Stakeholders' Absorptive Capacity for Development: The Case of Waras-lalo Watershed, Bicol Region

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This study aimed to assess the utility of operationalizing the sociological concepts of stakeholders and absorptive capacity for development planning using the Waras-Lalo Watershed in Bicol Region as the illustrative case. Stakeholders analyis was carried out using the importance-influence matrix developed by ODA (1995). Absorptive capacity or the capability of the stakeholders to acquire and utilize effectively the goods and services that the development project would generate for them was analyzed using five key criteria, namely: motivation to change, level of knowledge and skills, social and political environment, capabilities of community organizations, and other community resources (ADB 1994). Corresponding set of data indicators were identified, obtained, and analyzed for each criterion.

It was found that a systematic elaboration of the concepts of stakeholders and absorptive capacity can greatly enhance social analysis for development planning. Stakeholders analysis making use of the importance- influence matrix can more objectively identify, categorize, and prioritize stakeholders. It clarifies information quickly and helps draw out assumptions about the risks and factors concerning the viability of the project. Absorptive capacity, on the other hand, can describe more thoroughly the ability of the intended stakeholders or community to access and utilize the project's goods and services effectively, thus, avoiding imbalances and wastage of resources. Both concepts when operationalized can make development planning more strategic.

INTRODUCTION

Development planning requires the building up of information base for making decisions on what courses of actions need to be taken in order to attain certain objectives. Together with the state of the different biophysical resources, functions and processes in the ecosystem, the information base should include a clear description of the social conditions in the area. The task of identifying and incorporating the various facets of the social dimension into development planning is called social analysis (ADB 1994).

Social analysis includes the assessment of stakeholders who are expected to use and benefit from the goods and services that are to be provided by the development project, their problems/needs, demands, and their absorptive capacity. The first three sets of data are quite very popular among social researchers and the methods and tools for gathering them have so far been well established. But indicators and the corresponding data for absorptive capacity are perhaps something new for most social researchers and

development planners. Hence, this study is an attempt to apply and elaborate such concept and its corresponding indicators.

It should be emphasized, however, that data collected on the aspects of stakeholders and absorptive capacity are part and parcel of the bigger socio-economic profile of any community or social group under study. They make the socio-economic profile more comprehensive, thus, providing a better basis for determining the scope and content of the development project. Moreover, they provide a more concrete foundation for designing the appropriate implementation and institutional arrangements of the development project .

Objective

This study aimed to assess the utility of operationalizing the sociological concepts of stakeholders and absorptive capacity for development planning using the Waras-Lalo Watershed as the illustrative case. This was done using the Asian Development Bank's (1994) framework for social analysis.

Significance of the study

A clear definition and delineation of "stakeholders" as a concept is necessary as each development plan has its own bias in terms of the subgroups in the population it wants to serve. This becomes more important in watershed planning where there are multiple stakeholders with varying and oftentimes competing and conflicting interests. Hence,

determining who they are and their relative position in terms of prioritization can help development planners in identifying the more appropriate project design and components that would benefit the disadvantaged stakeholders the most.

In the same vein, typical project implementation usually emphasizes the delivery of services without thoroughly assessing the capability of the recipients to avail and utilize such services. This is the case of microfinance projects that eventually go bankrupt because of repayment failure, or of newly constructed communal water pumps that end up being dysfunctional because they have not been properly maintained by the users. This is because the stakeholders' demand for services does not always match their ability to establish self help initiatives or their knowledge and skills on how these services can be maintained and sustained.

Results of this study would serve as basis for focusing on priority group of stakeholders and for the identification of development goods and services in the watershed that should be made accessible to them. Findings will also help in the development of mechanisms and capability building interventions that would enable stakeholders to acquire and utilize the development services more effectively and in a sustainable manner. This would help assess the project's riskiness or viability before funds are committed.

Limitations of the study

Social analysis covers a broad range of social factors, starting from the simple socio-demographic characteristics to other concerns such as ethnicity, gender issues, institutional arrangements, potential impacts, and social safeguards. This study will focus only on the concepts of stakeholders and absorptive capacity. Data on these two variables should eventually be integrated into the socioeconomic profile as important components that will help make watershed development and management planning more strategic.

REVIEW OF RELATED LITERATURE

Most of the studies involving characterization of ecosystems made use of socioeconomic profiling more than social analysis. Thus, data gathered focused on very disaggregated data such as population, household size, occupation, income, education, attitude. social organization activities, access and utilization of credit, training undertaken, and women participation among others. No attempt to aggregate related data that will constitute a more comprehensive indicator of social capability was so far evident.

