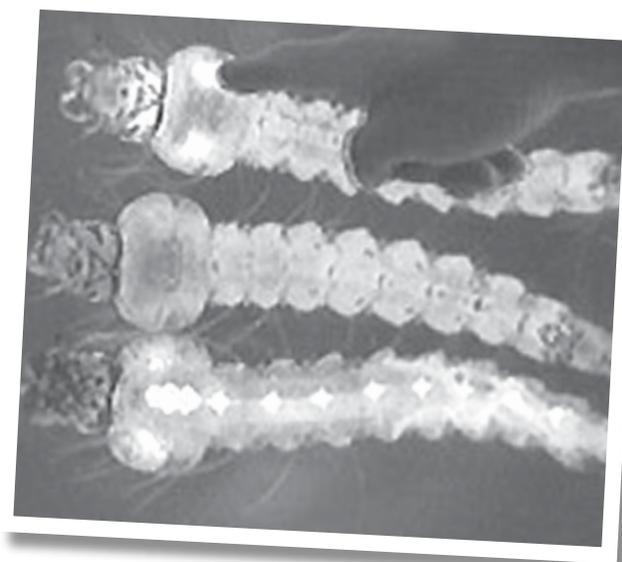
region—at a number of only 30 in 2005 and 36 in 2006.<sup>8</sup> Yet, as the spread of HIV through unsafe sexual contact or other forms of contamination are unmonitored, the Neda report notes that there may actually be more of the undiagnosed, unidentified people infected with HIV.<sup>9</sup>

Statistics indicate that except for Antique, as of February 2006, all provinces in the region have reported incidence of HIV/AIDS, with Negros Occidental and Iloilo having the highest rates of incidence. Of those diagnosed with HIV/AIDS, the male, single, heterosexual, and overseas contract workers are the most vulnerable. Among the females, single domestic helpers and seafarer’s wives are the most vulnerable. However, the profile of people living with HIV/AIDS (PLWHA) in the region also include medical workers, waiters/bar tenders, entertainers, a lawyer, a student, and a security guard.<sup>10</sup>

The establishment of the HIV Surveillance Systems, the provision of HIV/AIDS support services (i.e. training of hospital AIDS core teams) and the participation of NGOs in the advocacy are but among the many initiatives to fight the spread of HIV/AIDS in the region.

### Of tuberculosis, malaria and other diseases

There is a significant decrease in the reported incidence of tuberculosis in the region as of 2004 although it still is one of the top four leading causes of morbidity



<sup>4</sup> Ibid., p. 55.

<sup>5</sup> Ibid., p. 56.

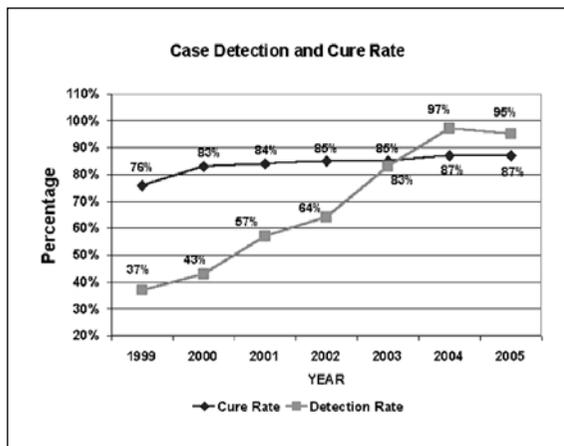
<sup>6</sup> Ibid., p. 53.

<sup>7</sup> Ibid., p. 57.

<sup>8</sup> Neda Region VI, Goal 6 Combat HIV/AIDS, Malaria and Other Diseases, p. 61

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.



in the region.<sup>11</sup> While the detection rate seems high (see Figure 7<sup>12</sup>), the cure rate is slightly lower.

On the other hand, malaria incidence in the region is still low but Region VI has the highest incidence of rabies infection due to dog bites. Most alarming is that the numbers are increasing across time— from six cases in 2002 to 39 in 2005. Of the other disease infections reported, the incidence of schistosomiasis in the Region is being monitored due to the reported active transmission of the disease.

### Manifestations of a troubled environment in Region VI

Although the proportion of forest cover in Region VI has increased, the distribution of forest cover is to be examined in proportion to the actual total land area in the region that is still forested. There are five national integrated protected areas in Panay and Negros Occidental (i.e. Sibalom Natural Park in Antique, Northwest Panay Peninsula along the border of Aklan and Antique, Mt. Kanlaon in Negros Occidental).<sup>13</sup> However, there are continuing threats to these protected sites due to development interventions (i.e. mining applications) and continued expansion of the upland farming for cash crops.

The marine environment has been threatened not only by attempts at illegal fishing activities, despite very active community-based coastal resource management

initiatives in the region (i.e. NIACDEV and the Banate Bay fisheries council initiative in Iloilo, FRMP (Fisheries Resource Management Project) in Aklan and the Visayan Sea project), but also by two major oil spills (in Antique and Guimaras) in the last three years.

As the population increases in the Region so does the pressure on the environment’s biodiversity and sustainability because of rapid expansion of human settlements as well as the increased amount of waste produced in the Region. An average of 0.3 kilogram of waste is generated per person/day in the region—many of which are not recyclable and thrown irresponsibly in water pathways (i.e. canals, creeks, rivers), in turn polluting the ground water and clogging drainage systems.<sup>14</sup>

### Minimal ODA share

Although the statistics on poverty and the millennium indicators have shown that the Region is not performing very well, there is not very much interest in the Region for ODA and development funding from other donor agencies. According to Neda, the region only had \$5,960.1265M<sup>15</sup> for development funding from donor agencies. This may be due to the relative perception that the region is less poor or less disturbed by internal armed conflict compared to other regions. There is also a decreasing rate of investments in the Region from PhP11.28B in 2000 to PhP6.8B in 2004.

