Reorganizing the Agricultural Bureaucracy for the 21st Century: Trends, Issues, and Policy Questions

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In order to improve the efficiency of the various line departments concerned with the agricultural sector as a whole, we should look closely at their respective purposes and responsibilities, which more often than not result in the duplication and overlapping of functions. The overall effect of this fragmentation and multiplicity of delivery systems is the problem of locating accountability for agricultural development, duplication of programs and wastage of public funds. Since effective pressure cannot be put to improve performance, agriculture agencies continue to receive annual appropriations with very little incentive to work on integration and rationalization.

Introduction

At the 1974 World Food Conference, governments examined the global problem of food production and consumption and proclaimed that "every man, woman, and child had the inalienable right to be free from hunger and malnutrition in order to develop their physical and mental faculties" (FAO 1996).

Twenty two years later, close to ninety heads of state representing more than 150 countries assembled in Rome for the World Food Summit declared that it is "intolerable that more than 800 million people throughout the world do not have enough food to meet their basic nutrition needs," asserted the right of everyone to have access to safe and nutritious food, affirmed their collective political will and commitment to achieving food security for all, and pledged to reduce the number of malnourished people by half by year 2015 (FAO 1996).

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The call for global action on hunger comes at a very opportune time when the Food and Agriculture Organization (FAO) has estimated that the world needs to increase food production by 75 percent by 2030 just to keep up with the estimated growth in the global population, and as international advocacy groups like the World Watch Institute have warned of an impending food and water crisis in the next century.

By convening world leaders in the last U.N. Summit in the 20th century, the FAO has focused on the important role of governments in addressing hunger and ensuring socioeconomic development. Together with good governance, the structure of the administrative system is important because governments directly control a significant share of national resources, allocate scarce resources, and shape the policy environment for private activities and civil society.

The experience of high performing developing countries, particularly those now dubbed as Asian "tigers," shows the powerful stimulus that agricultural growth provided for increasing rural employment and incomes, and in addressing rural poverty and providing for long term socioeconomic growth. Given the central role of governments in this process, it is undeniable that reforming the administrative system, including reorganization, is necessary to ensure socioeconomic development in the 21st century.

Philippine Agriculture at the Crossroads

Philippine agriculture is at a developmental crossroads. High population growth, the closing of the frontier, environmental degradation, devolution, the ratification of the General Agreement on Tariffs and Trade and Philippine membership in the World Trade Organization (WTO), are realities that confront the country in the 21st century in its quest for modernization.

In a predominantly agricultural country, Philippine agriculture accounts for close to a quarter of the national GNP, employs half of the labor force, and contributes a fifth of the total export earnings (WB 1997, 1995). However, the sector has performed poorly over the past twenty five years when compared to its ASEAN neighbors. The rate of growth of agriculture has been decelerating from 5.8 percent per annum from 1970-1980 to 2.1 percent during the 1980s, to 2.2 percent during the 1990-1994 period, and only grew by an average of 1.1 percent from 1990-1995 (WB 1997). In terms of gross value added (GVA), Philippine agriculture only posted an average annual growth rate of one percent from 1981 to 1990, lagging far behind Malaysia, Thailand and Indonesia which had 3.9 percent, 3.8 percent, and 3.5 percent growth rates, respectively (CCAM 1997).

Several factors have been identified as causes of this poor performance of this sector, such as the downward trend in international commodity prices which affected the country's traditional crops; crop failures caused by climatic changes; low levels of public spending on agricultural development particularly in rural infrastructure and technology development; inefficient production systems; the impact of natural calamities which hit key production areas; and the weak administrative capability of agricultural agencies.

The historical neglect of agriculture and the poor performance of the sector came to national attention when the country failed to import rice after a poor harvest in 1995. Extensive media coverage of people waiting in line for rationed National Food Authority (NFA) rice forced the resignation of the Secretary of Agriculture, who experienced the lowest dip ever in public opinion support for the President, and frenzied policy intervention from Congress. The 1995 rice crisis effectively ensured that rice has become a political commodity that can decide the future of national leaders.

Reorganizing the Bureaucracy for National Development

It has become customary for every new President since the postwar period to call for an assessment of the bureaucracy to restructure the administrative system consistent with new national development visions and policy priorities. Reorganization has been viewed as a necessary cyclical process to introduce innovations to make the governmental system responsive to the requirements of development.

Five major systemwide reorganization efforts have been undertaken in the Philippines since 1946. The first two took place during the administrations of Roxas and Quirino from 1946-1950 as part of the postwar rehabilitation effort. The need then was to create an efficient effective bureaucracy to implement the modernization programs of the newly independent Republic.

The third reorganization effort was initiated during the term of President Ramon Magsaysay when Congress passed Republic Act (RA) 997 and RA 1241 creating a joint executive-legislative Government Survey and Reorganization Commission (GSRC). This reorganization occurred at a time when there was a strong public clamor for reform and had the objective of promoting economy, efficiency, better execution of laws, more effective management of government, and expeditious administration of public business.

In 1968, the fourth, and longest reorganization effort started when Congress authorized President Marcos to effect the reorganization of the executive department. RA 5435 created a Presidential Commission on Reorganization (PCR) with the mandate to reorganize government for national

development. The PCR recommendation became operative only upon the declaration of martial law when President Marcos signed Presidential Decree No. 1 declaring a systemwide reorganization which created the administrative machinery for the growth and system change under an authoritarian setting.

