Ben S. Malayang III*

INTRODUCTION

The Second World War gave rise to the widespread impression that the bigger economy is able to produce the better ability to survive, to pursue national interests, acquire power, and win wars. Thus emerged the assumption that development is principally the pursuit of economic growth. There were other theories about development,¹ but after World War II, it was conceived as mainly the accumulation of material assets over time (Figure 1).

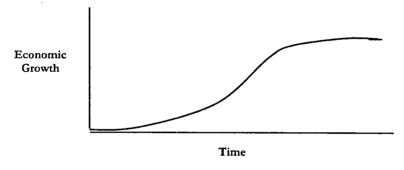


Figure 1. The post-WWII concept of development.

[•] Ph.D, University of California (Berkeley). This Article was originally a Lecture, SEARCA (Los Baños, Philippines), 4-5 pm, July 20, 2004. Modified from a Fellowship Lecture of the same title, Development Academy of the Philippines, May 19, 2004.

¹ See Todaro, M. and S. Smith. 1995. Economic Development. 8th edition. Addison Wesley; See also Van Der Berg, H. 2001. Economic Growth and Development. McGraw-Hill (UK).

In this view, and as how it was practiced, development was measured in decadal GDP increase. Bretton Woods Institutions (World Bank and IMF) targeted 1950-1960 to be the first development decade in which GDP rise worldwide would be 5%. The next 10 years (1960-1970) was targeted as the second development decade with a target GDP increase of 6%. The years 1970-1980 were to be the third development decade with a target GDP increase of 7%.

But this concept of development came at a very steep cost to the environment, and to people. Carson² describes how poisons from agriculture and industries were killing off whole insect populations and so also the plants and animals that lived on them, or which are dependent on the services they provide. Others like Shambaugh et al,³ Vitug,⁴ Castro ed.,⁵ and Myers,⁶ tell of conflicts and displacements of people and communities and of threats to cultures arising from the over-exploitation and abuse of forests, soils, fisheries, minerals, water resources and biodiversity.

Global concern over these costs mounted. Subsequently, the United Nations took action. It convened the first international conference on environment and development in Stockholm in 1972 and immediately after, formed the World Commission on Environment and Development (WCED, but more popularly known as the Brundtland Commission, after its chair, G. H. Brundtland). The Commission was composed of eminent persons tasked to review the linkage between environment and development.

² Carson, R. 1962. Silent Spring. Houghton Mifflin.

³ Shambaugh, J. et. al. 2001. The Trampled Grass: Mitigating the Impacts of Armed Conflicts on the Environment. Biodiversity Support Program.

⁴ Vitug, M. 1993. Power from the Forests: The Politics of Logging in the Philippines. Philippine Center for Investigative Journalism.

⁵ Castro C. (ed.), 1984. Uplands and Uplanders: In Search for New Perspectives. Upland Development Programme, Bureau of Forest Development, Manila.

⁶ Myers, N. 1992. *Population, Resources and the Environment: The Critical Challenges.* UN Fund for Population Activities, New York. National Economic Council.

The Commission published its report in 1987 (Our Common Future. Oxford University Press). The report outlines a concept of sustainable development that differs from the two-dimensional concept of economic growth over time, taken then as almost gospel truth. Sustainable development is to be "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (p. 43). It embeds a three-dimensional view in which economic growth is complexed by goals to achieve environmental quality and to create opportunities for social and cultural articulation (Figure 2).

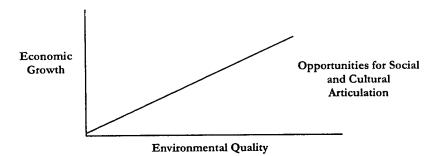


Figure 2. The Brundtland Commission concept of sustainable development.

The global community greeted the Brundtland concept with widespread enthusiasm. In 1992, the UN organized the first ever world summit on environment and development (the UN Conference on Environment and Development, or UNCED) in Rio de Janeiro, Brazil. It was attended by over 200 governments and heads of state. With them were over 300 civil society groups in parallel events.⁷

UNCED adopted Agenda 21 which sets the principles for achieving sustainable development in the world. Many global treaties and agreements followed UNCED. The same year it was held, nations signed the

⁷ The International NGO Forum, UNCED. (This was co-chaired by a Filipino, Mr. Maximo T. Kalaw, Jr.)