### What about the basic capabilities?

Economic performance in Western Visayas since 1996, though not that remarkable, has also provided a number of economic opportunities for the population. Aside from a few downturns in the agriculture, fishery and forestry sector, manufacturing and services are consistently growing. The gross regional domestic product is increasing at a moderate pace and the region contributes to the country’s output significantly compared to the other regions. This progress is evident in the recent growth of infrastructure and businesses.

On the other hand, poverty remains high compared to the national average and the education situation is worsening. NEDA Region VI admits that stakeholders

<sup>11</sup> Ibid., p.66

<sup>12</sup> From DOH Region VI included in the MDG Draft Report 2007

<sup>13</sup> Neda Region VI, Goal 7 Environmental Sustainability, draft MDG report 2007, p. 71.

<sup>14</sup> Ibid. 77

<sup>15</sup> Neda Region VI. Goal 8 Develop a global partnership for development, draft MDG report 2007, p. 91.

are skeptical of the improvement in poverty statistics. They think that the data do not reflect the true situation in the communities and even observe that poverty is worsening. Despite the economic growth in Western Visayas, there has been little improvement in the poor's condition in 10 years. Many are still suffering from extreme poverty, malnutrition/poor health and inadequate education.

This observation seems to be affirmed by the MDG report which reflects high rates of infant and under-five mortality rates, high incidence of maternal mortality, increasing incidence of HIV/AIDS and rabies, environmental degradation and declining support from the international community. This shows that Western Visayas is failing in terms of the "heavy weight" indicators.

The regional Basic Capabilities Index (BCI) reiterates the failure of transforming growth into better lives. The index is built on capability measures that are not income-based, namely, the percentage of children in the first grade of primary education who reach the fifth grade, under-5 mortality rate and percentage of births attended by skilled health personnel ([www.socialwatch.org](http://www.socialwatch.org); accessed September 15, 2007). BCI provides an efficient rating of people's well-being particularly on their



state of health (child health and reproductive health) and their performance in primary education, both of which are important dimensions of development ([www.socialwatch.org](http://www.socialwatch.org); accessed September 15, 2007). Based on the indicators, BCI for the region is computed to be 74.49 in 1990 and 74.44 in 2003. In terms of the categories, these ratings are considered "very low" which means that the region has poorly performed in terms of achieving the minimum level of well-being. Moreover, the 1990 and the 2003 ratings show little improvement of the situation in more than 10 years.

## Upholding Children's Welfare: The case of New Lucena, Iloilo

**N**EW Lucena, a municipality in Iloilo province, was recently given the 2006 President's Award for Most Child-Friendly Municipality. Its child welfare program is based on the idea that "...Rearing children is not the sole responsibility of the parents, but it is a collective effort of the society that shows deep concern for their future..." (Municipality of New Lucena. Programs and Services for Children: p.1). From this simple yet strongly committed statement, New Lucena for the year 2006, was able to: 1.) conduct supplemental feeding to all identified malnourished preschool and elementary pupils, 2.) have 89 percent of total school children with normal weight, 3.) provide nutrition education program for all mothers identified with underweight children, 4.) have 100 percent of households use iodized salt, 5.) ensure 93 percent of pregnant women to go for prenatal and post natal visit, 6.) immunize all (100 percent) children. Likewise, the municipality has an active children and women's desk and for the year 2006 there were no reported cases of child abuse, no child was in conflict with the law and no reported cases of any child engaged in any form of exploitative and hazardous labor including prostitution and pornography.

Those are just among the many initiatives that New Lucena implemented. Its child-friendly program practically involves all aspects of children's welfare— from education; nutrition, reproductive health to parenting and protection. The program is supported by a well-updated database, child-friendly structures and facilities, budgetary allocations and local ordinances. This comprehensive program was founded on the goal that, "... We start caring for them even when they are still in the womb of their mothers, until they are born and grown-up as individuals, through our delivery of basic services for them to become physically, emotionally, spiritually, mentally and socially equipped persons" (Municipality of New Lucena. Programs and Services for Children: p.1). – *Gay Defiesta*

Despite this dismal performance, efforts toward social development are not lacking among CSOs and LGUs at the local level. A number of initiatives are in place to address local and site-specific development issues. Much of these efforts are proactive responses of institutions and organizations to the realities at the community level-especially when support from the national government is too distant and difficult to obtain.

### Conclusion

Economic growth must benefit everyone. It is the fundamental right of every person to enjoy the fruits of development. Hence, progress should redound to better standard of living and increased well-being. The process of translating progress and economic growth to the enhancement of people's welfare is one of the biggest challenges faced by poor countries worldwide. The same challenge confronts Western Visayas. Looking closely at the indicators, there is still so much work to do to achieve the ideal. There may be stumbling blocks but certainly there were milestones, too.

Beyond all the statistics, development that leads to social, economic, political, cultural and environmental transformation in the lives of the Region's people is the outcome that this paper wanted to draw out. However, it would seem that the reported dynamic economic performance of the Region has not significantly benefited many. This raises a question as to how the fruit of economic progress is redistributed and how it enhances not only financial capital but the social, cultural, environmental and political assets of the region's communities. ■

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