

Report and Recommendations on NEDA and Regional Development

CPA STUDY TEAM*

An examination of the functions and organization of the National Economic and Development Authority (NEDA) in relation to regional development planning and administration brings out the following observations: top-down approach in regional planning; weaker emphasis on regional development as gleaned from NEDA's structure for planning; and less attention to interregional planning and coordination. Thus, it is recommended that the planning and implementation process be strengthened through decentralization of operations and responsibilities to NEDA's lower level organizations and to local governments. It is also proposed that planning's importance as guide for development, and NEDA's role in development planning and its implementation be further reinforced.

Introduction

This report presents the main findings and recommendations of a faculty and staff research team organized by the UP College of Public Administration (CPA) to assist the National Economic and Development Authority (NEDA) in an audit of its functions and organization, with particular reference to regional development planning and administration. The study was undertaken at NEDA's request in collaboration with another team from the UP College of Business Administration (CBA) and with the financial support of the Philippine Institute of Development Studies. As agreed with the CBA, the CPA team concentrated on regional development while the CBA collaborators focused their efforts on the central and sectoral aspects of NEDA's work.

The CPA team collected information from documents and interviews made in central NEDA offices during the first two weeks of May 1986. During the third week (May 18-23), it sent out three sub-teams of three members each to visit three regions simultaneously to interview and otherwise collect data and documents

*The College of Public Administration (CPA) Study Team: Gabriel U. Iglesias, Professor and Dean; Romeo B. Ocampo, Professor and Director, Center for Policy and Administrative Development; Perfecto L. Padilla, Associate Professor and Director, Local Government Center; Victoria A. Bautista, Associate Professor; Elena M. Panganihan, Assistant Professor; Jose D. Tabbada, Assistant Professor; Wilfredo Carada, Researcher, Local Government Center; Eleanor E. Nicolas, Researcher, Center for Policy and Administrative Development; Harry P. Elardo, Research Associate, Local Government Center; Josie H. de Leon, Research Associate, Publications Office; Wilhelmina M. Liles, Research Associate, Local Government Center; and Ma. Renee A. Juan, Research Associate, Local Government Center.

from their Regional Development Councils (RDCs), NEDA Regional Offices (NROs), other selected regional offices or bodies, local governments, and non-governmental organizations. Region 1 (Northern Luzon) was pre-selected to represent a more or less "standard" region located in Luzon. Aside from representing the Visayas and Mindanao, Regions 7 (Central Visayas) and 9 (Western Mindanao) were chosen because of the institutional "complications" introduced with the presence of the Central Visayas Regional Project (CVRP) and the "autonomous" regional government in Western Mindanao, respectively.

While compiling its reports from the field and central offices, the CPA team has periodically met with its CBA counterpart to compare notes and discuss possible recommendations. The proposals contained in this integrated report, therefore, reflect the results of these discussions as well as the insights gained from the CPA team's own investigations. Although its main burden pertains to regional development, however, the CPA team has approached its subject from broader perspectives.

Findings and Conclusions

This section presents the CPA team's main conclusions and findings on development planning and policy in general, and on the organization and processes of regional development planning at the central and field levels. NEDA, the RDCs, and the NROs serve as the primary foci of this study. But since much of the work of NEDA involves coordination of the planning, programming, budgeting, and implementing activities with other agencies, local governments, and non-governmental organizations (NGOs), many of the observations and prescriptions deal with interagency and intergovernmental relations as well.

Assumptions

The CPA team has proceeded from the assumption that NEDA, or such a central planning agency, should continue to exist if the government is to continue to provide a meaningful direction for the course of the nation's development. Its role, functions, and organization, however, would have to be re-shaped in terms of a greater degree of decentralization of governmental activities to induce more active participation by broader segments of the nation in the formulation and determination of development goals and priorities. This is based on the virtues of decentralization, and on the premise that it is one of the basic principles of reform and reorganization to which the new government appears to be committed.