Framework Convention on Climate Change, and the Convention on Biological Diversity. Two years later, in 1994, they signed the Convention to Combat Desertification. Other agreements and treaties were adopted in regions (like in ASEAN) and globally. Each intended to pin down country commitments to better balance the world's quest for development with the equally urgent need to care for peoples, their ways of life, and the environment.⁸

But progress toward sustainable development after Rio proved disappointing. The UN General Assembly in 1997, meeting in special session, found little meaningful gains made five years UNCED. ⁹ By 2002, ten years after Rio, at the second world summit on environment and development in Johannesburg, South Africa (the World Summit on Sustainable Development, or WSSD), the disappointment had become even more palpable.¹⁰ But there was no turning back to the old paradigm of twodimensional development. Using the Millennium Development Goals (MDGs) earlier adopted by the UN (in 2000) as its focusing instrument, in which eight clear outcomes¹¹ were set for global efforts to achieve sustainable development, the WSSD adopted a Program of Implementation that seeks to continue pushing for sustainable development in the world.

Yet, the stark reality remains: sustainable development is not taking off. It continues to be more rhetoric than fact. Nations, governments and industries are not walking their talk of sustainable development. And when the noise on sustainable development is peeled from actual development

⁸ E.g., see the ASEAN Agreement on Environment and the Protocols to the UN Conventions: Montreal and Kyoto on Climate Change; Cartagena on Biological Diversity; Paris on Combating Descriptication.

⁹ See paragraphs 7, 8, 9 and 10 of the Resolution of the Special Session of the UN General Assessmbly (1997). In http://www.un.org/documents/ga/res/spec/aress19-2.htm.

¹⁰ By this time, more sad tales had been coming in. The global environmental outlook was getting even more dismal (e.g., see Esty, D. and P. Cornelius, eds. 2002; The World Bank 2002; UN Division for Sustainable Development, Department of Economic and Social Affairs 2002. UNDP 2001; UNEP 1997).

¹¹ The 8 MDGs: eradicate extreme poverty; achieve universal primary education; promote gender equality and empower women; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria, and other diseases; ensure environmental sustainability; develop a global partnership for development.

planning and policy in many countries, it remains just that, noise. Most governments (including the Philippines) still places economic growth as priority of development. Economics continues to trump the environment and concerns for social articulation as national development priorities.

Does this mean that peoples, industries and governments don't actually believe on sustainable development? They might actually do, but there is the practical aspect of knowing how to translate it in planning terms. The Brundtland concept of sustainable development may seem deceptively charismatic in its simplicity, but it is truly difficult to put into actual planning practice.¹²

This paper presents a re-thinking of the Brundtland concept of sustainable development and examines how an alternative view of it might make it more do-able in actual planning practice.

RE-THINKING THE BRUNDTLAND CONCEPT

The Brundtland concept advances two key ideas about development:¹³

- 1. The idea of a *complex of needs* (particularly of the poor) as the overriding priority of development, and
- 2. The idea of a *complex of limitations* (imposed by the state of technology, environment and natural resources, and social organizations) on human ability to meet present and future needs.

¹² Kalaw, M. Jr. 2002. Making Sustainability Work: A Personal Assessment Ten years After the Rio Earth Summit. Maximo T. Kalaw Institute for Sustainable Development.

¹³ World Commission on Environment & Development. 1987. Our Common Future. Oxford University Press at 43; Brown, P. 2001. The Commonwealth of Life: A Treatise on Stewardship Economics. Block Rose Books.

There are at least three (3) practical difficulties with these two ideas:

<u>Applicability</u> (How might the two ideas translate into what must be done?) The concepts of "needs" and "limitations" are deceptively alluring. They seem clear enough and straightforward, and yet complex.

A key complexity is how they may be determined as a matter of methods and procedures. For example, how might one proceed to identify "needs", or anticipate "limitations" *across* generations? What might be the correct protocol for determining what constitutes the complex of *present* and *future* needs? Too, what might be the correct steps for determining the "limitations" of present and future generations? Would they be about their knowledge systems or their social organizations and institutions?