Walters et al. (1994) in their study on watershed restoration and protection in the Bais Bay Basin made use of participant interviews to gauge the level of local knowledge and experience that had existed prior to the project intervention. Participants were asked whether they knew how

to raise seedlings and if they had ever planted trees or made soil and water conservation improvements on their farm. This could have very well constitute the knowledge level component of absorptive capacity.

Similarly, the same study looked into community participation in terms of participants' direct participation in project activities and in terms of their efforts to educate and involve the other members of the community. This may be counted as other assets or resources in the community which is an indicator also of absorptive capacity.

In the earlier years of community-based resource management, rapid rural appraisal (RRA) and agroecosystem analysis were the dominant methods used for social analysis. RRA methods usually generate distinct sets of data on the biophysical environment, socio-economic profile, and cultural setting. Agroecosystem analysis, on the other hand, follows a distinct framework of characterizing a particular ecosystem using spatial analysis patterns, temporal analysis, flow analysis, and decision making analysis. Most of the data in both frameworks could actually be easily transformed to constitute the different data indicators for absorptive capacity.

RRA and agroecosystem analysis were applied by a group of social researchers in studying the Gran Cordillera Central in Ifugao, Mountain Province (Guy 1995). Data were generated on many categories of socio-economic and cultural aspects

of the upland area. These included demography, labor availability and distribution, transportation, markets and credit availability, channels of market information, land tenure, landholding/inheritance patterns, ethnicity and migration, leadership patterns, conflict resolution, education, health, and peace and order. While these data were indeed useful in the context of the two frameworks, they may be also used to indicate the absorptive capacity of the communities involved. This new perspective would be useful in anticipating the extent by which the people in the community would be able to respond to and absorb the project interventions as well as the additional capacity building efforts which the project needs to do in areas where the communities may still be weak.

In an area dominated by indigenous people in Surigao del Sur, an ITTO project did a socioeconomic survey and analysis as basis for developing the sustainable forest resource management plan in an area currently under a Timber License Agreement (TLA) with a private logging firm but which is due to expire in year 2010 (ITTO 2002). Using the typical socioeconomic profiling method of analyzing disaggregated data, a typical plan responding to what the baseline data indicated was formulated. While there was really nothing wrong to this method, it is believed that a more comprehensive and responsive plan could have been developed had the data been analyzed using the absorptive capacity framework.

An attempt to consolidate some of the social data, though not in terms of absorptive capacity, into a more meaningful indicator was carried out in Mt. Makiling Forest Reserve research and development programming (Rebugio et al. 1998). Related social data were put together to constitute a certain domain of human welfare which they address. In that exercise, data about sense of stewardship, peace, harmony with nature, myth, religion, and philosophy were analyzed as indicators of psycho-physiological influences of the forest reserve.

A number of studies conducted by the author, singly and jointly with other researchers, in the past were aligned more with the conventional social profiling exercise. That was the time when the concept of stakeholders' absorptive capacity was not in the social analysis menu yet. These studies dealt on the people's organizations in the Mt. Makiling Forest Reserve (Torres and Mallion1996); Census of Household Occupants in Mt. Makiling Forest Reserve (Torres and Rebugio 1991); and Stakes and Stakeholders in Mt. Makiling Forest Reserve (Torres and Sargento 1997). Definitely, results of social profiling would have been more meaningful and would have gained an added dimension had the social data been analyzed from the absorptive capacity perspective.

METHODOLOGY

The applicability and utility of the sociological concepts mentioned

earlier were tested in the Waras-Lalo Watershed management planning done in the Bicol Region last 2002-2003. Waras-Lalo Watershed is one of the major watersheds in the Bicol River Basin. The 34,000-hectare watershed is administratively located in the city of Iriga and the towns of Baao, Buhi and Nabua in Camarines Sur, Bicol Region.

Data on the stakeholders and their absorptive capacity were gathered using focus group discussions (FGDs). About 50 representatives from the communities, which may be a barangay or a group of adjacent barangays, were divided into groups to tackle three different tasks simultaneously: stakeholders' identification, problem tree analysis (perceived needs and problems), and vision/aspirations setting.

An FGD subgroup had 10-15 participants each. Respondents were purposively chosen to represent four types of communities assumed to be the most vulnerable to any development interventions in the area: (1) indigenous peoples (IPs) or the Agta, (2) upper class poor , (3) lower class poor, and (4) organized communities (with people's organization or PO). Upper class poor referred to those household workers who derive regular but very low income from tending small farms (1 hectare and below) or from working as hired labor. Lower class poor were defined as landless workers with no regular source of income and who from time to time are engaged in dead-end jobs.

The series of FGDs were capped by the conduct of multisectoral workshop among the various stakeholders of the Waras-Lalo River Watershed to identify the needs, issues, and concerns which they think the project should address. Invited stakeholders included representatives from the various sectors in the watershed namely: LGUs, POs, NGOs, business, media, police and military, women, youth, religious group and sectoral services covering education, health, social welfare, irrigation, disaster mitigation, local government, tourism, trade and industry, water supply, electric supply, agriculture, agrarian reform, and environment and natural resources.