Decentralization, however, need not and would not diminish the important role of planning in guiding development. On the contrary, with the proposed privatization of certain enterprises and programs now under government control, development planning and regulatory mechanisms would have to be strengthened if the government is to maintain coherence between public and private development goals and processes. Moreover, with the fuller deconcentration and devolution of the governmental functions themselves—which are proposed as part of the recommendations—central as well as subnational authorities would have to perform their present and new coordinative and integrative roles more effectively to complement decentralized development processes.

Planning and Progress

At this point, however, it is hard to say whether and to what extent development planning has had an effective and salutary influence on the course of Philippine development. By some measures, one may argue that it should have. Planning in this country had developed considerable technical and institutional sophistication over the postwar decades. This is evidenced by the sectoral elaboration and regional disaggregation of what used to be rightly criticized as too aggregative and transcendental, "lacking a local habitation and a name." Greater specification of plans, closer links between planning and implementation, and more meaningful feedback and review processes have been sought through investment programming, budgeting, and project development and monitoring, among other measures. The government has built up a large corps of expert personnel and institutions dedicated to the idea that planning is a useful tool for the rational conduct of government. This idea has been promoted with the stature accorded to NEDA, which was given constitutional status in the 1973 charter with the President as head of its governing Board.

Still, it is difficult to relate the planning exercises that have been undertaken to-date to the economic and social progress that the nation has achieved, or failed to achieve. The foreign debt crisis, the decline in economic activity and output, and the other setbacks recently experienced by the country certainly do not reflect well on the policies pursued during the past. Ten years of regional development efforts have shown little dramatic "dispersal" of investments outside the Manila area.¹ In 1984, some of the lagging regions targeted for accelerated growth rates showed the steepest downturns in output and employment, although Region 8 and Mindanao registered lower rates of decline.²

It may be hard to apportion blame for the "development debacle" that the country has just gone through. However, this experience may nonetheless be taken as a symptom of default as far as planners are concerned. The team is in no position to ascertain the relationship between planning and progress, but from its brief study, it would seem that their relationship has been tenuous to start with, since development plans have continued, as before, to have limited scope, and the gulf previously observed between planning and implementation has persisted.

Basically, such gaps may be attributed to "lack of political will," a euphemism for weakness of determination exemplified by the ability of the past regime to ignore the prescriptions of approved plans or to manipulate their provisions and even their data-base to suit its real policy preferences and pet projects. While the legal authority of the development plan may have grown over time, it has been vitiated in the name of "flexibility" and the philosophy that plans should be only indicative rather than imperative.

Problems of Planning

This fundamental deficiency underlying planning, however, has had institutional and technical manifestations, and may have also been due to misguided development strategies and policies that have actually been pursued. At present, there appear to be certain serious weaknesses in the planning system at central and lower

levels which militate against effective direction of development activities and, to begin with, against creative articulation of development policies and programs. These include the inadequate authority that approved plans and investment programs have over annual budgets, and hence the uncertain influence exercised by plans and programs on the development and implementation of concrete projects. Government plans and programs have also been confined for the most part to public sector projects. Although the etatist, interventionist posture of the past regime compensated for this by bringing more and more of the private sector directly under its command, it did so at the cost of meaningful private participation in planning, particularly at subnational levels.

Top-down Regional Planning

Despite the development of regional institutions, development planning has been, as a rule, a centralized, top-down process, giving little latitude for regional and local communities to express and determine their own goals and priorities as well as to elaborate on and implement those of the national government. The planning process usually starts with the issuance of policy and technical guidelines by the NEDA in Manila, including development priorities, population projections, and economic growth targets (GRDP) for the regions. The role of the RDCs is to "translate" national goals into regional terms and to "validate" the centrally provided projections and targets. Their proposed plans are then reviewed, "reconciled," and consolidated in Manila, and accordingly revised in the regions.³ Regional investment programs and annual budgets take basically the same route, except that the central authorities (including ministry headquarters) make the final budget decisions and need not adhere to regional proposals.