The range of human aspirations and desires are infinitely intricate, involving both objective and subjective needs. How might these be identified and arrayed, and how shall one determine the limitations on the ability of generations to satisfy them? And if present needs and limitations are difficult to determine, what more those of future generations?

Indeed, recognizing and addressing these complexities, some adherents of sustainable development would stress that the Brundtland concept is principally about *setting aside present* resources for *future* generations. Sustainable development is keeping intact a sufficient stock of natural resources that future generations may use to satisfy their needs.

It puts a stress on the *moral obligation* of present generations to anticipate, understand and to presently provide for the needs of future generations (a kind of inter-generational ethics).

Its emphasis is on imposing *limits on the consumption of existing resources* as a means for ensuring the ability of future generations to meet their needs (an ethics of leaving the smallest possible "footprint" on the planet's landscape).

But assuming that the ethical limits of the Brundtland concept might indeed be confined to restricting the consumptive behavior of present generations, the question remains as to what particular stocks of natural resources shall the present generation need to set aside so that future generations shall be able to meet their needs (when by then they are likely to have a different basket of limitations to meet their needs)? Would, say, the same volume of standing forests be as crucial to future generations to meet their needs, as it might actually be to the present generation?

The inter-generational operationalizability of the otherwise straightforward concepts of "needs" and "limitations" places serious limits on the applicability of the Brundtland concept to "real world" policy and planning processes, which are crucial to translating it into an actual reality of development.

Legitimizability (What needs and limitations of one generation might be deemed intrinsically legitimate impositions on the ability of other generations to meet their needs?) However viewed, the Brundtland concept entails mutual limitations on generations. The reality of meeting the needs of present generations intrinsically imposes limits on the ability of future generations to meet their needs. It is the same as the reality of ensuring that future generations might meet their needs, would impose intrinsic limits on the ability of present generations to meet their needs. This, because the body of resources in the planet have limits.¹⁴ Even if stocks continue to be abundant, a lowering of the quality of resources at present (due to misuse by present users) may limit their availability to future generations.¹⁵ This is the case of freshwater stocks in Laguna de Bay. They continue to be ample, but pollution and siltation have now severely limited their uses for fisheries and households.¹⁶

¹⁴ Meadows, D. and D. Meadows (eds). 1974. The Limits to Growth: A Report of the Club of Rome's Project on the Predicament of Mankind. Pan Macmillan.

¹⁵ Scrageldin, I. 2002. "World Poverty and Hunger – The Challenge for Science". Science 296: 54-58: April.

¹⁶ Lasco, R., M. V. Espaldon, et. al., 2004. "An Assessment of the Laguna Lake Basin." A preliminary report to the Millennium Ecosystem Assessment Project.

Other similar questions beg clear answers: e.g., What might legitimize the conservation of oil stocks at present when the possibility is increasing that emerging technologies may reduce future dependence on them? What might legitimize imposing limits on the utilization of existing biodiversity when the possibility is increasing that future generations may be able to engineer their own genetic requirements?

The basic question is how to determine legitimate limits on the ability of present and future generations to meet their needs. How might these limits identified, made and established, and actually embedded in the techno-economic infrastructures of different generations, to allow each generation sufficient capability to meet their needs? What are legitimate levels of capability for different generations to meet their needs?

There are no clear methods and procedures for actualizing and legitimizing limits on generations, that will eventually translate to acceptable levels of inter-generational capabilities to meet needs. And this poses difficulties for the "real world" practice of the Brundtland concept of sustainable development.

Institutionalizability. Whose needs and limitations (the present or future generations?) shall be made the basis for setting the pathways for sustainable development policy and planning? A real problem with the Brundtland concept is that it poses unclear parameters for setting the anchors and directions of development planning. In part following the two other difficulties with it, it is unclear as to what shall be the basis for setting the targets of different development institutions (or what shall be the institutional imperatives of development planning). Should they be the needs and limitations of present generations, or of future generations? For instance, it is anticipated that by 2050 from 10-20% of current grasslands and forests of the world will be lost to agriculture, and there shall be some 200-300% increase in people living in water-stressed areas.¹⁷ How much of development planning today

¹⁷ Millennium Ecosystem Assessment Project. 2004(a). Draft Reports. Unpublished.

shall have to focus on these future events, as against on meeting present shortfalls in agricultural production or of water for farms and crops? The question becomes even more crucial when the capacities to address both needs (i.e., the capacities to invest on addressing them both) are limited.