Finally, on 12 March 1986 President Aquino signed Executive Order (EO) No. 5 converting the PCR into a Presidential Commission on Government Reorganization (PCGR) signaling the fifth reorganization effort. Aside from the intent to support private initiative, cost effectiveness, and accountability, the PCGR was also tasked with the responsibility of "de-Marcosifying" the bureaucracy as part of the democratization process. (For a tabular comparison of the reorganization efforts undertaken during the terms of Presidents Magsaysay, Marcos and Aquino, see Table 1.)

No systemwide reorganization has taken place under the current administration. This is not to say that the Ramos administration has taken on a different path from its predecessors. In every State of the Nation Address (SONA) since 1994, the president has repeatedly asked Congress to give him wide powers to reorganize the executive branch which has been referred to as the "employer of last resort" (Ramos 1995). The reorganization philosophy of the Ramos administration is found in the reports submitted by the Presidential Committee on Streamlining the Bureaucracy (PCSB) chaired by the Secretary of the Department of Budget and Management. The *PCSB Re-engineering the Bureaucracy for Better Governance* which borrows heavily from the "reengineering" initiative of Osborne and Gaebler 1 calls for the adoption of a "new paradigm of governance" because:

Good government can no longer be achieved simply by working more, harder, longer, and faster. Effective governance can no longer be realized simply by assuming the main responsibility for all societal concerns. Efficient government administration can no longer be maintained simply by correcting the superficial symptoms of a dysfunctioning bureaucracy (PCSB 1995: 1).

The "new paradigm of governance" identifies three fundamental principles — frugality and prioritization, steering, and compartmentalization. These principles determine the scope, level, focus and structure of government intervention in society. These then become the basis for designing the structural framework of the executive branch of government, government corporations, and special councils and offices.

Legislative measures in support of this executive initiative have been pending in the two chambers of Congress since 1988. The latest versions — House Bill (HB) No. 5671 and Senate Bill (SB) No. 1972 — borrow heavily from the PCSB paradigm. However, given the coming national elections, congressional deliberations on the 1998 budget, and the expected adjournment

Table 1. Major Features of Reorganization Efforts by GSRC, PCR and PCGR

		Government Survey and Reorganization Commission (GSRC)	Presidential Commission on Reorganization (PCR)	Presidential Commission on Government Reorganization (PCGR)
1.	Reorganization initiated by/through	Congress through RA 997 (1955)	Congress through RA 5435 (09 September 1968)	President through E.O. No. 5 (12 March 1986)
2.	Reorganization Objectives	Promote economy to the fullest extent consistent with the efficient operations of government;	Promote simplicity, economy, efficiency in government.	Rationalization of thrusts and mandates; more efficient allocation and reallocation of resources; elimination and reduction of overlaps, duplication and existing imbalances in government;
		Increase efficiency in the operations of the government	Improve the service in the transaction of public business to be attained by Limiting expenditures to the lowest amount Eliminating duplications and overlapping of services, activities and functions Consolidating and integrating services, activities and functions of similar nature Abolishing services, activities and functions not necessary to the efficient conduct of government Defining and limiting executive services, activities and functions.	Rationalize, redefine and clarify hierarchical ambiguities; standardization of definition of terms; development of workable measures of performance; Removal of waste and inefficiencies that exist in various ministries;
		Promote better execution of laws, a more effective management of the government and expeditious administration of public business;		 Redefine the nature, thrusts and emphasis of government regulatory powers; Improve frontline services as the most visible measure of government efficiency and effectiveness;

Table 1. (continued)

			Strengthen national-local government relationship as an instrument to manage growth and equity in the rural areas.
3. Guiding Principles	1. Government must gradually withdraw from the active operation of propriety functions 2. In matters affecting the national economy, the government should a) provide the legal, psychological atmosphere for encouraging rather than hindering free enterprise; b) support and encourage necessary enterprises; c) substitute governmental for private operations only when absolutely necessary.	Increase the capacity of government to implement programs Achieve greatest output from manpower, financial and other resources available	Market mechanisms will be left alone to regulate social and economic activity, with intervention from government only in those areas and on those occasions where market forces alone are not sufficient to satisfy the demands of equity and social justice. 1. Promoting private initiative through Privatization Deregulation Self-regulation Community self help
	 Proposed forms of organization must be supplied by easily and fully collectible revenues which encourage rather than hamper the economy. Provide an organizational structure that will preserve constitutionally ordained executive-legislative-judicial relations. Establish a form of organization which improves the capacity of 	Establish a development- oriented administrative system	 2. Cost effectiveness though • Elimination of gaps, overlaps
	the executive to execute laws, administer the affairs of the Republic, and clarify and strengthen the legislative responsibilities of Congress.	•	and duplication of functions Effective span of control Effective supervisor of attached units, agencies, and regional offices

- Develop distinction between responsibilities for planning, coordination and direction on the one hand, and administrative detail on the other hand.
- Bureaus, offices, agencies and other organizational units should be distributed and grouped under different departments on the basis of major functions to minimize conflicts, overlapping and duplication.
- 8. Integrating and coordinating economic development programs.
- Decentralization to a system of regional and other field offices to bring services close to people.
- Create the means by which local autonomy and local programs can be developed as quickly as possible;

Others:

- 11. Clarifying the primary functions of major entities:
 - a) Departments to administer traditional government functions of significant stature and scope.
 - b) Offices, agencies and administrations - to administer governmental functions of limited stature and scope.