Another two-day workshop was initiated by the Philippine Rural Reconstruction Movement (PRRM) with the Upland NGO Assistance Committee (UNAC) - Bicol Cluster among the representatives of civil society organizations (CSOs) and NGOs in the area. This was designed to tackle the problems, vision, strategies, and programs which they perceived to be relevant for program planning of the Waras-Lalo Watershed.

RESULTS AND DISCUSSION

Concept of stakeholders

A stakeholder is always tied up to a stake. Hence, elaboration of stakeholder as a concept necessitates also a discussion of stake.

The Webster Dictionary defines stake as "a share or interest in

something jointly owned or in something affecting many." This share or interest does not necessarily consist of physical items but of a perceived set of rights over those items. This set of rights indicates what one party can do and what another party cannot do over an item. A stake becomes part of an open access and common resource such as the watershed which the stakeholders control and manage as a private property. This gives rise to conflicts and competition in resource use.

A stake has always a positive value attached to it. The value may be economic (source of livelihood) or sociocultural (birthplace). Similarly, a stake represents only part of a whole, the whole being communally owned. Hence, social analysis involves identification and prioritization of multiple stakeholders.

The term *stakeholders* has been defined in so many ways. A run down of how it is used in literature shows that the term may refer to individuals, groups, institutions or organizations who:

• depend on the products and services of a resource (Mendoza 1994);

• have inputs into or is affected by the decision-making process pertaining to the resource (Abraham1992, Lerner 1992, and Florece 1994);

• have values to achieve (Connoly et al. 1991);

• have interest in the problem or is directly influenced by actions that others take to solve the problem (Gray1989); and

• have vested interest in the project or program (Hough 1988, ODA 1995).

The above definitions imply that stakeholders are actually consumers of certain goods and services which they so choose to fulfill certain needs or objectives. These objectives are most of the time meant for their own good and benefit. Hence, all stakeholders have their vested interest for using a particular resource.

Given their stakes, stakeholders appropriate a portion of the common resource such as a watershed, making that portion unavailable to others. Whatever they extract from the resource becomes a private good which in a way limits the flow of benefits to the larger society (Sargento 1995). This is where conflict in resource use often arises.

Stakeholders analysis

Stakeholders analysis is the identification of a project's key stakeholders, an assessment of their interests, and the ways in which these interests affect project riskiness and viability (ODA 1995). Thus, it involves three basic steps: identification, prioritization, and profiling. In most studies, identification and profiling are easier and more uniform tasks to do. The task of prioritizing, however, differs among social researchers. Some put up categories to imply priorities. Hence, stakeholders may be primary, secondary or tertiary; direct or indirect; local or external; major or

minor. Key stakeholders are those who can significantly influence the success of the project. Stakeholders in a watershed could be so numerous that it becomes important that they be systematically sorted out so that planning can be made more strategic.

In the case of the Waras-Lalo Watershed, an initial stakeholders identification was carried out through a review of secondary data such as the municipal land use plans, municipal development plans, and project documents. Institutional over individual stakeholders were preferred to be covered by the project for efficiency and greater impact. A preliminary long listing of institutional stakeholders yielded the following:

1. LGUs (municipal and provincial levels)

2. National government agencies (NGA) /service offices (e.g., Department of Agriculture, Department of Environment and Natural Resources, Department of Social Welfare and Development, Department of Agrarian Reform, Department of Health, Department of Education, Philippine National Police)

3. Cooperatives

4. Peoples organizations or POs (fisherfolk, farmers, women, etc.)

5. Indigenous peoples (IPs)

6. Nongovernment organizations (NGOs: PRRM)

7. Traders and businessmen

8. Religious groups

9. Academe

10. Professional groups (association of medical doctors, engineers, accountants, media practitioners, etc.)

11. Civic organizations (such as Rotary Club)

12. New Peoples Army or NPA

13. Youth

Then the above list was subjected for verification and prioritization among the multisectoral stakeholders during a workshop. Systematic prioritization was carried out using the importance-influence matrix developed by ODA (1995). Here, "importance" refers to those stakeholders whose problems, needs, and interests are the priority focus of the development programs or projects. These important stakeholders need to be assisted at all cost for the programs or projects to succeed. Influence, on the other hand, is the extent to which the people, groups, or institutions are able to persuade or coerce others into making decisions or following certain courses of actions.

The matrix below indicates that the distribution of stakeholders varies in terms of importance-influence. For example, the POs, cooperatives, indigenous peoples, and youth have low influence but are of high importance in terms of the program's/project's success. Conversely, religious organizations and NPA appear in the matrix as having high degree of influence but whose interests are not primarily targeted by the project.

