Decentralization and Federalism in the Philippines: Lessons from Global Community¹

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Introduction

The Philippine geography makes travel and communication difficult, time-consuming and costly. Composed of several islands, the highly centralized unitary form of government is ineffective in dealing with contingencies in far-flung parts of the country. The administration and power is concentrated in Manila which results to inequitable development among the different regions. Development is inequitable and stunted because there is difficulty in reaching and responding to the needs of remote areas. Decentralization was seen as a response to this dilemma in governance. It will help in the development of the nation by bringing the government closer to the people through administrative de-concentration and political devolution. It has been reasoned that this strategy will facilitate faster delivery of needed basic services and promote participatory governance. With this underlying rational for decentralization, the country has witness various legislations and strategies enacted and introduced to further local autonomy and promote good governance. One of the landmark legislations is the Local Government Code of 1991 which has been functioning for over a decade now. Recently, some scholars, politicians and experts are looking into the federal option as the next step for Philippine governance. There are undergoing discussions, not only in the Philippines but in other Asian countries as well, on adopting the federal system. Some argued that federalism is the next logical step after devolution. In the Philippines, advocates of federalism believe that the structure of the federal system would respond to the geographical obstacle and differences caused by cultural diversity on governance because it allows fragmentation while at the same time promoting national interest. It is also claimed that the federal structure will accelerate the country's development and end the internal conflicts brought by separatist movements in Mindanao.

The first section of the paper provides an overview of decentralization and federalism in the Philippines. The second part provides the context of decentralization in the Philippines. The third section discusses federalism as the next step for the Philippine politico-administrative system. The fourth part discusses some issues and concerns that the Philippines should address vis-à-vis adopting a federal structure of government.

¹ Discussion paper presented at the International Conference of the East West Center, Kuala Lumpur, Malaysia, July 1-5, 2002. This paper draws from the earlier paper by Dr. Brillantes many local and international conferences. We are grateful to Dr Jose V. Abueva who generously allowed us to use his publications as reference.

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Decentralization and Devolution in the Philippines³

Most political historians agree that the Philippines had a long tradition of centralized government. Ever since the arrival of the Spaniards in 1521, the Philippine islands have always been ruled from the national capital, Manila, to a point that because of the excessive centralization, it has been derisively referred to as "imperial Manila." Almost five hundred years later, the vestiges of centralization remain due largely to the inertia brought about by deeply-rooted centralized administrative and bureaucratic procedures, hierarchical and organizational arrangements, exacerbated by a culture predisposed to dependency, and mindsets that look condescendingly upon local level institutions. If anything, it certainly has been a difficult task to undo centuries-old centrally-oriented institutions, structures, procedures, practices, behaviors, mindsets and culture.

The roots of autonomy among local units and institutions have been in existence even before the arrival of the Spaniards. The classic work of then Senator (later President) Jose P. Laurel written in 1926, *Local Government in the Philippine Islands*,⁴ an essential reader for local autonomy scholars and practitioners, traces this. The following are among the milestones in Filipino local autonomy identified by Laurel:

Local villages (barangay) of the Philippine archipelago have been existent even before the arrival of the Spanish colonizers. They were, for all intents and purposes, autonomous territorial and political units headed by a monarchical chieftain called the *datu, panginoo or pangolo.*⁵ With the arrival of the Spaniards, these barangays and tribal organizations were adapted by the colonial authorities to become administrative units each headed by the cabeza de barangay whose main responsibility was collection of taxes. As they expanded and grew, some barangays evolved into pueblos. Pueblos were composed of poblaciones (town centers), barrios (rural settlements) and visitas (municipal districts.)⁶

In 1893, the Spanish colonizers enacted the Maura Law. This was described by Laurel as "Spain's belated and half-hearted tribute to Filipinos' ability in self-government," the Maura Law included the establishment of tribunales, municipales and juntas provinciales. However, inspite of the law, a centralized regime still prevailed with the "retention of rights and prerogatives by the principalia class, the straight-laced centralization of powers, the continued intervention of the church in State affairs, the limited franchise granted, the inadequate election method devised and enforced, and the defected (sic) financial system instituted."⁷

³ This part of the paper was drawn from an earlier paper by Dr. Brillantes entitled "Decentralization and Devolution in the Philippines: Experiences and Lessons Learned After a Decade" presented at the International Conference on the New Developments in Local Democracy in Asia: Appraising a Decade of Experience, Problems and Prospects" held at the Seoul National University, Seoul, Korea, April 7 to 9, 2002.

