


# AFRIM

Alternate Forum for Research in Mindanao  
Peacebuilding, Information, and Education Services

# eZine

## SUPER PHILIPPINES! A MEGA MAKEOVER



**P**resident Gloria Macapagal-Arroyo has a grand formula for the Philippines to achieve First World status by 2010 – create Super Regions! GMA unveiled her grand plan in her State of the Nation Address (SONA), touting it as a sweeping element to restructure the Philippine economy and achieve national development. The main agenda of her SONA is to build airports, mass transport systems, bridges, and ports, boost agricultural capacity, institute electoral reform, reduce red tape, and pursue Charter change.

### What's Inside?

**Of the causes and costs of the impasse**

**Japan and the Philippines: Another unequal alliance?**

**AFRIM in Action:  
Student Action Now! Engaging the Youth in Peacebuilding**

**AFRIM in Action: Fostering Cultural Pluralism in Education**



Formalization of the Super Regions was facilitated through the signing of Executive Order (EO) No. 561 in August 2006. The EO specifies the formation of the super regions and mandate of the superregional development champions. Selected regions will be consolidated into five distinct subeconomies based on the natural advantages and economic strengths of regions and provinces of the country. A development champion will be assigned to each Super Region who would shepherd the implementation of the “grand plan.” To further achieve this goal, the implementation will be done in close collaboration with the concerned local government units, national agencies and other partners in development.

The purpose of the regional consolidation is to promote economies of scale, enhance functional linkages and integration and boost economic and market potentials. As such, five Super Regions will be created based on development themes for each subeconomy:

- North Luzon Agribusiness Quadrangle aims at agricultural productivity and increased food production not only to supply major population centers of Luzon but North Asia, as well.
- Luzon Urban Beltway is the heartland of trade and commerce of the country and aims at becoming a globally competitive industrial service provider, where movement of goods and services and people is seamless.
- Central Philippines aims at becoming the premier tourist destination in the country.
- Agribusiness Mindanao is the priority for agribusiness investments in the South.
- Cyber Corridor will fuel Information Communication Technology and the knowledge economy through the creation of a high-bandwidth fiber backbone and digital network to support business process outsourcing, such as call centers, medical transcriptions, and other back office operations.

### **Mixed reception**

GMA’s Super Regions had mixed reception from various groups, for politicians and allies it garnered praises hailing it as a “great leap forward to autonomy of provinces from imperial Manila” (Coronel-Ferrer, 2006); for critics, it is another grab at power, another avenue for corruption, and another strata to the already multilayered bureaucracy riddled with red tape.

According to Coronel-Ferrer’s (2006) article, “Super-size patronage,” the mega plan, if done correctly, could lay the foundation for a future federal system of government. However, for GMA to say the plan will bring back “the power to the people and the provinces” is deceptive. For all intents and purposes, Malacañang remains to be the center of power in terms of identification of priority development themes, fund allocation, and implementation. The Super Regions are autonomous units, neither politically nor administratively; and it will make “redundant even before they achieve real autonomy from central government”



## Composition of the “Super Regions”

- Northern Luzon Agribusiness Quadrangle: Composed of Regions I, II, Cordillera Administrative Region (CAR), and the northern part of the provinces of Aurora (north of Baler), Tarlac (north of Tarlac City), Nueva Ecija (north of Cabanatuan City), and Zambales (north of Subic). Development Champion: Arthur Yap, Presidential Management Staff Director General and Jobs Czar
- Luzon Urban Beltway: Composed of the National Capital Region, (NCR), Region IV-A, the provinces of Bulacan, Bataan, Pampanga, Mindoro, Marinduque, and the southern parts of the provinces of Tarlac, Zambales, Aurora and Nueva Ecija. Development Champion: Sec. Edgardo Pamintuan, Subic Clark Alliance for Development
- Central Philippines: Composed of Regions V, VI, VII, and VIII, and the provinces of Romblon, Palawan, and Camiguin, and the Island of Siargao. Development Champion: Sec. Joseph Durano, Department of Tourism
- Agribusiness Mindanao: Composed of Regions IX, X except Camiguin, XI, XII, Caraga except Siargao, and the Autonomous Region of Muslim Mindanao. Development Champion: Sec. Jesus Dureza, Presidential Peace Adviser
- Cyber Corridor: Traverses the above “super” regions from Baguio to Cebu to Davao. Development Champion: Sec. Ramon Sales, Commission on Information Communications Technology

**Source: EO 561: Formation of the Super Regions and Mandate of the Super Regional Development Champions.**

special autonomous regions, such as the Autonomous Region in Muslim Mindanao (ARMM) and the Cordillera Administrative Region (CAR).

With the upcoming elections, critics raise the alarm signal on political patronage, shady deals and compromises in the guise of “implementation.”

### Fund sources

In an estimate done by Finance Secretary Margarito Teves a sum of PhP372 billion is needed to complete the infrastructures, such as roads, airports, seaports, irrigation facilities, railways and other vital projects. Budget Secretary

Rolando Andaya said the PhP372 billion would be sourced from the national government (PhP186.27 billion or 50 percent of the total funding requirement), the private sector (PhP68.4 billion or 18.39 percent), government-owned and controlled corporations (PhP116 billion or 31.18 percent), and the local government



units (PhP1.33 billion or 0.36 percent). Presidential Spokesperson Ignacio Bunye pointed out that recent trends in revenue collections clearly indicate the government can finance the mega infrastructure projects under the Medium-Term Public Investment Program (MTPIP), with full support from the private sector and international partners.

To come up with the formation of the super regions, revisions were proposed on the MTPIP through a series of cabinet meetings conducted by GMA together with the Regional Development Councils all over the country regarding fund allocation for the infrastructure component of the plan.

The Super Region concept is heavy on infrastructure development as this is considered an essential component to make the Philippines more competitive in terms of agriculture and tourism. Sec. Bunye projected that implementation will go full blast as soon as the funds are put in place. But, the infrastructure projects lined up are not new, these are, in fact,

much delayed ones. If we look closely at the mega plan, most of the targets are already committed projects under the different government agencies identified to lead the implementation.

### **More funds, more debts?**

Different speculations came out after the SONA. The proposed super regions would boost the economy, but may also spell a vicious cycle of debt and borrowing.

Commitments of support from international agencies poured in after the SONA. Major providers of development assistance committed grants and soft loans to the Super Regions! Project. China, Japan, and the World Bank are just a few of those who committed to give a sum of \$7.2-billion. GMA has recently signed three loans with the World Bank amounting to US\$ 410 million, which will be used for education, health reforms and infrastructure development.