Stakeholders Importance-Influence Matrix

Low Importance-Low Influence	Low Importance-High Influence
Peace and order officials (police)	Religious organizations
Civic organizations	NPA
Professional groups	LGUs
POs	Government service agencies
Cooperatives	(esp. DA, DOH, DENR, DAR, DSWD)
Indigenous peoples	NGOs
Youth	Businessmen and traders
	Academe

Implications to development planning

The implications of the results depicted in a matrix are as follows (ODA 1995):

- Low importance-low influence stakeholders – these are of low priority and need not be the main subject of project activities.

- Low importance-high influence stakeholders – may be a source of threat to the project and they need careful monitoring.

- High importance-low influence stakeholders – will require special initiatives from the project if their interests are to be protected.

- High importance-high influence stakeholders –there is a need to establish good working relationship with them to insure an effective coalition of support for the project.

Hence, it can be said that stakeholders analysis becomes more meaningful if the researcher is able to systematically prioritize and distribute them in the various quadrants of the importance-influence matrix. This tool readily leads the development planner into important decisions concerning actions to take. A mere listing and profiling of stakeholders do not, of course, accomplish this much.

The above matrix for prioritizing stakeholders proved to be useful. The stakeholders themselves confirmed that the picture presented by the matrix mirrored the real condition occurring in their watershed in terms of who the stakeholders are and their perceived importance and influence. The process of stakeholders analysis in itself drew out the interests of major stakeholders (i.e., LGUs and POs) on the task of watershed planning. It also helped pinpoint areas of conflicts between major stakeholders and thereby help identify the mechanisms by which these can be resolved. The identification of their allies and non-allies during the workshop further helped identify relations among stakeholders which can be built upon especially in establishing coalitions during project implementation.

Concept of absorptive capacity

Development projects primarily target the poor and the marginalized as the intended stakeholders. Oftentimes, development projects are packaged to provide instant relief from poverty without giving much thought on how much the concerned stakeholders can adequately utilize and manage given their limited experience and skills. This is similar to giving a person an opportunity to manage P100,000 at once when before he was only managing P100. The relatively enormous amount can indeed put the person into an unwieldy situation. It goes to say that there is a limit to the amount of development aid and resources that can be absorbed by any stakeholder's group. Anything more than what can be absorbed can create serious imbalances that can put the stakeholders in a situation worse than where they were before.

In the context of learning and as it relates to openness to change, absorptive capacity refers to the stakeholders' capacity to recognize the value of new ideas, external information, assimilate and apply them to their desired ends (Cohen and Levinthal 1990). It is a function of their prior knowledge, attitude, and practices.

With focus on development planning, absorptive capacity refers to the capability of the stakeholders to acquire and utilize effectively the goods and services that the development project would generate for them (ADB 1994). Its assessment helps determine the most effective means for delivering project services to the beneficiary-stakeholders.

A number of factors influence the ability of the stakeholders to absorb inputs that will be provided by the project (ADB 1994). The more significant ones are as follows:

- **Motivation to change** as indicated by attitudes and aspirations toward change, recognition of need for change and evidence of participation/cooperation in self help activities;

- **Level of knowledge and skills** (including managerial, technical, financial and entrepreneurial), exposure to ideas from outside the community, and experience with similar projects;

- **Social and political environment** as indicated by social customs and traditions and support mechanisms within the community, the role of women, political support or interference, community discipline and incidence of crime;

- **Capabilities of community organizations** as indicated by the quality of leadership, degree of organizational and social cohesion, and capacity for building consensus and settlement of disputes; and

- **Other community resources** such as time, assets and liabilities of the individuals or groups (such as common facilities, equipment, etc.) and their health and nutritional status.

If the assessment indicates that the absorptive capacity of the priority stakeholders (those under high importance-low influence quadrant) is low, this suggests that some interventions such as social mobilization may be necessary to assist them to develop those capabilities that would enable them to acquire and use the services envisioned by the project. Community organizing may then become an important component of project design so that intended stakeholders become empowered in systematically and efficiently managing resources that they now have or will later acquire.

Assessing absorptive capacity is important because development would definitely entail a change in the way people do things. An increased level of resources that would be made available at the stakeholders' disposal would require certain values and management skills. Managing scarcity would entirely be different from managing abundance. And if the stakeholders have not been adequately prepared for this, some dissonance or imbalance is likely to occur that can cause disaster to the development project.

Assessing Absorptive Capacity

The concept of absorptive capacity has been elaborated and operationalized in this study using the development planning experience in the Waras-Lalo Watershed.