- 4. Group bureaus, offices and other organizational units on the basis of major functions to achieve simplicity, economy and efficiency in governmental operations.
- Foster administrative decentralization for greater participation and more effective working relationships at various levels of management.

Others:

- 6. Clarify lines of authority, improve channels of communications and strengthen responsibility and accountability in the public service;
- 7. Adopt safeguards to curtail priorities and change attitudes inimical to sound, honest and effective public administration;

- Clear delineation of responsibilities
- Limitation of multiple positions
- Fair and just competition
- Accountability through
 - Establishment of effective instruments/procedures for curbing the wanton exercise of discretionary powers
 - Installation and organizing of these measures in public servants and public service
- 4. Decentralization through
 - Expansion of powers delegated to the regional, provincial and municipal levels;
 - Expansion of financial resources available to local executives;
 - Removal of controls on the management of local resources
- 5. Efficiency of Frontline Services

January-October

Table 1. (continued)

	c) Commissions, Councils and Special Bodies – perform specialized functions, advisory in nature; d) Corporations – to manage and direct proprietary functions for which the government is temporarily providing support. e) Authorities – to perform proprietary functions which the government intends to control and subsidize for an indefinite period. 12. Distinguish between agricultural activities and those concerning exploitation, development and conservation of natural resources. 13. Commission will not investigate anomalies, administrative charges and other matters related to organization and process 14. Commission will not deal with the competence of individual employees except when it bears upon the organization.	8. Take into account cultural and environmental functions in determining solutions to efficient, economical and responsive management of public offices.	
4. Coverage	Limited to executive branch of government with emphasis on functional and sectoral areas such as personnel, administrative services; budgeting, accounting, and transportation, health, labor, national defense.	Limited to Executive branch. Public enterprises, Congress, constitutional bodies, LGUs were excluded	Executive branch, public enterprises, LGUs
5. How implemented	Through legislation enacted by Congress	By Executive Order, Republic Acts and Presidential Decrees.	Through Executive Orders covering various departments and agencies

of session for the campaign period, it appears unlikely that these bills will be passed in time to be implemented by the Ramos administration.

The Expansion and Reorganization of the Agricultural Bureaucracy

The changing role of government, new demands of development, and political realities of new regimes make it difficult to draw a fence on what is included under the "agricultural bureaucracy." The history of reorganizations at the Department of Agriculture is summarized in Table 2. The agriculture bureaucracy started with the creation by the American colonial government of an Insular Bureau of Agriculture in 1901 under the Department of the Interior with the mandate to "conduct investigations and disseminate useful information" on the agricultural resources of the colony and "introduce new domesticated animals" and improve on the "breeds of domesticated animals already found in the country" (Act. No. 261 Sec. 1).

From these rather innocuous beginnings, the bureau became a more established agriculture department known as the Department of Agriculture and Natural Resources (DANR) in 1916 through Act No. 2666 as the primary policy, programming and administrative agency on agriculture and natural resources with control and supervision over the bureaus of agriculture, forestry, lands, science, and the weather bureau.

Starting in 1917, the basic organization of the DANR remained the same until the 1930 reorganization which transferred the Bureau of Commerce to the DANR. As a result, the DANR became the Department of Agriculture and Commerce (DAC). Act No. 3639 created the Bureau of Animal Industry (BAI) and renamed the Bureau of Agriculture into a Bureau of Plant Industry (BPI) under the DAC.

After the Second World War, the DAC was again renamed the "Department of Agriculture and Natural Resources" (DANR). Three bureaus — Bureau of Commerce, Bureau of Patents and Weather Bureau — were transferred to the newly organized Department of Commerce and Industry. In 1953, the Bureau of Agricultural Extension (BAEx), and a year after, the Agricultural Training Commission (now the Department of Agrarian Reform) were created and were made part of the DANR.

The Government Survey and Reorganization Commission (GSRC) of 1955 expanded the mandate of the DANR to include the balancing of the agricultural and industrial economy, recommended the decentralization of the Department using the bureau model to conform with the government's field operations policies, and proposed the abolition of agencies dealing with parks and wildlife, fiber inspection, fertilizers and rice and corn.