In GMA's meeting in Davos, Switzerland, Credit Suisse expressed willingness to support the government's endeavor in making the country competitive with others.

### **What does this all mean for Mindanao?**

In her SONA, GMA identified Mindanao as the Agribusiness Center of the South complementing the identification of the region as the country's food basket. Mindanao is the major source of the country's food requirements and contributes more than 30 percent of the country's food trade.

Mindanao is the top producer of coconut, coffee, banana, and corn. Other than these crops, it is also rich in mineral resources. Vast tracks of land and abundant resources, notwithstanding, IBON reported that 7 out of the 10 poorest provinces in the country are in Mindanao. Clearly, gains from its resources do not trickle down to its peoples.

GMA stated that Mindanao will be the priority area for agribusiness investments in the South. According to the government, the creation of the super region will make Mindanao competitive with other islands and will consolidate its income and gains, which could be used for development projects and for pursuing peace and development strategies.



Among the strategic themes identified for Mindanao are:

- a) realizing Mindanao’s agribusiness and aquaculture / mariculture potentials;
- b) establishing an efficient food logistics system linking Mindanao to Manila;
- c) improving the image to attract more investments, trade and tourism;
- d) pursuing responsible mineral development conditions; and
- e) creating a catch-up plan for ARMM and building on strong partnerships.

With the strategic themes identified, it is very clear that the resources of Mindanao will be used to its maximum levels. This would mean an increase in the conversion of lands into plantations, more industries in the region, and more infrastructures to make it accessible,

especially to foreign investors and transnational corporations. Add to this the scenario of more people who will be displaced from their lands, so that investors can take advantage of available resources.

Highways, bridges, buildings, airports, seaports, hospitals, and agriculture support through irrigation, farm-to-market roads are just some of the targets lined up for Mindanao. Again, most of these are already committed projects, some of which are funded under ODA. But, where are the small farmers, who toil to produce the country’s food requirements, in this “grand plan” of the government?

Looking closely at the budget allocation of the Super Regions, Mindanao only accounts for about 8 percent or PhP29.1 billion of the PhP372 billion reported budget. The creation of Super Regions aims at strengthening regional centers, but clearly, Luzon remains to be the government’s focus of development.

As reported, Luzon accounts for 55 percent of the Gross Domestic Product

of the country. In the budget allocation of the Super Regions, the Luzon Urban Beltway has approximately PhP174 B budget, Central Philippines Super Region is to be given PhP84.75B, and North Luzon Agribusiness Quadrangle has PhP56.28B. The Mindanao Super Region budget and that of the Cyber Corridor only has a difference of about PhP1.8B. Is this reflective of GMA’s statement of prioritizing Mindanao development or was the SONA only about achieving good sound bites?

A challenge is posed to everyone who pushes the program. If it is serious in the implementation of this Super Region, it should be responsive to the priority needs of the region and of its peoples and not to the short-term political interests of but a few powerful elites.

~ Anna Marie V. Quines  
and Nikki Philline C. de la Rosa



# SOURCES

**Anon.** 2006. PGMA's super region strategy augurs well for Mindanao – Dureza. 4 October. Accessed at <http://www.gov.ph/news/default.asp?i=16252> on 12 March 2007.

**Anon.** 2006. PGMA's vision of super regions attainable, Malacanang says. July 26. Accessed at [www.gov.ph/news](http://www.gov.ph/news) on 12 March 2007.

**Coronel-Ferrer, Miriam.** 2006. Super-size patronage. Action for Economic Reforms. Accessed at [www.aer.ph/index2.php?option=com\\_content&task=view&id](http://www.aer.ph/index2.php?option=com_content&task=view&id) on 3 April 2007.

**Malaya.** 2006. Gloria to focus on economy. July 24. Accessed at <http://www.malaya.com.ph/jul24/news3.htm>

**National Statistics Coordination Board.** 2006. Annual per capita poverty threshold by province, 2003-2004. Preliminary estimates as of 7 March 2006. Accessed at [http://www.nscb.gov.ph/poverty/2004/pov\\_th.asp](http://www.nscb.gov.ph/poverty/2004/pov_th.asp) on 27 June 2006.

**Office of the President.** 2006. Executive Order no. 561: Formation of the “super” regions and mandate of the superregional development champions. Manila, Philippines. Accessed at [www.ops.gov.ph/records/eo\\_561.htm](http://www.ops.gov.ph/records/eo_561.htm) on 30 March



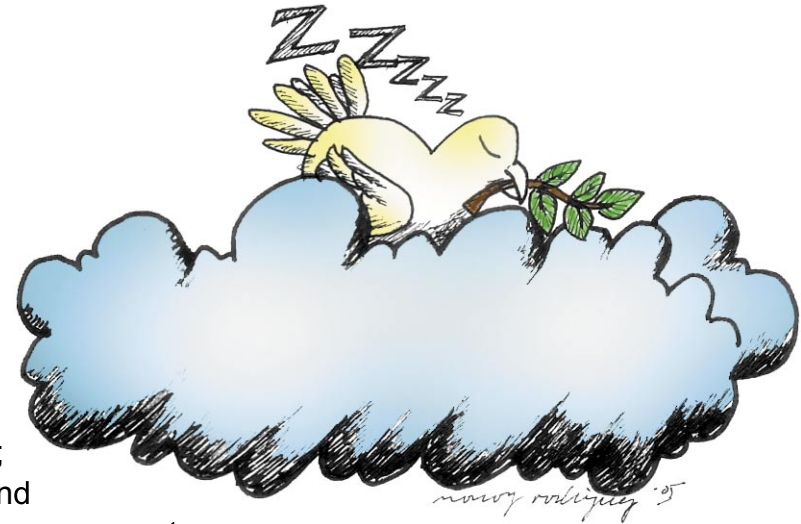
# Of the causes and costs of the impasse

The nine-year negotiations between the Government of the Republic of the Philippines (GRP) and the Moro Islamic Liberation Front (MILF) resulted in an impasse as both parties did not resolve the issue on territorial scope during the 13<sup>th</sup> exploratory talks in September 2006. The territorial scope is the last of the four strands of the ancestral domain aspect. For the MILF, it is where it will set up its Bangsamoro government through the Bangsamoro Juridical Entity (BJE) towards the achievement of its constituents' aspirations for self-determination.