1. Motivation to change

The stakeholders' motivation to

change was inferred from their vision and aspirations.

a. Vision

Vision guides the people on what they need to do today. It is, therefore, a potent force for shaping the decisions and actions of individuals, the bigger community, and the government instrumentalities. Dreams and aspirations serve the same purpose and much more – they are the driving force that motivate people to hurdle whatever difficulties they encounter along the way. They also make people more open in adopting new ways of doing things. They provide meanings to the, otherwise, drab life of their daily toil. For planning purposes, they serve as gauge of people's values, attitude, and ability to pursue higher goals, which in turn reflect their absorptive capacity.

Part of the tasks during the consensus building workshop among the multisectoral stakeholders was the formulation of a vision for the Waras-Lalo River Watershed. Sans the rigid requirements of an academically sound vision, the exercise was meant more to draw out the stakeholders' perception of a desired future scenario for the watershed. The common vision finally agreed on was stated as follows:

> A better quality of life for the empowered stakeholders of the Waras-Lalo River Watershed through an effective and sustainable environmental management and strong support system.

Key words in their vision that have implications on the management and development of the Waras-Lalo Watershed are:

- better quality of life
- empowered stakeholders
- effective and sustainable environmental management
- strong support system

The above implies that the stakeholders are all after a better quality of life, one that would surpass what they presently have. They wish to have control over that life by empowering themselves. By empowerment, they mean being able to identify their own needs and problems, the courses of action necessary to address these needs and problems, and harnessing the resources to implement such actions. They envision to acquire a better quality of life by carrying out an effective and sustainable environmental or watershed management properly provided with strong support system, preferably by government instrumentalities.

b. Aspirations

A probe on aspirations is useful in that they serve to challenge the stakeholders to take the necessary actions to turn these desires into reality. Aspirations dare them to adopt certain new behaviors to make things happen. They are reflective of the social problems themselves and are, thus, helpful in understanding the latter.

Tackled during the FGDs at the community level was the exercise on scenario building where the respondents were asked to enumerate and prioritize the aspirations for their communities. Results of the exercise for the Waras-Lalo River Watershed are enumerated in Table 1.

On the whole, the major stakeholders have numerous aspirations and all these appropriately address the needs and problems they cited earlier. They can be summarized into four categories, namely, economic stability, agricultural productivity, environmental protection, adequate social services and facilities

To insure economic stability, they desired to have sufficient capital for farming and functional or actively operating cooperatives. Related to economic stability was the stakeholders' aspiration for greater agricultural productivity through the provision of farm-to-market roads, and irrigation for farmlands. Complementing these economic-oriented aspirations was the dream to live in a healthy and protected environment by having abundant trees and plants; rip raps constructed where needed to prevent soil erosion; rehabilitated forest; controlled flooding; and proper sewage and garbage disposal system. And to achieve their envisioned better quality of life, adequate social services in terms of education, health, and water should be provided. Also cited were nonmaterial aspirations like unity, cooperation, and values formation. Hence, it can be said that aspirations of the communities are

Table 1. Aspirations of the Stakeholders in the Waras-Lalo Watershed

Aspiration	Indigenous People	Upper Class Poor	Lower Class Poor	With Organization
A. Economic Stability				
Financial security	X	X		
Livelihood opportunities for all	X	X	X	X
Sufficient capital for farming		X		
Functional cooperatives		X		
B. Agricultural Productivity				
Farm-to-market roads			X	
Irrigated farmlands		X		
Provision of additional corn sheller in the barangay		X		
C. Environmental Protection				
Abundant trees and plants	X			
Construction of rip raps	X			
Rehabilitated forests		X		
Controlled flooding		X		
Proper sewage, drainage and garbage disposal system				X
D. Adequate Social Services				
Sufficient water supply		X	X	X
Adequate medical supplies	X	X	X	
Provision of emergency vehicle	X			
Smaller average family size		X		
Healthy children				X
Botica in the barangay				X
Assistance for the disabled				X
Adequate school personnel, building, and facilities			X	
Availability of a special school for the Agta	X			
Expansion of electric lines		X	X	X
Good road condition	X	X		

multidimensional but very consistent with the common vision they cited earlier for the watershed.

Aspirations of the indigenous peoples or IPs were similar to the non-IP communities. What stood out was their desire to have a separate school just for their ethnic group. This was because even if they wish to be assimilated into the mainstream society, their color and physical looks already work to their disadvantage. As narrated, they were most of the time victims of discrimination in public places including the schools. Such unkind treatment has created dislike among their children to attend formal schooling with non-IPs. While a teacher has been assigned by the National Commission on Indigenous Peoples (NCIP, a government service agency attending to their welfare), to assist them in learning, this has not been a regular activity. This aspect, thus, merits special attention in the watershed development and management plan because the Agtas are major stakeholders who have already paid a high price of being displaced from their lands.

