Migration, local development and governance in small towns: two examples from the Philippines

Charito Basa and Lorna Villamil
with
Violeta de Guzman

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ABOUT THE AUTHORS

Charito Basa is a freelance development and research consultant based in Rome, Italy, who specializes in gender, migration and development issues. She is founder and the moving spirit of the Filipino Women’s Council (FWC), an organization of Filipino women migrant workers in Rome. She has become a major spokesperson on migrant issues in Italy, and has worked for many Italian and international organizations helping them manage development projects, conduct research and foster networking.
E-mail: mindoro@tiscali.it

Lorna G. Villamil is founder and director for planning and finance of the Philippine Center for Policy Studies and member of the Philippine Human Development Network. She has been involved in research and advocacy projects on governance, human development, and financial literacy.
Address: 66 Matahimik St., Teachers Village, Diliman, QC, Philippines 1101.
E-mail: lornagvillamil@gmail.com

Violeta de Guzman is a freelance writer, editor and researcher. A journalist by profession, she was deeply involved in labour, peasant and tribal Filipino organizing for almost three decades.
E-mail: kbocsviol@yahoo.com

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Human Settlements Group
International Institute for Environment and Development (IIED)
3 Endsleigh Street
London WC1H 0DD, UK
Tel: 44 20 7388 2117 (international); 020 7388 2117 (UK)
Fax: 44 20 7388 2826 (international); 020 7388 2826 (UK)

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1 Introduction

Migration has long been a survival strategy of the Philippine poor, with both positive and negative implications for migrants and communities that send and receive them. This study explores the ways in which international and national migration influence the development of small urban centers and the role of local government in maximizing mobility’s positive impacts and mitigating its negative consequences for the benefit of the entire community.

Previous studies on the interaction of migration, development and governance in small urban centers in the Philippines have generally focused on remittances from overseas workers and their impact on national development. Although there is growing recognition of the importance of internal migration to the development of small towns and cities, there is very little material that deals with this topic. This gap limits our capacity to draw strategic insights on governance, migration, development issues and their linkages.

Small urban centers are projected to grow faster than other urban centers for the next two decades, as ‘the glaring trend is that smaller towns and cities are starting to have higher population growth rates than larger cities, indicating that internal migration has started to favor smaller urban centers as areas of destination.’ (Osias, 2008). This underscores the significance of small urban centers vis-à-vis migration and development, and vice-versa. At the same time, it is difficult to make generalizations on the nature, experiences and trajectories of small urban centers. This also applies to the two towns described in this study, Mabini and Guiguinto, which are located in two of the three most populous regions in the country, Southern Tagalog (Mabini) and Central Luzon (Guiguinto). Guiguinto’s official website\(^1\) identifies it as one of the fastest growing towns of Bulacan province. Conversely, in recent years the increase in Mabini’s population has not been significant.

1.1 Mabini: a ‘sending’ town

The Mabini case study presents the evolution of a farming and fishing community into a small urban center, largely as a result of overseas migration. Mabini is primarily a ‘sending town’ with almost 15 percent of its population\(^2\) living in other countries. Many families in Mabini rely on overseas employment to escape poverty and ensure economic security.

Our research showed that widespread poverty and lack of opportunity drove many of the town’s residents to migrate, at first to Mindoro, then to Manila and other large urban centers, and finally to other countries. The government’s labour export policies paved the way for the surge in international migration from Mabini. Today, the town has more than six thousand overseas workers who send monthly remittances equal to twice to three times the average monthly income (National Statistics Office, 2009), creating a large pool of local consumers with higher than average spending power.

In spite of these positive developments, overseas employment and remittances have also had negative effects. Fewer and fewer people farm and fish, as a result food production has decreased while food imports have grown with corresponding implications for food security in Mabini. The price of land has also increased in response to demand from overseas workers.

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1 www.guiguinto.gov.ph/P_history_gto.asp.
and from foreign and Filipino investors. Another problem is the growing gap between the *haves* (i.e. overseas workers and their families) and the *have-nots* (i.e. internal migrants and subsistence fishermen). While the situation in Mabini for poor internal migrants may be better than in the communities they left, they still have to deal with the high cost of living, low wages, dangerous and difficult working conditions, violations of labour laws, and discrimination. Other than public education, government fails to provide them with other equally important basic services such as health and housing assistance.

The interviews conducted for this study in 2007, just after the local elections, suggest that Mabini’s local government does not have the trust of its constituents. Interviews with residents, including businessmen, teachers, relatives of overseas migrants and internal migrants, revealed a largely negative perception of local government and politics in general. This is a serious stumbling block to the development of a genuine and effective partnership between the local government and its constituents.

1.2 Guiguinto: a ‘receiving’ town

Guiguinto is primarily a ‘receiving town’ where internal migrants have had a greater impact on the town’s development than overseas workers. The town appears to provide enough economic opportunities to attract not only the urban and rural poor, but also middle class professionals and entrepreneurs. Its proximity to Metro Manila and good access infrastructure mean that residents can avoid the congestion and high costs of property in Manila. Although international migration does exist, it has been limited in scope.

In the last decade, Guiguinto’s economy has diversified while maintaining a strong agricultural base and self sufficiency in rice and other food items. The development of the horticulture industry (initiated by poor internal migrants and supported by the local government) has raised the income of those directly involved in growing ornamental plants. Since 1998, the local government has been an important driver for development, transforming Guiguinto from a rural to an urban settlement and delivering basic social services, including housing for low-income internal migrants. While there are still serious problems related to unemployment and low wages which largely reflect those of the Philippines as a whole, interviews with local businessmen, women leaders, returning overseas workers and government employees reveal a generally optimistic outlook for Guiguinto.

These two towns provide contrast and comparison in the development approaches they use. In Mabini, the study noted a concentration of decision making in the hands of elected officials which is characteristic of traditional Philippine politics. In Guiguinto, local government achieved a certain level of success in encouraging people’s initiatives and improving participation in the political processes.

The study is divided into seven parts. Following this introduction, section 2 summarises the methodology used. Part 3 presents an overview of international and internal migration in the Philippines. Macroeconomic indicators and statistics from national surveys and census are presented, with emphasis on migration and regional development data. Part 4 focuses on the national policies of regional development, labour export and decentralization. Parts 5 and 6 describe the case studies, and finally Part 7 discusses the observations and draws conclusions.
2 Methodology

The study employed qualitative research techniques, using focus group discussions (FGDs) and key informant interviews. FGDs were conducted with young people (high school students), barangay leaders, internal migrants, and informal settlers. Key informants consisted of a former mayor, barangay captains and councilors, women’s group leaders, families and relatives of overseas workers, local government personnel, businessmen, former overseas workers, nongovernment organization representatives and internal migrants. Discussions focused on overseas work and its economic and social dimensions, internal migration, the history of the towns, respondents’ vision of the towns’ future, and the role of local governments in the towns’ development, among others. Municipal records were collected to supplement the interviews (see references section for a detailed list of documents consulted). The town of Guiguinto had a good recording system and pertinent documents were made available to the researchers. The local government of Mabini provided less information as much of the previous administration’s records were lost after the local municipal elections and the change in the party in power. Research reports and publications on Mabini filled in some of the gaps, though most, if not all of these resources focused on out-migration and the effects of remittances on recipient households and on the community. This is perhaps unsurprising given the reputation of Mabini as a centre of international outmigration.

Unfortunately, published data from census and national surveys are only disaggregated to the regional and provincial levels. Official data from the national census pertaining to towns and villages are limited to population figures. Fortunately, Guiguinto was included in the first round of a nationwide Community-based Monitoring System (CBMS) that collected household data at the barangay level (the lowest administrative level) on key poverty indicators such as health, nutrition, shelter, water and sanitation, education, income, employment, and peace and order. 2004 CBMS data for Guiguinto provided the local government with the information that it used for assessing poverty levels and for planning.

3 Overview

3.1 The Philippines

The Philippines is an archipelago of 7,100 islands, the largest of which are the Luzon, Visayas, and Mindanao island groups. It has 17 administrative regions composed of 81 provinces. It is further divided into 136 cities, 1,500 municipalities, and 41,975 barangays. Its people come from 110 ethnic groups and speak 170 languages.
The Philippines is classified as a low middle-income country with a Gross Domestic Product (GDP) growth of 7.2 percent in 2007. Per capita GDP was US$ 3,127 for the same period. The contribution of the service sector to GDP was 54.2 percent, industry 31.7 percent, and agriculture 14.1 percent (Asian Development Bank, 2008).

The World Bank’s 2009 General Economic Prospects (GEP) Report shows that with the global crisis, the Philippine growth rate is projected to fall to 3 percent in 2009, lower than the World Bank’s initial forecast of 4 percent and lower than the Philippine government’s target of 3.7 - 4.7 percent. The growth projection for the Philippines in 2009 is also lower than that for other South
East Asian countries (Thailand, Malaysia, Indonesia, Vietnam, Laos and Cambodia) which range from 4.6 to 7 percent. The Philippines’ GDP fell to 4.6 percent in the last three quarters of 2008. Diokno (2009) states that ‘the worldwide economic crisis has affected the Philippine economy in three ways: exports have declined, remittances of Filipino overseas workers have slowed, and foreign direct investments have declined.’