Interregional Planning: An Inchoate Function

On the other hand, central planners have given scant attention to the inter-regional dimension of development. While commendably committed to greater interregional equity, they have neglected or underplayed the functional relations among regions that could help achieve both equity and efficiency at different levels. Although mindful of the idea of comparative advantages, they have been for the most part content to compare regions in terms of their internal growth and welfare. There is little evidence of effort to interrelate and coordinate their trade, transport, production, and land use patterns. Regional plans stress the supply side in each region and seem oblivious of needs and demands in other regions of the country. Such deficiencies may be traced to relative neglect of domestic development in favor of "outward-looking," export-oriented strategies for economic growth. Both industrial and rural elements of the plan are keyed to exports (e.g., export-processing industrial estates) at the expense of the domestic market. Thus, domestic market demand is hardly mentioned in setting regional and local development targets.

Rewritten with minor amendments over the years, the regional development chapter of the plan has assumed a case-by-case and cut-and-dried quality. Regional plans and policies do not seem to have been informed by any more comprehensive development theory and technique than the central-place hierarchies and growth center strategies of the human settlements framework. Although suggestions for

a more sophisticated interregional framework have not been lacking,⁴ these need to be articulated in the manner indicated above.

Institutional Problems

The institutional framework for planning, while perhaps adequate for some purposes of central authorities, leaves much to be desired. Interagency and intergovernmental relations, particularly those revolving around NEDA, the regional agencies, and the programming-budgeting nexus, suffer from certain critical ambiguities and gaps. Internally, the role, organization and functions of NEDA, the RDCs, the NROs, and their relations with each other and with other participants effectively and to assume responsibilities for more broadly-based institutional framework reflect the apparent paradox that planning is highly centralized and is at the same time ineffectual (or indifferent at best) in influencing implementation and development.

NEDA's Role

At present, NEDA's essential function is to coordinate both the planning and implementation activities of sectoral agencies and other development participants. It is not supposed to have any authority to directly implement plans. While it has often displayed a "laid-back" attitude, however, it does perform important integrative as well as coordinative functions. It has established central units and a large technical staff for sectoral, multi-sectoral, and regional planning, policy formulation, statistical coordination, overhead services, and *ad hoc* projects. There is some degree of overlapping in sectoral planning activities between NEDA and line agencies that should and could be minimized or streamlined though not entirely eliminated. The internal organization of NEDA appears to be neatly structured on the whole, but some duplication or overlapping also exists among the major Offices and Staffs, and the lines of authority and communications, particularly those involving the Deputy and Assistant Directors-General, are obscure and circuitous. Regional development has been given insufficient stature in NEDA's central organization. Although an important dimension (land use and physical planning) has been added to regional planning, interregional development has not been given the distinction it deserves.

The RDCs: Doing Well But Weak

In spite of the development of regional institutions and lip-service to local autonomy over the past decade, the authority, organization, and resources for planning and implementation have remained centralized. The RDCs have performed creditable work as coordinating mechanisms for regional planning, programming, and monitoring, but have been too weak and unwieldy to have had a significant impact on regional budgeting, implementation, and development. Having inadequate authority and no independent sources of funds, and hobbled by oversized Council memberships, the RDCs have had poor command of the allegiance of the field offices of the line and support agencies. Although a growing number of ministries and agencies have regionalized their field organizations and delegated increasing administrative and substantive authority to them, they have

done so according to varying "models" of regionalization and different rates and degrees of delegation. These factors have created difficulties for representation and collective decision-making in the Councils.

The Programming-Budgeting Nexus

Crucially, central offices have retained most of the power of the purse in relation to their own field offices and to the RDCs. Only 13 ministries and agencies have regionalized their budgets, and some of those which have done so have retained large proportions as centrally-administered budgets. A measure of progress has been attained in the regional budgeting process, including consultations at the regional and central (Manila) levels, but the central authorities still have virtual monopoly of making budget decisions and are not bound by the proposals of the RDCs and regional offices. This has been so, according to the NEDA ADG for Regional Operations, "despite the fact that official directives (E.O. 589) have been issued to use the RDIP (regional development investment program) as the primary basis for public sector resource allocation at the regional level."

