

THE FIVE YEAR ILOCOS REGION DEVELOPMENT PLAN: AN OVERVIEW

HONORIO MELLORA

I. Planning Organization and Planning Process

1. The Ilocos Region Five Year Development Plan was formulated by the Regional Development Council within the guidelines set by the National Economic and Development Authority with the assistance of Sectoral Task Groups (SECTAGs). These SECTAGs which include the private sector represent inter-agency and inter-sectoral efforts at regional development.

2. The RDC SECTAGs analyzed the regional situation in terms of the region's potentials and limitations for growth, formulated objectives and targets for development, and came out with regional growth strategies including their program and project components.

3. The RDC then made the general synthesis of all the proposals of the twelve SECTAGs and the NEDA.

4. Resource Potentials and Limits:

4.1 The region's resource potentials have been carefully studied. The vast mountains and forestlands, the long coastlines and the adjoining sea, and the abundant mineral deposits were noted. Based on these, the region is considered a major potential tourist and recreational area with its attractive natural resources complemented by its rich cultural and historical legacies. It was also assumed that it can continue to be a major mining area producing gold and copper and, to a certain degree, it can also industrialize using the products of the sea, the forest and its agricultural lands. The RDC felt however that the resource of the region still remains to be its people who, by their thrift, diligence, self-sacrifice and mobility can be counted on as definite "Pluses" for the further development of the region.

4.2 Also, the region's limitation has been carefully considered. The region has very limited lands for agriculture, being hemmed in by the China Sea on its western flank and the north-south trending mountains of the Central Cordillera, which occupy almost 2/3 of the region's land area in its eastern flank. These mountains, furthermore, do not lend ready access to many settlements found within it, impeding their growth and isolating them from modernizing influences.

5. Development Problems:

Other development problems which the current plan has addressed itself to are the following: 1) widespread poverty resulting from low per capita productivity; 2) fast rate of population growth; 3) employment and underemployment; 4) inadequate infrastructures and utilities; and 5) environmental destruction.

5.1 Widespread poverty is indicated by the fact that almost 3/4 of the families in the region subsisted on incomes below three thousand pesos annually. Most of these poor families are concentrated in the rural areas and are engaged in agriculture, the sector which continues to exhibit the lowest productivity levels relative to the industry and service sectors.

5.2 Although the region's annual rate of population remains lower than that of the country, further increase in population will be kept within reasonable limits in consideration of the generally low standard of living of the great majority of the people.

5.3 Unemployment, which reached 8 percent in 1975, and widespread underemployment, especially in the agriculture sector, are two basic development problems which must be resolved in order to equitably distribute income and create opportunities for greater social and economic advancement of the people. The challenge there lies in the creation of jobs for the more than 15,000 new entrants to the labor force yearly.

5.4 It is recognized that in any development effort, an adequate infrastructural base becomes the critical link because this base is the backbone that supports agricultural productivity, commerce and trade, tourism, urban development and industrialization. In the region, infrastructural development has not yet reached that level that can com-

fortably provide the needed back-up support for the region's total development. On the matter of roads, for instance, three fourths (3/4) of the road network especially those that radiate laterally from the main coastal highway are gravel surfaced so that they become impassable during the rainy season, while vital utilities like waterworks, sewerage, power, communications, public buildings, etc., that support the total development of human settlements are insufficient if not absent even in major population centers.

- 5.5 Another problem that seriously looms ahead with the increasing pace of development has something to do with the biological life support system of the region's inhabitants. Region I happens to have a very delicate ecosystem composed of the forests, the mountains, the rivers, the sea and the lowlands where most human settlements are located. All of these natural elements are so interrelated in a number of ways that is not realized by many citizens in the region. For instance, the exploitation of mineral deposits in the more elevated areas of the region causes the crumbling of mountains, the destruction of the vital forest cover and topsoil, the pollution of river systems, the silting of the dams, reservoirs and irrigation channels, and the occurrences of flash floods in the lowlands which wreak havoc to rice lands and fishponds downstream. All of these effects should make people aware that they are an integral part of the environment and whatever harm is done to the environment ultimately affects them. Indeed, the social cost of economic development is emerging to be a major issue in the development of the region.