The country’s large population has always been cause for concern, and is often cited as a major reason for the persistence of poverty. The 2007 Census of Population counted 88,574,614 people compared to 76,500,000 in 2000. The population growth rate is however declining, although this is of little consolation: the rate from 2000 to 2007 was 2.4 percent, the lowest since the 1960s (see Table 1) and the National Statistics Office estimates that the projected rate will be 1.95 percent in the period 2005-2010 (National Statistics Office, 2000 and 2007).

### Table 1: Philippines: population growth rate, 1960-2007

<table>
<thead>
<tr>
<th>Reference period</th>
<th>Average annual population growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-2007</td>
<td>2.04</td>
</tr>
<tr>
<td>1990-2000</td>
<td>2.34</td>
</tr>
<tr>
<td>1980-1990</td>
<td>2.35</td>
</tr>
<tr>
<td>1970-1980</td>
<td>2.75</td>
</tr>
<tr>
<td>1960-1970</td>
<td>3.01</td>
</tr>
</tbody>
</table>


In 2006, 63.4 percent of the population lived in urban areas (World Bank, 2008). More than one-third of the total population lived in the National Capital Region (Metro Manila), CALABARZON³, and Central Luzon regions. CALABARZON has the biggest population at 11.74 million, followed by the National Capital Region with 11.55 million, and Central Luzon (Region III) with 9.72 million.

The labour force was estimated at 36.22 million workers in 2007, 50 percent of whom work in the service sector, 15 percent in industry, and 35 percent in agriculture. In spite of its low contribution to GDP, agriculture continues to employ a significant number of people. The national unemployment rate was estimated to be 7.3 percent in 2007 (National Statistics Office, 2007).

According to the National Statistics and Coordination Board (2009), 33 percent of the Philippine population in 2006 were poor. However, developments since the start of 2008 may have significantly changed some macroeconomic indicators, as the increase in fuel and food prices may have significantly affected all sectors. In 2007, the inflation rate was 2.8%, rising to an alarming 11.4% in June 2008. The effects of the current global economic slowdown on the Philippine economy and levels of employment may be far more serious, most likely deepening and widening the incidence of poverty.

Balisacan and Hill (2007) point out the unevenness in the economic performance of the regions, with the three leading regions producing fifty-five percent of the total national output. The most developed regions are the National Capital Region (Metro Manila), Southern Tagalog, and

³ CALABARZON is made up of Cavite, Laguna, Batangas, Rizal, and Quezon Provinces. These provinces are the most developed ones of the former Southern Tagalog Region (Region IV). Southern Tagalog was divided into CALABARZON and MIMARO, the latter consisting of Occidental Mindoro, Oriental Mindoro, Marinduque, and Romblon Provinces.
Central Luzon. The National Capital Region (NCR) is the seat of economic and political power, with central government located in Metro Manila and a concentration of manufacturing and service industries. In addition to the numerous public and private preschools, primary and secondary schools, the best and the largest number of tertiary schools in the Philippines are also located in the NCR. Given the high premium Filipinos place on education, these schools attract many migrants from other regions.

The three regions also have the highest national employment rates (Esguerra and Manning, 2007) as shown in Table 2. The somewhat surprisingly high unemployment rate in the NCR is due to the fact that young and educated people often wait for better white-collar jobs. Less-educated members of poor families, however, immediately grab opportunities in factories and in the service and informal sectors. These jobs tend to offer the minimum wage or less, no stability and very little or no benefits such as medical assistance.

Table 2 describes the quality of labour supply in the Philippine regions. The majority of the labour force (employed and unemployed) have at least a high school education (10 years of schooling starting from the primary level). For many employers this is a good indication of a workers’ ability to read and write.

Table 2 also shows that Northern Mindanao has a low unemployment rate of 0.9 percent despite being one of the poorest regions. This is due to the region's several industrial establishments and large-scale agricultural farms and processing plants.

<table>
<thead>
<tr>
<th>Region</th>
<th>Per capita income (Philippine average = 100)</th>
<th>Share of national employment</th>
<th>Share of labour force with a high school education</th>
<th>Unemployment rate</th>
</tr>
</thead>
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<tr>
<td>NCR</td>
<td>240</td>
<td>13.0</td>
<td>62.6</td>
<td>17.2</td>
</tr>
<tr>
<td>C. Luzon</td>
<td>85</td>
<td>9.7</td>
<td>61.7</td>
<td>11.1</td>
</tr>
<tr>
<td>S. Tagalog</td>
<td>98</td>
<td>14.9</td>
<td>64.4</td>
<td>11.4</td>
</tr>
<tr>
<td>W. Visayas</td>
<td>87</td>
<td>8.6</td>
<td>65.7</td>
<td>8.0</td>
</tr>
<tr>
<td>C. Visayas</td>
<td>91</td>
<td>7.0</td>
<td>64.0</td>
<td>11.4</td>
</tr>
<tr>
<td>N. Mindanao</td>
<td>86</td>
<td>6.6</td>
<td>71.7</td>
<td>0.9</td>
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<tr>
<td>S. Mindanao</td>
<td>91</td>
<td>7.7</td>
<td>68.4</td>
<td>11.3</td>
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<td>Ilocos</td>
<td>58</td>
<td>6.5</td>
<td>61.1</td>
<td>8.8</td>
</tr>
<tr>
<td>Cagayan</td>
<td>62</td>
<td>4.6</td>
<td>68.0</td>
<td>3.9</td>
</tr>
<tr>
<td>Bicol</td>
<td>44</td>
<td>6.1</td>
<td>67.1</td>
<td>7.1</td>
</tr>
<tr>
<td>E. Visayas</td>
<td>51</td>
<td>5.1</td>
<td>70.5</td>
<td>8.4</td>
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<tr>
<td>W. Mindanao</td>
<td>61</td>
<td>5.0</td>
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<td>5.2</td>
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<td>6.6</td>
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<tr>
<td>Philippines</td>
<td><strong>100</strong></td>
<td><strong>100.0</strong></td>
<td><strong>64.9</strong></td>
<td><strong>10.2</strong></td>
</tr>
</tbody>
</table>

The National Capital Region, Southern Tagalog, and Central Luzon also have the highest rates of internal migration and overseas contract workers (see Table 3). Esguerra and Manning (2007) concluded that, in the Philippines, leaving home to work abroad or in a more developed region is one of the more effective strategies for getting out of poverty. The inhabitants of the poorer regions of northern Mindanao, Bicol, and the Visayas make do with the minimum wages offered in the more developed regions and the low incomes in the informal sector. Scholars attribute the high rate of out-migration from the National Capital Region to its use as a staging point for overseas employment. This phenomenon, internal migration as a first step toward international migration, establishes a direct link between these two types of movement.


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<td>32.0</td>
<td>66</td>
<td>85</td>
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<tr>
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<td>12.3</td>
<td>6.7</td>
<td>41</td>
<td>22</td>
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<tr>
<td>S. Tagalog (Mabini)</td>
<td>29.1</td>
<td>8.7</td>
<td>68</td>
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<tr>
<td>Subtotal</td>
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<td>47.5</td>
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<td>W. Visayas</td>
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<tr>
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<td>5.2</td>
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<td>25</td>
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<td>N. Mindanao</td>
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<td>7.2</td>
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<td>46</td>
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<tr>
<td>S. Mindanao</td>
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<td>5.5</td>
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<td>Subtotal</td>
<td>18.2</td>
<td>24.3</td>
<td>23</td>
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<tr>
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<td>Cagayan</td>
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<tr>
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<tr>
<td>C. Mindanao</td>
<td>2.1</td>
<td>4.7</td>
<td>14</td>
<td>32</td>
</tr>
<tr>
<td>Subtotal</td>
<td>15.6</td>
<td>28.2</td>
<td>17</td>
<td>31</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>0</td>
<td>36</td>
</tr>
</tbody>
</table>

a - Migration status is defined by the place of residence 10 years preceding the 2000 census.
B - Migrants per 1,000 population aged 10+ in 2000.
C - Total excludes the Cordillera Administrative Region, Autonomous Region in Muslim Mindanao and CARAGA (or Region XIII in northeastern Mindanao)
3.2 International migration

3.2.1 Permanent, temporary and irregular migrants
International Filipino migrants are classified as permanent, temporary, and irregular. The Commission on Filipinos Overseas estimates that in 2007 there were more than 8 million Filipinos abroad, of whom 42 percent were permanent migrants, 47 percent temporary migrants, and 10 percent were estimated to be irregular. These migrants are widely dispersed across the globe. Table 4 shows that the majority of overseas Filipinos are in North America (42 percent), 80 percent as permanent emigrants. West Asia/ Middle Eastern countries are the second most popular destinations for Filipinos (25 percent) mostly as temporary workers (94 percent). The third most popular destinations are East and South Asia (14 percent) with the majority of Filipino migrants working there on a temporary basis (61 percent).