It should be noted that nowhere in the above list of the IPs was education mentioned explicitly as an aspiration. Respondents were seemingly more engrossed with livelihood concerns. Stakeholders need to recognize the value of having their very much needed capital which is education.

All the above indicate that the stakeholders strongly recognize the need for change and that they are willing and prepared to take on additional work and activities to be able to pursue such changes. It can be safely assumed that the stakeholders have relatively high motivation to change.

2. Level of knowledge and skills

Stakeholders' level of knowledge and skills was gauged by reviewing their experience with development projects and their ability to come up with sound recommendations on how they would pursue their dreams and aspirations.

Based on the outputs produced, more strategies were articulated by the upper poor and those who were organized. The organized group was also more open in espousing for vigilance in the community. By virtue of their broader exposure and experience, the upper poor and the organized have strongly urged for the need to link up with proper authorities in pursuing their needs and aspirations. This means that they have higher absorptive capacity than the lower class poor and the unorganized because they are aware of the need to demand and negotiate for services they deserve from proper authorities. Similarly, they are properly equipped to do so in terms of knowledge and skills. All groups, though, have the tendency to ask for assistance and dole outs especially from the government.

A summary of the communities' proposed strategies to achieve their dreams and aspirations can be categorized into any of the following:

- policy formulation
- law enforcement
- adoption of technologies and prescribed practices
- capability building
- participation in community development activities
- linkage and networking with proper authorities and institutions
- soliciting funds, assistance/dole outs
- information, education and communication (IEC) including value orientation

a. Policy formulation

The group believed that policies are important in bringing about change. Barangay resolutions empower the local authority to regulate wrong doings which can cause damage to the locality, e.g. throwing of garbage, *jueteng* operation. Policies also compel people to become more careful and more disciplined as non-compliance can exact penalty or punishment.

But policies, according to them, are useless if not properly and strictly enforced. Hence, law enforcement should form part of the multifaceted strategy. They admitted, though, that this usually becomes the acid test because, in the Filipino culture, *pakikisama* still strongly prevails among local populace. This is where strong political will, they believe, should come in.

b. Adoption of technologies

As a way of coping with change, the groups also recommended to adopt certain technologies, particularly in their farming. They put premium on technology as a way of accomplishing things better and faster. Of course, they were aware that these have cost, so they hope there will be benefactors who can provide them the needed technologies at much lower cost, or preferably for free.

c. Capability building

Capability building forms part of the suggested strategies. The communities believed that somehow they would need to acquire additional knowledge and skills through attendance in training or workshops to be truly empowered to decide and act for themselves. This also becomes most useful for expanding their livelihood opportunities. This is also where functional literacy becomes necessary.

d. Participation in community development

For their aspirations to materialize, the communities felt that it is their obligation to do their share by participating in development activities affecting their locale or barangay. This could come in the form of tree planting, barangay clean up, and attendance in community meetings. Most of the time, they alleged that it is apathy from those concerned that cause the projects to fail.

e. Linkage and networking

Establishing linkage with proper authorities was proposed in recognition of their need to seek out

proactively for assistance or demand for needs they know fall within the mandate of certain institutions, e.g. medicines from DOH, seedlings from DENR, free education from DepEd, farming technology from DA, or funds from LGU. There is, however, a very thin line that distinguishes this approach from the dole out system which they also proposed. In fact, having experienced several dole out programs in the past, the syndrome still forms a big part of the local community's behavior.

f. Information, education and communication

Finally, their strategies were anchored on the need to inform and educate their people. Creating awareness, developing the right attitude, and equipping themselves with the needed skills through training have been perceived as necessary catalysts for making the other strategies effectively work. After all, information and knowledge form the basis of their decisions and actions.

g. Means of alleviating poverty

Many of the stakeholders perceived themselves as poor, and this has been their thinking for so many years. So when asked, what they think are the ways of alleviating poverty, many mentioned the values of hard work and perseverance. For them, there is no other choice except to endure the deprivation brought about by poverty at the moment, and then to work harder to earn more. Along with this, many of the respondents felt that the government ought to provide

them the needed support such as land and capital. Again, this indicates the prevailing reliance on outside support such as the government to help bring them out of poverty.

Out perhaps of desperation, two FGD participants cited deception as a way out of poverty. But on a positive note, one mentioned prayer as a better alternative.

On the whole, it can be said that the stakeholders have considerable level of knowledge and skills necessary to work out and fulfill their dreams and aspirations. But their attitude towards dole out should be addressed by some value orientation.

3. Social and political environment

a. Insurgency

At both the LGU and community levels, the issue of insurgency or the presence of members of the National People's Army (NPA) in the area was not openly discussed. Though one out of the four groups in the FGD mentioned NPAs as big non-ally, no one seemed to be willing to discuss the issue at length. This was not also explicitly cited as one of the problems during the multisectoral workshop and other consultations.