II. Elements of the Regional Plan

1. Development Goals and Targets

- 1.1 Faced therefore with the foregoing challenges to regional development, the RDC evolved the following development goals which will serve as the desired end-state toward which all succeeding development efforts shall be geared, namely: a) higher and more equitable distribution of income; b) more and greater employment opportunities; c) higher level of social development; d) inadequate infrastructural support; and e) ecological balance and environmental integrity.

- 1.2 Guided by these broad qualitative goals, the RDC has also formulated the following more specific targets and objectives covering among others, population growth, labor force and employment, growth of the regional economy and its sectors, labor productivity and per capita output (GRDP), and health targets.
 - 1.2.1 The present total population of 3.27 million is expected to become 3.80 million by 1982. This means an average increase of 2.1 percent a year. By 1982, a numerical increment of 141 thousand persons would have been added to the labor force.
 - 1.2.2 By 1982, employment rate is targeted at 95.68 per cent of the region's total labor force. This means an unemployment rate of a little more than 4 percent.
 - 1.2.3 The regional economy is targeted to grow in the range of 8.3 percent per year during the five year period. Based on 1972 prices, the 1978 gross regional domestic product (GRDP) of ₱4 billion will increase to ₱5.40 billion by 1982.
 - 1.2.4 Agriculture composed of farming, fishing, livestock and poultry is targeted to contribute 32.5 percent to GRDP by 1982. The industrial sector composed of manufacturing, mining, construction utilities, will contribute 28.5 percent while the service sector with transportation, communications and storage, commerce and services as components is expected to have a share of 37 percent. Within the five-year planned period, agriculture will be growing at 5.2 percent annually, industry, by 11 percent and services by 9.3 percent. This situation shows that industrial development will be emphasized.
 - 1.2.5 Labor productivity is expected to increase at an average rate of 5.3 percent, while per capital GRDP will grow from a level of ₱1,124 in 1978 to ₱1,422 in 1982, the increase of which averages a rate of 6.1 percent annually. This means that high family incomes have been envisioned.
 - 1.2.6 The current 61 years life expectancy of the region shall be increased to 65 years. Death rate is targeted to decline from 6.8 deaths per 1,000 popu-

lation to 5.8. Infant mortality rate will decline from 47 deaths to 38 deaths per 1,000 live births. This also means that a healthier population is envisioned by 1982.

2. Regional Growth Strategies

To achieve the foregoing socio-economic targets, the RDC used the integrated development approach in mapping out the following major regional growth strategies that will guide the collective efforts of the different sectors and agencies in implementing the programs and projects contained in the Plan.

2.1 *First is Self-Sufficiency in Food and Expansion in Commercial Crops*

The thrusts in food and commercial crop production are:

- Self-sufficiency in food especially rice, fish, poultry and livestock will be attained in five years' time and surplus production will be targeted for the coming years to provide the raw material inputs for industrialization;
- Cash crop production will concentrate on cotton, tobacco, garlic, mungo and rootcrops in the lowland, and coffee and vegetables in the mountain areas;
- In support of foregoing thrusts, expanded agricultural inputs and support facilities consisting of the needed infrastructural facilities, services and institutions will be provided. Specifically, these inputs and facilities will consist of irrigation, power, farm to market roads, credit, extension services, health and education services, farmer organizations especially cooperatives, etc.;
- Prime agricultural lands will be protected and preserved from the effects of wanton urbanization, and the vast marginal lands in the region will be tapped for productive purposes with due regards to environmental protection measures.

2.2 Industrialization for More Employment and Higher Income. Under this strategy, the more specific guidelines are:

- The emphasis of industrialization in the region is in the rural areas. This strategy aims to provide non-farm employment opportunities in the countryside,

to help redistribute income and to enhance the standard of living of rural people.

- Industrial promotional efforts and policies, in general, will be directed at labor intensive industries with good export market potential. This means emphasis on home or cottage based industries and small medium scale industries with high labor and raw material resource utilization capacity.
- Rural industrialization includes the required infrastructure and utilities especially power, roads and communication, credit sources, entrepreneurial development and a package of technical assistance which includes business counselling, marketing, product quality, design, packaging, etc.
- Full expansion of the mining industry in the region shall be pursued to maximize its dollar generating capacity, provide income and employment. Its expansion, however, should not be made at the expense of other sectors of the region's economy.
- The industrial estates at Bacnotan, La Union and Bugallon, Pangasinan will be developed in order to increase industrial output and to provide additional job opportunities. Both import substituting industries and export oriented industries will be encouraged to locate here.