The issue on territory is the MILF's most visible expression of the Bangsamoro problem, i.e., the historical marginalization and minoritization of the Moro people in their own homeland by Spanish and American colonial powers and even more, by succeeding Philippine

governments. These were done through forcible annexation of Moroland to the Philippines under the Treaty of Paris in 1898; imposing confiscatory land laws; introduction of new government structures and thus, the destruction of traditional political institutions; and government-initiated land settlement and migration to the Moroland which caused landgrabbing, conflicts and cultural prejudices between the settlers and the Moro people (Santos 2005).

Thus, since the beginning of its negotiations with the GRP, the MILF had been firm on the idea that finding a solution to the Bangsamoro problem should form part of the agenda of the formal talks with the endpoint of establishing a system of life agreeable to the Bangsamoro people. But the GRP and MILF peace panel failed to agree even on the basic element of the



issue of territory, which is establishing the Bangsamoro homeland.

A report said that the BJE will be composed of the present Autonomous Region in Muslim Mindanao (ARMM) with its five provinces and one city and the 613 predominantly Moro villages outside the ARMM. Because the MILF wants their jurisdiction contiguous, there is a need to consider the non-Moro people (indigenous people and migrant settlers) residing near these areas (Diaz 2006).

For the government, it is not an easy process. Legally transferring non-Moro people from neither their original



province nor municipality would need a plebiscite according to the Philippine Constitution. According to the MILF, it was never mentioned in their discussions that the Philippine framework would be the basis of the negotiations (and eventually the Bangsamoro problem). The MILF maintains that the Philippine Constitution is not reflective of the needs and aspirations of their constituents.

With that, the impasse would continue until both parties agree on how the BJE will be granted to the MILF.

### **What we got from the impasse**

The impasse created environments that brought positive and negative impacts to the GRP and MILF panels, to their constituents, and to the public in general.

The fragile situation created doubts on the sincerity of both parties in pursuing the negotiations. One case in point was the statement of Secretary Ermita accusing the MILF of saber-rattling (an

implied threat to use military force) while on impasse. He described the statement of MILF Peace Panel Chair Mohagher Iqbal as unreasonable, i.e., allegedly making threats to go to war if the issue on territorial scope is not resolved.

And because of this issue of 'threatmaking', MILF leaders may have been conveniently implicated by authorities (including Cotabato Governor Manny Piñol) as plotters of the October 10 bombing in Makilala, Cotabato, which killed six persons and wounded 32 others. What worsened the situation and surprised both the GRP and MILF panel members was the inclusion of Chair Al Haj Murad Ebrahim as among those charged with multiple murders and multiple frustrated murders. Though the name of Chairperson Murad has been dropped from the complaint, the damage has been done. It has created tension, especially for those observing the path of the peace negotiations. It has complicated the fragile talks and has posed additional obstacles in the search for lasting peace in Mindanao.

Considered an authority on Mindanao conflict, Father Eliseo Mercado, on

the other hand, looked at the situation more positively. The impasse could be considered a 'blessing in disguise' because the parties involved now has the time to listen and pay attention to the others' narratives, definitions, and understanding. Questions and doubts of both parties on some issues and concerns, which were not raised in the formal talks can be heard and deliberated through the media and other information channels.

The impasse had also united the civil society for a common cause, which is to help the members of the negotiating panels get past the bottlenecks. The Bishops Ulama Conference (BUC), composed of Catholic Bishops, Protestant Bishops and Pastors and Muslim Ulama convened an All-Mindanao Leaders Peace Consultation to gather leaders from various civic, religious, business, professional, and political organizations, including institutes and the military. This was aimed at consolidating peoples' suggestions on how to push past the stalled negotiations.

The public has also declared that it does not want another war. Because of the



advances in communication technology, people are now involved in the resolution of the peace process: they send text messages to their mayors, governors, and congressmen, showing their disapproval of another war in Mindanao. People are doing their share by being vigilant and by informing authorities of any untoward movements of unusual troops in their areas.

Notwithstanding the uncertainty on the negotiating table, heads of the International Monitoring Team and the Joint Coordinating Committees on the Cessation of Hostilities (CCCH) of both parties assured the public that they are doing their best to prevent any breakout of hostility by ensuring that ceasefire mechanisms on the ground are well in place, intact and working effectively.

### **Any solutions?**

More and more people are now interested in becoming involved in their own capacities in arriving at peaceful solutions to the Bangsamoro problem. As people are waiting for the resumption of talks, some suggestions

and proposals were raised to the panels on how to approach the resolution of the Bangsamoro problem.

For instance, Lawyer Soliman Santos of the South-South Network, during the launching of the study report “Negotiating Justice? Human Rights and Peace Agreements of the International Council on Human Rights,” stated that a human rights (HR) framework to peace negotiations could help break the impasse. He added that one needs to consider the HR of the sectors and parties (especially the marginalized) involved in the negotiations. The report could also help expand the perspectives of negotiating parties on the peace processes in countries, such as Cambodia, El Salvador, and Guatemala, among others (Balane 2006a).

The BUC proposal stated that dialogue is the only human and humane way of resolving human issues and problems and urged the peace negotiators to resolve the impasse “within the moral and spiritual framework, not just within the legal one”.

On the other hand, UNICEF officials have proposed the breaking of the impasse for the sake of the children of Mindanao. According to them, the current state of children in the country is the ‘best standard’ in coming up with the solutions of the impasse. Children in conflict-affected areas are either directly or indirectly involved in the conflict as victims. UNICEF works on protecting the children’s right to peace, which can only grow best in a peaceful environment (Balane 2006b).

The question now is, is there a way forward from the impasse? At the negotiating table, the latest proposal of the GRP panel to the MILF is reportedly focused on the right to self-determination. At any rate, such recognition by the GRP panel is already something laudable because it has not previously done so, but the MILF has always negotiated based on the framework of their right to self-determination. And by that, we can now see that at least there is a glimmer of hope in the far horizon.

~ Venus Budoy-Betita



# SOURCES

**Arguillas, Carolyn O. /MindaNews.** 2006. GRP-MILF talks: impasse not broken. 09 September. Accessed at [http://mindanews.com/index.php?option=com\\_content&task=view&id=842&Itemid=75](http://mindanews.com/index.php?option=com_content&task=view&id=842&Itemid=75).

\_\_\_\_\_. Government, MILF meet in KL to clarify issues. 6 December. Accessed at [http://mindanews.com/index.php?option=com\\_content&task=view&id=1396&Itemid=50](http://mindanews.com/index.php?option=com_content&task=view&id=1396&Itemid=50).