It has been observed that even though regional offices prepare budget proposals in line with priorities set by the RDC as embodied in the RDIP (regional development investment program) these have been, in most cases, largely ignored by ministry central offices.⁵

RDCs and regional offices thus have only suasive influence over regional budgets. Their influence appears to have increased in recent years, as indicated by a study showing that the average ratio of the regionalized portions of national appropriations to RDC budget proposals has grown from about 20 percent five years ago to 62 percent in 1984 and (since RDC-agency central office budget dialogues were held) 82 percent in 1985 and 1986.⁶ But specific ratios for each region and sector also experienced sometimes wide fluctuations (in some cases exceeding 100 percent or declining between 1985 and 1986), and the average proportion of total ministry budgets regionalized increased only from 18 percent to 30 percent.⁷ This level of influence still seems far short of what regional participants want. Some of our field interviews indicate that they (including some line regional directors) would want the RDCs to have a greater share of authority over regional budgets so that they could be better assured that what they propose and the RDCs endorse would have more weight in the decisions of central authorities.

Budget execution also poses problems, particularly delays due to the indirect route of budget releases. The Central Visayas Regional Project (CVRP) in Region 7 has been an experiment intended to facilitate this process, but it has nonetheless encountered delays. This experiment has also provided access to external as well as national funds and to some measure of implementing authority which are otherwise unavailable to RDCs. In order to give RDCs an independent source, the central government set aside a Regional Development Fund (RDF) in the 1970s. But apart from being miniscule (roughly ₱2 million per region), the RDF was diverted to other programs and never materialized as far as the RDCs are concerned. RDCs therefore have continued to depend mostly on ministry budgets to finance regional investments and operations. For their own meetings and other operations, the Councils collect small contributions from their members.

• There are other limitations to the powers of RDCs. They cannot require agencies to clear all their projects with the Councils, so that these may be bypassed in project planning and implementation. They may not even be routinely informed about such projects, so that these can escape their monitoring and evaluation. In some regions, such as the autonomous regions of Western and Central Mindanao, the RDCs' organization and operations are complicated by linkage with another layer of regional authority. If nothing more, Council membership is further bloated by the addition of so many more ex-officio and "honorary" members, thus making RDC meetings cumbersome and expensive. The CVRP in Region 7, while a solution to some problems, has also raised others stemming from the parallel regional organization and the dual role of the RED, who is answerable to both NEDA and the now-defunct Prime Minister's Office.

Local Governments: Junior Partners

For their part, local governments have been prominently represented in the RDCs, with provincial governors and city mayors serving as Council chairmen and members along with regional directors. But within their own jurisdictions, local governments have had diminishing roles because the national government has pre-empted most programs and services, financial powers, and manpower resources. The planning and regulation of physical development, which had been decentralized by law in 1959, were among the functions recentralized during the Marcos period. Although local governments have been involved in varying degrees in development planning and implementation, they have been junior partners of national agencies in these activities, which are often directly administered by the latter in the field. Thus, despite the autonomy promised in the 1973 charter and the Local Government Code of 1983, local governments have had little room for initiative and freedom to make decisions on development and regular public services.

Subnational Planning Jurisdictions

National agencies have provided financial and technical assistance as well as policy and administrative guidance to local governments. But poor interagency coordination has been a source of confusion in development planning and implementation, not only for local governments but also for other entities concerned. The jurisdictions of the national agencies involved in development planning have been overlapping. NEDA and the RDCs have primary jurisdiction over the standard region, but the National Council for Integrated Area Development (NACIAD) has also had an important share in the planning of subregional areas. Besides, NACIAD projects are more richly endowed by external loans and aids, and therefore have more implementing capabilities. In Mindanao, the Southern Philippines Development Authority (SPDA) has been another complicating factor since it covers the whole of the island and is answerable to a board headed then by Imelda R. Marcos.

