

Poverty, development and 'Red' Duterte

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The true color of Duterte should show in the way he addresses poverty and development.

Suppose yellow represents status quo or development-as-usual, and red a radical break from it. Where does that put President Rodrigo Roa Duterte (PRRD)?

Since PRRD dislikes, or is not friend to 'yellows', could he then be red? Not necessarily. His personality may easily lend to bold colors, but could you pin him down to one? If you're doing his portrait, you'll probably get dizzy with your subject's constant motion.

Can you really paint anyone in one color? To use a cliché, the world is grey, much of it anyway. Libertarians can be climate change deniers, and conservatives just the opposite. If you loop and connect the ends of a development-environment spectrum you might find conservatives and greens sitting side by side.

What's activist background got to do with PRRD's color?

Duterte belongs to that early generation of KM heavily drilled on the 'tatsulok,' a popular pedagogical tool that graphically illustrates highly skewed class structure in our society. The rich at the top, the masses at the base, and a narrow middle class squeezed in between.

In the KM book, the caricature alternative is to invert the triangle, a dream scenario where the masses are liberated from exploitation and oppression. Otherwise, it's status quo, and that means a society in never-ending conflict. As the activist song Tatsulok says it, "Habang may tatsulok at sila (elite, ruling class) ang nasa tuktok, hindi matatapos itong gulo."

In the development or modernization story I'm familiar with, the rich gets richer, the poor poorer. Wealth and power get concentrated in fewer and fewer hands with each passing time. And there's the other collateral damage---the environment---counted as externality, not to mention denial of people's voice and participation.

The story remains the same. It's a bit of a mystery why this has to be when there's universal desire for equality, people's participation and concern for the environment. Inevitable course of history?

The overwhelming vote for Duterte might have been driven by exasperation over the way things are and, so, a desire to change the narrative. I heard it said before the elections, that quite a few expressed their choice this way: 'Sa salbahe na lang ako baka meron pang mabago.' I didn't vote for Duterte because my president was elsewhere, in Uruguay, Pepe Mujica—my icon of humility, simplicity and low-carbon happiness. But it somehow makes sense to me why many voted for Duterte on that motive.

Whenever I think of the modernization narrative the opening lines of Marx and Engels in the Communist Manifesto of 1848 always come to mind:

“Modern industry has established the world market. All old-established national industries have been destroyed. They are dislodged by new industries whose introduction becomes a life and death question for all civilized nations, by industries that work up raw material drawn from the remotest zones, industries whose products are consumed, not only at home but in every quarter of the globe. In place of the old wants, we find new wants, requiring for their satisfaction the product of distant lands and climes. All fixed, fast-frozen relations are swept away, all new-formed ones become antiquated before they can ossify. All that is solid melts into air, all that is holy is profaned, and man is at last compelled to face, with sober senses, his real conditions of life and his relations with his kind.”

I find in these lines very revealing of what to me is the basic DNA of modernization---discounting labor, discounting nature—that has brought us to where we are now. I don't know if PRRD had even read the Communist Manifesto or if he'd give a damn if he had. Pope Francis, my closet communist who said communists are closet Christians, seems to be more knowledgeable as indicated by his condemnation of capitalism.

How much of his activist education comes into play in the way the President thinks is hard to tell. My sense is, and regardless of contradictions, his heart instinctively goes out for the “agrabyado” or the oppressed. This need not be interpreted in class terms.

But what has he really got to offer that's different with respect to poverty and development? Maybe, nothing fantastic, nothing game-changing. Maybe it would be development-as-usual, just tweaked differently and bolder in some respects.

He commits to bring down poverty to 14 percent under his watch. Let's see when he steps down in 2022. A ten percent reduction by one regime is not bad by comparison to the

combined achievement of all five post-Marcos regimes. To be fair, PRRD needs only to show firm indication that poverty will become history and the country will be on its way to sustainable development.

The MDG commitment of PRRD's two immediate predecessors--PGMA and P-Noy---was to cut poverty by half or down to 17 percent by 2015 from the 1990 baseline of 35 percent. The old stats were adjusted downward on account of new methodology. By 2016 poverty incidence was still at 25 percent or about 25 million Filipinos or more.

But our commitment to the UN 2030 Agenda for Sustainable Development is poverty eradication, not just reduction, by 2030 at the latest. Will PRRD back out of that because he's not a big fan of the UN? I think, like many of us, he wants to see a Philippines free of poverty sooner than 2030. The question is how.

PRRD came to power promising real change. For a country inured to nice words and promises this may not count for much. And as Marx once put it, the road to hell is paved with good intentions. Words tell something, but action is the test of intent.

What has PRRD done so far?

He's done a first none of his predecessors did—to invite Reds into his Cabinet. He's revived the peace talks with the CPP-NPA-NDF and offered an olive branch to other insurgents, like the MNLF and MILF, and other sources of unrest like the *lumads*. He has dialogued with leaders of mass movements. All these augur well for peace and development.

He has unleashed a campaign against illegal drugs on a scale never seen before in our country. The casualties are many and the daily body count continues to mount. He wants emergency powers to solve the traffic problem. He's already declared a national state of emergency specifically aimed at the Abu Sayyaf who was supposed to be responsible for the recent Davao bombing. Most of all, he's unnerved many with his martial law-speak. His particular bias for the military and police hints at something ominous for his opponents.

Does Duterte see all this as necessary for peace and development? Maybe. He may be that sort of leader who would resolve the peace-development dilemma in favor of having peace first before development.

PRRD has set on a different foreign policy track that upsets old standing relationships. Does it mean veering away from neocolonial development associated with US imperialism? Will China now be the main source of foreign financing for Philippine development? That seems likely.