* 1				· · · · · · · · · · · · · · · · · · ·		
£. 4	Act 261	Act 2666	RA 997	PD 1	PD 461	EO 116
Mandate	Creation of a	Creation of addi-	Reorganize and	Reorganization of	Reorganization of	
	Bureau of Agri-	tional executive	streamline the	the entire Execu-	the Department	-
	culture	Departments .	Executive Branch	tive Branch -	of Agriculture and	•
	: -			through the	Natural	
		·		implementation of	Resources into	†
•		•		the Integrated	two departments	
* ;				Reorganization		:
· ·			<u> </u>	Plan (IRP)		
Department of	The Insular	The Department	The DANR is the:	The DANR was	The Department	1. Promote agri.
Agriculture	Bureau of Agri-	of Agriculture and	Policy	the lead agency	of Natural Re-	dev't. by pro-
	culture was cre-	Natural Re-	Programming,	responsible for:	sources (DNR)	viding:
	ated under the	sources (DANR)	and -	• Policy	was created and	Policy
	Department of	was created	Administrative	• Planning	separated from	framework
	the Interior.	which have the	entity for agri-	Programming	the Department	Public in-
		direct executive	culture and	Coordinating,	of Agriculture.	vestments,
	Mandate:	control, direction	natural	and		and
	To conduct	and supervision of	resources	 Administrative 		Support
	investigations	 Bureau of Agri- 		body for agri-		services
	and dissemi-	. culture -	Primary function:	culture and		needed for
	nate useful	 Bureau of 	Intelligent,	natural re-		domestic and
•	information	Forestry	planned utiliza-	sources		export-
	with reference	 Bureau of 	tion of the			oriented
	to the agricul-	Lands	nation's natural	Primary function:		business
	tural resources	 Bureau of 	resources through	Accelerate the		enterprises;
	of the Phil.	Science	private and public	development of		2. Improve farm
	Islands	 Weather 	capital which will	agriculture and		income and
	To introduce	Bureau	lead to the bal-	natural resources		generate work
	new domesti-		ancing of the	with the objec-		opportunities
	cated animals		nation's agricul-	tives of increased		for farmers/
	and improve-		tural economy	productivity and		fishermen and
	ment of the		with an industrial	higher farm in-		other rural
	breeds of	;	economy.	comes.		workers;
	domesticated			1		3. Encourage
	animals.					people's par-
						ticipation in
	The Chief of the					agricultural
	Insular of the					development
	Bureau of Agri-					through secto-

Table 2. History of Reorganizations at the Department of Agriculture

	culture was tasked to submit to the Phil. Com- mission a plan for organization of the Bureau, framed as nearly as maybe after the Dept. of Agri- culture of the United States.					ral representation in policy-making bodies; 4. Use a bottom-up self-reliant systems approach that will emphasize: • Social justice, • Equity, • Productivity, and • Sustainability in the use of agricultural resources.
Department of Natural Re- sources		Natural Resources was integrated to the DANR	Natural Resources was integrated to the DANR	Natural Resources was integrated to the DANR	The Department of Natural Resources (DNR) was created to ensure the completion of an updated inventory and assessment of the nation's natural resources for the purpose of: Ensuring conservation Optimal utilization Programmed exploitation and replacement	

Table 2 (continued)

Department of Agrarian Reform	Bureau of Agri-	Bureau of Plant	Organization of DAR was in ac- cordance with DA 6389 "Code of Agrarian Re- forms"	• BAI	• ATI
Agencies Under	culture Bureau of Forestry Bureau of Lands Bureau of Science Weather Bureau	Industry (BPI) Bureau of Agricultural Extension (BAEx) Bureau of Animal Industry (BAI) Bureau of Fisheries Bureau of Soils Bureau of Mines Bureau of Forestry Bureau of Lands	BAI Bureau of Lands Bureau of Forest Development Bureau of Fisheries BAEx BAEcon Bureau of Mines Phil. Sugar Institute Phil. Coconut Admin. (PCA) Phil. Tobacco Adm. (PTA) Phil. Virginia Tobacco Board Coconut Coord. Board Phil. Virginia Tobacco Admin. National Agricultural Advisory Council Rural Improvement	BPI Bureau of Soils BAEx BAEcon NGA PTA Phil. Virginia Tobacco Adm. PCA Coconut Invest Company Phil. Cotton Corporation (Philcotton) Agrarian Reform Unit Fertilizer Industry Authority NFAC NMIC	BAI BPI BAR BAS BFAR BSWM ACPC FPA BPHIRE FIDA LDC NAFC NMIC NNC NSF PCC Sacobia Development Authority Phil. Dairy Corp NFA NIA NTA PCA PFDA Quedancor SRA Philcotton

		Committee National Food Agricultural Council (NFAC) Agrarian Reform Unit		PhilRice
Agencies recommended to be created		The National Grains Authority (NGA), Nat'l. Meat Inspection Commission (NMIC), and Phil- cotton were cre- ated through PDs 4, 7 and 350 respectively.	Ministrywide Regional Offices were created under PD 1579	
Agencies recommended to be abolished	Commission of Parks and Wildlife National Rice Corn Corporation (NARIC) Fiber Inspects Service Sugar Rehabitation & Readjustment Commission Fertilizer Administration	Board Forestry Council Parks and Wildlife Commission Abaca & Other Fibers Development Board Small Farmers' Commission		NMIC (transferred to a division of BAI) National Artificial Rain Stimulation Comm. (transferred to BSWM) Farm Systems Development Corporation (transferred to respective regional offices) Green Revolution Expanded Program Action Committee Merged into

Table 2. (continued)

		<u> </u>	D. d		37 11 179 1
			Development		National Tobacco
			• Comm. on Wood		Administration
			Industries		(NTA):
	,		Development		• PTA, Phil. Vir-
			 Sugar Produc- 		ginia Tobacco
			tion Council		Admin., PTA
			 National Beau- 		Board, Phil.
			tification and		Virginia
			Cleanliness		Tobacco Board,
			Committee		Tobacco Re-
			 Interagency 		search &
			Committee on		Training Cen-
			the Survey of		ter, Virginia
			the Cattle In-		Flu-Curing
			dustry		Board, National
			Executive		Tobacco Classi-
			Committee for		fication
			Quezon City		
*			National Park		Merged into Agri-
			Committee on		cultural Training
			Nonmember		Institute (ATI):
			Agencies for		 Phil. Agricul-
			Land Reform		tural Training
			National Com-		Council, Phil.
			mittee for Min-		Training Center
			eral Explora-		for Rural Dev't.,
			tions and Sur-		BAEx
			vey Operations		
			Phil. National		
			FAO Comm.		
Other Major	 The BAEx and 	Proposed to be	Agricultural	Agencies placed	Presidential
Changes	the BAEcon	transferred to	Council was re-	administratively	Committee on
	were created in	DANR:	named National	under DANR:	Agricultural
	1953 and 1963	• PCA	Agricultural	• Fertilizer In-	Credit and Tech-
	respectively	• PTA	Advisory Coun-	dustry Author-	nical Board for
	_	Phil. Sugar	cil	ity	Agriculture
		Institute	The National	• NFAC	Credit were