**Balane, Walter I. /MindaNews.** 2006a. Human rights in peace talks way to break impasse? 17 November. Accessed at [http://mindanews.com/index.php?option=com\\_content&task=view&id=1287&Itemid=50](http://mindanews.com/index.php?option=com_content&task=view&id=1287&Itemid=50).

\_\_\_\_\_.2006b. Talks impasse bad for children. 23 November. Accessed at [http://mindanews.com/index.php?option=com\\_content&task=view&id=1314&Itemid=50](http://mindanews.com/index.php?option=com_content&task=view&id=1314&Itemid=50).

\_\_\_\_\_.2006c. MILF chief negotiator: New proposal "good for the eye to see". 25 November. Accessed at [http://mindanews.com/index.php?option=com\\_content&task=view&id=1329&Itemid=50](http://mindanews.com/index.php?option=com_content&task=view&id=1329&Itemid=50).

**Diaz, Patricio P./Mindanews.**2006a. Comment: Breaking the Impasse (1). 3 December. Accessed at <http://www.luwaran.com/modules.php?name=Content&pa=showpage&pid=56>.

\_\_\_\_\_.2006b. Comment: Breaking the Impasse (2). 8 December. Accessed at <http://www.luwaran.com/modules.php?name=Content&pa=showpage&pid=56&page=2>.

\_\_\_\_\_.2006c. Comment: Breaking the Impasse (3). 14 December. Accessed at <http://www.luwaran.com/modules.php?name=Content&pa=showpage&pid=56&page=3>.

**Gallardo, Froilan /MindaNews.** 2006. Mindanawons hope to prevent another war thru text messages. 11 October. Accessed at [http://mindanews.com/index.php?option=com\\_content&task=view&id=1046&Itemid=75](http://mindanews.com/index.php?option=com_content&task=view&id=1046&Itemid=75).

**Luwaran.** 2006. Government still thinks 'in the box', MILF says. 15 September. Accessed at <http://www.luwaran.com/modules.php?name=News&file=article&sid=308>.

\_\_\_\_\_. 2006. MILF: Peace talks with gov't hang in the balance. 13 September. Accessed at <http://www.luwaran.com/modules.php?name=News&file=article&sid=306>.

\_\_\_\_\_. 2006. MILF: 'We don't know how to make threat of war'. 22 September. Accessed at <http://www.luwaran.com/modules.php?name=News&file=article&sid=315>.

\_\_\_\_\_. 2006. MILF condemns latest bombings; sees peace saboteurs' hand. 11 October. Accessed at <http://www.luwaran.com/modules.php?name=News&file=article&sid=35>.

\_\_\_\_\_. 2006. MILF: Evidence vs MILF fabricated, a 'big lie'. 18 October. Accessed at <http://www.luwaran.com/modules.php?name=News&file=article&sid=43>.

\_\_\_\_\_. 2006. Peace talks can collapse, MILF says. 23 October. Accessed at <http://www.luwaran.com/modules.php?name=News&file=article&sid=52>.



# SOURCES

\_\_\_\_\_. 2006. MILF peace panel to hold crucial meeting on gov't proposal. 23 November. Accessed at <http://www.luwaran.com/modules.php?name=News&file=article&sid=92>.

**Magbanua, Williamor A.** 2006. 6 killed, 32 wounded in Makilala bombing; 4 wounded in Tacurong. 11 October. (With a report from Malu C. Manar/MindaNews). Accessed at [http://mindanews.com/index.php?option=com\\_content&task=view&id=1049&Itemid=50](http://mindanews.com/index.php?option=com_content&task=view&id=1049&Itemid=50).

**Manar-Cadeliña, Malu /MindaNews.** 2006. MILF chair, 8 alleged commanders charged for multiple murder. 18 October. Accessed at [http://mindanews.com/index.php?option=com\\_content&task=view&id=1104&Itemid=50](http://mindanews.com/index.php?option=com_content&task=view&id=1104&Itemid=50).

**Philippine Information Agency.** 2006. PGMA lauds interfaith initiatives in Mindanao. 1 December. Accessed at <http://www.pia.gov.ph/default.asp?m=12&date=12/01/2006&af=200612>.

**Reuters.** 2006. Talks with MILF break down. New Straits Times. 8 September.

**Santos Jr., Soliman.** 2005. Evolution of the armed conflict on the Moro Front. A background paper submitted to the Human Development Network Foundation, Inc. for the Philippine Human Development Report 2005. Accessed at [http://www.hdn.org.ph/bgpapers2005/Evolution\\_Communist\\_Conflict.pdf](http://www.hdn.org.ph/bgpapers2005/Evolution_Communist_Conflict.pdf).



# Japan and the Philippines: Another unequal alliance?

**A**s early as 1966, the Philippines has been accessing foreign loans and credits (RA 4860) to finance economic development. Government sees Official Development Assistance (ODA) as facilitating economic development as it enlarges the pool of capital for investment and growth, especially with the country's deficient infrastructure and technical capabilities. Development assistance is necessary to mobilize domestic resources and attract private capital flows (Camacho and Cuevas, 2004).

Developing countries, such as the Philippines, usually prefer ODA to commercial borrowing in financing economic and social development programs because it offers lower interest rates and longer payment terms. The importance of ODA to augment the state's scarce domestic resources is without

question. Critics, however, present the paradox that while it augments scarce resources, it also adds to the country's ballooning foreign debt. ODA, it is said, comes with a cost.

Because the country is already heavily dependent on ODA to fund even its own programs, the danger is development that is private-sector-led (i.e., the private sector becomes the barometer of the priority areas and programs of the country), and may not be necessarily reflective of the development needs of its regions.

Bilateral relations between the Philippines and Japan started in 1968. Since then, Japan has become the largest source of ODA in the country, the second biggest trading partner, and the second biggest source of investment. From 1969 to 1998, total Japanese ODA



Source: <http://www.the-american-intent.com/contd/index.php?paged=3>

to the Philippines was at US\$8.426 billion (Camacho and Cuevas, 2004). Japan also contributed 81 percent (\$634 million) of the country's total ODA commitment in the first half of 2002. In 2004, the Philippines ranked fifth on the list of recipients of Japan's bilateral ODA, with a sum of \$211.38 million net disbursement. Thus, Japan is a major source of development aid in the country.