<table>
<thead>
<tr>
<th>Region</th>
<th>Permanent</th>
<th>Temporary</th>
<th>Irregular</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>World total</td>
<td>3,692,527</td>
<td>4,133,970</td>
<td>900,023</td>
<td>8,726,520</td>
</tr>
<tr>
<td>Africa</td>
<td>1,983</td>
<td>69,880</td>
<td>18,540</td>
<td>90,403</td>
</tr>
<tr>
<td>East and South Asia</td>
<td>213,736</td>
<td>747,069</td>
<td>258,640</td>
<td>1,219,445</td>
</tr>
<tr>
<td>West Asia/ Middle East</td>
<td>4,082</td>
<td>2,055,647</td>
<td>121,850</td>
<td>2,181,579</td>
</tr>
<tr>
<td>Europe</td>
<td>284,987</td>
<td>555,542</td>
<td>112,990</td>
<td>953,519</td>
</tr>
<tr>
<td>Americas (USA/Canada)</td>
<td>2,943,812 (2,517,833)</td>
<td>354,352 (128,910)</td>
<td>354,843 (155,843)</td>
<td>3,653,007 (2,802,586)</td>
</tr>
<tr>
<td>Oceania</td>
<td>243,927</td>
<td>84,927</td>
<td>33,160</td>
<td>362,014</td>
</tr>
</tbody>
</table>

Permanent - Immigrants or legal permanent residents whose stay abroad does not depend on work contracts.
Temporary - Persons whose stay overseas is employment related. They are expected to return home at the end of their contract.
Irregular - Those without proper documentation or without valid residence or work permits, or those overstaying their visas.
Source: Commission on Filipinos Overseas, 2008

3.2.2 Remittances
Preliminary estimates of remittances received during 2008 from the above regions by the Philippines Central Bank (Bangko Sentral ng Pilipinas) indicate that they have increased by almost 14 percent from the previous year (see Table 5).
Table 5: Remittances in 2008, in 2007 and percentage change by region, by source, in thousand US dollars

<table>
<thead>
<tr>
<th>Region</th>
<th>2008&lt;sup&gt;p&lt;/sup&gt;</th>
<th>2007</th>
<th>Growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landbased</td>
<td>16,426,854</td>
<td>14,449,928</td>
<td>13.68</td>
</tr>
<tr>
<td>Seabased</td>
<td>3,034,553</td>
<td>2,236,363</td>
<td>35.69</td>
</tr>
<tr>
<td>Africa</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landbased</td>
<td>17,746</td>
<td>16,027</td>
<td>10.73</td>
</tr>
<tr>
<td>Seabased</td>
<td>15,663</td>
<td>14,895</td>
<td>5.16</td>
</tr>
<tr>
<td></td>
<td>2,083</td>
<td>1,132</td>
<td>84.01</td>
</tr>
<tr>
<td>East and South Asia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landbased</td>
<td>1,883,996</td>
<td>1,543,173</td>
<td>22.09</td>
</tr>
<tr>
<td>Seabased</td>
<td>1,556,538</td>
<td>1,273,024</td>
<td>22.27</td>
</tr>
<tr>
<td></td>
<td>327,458</td>
<td>270,149</td>
<td>21.21</td>
</tr>
<tr>
<td>West Asia/Middle East</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landbased</td>
<td>2,502,639</td>
<td>2,172,417</td>
<td>15.20</td>
</tr>
<tr>
<td>Seabased</td>
<td>2,481,969</td>
<td>2,158,784</td>
<td>14.97</td>
</tr>
<tr>
<td></td>
<td>20,670</td>
<td>13,633</td>
<td>51.62</td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landbased</td>
<td>2,658,726</td>
<td>2,351,704</td>
<td>13.06</td>
</tr>
<tr>
<td>Seabased</td>
<td>2,012,320</td>
<td>1,807,238</td>
<td>11.35</td>
</tr>
<tr>
<td></td>
<td>646,406</td>
<td>544,466</td>
<td>18.72</td>
</tr>
<tr>
<td>Americas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landbased</td>
<td>9,213,372</td>
<td>8,244,344</td>
<td>11.75</td>
</tr>
<tr>
<td>Seabased</td>
<td>7,182,336</td>
<td>6,844,536</td>
<td>4.94</td>
</tr>
<tr>
<td></td>
<td>2,031,036</td>
<td>1,399,808</td>
<td>45.09</td>
</tr>
<tr>
<td>Oceania</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landbased</td>
<td>149,423</td>
<td>121,417</td>
<td>23.07</td>
</tr>
<tr>
<td>Seabased</td>
<td>142,523</td>
<td>114,242</td>
<td>24.76</td>
</tr>
<tr>
<td></td>
<td>6,900</td>
<td>7,175</td>
<td>-3.83</td>
</tr>
</tbody>
</table>

<sup>p</sup> – preliminary


Photo 1: A fisherman’s family house in Mabini, with houses in the background renovated with migrant remittances
Labourers and unskilled workers topped (35 percent) all other occupations among Overseas Filipino Workers (OFWs) from April to September 2007 (National Statistics Office, 2008). This category includes domestic helpers, cleaners and manufacturing labourers (see Figure 2).

Figure 2: Percent distribution of OFWs by occupation April-September 2006 and April-September 2007


3.2.3 Gender and age characteristics
During the period April-September 2007, it was estimated that there were slightly more male (50.9 percent) than female (49.1 percent) OFWs. More than half of all migrants (55.2 percent) were under 35 years old, with migrants predominately between 25 and 29 years of age. Female OFWs were generally younger than their male counterparts, and the majority of women migrants were aged between 15 and 34 (see Figure 3).

Figure 3: Percent distribution of OFWs by age group and sex: April-September 2007

Citing the National Statistics Office’s Survey of Overseas Filipinos and the Labour Force Survey (as analyzed by Abella and Ducanes, 2008), the Institute for Migration and Development Issues (2008) reports a recent increase in the number of male overseas workers, although since 2005 the sex ratio has remained balanced, with women accounting for just under half of all migrants (Table 6).

### Table 6: OFWs by sex (in 000s and percentage)

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Total (number)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percentage (%)</td>
<td>Number</td>
</tr>
<tr>
<td>1995</td>
<td>504</td>
<td>56.00</td>
<td>396</td>
</tr>
<tr>
<td>2000</td>
<td>527</td>
<td>53.89</td>
<td>451</td>
</tr>
<tr>
<td>2005</td>
<td>667</td>
<td>50.26</td>
<td>660</td>
</tr>
<tr>
<td>2007</td>
<td>890</td>
<td>50.94</td>
<td>857</td>
</tr>
</tbody>
</table>

*Source: Institute for Migration and Development Issue, 2008.*

Such a trend, which reverses those from previous years, is more clearly visible for newly hired temporary workers in 2007. Table 7 shows that for the first time in twelve years, men outnumber women in this group. This could be partly attributed to the strong demand for male labourers and unskilled workers, especially from Saudi Arabia (19.8 percent of total OFWs) and the United Arab Emirates (12.1 percent of total OFWs).

### Table 7: Newly hired temporary contract workers by sex

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Total (number)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percentage (%)</td>
<td>Number</td>
</tr>
<tr>
<td>1995</td>
<td>89,335</td>
<td>41.71</td>
<td>124,822</td>
</tr>
<tr>
<td>2000</td>
<td>74,707</td>
<td>29.52</td>
<td>178,323</td>
</tr>
<tr>
<td>2005</td>
<td>79,079</td>
<td>27.82</td>
<td>205,206</td>
</tr>
<tr>
<td>2007</td>
<td>160,046</td>
<td>52.24</td>
<td>146,337</td>
</tr>
</tbody>
</table>

*Source: Institute for Migration and Development Issues, 2008*

Based on more recent information from POEA (the Philippines Overseas Employment Administration), Scalabrini (2008) stated that male workers dominated the January to August 2008 overseas recruitment. Of the 800,000 workers (new hires and rehires), 60 percent were male. Again, this is attributed to changing labour demands especially in Saudi Arabia and the United Arab Emirates.

### 3.2.4 Benefits

As for other sending countries, the contribution of international migration to higher incomes, investments in human capital, and the acquisition of assets for households receiving remittances is also important in the Philippines. The UN INSTRAW-IFAD-CFW study (2008) reports that remittances pay for basic household consumption. Tabuga (2007) finds evidence that households receiving remittances use the income for conspicuous consumption and leisure. However, they may also be spending some of their remittances on education, medical care, and housing. Pernia (2008) confirms the important contribution of remittances to households, though he notes that it is the lower-middle and middle-income families who benefit most. In addition to benefits at the household level, communities also gain from the multiplier effects of increased spending on consumption.
The Philippine government’s active management and regulation of overseas employment underscores its interest in protecting and promoting remittances as a source of foreign exchange. Authorities and higher education institutions (e.g. the University of the Philippines and the Asian Institute of Management) recognize the value of international migrants’ exposure to knowledge and skills in host countries to national development. Philippine institutions have courted and engaged expatriate Filipino professionals in science and technology initiatives, although these are still small in scale. Some examples include the national government Balik Scientist (returnee scientist) programme and the UNDP-TOKTEN (Transfer of Knowledge Through Expatriate Nationals) assistance to the Science and Technology and Advisory Councils of the Department of Foreign Affairs. The Advisory Councils link high-level professional and technical expatriates to Philippine public and private institutions (Macaranas, 2008). The Commission on Filipinos Overseas also implements a project to facilitate exchange of knowledge and skills with expatriate Filipinos.