	The Fish and Game Administration was split into: Bureau of Forestry; and Division of Fisheries	Food and Agriculture Council (NFAC) was transferred from the Office of the President and attached to DANR. The Rice and Corn Administration was placed under the administrative supervision of DANR.	• NMIC Functions of Bureau of Cooperatives Development (BCOD) were transferred to the Ministry of Agriculture (MA) from the Ministry of Local Government and Community Development (MLGCD) per EO 595 issued in 1980.	merged into Agricultural Credit Policy Council.
Major recommendations related to agriculture	 Decentralization of activities on a bureau basis Consolidation of field research and experiment stations 	Establishment of regional offices in either department or bureau model Transfer of commodity- and agriculture-related agencies to the DANR Abolition of Regional offices of some Bureaus		Clustering of commodity agencies into functional groups Establishment of regional offices in each of the administrative regions Merging of commodity-related agencies into one common agency Promotion of decentralization and local autonomy

Under the Integrated Reorganization Plan of 1972, the DANR was given the mandate to accelerate the development of agriculture and natural resources through increased productivity and higher farm incomes, and given authority to oversee programs and activities of agriculture-related attached corporations. The period saw the creation of commodity corporations on cotton, coconut, and sugar, and the establishment under the DANR of the National Grains Authority, National Meat Inspection Commission, Farm Systems Development Corporation, Agricultural Credit Commission, and Philippine Council for Agricultural Research.

Since 1901, agriculture and natural resources shared a common Secretary. Presidential Decree (PD) 461 in 1974 created a separate Department of Natural Resources (DNR). It was deemed necessary, at that time, to separate agricultural activities from natural resources activities given the increasing demands for food, agricultural raw materials, and the optimal utilization and exploitation of natural resources (RP 1974). While this move ran counter to the Integrated Reorganization Plan (IRP) recommendation to reduce the number of departments, political expediency could have played a role in expanding the national bureaucracy and in creating the DNR. With the shift to a parliamentary system, the Department of Agriculture (DA) was converted into a Ministry of Agriculture (MA). Later, responsibility for cooperative development was transferred, through a presidential decree in 1980, from the Ministry of Local Government and Community Development to the MA.

It was during the authoritarian period that many commodity-based public corporations and special agriculture-related agencies were created. As early as 1970, the agriculture panel of the Commission on Reorganization had recommended the creation of university-based research institutes on tobacco, abaca, and other fibers, to integrate research programs lodged with several agencies. The panel further recommended the abolition of the Philippine Tobacco Administration, Philippine Tobacco Board, and the Philippine Virginia Tobacco Administration and the transfer of regulatory functions to the Bureau of Standards (Commission on Reorganization 1970). These recommendations were not implemented as political realities and the absence of legislative checks on executive action during the martial law period hindered the rationalization of the administrative system. Majority of these agencies were created for political purposes and enjoyed relative autonomy from the agriculture secretary, seriously weakening systems of control and accountability for their performance (David, Ponce and Intal 1992).

Pres. Corazon Aquino's "de-Marcosification" of the national government through EO No. 5 resulted in the signing of EO 116 in January 1987 which expanded the mandate of the DA from the promotion of agricultural development through public investments, provision of support services, improvement of farm incomes and employment, to the encouragement of

people's participation through sectoral representation in policymaking bodies, and the use of "bottom-up self-reliant approaches" that emphasize social justice, equity, productivity, and sustainability (RP 1987).

Under EO 116, agencies of the DA were regrouped into five functional, central offices under the Office of the Secretary and each of these groups was headed by an Undersecretary. Previously, existing agencies with similar and overlapping functions were merged into one office while some offices were abolished and their functions transferred to existing or new offices. The Bureau of Agricultural Research (BAR) was created to coordinate and undertake agricultural research.

By 1987, the reorganized DA consisted of the following staff bureaus, attached agencies, and government corporations:

Staff Bureaus	Attached Agencies	Government Corporations
Agricultural Training Institute (ATI)	Agricultural Credit Policy Council (ACPC)	National Dairy Authority (NDA)
mstitute (mm)	outlett (1101 0)	National Food Authority (NFA)
Bureau of Animal	Fertilizer and Pesticide	
Industry (BAI)	Authority (FPA)	National Irrigation Administration (NIA)
Bureau of Agricultural	Fiber Industry Development	
Research (BAR)	Authority (FIDA)	National Tobacco Administration (NTA)
Bureau of Agricultural	Livestock Development	
Statistics (BAS)	Council (LDC)	Philippine Coconut Authority (PCA)
Bureau of Fisheries and	National Agriculture and	Philippine Fisheries and
Aquatic Resources (BFAR)	Fishery Council (NAFC)	Development Authority (PFDA)
, ,	National Meat Inspection	Quedan and Rural Credit
Bureau of Plant Industry (BPI)	Commission (NMIC)	Guarantee Corporation (QUEDANCOR)
•	National Nutrition Council	•
Bureau of Soils and Water Management	(NNC)	Sugar Regulatory Administration (SRA)
(BSWM)	National Stud Farm (NSF)	
		Philippine Cotton Corporation
	Philippine Carabao Center (PCC)	(PCC)
		Philippine Rice Research Institute
	Sacobia Development Authority (SDA)	(PHILRICE)
	Bureau of Postharvest Research Institute (BPHIRE)	