2.3 Center Approach for Balanced Development

- In this strategy, the region will be spatially organized around clusters of growth centers in order to provide greater opportunities for the rural populace to have greater access to and to avail themselves of urban services and facilities, and to encourage more productively urban-rural linkage.
- Each growth center will be provided with a comprehensive package of services and facilities that shall serve all the satellite municipalities dependent on the center. The concentration of hinterlands-serving facilities and services and of public investment will, therefore, be focused on these growth centers.

2.4 Tourism Development for Greater Income and Employment. This strategy aims to maximize the region's tourist drawing potentials. Some of the specific guidelines are:

- On places, tourism emphasis will lay on the vast mountains, the beaches, Hundred Islands, the cultural/historical structures and landmarks in the north especially Ilocos Sur and Ilocos Norte;
- On the people, tourism development will concentrate on the mountain tribe culture and the lowland Ilocos culture. Existing tourist clusters will, therefore, be strengthened while tourist clusters in the north will be developed and promoted;
- In support of this, basic utilities, infrastructures and tourist-related services in leading tourist destinations in the region will be adequately provided;
- Accreditation of tourist facilities shall be made in order to rationalize and standardize the rates of tourist facilities and services in the region; and
- Side by side with the upgrading of tourist facilities and services is the continuous upgrading and training of tourist manpower if not professionalization.

2.5. Adequate Infrastructural Support as the Base for an Expanded Socio-Economic Development. The specific measures include the following:

- Infrastructures which include roads and bridges, sea-ports and airports, railways, communication facilities, waterworks and sewerage, irrigation and flood control power and electrification and public buildings shall be provided to support the region's bid for industrialization, agricultural expansion, tourism development and the growth center strategy.
- The thrust also will be towards the qualitative improvement and expansion of existing infrastructure facilities and their rationalization in terms of the growth center strategy.

2.6 Greater Opportunities for Social and Community Development of the Rural Populace and the Disadvantaged Group. Some specific guidelines are:

- The family will remain to be the key focus of social welfare programs while the barangay, the basic unit for community development programs will be strengthened.
- Basic services like health, education, welfare, nutrition, family planning, environmental sanitation,

housing, fire and police protection, social security, etc. for the social upliftment of the masses shall be expanded and directed to the rural folks in the countryside;

- The delivery of these services will rely mainly on locally-based centers and institutions and will secure the participation of the client-residents. More innovative strategies designed to penetrate the more remote areas in the region especially in the mountain areas will be attempted, and a system of referrals will be instituted to tie-up services from the barangay-based institutions to the highly specialized region-serving services and centers;
- Efforts will be geared towards the expansion of opportunities for increased productivity and for increased income of target welfare groups or the bottom 30 percent of the population through relevant skills training, job placement, credit and technical assistance in the production and marketing products.
- More intensive efforts will be exerted towards increasing the social and economic upliftment of the cultural minorities in the Mt. Province, Abra, Benguet and the interior towns of Ilocos Sur, La Union and Ilocos Norte;
- The development of local institutions that shall serve the needs and interests of barangay constituents and farmers' groups shall be encouraged and strengthened. Such local institutions shall serve as the local point of coordination of integrated area development.

2.7 Environmental Protection for a More Liveable Environment. This will include the following more specific strategies:

- Massive reforestation and rehabilitation of the forests of the Cordillera and Zambales mountain ranges which are the watersheds of major river systems in the region shall be intensified;
- Rationalization of land use will be undertaken in order to protect the forest reserves and prime agricultural lands;

- An environmental impact assessment program shall be instituted in order to determine and evaluate the overall impact of proposed developments in the region as it bears to the delicate ecology of the area;
- The least destructive means of resource extraction will be required and industries shall be concentrated in estates in order to control industrial wastes more easily.

III. Plan Implementation

1. The Plan for the region will be implemented by area governments-provinces and cities, field offices of the national government and the private sector;

2. The regional development plan shall be funded from appropriation from the national budget in the case of sectoral line agencies of the national government. For local governments, their development funds shall come mainly from their 20 percent share of BIR allotments as per PD 144 and other sources;

3. Role of the Private Sector in Development:

3.1 As spelled out in the Five-Year Philippine Development Plan, 1978-1982, the role of the private sector in a Private Enterprise Economy is as follows:

"The private and public sectors will cooperate and reinforce each other in working for the desired goals of development. Basically, the Philippine social and economic system is founded on private enterprise. Private initiative is recognized as the engine of national progress. In the coming years, the private sector will continue to be the prime mover and dynamic component of development. The sector will provide the ancillary industries that will complement the critical large-scale, capital-intensive ones where government cooperation and participation are needed. The private sector is expected to recognize not only its rights but also its obligations in the development process. Business ventures will continuously be enjoined to promote the social aspects of development."

