
Editor's Notes

This issue contains articles that are highly relevant to the present situation of the Philippine bureaucracy. The first article entitled "Local Autonomy and Intergovernmental Relations" written by Gaudioso Sosmeña, traces the historical antecedents of intergovernmental relations from the Spanish regime to the Revolutionary Government established in 1986. Consequently, the legal bases that govern the central-local relations are presented with the aim in view of identifying the problems and prospects of general supervision.

The article of Joaquin Gonzales and Lilybeth Deapera is particularly relevant as it places into proper historical context the reorganization experience of the Philippine Government. Entitled "A Review of Philippine Reorganization," the article's approach is quite interesting since it discusses the reorganization experience of the Philippine bureaucracy within the context of the evolution of the discipline of Public Administration.

The controversial Bataan Nuclear Power Plant whose construction has been halted by the Aquino Government is the topic of Benito Cardenas' article. It analyzes three important decision making processes that took place within the executive branch of the Philippine government. The fourth article written by Elias Ramos entitled "Comparative Issues in Public Sector Unionism," describes several major issues that pertain to the development and present status of trade unionism among government employees in the United States. The impact of public sector unionism on the formation of consensus in a democratic society, the delivery of vital community services, and its implication for developing societies are also elaborated.

Emmanuel Lallana describes the orthodox Philippine class analysis of Guerrero and Sison as confused and confusing which resulted from the lack of contradictory class locations and a clearer definition of the basic classes. From this standpoint, Lallana offers an alternative concept of the Philippine class structure sensitive to the complexity of the class structure in peripheral capitalist formations like the Philippines.

The last essay by Emmiline Quinio, a review of Guillermo O'Donnell's book entitled *Transitions from Authoritarian Rule: Prospects for Democracy* posits the hypothesis that a theory of transition is a theory of undetermined social change or even a theory of abnormality.

Documents pertaining to the Comprehensive Agrarian Reform Program are featured in this issue. The first is the Proclamation No. 131 Instituting A Comprehensive Agrarian Reform Program and the second is the Executive Order No. 229 Providing the Mechanisms for the Implementation of the Comprehensive Agrarian Reform Program.

Local Autonomy and Intergovernmental Relations

GAUDIOSO C. SOSMEÑA*

Centralism is evident in Philippine history. Historical traditions and social values that permeate intergovernmental relations have been characterized by centralist tendencies which were largely determined by the following factors: (1) threat to national security, (2) personalities of the presidents of the Philippines, (3) national integration, (4) national development, and (5) central government perception on the competence of local governments to assume more responsibilities. More than ever, agents of change are necessary in order to effect decentralization and local autonomy.

Historical Antecedents of Intergovernmental Relations

The historical antecedents of central-local relations in the Philippines is characterized by centralism as the predominant theme in nine distinct areas of Philippine history. The central government from the Spanish regime up to the Fourth Philippine Republic maintained a very strong control and influence over local governments. Until this day, evidence of such centralist tendency is manifested in Section 4, Article X of the 1986 Constitution. Specifically, it states:

The President of the Philippines shall exercise general supervision over local government.

A set pattern of centralism prevailed for more than four centuries. In this long period of central-local relations, the need to preserve the stability of the central government and the protection of its own interests, appeared to be a common variable throughout history, which led the national leadership to pursue a centralist policy. The Spaniards since their arrival in 1521 were constantly faced with Filipino revolts during their colonial regime until finally, Spain was forced to lose the Philippines to the United States of America in 1898. The First Philippine Republic was too short-lived to be able to contribute anything of significance to the cause of local autonomy in 1896 to 1898.

Like the Spanish Governor-General before them, the Americans were also not successful in the complete pacification of the islands. Despite American attempts in a short-lived policy of decentralization, they did not sufficiently take

*Director, Bureau of Local Government Supervision, Department of Local Government, Republic of the Philippines.

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roots to survive the centralist policies during the Philippine Commonwealth in 1935. The Filipinos who took over the reign of government did not gamble the future of Philippine independence by espousing local autonomy which was considered at the time to be divisive for the country. The Japanese came in 1941 but, being conquerors, were never accepted. Shadow local governments were maintained by Filipino guerrillas who printed their own emergency currencies, established their own local laws and at the same time continuously harassed Japanese authorities. Since it was wartime, local autonomy as normally perceived in central-local relations was irrelevant.

After the Second World War, the central government governed a country in shambles whose economic and social potentials were at its lowest ebb. The Third Republic which was established in 1946 was not only in an economic mess, it was threatened by a communist rebellion. Under the circumstances, when local government administration was in many cases placed at the mercy of the insurgents, the issue of local autonomy virtually became meaningless. The years that followed under the Republic saw no improvement on the peace and order condition of the country. Local political leadership became inept and the inability of local governments to perform the basic governmental functions put the competence of local officials under question. Martial Law was declared in 1972 and the nature of its own justification was not compatible with a policy of decentralization.

The Fourth Republic started in 1981 and lasted until 1985. Intergovernmental relations during this time was marked with the phenomenon of dualism. Policy formulation by the central government on intergovernmental relations produced twofold effects, one contradicting the ultimate objective of the other. Because of this dualistic policy making nature, whatever efforts by the government at promoting local autonomy was for all intents and purposes largely negated. During this period, national security became an increasingly threatening problem. In February 1986, the Revolutionary Government was established. In addition to general supervision, the central government now exercises control over local government as stipulated in the provisional constitution.

It is evident from an analysis of this historical trend that the policies formulated by the central government towards the local government during the various era of Philippine history have been primarily influenced by the following determinants:¹

- 1) Threat to national security,
- 2) Personalities of the presidents of the Philippines,
- 3) National integration,
- 4) National development, and

5) Central government perception on the competence of local government for more responsibilities.

From the Spanish time up to the Revolutionary Government of 1986, the threat to the national security of the country and those who governed, was a constant variable that guided the central government to keep its strong control over local authorities.

During these periods, the cry for national unity and the need for national unification among Filipinos overshadowed the issues affecting central-local relations. The personalities of Philippine presidents, who under the Constitution have the power of supervision over local governments have greatly determined the mode of relationship between the executive branch and the local executives. President Manuel L. Quezon of the Commonwealth was a centralist, Presidents Elpidio Quirino and Manuel Roxas apparently have the same centralist tendencies. However, President Ramon Magsaysay can be credited for spurring a decentralist movement.