3.2.5 Costs
While increased household income is seen as a positive effect of labour migration, others point to its negative aspects. The more serious problems include brain drain, inequitable income distribution, a culture of dependence, and family breakup. Pernia (2008) cautions that remittances may be contributing to the widening of income inequality. Further, reliance on remittances may postpone crucial policy reforms for sustainable growth that may in fact reduce international migration.

3.3 Internal migration

Early studies on internal migration were linked to population growth and fertility. They coincided with the rise and fall of international development agencies’ interest in the topic but were constrained by the absence of dedicated national survey materials. Some more recent local area studies by Daix (2008), Quisumbing and McNiven (2005 and 2007), and Gultiano and Xenos (2004) reveal the direction of the flow of migration, i.e. rural to urban and rural to rural, and conclude that there is a higher migration rate among women and youth.

Based on their analysis of the 2000 Census of Population, Gultiano and Xenos declare that 82.2 percent of young urban migrants are female, of which 74.3 percent migrated to the NCR. They point to the pattern of ‘youth and female selectivity in urban migration’ from the 1960s onwards. Prior to this period, the movement of land-poor inhabitants from the Visayas to the frontier lands of Mindanao was dominated by men. As the frontier areas were developed and urbanized, the number of female migrants gradually increased and eventually they became the predominant young frontier migrants.

If migrants are examined by age group, the concentration of migrants in the youth ages (15-19, 20-24, and 25-29) is evident, especially in the highly urbanized areas. There is one exception, however: the number of migrants aged 5-9 years is considerably larger in proportion compared to youth migrants. With no data permitting a detailed investigation, one can only presume that these children had migrated with their parents. Voluntary migration, however, appears to be the prerogative of youth (Gultiano and Xenos 2004).

Using the Bukidnon Panel Study, Quisumbing and McNiven followed the movements of the children of the original respondents in the first survey. Internal migration tended to be interprovincial, more in the direction of the National Capital Region and the adjacent regions, and was dominated by women. The number of people over 5 years old who lived in another city
or town in the five years preceding their current residence increased from 2.85 to 3.24 million between 1980 and 1990.

4 National policies

The central government, under various administrations, has crafted strategies and policies that have fundamentally shaped the political and economic development of local areas. Regionalization, labour export and decentralization policies accelerated urbanization rates. Policies to promote growth in areas outside of the National Capital Region have resulted in internal migration. The central government’s assistance to labour export stimulated the out-migration of millions of Filipinos. Decentralization as set out in the 1991 Local Government Code granted autonomy and authority to local governments and empowered people to participate in development processes. In addition to achieving its intended goals, decentralization could potentially maximize benefits from migration and minimize its negative effects.

4.1 Regionalization

Regionalization for national development, i.e. encouraging growth in regions other than the NCR, began in the 1970s. Early regional development policies focused on rural development, agricultural development, integrated area development and environmental protection. Planning and implementation were mainly directed by central government through relevant national agencies and ad hoc regional development councils, in coordination with local authorities. There are mixed views of the impact of these regional development policies. One problem is that accountability was unclear as implementation was carried out by coordinating bodies. In the 80s, under the Aquino administration, central government embarked on several programmes to spread the benefits of economic development by creating regional growth centers. These centers were key cities outside Metropolitan Manila. Despite these efforts, uneven regional growth persisted, encouraging continued migration to areas where government-run and privately-owned special economic zones and industrial estates proliferated. The National Capital Region and the adjacent regions of Southern Tagalog and Central Luzon grew fastest and received the highest numbers of internal migrants. These three regions also reported the highest number of Filipino overseas workers (see Table 3).

4.2 Labour export

Policies to disperse growth away from the National Capital Region coincided with the adoption of labour export initiatives as national policy. The Philippine government, starting with the Marcos administration (1970s), used labour export policies in an attempt to ease unemployment problems and strengthen the dollar reserve. Poverty, limited employment opportunities, low incomes and perceived political instability, together with demands by richer but labour deficient nations, drove millions of Filipinos to migrate.

International labour migration of Filipinos started in the early 1900s, when most migrants were bound for the United States (Garchitorena, 2007). Further migration flows were a response to demand for workers by the United States, Netherlands, other maritime countries, and nations whose economy and infrastructure had been severely affected by the Second World War. Garchitorena explains that the first flow of Filipino migrants to the US (1906-1930) consisted of skilled workers for farms, factories, and military facilities. The second wave was composed of
professionals, i.e. doctors, nurses and engineers, and students on scholarships who were encouraged to migrate, study and work in a rapidly expanding American economy.

The third major movement out of the Philippines (1970s) was the result of the government policy, under former President Ferdinand Marcos, to facilitate foreign employment through the creation of the Overseas Employment Development Board and the National Seamen Board. Assistance to Filipinos was given to secure overseas employment in response to demand from Arab countries for skilled labour for the construction and petrochemical industries. Internally, this would strengthen the dollar reserve and ease unemployment problems that could have aggravated political tensions.

4.3 Decentralization

Political and administrative measures to strengthen local development came a decade after regional development and labour export policies. The objective of decentralization is to make local (LGUs) and central government units partners in the pursuit of national development. In theory, through the decentralization of administration and devolution of central government functions and responsibilities, greater efficiency in resource mobilization and allocation will be achieved if the local government units are given enough authority. Hence, local people will have better access to basic social services.

LGUs are to establish sustainable self-reliant communities with citizens, who are expected to participate in the affairs of government. Through their organizations (non-government organizations or NGOs), local people will be informed of development plans and can voice their concerns directly to elected public officials. NGOs have to be accredited by the Sanggunian (local legislative body) in order to formalize their participation in consultative bodies such as local health boards, school boards, and development councils. Members of the development council are consulted on local development projects. People have the opportunity to voice their concerns and give feedback. This is groundbreaking because it institutionalizes a mechanism for people’s involvement in local governance, beyond intermittent voting for public officials. This implies that people can have a say in the development of initiatives throughout an elected official’s term of office.

The Local Government Code of 1983 called for fiscal autonomy at the local level and governance mechanisms that require accountability, participation and transparency in local government operations. But it was the subsequent Local Government Code of 1991 that clarified the concept of good local governance. Although far from perfect, the intent and design of the 1991 Code empowers local residents and elected public officials to realize local development goals with the participation of citizens. In addition, accountability in the development of territories governed by specific administrative units and the delivery of basic social services was clarified (Government of the Philippines, 1991).

Seventeen years after the enactment of the Local Government Code of 1991, ‘islands of good governance’ are apparent. In the Philippines good governance loosely refers to local governments led by new leaders who have broken political dynasties, actively engage citizens, reform local administrations, govern by the rule of law, fight local corruption, or place people at the center of development (AusAID, 2000; UNESCAP, 2009 and World Bank, 2009b).

The slow implementation of decentralization can be partly attributed to the age-old and debilitating patron-client mindset that permeates the economic and political life of Filipinos. Government affairs are left entirely to elected officials and the average Filipino’s participation in
politics begins and ends with the vote. Although legal provisions for transforming this political tradition are in place, the problem persists. This is partly attributed to the lack of awareness by Filipinos on the power they have to influence local development even at the village or barangay level, the lowest unit of administration.

In areas where there is a strong presence of out-migrants and internal migrants, their organizations and support groups could take advantage of the opportunity to influence local development to promote their group’s interests and have a voice in local governance. This is all the more imperative as local government units tend to overlook the issues that arise from internal and international migration, and their potential benefits.

4.4 Case study: the town of Mabini

4.4.1 Background
Mabini is located on the southwestern tip of Batangas province, 19 kilometers from Batangas City, the provincial hub of economic activity, and 127 kilometers from Manila. It takes about 2 ½ hours to get to the town from Manila by private transport and 3 to 4 hours by public transport. The fare costs less than US$5.

Photo 2: The port in Mabini

Batangas is one of the fastest growing provinces in the high-growth region of Calabarzon. Mabini, however, is not within the radius of Calabarzon’s industrial development area. It is located in the Calumpan Peninsula and surrounded by Batangas Bay in the east, Balayan Bay in the west, and Verde Island Passage in the south. Northern Mabini provides the land bridge to the rest of Luzon through the town of Bauan. Eastern Mabini, southern Bauan and Batangas City share the shorelines of Batangas Bay. An international port in Batangas City and smaller
ports in three other localities have been constructed to take advantage of the deep waters of Batangas Bay and provide transit points to the southern islands.

Mabini’s geographical location and features (a long coastline, hilly terrain, and lack of rivers) have both positive and negative influences on its development. The long coastline and rich marine life provided livelihood opportunities, through small scale commercial and subsistence fishing, for people living in coastal barangays. Despite the hilly terrain and reliance on rain for irrigation, people farmed in uplands and gardened in their backyards producing fruit, vegetables, and rootcrops primarily for local consumption, selling only part of the harvest in nearby communities. These conditions, however, could and cannot support large scale rice or corn production, and Mabini imports rice, mainly from the nearby island of Mindoro.