PRESENT PRACTICE IN THE PHILIPPINES

In light of its conceptual difficulties, the practice of sustainable development, in the Philippines and in many places elsewhere, remains today at the level of *set asides* and *conservation*. The Brundtland concept is being put into practice by way of *minimizing present consumption* in order to *save* as much of the earth's resources for future generations.

In the Philippines, this practice is reflected in:

• The stress on wise and rational use of natural resources in *Philippine* Agenda 21;

• The emphasis on conservation of natural resources like setting aside protected areas (NIPAS Act 1992; DENR-UNEP 1998) and stressing recycling and re-use in the Ecological Solid Waste Management Act (1998);

• The emphasis on minimizing environmental externalities from industries and development activities through the Philippine EIA System (PD 1586), the Clean Air Act (1999), Executive Order 270 (promoting responsible mining, 2004), and the proposed Clean Water Act;

• The Supreme Court's *obiter dicta* on intergenerational equity in Oposa vs. Factoran.¹⁸

¹⁸ G.R. No. 101083, July 30, 1993.

In the last case, the Supreme Court advanced the opinion that future generations represented by today's children have the right to impose on present generations certain limits on their use of natural resources, by their having the legal standing to file suit against the government for its failure to control present consumptions of forests.

THE SERAGELDIN ALTERNATIVE

Dr. Ishmael Serageldin was previously Vice President for Sustainable Development of the World Bank. He is now Librarian of the *Bibliotheca Alexandrina* in Egypt, the oldest library in the western world founded by Alexander the Great and whose first curator was the famous Greek chronicler and intellectual, Ptolemy.

In a keynote lecture at the Conference on "Bridging Scales and Epistemologies: Linking Local Knowledge with Global Science in Multi-Scale Assessments",¹⁹ he posed the view that sustainable development is anchored on capital build-up and value-adding, not set-asides and conservation. He suggested that a more realistic interpretation of the Brundtland concept is to aim for increasing the volume and value of the capital that present generations have, so that they are able to convey to future generations a better ability to satisfy their needs. Value-adding, not set asides, is the core for how to ensure that future generations are able to satisfy their needs. Dr. Serageldin put it in something like this: sustainable development is when I am able to convey to my children, capital to meet their needs, from out of what I had to meet mine.²⁰

This view suggests two shifts in understanding the Brundtland concept of sustainable development:

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¹⁹ Millennium Ecosystem Assessment Project. 2004(b). "Bridging Scales and Epistemologies: Linking Local Knowledge with Global Science in Multi-Scale Assessment." A Conference Program. Dibliotheca Alexandrina, Alexandria, Egypt

²⁰ From my notes of the lecture; not necessarily the exact words of Dr. Serageldin.

1. A shift from "need" to "opportunity". Instead of focusing on needs, the Serageldin proposal is to focus on opportunities. This is by way of the capital that generations can have to pursue opportunities. Capital is the principal engine of opportunity-creation and opportunity-taking. It creates the opportunities and the ability to translate them into goods and services that satisfy needs. Serageldin proposes that for sustainable development to occur, capital may be used to create development opportunities for the present, but in a way that must accumulate value so as to generate the surplus for conveyance to the next generation. Dr. Serageldin suggests how this can be achieved: by knowledge build-up and open sharing of knowledge. Scientists, he says in an earlier article,²¹ may develop technologies that will eliminate hunger in the world, but the same would have limited actual impact on hunger unless shared with scientists in developing countries. When kept in centers of R&D in developed countries (e.g., like the case of modern crop biotechnology), their value as capital is reserved by those who have them. Their use by others is restricted and so also their prsopects of being further improved. Their bequest value to users over space and time will diminish.

2. <u>A shift from "constraints" to "capital</u>". The stress of development planning in the Serageldin concept shifts from constraints relaxation (e.g., through conservation and set asides) to capital formation. It shifts from a stress on savings to focusing on investments. The first emphasizes leaving some of today's resources for the future. The second is on adding value to what we have now. Capital creates capacities to meet needs and so expanding its volume and value would translate to expanding the capacities of both present and future generations to meet their needs. In contrast, the stress on constraints implies a locking up of capacities. Thus, to actually achieve sustainable development, the focus of planning shall have to be capital accumulation and value adding. Its focus shall need to shift from *keeping* inventories to *investing* inventories.