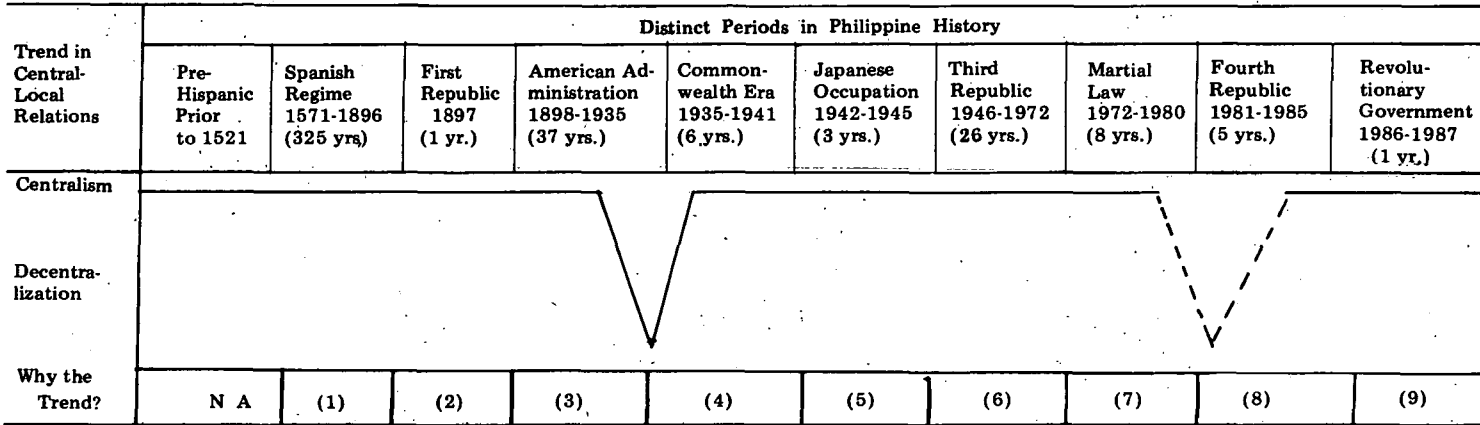
In any event, the personalities of those who sat in the Office of the President greatly influenced central government policies towards local governments. Historically, the president has been traditionally powerful, commanding not only respect but obedience of the central and local bureaucracies. The Philippine presidency "bears the imprint of the country's historic past, the temperament of the Filipino people, the personality of every man who had held the office, and the influence of contemporary events." Historical observations will bear out that in recent years, local governments have assumed an increasing role in national development.³

Events in this field reveal that local authorities will continue to get more involved in socioeconomic development. It is in this regard that the central government raises as an issue the competence of local authorities to manage their own affairs and contribute more solidly to the achievement of national goals. Until today, it can be said that central government perception as regards this question is an evolving one.

Local Governments: Form and Structure

Local governments have been defined as political subdivisions of the state which are constituted by law, and which have substantial control over local affairs as well as the power to tax. In this context, it refers to lower level political units or instrumentalities, the peculiar or unique characteristic of which is their subordinate status to the central government. There are essential elements of local governments which are of immediate relevance to this definition. These

Figure 1. Historical Trend in Central-Local Relations



1. Characterized by a continuous Filipino rebellion throughout its more than 300 years of Colonial Administration.
2. A very short-lived republic; no significant contribution in intergovernmental relations.
3. Filipino rebellion continued to a lesser degree; Filipinization of local government administration was initiated.
4. Period characterized by a strong President; national unity was the primordial consideration in preparation for independence thus relegating clamor for local autonomy to the background; Pockets of sedition against the Commonwealth government existed.
5. War period; local autonomy concept irrelevant at the time.

6. Economic rehabilitation was the topmost priority. The Huk rebellion was in its height and political factionalism was a negating factor to local autonomy, thereby promoting centralism.
7. A degree of decentralization was implemented but dualistic in character, a terminal negative effect achieving nothing insofar as the concept of local autonomy was concerned.
8. The dualistic policymaking situation prevailing during the Martial Law period continued. National security became a critically threatening problem of the national government. Public pressure against the Marcos government significantly increased. Centralism emerged as a requirement for a strong central government.
9. The situation that worsened during the Fourth Republic triggered the establishment of a Revolutionary Government in February, 1986.

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are: (1) territory, (2) population, (3) continuous organization, (4) separate legal entity, (5) independence from other local government units, (6) governmental powers and functions, and (7) power to raise revenues.³

These elements, taken singly or in combination, cut across the full spectrum of policy problems in the continuing development of local governments. An analysis of the historical policy antecedents of such development in the Philippines is by itself a focus of the centrality of public policy to the study of politics.

The study of public policy and politics finds meaning when the form and structure of local governments are perceived to be important in enhancing the delivery of public services. Suggestions have been made that the role of local government, as an existing institutional structure to some extent, determine effective decisionmaking which gives powers to citizens of a community in relation to the field of public goods being delivered. The theory also suggests that the type of public good being delivered, e.g. , health, agriculture, public safety, and environmental, determines the effective structure of local government.⁴

Form. When applied to local governments, form refers to the type of government, i.e., as a commission where the legislative and executive powers are fused as contradistinguished from the mayor-council type where some powers are separate and distinct in the local chief executive and the members of the council. The commission type is generally resorted to in the governance and administration of large cities or metropolitan areas. The mayor-council variations are exemplified by the weak mayor-council plan, strong mayor-council manager plan or even the parliamentary form of local government as in the English system. Local government forms are not uniform but rather optional from which a local community may select the one most suitable to its situation and needs.⁵

Discussion of forms emerged primarily from the relation of politics and administration using the term to mean formulation and execution of public policy. It is claimed that the *best form* of local government is one that is most effectively secured against maladministration. A particular form is more likely to be well administered when the form observes such general organizational principles as integration, hierarchy of authority, the relationship between policy and administration, the ballot for election of representatives who determine general policy and appoint experts to administer policy, and a provision for planning and for citizen participation in the process of government.

Structure. On the other hand, structure refers to the organizational framework within which local public policy is determined and implemented. Structure not only determines the relationship among local officials/offices (local

chief executives, treasurer, assessor, engineer, etc.) and between local offices and national offices but also balance opposing values found in local administration. The structure of local governments has an important effect on how decisions are made, coordinated and carried out. Just like any organizational structure, local government structure has the formal structure and the informal structure. The formal structure may be reduced to a set of laws and an organizational chart with diagrams.