**Figure 4: Location of Mabini**

Source: [http://en.wikipedia.org/wiki/Mabini,_Batangas](http://en.wikipedia.org/wiki/Mabini,_Batangas)
In the 1970s Mabini was a 5th class municipality (6th class being the lowest based on income), with an annual income of between US$ 212,766 and US$ 425,532. In 2008, the Department of Finance reclassified Mabini as a first class municipality because its annual income had reached an average of US$ 1,702,127.

The National Statistics Office and Office of the Municipal Local Civil Registrar estimate that the municipality’s population was 42,334 in 2008. According to Mabini’s Comprehensive Land Use Plan 2003-2012, the largest population increases occurred during the 1980s and 1990s corresponding with the construction of factories, ports, resorts and overseas workers’ homes. The subsequent operation of these factories, ports and resorts created jobs attracting many internal migrants. From 1980 to 1990, the annual population growth rate averaged 2.3 percent and the total number of inhabitants increased by 6,817. More recently, however, data from the municipal government shows that the population has not increased significantly (see Table 8).
Table 8: Mabini population, 1918-2000, 2006-2008

<table>
<thead>
<tr>
<th>Year</th>
<th>Total population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1918</td>
<td>11,925</td>
</tr>
<tr>
<td>1970</td>
<td>19,522</td>
</tr>
<tr>
<td>1980</td>
<td>23,637</td>
</tr>
<tr>
<td>1990</td>
<td>30,454</td>
</tr>
<tr>
<td>2000</td>
<td>37,474</td>
</tr>
<tr>
<td>2006</td>
<td>41,247</td>
</tr>
<tr>
<td>2007</td>
<td>41,798</td>
</tr>
<tr>
<td>2008</td>
<td>42,334</td>
</tr>
<tr>
<td>2009 (May)</td>
<td>42,524</td>
</tr>
</tbody>
</table>


4.4.2 Local economy: tourism
In the 1960s, divers discovered rich coral reefs in the waters between Mabini and Tingloy, which have now become the nation’s premier dive site (Oracion, Miller and Christie, 2005). By 1994, about 10 percent of the local labour force was employed in tourism-related jobs, as waiters, dive guides, boat operators, and domestic workers in resorts and diving camps. Most of these jobs, however, were semi-skilled or unskilled and low paid, and usually filled by internal migrants. As fishing declined, some local fishermen who owned boats started the more profitable activity of transporting divers to dive sites. By 2003, tourism accounted for 34 percent of the town’s income (Salao et al, 2007).

Improvement to Mabini’s infrastructure, communication facilities, electricity and water supply, can be partly attributed to the influx of tourists. Roads needed to be improved to facilitate travel to the dive sites from Manila making it more comfortable and faster. Improving water and electricity supplies was also necessary if resorts were to attract guests. In addition, some local residents sold their land to wealthy Filipinos and foreigners for the construction of resorts or vacation homes. Businesses catering to the needs of divers and tourists multiplied. Government revenues escalated due to real estate, business taxes and tourist dive fees. For a fee of US$ 2 a day, divers can access dive sites off both Mabini and Tingloy. From 2003 to 2006, dive fees amounted to US$ 112,563 (Salao et al, 2007).

Tourism has, however, contributed to increases in the cost of living and the decline of the fishing industry. Land prices have gone up and the designation of marine protected areas and fish sanctuaries has limited fishermen’s access to traditional fishing grounds. There is conflict between resort owners (the most powerful stakeholders) who want to preserve Mabini as a destination for affluent tourists, and subsistence fishermen (the weakest stakeholders) who want to increase their catch. So far only wealthy foreigners and Filipinos who own resorts and diving facilities have benefited from growth in this industry, not local residents.

4.4.3 International migration
Poverty and lack of opportunity pushed the people of Mabini to move away, first to the island of Mindoro, then to Manila and other large urban centers, and finally to other countries. Mindoro was a logical first choice. It is not too far away, only a two hour ferry trip from the Batangas City pier and its economy is agricultural, producing rice and several kinds of fruit.
In the past, migrants from Mabini worked on Mindoro during harvest time, when extra hands were needed and it was easy to find temporary employment. Subsequently, many families moved and settled permanently. This migration was supported by the national government’s policy to encourage settlement in the hinterlands. A homestead system was established, which allowed the government to give 16 hectares of uncultivated public land to any individual who could clear and cultivate it. In the 1950s, President Ramon Magsaysay urged landless people and members of the HMB (the People’s Liberation Army) to resettle in Mindoro, Palawan and Mindanao (Gutierrez and Borras, 2004). Mindoro became the new Land of Promise.

In the 1960s, migrants from Mabini began to move to Manila where several found employment in the textile mills, while the international exodus started in the early 1970s, when numbers of Mabini residents gained employment in the US and Germany as nurses or seafarers, in Italy as domestic workers, and in Abu Dhabi and Saudi Arabia as construction workers. Overseas contract-based employment became more frequent in the 1990s, as social networks facilitated the travel and employment of successive waves of domestic workers in Italy, Hong Kong, Singapore, Spain, and Israel. More migrants from Mabini have found employment in Italy as domestic workers than anywhere else in the world. Today, international migrants from Mabini are employed as professionals, semi-skilled workers, and domestic workers (many of whom are either college graduates or undergraduates). The majority of those who have migrated to other Asian countries and to Israel are temporary contract workers. Those who are working in Italy and Spain have more freedom to change working contracts, and could therefore become long-term migrants and citizens if they met requirements.
4.4.4 **Benefits of international migration**

According to Mabini’s Mayor⁴, 6,353 men and women from Mabini work overseas, 14.93 percent of the total population. As early as 2003, some 45 percent of the town’s population were receiving remittances, averaging from US$ 150 to US$ 300 a month (Salao et al., 2007). By 2008, remittances from Italian based workers had risen to between US$ 638 and US$ 1,063 per month, with some reporting receipts of as much as US$ 2,126 per month (Ribas-Mateos, 2008). Overseas employment became and still is the principal income for many households.

Findings from interviews carried out during the course of this research showed that families who receive remittances have better diets, the means to build large homes and access quality (private) education and health care. Largely due to overseas employment, the value of real estate and buildings has risen, allowing the local government to collect more taxes, and improve local infrastructure such as tarmac roads, and electrical and water services. Real property taxes alone increased from only $279,000 in 1998 to $1,108,000 in 2008⁵.

The town now has a hospital, more day care centers, dental clinics, banks, stores, and private and public transportation facilities that service the whole town. A large part of remittances are also spent outside Mabini in places like Batangas City where children are sent to better quality private schools, or family members receive medical care in private hospitals, and people do their shopping. Migrants have also bought residential and agricultural land in and around Batangas City.

4.4.5 **Costs of international migration**

Remittances, like tourism, have contributed to the rise in the cost of real estate and other commodities and services. This has created a large income gap between overseas workers and their families on one side, and unsuccessful international migrants or those that have not migrated on the other side. In addition, families of overseas migrants have become dependent on remittances and no longer see any need to work and be productive. Results from our interviews reveal that the long periods of separation between spouses and between parents and children have also caused serious problems. Some children and young people are involved in drug use, drinking and gambling. Many have stopped attending school and the incidence of teenage pregnancy is rising, often resulting in early marriage. Young people shrug off their failure to complete formal education, stating that they can easily find employment abroad, even without a diploma, as their relatives did. Not only has the community lost many women and men to international migration, but many of its young men and women have also lost their desire to develop the skills that are needed to make their community function.

Not all migrants are successful, and even after a relatively long period abroad there is no guarantee that international migration will ensure moving out of poverty and insecurity for good. During the course of this research, a former seaman who worked abroad for 12 years shared his experiences after he was forced to stop working due to poor health following an accident at work (see Box 1).

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⁵ See footnote 4.
Box 1: Unsuccessful migration

‘I worked as a seaman for an international cargo and shipping company in 1993 and returned in 2005 after a serious work-related spinal injury made me unfit for work. I was earning 40,000 Philippine pesos a month. Before I worked overseas, my 8 children were still small and we lived in extreme poverty. If I had not dared to work abroad, it would have been impossible for all of us to survive.

What I received as severance pay from the company I worked for was not even enough to start a small business. Most of it was spent on my medication. Now, to be able to live, I plant all kinds of vegetables. I keep poultry, pigs and some goats in this big backyard. Everything is for household consumption. When the weather is fine I go fishing with my two sons and sometimes we’re able to sell some fish in the neighborhood.

My elder sons are married now and they and their families are still living with us. There are many mouths to feed. Most of the local households have their own backyard gardens, everything is on a small scale to help sustain family incomes; some like us mainly depend on our small harvests. The women, mostly mothers, are involved in cooking local delicacies to sell; others sell bananas and other crops to buy our other needs.