⁴Jose P. Laurel, *Local Government in the Philippine Islands*, Manila: La Pilarica Press, 1926, p. 289

⁵Juanito Ortiz, *The Barangays of the Philippines*, Quezon City: Hiyas Press, 1996, p.1

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⁷Laurel, op cit, p. 290.

In 1898, against the backdrop of the Philippine Revolution against Spain, the first (but short lived) Philippine Republic under the Malolos Constitution was established. Officials were elected on a popular basis and "decentralization" and "administrative autonomy" (which was actually the language used in the Malolos Constitution) were among the rallying cries of the period. Local law-making bodies, namely the municipal and provincial assemblies, were instituted.

The American occupation of the Philippines in 1902-1935 saw the promulgation of a number of policies promoting local autonomy. But inspite of the enactment of policies purportedly supportive of local autonomy, the Americans maintained a highly centralized politico-administrative structure. Largely because of security considerations, local affairs had to be under the control of the Americans.⁸

During the Commonwealth period (1935-1946), local governments in the Philippines was placed under the general supervision of the President following the provision embedded in Article VII Section II of the 1945 Constitution. Additionally, the President, by statute, could alter the jurisdictions of local governments and in effect, create or abolish them. Ocampo and Panganiban note that the constitutional provision limiting the President's power to general supervision was a compromise measure substituted for the stronger guarantee of local autonomy proposed during the constitutional convention. President Quezon preferred to appoint the chief officials of cities and would brook no "democratic nonsense."

The Americans granted Philippine political independence in 1946. In 1959, the first local autonomy act (RA 2264) entitled "An Act Amending the Laws Governing Local Governments by Increasing their Autonomy and Reorganizing Provincial Governments" was enacted. This act vested in city and municipal governments greater fiscal, planning and regulatory powers. It broadened the taxing powers of the cities and municipalities within the framework of national taxing laws.

On the same year, another landmark legislation as far as local autonomy is concerned was passed. The Barrio Charter Act (RA 2370) sought to transform the barrios, the smallest political unit of the local government system into quasi-municipal corporations by vesting them some taxing powers. Barrios were to be governed by an elective barrio council.

Less than a decade later, the "Decentralization Act of 1967" (RA 5185) was enacted. It further increased the financial resources of local governments and broadened their decision-making powers over administrative (mostly fiscal and personnel) matters. More specifically, the Decentralization Act provided that it will

grant local governments greater freedom and ampler means to respond to the needs of their people and promote prosperity and happiness to effect a more equitable and systematic distribution of governmental power and resources. To this end, local governments henceforth shall be entrusted with the performance of those functions that are more properly administered in the local level and shall

⁸Romeo B. Ocampo and Elena Panganiban, *The Philippine Local Government System. History, Politics and Finance*, Manila: Local Government Center, 1985.

⁹Ocampo and Panganiban op. cit., p. 5

be granted with as much autonomous powers and financial resources as are required in the more effective discharge of their responsibilities.

The imposition of martial law in 1972, which abolished local elections and vested in the dictator the powers to appoint local officials who were beholden to him, was a great setback for the local autonomy movement in the Philippines. Notwithstanding the highly centralized dictatorial set-up, the 1973 Marcos Constitution rhetorically committed itself to a policy of local autonomy:

The State shall guarantee and promote autonomy of local government units, especially the barrio, to ensure their fullest development as self-reliant communities.

The document likewise constitutionalized the taxing powers of local government units thus:

Each local government unit shall have the power to create its own sources of revenue and to levy taxes subject to limitations as may be provided by law.

However, the President continued to exercise 'supervision and control' over the local governments. Still, the authoritarian government promulgated the Local Government Code of 1983 (Batas Pambansa Bilang 337) which reiterated the policy of the State to

guarantee and promote the autonomy of local government units to ensure their fullest development as self-reliant communities and make them effective partners in the pursuit of national development.

Obviously, genuine autonomy could not be realistically implemented under the authoritarian regime.