3.2 It will be noted from the foregoing policy statement that there are quite clearcut roles between the public and private sector in the development enterprise. Because ours is basically a free enterprise economy, the burden of development still falls largely in the hands of the private

sector. The private sector as partners and participants to the development process are expected to engage in productive activities in the areas of agriculture, industry and services.

COMMENTS

ROMUALDO TADENA

Philippine Center for Advanced Studies

Dr. Tadena: I would like to comment on Engr. Mellora's paper on three points which are the elements of any regional plan: first, the conceptual framework; second, the planning process; and third, the implementation.

On the first point, I think regional planning, or even national planning, should not be based solely on an analysis of GNP and GDP figures. I agree with Dr. Fernandez when he said in his keynote address that GNP figures are grossly distorted because in the computation we exclude those products which are mainly for home consumption.

On the planning process, I believe that the process should study seriously participative planning versus planning from the top. Both approaches have their advantages. However, I think that to make regional planning significant in the entire national development planning process it should adopt the participative planning approach.

Thirdly, it cannot be denied that we have not developed a very effective implementation machinery at the regional level. It will still take some time for us to develop the capability to translate plans into operational terms. It is the most difficult phase and the most crucial. Perhaps we can boast of very well prepared plans; in fact, I think our national plan is one of the best there is in Asia. But problems arise when it comes to plan implementation. We can just imagine the difficulties in operationalizing plans at the regional level with the existing bureaucratic machinery of the different Ministries, especially when the plan involves the participation of more than one or two agencies.

OPEN FORUM

Participant: Don't you think that planning should come from the bottom? Or is it a matter of strengthening the linkages between the local government and the national government?

Dr. Tadena: As long as the officers in the province or region have to be rated by the superiors in Manila, I doubt it very much whether there will be that much of coordination between the local government officials and the national government officials, or even if the national government is upheld. So there is structural problem which is now being the subject of a study by the Presidential Commission on Reorganization. Perhaps the government could take into consideration the experience of Red China in the utilization of the commune or the experience of Yugoslavia in political decentralization where people at a particular area exist on their own and are able to implement their own planning.

sector. The private sector as partners and participants to the development process are expected to engage in productive activities in the areas of agriculture, industry and services.

COMMENTS

ROMUALDO TADENA

Philippine Center for Advanced Studies

Dr. Tadena: I would like to comment on Engr. Mellora's paper on three points which are the elements of any regional plan: first, the conceptual framework; second, the planning process; and third, the implementation.

On the first point, I think regional planning, or even national planning, should not be based solely on an analysis of GNP and GDP figures. I agree with Dr. Fernandez when he said in his keynote address that GNP figures are grossly distorted because in the computation we exclude those products which are mainly for home consumption.

On the planning process, I believe that the process should study seriously participative planning versus planning from the top. Both approaches have their advantages. However, I think that to make regional planning significant in the entire national development planning process it should adopt the participative planning approach.

Thirdly, it cannot be denied that we have not developed a very effective implementation machinery at the regional level. It will still take some time for us to develop the capability to translate plans into operational terms. It is the most difficult phase and the most crucial. Perhaps we can boast of very well prepared plans; in fact, I think our national plan is one of the best there is in Asia. But problems arise when it comes to plan implementation. We can just imagine the difficulties in operationalizing plans at the regional level with the existing bureaucratic machinery of the different Ministries, especially when the plan involves the participation of more than one or two agencies.

OPEN FORUM

Participant: Don't you think that planning should come from the bottom? Or is it a matter of strengthening the linkages between the local government and the national government?

Dr. Tadena: As long as the officers in the province or region have to be rated by the superiors in Manila, I doubt it very much whether there will be that much of coordination between the local government officials and the national government officials, or even if the national government is upheld. So there is structural problem which is now being the subject of a study by the Presidential Commission on Reorganization. Perhaps the government could take into consideration the experience of Red China in the utilization of the commune or the experience of Yugoslavia in political decentralization where people at a particular area exist on their own and are able to implement their own planning.

sector. The private sector as partners and participants to the development process are expected to engage in productive activities in the areas of agriculture, industry and services.