My third son left a few months ago to try his luck in Spain. My sister in law, who has been living and working in Spain, financed his trip. He left as a tourist and now he’s a TNT (Filipino term for unauthorized migrant). My daughter is also waiting for her husband to follow his mother who works in Italy. If that happens she will also go to Italy.

I hope the situation of the people of Mabini will improve, not only for those with relatives abroad. And our government – I really hope they take the political and economic issues facing the people of Mabini seriously; and not just come to us during elections when they make promises and then forget about them when they are in power.

4.4.6 Internal migration: the poorest of the poor

The 1980s and 1990s were marked by an increase in the number of internal migrants to Mabini. A local businessman has called them Mabini’s poorest of the poor (see Box 2).

Box 2: A local businessman’s view of internal migrants

‘I don’t know much about the dayo (internal migrants). But it is obvious that there are many of them here. I would imagine that the internal migrants are left to survive on their own. If the local government is not able to provide for its own people, how much more support is there for those poor migrants who have come to work and live here? What I know is that they live in extreme destitution. They are poorer than our local poorest here. They contribute to the progress of Mabini as many of them work in the factories and as domestic workers and laundrywomen for local families who can afford to pay for their services. They also vote and, at times, because of their poor economic condition, are forced to sell their votes. Or they are forced to vote for the person who has the power because they are afraid to go against their Barangay Captain.’

Internal migrants are attracted to the various economic opportunities found in Mabini and in neighboring areas, specifically the possibility of finding jobs in the Batangas City international port, in the three local ports, in the many factories, in the almost eighty resorts, and in the households of overseas workers. They provide cheap and unskilled labour. Women clean, do laundry, cook and take on many other jobs. Men work as porters, hauling goods from ports to
factories and other places. Muslims and tribal people (lumad) from Mindanao sell trinkets and other goods to tourists. Fishermen from Bicol and Mindoro continue to fish in waters surrounding Mabini. Some newcomers sweep the streets. Faced with the challenges of survival, internal migrants are not choosy.

The newcomers have also become a source of income for local residents. They live and pay rent in boarding houses and buy goods in stores owned by local people. And in many cases their spouses and children accompany them. Their primary income is very low while the cost of living is quite high, which forces them to work hard (see Box 3).

**Photo 4: Internal migrant’s house, Mabini**

Box 3: Ruth’s story

‘We moved, following the fish, trying for a good catch.’

‘I am 46 years old but look older. I am married, a mother of two and grandmother of a little girl. I come from a very poor family in General Santos City in Mindanao and lived with my mother in a mountainous area.

In 1991 my husband left for Quezon province to work on a fishing vessel. There was no communication with him for over 6 months. I got worried about his situation so I followed him. We decided that I would stay on and join other families as the fishing boat went to other provinces. I continued doing the laundry for local families wherever we went. The wives stayed on shore and helped sell the catch upon arrival of the fishermen.

For several months the fishing vessel went around the waters of Cavite, Batangas and then Balayan Bay. The families of fishermen followed and we all came to Anilao, Mabini. The catch was good in the first few years. We stayed longer and when the fishing boat left, we decided to end our journey here. Other families continued to migrate.’

Cont overleaf
I met some people from the Visayas and Mindanao here. The women performed domestic work and laundry for local families. We could all find work as long as we were not choosy. My husband worked for smaller fishing boats owned by locals. We were able to cope better, not moving from one place to another. People were helpful and nice to us. An old man living alone offered us a place to stay. In exchange for his kindness, I cleaned his house, and washed his clothes and cooked for him. After a while, he allowed us to use the hut behind his big house. With the little money that I saved, I went back to Mindanao to bring my two kids to Anilao, Mabini.

I am a laundrywoman and I also clean part-time at a beach resort in Barangay San Jose and in 3 different houses in Barangay Anilao. My husband has left the fishing boat and has been helping with the laundry. We earn about 4,000 Philippine pesos a month (about 83 US$), not really enough to live on. But I am doing all kinds of additional work such as cleaning houses, laundry and ironing, washing dishes and cleaning rooms in the resort. With all that hard work we are never hungry here, though at times there is less to eat.

Both overseas migration and tourism have contributed to the rise in the cost of living in Mabini. For internal migrants, rent can be as much as 25 percent of the total family income. Unmarried people opt to live in boarding houses near their work place but even then rent takes a large part of their daily wages. Others, especially fishermen and their families, have built flimsy makeshift houses near the resorts along the shoreline of Balayan Bay. Local people regard them as squatters.

Internal migrants’ children attend the town’s public primary and secondary schools. During our interviews, a public school teacher expressed his gratitude to internal migrants; he said that if not for them, he would have no students to teach since the children of families of international migrants attend private schools. While it may be said that attendance at school contributes to human development, the long-term effect of the deteriorating quality of education in Philippine public schools is worrisome. Social inequality is reinforced by differences in the quality of education between public and private schools.

Migrants who marry local residents and live in the town’s established residential areas are better assimilated. Those who choose to stay in migrant enclaves are easily identified as ‘outsiders’, are subject to prejudice and experience some degree of social exclusion. A group of internal migrants living in the coast of Barangay Bulacan claim that they do not approach local government for assistance, even for basic social services. They feel excluded from government and the community. They have suffered from unfair labour practices as they feel local subcontractors are responsible for their low wages, difficult working conditions, and the non-remittance of their social security (SSS) payments, which result in the loss of their social security benefits. These cases have never been reported to the authorities.

Internal migrants only become politically visible during local election campaigns. By law, they are allowed to vote in their current place of residence if they have been resident for at least 6 months before the election. Their presence in the community is, therefore, most useful to those aspiring for local office. Candidates, especially those for barangay captain, court them and buy their votes. Internal migrants do not even attempt to run for elected office because at the focus group discussion they admitted: ‘We’re so lowly educated, unfortunately. We can’t aim high…..we can only strive to persevere and be contented with what is available for us!’.
4.4.7 Farming and fishing

Mabini is still dependent on Mindoro as its principal source of agricultural produce, including rice. Over the past three decades, there has been a marked decline in the number of farmers and fishermen in Mabini and consequently food production has declined. Local government officials estimate that only 2 percent of households continue to engage in backyard agriculture and that total food production has gone down by 5 percent. Many families who receive remittances no longer see any necessity to produce food when they can buy it. Fruit and vegetables are now imported from northern and southern Luzon, passing through layers of middlemen and driving up prices for everyone.

<table>
<thead>
<tr>
<th>Box 4: Remittances and local economic development: the case of raising hogs</th>
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<tr>
<td>A local businessman sells animal feed to hog and poultry producers.</td>
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</table>
">'I have been supplying animal feed to Mabini since 1994. Local hog producers used to buy feed from Batangas City before 1994. My biggest clients receive extra capital from abroad though a few non-migrant families still maintain their small agricultural production.

The law of supply and demand really works here. Thousands of hogs are raised in backyards and majority is sold to dealers in Batangas City, Lipa City and Metro Manila. The demand for meat in Mabini is low because the population is so small. However, there are enough good reasons for livestock production to flourish—fiestas, weddings, graduations, picnics, and meat supply for beach resorts.

Some Mabini residents have started producing hogs and sell the bulk of these hogs and pork in Batangas City and neighboring areas, in addition to supplying the local community (see Box 4).

Fishing is a traditional means of livelihood in Mabini, and more than 10 percent of the population still fish, with the majority using traditional equipment—fishing rods and gill nets. But fishing has declined over the past two decades, involving fewer and fewer families. Today, the daily catch has dwindled. The basnigan or big boats have disappeared and have been replaced by small bancas (wood canoes). Fish currently consumed in Mabini generally come from Mindoro, Palawan and Tingloy, Batangas, and at a high price.

4.4.8 Local governance

Local government also played a role in changing Mabini’s landscape. From 1998 to 2007, it contributed to the physical and economic transformation of the town, focusing on improving infrastructure and promoting tourism. Public investment improved roads, the public transportation and communication systems, constructed local ports, a public market, commercial facilities, a public high school catering to low income families and brought electricity to all barangays. Local government also launched a campaign to attract outside investors and tourists to the western side of Mabini which is well-known for its dive sites. To supplement Mabini’s central government allocation and finance its development initiatives, the local government sought funding through loans, grants and raising revenue from property taxes and business permits. In 2007, a new mayor was elected and the government’s focus shifted to the development of barangays.

Despite these improvements in infrastructure, our interviews showed that local residents have very few positive comments about local government and local politics. They acknowledge improvements such as street lighting but believe that these primarily benefit the local tourist industry and consequently, foreign and Manila-based Filipino resort owners. Tourism is
perceived to have little linkage with the local economy, except for providing poorly paid and
difficult jobs, mostly for internal migrants to Mabini.

The problems of both internal and international migrants are not significantly addressed by
government programmes. Internal migrants face many problems: securing decent, affordable
housing, living wages, humane working conditions, and accessing basic social services.
International migrants also have to cope with the social and other costs of migration without
proper assistance from government, such as programmes for their reintegration if and when
they cease to work overseas.