The informal structure includes other bodies which affect the formal operations of the local government, i.e., private/public associations like political parties or barangay associations.

In describing the structure, authority and power must also be distinguished, as well as their extent in the overall organization. Authority is a more formal static term referring to the legal ability to make decisions. Power is a more informal term, referring to the actual ability to influence the decision making process.⁶

The meaningful relevance of local government forms and structure in intergovernmental relations can best be appreciated in the formulation and implementation of public policies that necessarily require popular acceptance.

Central-Local Relations

Constitutional- Legal Basis

Central-local government relations can primarily be perceived in the context of general supervision, the general theory being that the peculiar or unique characteristic of local governments is their subordinate status to the central government. Since local governments can only be intra-sovereign subdivisions of one sovereign nation and in such a system perform a measure of decentralization of the functions of government, then therefore by definition and function, local governments are subject to central government supervision.

Supervision in this context means to oversee or the power or authority of an office to see that subordinate officers perform their duties. If the latter fail or neglect to fulfill them, the former may take such action or step as prescribed by law to make them perform their duties.⁷

From this definitional premise, the traditional view of general supervision over local governments has historically manifested itself in the legal perspective basically stemming out of the following provisions of the 1935 Philippine Constitution:

1) The President shall exercise general supervision over all local governments as may be provided by law. (Section 10, Article VII, 1935 Constitution).

2) The State shall guarantee and promote the autonomy of local government units especially the barrios (*barangays*) to ensure their fullest development as self-reliant communities. (Section 10, Article XI, 1973 Constitution).

3) The incumbent President of the Philippines shall be the Prime Minister and he shall continue to exercise all his powers even after the interim *Batasang Pambansa* is organized and ready to discharge its functions, and likewise, he shall continue to exercise his powers and prerogatives under the 1935 Constitution and the powers vested in this Constitution. (Amendment to the 1973 Constitution ratified by a majority of the votes cast in the national referendum-plebiscite on October 16, 1976).

4) All powers vested in the President of the Philippines under the 1935 Constitution and the laws of the land which are not herein provided for or conferred upon any official shall be deemed and are hereby vested in the President unless the *Batasang Pambansa* provides otherwise.⁸ (Section 16, Article VII amending Section 16 Article IX of the 1973 Constitution after the June 30, 1981 constitutional amendment).

While the 1935 Constitution and the amendments to the 1973 Constitution vest in the President of the Philippines, the power of general supervision over local governments, there is a specific limitation "as may be provided by law." This qualification has been interpreted to mean that "the supervision of local governments shall be done by the president in accordance with the provisions of statutes on the matter. Moreover, the power of general supervision is not to be equated with power of control, the former being merely to see to it that local governments and hence local officials perform their duties according to law, whereas the latter includes not only the power of supervision but also the power to perform the functions of the officials and entities under their control."⁹

A jurisprudence supportive of this interpretation was established in Supreme Court Decision No. L-25916 dated February 28, 1974 with respect to the autonomy concept and the relevant provisions thereto in the 1973 constitution. A concurring opinion to the same Supreme Court opinion thus stated :

The objective is thus crystal clear and well defined. The goal is the fullest autonomy for local government consistent with the basic theory of a unitary, not a federal policy. It is the hope that thereby they will attain their fullest development as self-reliant communities. It is more than just the expression of an aspiration as attested by one of the Articles of the Constitution devoted to such a subject. It was not so under the 1935 Constitution.

The same opinion was expressed and stressed further in the 1935 Constitution:

...the deliberation of the Constitutional Convention shows that the chief executive in this regard was in the nature of a compromise resulting from the conflict of views in that body, mainly between the historical view which recognized the right of local self-reliance and the legal theory which sanctions the possession by the state of absolute

control over local governments. The result was the recognition of the power of supervision and all its implications and the rejection of what otherwise would be an *imperium in imperio* to the detriment of a strong national government.... The fundamental law permits him (the President) to wield *no more* authority than that of checking whether said local government or the officers thereof perform their duties as provided by statutory enactments:

Finally, it concluded by saying that:

Equally significant is the stress on the competence of a province, city, municipality or barrio to create its own sources of revenue and to levy taxes subject to such limitations as may be provided by law. The care and circumspection with which the framers saw to the enjoyment of resources is thus manifest. Their intent is unmistakable. Unlike the case under the 1935 Constitution, there is thus a clear manifestation of the presumption now in favor of a local government unit. It is well nigh complete departure from what was.¹⁰

However, while the constitutional concept of supervision may have been supportive to self-rule, the historical trend in Philippine jurisprudence governing central-local government relations has not been constantly and precisely steady in favor of local autonomy. The latest manifestation to support his observation is Section 3, Article II of the Provisional Constitution which provides that:

The President shall have control of and exercise general supervision over all local governments.

The consolation in this provision is its temporary nature until the ratification of a new constitution which will hopefully guarantee local autonomy. However, it should be considered that the perception of general supervision changes as local governments increasingly enmesh themselves in the process of modernization. And as local government administration gets highly complex, the need to perceive general supervision beyond its traditional legal and historical antecedents become imperative in order to give meaning and purpose to central-local government relations.

Emerging Concept of General Supervision

If supervision means the formulation of the direction in the manner and form which local governments shall perform or comply with their mandated responsibilities, then responsive supervisory policies can only evolve from the knowledge of why local governments exist. Not only should this functional interrelationship between the concept of general supervision and local government objectives be comprehensively understood but also the nature of general supervision as well. To accept that the nature of general supervision is not only

dynamic but must be responsive and anticipatory is crucial, therefore necessitating a continuing awareness of the changing roles and environments of local authorities. Scholars and practitioners have advanced five reasons why local governments exist, to wit: (1) interest articulation, (2) function of democracy, (3) local autonomy, (4) efficiency in administration, and (5) socio-economic development.

It is a universal argument that a system of local government allows particular individuals and communities in general to express their needs and aspirations and bring them up as an agenda for discussion in public decision making processes. This also gives local governments the chance to articulate these interests into the stream of national issues for public policy purposes.