The overthrow of Marcos in 1986 and the installation of Corazon Aquino as President saw the promulgation of the Freedom Constitution. It provided that "the President shall have control and exercise general supervision over all local governments." It was this provision that enabled Mrs. Aquino, through the Minister of Local Government, to remove local officials throughout the country whose loyalties were questionable, and replace them with officers-incharge (OICs). Seen as an isolated act, the appointment of OICs may be seen as a setback to the cause of local autonomy, but viewed in its proper historical/political context, it may be appreciated as a necessary measure in stabilizing the immediate post-dictatorship transition government.

A year later, the 1987 Constitution was promulgated. It included specific provisions guaranteeing autonomy to local governments. Among the major state policies articulated was the policy that "The State shall ensure the autonomy of local governments". Additionally, Article X, Section 3 of the Constitution provides:

The Congress shall enact a local government code which shall provide for a more responsive and accountable local government structure instituted through a system of decentralization with effective mechanisms of recall, initiative, referendum, allocate among the different local government units their powers, responsibilities and resources, and provide for the qualifications, election, appointment and removal, term, salaries, powers and functions and duties of

local officials, and all other matters relating to the organization and operation of local units.

Earlier historical attempts to decentralize power and authority to local institutions through various means are testimony to the fact that the problem of overcentralization is one that has been recognized - but continued to persist - through the years. For instance, the decentralization of *administrative* authority (but conspicuously unaccompanied by political decentralization) was a hallmark of the Marcos dictatorship. A Local Government Code was in fact enacted in 1983. But these attempts at decentralizing government remained simple administrative formalisms. Power continued to be concentrated in Manila with local units heavily dependent upon the central government. In fact, before the enactment of the Code, local governments were beginning not only to be restive but also assertive, demanding that the umbilical cord that tied them to Manila be severed because this was the root cause behind their stunted growth and underdevelopment.

As a result of this and in accordance with the provision stipulated in the 1987 Constitution, the Local Government Code (also known as the Local Autonomy Act) was enacted in 1991. It is considered the most radical and far reaching policy that addressed the decades-old problem of a highly centralized politico-administrative system with most significant political and administrative decisions concentrated in Manila. The enactment of the Code was welcomed by most sectors of society. It radically transformed the nature of the power relationships between the central government and the thousands of local governments in the countryside through the devolution process. It finally transferred the responsibility for the delivery of basic services to the local government units, including appropriate personnel, assets, equipment, programs and projects.

The following are the major features of the Code:

- It devolves to local government units' responsibility for the delivery of various aspects of basic services that earlier were the responsibility of the national government. These basic services include the following: health (field health and hospital services and other tertiary services); social services (social welfare services); environment (community based forestry projects), agriculture (agricultural extension and on-site research); public works (funded by local funds); education (school building program); tourism (facilities, promotion and development); telecommunications services and housing projects (for provinces and cities); and other services such as investment support.
- It devolves to local governments the responsibility for the enforcement of certain regulatory powers, such as the reclassification of agricultural lands; enforcement of environmental laws; inspection of food products and quarantine; enforcement of national building code; operation of tricycles; processing and approval of subdivision plans; and establishment of cockpits and holding of cockfights.
- The Code also provides the legal and institutional infrastructure for expanded participation of civil society in local governance. More specifically, it allocates to non-governmental organizations (NGOs) and people's organizations (POs) specific seats in local special bodies. These special bodies include the local development council, the local health board, and the local school board. Because of their ability to organize and mobilize the people, one door wide open for NGO and PO participation in governance are in the areas of promoting local accountability and answerability, specifically through the recall and people's initiative provisions.

- The Code increases the financial resources available to local government units by (1) broadening their taxing powers; (2) providing them with a specific share from the national wealth exploited in their area, e.g., mining, fishery and forestry charges; and (3) increasing their share from the national taxes, i.e., internal revenue allotments (IRA), from a previously low of 11% to as much as 40%. The Code also increases the elbowroom of local governments to generate revenues from local fees and charges.
- Finally, the Code lays the foundation for the development and evolution of more entrepreneurial-oriented local governments. For instance, it provides the foundations for local governments to enter into build-operate-transfer (BOT) arrangements with the private sector, float bonds, obtain loans from local private institutions, etc., all within the context of encouraging them to be "more business-like" and competitive in their operations in contradistinction to "traditional" government norms and operations.