## Special Mindanao interest

While Mindanao lags behind Luzon behind in terms of social services and infrastructure development, such as farm-to-market roads, energy, power, irrigation, information communication technology, it is rich in natural resources that attract foreign investors. The Caraga Region has mining potentials, Iligan has a steel mill, and Cagayan de Oro has a typhoon-free container terminal. Mindanao also has vast plantation areas of fresh bananas and small pineapples, crops that are considered Mindanao's export-income earners.

Mindanao and Japan have preserved their "partnership" through trade and investment linkages and ODA. In the first half of 2005, the total value of foreign direct investments that poured in Mindanao reached PhP892 billion, with foreign equity investments taking up 54 percent of the total investments (Bautista and de la Rosa, 2006). Some of the Japan's investments in Mindanao are iron ore manufacturing, with an

investment share of PhP520 million and the Philippine-Japan Active Carbon Corporation expansion project in Davao City with a PhP125-million share.

In 2005, Japan was one of the top five export destinations of Mindanao's traditional export products, which include coconut oil, banana, tuna, fresh pineapples, and iron ore agglomerates (Palacio, 2005). More than 23 percent (US\$89.6 million) of Mindanao's total export products went to Japan in 2005. Thus, Japan is the principal market of Mindanao (MEDCO, 2005). The tuna industry has also made headway in the Japan market. Most of the tuna canneries of the country are located in Mindanao, particularly in General Santos City, which is now the center of the production, processing, and trade of tuna in the country.

Japan is also the top ODA donor country in Mindanao. Among foreign sources from 2002 to 2004, the Japan Bank for International Cooperation (JBIC) was the major source of ODA at PhP69.6

billion. The bulk of JBIC's commitments in the country is in the infrastructure development sector, most of which have a Mindanao component (AFRIM, n.d.). This has been the trend since 1995.

In 2003, the Philippine Government availed of loan agreements with JBIC worth \$435.3 million. Beneficiaries were areas in Mindanao that needed power projects as well as a social fund. Forty-seven percent (or \$208.5 million) of the total amount was allotted to power projects. A 210-megawatt clean coal power plant in Northern Mindanao was one such project (Malonzo, 2004). The establishment of a social fund was for the Autonomous Region in Muslim Mindanao.

Given the mandate of JBIC of promoting Japanese imports and economic activities overseas, it is quite logical for them to invest in these regions (AFRIM, n.d.). Japan depends on developing countries' supply of resources, energy and food. Its development assistance is significant to ensure stability



and prosperity in these areas (Malonzo, 2004). Japan needs sources of metals to feed its strong industrial economy, and Mindanao is a rich source of raw materials.

### **Clinching yet another deal**

With the collapse of the World Trade Organization (WTO) talks in Cancun, Mexico, in 2003, developed countries are shifting from multilateralism into bilateralism. Developed countries are now active in wooing developing countries with economic partnership agreements (EPA). This may be what Japan, in particular, is doing now to member-countries of the Association of Southeast Asian Nations (ASEAN), to strengthen its economic integration and to ensure markets for their products.

Bilateralism has a tendency to exploit the unequal power relations between countries, as when a stronger and more developed country, such as Japan, negotiates with a weaker, still developing country, such the Philippines.

Usually, the weaker country is placed at a disadvantage (IDEALS, n.d.). Would this then be the case with the new trade pact, “Japan-Philippines Economic Partnership Agreement” (JPEPA)?

A bilateral preferential trade treaty between Japan and the Philippines, JPEPA was signed on 9 September 2006. It seeks to remove the barriers to investments and trade of goods and services between the two countries. It is the first bilateral trade agreement entered into by the Philippines since the 1946 Parity Amendment with the United States. It is also under the umbrella of the ASEAN-Japan Comprehensive Economic Partnership, which seeks to strengthen economic integration between Japan and ASEAN countries.

According to Joshua Mata (2006), secretary general of Alliance of Progressive Labor, “JPEPA supplements and updates the old Japan-Philippine Treaty of Amity, Commerce and Navigation decreed by former President Ferdinand Marcos during the early years of Martial Law.” The old treaty, however, stipulated

that both countries would “undertake to cooperate for mutual benefit with a view to expanding trade and to strengthening economic relations...and to furthering the interchange and use of scientific and technical knowledge, particularly in the interest of economic development and of the improvement of standard of living...” (Article 5) (Bello, Sumalde, and Vega, 2004). A provision in the JPEPA states that should there be ‘any inconsistency’ in the old Treaty of Amity and the JPEPA, the latter prevails (Fair Trade Alliance, 2006).

The Philippines’ EPA with Japan is considered the first full-pledged bilateral Free Trade Agreement (FTA). If this EPA is ratified by the Senate, it will become a benchmark for the country’s liberalization as future FTAs will depend on it. IBON Foundation (2006a) pointed out that if high trade and investments standards in set in JPEPA, the Philippine Government will be obliged to state the same conditions in future FTAs.

The trade pact covers trade in goods (both industrial and agriculture), trade in services, movement of natural persons, rules of origin, investment, intellectual



property, customs procedures and paperless trading competition policy and emergency measures, government procurement, dispute avoidance and settlement, and bilateral cooperation.

Under JPEPA, the government will cut import tariffs on industrial goods (e.g., cars, trucks, shipbuilding, computers, and consumer electronics) by 90 percent within 10 years and provide concessions for Japanese direct investment in the domestic automobile and electronic industries.

Also included in the agreement is the abolition of tariffs on at least 60 percent of the country's steel imports from Japan; tariffs on automobiles and auto parts will be fully eliminated in 2010. In return, Japan will lower tariffs on Philippine fresh bananas and small or "queen" pineapples, while Philippine government removes tariffs on Japanese grapes and pears.

But, is this fair? Japan will only reduce tariffs while the Philippine Government will give Japan zero tariff rates. Are

we getting fair treatment from Japan? Benefits that we can possibly gain from tariff reduction of our export products will only accumulate in favor of big, foreign and transnational agribusiness companies. Our local agribusiness producers, which should be reaping export opportunities, will be disadvantaged, owing to lack of government support, such as infrastructure, credit, extension and postharvest facilities (IBON Foundation, 2006b).

### **The caveat**

According to IBON Foundation (2006a), "JPEPA is actually an unequal agreement between unequal parties... biased for the more powerful Japanese economic interests." This is because Japan will gain more compared to the Philippines, with Japanese investors free to set up export enclaves in the country, which may not necessarily be integrated with the domestic economy. Also, they will continue to import their own inputs and components, exploit fiscal incentives, stifle workers' rights to organize, and hire labor as cheaply as they can.