Most of the mayors and LGU officials met during LGU courtesy visits admitted the presence of NPAs but they said that NPAs could be dealt with diplomatically. In fact, LGUs have apparently contacts with NPA leaders as they promised to provide the person who can safely guide and assist the project team in going to the

communities believed to be strongholds of NPA. If ever, the only targets of NPAs, according to LGU sources, are the pursuing military men and the notorious criminals in the community.

At the community level, there was apparent hesitation to discuss the issue as the barangay officials cautiously warned the project team that some members of the audience during community briefings could in fact be NPA members. This indicates the network that NPA has over the community, and the seeming attitude of both the LGUs and communities to co-exist peaceably with NPA group. After all, it has remained an unsolved problem through the years, and has become a reality that they have learned to live with.

b. Local politics

A study of local politics forms an important aspect of community development. Interventions would have to go through the local leadership for they are the "real" leaders by virtue of their authority, and perhaps of strong personality and followings large enough to put them in office.

A glimpse of the political dynamics in the watershed area was based on the formal and informal dealings with the LGU officials and their staff. Discussions with some of the barangay officials met during community briefings provided more flesh to some of the earlier observations.

Local politics in the watershed can be described as typical of what can be observed in other communities in the country. Political leaders, at the provincial, municipal and barangay levels are aligned with one political party or another. This in turn affects how they participate in programs and how the one on top allocates resources down to their constituents at the lower level. For example, it was apparent during some consultations and meetings for mayors who were politically non-aligned with the governor to be absent. In a number of barangays visited, officials complained of nonallocation of budget to development projects in their areas because they belonged to a different political party from that of the mayor. Similarly, some noted the ongoing projects they have as being funded by the LGU mayor or congressman with whom they have political alliance. These show that, indeed, support of local leadership is a key to a successful project implementation.

From the local community's perception, local leaders are icons of power, prestige, and leadership. They are regarded as the "elite" in the area in the sense that they initiate, direct or regulate the activities in the community. To them, these leaders sort of provide a father figure who they can go to for their needs and problems. They can also readily pick out who among the local officials are serving well and who are corrupt and opportunistic. Whether they are politically aligned or not with their leaders, the local community can sense the "good' from the "bad" egg and seems to be ready to change party as necessary.

There are two types of political leaders that can be observed in the watershed area: the traditional-political and the professional-entrepreneurial leaders. The first are usually products of political dynasty or clan whose tendency is to form strong alliance with the masses through granting of favors. They cater more consciously to the demands and wishes of the local residents, developing an extensive alliance network to consolidate their power. The second come from professionals and entrepreneurs from non-elite ancestry who enter the political arena. By virtue of their educational background and experience, they are more development action-oriented. They treat their position as one geared towards fulfilling the needs of the larger society.

Dealing with any or both of these types of local executives would inevitably mean contact with factionalism as was encountered during project orientations and briefings. Opposing factions tend to attack this project because it is being supported by their rivals, finding as many loopholes as they can to halt the project. It is important, however, to keep in mind that it is the local leadership and not the program that is being attacked. Somehow this reality also works for the better in the end. Because of this, there is seemingly a strong urge on the local leaders to make a project succeed, if only to prove their rivals wrong and keep face with their constituents.

The presence of NPA in the watershed and the party system local politics somehow negatively affect the absorptive capacity of the stakeholders. If this persist, they can negate any investment in development efforts.

4. Capabilities of community organizations

Stakeholders identified several types of POs existing in their respective barangays. These POs were categorized based on the beneficiaries or clients served (e.g. farmers, fisher folk, youth, women, tribal group, etc.) or by sectors being served (e.g. health, community welfare, religious, peace and order, etc.) The most frequently mentioned type was that of the farmers cooperative/organization, followed by community service or "Rabus" which means bayanihan or cooperation (Table 2). This could be explained by the fact that most of the community members were into farming.

Notable were other POs catering to youth, families, women, senior citizens, and the IPs. Based on sectoral concerns, there were also POs for health, peace and order, religion, and irrigation. All barangays in the watershed have at least one PO.

POs have initiated projects meant to meet their group needs. Based on frequency of mention, projects dealing with the provision of social services topped their list (Table 3). The services pertain to granting scholarships, medical missions and assistance, construction of a tribal hall and waiting shed, provision of housing, and organizing sports activities. This was

Table 2. Types of POs in the watershed

Type	Total
• Farmers cooperative/organization	15
• Community service/Rabus	8
• Youth organization	5
• Family organization	4
• Parents-Teachers Association (PTA)	3
• Health organization	2
• Women's organization	2
• Peace and order	2
• Religious group	2
• Irrigation	2
• Fisher folks organization	2
• Senior citizen	1
• Tribal organization	1
TOTAL	43

closely followed by provision of loans for farm inputs and as capital for small business like chairs and tables rental, trading, store, and furniture shop.