The Ministry of Human Settlements (MHS) has been in the lead with respect to municipal and town planning and zoning, but the Ministry of Local Government (MLG) retains some residual responsibility for municipal as well as barangay and provincial development planning. The MHS had also assumed responsibility for

national and regional physical planning, until fairly recently when the NEDA was designated to be in charge of this function. The province remains a "no man's land" in planning, with NEDA, NACIAD, MHS, MLG, and the Ministry of Agriculture and Food claiming or sharing jurisdictions at this level.

NEDA's Organization

Within the NEDA framework, regional organization and operations have been centralized in certain respects, and could stand improvement at both central and regional levels. Most of the important technical and decision-making activities are performed by the central units, which have accumulated a large staff out of proportion to the personnel stationed in the NROs. This is partly reflected by the fact that only a small percentage of NEDA's annual budget is devoted to regional operations (19.97 percent in 1987). Like other national agencies, NEDA has delegated considerable authority to its Regional Executive Directors (REDs) who occupy prominent positions as technical staff directors and Executive Committee Chairmen of their respective RDCs. Nonetheless, they make frequent trips to attend NEDA meetings and other activities requiring their presence in Manila.

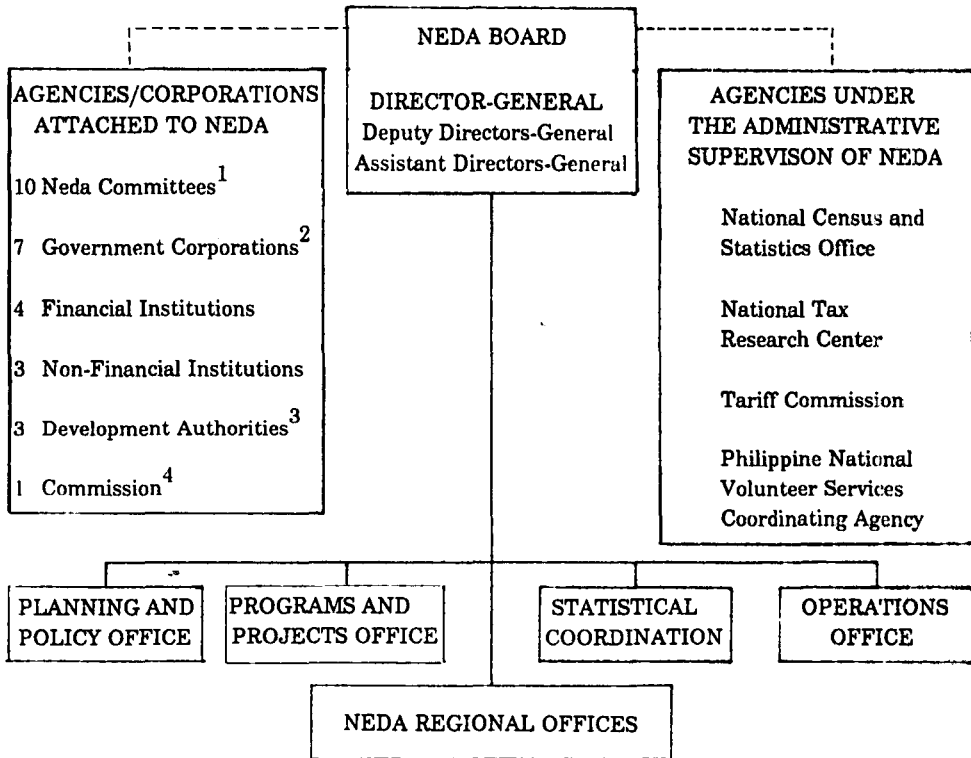
NEDA's Central Units

Organizational problems exist at both central and regional levels of NEDA. As noted earlier, lines of authority and communications are poorly defined among NEDA units. This is exemplified by those directly concerned with regional development, which tends to be obscured by a confusing hierarchy. It is unclear whether in principle, the REDs and NROs could report directly to the Director-General, and whether RDCs are under the supervision of NEDA or of the President. The central NEDA unit primarily involved here is the Regional Development Staff (RDS), a subdivision of the Plans and Policy Office. Like other units, the RDS is headed by a Director and the Office by an Assistant Director-General (ADG). Aside from the ADG for the Plans and Policy Office, however, there is another ADG for Regional Operations, so that, apparently, the RDS is subject to dual supervision. A similar ambiguity existed at the level of the Deputy Directors-General (DDGs), until a DDG for Regional Development and Policy Coordination was appointed. (See Charts 1 and 2.)