The latest attempt to assess the agricultural bureaucracy was initiated by the Congress through the creation of the Congressional Commission on Agricultural Modernization (AGRICOM). Joint Resolution No. 1 which created the commission empowered the AGRICOM to review and assess the state of Philippine agriculture in light of the General Agreement for Tariff and Trade (GATT) and agrarian reform, and to recommend policy, institutional, and infrastructural measures to ensure the development and modernization of the agricultural sector. The 14-member AGRICOM works through seven standing committees,² one of which is a Committee on Institutions and Bureaucracy. The AGRICOM has been extended by eight months and is expected to submit its report by December 1997.³

Recurring Themes, Problems and Policy Questions

National Reorganization

While reorganization occurs under different historical periods, context, and developmental requirements, a comparison of the five systemwide reorganization efforts would show recurring trends and problems. One, the general objectives and principles — economy, efficiency, simplicity, and rationality, as well as the elimination of duplication and overlaps, consolidation, and integration — run through all reorganization reports (Cariño 1992, Cola 1993, Sta. Ana 1996). Support for decentralization, local autonomy, and strengthening frontline services appeared as early as the 1950s and was reiterated in every plan since then.

Two, each administration anchored its claim for reform on correcting perceived weaknesses in the implementation of the previous reorganization effort. This was particularly noticeable during the period of regime change in 1986 when the new government attempted to disassociate itself from its predecessor to claim legitimacy.

Three, the various reorganization attempts also reflected the changes in the definition of the role and scope of government. As part of the postwar development administration era, support for big and interventionist government to promote social equity and modernization was strong during the 1950s until the 1970s. The fiscal uncertainty and the emergence of the "conviction politics" movement of the 1980s resulted in the attempt to limit the scope of government and promote market-oriented reforms from the 1980s until the present.

Fourth, except for the PCGR, all systemwide reorganizations were initiated by Congress in response to the call by the chief executive. The dynamics of the preparation and implementation of each report reflects

executive-legislative relations. While the analysis of the administrative machinery of government is a technical process, the decision on which recommendations to adopt and implement is a political one made by Congress and the President based on inter-chamber and inter-branch accommodations and compromises.

This explains the often extremely long period involved in the approval of reorganization plans as different secretaries/ministers try to pressure and convince legislators or the President to maintain or expand agency turf. It appears that irrespective of whether the plan is adopted as a whole (i.e., IRP) or in parts (PCGR), reorganization often results in incremental change with limited possibilities for the creation of a leaner, more efficient, and rational bureaucracy.

Finally, there has always been a debate on the appropriate composition of the reorganization team. Should they come from inside or outside the bureaucracy? Should they be predominantly private-sector or public-sector led? Should they be managed by politicians/political appointees or technocrats/academicians? The empirical evidence shows that while the composition may have a bearing on the preparation of the report (as in the confusion and controversy during the 1986 reorganization), it does not appear to affect political decisions made on the recommendations.

The Agricultural Bureaucracy: What is New, What is Old

The principal national government agencies which have impact upon and responsibility over the development of agriculture are the Department of Agriculture (DA), Department of Environment and Natural Resources (DENR), Department of Agrarian Reform (DAR), Department of Science and Technology (DOST), and the Department of Public Works and Highways (DPWH). Problems in the agricultural bureaucracy can be divided into three: (1) those that deal with the DA; (2) those that relate with the interrelationships among the DA, DENR, DAR, and other agencies; and (3) devolution-related issues.

Recurring Issues

A review of the literature (David, Ponce and Intal 1992; David and Totentino, n.d.; PCGR 1987; WB 1997) analyzing the dysfunctions of the agricultural bureaucracy shows issues and recommendations that have been repeated in every reorganization effort but have not been resolved until the present. With the ever-expanding structure of bureaus, offices, councils, and commodity-based corporations under the administrative control and supervision of the DA, the issue most often cited is whether the department should be

organized along functional lines or be commodity-based. David (1992) strongly criticized this latter bias because commodity-based structures favor regulations against growth-enhancing activities, such as research and extension, which have long-term pay-off.

Majority of the commodity-based corporations created during the Marcos administration were placed under the DA as attached agencies after the 1987 reorganization. For some commodities — like tobacco — reorganization resulted in the consolidation of seven agencies into the National Tobacco Administration. However, the rationale for creating agencies for some commodities and not for other commodities remains questionable. It has been argued that the continued presence of commodity institutions "not only exacerbates the fragmentation of the bureaucracy and the overlapping of functions" but likewise "makes the department prone to instability and inflexibility" (David, Ponce and Intal 1992: 16).