In fact, one of the controversial aspects in the JPEPA is the issue on liberalizing the Philippine economy to Japanese investors in exchange for providing employment to Filipino professional and health workers, mostly nurses and caregivers, in Japan. Migrante-Japan (2006), a Japan-based nongovernment organization, commented that "For Gloria Macapagal Arroyo, the future of the Filipino people has a very cheap price. So cheap that she opted to sell to Japan by further opening up the local economy in return for the deployment of 400 to 500 nurses and caregivers."

Migrante-Japan representative Nestor Puno remarked that the "400 to 500 nurses and caregivers annually is too miniscule a price for allowing Japanese business to rake in super profits out of the local economy. Japan is aiming for a more liberalized entry of Japanese investments in the Philippines under the guise of a bilateral free trade agreement, particularly in opening up of auto and steel sectors. Japan's stake is much bigger than the projected combined annual income or remittances of these



health workers” (Migrante 2006). Japan is likewise consolidating Southeast Asia as a source of cheap agricultural, mineral and other raw materials for their own purposes and as a captive market for Japanese industrial products.

Another alarming issue that came up is the legalization of the entry into the Philippines of toxic and hazardous wastes<sup>1</sup> that have adverse effects on the environment. Under the pact, the Philippines will give preferential tariff on Japan’s waste products, such as pharmaceutical waste, ash and residues from incinerated waste, sewage sludge, clinical wastes, and used surgical gloves, among others. These can now be shipped from Japan at zero tariff.

This JPEPA provision blatantly violates these Philippine environmental laws and international agreements:

- Art. II, Sec. 15 and 16 of the Philippine Constitution promotes the people’s right to health; to a balanced and healthful ecology.

- Republic Act 8749 or the “Philippine Clear Air Act” bans incinerators in the country.
- Republic Act 6969 or the “Toxic Substances and Hazardous and Nuclear Wastes Control Act.”
- Republic Act 9003, otherwise known as the “Ecological Solid Waste Management Act” prohibits the importation of toxic wastes misrepresented as “recyclable” or “with recyclable content.”
- The Basel Convention on the Transboundary Movement of Hazardous Wastes, also known as “Basel Convention” (Mata, 2006), an international treaty designed to reduce the movement of hazardous waste between nations, specifically preventing the transfer of hazardous waste from developed to less developed countries (Wikipedia, n.d.). Parties are required to become self-sufficient in the management of waste covered under the Convention. The Convention also

provides for the sovereign right of Parties to prohibit the importation of any waste to ensure environmentally sound waste management. Both the Philippines and Japan are signatories to the Convention.

**Call to action**

At the height of the EPA negotiations, little information was disclosed to the public. Atty. Tanya Lat (n.d.), legal advisor of the Akbayan party-list group, “warned Congress in a committee hearing of the Special Committee on Globalization that such mega-treaty would have difficulties that are ‘twice as large, twice as formidable’ than if they were negotiated separately, and the Philippine government needs to be ‘twice as awake, twice as vigilant’ in determining whether the country is ready to undertake this kind of treaty. As critics say, the Philippine government should not rush the JPEPA ratification. We should further examine and scrutinize the impacts of this new trade agreement.

Civil society groups, religious groups and other environmental groups are for scrapping JPEPA, even as the Philippines and Japan are explaining the



controversial issue of the Philippines as a dumping ground of Japan's toxic wastes. Their justification is that existing domestic and international environmental laws will be observed properly. The issue on hazardous toxic wastes has to be deleted from the JPEPA. The provision has to be closely scrutinized—What benefits can we really gain from it? Will this be mutually beneficial to the two countries? Do we have a clear development plan for such an agreement? Secrecy in negotiations should be avoided. Transparency must be upheld, and public consultations must be respected because the lives of ordinary Filipinos are at stake.

Further, civil society groups are urging the Philippine government to provide more decent jobs for the Filipinos, to stop “prostituting” our workforce abroad, and to stop the implementation of neoliberal globalization policies that impoverish millions of Filipinos. The the collapse of the WTO Doha Round talks should be taken as an opportunity to reaffirm our stand against neoliberal globalization.

Although signed in September, JPEPA has not yet been implemented. It will come into force “on the 30<sup>th</sup> day after the Government of both Parties exchange diplomatic notes informing each other that their respective legal procedures necessary for entry into force have been completed”. The Philippine Senate still has to review the JPEPA and to garner 2/3 approval votes before the agreement comes into force and takes effect.

Senate Minority Leader Aquilino Pimentel Jr. said that the Senate will need to scrutinize the JPEPA because of apprehensions by some quarters over its alleged disadvantages to the country. Senator Pimentel added that proper legislative committees will review it to ensure that we do not again find ourselves at the losing end of the pact. He expressed the hope that Japan would not object to the legislative scrutiny.

~ Nemia T. Bautista  
and Nikki Philline C. de la Rosa

## Endnote

---

<sup>1</sup> “Hazardous wastes” are defined under Section 5 (h) of Republic Act 6969 (“Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990”) as “substances that are without any safe commercial, industrial, agricultural or economic usage and are shipped, transported or brought from the country of origin for dumping or disposal into or in transit through any part of the territory of the Philippines”. They also refer to “by-products, side-products, process residues, spent reaction media, contaminated plant or equipment or other substances from manufacturing operations, and as consumer discards of manufactured products” (Lat, n.d.).



# SOURCES

**Alternate Forum for Research in Mindanao.** n.d. Official development assistance in Mindanao. Unpublished article.

\_\_\_\_\_. 2004. Major recipient countries of Japan's bilateral ODA (1996-2004). Statistics. <http://web-japan.org/stat/stats/23ODA31.html>. Accessed on 24 February 2007.

**Bautista, N. and de la Rosa, N.P.** 2006. A leap in inflows of foreign investment to Mindanao, but at what cost? *AFRIM eZine*. July-August. [www.afrim.org.ph](http://www.afrim.org.ph). Accessed on 3 December 2006.

**Bello, A., Sumalde, Z., and Vega, C.L.** 2004. Towards a Philippine-Japan Economic Cooperation in Agriculture. Prepared for the Japan-Philippines Economic Partnership Research Project. January 2004. Discussion Paper Series No. 2004-32. Philippine Institute for Philippine Studies. August 2004. Makati City, Philippines. <http://www3.pids.gov.ph/ris/dps/pidsdps0432.pdf>. Accessed on 30 January 2007.