Hog production is a thriving industry, due largely to producers who took advantage of the
growing demand for pork in places like Batangas City and Manila, and used capital from
overseas workers to invest in production. Local government has not supported the efforts of
hog producers, however. There is no slaughterhouse, no meat processing plant, no system of
inspection before and after slaughter, and no system of quality control. There are problems of
waste management, water supply, pollution, and the expansion of areas used for hog
production all of which require the attention and action of local government.

Another challenge is the weak delivery of basic social services. Effective and efficient provision
of these services is the most direct way that local government could assist in poverty reduction.
Unfortunately, some residents are not even aware of the social services that Mabini provides
aside from the distribution of rice and other relief goods to ‘the local poor and the poor dayo’.

Traditional politics is still very much alive in Mabini. For the past 18 years the Local
Government Code has provided a legal framework outlining the goals, functions,
responsibilities, power, and resources of local government. But the traditional manner of
governing is still practiced, with planning and decisions left almost entirely in the hands of
elected officials. The transparent, participatory and effective governance called for by law and,
more to the point, necessary for people-centered development, remains theoretical in Mabini.
Accredited non-government organizations are not involved in the discussions of the local
development council or LDC. Mabini does not have a community of active and organized
NGOs, and even families of overseas and internal migrants are not organized. People in Mabini
speak of ‘so much graft and corruption’, of the need to be self sufficient because government
will not help them, and of excessive politicking. It seems that political reforms in Mabini have
lagged behind its economic and social transformation.

4.5 Case study: The town of Guiguinto

4.5.1 Background
During Spanish colonial rule, Guiguinto was a barrio (village) of Bulacan town, the former capital
of Bulacan province. It was established as an independent town in 1915. Guiguinto is about 34
kilometers or less than an hour’s drive away from Metro Manila. With a land area of only 2,512
hectares, it is Bulacan’s second smallest town.
In 1997, Guiguinto was a 3rd class town with an annual income of 27 million pesos (US$ 562,500). In 2003, the town’s income reached 80 million pesos (US$ 1,700,000) and in 2006 it was upgraded to a 1st class town (with an income in 2007 of 97 million pesos (US$ 2,020,000))\(^{6}\).

From 1975 to 1980, Guiguinto’s average annual population growth rate was 5.97 percent; it decreased to 3.32 percent in 1980-1990, and rose again to 5.02 percent during the period 1995-2000. Data from the 2000 census data show that Guiguinto’s growth rate is high compared to the national, regional, and provincial rates of 2.36, 3.20, and 4.49 percent, respectively, for the 1995-2000 period (Ecological Profile of Guiguinto 2004).

The town’s population increased in 2004 to 71,672 people grouped into 16,139 households (Summary Table of Guiguinto Community Based Monitoring System Core Indicators, 2005). Of these households, 7.6 percent live in informal settlements. Some 1,441 (8.9 percent) of households have family members who were overseas Filipino workers. However, there are more internal than international migrants. The number of internal migrants doubled from 12 percent to 24 percent in the space of 10 years (1990-2000). During this same period the total population rose from 38,754 to 67,226 and in 2007 it reached 89,225 inhabitants (National Statistics Office, 2007).

There is a significant decrease in the percentage of land Guiguinto has classified as agricultural and an increase in the percentage of residential, industrial, and commercial land (Ecological Profile of Guiguinto 2004). This is an indication of rapid and relatively recent urbanization and of the growing importance of industry to the town’s economic development. It is also worth mentioning that there are many examples of former tenant farmers selling property they were awarded under the land reform programme to industrial and residential developers.

\(^{6}\) Source: authors’ interview with former Mayor Ambrosio Cruz, 12 March 2008.
### Table 9: Land use, 2003 and 1998

<table>
<thead>
<tr>
<th>Classification</th>
<th>2003 (%)</th>
<th>1998 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural</td>
<td>65</td>
<td>77</td>
</tr>
<tr>
<td>Residential</td>
<td>20</td>
<td>17</td>
</tr>
<tr>
<td>Industrial</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Commercial</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Road network</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Institutional/open space/parks/waterways</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Ecological Profile of Guiguinto 2004*

#### 4.5.2 Local economy

Guiguinto has a relatively strong agricultural base. It is self-sufficient, not only in rice, but also in vegetables, legumes, root crops and meat. Rice production from 1997 to 2002 saw an annual growth rate of 11.04 percent, surpassing the provincial average of 2.08 percent and national average of 3.27 percent. Despite a reduction in the amount of agricultural land, Guiguinto has managed to increase rice production through the use of high-yielding certified seeds. These seeds are supplied by the Department of Agriculture and national and local governments provide a 50 percent subsidy. After last year’s low national rice harvest, these certified seeds were given free to the farmers. Of the 1,288 hectares of irrigable lands, 68% are irrigated via the National Irrigation System or NIA, making it possible for farmers to plant at least two crops a year, increasing rice production.

By 2001, manufacturing occupied a more prominent role in Guiguinto’s economy, with eighty-eight factories concentrated on two industrial estates. Some 28.40 percent of these industries manufacture garments primarily for export; 15.90 percent are machine shops and engineering works; 7.95 percent are bakeries or bakeshops; and 7.95 percent make noodles. There are 420 commercial establishments most of which provide services. In addition, there are numerous retail stores and other micro businesses (Comprehensive Land Use Plan 2004-2013 Final Report Municipality of Guiguinto, Bulacan). Capital comes from both out of town and from local investors—many of whom are internal, permanent migrants, international migrants, and overseas contract workers (see Box 5)

#### Box 5: International migrants’ investments in Guiguinto

“I am a chemical engineer and I lost my job here in a chemical company when it closed down after labour unrest. I worked in the Gulf from 1978 and lost my technical job to the ‘Bahranisation’ policy. I was able to save some money. My wife managed my remittances and invested part of it. Since I lost my job abroad, I came back and helped my wife run our businesses. We have a Spring Hills Water Station that supplies filtered water to the residents of Guiguinto and Malolos. Bottled water was not yet popular and we were the first to introduce this kind of business. We also have a Gas Exchange Station that sells and distributes liquifed petroleum gas for cooking.’

A local government employee said that her siblings in Canada raised capital to purchase a plot in a commercial area of Guiguinto. They constructed a building which they eventually leased to a Korean company. The firm now employs more than 200 technical and manual workers.

Cont overleaf
A barangay official used to work in Saudi Arabia and Guam from 1976 to 1992 as a welder. Work-induced eyesight problems made him return to the Philippines where he and his wife now live on the rent collected from a 3-unit apartment, sales from a retail store, and pig production. He also gets a monthly pension from the Social Security System where he regularly set aside his income when he was employed. Their two sons and two sons-in-law are currently employed in Saudi Arabia. The two sons supplement their parents’ income with regular remittances. A daughter-in-law works as a caregiver in Israel. His two daughters live in Guiguinto; one invested a portion of her husband’s remittances earned from working as an engineer in the construction of a 7-unit apartment which is being leased out.

Thirty-five percent of Guiguinto’s labour force is employed in its manufacturing, construction, electricity, gas and water, and mining firms in 2002.

4.5.3 Internal migration and development
Because of its proximity to Metro Manila, Guiguinto has proven to be a magnet for internal migrants. Metro Manila based professionals have relocated to the town because houses are cheaper and the general cost of living is lower. Many internal migrants are also attracted by job opportunities. Most of them are now employed as low and semi-skilled workers in factories and commercial establishments. Many lived in informal settlements along unused railroad tracks before being relocated to a housing project in Barangay Malis. Some were reportedly factory workers in Metro Manila who chose to establish residence in Guiguinto (see Box 6).

**Box 6: Stories of migration**

'I am 52 years old and the eldest of 10 children of a very poor family from Samar in the Visayas. I was 12 when I left my hometown to work as a domestic worker for a family in Manila. My employers were very nice. They sent me to school up to my first year of college. Afterwards, I lived with my boyfriend in Pulilan, Bulacan. When he left me, I moved to Pampanga to work in a noodle factory where I met my husband.

We moved to Guiguinto to join my cousin who worked in another noodle factory. Like many of the migrants who settled in the area, we lived as squatters along the old North railways. In those early years, if you had a bolo (machete) and were diligent enough to tidy the grass by the railway track, the space was yours. As the years passed, there were people who asked us if they could build their houses near ours.

Since there were very few of us then and there was no light (electricity), we allowed them to construct their shacks. We did not think that our walls would become part of their walls. That was how it all started until all of a sudden, there were many of us living in the slum area.

In 1993, other residents started to sell their ‘rights’. There was nothing in writing as proof of rights. People just claimed that ‘this is mine’. If they bought from me, then I would say: Okay that is yours! But they were also squatters like all of us.

A few internal migrants started small business ventures such as retail stores and as a result the number of growers multiplied and their incomes increased tremendously. Guiguinto is now considered the garden center of Bulacan. The original gardeners of Guiguinto were poor migrants from Batangas who started out by renting small plots in an unoccupied subdivision where they built makeshift dwellings and grew ornamental pot plants. The growth of the garden industry encouraged their relatives in Batangas to move to Guiguinto. They were soon followed by gardeners from nearby Hagonoy town and from the neighboring province of Pampanga. The
success of the garden industry raised the social status of internal migrants. It has also attracted more workers and investors to the town.