In terms of priorities within DA, studies have identified the weak institutional support and unbalanced allocation between research and extension (David et al. 1992; David and Tolentino n.d.), neglect of marketing development (PCGR 1987), program overlaps between agencies and commodity agencies (David 1992, Sto. Tomas 1996, PCGR 1987), limited mechanisms for peoples'/ farmers' participation, and weak NGA-NGO linkages (PCGR 1987).

Attention has also been focused on the fragmentation of mandates and budgets for promoting agricultural development across several departments. Government responsibility in agricultural research and development is shared among the DA, DOST, DENR and various state colleges and universities (SCUs); technology transfer and extension among DA, SCUs, DAR, various commodity agencies; human resource development among the DA, SCUs, Department of Labor and Emloyment (DOLE), Technical Education and Skills Development Authority (TESDA), DECS, and Cooperative Development Authority (CDA); infrastructure development among the DA, DPWH, Department of the Interior and Local Government (DILG), DAR, local government units; training of landowners among DA, DAR, and the Department of Trade and Industry (DTI); upland development among the DA and DENR; and support for agrarian reform communities between DA and DAR.

The net result of this fragmentation and multiplicity of delivery systems is the problem of locating accountability for agricultural development, duplication of programs, and wastage of public funds. Since effective pressure cannot be put to improve performance, agriculture agencies continue to receive annual appropriations with very little incentive to work on integration and rationalization.

This situation is best illustrated in critical agricultural activities undertaken at ground level. Because of devolution, the whole agricultural bureaucracy at the provincial, city and municipal levels reports to their local executives in what Secretary Escudero publicly refers to as having "generals without foot soldiers." Yet the DAR, through its Agrarian Reform Communities (ARC) program, continues to maintain its personnel at the LGU level undertaking activities that fall within the mandate of the DA. In a similar light, public investments in infrastructure are difficult to rationalize because of the lack of a national infrastructure plan, and shared responsibility for building roads, ports, irrigation, and postharvest facilities is lodged in no less than seven agencies.

New Issues

In an archipelagic country where the national territory is 2/3 water and 1/3 land, institutional and budgetary distribution is heavily biased against fisheries development. Neglect of fishery development was raised in the PCGR report and given importance in the country paper read at the World Food Summit in 1996. This has not been translated into a policy bias for fishery development among policymakers. An almost decade-old Fisheries Code (SB No. 1708 and HB No. 7366) proposing the creation of a separate Department of Fisheries is still pending in Congress. The strong opposition of several legislators will likely produce an administration-level agency with responsibilities over the management and conservation of fishery and aquatic resources.

Newer issues have surfaced as experiences with the devolution of agricultural functions to local governments emerged. Beyond the difficulties encountered in the absorption of agricultural personnel, devolution has the effect of weakening national-local relations and creating new institutional arrangements at the local level. Since agricultural personnel are now accountable to local executives, the implementation of critical programs, and support systems such as agricultural extension suffered. Weaknesses in the planning structure have been experienced in the limited local participation in the formulation of the highly criticized Medium Term Agricultural Development Plan (MTADP) (CPDS 1996).

There is also the issue of devolved national government projects that are either inadequately funded, or not funded at all, by local government units (LGUs) due to resource scarcity or because these are not the priority of local executives. In response to this problem of devolution, the DA and the DAR have executed MOAs with the League of Provinces and Municipalities to allow the disbursement of national government funds for local projects. While this move is laudable, a more long-term and permanent mechanism must be put in place for this purpose.

Concern has also been raised about the priorities exercised by legislators in changing allocation patterns through the congressional insertion (CI) and countrywide development funds (CDF). Since CDF and CI utilization patterns favor high visibility infrastructure projects, any attempt to rationalize regional, provincial and even area priorities can clash with district-based priorities of members of the House of Representatives.

The ever-shifting decision to merge or separate the departments of agriculture and natural resources, and now including the Department of Agrarian Reform has gained new strength because of devolution and problems in integrating local programs and activities. A World Bank (WB) study recently proposed the rationalization of DA, DENR, and DAR and the creation of a Department of Rural Development (WB 1997). The tenacious opposition by the DAR Secretary to this proposal pressured the World Bank representatives to clarify that the disclosure was still subject to revisions.

Reorganizing for Globalization and Devolution

It is undeniable that administrative reforms and reorganization are necessary means by which governments adjust themselves to changing political and economic realities. In a developing country like the Philippines, policy and budgetary support for agricultural modernization will have a limited impact on the lives of people if these are not accompanied by a reorganization of the agricultural bureaucracy to increase absorptive capacity and accountability.

However, it is also a fact that reorganization efforts in the Philippines continue to be executive and legislative initiatives that produce incremental change and rarely result in major policy shifts or institutional restructuring. Cariño's observation that the "civil service was transferred from one president to the next with little upheaval" and that reorganization was a "painless way of changing the bureaucracy, with the executive getting rid of unsatisfactory civil servants and agencies without directly criticizing them" appears to run true in the Philippines (Cariño 1992: 47).

Should we then reorganize the agricultural bureaucracy given this historical reality? And if it should be done, in what ways should it differ from previous efforts?

Any reorganization of the agricultural bureaucracy for the 21st century must be anchored on responding to two major developments — devolution and globalization, and accompanied by policies, legislation, and regulatory mechanisms to ensure rational resource use for agricultural modernization.