²¹ Supra, fn 19.

The Serageldin view is anchored on the premise that human needs are complex. First, because of the myriad requirements for human survival and the multifarious ways for satiating wants. Second, because there are a complex of factors that create the conditions for the satisfaction of needs; e.g., economic, financial, political, social, cultural and ecological factors that define the space and opportunities for satisfying human wants. They constitute different forms of capital that create capacities to satisfy needs.

The expansion of their volume and value allows generations to pass on to the next a capacity for meeting *their* needs.

ASSOCIATED ISSUES

Dr. Serageldin, unfortunately, did not elaborate on his notion of capital formation and accumulation. He leaves these to our imagination and reckoning. But there are perhaps three questions about capital that would have implications on its role as instrument for achieving sustainable development.

1. <u>Articulation of capital</u>. How is capital and its different forms to be expressed as assets? How do different forms of capital present themselves for practical planning purposes? Financial and economic capital may seem straightforward enough in terms of their ready identity and utility (as money or as land, labor, infrastructure, machinery, technology and knowledge). But what about the more nebulous concepts of "social capital", "political capital" and "cultural capital"? They seem critical forms of capital in the Serageldin concept for they convey competence to create and exploit opportunities. But how might they be identified, measured and incorporated into the planning calculus?²² In immediate and practical terms, how might NEDA incorporate into the MTPDP, say, the vast differences

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²² See Sen, A. 2000. "Culture and Development". A paper read to the World Bank Tokyo Meeting 2000; available at <u>http://www.worldbank.org/poverty/culture/book/sen.htm</u>.

in the strength of cultural identities and ethical systems of the many different cultural and social groups in the Philippines, when such could affect the implementation of development programs like the commercialization of genetically GM crops? Or, how might NEDA calibrate its estimates of ODA ROIs across provinces with varying spread and intensity of feuds and conflicts among local political leaders, when such may determine the efficiency of ODA project implementation? The nonclarity of how capital in its different forms might be expressed as assets weakens its usefulness to development planners. It erodes its utility as a bridging mechanism for opportunity-formation and opportunity-taking across generations.

2. <u>Distribution of capital</u>. How is capital and its different forms distributed within and across generations? This seems clear when viewed from how parents convey estates to children. But what about such social and political capital like freedom? Like any capital, it can create opportunities or disaster in different hands; an engine of creativity (and of capital formation) when enjoyed by some, but, as Kasper notes,²³ it can stagnate productivity when enjoyed by others. Wittfogel²⁴ even argues that its absence creates opportunities. Also, not all may see freedom as a particularly useful asset. Former Premier Lee Kuan Yew of Singapore said that much in his last visit to the Philippines when he outlined the reasons for Singapore's successes as an economy.²⁵ It makes sense to ask: to whom in particular, by whom, by how much, and by what means, shall freedom be conveyed within and across generations? Serageldin did not elaborate.

3. <u>Accountability over capital</u>. Who shall be held responsible for the care and keeping of capital, for conveyance to future generations? This seems a trivial question in light of the common notion that capital is property, and so is held by those who have the rights and tenure to it.

24 Wittfogel, K. 1957. Oriental despotism: A Comparative Study of Total Power. Yale University Press

²³ Kasper, W. 2002. Economic Freedom and Development: An Essay about Property Rights, Competitiveness and Prosperity. New Delhi: Centre for Civil Society.

²⁵ The visit was made in 1995. The attribution of these remarks are from my personal recollection.

Indeed, this is readily understandable in the case of financial capital or land and other forms of material assets. But "culture", "social status", and political and economic power - who shall be their holders and who shall be held accountable for their use as opportunity-creators across generations? Should they be the holders of culture, or its consumers, like tourists? Should it be those that have the social status, or those that provide the conditions for their acquisition? Should it be the IMF and the World Bank in the case of economic power, or certain particular people and countries in the case of political power? If they are the holders of these assets, to whom shall they be accountable for their proper care and bequethal to future generations? In the case of power, should it be the countries that occupy other countries (on the claim that they do so to improve the opportunities of the occupied, and to convey to them freedom as a capital for their future)? To what extent shall they be accountable to the occupied? These are crucial questions to ask in order for different forms of capital to be properly incorporated in development planning. Yet, on this, too, Serageldin did not elaborate.