Indeed, at the end of the day, local autonomy would mean less reliance upon national government, including "allotments" made by the national government, ¹⁰ and increased reliance upon internally generated resources, or resources jointly generated with other institutions, be they other local government units, private institutions, etc. It is within this context that the Code encourages LGUs to be more aggressive and entrepreneurial. "Going into business" with the private sector and, where appropriate, adapting private sector strategies, techniques and technologies to generate resources are encouraged by the Code. These enable them to deliver the much needed basic services to the people.

Over a decade has passed since the passage of such landmark legislation. This short period has shown a number of success stories at the local level. Energies long held hostage by a highly centralized politico-governmental set-up were finally unleashed leading to creativeness, innovation and boldness among many local communities. However, as in many radical pieces of legislation, its implementation has not been without its share of problems and challenges, ranging from lack of resources and capabilities at the local level to continued lags brought about by inability of institutions and processes to cope with the changes and demands brought about by a decentralized set up.

The Code has been in effect for the past decade. There have been debates about its advantages and disadvantages. Is the Code working, it has been asked. Have local governments been empowered in accordance to the spirit of local autonomy? How have the devolved powers been used to bring about good governance at the local level? These and other related questions have been raised. Proposals to amend the Code ranging from effecting full devolution of the entire government to phased decentralization, to recentralization have been made and debated.

It was within this context that efforts have emerged to document good practices (some prefer to use "best practices") at the local level, to among other things, demonstrate that devolution is working. Hence awards programs such as *Galing Pook* of the Asian Institute of

¹⁰However, it must be noted that there are those who vehemently argue AGAINST the prevailing notion especially among national government agencies that the IRA "belongs" to the national government and is being "shared" and "allotted" to LGUs out of the goodness of their heart. It must be emphasized that the internal revenue allotment *belongs to the local governments in the first place* and the job of the national government is simply to administer these resources.

Management and the Local Government Academy, the HAMIS awards of the Department of Health and the German Foundation for Technical Cooperation and Development, the KAME awards of the Konrad Adenauer Foundation, and the various awards of the Department of the Interior and Local Governments including the Clean and Green Award and the *Gawad Pamana ng Lahi* Awards which has been variously referred to by local governments as the "Olympics of Local Government Excellence." The Governance and Local Democracy (GOLD) Project has identified many simple but innovative good practices at the local level in its various Rapid Field Appraisals. In all these, one thing has emerged: that devolution is working and that local autonomy has brought about creativity, imagination and innovation at the local level.

All these have shown that it is possible to have good local governance under a devolved set up, governance here meaning the delivery of basic services to the people, not only by the local government, but in partnership with the other sectors in the community. The countryside is dotted with illustrations of good and best practices of how local governments have creatively used their powers to bring about good governance at the local level.

For instance, we have seen how local governments have creatively generated additional resources by floating bonds and therefore provide public housing, something that was unheard of before local autonomy. There are local governments that constructed public markets through the Build-Operate-Transfer (BOT) mode. Having no resources available except for the land, Mandaluyong entered into a partnership with the private sector through BOT and has now constructed a public market that has approached world-class standards. Similarly, a small municipality in llocos Norte, Dingras, also entered into a variation of the BOT to construct its public market. We have seen local governments float bonds to meet public housing requirements. Victorias, Negros Occidental and Legaspi City are examples of such. In the area of environmental management and consciousness, contrary to the popular notion that projects with social and environmental concerns are not politically expedient because results are not felt immediately as, say, public works and infrastructure projects are and therefore unable to deliver votes, experience has shown that many local governments in the country have place environmental considerations among their priority concerns.

Local governments have entered into joint ventures and cooperative arrangements within the context of maximizing utility of resources. They have set up their own provincial investment and business councils to maximize their entrepreneurial capacities. The list of examples of good practices goes on. Efforts at recognizing good practices at the local level may be placed within the context of proving that *devolution is working*. In other words, local government units, using the creative powers devolved to them under the Code, and inspite of the many constraints, have been able to respond to the enormous challenges brought about by devolution.

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Federalism in the Philippines

The past decades has witnessed an increasing interest in federalism from around the globe. Professor Ronald Watts (2002) of Queen's University Canada on the International Conference on Federalism held at Switzerland this year noticed, "Political leaders, leading intellectuals and even some journalist increasingly speak of federalism as a healthy, liberating and positive form of organization. Belgium, Spain, South Africa, Italy and the United Kingdom appear to be emerging towards new innovative federal forms, and in a number of other

countries some consideration has been given to the efficacy of incorporating some federal features, although not necessarily all the characteristics of a full fledged federation."