He's outlined a 10-Point agenda and created a broad-spectrum Cabinet to flesh and carry it out. What does that agenda hold for us? The agenda covers tax reform, competitiveness, infrastructure, ARD and rural tourism, investment in education and health care, foreign direct investment, science and technology and creative arts, social protection and cash transfers, population, environmental protection. A mixed bag of everything that includes the bottom poor and the super-rich. Will it bring us a poverty-free future?

Duterte wants to see the country industrialize. A classic modernization thinking. But how is he going to transform an economy dominated by big corporations and a few billionaires who control the commanding heights given up by government? Can we rely on these economic elites who make their money mostly from the services-oriented economy, driven by remittances and consumerism, to lead us to industrialization?

Industrialization is also the main reason PRRD cited why he hesitated to sign the Paris Agreement. Rightly so, he thinks this climate accord is unfair to developing countries and limits the Philippines' chances to achieve the modernization goal. Does this suggest license to pollute the environment? For one, he's thinking coal, a major energy source that in his view would power us to industrialization.

Also, indications point to a fossil-intensive growth plan. The President's economic planners justify that their energy program balances energy security, environmental sustainability and economic competitiveness. How's that exactly?

Coal is here to stay, according to Energy Secretary Alfonso Cusi, arguing that it is the single-biggest source of electricity for the country today. Coal accounts for 45 percent in 2015 compared to one percent share when first introduced as a power source in 1981. This share is expected to increase considering the approval of new coal-fired power plants by the Aquino administration.

Now we're faced with the even more controversial nuke. Not long after saying No to nuclear energy, President Duterte changed his mind and gave in to Cusi's pushing to reactivate the mothballed 40-year old Bataan Nuclear Power Plant (BNPP). Secretary Cusi said that the \$2.3 B BNPP built by Westinghouse in 1976 could be rehabilitated within two to four years at an estimated cost of \$1 billion to generate 621 megawatts of electricity. The nuke pushers are just waiting for the sign. We should learn from our \$2-B BNPP debt that at the end of it all we're left saddled with \$22 B loss for a folly that's hard to live down.

Any chance for green industrialization under Duterte? Green industrialization which derives from green economy just might have more than a 'Chinaman's chance' (pardon the racist connotation) under Duterte. Green economy means an economy that protects the environment and keeps human activity within ecological limits. Green economy is powered by renewable energy. It is a pillar of sustainable development that meets the needs of the present generation without compromising the ability of succeeding ones to meet their own. It is at the heart of the 2030 Agenda.

The Philippine Development Plan (PDP) 2017-2022 offers some clue where and how we're going. We know it's fed by outputs from many quarters, especially from a series of summits covering the whole range of political, socioeconomic and environmental concerns. In other words, the PDP embodies shared, if not competing, demands from a broad spectrum of common and partisan interests.

The PDP process itself is guided by Ambisyon Natin 2040 and mandated by Duterte's EO 5. The wish is, "by 2040, the Philippines shall be a prosperous, predominantly middle-class society where no one is poor. Our peoples will enjoy long and healthy lives, are smart and innovative, and will live in a high-trust society." The dream is to build a family-centric life "free from worry and hardship, having the comforts of a car, a medium-sized home, the ability to send all their children to college, taking occasional trips around the country and having the time to relax with family and friends." For the assumed family of four, this means a monthly income of PHP 120,000 where Malaysia is today.

Not impossible, but perhaps, a high-carbon one.

But then again, these are just words, words, words. To find out where we're headed, we need to look at the budget.

The 2017 National Budget—the first budget of PRRD—promises to set in motion the process for real change. It's taglined "A budget for and by the people. A budget for real change—in the here and now."

The core problem identified is erosion of faith in government cited as the result of long periods of frustrations on account of outstanding unmet needs, such as, for instance, relief from hunger and poverty, security against crimes and lawlessness, ease of travel to and from workplaces, job opportunities and skills for productivity. The nagging puzzle that the budget seeks to solve which is also foremost in people's mind is why despite the much-hyped high GDP growth the reduction in poverty and inequality is agonizingly slow.

So how is the 2017 Budget going to be different? Will it reduce poverty and inequality in a significant way and faster. Will it initiate a break with the growth-driven, free market

modernization paradigm? Maybe not, otherwise they would have seen this paradigm as being at the root of why the working people and the environment always get sacrificed in the name of development.

No break with the dominant growth paradigm, that's almost for sure. At most it will be striving to make changes from old ways in order to include the heretofore excluded among our people and regions. It would be a striving for a bit of equality, at least by geography.

The 2017 National Budget is a definitely growth budget just by its sheer size—P3.35 trillion from P3.002 trillion in 2016. Increases in allocations for education, health, and social welfare, environment, agriculture and rural development are much welcome. But reduction in disaster budget is very disappointing. More, I wish there were bigger allocations to close the deficits in infrastructures that have the most meaning to the poor---rural roads, water and sanitation and home electricity. That too is a big letdown.

The 2017 National Budget is a budget to carry out the regime's mantra of "build, build, build" and sets the stage for the so-called golden era of infrastructure in the Philippines. The massive road building is biased in favor of motor vehicles. However, the program for bus rapid transport and railway system makes for sustainable transportation.

The sustainable agriculture and rural development, based on land reform favoring small farmers remains unclear and could be undermined by modernization of the countryside. It's not yet clear how government is going to support micro, small, and medium enterprises in ways that will make them major players in the economy.

The deficit spending would not be a big issue if the budget delivers the kind of growth that would enable us to pay back our legitimate debts. Government must repeal the automatic appropriation law on debt service that has been bleeding our resources dry yet keeping us in debt forever.

In all, there are Leftist shades but not enough signs to tell us we're headed for a real change toward justice and sustainability.

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