THE VIEW FROM MT. BANAHAW

Mt. Banahaw is a mountain located in Quezon Province south of Manila (in the Philippines). It forms part of the landscape of the Southern Tagalog region in the island of Luzon. But its reality as a mountain differs to its residents and to those with interests on it. To some religious groups, it is a sacred mountain, endowed with spiritual value. To foresters, ecologists and biologists, it is a watershed, and an important biodiversity site. To tour operators, it is a destination. To insurgents, it is a refuge. To landowners, it is prime property for resorts and vacation homes.

It is interesting to think of how these different values of Mt. Banahaw might lend to Dr. Serageldin's concept of capital as a tool for inter-generational conveyance of capabilities to meet human needs. Three points might be explored:

1. The multidimensionality of capital flows across generations. Capital may not present itself as a distinct and unitary entity. It may come (as it often does) as a bundle of assets joined together by some unique conditions of needs and capabilities. The scarcity of one form of capital might be compensated with another form, and forms of capital may be exchanged and traded-off to achieve some kind of efficiency of a society's total holdings of assets. In the case of Mt. Banahaw, its aggregate value to present generations is not its invidual values to different groups, but the unity of these values bunched together. Thus, when tourist visits ebb at certain times of the year (tourism peaks during Lent), its value as a destination may be exchanged and traded-off for its value as a spiritual site, in which residents may focus on private rituals with less fear of intrusion. Or its loss of value as a watershed may be exchanged and traded-off for its value as a site for vacation homes. The same phenomenon of trade-off of different forms of capital has been observed in southern Palawan. Indigenous Palawano are keeping distance from new communities of migrants and are inhibiting themselves from participating in the migrants' apparently lucrative lowland rice farming, for fear of inter-marriages and evangelization. The value of culture it seems is in this case traded-off for the value of new technologies and new sources of income.²⁶

The fact that capital often comes in *baskets* and are used in combination leads to the question of how it might flow across generations. What particular combination (or outcomes of their trade-offs) are critical for conveyance to other generations, for them to acquire a capacity to meet their needs? Or should they not be first "un-bunched" when conveyed to future generations? This question is embedded in the Serageldin logic and needs to be explored and resolved in order to strengthen its validity as a basis for operationalizing the Brundtland concept of sustainable development.

²⁶ Malayang, B. III. 1990. Deforestation and Agricultural Intensification in the Philippines." A Doctoral Dissertation, Department of Forestry and Environmental Management, College of Natural Resources, University of California at Berkeley.

2. Power and its impacts on capital flows. Different users and stakeholders of Mt. Banahaw possess varying capacities to influence its conditions. Their powers differ across them, and yet each has the capacity to shape the decisions that could alter the physical, material, social, economic, political and spiritual value of the mountain. Thus, the same powers may determine the extent that the mountain may (or may not) amass and accumulate value. This, too, has to be explored. The influence of power on capital accumulation and flows need to be understood to more precisely anticipate how capital might serve to convey an ability to meet human needs across generations.

3. Efficiency versus liberty. The conveyance of capital across generations is conceivably a complex event. But one likely concern of development planners is balancing efficiency and liberty in the process. Efficiency refers to marginal costs. Liberty refers to an ability to exercise judgment on costs. The two might come as trade-offs. A marginal change in levels of efficiency might come with a corresponding inverse marginal change in levels of liberty. If left to themselves, for instance, foresters might opt to trade-off all values of Mt. Banahaw for its value as a watershed. But this would mean that the mountain's other users would lose the ability to choose for themselves how the mountain shall be used. In this situation, the planner shall need to optimize the two. But how, on what grounds, and how might this affect the bequest value of Mt. Banahaw to future generations? This, too, needs to be understood to strengthen Dr. Serageldin's logic.

CONCLUDING THOUGHTS

The views advanced by Dr. Serageldin deserve to be explored in more depth. This, if for no other reason than because much of the world today (and the Philippines) is in dire need of a useful tool to make sustainable development a reality in development planning. The Philippines in particular, deeply mired in a triad of development dilemmas pertaining to

the 3 Ps of population, poverty and jumpstarting prosperity, is in need of one.