He mentioned that federalism provides a constitutional organization that allows action by a shared government for certain common purposes while permitting for autonomous action by constituent units of government for purposes that relate to preserving their distinctiveness, with each level directly responsible to its electorate. He also cited three major lessons from the various experiences on federalism since 1945:

"First, federal political systems do provide a practical way of combining, through representative institutions, the benefits of unity and diversity, but they are no panacea for all of humanity's political ills. Second, the degree to which a federal political system can be effective will depend upon the extent to which there is acceptance of the need to respect constitutional norms and structures and upon an emphasis on the spirit of tolerance and compromise, Third, effectiveness also depends upon whether the particular form or variant of federal system that is adopted or evolved gives adequate expression to the demands and requirements of the particular society in question." 11

A federal government would enable the needs of a nation to be achieved while providing a space for diversity. As a phrase goes, it provides "unity in diversity". The federal structure devises a flexible arrangement for varying forms of self-government to suit different circumstances and contingencies. History would show us several countries that used federalism in dealing with diversity. In Switzerland and Canada for instance, the adoption of federalism was, to some extent, a result of a need to accommodate diverse communities. After World War 2, India, Malaysia and Nigeria used the federal mechanism to settle ethnic diversity. Pakistan also used the federal design to manage ethno-national diversity after it emerged as an independent state.

In the Philippines, some scholars, politicians and experts have been discussing the prospects of federalism as an approach to Philippine governance. Political scientist Jose Abueva, for instance, espouses a transformation of the existing decentralized unitary system to a federal system by 2010.

He proposes that the transition to a federal state be done in two phases in a span of ten years starting 2000 to 2010 to allow for a careful examination of proposed constitutional changes, discussions and exchanges of ideas throughout the nation, and acting on the changes together as a whole. The ten-year period will also prepare the nation for such a change in the political system. The first phase, according to him, will require the amalgamation of the existing 14 administrative regions plus the Autonomous Region of Muslim Mindanao (ARMM) into 10 larger administrative regions and granting them more substantial regional and local autonomy. This process that he calls "regionalization" should continue until 2009-2010. The second phase will be the constitutional amendments or revisions to institute a federal system as well as other reforms that will be drafted and completed in 2008-2009. The ratification will be done in a plebiscite to be held in 2009. He envisages the amended or revised constitution to take effect in 2010. He also identified measures that should be taken in preparation for the transformation:

¹¹ Watts, Ronald, *The Relevance Today of the Federal Idea*, International Conference on Federalism, Switzerland, 2002.

"Meanwhile we have to accelerate the process of government decentralization under the 1987 Constitution both ways: by de-concentrating national government administration to the regional centers and by devolving more national government functions to the local government units through continuing amendments to the Local Government Code of 1991. At the same time, we have to reorient our people... towards greater self-reliance and responsibility through local governance and development, including developing their capacity to raise more local revenues and generate funding for local development, and to attract investments." 12

This political transformation is hoped to end the deeply rooted stifling centralized unitary structure in earlier administrations. Still questions continue to persist regarding the proposal of adopting a federal system of governance in lieu of the present unitary form. Why should the present unitary system of government be changed into a federal system? Is it a panacea for the recurring Moro uprisings in central and southwestern Mindanao? Would it hasten the development of the country? These are some of those questions.

Senator Aquilino Pimentel, a major proponent of the move to adopt a federal system of government, in a primer presented at the annual convention of the Integrated Bar of the Philippines at Tacloban City last April 2002 identified two main reasons why the federal system is better than the present unitary system. According to him the federal system has the structures needed to: a) hasten the economic development among the various regions of the country by allocating power which at present is concentrated in the central government to the regions that will be converted to federal states. The devolved powers will allow the federal states to mobilize their resources for development without being hindered or controlled by the central government; and b) dissipate the causes of the recurrent armed Moro challenges against the government and, thereby, lay the basis for a just and lasting peace in Central and Southwestern Mindanao.¹³

In a research report of the Center for Social Policy and Governance of the Kalayaan College, Abueva enumerated the theory behind Philippine federalization. The following are the hypotheses for the proposed shift from a unitary system to a federal system quoted from the research report with editing¹⁴

- The basis for establishing a federal system is that the Philippines has already achieved sufficient national unity and democratization, including a measure of decentralization and local autonomy. The latter will follow about a decade's transition of "regionalization" and increased local autonomy involving both the national government and the local governments.
- Specifically, the 1987 Constitution's design for the development of participatory democracy, local autonomy, and an active role for civil society in governance was a result of the growing difficulties and frustration with the

¹² Abueva, Jose, *Transforming Our Unitary System to a Federal System: A Pragmatoc, Developmental Approach*, CLCD, 2000, p. 1.