Obviously, local government by definition is a translation of self-rule and therefore gives life and breath to the concept of local autonomy. The functional dimension of local autonomy, however, changes as one reflects more analytically on the function of supervision. Students and practitioners of development have long accepted that neither sustained economic growth nor increasing social equity can be achieved solely by central government fiat. Central authorities, if they are to successfully decentralize program administration must seriously consider the problem of institutional development and view local governments as vital cogs in the efficiency of public administration.

And finally, local government has long graduated from being merely a traditional provider of protective services like health or police and has since crossed the threshold to become an equal partner of the central government in national development. As local government administration moves towards the year 2000, it will get to be more and more complicated and the tools necessary for local government supervision will proportionately become more complex.

However, since local governments are integral parts of the total governmental system of the country and their interests are subordinate to those of the central government, the local governments are not free from central tutelage. It is argued that central supervision is necessary because of the following considerations:

- (1) To maintain minimum standards in the performance of services by local authorities;
 - (2) To maintain standards of administration between and among various levels of government;
 - (3) To control central expenditures as part of the management and planning of the national economy;
 - (4) To protect the citizens against the abuse of powers by local authorities;
- and

(5) To wield and integrate the diverse people into a nation.¹¹

The Department of Local Government as one of the primary central instrumentalities for general supervision over local governments maintains a broad policy as it is the philosophy of its mission to be service- and development-oriented. It strives to continuously strengthen local governments so that they can perform their functions under the condition of greater local autonomy with increasing capacity to govern and carry out political, social and economic development programs.

In this respect, the Department perceives its function of general supervision characteristically both as *regulatory* and *assistory*. In the regulatory phase, the Department sees to it that local governments function according to law, and includes the responsibility to monitor local government compliance with national policies. The formulation of policy frameworks within which local authorities administer their own affairs without losing relevance to established national objectives is one critical regulatory function of department supervision. Equally important in the formulation of norms and policies for local government administration is to assist local authorities develop their capabilities to comply effectively with centrally established rules and regulations.

This local capability building effort is the assistory phase of department supervision. This phase is manifested in the department's programs of improving the administrative and fiscal capabilities of local government to assure greater responsibilities in local development.

As the Department of Local Government performs its general supervisory role in the years ahead and as local government administration becomes more increasingly complicated, the concept of general supervision will invariably have to change. This change will demand not only sophisticated tools for supervision but the capacity to perform a multidimensional perspective of general supervision as well.

General supervision can be holistically perceived in five dimensions, namely: (1) historical-legal, (2) performance and productivity, (3) administration-power hierarchy, (4) developmental, and (5) local autonomy.

The historical-legal view has traditionally been the primary benchmark of central-local government relation, from which evolved jurisprudence and the historical antecedents of what and why local governments exist as they are today. Adherents of this view perceived local autonomy to be a right and a requirement as mandated in the 1973 Constitution and therefore, central supervision over local governments should be exercised in that light. The historical-legal dimension finds utmost supervisory utility in cases where the

rights of local governments and the powers reposed in them are subjects of inquiry. This view further provides policymakers with the historical-legal and political antecedents useful in the formulation of local government policies. However, advocates of this particular view of general supervision have not yet developed the capability to measure how local authorities deliver the services legally and even morally expected of them. It is therefore necessary to develop the supervisory tools to analyze and evaluate local government performance and productivity. This particular concept introduces the use of service standards in relation to population or the end beneficiaries of public services.

The first attempt in the determination of local government performance is to measure adequacy of services delivered. Measures of productivity and performance will provide a scoring system for specific public services that will permit local governments to identify problem areas and as corrective actions are taken, to detect the extent to which improvements have occurred. After service measurement has become a routinary knowledge of those who perform supervision, efficiency in the management of these services will be delved into until finally, projecting service requirements of a locality will be an important input to the assistory phase of general supervision.

Moreover, local government productivity analysis provides a rational basis for citizens' actions in favor of or against policy decisions. But what is also important in the introduction of the performance concept is the fact that local government administration is increasingly getting complicated and the tools and resources necessary to achieve predetermined goals are fast dwindling amidst competing sectoral demands for scarce local resources. This condition prevailing at the local level point out the urgency for determining local government performance and productivity. Not only are people irritated by the rising cost of local government operations and declining public services, they are also increasingly unwilling to pay for such services. For these reasons, general supervision over local governments should be critical of local productivity.

To effectively deliver local services, the necessary supervisory tools are continuously being developed.¹² Between the Department of Local Government and the local governments have been established inter-bureaucratic linkages through which various degrees of general supervision are being exercised. This network of administrative systems allows the formation of a *power hierarchy* resulting from a policy of administrative decentralization. This includes a system of approval or endorsement of local actions either by regional or central offices. A disciplinary system for local officials is an important component of this administration-power hierarchy dimension. From the Department of Local Government down to the field officers of the department are delegated supervisory powers legalized either by decrees, laws or department circulars, which expedite the required action of the central government on

specific aspects of local administration. This administrative scheme aims to promote independence, encourage the assumption of local responsibility and quicker decision making and allows the adoption of local policies and programs.

An important development in this regard is Section 14 (2) of the Local Government Code providing, as a matter of general policy, for the Department of Local Government to exercise its supervisory authority over the municipalities through the provinces, and the barangays through municipalities and cities.

On one hand, this defines the administrative and supervisory power relationship between the department and certain local governments and the other, among the various tiers of local authorities as well. Furthermore, the *administration-power hierarchy* dimension of general supervision typify what may be called the administrative culture and environment in intergovernmental relations.

The Department of Local Government is continuously shying away from the control-oriented image of the former Department of Interior and under its broad policy of general supervision continuously maintains a service- and development-oriented perspective. Department-administered programs and policies are designed to attain the following objectives:

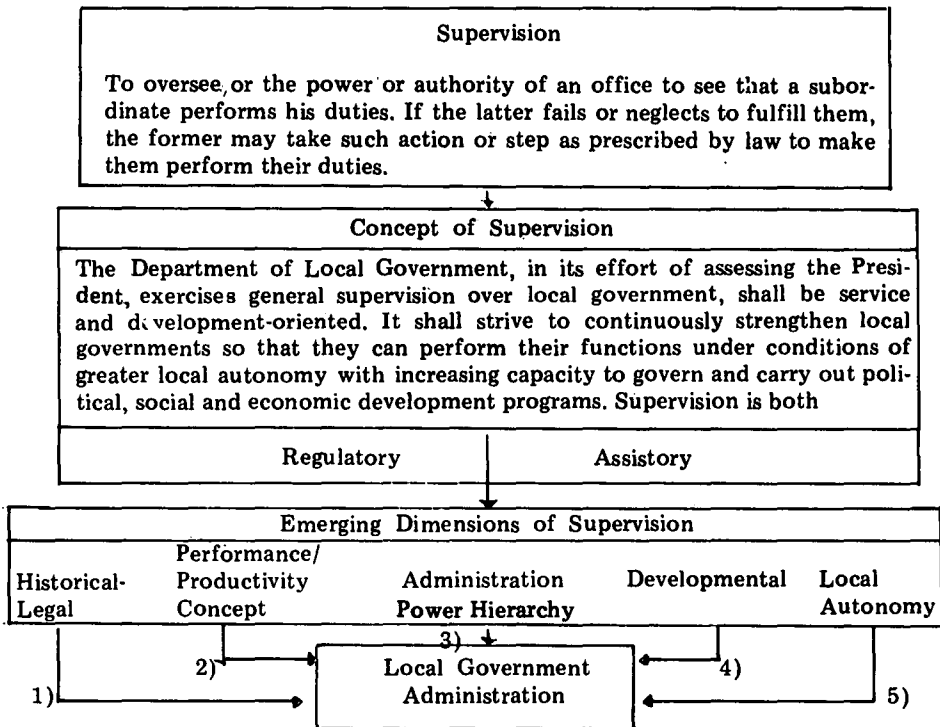
- 1) improve the administrative and fiscal capabilities of local governments;
- 2) express the developmental dimension of general supervision; and
- 3) transfer technology to local levels to achieve productivity.

Compliance with department-administered programs and policies would in effect constantly improve local government capabilities. This assistory phase of general supervision also has a multiplier effect in generating local development since local authorities are encouraged to initiate programs and projects in response to local needs. Given these circumstances, there is no better way to validate local developmental capabilities than in the exercise of a form of general supervision that allows the full development of local government capabilities to solve their own local problems.

The local autonomy dimension in general supervision is a long and ticklish issue that confronts central-local government relations. As a continuing concern among those who formulate local government policies, its central focus is in the realm of power and function allocation between the central government on the one hand and the local government on the other.

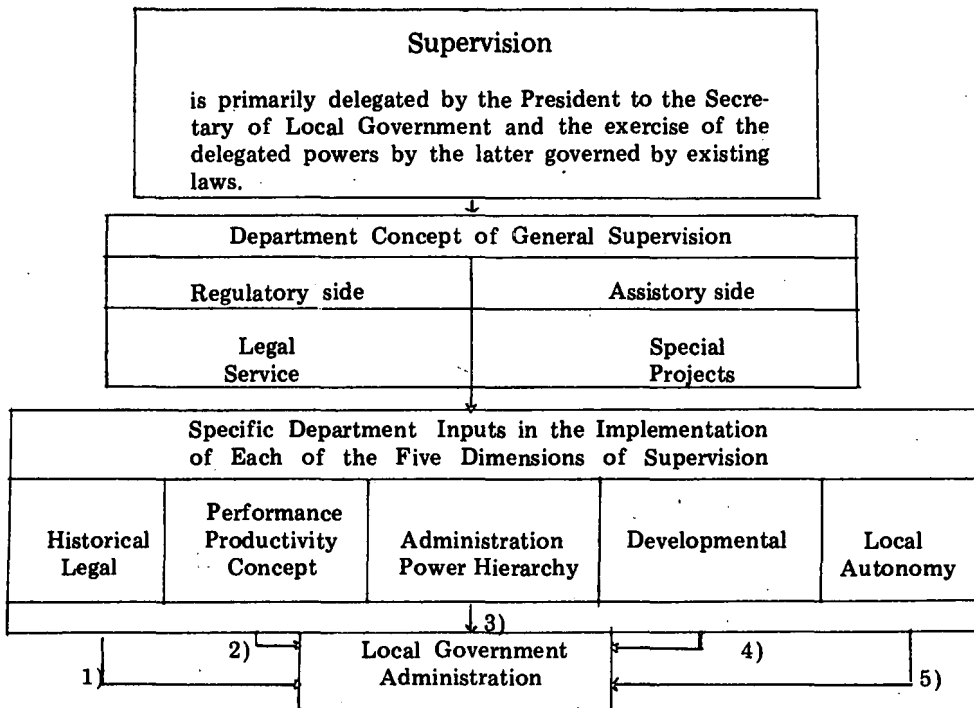
The local autonomy consideration, already a long-festering and sensitive issue is a dimension in general supervision that should be perceived in the light of applicable constitutional provisions.

Figure 2. A Conceptualization of the Emerging Dimensions of the Local Government Supervision



- 1) Providing antecedents in local policy formulation and jurisprudence necessary in the exercise of general supervision. Supervisory utility lies in facilitating the understanding of the evolutions of contemporary local governments and its contributions to the formulation of responsive local government policies; this is also used in the disciplinary phase of supervision.
- 2) Measuring performance and productivity of services legally expected of local governments. This dimension promotes the concept of an effective local budget and service adequacy and equity in its delivery.
- 3) System of defining power levels and administrative system necessary in carrying out intergovernmental relations in the administration dimension. This is useful as a medium in carrying out day-to-day transactions between the central and local governments and between local governments themselves.
- 4) Improving administrative and fiscal capabilities for development. This is a capability building effort, a necessary foundation for local autonomy; efforts in this regard are manifested in various department programs in development.
- 5) Continuous process of analysis of power and function allocation in the long range exercise of general supervision. This seeks to fulfill the ultimate constitutional mandate which is dependent on the appropriate socioeconomic and political forces operative in the local government environment.

