

Human development under the Duterte administration

Human resources development (HRD) is one of major initiatives of the National Competitiveness Council (NCC) for the Philippines' global competitiveness. The seventh of the 10-point socioeconomic agenda of the Duterte Administration is about "investing in human capital development, including health and education systems, and matching skills and training."

To create a clear understanding of the agenda, the President said in his 2017 State of the Nation Address, "Kayong mga Pilipino nakikinig sa akin ngayon. Magpa-hospital kayo, ako ang magbayad, tatal hindi man nila ako madamanda." (To all Filipinos listening to me now. Go to hospitals, I will pay for it. Anyway, they won't be able to sue me.)

Human development approach

President Rodrigo Roa Duterte and his socioeconomic team announced a novel approach to achieve the new Administration's socioeconomic agenda. The "human development approach" in the delivery of education, health, and housing services is a welcome change. The emphasis will be on increasing the quality, accessibility, sustainability, and innovativeness of the

socioeconomic programs, through private sector involvement. The 2017-2022 Philippine Development Plan (PDP) aims to implement government "policies, plans and programs anchored on the people's collective vision, to uplift the living conditions of every individual, induce the expansion of the middle class, and achieve a society 'where no one is poor.'"

President Duterte's PDP broadens public sector involvement, as well as connection to local and global value chains. The danger is that this might lead to privatization and might not be totally accessible to the poor. The challenge is how to manage the contradictory goals and strategies.

AmBisyon Natin 2040

Socioeconomic Planning Secretary Ernesto Pernia launched in June 2017 the "AmBisyon Natin 2040", a collection of Filipinos' living aspirations for a better future. The vision is structured along the pillars of *Malasakit* (i.e., enhancing the social fabric), *Pagbabago* (i.e., inequality-reducing transformation), and *Patuloy na Pag-unlad* (i.e., increasing growth potential). These collective dreams and aspirations of the Filipino people include the

following milestones:

- By 2022, the Philippines will be an upper-middle income country, with a 7 to 8 percent GDP annual growth

- Poverty rate will decline from 21.6 percent in 2015 to 14 percent by 2022

- Unemployment rate will go down to 3-5 percent by 2022, from 5.5 percent in 2016

Other targets are higher trust in government and society, more resilient individuals and communities, and a greater drive for innovation. Specific results expected include peace and security, infrastructure development, resilient communities, and ecological integrity.

Human development index

Development is not only measured through economic gains but also through improvements in wellbeing and living conditions.

Human Development Index (HDI) is a composite statistic of life expectancy, education, and per capita income indicators.

These are used to rank countries into four tiers of human development. The index was developed by Indian economist Amartya Sen and Pakistani economist Mahbub ul Haq, and published by the United Nations.

* Human Resource Development

HUMAN DEVELOPMENT UNDER THE DUTERTE ADMINISTRATION

The Philippines ranks 115th out of 188 countries in the recent HDI report. In the ASEAN, we're slightly ahead of Cambodia, Myanmar and Lao PDR, while Singapore, Brunei, Malaysia, Thailand, Indonesia and Vietnam are ahead of us in health, knowledge, and income aspects.

The socioeconomic managers need to work together to accelerate plans and strategies for Millennium Development Goals (MDG) achievement that should lead to a higher HDI. The PDP hopes to generate more revenues through macroeconomic policy reforms, such as the TRAIN (Tax Reform for Acceleration and Inclusion Act); increasing the competitiveness of industry, agriculture and fishery and service sectors; accelerating infrastructure development; fostering good governance and enforcing the rule of law; social development; and peace and security.

Budgetary support

Analysts observe that "having a vision is one thing, and providing the necessary budget towards realizing it is another." Considering the 2017 General Appropriations Act (GAA), there seems to be a gap between the promise of social development in the PDP and what Filipinos can expect.

For education, a 6% appropriation of the country's gross domestic product (GDP) is needed to realize the promise of free tertiary education. While a law granting full tuition subsidy for students in state universities and colleges was passed, the GAA did not fund this initiative. For public health services, Health Secretary Paulyn Ubial believes that "an additional P57 billion is needed to bring the doctor to patient ratios near the Cuban Health System or the World Health Organization (WHO) standards." On housing, the "gold standard" target is roughly 2% to 5% of GDP in order to "close the gap of 5.5 million housing units or to build some 2,600 socialized housing units per day."

In fairness, the 2018 education budget of P637 billion is 32% higher than this year's and the budget of the Commission on Higher Education (CHED) also increased by 237% to P18 billion. However, the total education budget is only 2% of GDP, and Budget Secretary Benjamin Diokno admitted that the "government cannot afford the P100 million budget for the new free college education act."

The 2018 health budget is up by 19%, to P149 billion. However, P50 billion was allocated to expand health financing under Philhealth. The budget for service delivery networks was cut by 10

percent, and only P7 billion is allotted each for Health Human Resource Development and the Doctors to the Barrio Program, not enough to close the doctor-patient ratio gaps.

Housing budget is down by 54% to P15 billion, which will be shared by the National Housing Authority, Social Housing Finance Corporation, the National Home Mortgage Finance Corporation, and the Housing and Urban Development Coordinating Council, which is now under the Office of the Cabinet Secretary. This will not close the huge housing backlog of 5.5 million units, plus the additional 1.5 million units under the 2017 PDP.

President Duterte and his socioeconomic team have set an ambitious plan for raising the standards of human development for Filipinos. The plan is commendable, considering that the Philippines is on a catch up mode with its Asian neighbors. However, at least this year, the budget does not seem to explain how the team will make the plan a reality, when the budget's priorities are "peace and security, infrastructure development, and the war on drugs."

Of course, planning is one time; implementation is another.