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# After 20 Years: Revisiting the Local Government Code

There should be an end to the fruitless process of reforming laws and crafting development strategies where the dubious intention is in furtherance of elite governance sugar-coated by meaningless concepts of "transparency and accountability", LGU-civil society or "public-private partnership."

By the Policy Study, Publication, and Advocacy (PSPA) Center for People Empowerment in Governance (CenPEG) January 12, 2012

2012 marks the 20<sup>th</sup> year of the Local Government Code which took effect on January 1, 1992. The code provided for decentralization - giving autonomy to local governments - and the devolution of basic services. Decentralization was expected to reduce local governments' dependence on the national government where powers and resources are highly centralized, and make local governance accountable as well as accessible to the people under an LGU- civil society partnership.

Today, however, observations on the impact of the law remain divided. One side criticizes the national government's farcical transfer of real powers to the local government units (LGUs) while another cites the code's failure to bring about real development in the local communities. On a positive note, all are one in calling for a revisit of the local government code with the aim of introducing reforms.

In its 20 years of implementation, the local government system was built on LGUs comprising 80 provinces, 122 cities, 1,512 municipalities, and 42,000 barangays – the basic political and governance units. The internal revenue allotment (IRA) earmarked as much as 40 percent of national revenues to the LGUs with the rest kept by the national government. Devolved to local governments were basic services including health, social services, environment, agriculture, education, public works, tourism, and housing projects. Moreover, people's organizations and NGOs were given seats in local consultative bodies such as the development council, as well as health and school boards.

## **Regional autonomy**

Rising above the typical LGU system is the autonomous region one of which was formed in 1989 – the Autonomous Region in Muslim Mindanao (ARMM). Another autonomous region – the Cordillera autonomous region – reverted to being a regular administrative region in 1998.

The local government code was implemented six years after the Edsa I uprising that ousted the Marcos dictatorship. The uprising gave birth to the "people empowerment" tenet that is to be given flesh by making local governance inclusive and participative with the people acting as effective partners in building self-reliant communities. The transformation of local communities was to be spurred by several medium-term development plans rolled out by five administrations in 20 years of the code's implementation. These sounded like bright ideas but, as it turns out, lack substance.

Today, the local rural and urban communities that were to metamorphose into fully-developed, selfsustaining communities remain marginalized by abject poverty and unemployment. Claims of economic growth by the national government baffle its own economists upon realizing that GDP growth is not trickling down to the grassroots populations. Equally critical is the state of education and health. No wonder the social inequities, weak government performance, and the shortage of social services that both the national and local governments promised to deliver continue to fuel social unrest



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especially in the rural countryside. The statistics of nearly 4,000 Filipinos going abroad every day as migrant workers is a living proof of economic opportunities unreachable in the LGU communities.

Disturbing, likewise, is the fact that no significant impact assessment on the local government code has been done to this day whether by the Department of Interior and Local Government (DILG) which supervises the LGUs, Congress which enacted the law, or by governance schools. Most piecemeal evaluations that have been made are superficial: They blame the lack of funds and weaknesses of the decentralization and devolution processes for the unimpressive results of the local autonomy paradigm. Expectedly, the consensus is to amend the local government code by increasing the IRA allotments and giving more fiscal autonomy to the LGUs.

### **Development models**

The whole trouble in this difficult experiment begins with development models which see growth in the local communities as being attainable through the enactment of laws, the decentralization of powers to local executives, and making the accountability system in the LGUs functional. In turn, this legal and political infrastructure is expected to provide the machinery to implement economic programs prescribed by globalization templates. However, most development programs in the communities land in the hands of LGU politicians, profitmaking businessmen, and investors leaving the poor populations with nothing even after being cited as "target beneficiaries" for funding purposes. Such prescriptions turn local communities into commercial and raw material exporters even as the domestic economies are pried open for the dumping of cheap foreign imports - far from the self-reliance as inscribed in the local government code.

Despite local autonomy, economic strategies are imposed by the national government which considers the local communities as objects of development aggression – from extractive mining production, power generation, supply of cheap OFW labor for export, to commercial crops and tourism. The result is the collapse of local production like agriculture, food insecurity and malnutrition, disasters, depletion of natural resources such as water, marine, forest, and mineral wealth, and a huge population of unemployed. In the first place, a major requirement of local autonomy has been largely ignored – the empowerment of communities and their effective participation in local governance. Most LGUs have not enacted implementing laws to comply with this code requirement thus ensuring power structures to remain in the hands of the traditional powers that be. Concomitantly, as studies and other reports show, majority in LGU communities know little about the local government code let alone their rights to participate in decision-making. The low public awareness on local government makes the LGU vulnerable to corruption while incompetence and poor performance is rewarded with continuity in office.

The local government code does not address – if it does not altogether abet – the institutional gridlocks to real empowerment in the communities. Political power – hence, the occupancy of LGU positions – remains entrenched in the hands of family dynasties with their roots dating back to several decades and whose network of power and influence extends to the barangays. In the regime of local autonomy, the number of family dynasties has even increased. In many communities, political rule is even more concentrated in a few families while the claimed public benefits of local autonomy are elusive.

### **Presidential power**

By being the central authority and in control of the DILG, the President remains organically more powerful than all the LGUs combined. The presidency – which is as well a revolving door of the country's ruling oligarchies – exerts control over the LGUs including the ARMM through political patronage exercised through the IRA, national appropriation, development projects, military and police powers, and the like. In the past administrations, all the LGUs were whipped into line through their national and provincial leagues. Instead of mobilizing them as centers of development LGU communities were prioritized as the electoral base of the president and other national candidates. The system of oligarchic politics is intertwined with the LGU architecture.

The call for revisiting the local government code may be valid if the aim is to draw lessons and determine what needs to be done. It will remain a futile exercise, however, if the "revisit" will turn out to be a mere patchwork





requiring mainly the allotment of bigger funds and more fiscal autonomy to the LGUs. The result is to make the exclusivity of the LGU governance a permanent fixture and the communities forever in the margins of society. The LGU system thus becomes a mechanism for prolonging elite politics and the illusion of reformism when the times call for dismantling the institutions of family dynasties, political patronage, and the culture of corruption that such political structure breeds.

There should be an end to the fruitless process of reforming laws and crafting development strategies where the dubious intention is in furtherance of elite governance sugar-coated by meaningless concepts of "transparency and accountability", LGU-civil society or "public-private partnership." The challenge is for social change-oriented movements, new politics-driven political parties, and cause-led NGOs to lend their voice in demystifying the elitist local governance system as they persevere in building empowered communities across the nation.

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