Figure 3. Department of Local Government Input on General Supervision



- 1) The Department performs historical analysis on the continuing growth of local governments to formulate responsive local policies. It compiles Supreme Court decisions to establish jurisprudence on central-local government relations or on specific powers of local governments as an aid to Department officials. These are sent to the field in the form of research results, manuals, books, etc.
- 2) The Department performs analysis on local government performance and provides local officials feedback of Department supervision on productivity. It will introduce the concept of an effective local budget and formulate for field use, manuals on productivity, management of local services and forecasting local service requirements.
- 3) The Department establishes administrative tiers where specific levels of power and authority are lodged to facilitate day-to-day transactions between central and local governments as defined in circulars, manuals or rules and regulations. At the same time, Department personnel and provincial or city executives are delegated certain powers to be exercised over subordinate local government units.
- 4) The Department administers various development-oriented programs either in the administrative or the fiscal phase of local government administration including physical projects as well, i.e., school or road building, administrative or tax codification, etc. Results with high transferability will be replicated for general application.
- 5) The Department looks at local autonomy in the various steps of general supervision. Ticklish issues in central-local government relation or function and power allocation are constantly being considered, such as: should agriculture or education services be devolved to local governments and, if so, what corresponding taxes should local governments impose in addition to those within their present taxing powers. The Department is bound to tackle these issues and articulate them in conferences and seminars, hoping they reach the legislative mill where they finally come out as laws supportive of local autonomy.

Central Instrumentalities of General Supervision

The 1935 constitutional provision¹³ that the President of the Philippines shall exercise general supervision over local governments as may be provided by law has been the basis of the various interpretations on the extent of central supervision and, to a certain degree, control over local authorities. This single provision has likewise been the basis of the presidential power to delegate supervision to the numerous instrumentalities of the central government. There is hardly a government department without an office periodically checking on the performance of local governments, either through prior approval or subsequent audit of local actions.

The central government also exercises control over local governments by imposing some of these prerogatives, like prior approval of plans, programs, appointments, salary, administration and disbursements of funds including other mechanisms of general supervision over local functions.

Many agencies and departments in the central government are directly charged with overseeing local activities. Besides the Office of the President, there are a dozen departments and offices in the Executive Branch which exercise not only influence but supervision over local government functions. The Department of Local Government is the primary agency that performs executive supervisory powers over local governments. Established under Presidential Decree No. 1 and Letter of Implementation No. 7 signed on November 1, 1972, the Department assumed the functions of the Local Government and Civil Affairs Office in the Office of the President which was organized after the old Department of Interior was abolished by President Elpidio Quirino through Executive Order No. 383 in 1950. The Department was later on reorganized under Executive Order No. 777 on February 28, 1982.¹⁴

The Department of Local Government is generally and primarily concerned with matters affecting local government administration and with setting standards for the development of effective and responsible local government structures.

The Department of Finance, on the other hand, continues to perform its traditional function of overseeing local fiscal administration. In Presidential Decree No. 477,¹⁵ the Department is assigned to exercise general supervision over financial affairs of the local government. Its responsibility includes the formulation and execution of fiscal policies that will promote the financial stability and growth of local governments. The Department of Finance was left the functions of improving local capabilities to revenue and local tax collection.

In Presidential Decree No.1375,¹⁶ the Department of Budget and Management took over from the Department of Finance the responsibility of providing local governments with policy guidelines in the preparation and adoption of sound financial plans and the review power over local budgets.

The Joint Commission on Local Government Personnel Administration, as provided in Presidential Decree No. 1136, approves the position classification as well as the pay plans of all local governments. The Civil Service Commission in turn gives the final attestation and other documentations necessary to make appointments made by local executives binding and legal. Under the Marcos government, the now defunct Ministry of Human Settlements organized by virtue of Presidential Decree No.1396, maintained supervisory powers over local governments more specifically in physical planning, environmental control, and housing programs. On the other hand, the National Economic and Development Authority as the central economic planning body also exerts supervision over the development planning efforts of local governments through the various regional development councils. The Department of National Defense also indirectly supervises local authorities in connection with provision of national security. The Department of Public Works and Highways determines, with a minimum of local participation, priority infrastructure projects and the areas where these projects are to be constructed in cities and provinces.

Finally, the Commission on Audit controls and regulates the disbursement of public funds at the local level. There are other central government agencies which, in one way or another, exercise supervision over local functions. These central agencies have to a point generated administrative frictions and policy issues in intergovernmental relations.

The passage and subsequent approval of the Local Government Code on February 10, 1983, to a point, corrected this supervisory lopsidedness and introduced a more meaningful intergovernmental relationship.¹⁷ Pertinent is Section 14 of the Local Government Code which provides:

(1) The President of the Philippines shall exercise general supervision over local governments to ensure that local affairs are administered according to law. General supervision includes the power to order an investigation of the conduct of local government officials whenever necessary. Such general supervision shall be exercised primarily through the Department of Local Government.

(2) All departments and national offices having to do with local government administration shall be confined to the setting of uniform standards and guidelines to obviate the need for requiring prior approval or pre-clearance on regular and recurring transactions and other activities normal to local governments. In this regard, the Department of Local Government shall establish and maintain appropriate coordinative and consultative arrangements with other department and national offices concerned with respect to the monitoring and securing of proper compliance with such

standards and guidelines specially on matters which are highly technical in nature. Moreover, as a matter of general policy and whenever appropriate, the Department of Local Government shall exercise its supervisory authority over municipalities through the provinces, and barangays through municipalities and cities.

(3) Where appropriate, departments and national agencies with project implementation functions other than the Department of Local Government, shall coordinate with and secure the desired integration with allied national government functions.

(4) Unless the contrary is provided, the regional offices of appropriate field units of the various departments and national agencies in the region shall be the major points of contact and liaison between local governments and the national government. For this purpose, the national government shall, as a general policy and as much as practicable, affect the substantial delegation of authority and powers to the regional offices.

This particular provision of the Code if implemented effectively by central offices will achieve the following:

- (1) decentralization of authority to the various tiers of local authorities;
- (2) strengthening of regional administration with increasing delegation of central department functions and powers to the regional offices; and
- (3) formulation by central departments of standards and guidelines for national policies requiring local government compliance which will help improve planning processes and the delivery of services.

It is to be noted that this time, there is an urgent need to review the supervisory roles many departments exercise over local government affairs. The review function should be addressed to what extent this supervision of the central government must be maintained or exercised. And in what manner will the influence of the central government ought to be minimized with decentralization of government administration and local autonomy as priorities.

Local Autonomy

Concept and Definition

An acceptable interpretation of the concept of local autonomy has always been a universal problem in intergovernmental relations. Central governments argue that by the nature of their sovereign power and of the political philosophy of their being, the interest of the central government shall come first over and above those of any local authorities.

Local governments, on the other hand, contend that the central government has forced them to assume increasing responsibilities without the concomitant authority and capabilities to effectively perform inherent and delegated functions. This "push and pull" in the authority and power issues in intergovernmental relations remains one of the critically sensitive notes between central

power and locality affecting almost all phases of local government administration.