While policymakers appear enamored with the re-engineering philosophy, attention must be called to the fact that the principles used by the PCSB and the current reorganization bills have been criticized as inward looking, silent on the impact of globalization, make no references to the role to be played by NGOs (Sta. Ana 1996), and displace accountability norms in a democratic system (Moe 1994).

Moreover, the performance of the Philippine Congress in passing agriculture related bills since the Eighth Congress has not been outstanding. Among these critical agriculture-related measures which are still in the legislative mill are the Irrigation Crisis Act, Fisheries Code, National Land Use Code, Ancestral Domain Act, amendments to the Agri-Agra Law, and amendments to the Local Government Code (LGC).

At the national level, premium must be placed on rationalizing the structural relationship among DA, DENR and DAR. The proposal to merge the three departments, while technically appealing, is politically difficult to undertake. DAR may be the easiest to downsize given the mandated time frame for land distribution. Responsibilities for providing support services to agrarian reform beneficiaries should be transferred to the DA in the medium term with a reorganized and smaller DAR responsible for land acquisition and distribution.

The perceived overlaps between the mandates of the DA and DENR have been effectively corrected by the devolution of responsibility for integrated social forestry programs to local government units. Duplication and program overlaps in infrastructure development can be solved by more efficient interagency coordination and improved regional planning.

Within the DA, reorganization is necessary to simplify the maze of bureaus, offices, councils and commodity agencies. It would be politically difficult to restructure the department purely along functional lines but an attempt must be made to impose a moratorium on the creation of more commodity agencies. As the House and Senate committees on civil service and reorganization have resisted attempts to enlarge the bureaucracy, a policy can be adopted so that the creation of any new commodity agency would be limited to those identified as export winners, coupled with the rationalization of existing ones. This rationalization would create a structure closer to those of other ASEAN countries.

Weak areas in the DA structure such as the absence of agencies for market development have been identified in the past. Globalization makes it imperative to address them through the passage of pending legislation creating either marketing boards or marketing systems.

The DA regional office represents the weakest link in national-local government relations. As envisioned in the LGC, National Government

Agencies (NGAs) (in this case, DA and DENR) should be responsible for national policymaking and defining the overall regulatory framework for agricultural development, standards-setting, technical backstopping, and partnering with LGUs in monitoring implementation and evaluation of national programs. Of the four, the capability of NGAs is weakest in technical backstopping and monitoring. Necessarily, the regional offices must be reengineered to develop region-based expertise to respond to LGU needs particularly in agricultural research, development and extension.

Lastly, the role of NGOs and people's organizations (POs) in the production and delivery of public goods and services in the Philippines is globally recognized. The challenge for the future is how to institutionalize NGO, PO and local community partnerships with LGUs for agricultural modernization. This requires, at the minimum, monitoring of LGU compliance with LGC requirements for the creation of local developmental bodies, and at the maximum, creating new institutional arrangements that would facilitate partnership in the delivery of agricultural services.

Endnotes

¹See Sta. Ana (1996) for an extended analysis of the inconsistencies and problems associated with adopting the Osborne and Gaebler framework of reengineering in the Philippines. Sta. Ana argues that current efforts by the executive and legislative branches to reengineer the bureaucracy are attempts to follow a global vogue without sufficient understanding of local conditions and context.

²The Congressional Commission on Agricultural Modernization when constituted on 5 April 1996 was chaired by Senator Leticia Shahani and co-chaired by Rep. Santiago Respicio. The other members of the commission were Senators Sergio Osmena III, Juan Flavier, Orlando Mercado, Ramon Magsaysay, Gregorio Honasan, and Edgardo Angara representing the majority; Reps. Florencio Abad, Rodolfo Albano, Rodolfo del Rosario, Margarito Teves, Vicente Tagle Jr., and Elias Lopez representing the minority. The seven standing committees were on environment, public investments in infrastructure, human resource development, market development, credit and financial systems, and institutions and bureaucracy.

The AGRICOM is the third special commission created through legislation after the Education Commission and the Health Commission. Unlike in the case of its predecessors, shifts in the leadership in the Senate occurred while the AGRICOM timetable was in midstream. Joint Resolution No. 1 provided for a 14-member commission co-chaired by the Chairpersons of the Senate and House Committees on Agriculture and one representative of the minority. When Senator Ernesto Maceda was elected Senate President vice Senator Neptali Gonzales in October 1996, three commissioners of the AGRICOM — Senators Shahani, Magsaysay, and Osmena became part of the minority. Senator Shahani lost the chairmanship of the Senate Committee on Agriculture to Senator Edgardo Angara who then took over as AGRICOM chair. The transition period between the Shahani and Angara leadership took almost four months and with the mandate of AGRICOM set to expire in March 1997, the two chambers of Congress had to pass another joint resolution to extend the life of the commission to December 1997.

These agencies include the Philippine Virginia Tobacco Administration (PVTA) created by RA 2265 in 1959; Philippine Tobacco Administration (PTA) by RA 1135 (1954), and amended by

RA 2233 (1959), PD 288 and EO 836; Philippine Tobacco Research Training Center (PTRTC) by PD 1248 (1977); Philippine Virginia Tobacco Board (PVTB) by EO 331 (1971); Philippine Tobacco Board (PTB) by RA 2613 and PD 627 (1979); Virginia Tobacco Fuel Wood Corporation (VTOFCO) by EO 623 (1979); and the National Tobacco Classification Council.

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