Since farming is a major economic activity in the watershed, several PO-initiated projects also dealt with enhancing agricultural production through animal dispersal, irrigation, post harvest facilities, provision of grass cutter, and conduct of seminars. Other projects dealt with barangay clean-up and beautification, forest conservation, religious activities, and bayanihan. FGD participants perceived most of the POs operating in their area as successful. But a higher rate of success is attributed to farmers cooperatives than in any other POs. Success was attributed to the tangible benefits (e.g. loan) derived form the services, unity and good coordination within the organization, and the support of LGUs and NGOs.

The capabilities of community organizations can be assessed as relatively good based on the findings above.

5. Other community resources

Consistent with the indicators of absorptive capacity, this study considered the resources and opportunities that the LGUs can offer to incoming or potential development projects. Resources include their rich natural resource endowment, unique product or feature, track record or

Table 3. PO-initiated projects in the Waras-Lalo Watershed

Type	Total
Provision of social services (sports, scholarship, medical assistance, waters system, tribal hall construction, housing, waiting shed)	14
Loan/capital provision for farming and small business	13
Agricultural productivity enhancement	9
Barangay clean-up and beautification	6
Forest conservation (reforestation . social forestry)	2
Church development and activities	1
Bayanihan/Community service	1
TOTAL	46

performance. Table 4 summarizes the resources and opportunities found in each of the four LGUs covered by the Waras-Lalo Watershed.

In the context of a watershed development and management planning, these resources and opportunities can also serve as entry points and can be maximized in building up the strengths of the area. They can also lessen the cost of investment as things do not have to start from zero.

Summing up and implications to development planning

The overall absorptive capacity of the major stakeholders in the Waras-Lalo Watershed may be assessed using the five prescribed indicators and the arbitrary rating scale of 1-5 (with 1 as the lowest and 5 as the highest) as follows:

Indicators	Rating
Motivation to change	4
Level of knowledge and skills	4
Social and political environment	2
Capabilities of community organizations	3
Other community resources	3
Overall Rating	3.2

The overall rating, which is just slightly above the midpoint, implies that the absorptive capacity of the target stakeholders is slightly above average. They need not start from the base as they have some of the necessary starters to keep the development project, say in livelihood, going. This means lesser investment for development planners. Their current level of community organization suggests some good accomplishments in terms of

Table 4. Other Community Resources in the Waras-Lalo Watershed

Baao	Buhi	Iriga City	Nabua
Presence of Lake Baao – centermost portion of Bicol River Basin; proposed site of the Integrated Flood Control, Fishery and Irrigation Development Project	Rich natural resources; Lake Buhi is sanctuary of the smallest fish in the world	National Irrigation Administration and Bicol River Basin Development Project irrigation projects	Potential as tertiary urban growth center along Iriga-Naga-Legazpi-Daet growth corridor
Commercial quantity of potable water all over the area	Suitability to almost all types of agricultural activities		Consistent positive economic growth through the years
Egg basket of Bicol Region	Major trading center		
Biggest supplier of tilapia fingerlings	Within the tourism hub of the province		
	Presence of light to medium enterprises		

community organizing and social mobilization, which are further indicative of their level of empowerment. Future projects can actually build upon this.

However, development projects may need to carry out major interventions in the area of political environment. Traditional politics need to be addressed by some innovative strategies in local governance that would transcend partisanship and patronage. Likewise, the unfavorable peace and order situation brought about by the presence of NPAs in the area has adversely affected investments which could have helped boost the local economy. This, in fact, has contributed to the watershed's

being one of the second poorest in the country. Definitely, this aspect can drastically pull down the watershed's' absorptive capacity rating. More efforts need to be done on this aspect as no development would thrive in areas threatened by unstable peace and order.

CONCLUSIONS AND RECOMMENDATIONS

As demonstrated in the study, a systematic elaboration of the concepts of stakeholders and absorptive capacity can greatly enhance social analysis for development planning. Stakeholders analysis making use of the importance-influence matrix can

more objectively identify, categorize, and prioritize stakeholders. It clarifies information quickly and helps draw out assumptions about the risks and factors concerning the viability of the project. Absorptive capacity can describe more thoroughly the ability of the intended stakeholders or community to access and utilize the project's goods and services effectively, thus, avoiding imbalances and wastage of resources. Both concepts when operationalized can make development planning more strategic.

It is, however, recommended that further quantification of indicators for absorptive capacity be tried out. The rating system can be modified to come up with relative weight for each indicator depending on their relative importance. This may be standardized or varied based on the community or ecosystem being studied.

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