**Photo 5: Plants for sale, Guiguinto**

Other internal migrants invested their money in residential subdivisions. There are 24 subdivisions on 135 hectares of land. A land developer estimates that 70 percent of these residential lots are owned by overseas Filipino workers, many of whom do not originate from Guiguinto, but a growing number of internal migrants are also buying these lots.

4.5.4 *International migration*

Out-migration does not appear to be widespread in Guiguinto. By way of explanation, informants said that local people were afraid of victimization by unscrupulous recruitment agencies as has happened in the past. At present, there is no recruitment agency in Guiguinto. According to the 2004 census of the CBMS (Community Based Monitoring System), only 8.9% of all Guiguinto households had family members working abroad. There is no detailed information on their profile.

Based on the researchers' fieldwork, those who sought employment abroad were professionals and skilled and semi-skilled workers. A number of professionals, doctors, nurses, physical therapists, secretaries, and skilled technicians, from the town proper (*Barangay Poblacion*) are permanent residents in the United States. Others are domestic workers in Lebanon. A number of overseas workers who were employed in the United States and Canada have invested in local businesses.
4.5.5 Local government
The positive contribution of local government to Guiguinto’s development was acknowledged by informants, particularly the role of the town mayor who served three terms from 1998 to 2007. Before this period, Guiguinto’s growth was slow, and only accelerated as a result of investment in infrastructure by government and the private sector, notably from both longtime residents and internal migrants.

The former mayor stated that his administration was guided by three achievable goals: 1) lift Guiguinto to a ‘first class town’ (the highest classification based on a town’s income); 2) make the town an investment destination; and 3) make Guiguinto the garden center of Bulacan. To achieve these goals, local government employed simple but strategic solutions, i.e. building infrastructure to stimulate local investment, and political and social interventions.

An access road (Tabe Road) to the North Expressway was built by mobilizing resources from the national government and the local private sector. Though three major highways traversed the barangays of Guiguinto, there was no direct access to the North Expressway, the main passage to northern Luzon. The opening of the Tabe Road allowed direct travel to the town proper from the expressway, facilitating access to the industrial estates and subdivisions and making them more attractive to investors and buyers.

Local government saw the potential of the garden industry in stimulating the local economy and supported the fledgling cultivation of ornamental plants. It organized the gardeners into a cooperative, and using local funds, transformed an open space along the highway into a display area and market for members of the cooperative. What used to be a haven for drug dealers and gamblers, and a dumping ground has become a local attraction and magnet for motorists and commuters passing along the highways. In addition, the local government initiated the annual Halamanan or Plant Festival which coincided with Guiguinto’s four-day Foundation Day celebration. The local government, also launched a cleanliness drive during which barangays competed for cash prizes. This programme achieved the desired result, a cleaner town, and encouraged citizens to work collectively. Likewise, the formation of the gardeners’ cooperative, composed mostly of internal migrants, was an exercise in collective action. People’s collective and non-government organizations grew in number during this period, encouraged by local government initiatives to involve them in community affairs and in deliberations on the town’s development. The organizations were accredited and actively participated in local meetings held in the municipal hall. The Samahan ng Kababaihan (Women’s Association), for instance, holds its meeting with the barangay officers concerning the environment in the session hall of the Sangguniang Bayan (town’s legislative council).

This government provided access to basic social services. Health, education, and housing assistance were given the same attention as the promotion of the local economy. For example, more than 1,000 former squatter families eventually became owners of units in a permanent resettlement area in Barangay Malis, Guiguinto, thanks to a major housing project. A multi-stakeholder undertaking, the resettlement was built on land bought by the local government.

4.5.6 Other factors in development
Two additional factors have probably contributed to Guiguinto’s development. First, from 1999 to 2003, Guiguinto was a pilot area for a study and advocacy work on good governance as an index for local development. The project’s objective was to develop a simple index for measuring and monitoring local governance, which focused on the delivery of basic social services and participatory governance. The town and barangay officials took part in training for capacity building and learned the basic principles of good governance. The mayor, vice mayor,
town councilors, barangay captains, and local government personnel such as the Rural Health Unit physician, listened to the results of a citizen’s survey and additional feedback from residents. The entire exercise acquainted local leadership and the community with responsive and participatory governance.

Secondly, the town’s development initiatives converged with the former provincial governor of Bulacan’s concerns with competent and professional administration and the delivery of basic social services. Both levels of government (town and provincial) computerized their data to facilitate and improve the collection of property taxes, business permits and licenses. This has contributed significantly to generating local revenue for supplementing the financial allocation from central government. Both levels of government encouraged their personnel to undergo further training and education to improve the professionalization of their work.

The Bulacan provincial government organized the 2004 Community-Based Monitoring System (CBMS) census. The information gathered was used in the development of Guiguinto’s Comprehensive Land Use Plan (CLUP) 2004-2013, a blueprint for development crafted by local government with input from representatives of business groups, cooperatives, church-based organizations, workers, farmers, and the citizenry, and with the assistance of technical experts. Good governance has contributed to Guiguinto’s transition from a 3rd to a 1st class town. Its economic growth has increased the town’s revenues which in turn were invested in development projects benefiting internal migrants in the horticulture industry and informal settlers. The market responded positively to this favorable economic and political climate. Guiguinto’s overseas workers and those from other areas saw the opportunities in the thriving economy and plowed their income back to the local community.

5 Observations and conclusions

5.1 Development and overseas workers

Income from successful overseas workers can lift their families out of poverty and provide them with access to the basic necessities of life. By spending their remittances, families also help to create jobs, provide a market for goods and services, and open up other livelihood opportunities. These benefits extend, to a limited degree, to the larger community.

In Mabini, this linkage between poverty and international migration is apparent because of the relatively large number of international workers and the cumulative impact of their remittances. The effect of remittances is apparent in the physical and economic transformation of the town, the proliferation of large concrete houses and of small businesses that cater primarily to families of overseas workers, and the availability of expensive consumer goods such as cars and computers. The impact of international migration is not as evident in Guiguinto because it does not seem to be as significant. Here there are other, more decisive development factors including Guiguinto’s location and accessibility.

Despite widespread overseas employment, poverty has by no means been wiped out in Mabini. Unemployment is still one of the principal challenges facing the municipal government. Of special concern are the instances of failed migration and internal migrants who may have managed to secure employment, but whose wages do not suffice for a humane existence, especially given Mabini’s high cost of living. Even the relative affluence of overseas workers is contingent on their continued employment or the employment of relatives overseas, and subject
to factors beyond their control such as changes in migrant-related policies in receiving countries.

Investments by overseas workers in Mabini have played a positive role in the development of hog production. But there are also other contributory factors, the existence of nearby markets for pork, the rising demand for pork inside the town itself, and a long tradition of hog production in rural and semi-rural communities. But it is capital from overseas workers for pens, animal feed, and the like, that has made larger scale hog production possible which has, in turn, created a stable supply of meat for local and external markets. By failing to help hog producers to solve the problems connected with the industry, primarily pollution, the local government has missed an opportunity to give direction and support to the development of an industry with potential for improving employment, food security and economic diversification. Moreover, experience with support to hog production could have been used to develop local agriculture and fishing.

5.2 Development and internal migrants

What overseas migrants were and are to Mabini, internal migrants were and are to Guiguinto. The characteristics of internal migrants to Guiguinto vary widely, from relatively affluent, city-based professionals to poor people from both urban and rural areas in search of jobs and other opportunities. The location and accessibility of Guiguinto play decisive roles in the influx of internal migrants. The town is located in a rapid growth area that attracts investors. The boom in horticulture can be attributed to the labour and capital provided by internal migrants. It also shows what government can do to support private initiatives; in this case, organizing growers, providing them with a display area, and launching campaigns to project Guiguinto’s gardens. Both agriculture and manufacturing provide opportunities for employment. Unlike Mabini, Guiguinto appears to have a relatively strong agricultural base and is self-sufficient in food. However allocating agricultural land to subdivisions and other non-agricultural uses may weaken the town’s food production, undermining or destroying the balance and connection between agriculture and manufacturing.

5.3 Governance and development

While Guiguinto enjoys certain advantages over Mabini due to its location and accessibility, it was the performance of the two local governments that made the difference in terms of migration related development. In Mabini, a strong partnership between local government and its constituents was not evident. Both overseas workers and internal migrants expressed a lack of trust and confidence in local government, and cynicism and indifference with regard to participation in political processes and activities. Our interviews revealed complaints about too much politicking and corruption. And government did not seem inclined to encourage the participation of local stakeholders in consultations and decision making.

This situation discouraged investment by migrants in their own town and encouraged them to invest in other areas where local governments had a good track record or to settle permanently in the countries where they work, leaving their large empty houses under the care of the town’s newcomers.

In Guiguinto government and stakeholders were able to work together, and they made notable progress in instituting participatory decision making to achieve concrete gains in the town’s economy. The local government’s track record encouraged the influx of internal migrants, who have invested their time, skills and money into a town they perceive to have a bright future.
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