Regional Development Staff

It is to the present ADG/RO (who used to be RDS Director himself) that the REDs report rather than to the RDS. Although it is acknowledged to be performing important staff functions, the RDS seems to be falling short of expectations in some areas. For example, its "development administration/regional desk" unit has been performing only routine administrative tasks rather than technical assistance for institutional development and coordination among the regions. In line with the recent assignment to NEDA of land use and physical planning, it has created a division within the RDS to carry out this work. Some progress has been made here, including the preparation of a draft national physical framework plan and training for central and regional staff. However, not much land use planning has been done in the regions. Moreover, while the inventory of national resources and surveys of

**Chart 1. Existing NEDA SYSTEM
(as of January 1986)**



¹ NEDA COMMITTEES

- Development Budget Coordination Com.
- Investment Coordination Committee
- Committee on Transport Planning
- National Land Use Committee
- Special Committee on Scholarships
- Committee on Social Development
- Committee on Trade, Tariff and Related Matters
- Committee on Infrastructure
- Committee on Statistical Development
- Com. on Asean Economic Cooperation

² GOVERNMENT CORPORATIONS

- Development Bank of the Philippines
- Government Service Insurance System
- Philippine Deposit Insurance Corp.
- Philippine National Bank
- Social Security System
- Philippine Institute for Dev. Studies
- Public Estates Authority

³ DEVELOPMENT AUTHORITIES

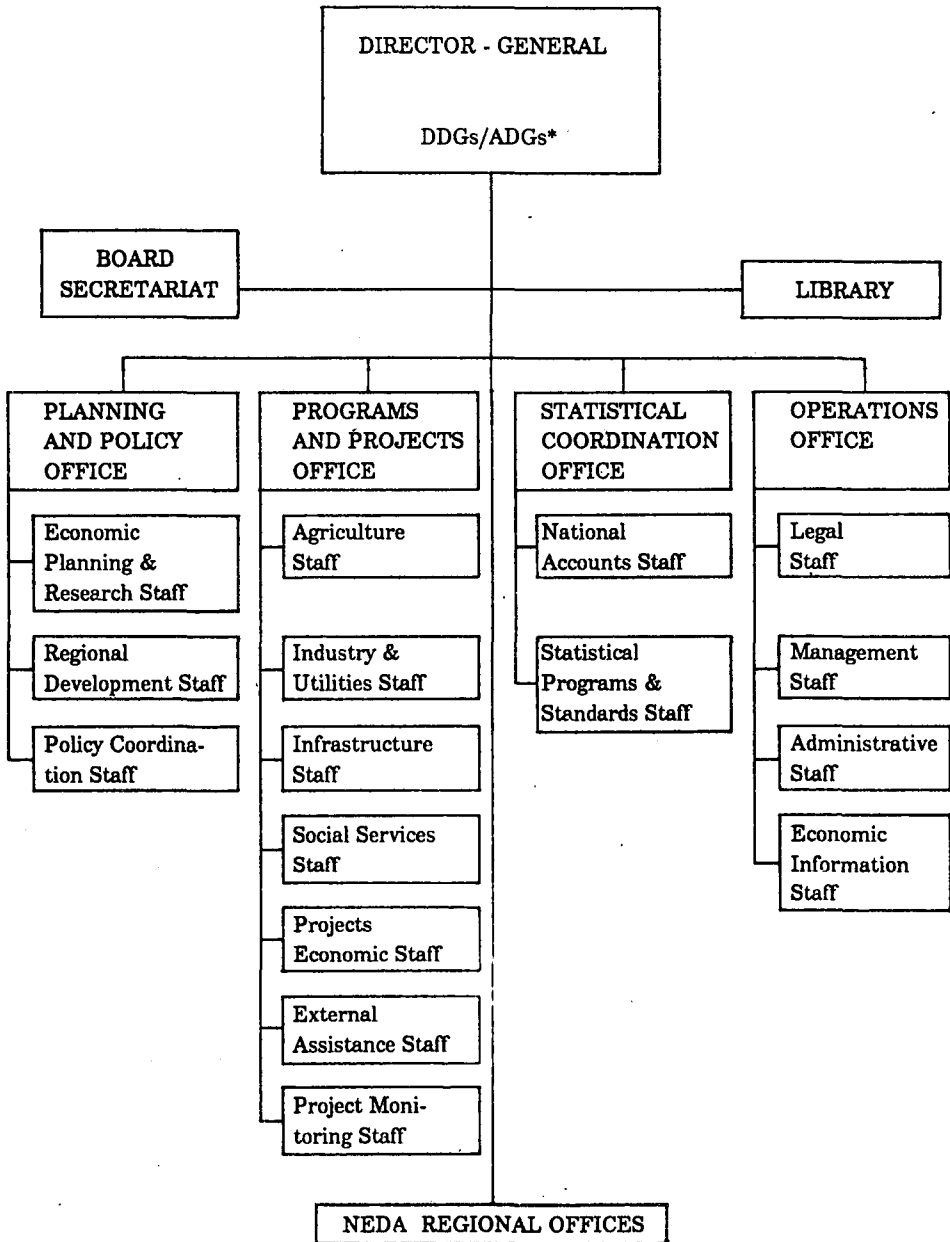
- Leyte Sab-A Basin Dev. Authority
- Laguna Lake Development Authority
- Kalinga Special Development Region