Local autonomy has been defined as the state of self-determination of local governments and their relative freedom from central government control over local affairs and concerns. Local autonomy presupposes the granting of adequate authority to local units in determining and administering policies concerning local affairs, and in the exercise of political powers. One measure of autonomy is the extent of allocating substantive functions to local units and their participation in making decisions affecting their jurisdiction.¹⁸

At the same time, Abueva defined local autonomy as the measure of the delegated authority, discretion, and participation of the local government in the making of decisions affecting its jurisdiction (the legal-geographic unit) and community (residents). This measure may be regarded as two sides of a single centralization-local autonomy coin; thus, the higher the centralization of authority and decisionmaking for a function, the lower the autonomy of the local government concerned.¹⁹

Harold Alderfer likewise defined local autonomy as the degree of self-determination and self-government enjoyed by local units in their relation with the central government thus implying a measure of independence from national control. It is usually gauged by the allocation of powers and functions between national and local units and the control and supervision exercised by the national government over local units.²⁰

Mendoza and Lim defined local autonomy as a combination of two elements: first, the right of local entities to administer their own affairs freely in accordance with their own will, and second, the right of the local citizenry to determine that will. Both writers called the first element as "corporate autonomy," which requires a delineation of function, a policy of strengthening local finance, and a relaxation of central control. The second element of their definition of local autonomy they called "civic autonomy," which requires that local units constituted by the populace or their representatives, must determine the activities of local entities, and that local government administration is managed and controlled by the local residents and not by the central government. All these definitions definitely have the "home-rule" concepts as a commonality.²¹

Local Autonomy Triangle

Local autonomy as an issue in intergovernmental relations is in its most utilitarian form, if perceived in the triad of administration, finance, and function or service.

Autonomy in administration substantially connotes the leeway to manage local affairs and make final decisions. It also means the discretion and freedom to hire and fire personnel in the local bureaucracy.

Autonomy in finance in essence means the power to *levy* taxes, *collect* the rates or taxes levied, *retain* the collection and finally, *spend* what is collected. This finds political validity in measuring the extent by which the principle of shared political power has been put into practice. This can be tested by examining firstly the division of the total public revenue among the various governmental levels and secondly, by determining whether each level's share is consonant with its legal and moral responsibilities.

Autonomy in function refers to the dichotomy whether a public function purely belongs to local authorities, a *shared* function or a definite function of the central government because of legal and traditional reasons. Education and health are functions shared by both the central and local governments. Maintenance of local roads and local tax administration are local functions, while building of airports or highways are national functions. This particular dimension is important in the allocation of functions.

Whether local autonomy is a myth or a reality in the Philippines, can be validated by analyzing two of its dimensional views, namely, the historical-legal and political-administrative.

The historical-legal view perceives local autonomy to be a right and a requirement as mandated in the 1973 Constitution. The central government is duty bound to espouse local autonomy which is a constitutional right of local governments. In the same light, local autonomy is viewed to possess considerable political significance and consequence. The historical-legal recognition that local autonomy deserves is but in conformity with the provisions of the 1973 Constitution.

Historical trends indicate that local autonomy has been nonexistent and its absence in intergovernmental relations is without constitutional basis. Nevertheless the historical-legal view is the primary basis of formulating local government goals in the entire public policy process.

The political administrative view equates local autonomy with political decentralization. It means a substantial devolution of authority and power and goes beyond the static legal definition of what constitutes authority. It likewise views itself in terms relative to the objectives and programs which are areas of public policy implementation.

The historical-legal view serves as the policy formulation phase and the

political administrative view as the policy implementation phase in the continuum of the public policy process. The latter view allows an appraisal of the extent of local autonomy achieved as a result of the decentralization policies implemented by the central government.

Parameters of Local Autonomy

The traditional concept of local autonomy in its tridimensional view can still further undergo analysis critical to the dynamics of intergovernmental relations.

In measuring local autonomy in this context, four variables can be used as parameters. These are: (a) adequacy, (b) efficiency, (c) equity, and (d) central control.

Adequacy as a measurement variable centers on questions of adequate authority, power and resources among local governments. Previous discussions and definitions of local autonomy suggest that local governments do not possess enough authority commensurate with their increasing responsibilities. Local executives have no powers to appoint most local functionaries. As a result, difficulties in the coordination of the multi-agency programs ultimately create gaps between local expectations and local governments' actual performance in the delivery of public services.

The lack of power of suspension and imposing disciplinary actions over some local officials are critical questions in the authority realm.

Local government resources are limited as their income base and local budgets will show. Most local units exist with as high as 50 percent of their incomes primarily come from central grants and subsidies, without which they cannot provide even the barest governmental services inherent in their existence. The remaining 50 percent represent locally generated income which comes from the real property tax (approximately 25 percent), licenses and fees (approximately 15 percent) and other incomes from public markets, and the like (approximately 10 percent).

An analysis of local budgets also indicates that most local units do not really have much financial flexibility to solve their own problems. More than 70 percent of their total budget goes to mandatory obligations leaving the marginal balance to local government discretion, if not "sucked" by the central government through the continued devolution of central responsibilities without the corresponding funding.

Efficiency is a performance variable which introduces the concept of high and low performers among local governments. When applied in measuring the degrees of local autonomy, efficiency specifically refers to how local governments provide a given local service with the least use of resources. Measuring how local authorities solve local problems on their own initiative and resources, getting community participation as an opportunity for its constituents to get involved in local government is not only a measure of efficiency but also of local autonomy expressed in citizens participation exercising local responsibilities which is an essence of the "home-rule" concept in the management of its own local affairs.

The use of efficiency as a performance indicator among local governments is new in the Philippines and has very limited application at present. However, if efficiency is to be applied to measure local autonomy by determining local performance in the delivery of public services, very few local governments will live up to the measure of efficiency. Inadequacy of local government resources, the lack of authority and particularistic local policymaking among local authorities, are the primary causes of inefficiency.

The *equity* factor, when used to measure local autonomy, has two dimensions. The central-local government relations aspect which specifically refers to function and power allocation, has already indicated the lopsidedness of inter-governmental relations in favor of the central government. Devolution of central government responsibilities is continuously increasing without the corresponding authority and resources which in the ultimate analysis, negates local autonomy.