Yet, if the Serageldin alternative were to hold promise, certain specific aspects of capital have to be more clearly understood, to better understand how it accumulates value and creates competence to meet human needs across generations.

Three thoughts come to mind:

1. <u>Academe</u> (UP, SEARCA, DAP, SUCs, research institutions) may take on the challenge of assuming the lead in a national process to inquire into the nature and behavior of the economic, financial, political, social, cultural, and ecological capital of the Filipino people. This can be a complex and difficult process, admittedly, but it has to be done. A program may be set up to undertake a multi-sector research process on how best to add value to such key capital of the nation like its ecosystems and natural resources, indigenous knowledge systems and technologies, and the many cultures of the Filipino.

One example: the *muyong* is an indigenous community forestry practice among many communities in the Cordillera. It promotes conservation and development of forest cover and biodiversity. And yet, because of population and economic pressures, their sites are now being replaced by open cultivation, often of non-indigenous crops. How might value be added to a *muyong*? Can it be made a legitimate collateral to loans and credits so that it acquires long-term and bequethable value? The Philippines continues to spend money and resources to encourage communities to form organizations to do community-based forestry. Why not pour a substantial portion of these resources on the *muyong* so that its value is increased across generations?

2. The <u>national planning process</u> might be made to shift its focus from putting value to public sector development efforts, to instead supporting and putting value to local and indigenous techniques of capital accumulation. At present, the MTPDP is blanketed by references to what

government will do: (1) to improve its image no doubt, and (2) perhaps to meet political commitments. The MTPDPs in the last several decades were almost boringly the same: a musical chair of prioritizing the same basket of politically valuable platitudes: spend more for those who are unable to spend; improve infrastructure to entice the rich into our poor neighborhoods; plant more trees where we have allowed so many to cut them. Contrast this to pouring resources on improving the efficiency of, say, the *hunglos*, a traditional practice among upland communities in northern Mindanao in which the excess labor of a household at any time may be "banked" by helping neighbors in their farms, for the chance to obtain a similar amount of labor for their own farms when they need it. Labor is deposited so to speak when its marginal returns are low, and drawn down when marginal returns are high. There may be others like this that government can strengthen, as a developmental activity.

3. Instead of the <u>MTPDP</u> sectoralizing development along how the government is organized, perhaps a better approach – in order to promote a stress on capital formation – is to focus on the processes of capital accumulation: producing assets, managing assets, investing assets, and distributing costs and benefits. The MTPDP may specify how different agencies and groups may contribute to these processes (Figure 3).

All three require addressing a host of complex questions and issues before they can be actually done, or made do-able.

But this is exactly where academe can come in: to provide the leadership for examing the options to addressing the issues because, when the day is done, they might yet be the strategic turn-around that we need as a country to achieve for ourselves real and realistic sustainable development.

Agencies and	What each agency and group will do in each category of tasks to improve capital accumulation in the Philippines				
Groups	Producing Assets*	Managing Assets*	Investing Assets*	Distributing Costs & Benefits**	

NEDA		
DENR		
DA		
DAR		
DTI		
DFA		
DOF		
DPWH		
DOST		
DND		
DILG		
DBM		
DOH		
DECS/CHED		
Other Agencies		
SUCs		
INDUSTRIES		
CIVIL SOCIETY		

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Other Groups				
MTPDP TARGETS	[Agencies & grps to account for how much they are con-tributing to meet-ing the targets]	[Agencies & grps to account for how much they are con-tributing to meet-ing the targets]	[Agencies & grps to account for how much they are con-tributing to meet-ing the targets]	[Agencies & grps to account for how much they are con-tributing to meet-ing the targets]

*Assets: the nation's capital in their different forms (economic, financial, political, social, cultural, ecological); **Costs to barness productivity; benefits from productivity

Figure 3. A framework for a new MTPDP format and thrusts stressing capital accumulation

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DECEMBER 2006

NO. 2

Published by the College of Law, University of the Philippines Diliman, Quezon City, Philippines

VOLUME 81

DECEMBER 2006

NO. 2

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