⁴ COMMISSION

- National Productivity Commission

Source: NEDA Brochure, January 1986

**Chart 2. EXISTING NEDA ORGANIZATION (INTERNAL)
(as of January 1986)**



*Deputy Directors-General/Assistant Directors-General
Source: NEDA Brochure, January 1986.

land uses have been made and could supply a basis for both intraregional and interregional planning, the latter remains a major gap in the functions of the RDS.

The interregional dimension has not been entirely neglected, but it has not been explicit or sufficiently prominent in NEDA's planning outputs. The sectoral staffs under the Programs and Project Office, for example, take account of the interregional distribution of projects within particular sectors. However, there appears to be a poor connection in this respect between the proposals that they produce and the outputs of the RDS. Less attention is given to interregional development in the units where one might expect this to be a focus of activity. The Policy Coordination Staff under the Plans and Policy Office-- closer to home as far as RDS is concerned--has a unit devoted to trade policies, but this unit is concerned mostly with foreign trade and has done virtually nothing about domestic trade.

NEDA's Regional Offices

Like the RDCs, the NROs have been doing fairly well but have had their share of organizational problems. They perform a wide range of functions, from medium-term plan preparation, five-year and annual investment programming, project development, and project monitoring and evaluation. Some of these functions have become so routine that, for example, the mid-term revision of the five-year plan no longer requires as much lead-time as it did before. Although they help the RDSs in considering regional budget proposals, however, NROs have little leverage on other agencies' budgets and expenditures, including those of local governments which are not obliged to regularly submit financial data to the RDCs. NROs help coordinate implementation activities partly through project planning and monitoring with other agencies, and partly through interagency committees on various regional matters. But they seem uncertain as to how far they should go into project preparation without diffusing their efforts, especially where the private sector is concerned. Nor could they monitor all regional projects within their jurisdiction without exerting effort or initiative. Central units, including those of NEDA, sometimes bypass the NROs and RDCs in "parachuting" their own projects and do not regularly provide feedback on their own activities or on the reports of NROs. In the final analysis, however, NRO monitoring reports have only an advisory effect on the central or other regional agencies involved, which may ignore them with impunity.