The other dimension of equity involves the determination of local government capabilities to provide services and distribute public resources in a manner that is politically acceptable. To what extent are local governments accountable in its performance and how local affairs are administered by those who were elected by the people are valid questions in this dimension of equity. This dimension also connotes local acceptance of political responsibilities as a measurable gauge for local autonomy deliverance.

Devising a methodology that will validate the extent of local acceptance of political responsibilities in the context of the equity variable may yield interesting answers as to the prospects and realities of local autonomy. The Philippine experience in this regard may indicate the cultural, political and economic constraints that inhibit local authorities to enjoy full autonomy in their continuing growth and development.

Central supervision and control is the last variable proposed to measure local autonomy. The dualism in central-local government relations and the

predominant and continuous central intervention in almost all aspect of local government administration readily point out high central control. Central supervision and control are highly visible in the following:

1. the presidential power over local officials;
2. central supervision over local administrative and financial affairs;
3. central control over development planning;
4. integration of the police force;
5. limitations on the use of specific funds and similar restriction on local government expenditures ; and
6. centralization of personnel administration.

These parameters will have their optimal utility as the public administration dimension of intergovernmental relation grows more complex and the management of public affairs has no other alternative except to become more complicated as we approach the next century.

Problems and Prospects in General Supervision

One central focus of viewing intergovernmental relations is the realm of policy implementation. Describing the process by which government policies are transformed into public services and programs provides explanation for the realization or nonrealization of predetermined objectives.

From the seat of the presidency to the smallest local government unit at the grassroots is a maze of intervening bureaucratic structures which constitute the dynamics of intergovernmental relations through which the implementation of public policies is being carried out. Through these interrelating agencies are administrators with various degrees of governmental powers who exhibit different administrative behaviors affecting policy outcomes. The possibilities of diverse factors operating within the context of intergovernmental relations is too great to be ignored. Experiences have shown that more often than not, problems in policy implementation is not in the nature of policy but more in the administration and in the operationalization of such policies into workable programs as these are implemented both by the central and local governments.

Philippine experience shows that central politics and organization and local power relationships are important in the outcomes of policy implementa-

tion and are critical determinants in central-local relations. This is relevant in local government reform which often requires commensurate changes in central administrative structures. Such a comprehensive reform program for local governments has to be accepted beforehand by central departments exercising supervisory control over field officers before the program can be effectively implemented. Experiences in governmental reform initiatives show that central officials generally resist local reforms that will result in a loss of administrative control over their field officers.

Another issue in central-local government relations in the Philippines is an emerging form of local government which is the metropolitan government. This is a timely issue since the Metropolitan Manila area critically needs this form of local government. The National Capital Region (NCR) is not only a *metropolis* but a *megalopolis* which refers to a city which towers far above in its region in size and in the concentration of wealth and influence it possesses, which is growing in size, thus requiring administrative and structural changes that will alter existing traditional local government structures in order to be able to provide essential public services. The question of metropolitanization will continue to be a public policy issue as we move towards the next century. Functional efficiency and economy are the primary reasons for the introduction of metropolitan structure which actually finds justification in the argument that by consolidating small cities and municipalities, ineffective and inefficient duplication can be reduced thus resulting in economies of scale.

While metropolitan government remains an unsolved problem in metropolitanization, there are very strong reasons for the retention of a metropolitan government for the Metropolitan Manila area, considering that it is the most highly urbanizing region in the country. Metropolitanization is a function of urbanization. However, metropolitan governments to be politically acceptable to their urban constituencies must be a balance of metropolitan efficiency and local representation. The fact that government reorganization is a political question, reminds us of this relevant observation:

When alternatives are made in an existing system of government, the stakes of various individuals and groups are affected in one fashion or another. To some, the prospect of change may hold out inducement and promises of rewards, to others, it will appear as a threat to other interests — reshaping the governmental structure of the metropolis directly impinges upon a variety of change resistant interests and clusters of power particularly on the established local public bureaucracy. These interests — can be quickly mobilized into an effective opposition through the existing network of relationships among public official and their allied cliques such as political party organizations and leagues of municipalities. ■

While the Metropolitan Manila area needs a metrowide governmental authority, formalistic and structural reforms of the existing Metropolitan Manila Commission should consider the following variables:

1. The psychological and cultural norms prevailing over Philippine local governments,
2. The legal-constitutional considerations including the political governmental system in the National Capital Region, and
3. The rapidly increasing urbanization of the Metropolitan Manila area.

Another dimension which is generally not accepted but critically important in the full understanding of general supervision is its political dimension. Besides the reference to the spoils system inherent in the workings of a party system, the political dimension is part of the reality of local governments and politics. Political considerations play a major role in shaping jurisprudence in the exercise of general supervision. While questions raised against political decisions hardly prosper, there are occasions when it is necessary to analyze where general supervision ends and political decisionmaking begins.

One function of general supervision is to protect the interests of local governments. There is also an accepted principle in intergovernmental relations which espouses that, in case of conflict of interests between the central government and local governments, the former should prevail. Sometimes, determining which of the interest to protect is a hairline exercise, more so if usual considerations like local autonomy as primordial constitutional mandate is on one side and on the other, the theory that central and local governments are really mutually reinforcing parts of one governmental system.

Besides knowledge of local governments in all its phases, one single element that is most vital in the exercise of general supervision is anticipatory capability, a crucial determinant in meaningful central-local government relations. Supervision sharpened by analytic capabilities should, as much as possible, be able to foresee local problems before they occur and thereby be able to formulate responsive local government policies.

Passive supervision, which is devoid of policy guidelines providing direction to local government administration, is not only insular and archaic but is also a defense mechanism indicative of inaction and indecision. On the contrary, supervision should be a dynamic and innovative process, supportive of the continuing growth of local governments.

The future prospects of local government supervision will not easily point to an immediate realization of a fuller concept of local autonomy. Future prospects in general supervision are likely to evolve along these issues and possibilities.

Issues on decentralization and local autonomy will continue in spite of the passage of laws strengthening local governments. This seems to be so because of the central government's continued exercise of strong control in development planning and allocation of governmental resources. Actions of the central government in these instances are likely justified under conditions where the rational allocation of public resources is an economic imperative.

Historical traditions and social values permeating in intergovernmental relations are making it difficult for the present political system to tip the balance.

What seems to be required in the future in order to alter this course are new forces that will permit change.

Endnotes

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