**Camacho, Jose V. Jr. and Cuevas, Agham C.** 2004. The dynamics of Philippines-Japan economic cooperation: The case of Japan's official development assistance (ODA) in the Philippines. Discussion Paper Series no. 2004-35. Philippines Institute for Development Studies. August 2004.

**Fair Trade Alliance.** 2006. JPEPA: Sidelining development. Fair Trade statement on JPEPA, October 2006. *Bilaterals.org*. Available from [http://www.bilaterals.org/article.php3?id\\_article=6395](http://www.bilaterals.org/article.php3?id_article=6395); accessed on 3 December 2006.

**IBON Foundation.** 2006a. On the Japan-RP economic pact. 9 September. [http://www.bilaterals.org/article.php3?id\\_article=5835](http://www.bilaterals.org/article.php3?id_article=5835). Accessed on 21 September 2006.

\_\_\_\_\_. 2006b. RP stands to lose P9 billion a year in tariff revenues under JPEPA. News features. 27 October. <http://70.85.145.34/~ibon/read.php?newsid=284>. Accessed on 7 December 2006.

**IDEALS (Initiatives for Dialogue and Empowerment through Alternative Legal Services, Inc.).** n.d. Frequently asked questions about the Japan-Philippines Economic Partnership Agreement (JPEPA).

**Lat, Tanya.** n.d. Environmental implications of the Japan-Philippine Economic Partnership Agreement. Initiatives for Dialogue and Empowerment through Alternative Legal Services, Inc. (IDEALS).

**Malonzo, Jennifer del Rosario.** 2004. Japan-Philippines economic partnership agreement: Capping Japanese economic conquest of the Philippines. *IBON Facts and Figures* Vol. 27, No. 18. 30 September. Special Release.

**Mata, Joshua.** 2006. Japan-Philippine Economic Partnership Agreement (JPEPA): A clear and present danger. Alliance for Progressive Labor. 14 November 14. Powerpoint presentation.

**Migrante-Japan.** 2006. Philippines and Japan sign FTA Accord – For Arroyo, the future of Filipinos is cheap – Migrante-Japan. 8 September. [http://www.bilaterals.org/article.php3?id\\_article=5831](http://www.bilaterals.org/article.php3?id_article=5831). Accessed on 21 September 2006.

**MEDCO (Mindanao Economic Development Council).** 2005. Economic report on Mindanao 1<sup>st</sup> Quarter 2005 performance. <http://www.medco.gov.ph>. Accessed on 25 July 2006.

**Palacio, Rose.** 2005. Data on Mindanao's five top export products released. 31 May. <http://www.pia.gov.ph/news.asp?fi=p050531.htm&no=1>. Accessed on 7 December 2006.

**Wikipedia.** n.d. Definition of Basel Convention. [http://en.wikipedia.org/wiki/Basel\\_Convention](http://en.wikipedia.org/wiki/Basel_Convention). Accessed on 22 November 2006.



# Student Action Now! Engaging the Youth in Peacebuilding

**G**uided by the core belief that the youth are an important resource that can be harnessed in peacebuilding, AFRIM works towards providing life skills training to the youth towards developing values of peace and respect for diversity. AFRIM believes that among adolescents, participation in activities of social relevance is a means to self-development: skills are developed, competencies are built, confidence is gained, and aspirations are given space.

On this premise, AFRIM, through its Peacebuilding, Information, and Education Services (PIES) Program, organized a youth teach-in for student leaders of these partner-schools: Davao City National High School, Daniel R. Aguinaldo National High School, Erico T. Nograles National High School, Doña Carmen Denia National High School, and Davao Central High School on 14 and 21 October 2006 in Davao City.

Student leaders are strategic peacebuilding partners as they are in a position to influence other students, and therefore, scale-up peacebuilding initiatives. AFRIM considers student governments as a fertile arena in which students are able to shape and enact their collective vision.

With the goal of promoting intercultural understanding and the values of peace within the self, with the family, and the community at large, the activity aimed at the following objectives:

1. Take a historical journey to trace the common roots of Muslims, Lumads, and Christian peoples of Mindanao, identify cultural prejudices, and challenge stereotypes.
2. Identify issues and concerns of the youth within the self, family, and the community at large and discuss how these could be addressed.



Student leaders from Davao City National NHS, Davao Central HS and Enrico T. Nograles NHS composed the first batch of student teach-in last 14 October 2006 conducted by AFRIM.



The second batch of student leaders from Doña Carmen Denia NHS and Daniel R. Aguinaldo NHS, conducted last 21 October 2006.



The student leaders of Erico T. Nograles NHS and Davao City NHS while viewing the video documentary "Behind the Veil: Voices of Moro Women".

3. Capacitate student leaders in organizing peace clubs in the pilot schools towards a more sustained peacebuilding engagement.
4. Establish mechanisms for collaboration and information exchange between and among participants.

The teach-in was two-pronged in its approach as it tried to equip participants with a better understanding of the macro (historical) and micro (personal and familial) roots of conflict. The unit was designed to involve the cognitive, affective, and behavioral components. The pedagogy was inductive in that the units were arranged to build on each another. The end goal was a call to action, towards the youth's more

active involvement in building peace in Mindanao.

Specifically, the video showing of "Behind the Veil: Voices of Moro Women" surfaced their personal views on the Mindanao conflict, their perception of those who are different in sociodemographic background from them (i.e., faith, family status, etc), and their concept of peace. This served as a leveling-off exercise.

The input on the tri-people history of Mindanao helped the participants understand the historical roots of conflict and the ways colonizers have sowed negative perceptions and biases against the Moros, which have been passed on from generation to generation.

The session on "Understanding the self and others" and the workshop on conflict management brought down the macro-perspective to the micro as participants explored their familial experiences and how these formed their perceptions of others, their personal issues and concerns as adolescents and how these could also be a form of



unpeace. This drove home the point that peace starts within us and how we relate to others around us.

The session ended with action planning: participants discussed plans for organizing peace clubs or peace committees and future school activities that will promote the values of peace and intercultural understanding in schools.

The dynamic and talented Mr. Tony Apat of the Archdiocesan Center for Ecumenical and Inter-religious Dialogue (ACEID) facilitated the session on the tri-people history of Mindanao. Partner educator Mr. Guy Eñano of Davao Central High School, adeptly facilitated the session on understanding the self and others and conflict management.

