

GRIPS Development Forum Seminar
Political Governance, Economic Policy Reforms, and Aid Effectiveness:
The Case of the Philippines with Lessons from the Ramos Administration

June 7, 2007

Prof. Dante B. Canlas (University of the Philippines, School of Economics) gave a comprehensive presentation on various reforms undertaken by President Ramos (1992-98) in response to various challenges he faced from the outset of his administration. President Ramos succeeded the Corazon Aquino administration, which had restored democracy in 1986 through the People Power Revolution, but was initially confronted with such challenges as political instability, internal and external insecurity, and judicial activism in economic policy making. The Ramos administration successfully realized political and economic stability which is necessary for growth and development, and deepened economic and social reforms. Prof. Canlas pointed out that President Ramos' initiatives – coalition building in Congress, peace talk with rebels, judicial reforms, creation of LEDAC (Legislative-Executive Development Advisory Council) and convening Multi-sectoral People's Summit – all contributed to enhance political governance. Furthermore, Ramos administration's efforts in overcoming serious power shortage, realizing macroeconomic stability, industrial restructuring and social reform all served for robust economic recovery. In an effort to enhance aid effectiveness, President Ramos introduced a number of initiatives including the setting up of a Presidential Task Force on Right-of-Way Acquisition. Lastly, Prof. Canlas touched upon the significant role of NEDA (National Economic and Development Authority) in facilitating inter-agency coordination for decision making in important policy agenda.

Prof. Masumi Shimamura (GRIPS Development Forum) gave a comment that the fact President Ramos actually produced a number of tangible achievements suggests that (1) "quality of leadership", (2) "alliances between leadership and technocrats", and (3) "broad political coalition between executive branch and legislative branch, based on common vision to achieve economic development" became significant factors for the administration's outcomes. She opened up free discussions by raising a question, "what is the secret behind President Ramos' leadership?"

In response to the above question, Prof. Canlas explained that President Ramos' professional background – the combination of engineer and military service, trained in West Point (US Military Academy) – seem to have an impact on his way of thinking and working style. Prof. Canlas described that President Ramos was a democratic minded man, and was a good coordinator among different stakeholders in coming up with important policy decisions. "Complete staff work (CSW)" was one of his working principles. He delegated authority to NEDA for inter-agency coordination in the course of making policy decisions. Prof. Canlas pointed out that President Ramos was a disciplinary man, and required results on the ground. President Ramos would give instructions to relevant agencies to coordinate and come up with policy options with a specific deadline indicating, "Not later than (NLT) – ". Prof. Canlas made an observation that President Ramos' adoption of consensus-building approach enabled him to win political support from different stakeholders, and facilitated his development-oriented visions to realize.

In free discussions, participants raised various questions (not necessarily issues during Ramos administration) to deepen their understanding of “real” context of the Philippines through the eyes of Prof. Canlas. Prof. Canlas replied to each question based on his personal observations. Questions raised were: the extent to which the government has been able to maintain policy coherence as well as agency stability (including staff changes) with changes in political leadership; government’s efforts in tackling with anti-corruption initiatives; strengths and weaknesses of NEDA in managing the development process; the effect of China’s recent appearance as an emerging donor; observation of current administration in terms of political governance, economic policy reform, and aid effectiveness; assessment of the power sector reform and its consequences; assessment of the agriculture and land reform under the Ramos administration in comparison with that of the Aquino administration.

After active discussions, the seminar was adjourned on time.