¹³ Pimentel, Aquilino, *Why Adopt the Federal System of Government?* A Primer on the Federal System presented to the Integrated Bar of the Philippines at its annual convention, Tacloban City, 27 April 2002.

¹⁴ Abueva, Jose, *Towards a Federal republic of the Philippines with a Parliamentary Government by 2010* in "Towards a Federal Republic of the Philippines with a Parliamentary Government by 2010: A Draft Constitution", Kalayaan College, Marikina City, 2002, pp. 5-6.

- country's highly centralized unitary system during the authoritarian regime that started in September 1972.
- Federalism will respond to the demands of local leaders for their release from the costly, time-consuming, stifling, and demoralizing effects of excessive centralization and controls by the national government in the present unitary system.
- 4. The structures, processes, and responsibilities of the federation will challenge and energize the people and their state and local governments. Such further democratization will encourage creativity, initiative and innovation, spur interstate competition, and foster state and local self-reliance instead of continued dependency.
- 5. A federal system will greatly increase the capacity of the people and the government to deal with the country's problems because the removal of the centralized structure that impose and sustain local dependence and stifle local initiative and resourcefulness will provide greater freedom and home rule. Therefore, they will be more interested in state and local governance because it is closer to them and will deal with under-development local poverty, unemployment, injustice, inadequate social services and infrastructure, and low productivity.
- 6. In a federal structure that will consolidate the 80 provinces of the Philippines into 8 to 10 larger, integrated and more efficient and viable regions called states, substantial, faster and equitable development for the whole country is more likely to be achieved.
- 7. By participating in meaningful and challenging politics and governance at the state and local levels that impact directly the lives of the constituents, the people will be more empowered than if they continued to be alienated from their weak local governments and spectators in the affairs of far away national government institutions in the nation's capital. Moreover, the people's liberty will be protected by the further dispersion of power in the government and the society.
- 8. By governing the nation through interdependence and interaction with the states as regional governments, using the national language and a global language (such as English), the federal government will be better able to achieve and sustain national unity and identity. At the same time the states will be able to nurture, protect and enhance their regional cultures institutions and also contribute to national cultural development. Together the federal government and the states will be able to develop and sustain the nation's cultural diversity and social pluralism.
- A federal system will also be better able to respond to the external threats to national security and the challenges of globalization by strengthening the nation-state's capacity to deal with its critical internal problems and development.

10. As a special metropolitan local government, Metro Manila, the present national capital, will have the structure of a state and will be able to deal more effectively with its problems as the nation's principal metropolis. A planned new federal capital at the former Clark Air Base in Central Luzon will enable the federal government to function more efficiently by having the principal institutions and offices of the federation located in proximity to one another and accessible to Metro Manila by rapid transit.

It has been recognized that federalism is not a panacea for solving all governance problems. However, given the abovementioned hypotheses as rational, it will improve Philippine governance. As mentioned earlier, the structure of a federal government will empower the people and accelerate the country's development.

The following is a ten-year preparation plan prepared for the adoption of a federal government¹⁵:

Year	Action
One	 Setting up of an institution (may be based in an academic institution, or may be a network of consortia of institutions) that will serve as the base of information related on federalism (databank on models of federal governments, facts and figures on proposed states, and current local governments, proceedings of local and international conferences on federalism, devolution and local autonomy, policy papers and position papers on federalism, etc. Design of a web-page on the Federalism Movement in the Philippines Laying the groundwork for a network on federalism (civil society, academe, "politicians", etc). Full implementation of decentralization as defined by the Local Government Code that is fundamental in laying the ground for local autonomy of sub-national institutions which is the lynchpin of federalism
Two	 Formalization of the Network of Federalism ID Cards issued to members of the Movement for a Federal Republic of the Philippines (MFRP) Recruitment of members of MFRP Organize local chapters for the MFRP Network with international organizations supportive of federalism (such as the Canada-based International Forum of Federations) to harness their support Launching the web-page on the MFRP Conduct of public consultations on amendments on the Local Government Code¹⁶ Begin the massive information dissemination campaign for federalism
Three	 Organize local chapters for the MFP Conduct of public consultations on amendments on the Local Government Code Conduct seminars, workshops, conferences on Federalism
Four	 Implementation of amendments to the Local Government Code within the context of full devolution Conduct seminars, workshops, conferences on Federalism