The activity is the first in a series of youth engagements of the PIES Program. In the next two years, AFRIM envisions the creation of peace clubs in schools and the further strengthening of the capacity of the youth in peacebuilding. Other PIES activities are geared towards the Ulama and the educators.

~ Nikki Philline C. de la Rosa



The student leaders of Daniel R. Aguinaldo NHS during the discussion on the tri-people history of Mindanao.

# Fostering Cultural Pluralism in Education

In celebration of last year's Mindanao Week of Peace, AFRIM's Peacebuilding, Information and Education Services (PIES) took the lead in two key events on 6-8 December 2006 under the theme 'Fostering Cultural Pluralism in Education'.

The lineup of activities began with a two-day exhibit at the SM Entertainment Plaza in SM City Davao. The exhibit showcased the initiatives of students from six Davao City secondary schools on the history and culture of the tri-peoples of Mindanao. Their respective teachers also displayed their achievements relating to the integration of peace education in classroom teaching.

The exhibit was followed by a public forum on 8 December at the Grand Men Seng Hotel in Davao City with participants from various civil society sectors coming together to share experiences and to discuss best practices in mainstreaming



The cultural presentation of the Davao City NHS showcased the tripeople of Mindanao during the opening of the Peace Exhibit last 6 December 2006 in celebration of the Mindanao Week of Peace.

peace education in the basic education curriculum.

The three-day event was undertaken with the aim of fostering intercultural understanding of the tri-peoples of Mindanao, namely the Muslims, the Christians and the Lumads (indigenous

peoples) among the youth while bringing to the public domain the valuable contribution of adolescents in the achievement of a just and lasting peace in Mindanao. Furthermore, the occasion was harnessed as a prime opportunity to encourage dialogue among key stakeholders in peacebuilding on how best to engage the youth in peace education, and in the process, develop values of peace and appreciation of diversity among the youth, which is a growing sector of society.

Dr. Helen Libunao, the Regional Coordinator for Araling Panlipunan of the Department of Education Region XI Office formally opened the exhibit on 6 December and gave the keynote address to some 150 participants including academics, students and NGOs engaged in peace education. Students



from the pilot schools colored the event by delivering exceptional performances such as dances, songs, oratorical pieces, poetry, and jingles to an enthusiastic crowd of spectators under the banner of breaking intercultural prejudices and celebrating Mindanawon diversity.

Erwin Alparaque, assistant to City Administrator Wendell Avisado delivered the keynote address to the forum on 8 December and expounded on the current programs and future plans of the Davao City Government on integrating interfaith and intercultural understanding in secondary school teaching.

Catholic Relief Services (CRS) and the Office of the Madrasah Comprehensive Development and Promotion Program of Davao City. The background of the participants who attended the forum and the knowledge they brought to the table allowed for a healthy exchange of information and a fertile discussion of policy recommendations specific to peace education. Furthermore, the forum was a milestone opportunity for these stakeholders to open a dialogue with students and teachers themselves on how best to pursue an agenda of peace in Mindanao through the basic education curriculum.

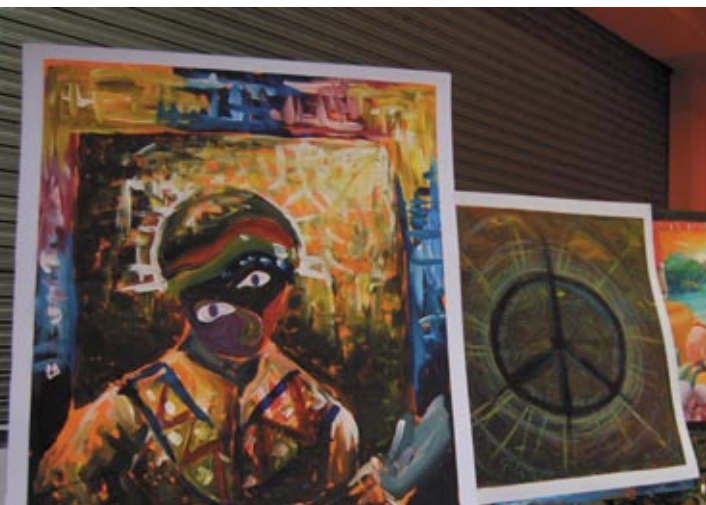
The new Executive Order 570 on the Institutionalization of Peace Education in Basic Education and Teacher Education was also discussed by Mr. Alex Umpar, Policy and Program Development Officer of the Office of the Presidential Advisor on the Peace Process .

The exhibit and forum are the first in a series of activities envisaged by AFRIM's PIES as part of a three-year peacebuilding project that aims at integrating peace education in secondary school curricula in partnership with local educators and with the support of the Local School Board and DepEd. In 2007, potential activities will be consolidated through the development of theoretical frameworks on peace to support teacher training and to enable the successful incorporation of peace education in the basic education curriculum.

Providing the specific initiatives on promoting peace and respect for diversity on the ground were the 'Davao 15', a group of peace educators organized by AFRIM in May 2006; J. Marquez School of Peace in Cotabato City; the Basic Education Assistance Project in Mindanao (BEAM);

~ Masoma Sherazi

One of the students' presentation during the opening of Peace Exhibit



The students expressed their understanding of the value of peace through various forms of art.

# AFRIM eZine

Peacebuilding, Information, and Education Services

A monthly electronic newsletter produced by the Peacebuilding, Information, and Education Services (PIES) unit of AFRIM Inc. PIES compiles articles and data on macro issues that impact Mindanao development as poverty, agriculture, the environment, and peacebuilding from various online news, AFRIM publications, and other alternative sources.

## **Editorial Team**

Mary Luz Mengueta-Feranil  
Nikki Philline C. de la Rosa

## **Writers**

Nikki Philline C. de la Rosa  
Nemia T. Bautista  
Anna Marie V. Quines  
Venus B. Betita  
Masoma Sherazi

## **Layout**

Alvin N. Oczon

## **Photodocumentation**

PIES Team  
Alvin N. Oczon

Your comments and suggestion are very much appreciated  
You may visit or contact us through the details below.

## **Call or email us at:**

Telefax: (082) 226-3922  
Email Address: [infoservices@afrim.org.ph](mailto:infoservices@afrim.org.ph)

## **Visit our website at:**

<http://www.afrim.org.ph>

## **Visit our office at:**

Unit 1H Anda Corporate Centre  
F. Iñigo St., Davao City, Philippines