COMMENTS

ROMUALDO TADENA

Philippine Center for Advanced Studies

Dr. Tadena: I would like to comment on Engr. Mellora's paper on three points which are the elements of any regional plan: first, the conceptual framework; second, the planning process; and third, the implementation.

On the first point, I think regional planning, or even national planning, should not be based solely on an analysis of GNP and GDP figures. I agree with Dr. Fernandez when he said in his keynote address that GNP figures are grossly distorted because in the computation we exclude those products which are mainly for home consumption.

On the planning process, I believe that the process should study seriously participative planning versus planning from the top. Both approaches have their advantages. However, I think that to make regional planning significant in the entire national development planning process it should adopt the participative planning approach.

Thirdly, it cannot be denied that we have not developed a very effective implementation machinery at the regional level. It will still take some time for us to develop the capability to translate plans into operational terms. It is the most difficult phase and the most crucial. Perhaps we can boast of very well prepared plans; in fact, I think our national plan is one of the best there is in Asia. But problems arise when it comes to plan implementation. We can just imagine the difficulties in operationalizing plans at the regional level with the existing bureaucratic machinery of the different Ministries, especially when the plan involves the participation of more than one or two agencies.

OPEN FORUM

Participant: Don't you think that planning should come from the bottom? Or is it a matter of strengthening the linkages between the local government and the national government?

Dr. Tadena: As long as the officers in the province or region have to be rated by the superiors in Manila, I doubt it very much whether there will be that much of coordination between the local government officials and the national government officials, or even if the national government is upheld. So there is structural problem which is now being the subject of a study by the Presidential Commission on Reorganization. Perhaps the government could take into consideration the experience of Red China in the utilization of the commune or the experience of Yugoslavia in political decentralization where people at a particular area exist on their own and are able to implement their own planning.

Participant: What are the statistical bases for your projection?

Engr. Mellora: Actually when you determine the proportion of shares of the total, you have to consider how you classify the sectors i.e., what falls under industry, what falls under agriculture and what falls under services. As far as this proportion is concerned, it shows that in the next five years that is targeted here, agriculture will still predominate, industry is not really high and the services sector is high. If it is projected that in the next five years agriculture will still be dominant in this region it is because the Region is basically agricultural. In fact if you consider the number employed in agriculture it is almost 6% of the total employment. And you cannot change the situation drastically in the next five years. If industry has only a total share of 28% it is because at this time we have really a very low share in industry, and if not for our mining this proportion will even be much lower because our mining is contributing almost one half of this. Service sector's 37% is low if you compare it to the proportion of past projection.

Dr. Tadena: Actually the problem is not statistical. It is a problem for the simple reason that until now the Philippines is following the National Account System promulgated by the U.N. The literature that you have here follows the national account system wherein many of the activities listed under services actually fall under sub-categories.

Moderator: Considering that the next topic is also on regional development, I am sure that most of the questions may be asked after the snack period. As it is, we have exceeded the time allotted to us.

Moderator: We have for this session Dr. Eva Ventura to present her paper on "Social Change and Development in the Upper Pampanga River Project: The Political and Administrative Aspects," and Mr. Segundo Romero to comment on the paper of Dr. Ventura.

Dr. Ventura: The title of my paper as shown in the program is misleading because if you read and understood what the title means you would have a lot of expectations. But as I indicated in the footnote "this paper is an abstract of the preliminary data gathered for the section on political and administrative aspects in the first Phase of a research on "Social Change and Regional Development in Nueva Ecija." This project is headed by Dr. Telesforo Luna, Jr., with Drs. Kintanar and Guerrero, and myself as members. And as you will notice if you are familiar with the panel of the research team this project is an inter-disciplinary research project. And reason for this is the fact that any study of this kind cannot just be undertaken by a single person with a single discipline orientation. Several heads and disciplines are to be put together to undertake the effort.

The first few pages of this paper are mostly on our methodology. And the reason is that we would like to head off any criticism that may come up by saying that I did not talk about any social change or regional development.

I would like to make it clear that the main study of this paper is the area serviced by the Upper Pampanga River, not the Pantabangan Dam nor the problems of the residents.