¹⁵ Brillantes, Alex, Laying the Groundwork for Sustainable federalism: A Ten Year Transition Action Plan For Federalism For Good Governence in Towards a Federal Republic of the Philippines with a Parliamentary Government by 2010: A Draft Constitution, Kalayaan College, Marikina, 2002, pp. 86-87.

¹⁶ There is this school of thought that argues that the Local Government Code should be fully implemented first before considering federalism. However, we believe that these two could be implemented in a parallel fashion.

Five	Conduct seminars, workshops, conferences on Federalism
Six	Election of delegates to the Constitutional Convention
	Conduct seminars, workshops, conferences on Federalism
Seven	Holding the Constitutional Convention that would consider the shift from a unitary to a federal form of government
	Conduct seminars, workshops, conferences on Federalism
Eight	 National government agencies affected by federalism will conduct an inventory of resources and equipment that will be affected by the federalism process Conduct of consultation with personnel of national and local government agencies that will be affected by federalism
	Conduct seminars, workshops, conferences on Federalism
Nine	Conduct seminars, workshops, conferences on Federalism
Ten	 Adoption of the Constitution of the Federal Republic of the Philippines Conduct seminars, workshops, conferences on Federalism

IV

Issues and Concerns

The Philippine politico-administrative system is replete with examples of tensions between a highly centralized governmental structure and the demands for autonomy among the various component local units: at one level, there is an imperative for a dominant and assertive leadership necessary for the consolidation and even the very survival of a weak state; at another level, there is demand among component local institutions for autonomy from the central government in order to enable them to become more responsive to local situations and, paradoxically, strengthen a weak state. There is also the cyclical Moro uprising that disturbs the peace in Mindanao and destabilizes the economy of the country. A weakened economy, political instability, rapid population growth, etc. are concerns that challenge Philippine governance. Various reforms and strategies have been tried to improve governance. The undergoing consideration on revising the 1987 Constitution and adopting federalism is the latest development.¹⁷

Issues and concerns regarding the conversion to federal system from the present unitary structure have to be confronted. Federalism is touted as a possible means to resolve provincial disparities in the country and end the war and development problems in Mindanao brought by separatists' movements, since the structure allows for national and regional units of government to have distinct and overlapping jurisdictions. However, as some would point, the Moros want a separate nation not autonomy. The creation of the Autonomous Region of Muslim Mindanao (ARMM) ended the tensions for a while but then it resurfaced. Nevertheless, this provided a space for defining the issues and differences. Senator Pimentel believes the federal system will dissipate the recurrent Moro Armed uprisings by giving them a federal state of their own which will develop and promote their unique culture. A point to be considered, however, is on whether the Moros will find a federal state of their own an acceptable alternative to their separatist goal. Compromise between the government and the Moros, therefore, is needed.

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¹⁷ Lifted with revisions from the paper presented by Dr. Brillantes at the International Conference on the New Developments in Local Democracy in Asia: Appraising a Decade of Experience, Problems and Prospects", 2002.

Another concern that should be addressed in pushing for a federal system is the capacities and capabilities of the state and local governments. While preparing for federalism, the government should be more decentralized. It is necessary to promote and develop self-reliance in the local governments that will be converted to states. They should have the capability and resources to function effectively as states under a federal government. They should be enabled to respond to the needs and demands of the community and fulfill their roles under a federal set-up. Parallel movement, therefore, of devolution and federalism is vital.

The move toward federalism should be purposive and deliberative. The process should also be participatory and broad-based. Various sectors of society must be involved to effect change that will be beneficial to the nation. Time to study, discuss, debate and consider other alternatives for change is important. As Abueva put it, "we should not repeat the haste under pressure in making our present (1987) Constitution."

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