Internal NRO Organization

NROs also provide other kinds of technical assistance, including training for local governments, which are appreciated by other agencies as helpful. They appear to have adequate and well-trained staff for their present functions. Some, however, have experienced difficulties with their internal organization and may need more qualified personnel and facilities for new functions. The standard NRO organization consists of two main professional divisions--one for plan formulation and the other for program coordination--plus an administrative division. There may be other special units as well. The standard structure and staffing have been the source of imbalance in workload, technical competence, and resources in some regions. According to one NRO, its plan formulation division does not have enough work to occupy it during the year and must rely for sectoral specialists on the

program coordination division, which has more personnel, activities, and funds. This forces the units to engage in "matrix" collaboration, thus making it hard to pinpoint responsibility below the RED for major outputs.

NROs have not yet been fully organized, staffed, and equipped to do land use and physical planning. Although one or two staff members in each NRO may have recently received foreign or domestic training in land use planning, no decision has been made whether or not to create a new division for this function, and if not, in which existing division to locate this function. The RDS has not issued the technical guidelines for preparing regional land use plans, and NROs have not formulated them, although some report that they have initiated activities for this purpose. Existing staffing levels and facilities are probably inadequate for land use planning, which, like interregional planning, may grow in scale and importance as a crucial dimension of regional development. It should infuse the requisite spatial and locational considerations into NEDA-style regional development planning, which, apart from introducing the integrated area development (IAD) concept to define subregional planning units, has thus far been primarily "macro" and sectoral in orientation.

Central-Regional Relations in NEDA

Certain other aspects of central-regional relations among NEDA units seem problematic, at least from the standpoint of some NROs. Frequent (and, in some cases, prolonged) visits of REDs in Manila may result in poor staff supervision and leadership in the regions involved. NRO staff members also complain of the wide disparities in pay between the REDs and their subordinates, including division heads whose salaries are less than half of those of their Directors. In one region, feeling about these and related matters runs so high among the staff that they suspect that their RED is oblivious of their work and welfare, and that REDs and central NEDA officials form a "syndicate" promoting only their own interests.

Decentralized Planning

The regions may not be ready for the decentralized mode of planning and development espoused by the present NEDA Director-General and the government. The memorandum issued by NEDA to the NROs called for the widest consultations possible as a basis for reviewing and revising regional plans. But NROs cannot go very far down to the grassroots with their present manpower and financial resources. Many important members of the RDCs, particularly provincial and city OICs, are new to the Councils. One provincial OIC said that he could not initiate planning in his own province because the municipal OICs there had not been designated. Perhaps the harder problem is with the non-governmental organizations or groups (NGOs).

The Private Sector

Not all RDCs have private sector representatives on the Council, although they frequently participate at the sectoral task group levels and sometimes seek the technical assistance of NROs in project development. One RED cites legal restrictions against private Council membership. But apart from the overly-large

size of most Councils, a more practical reason is the difficulty of identifying private sector representatives because they are poorly organized at the regional level, particularly in island regions. If non-governmental groups are to participate more actively in regional planning and development, they probably have to be encouraged and assisted to organize for the purpose. Some effort in this direction has been initiated by the Ministry of Trade and Industry, but it has some distance to go before various segments of the private sector could be mobilized.

Summary of Findings

In sum, there is much room for improvement in the planning process presided by NEDA. Although the national planning system has developed certain strengths in terms of expert manpower, technical sophistication, and institutional basis, the planning process has had a doubtful influence on the implementation of government programs and hence on the course of development. This may be attributed to a number of factors, including the "lack of political will" implicit in the doctrine of "indicative" planning, on one hand, and the essentially centralized nature of the process. Gaps also exist between the planning and implementation processes, and the most notable of these has persisted between investment programming and annual budgeting.

Regarding regional development—the focus of this study—it was observed that this has been given insufficient prominence in the functional and organizational structure for planning on account of both the basic policy and institutional framework for development. Despite considerable efforts to regionalize national planning and administration, regional planning has remained "top-down" in orientation, affording little scope for RDCs, regional offices, local governments, and private groups to initiate and assert their own development goals and priorities. At the same time, central authorities, including NEDA, have devoted hardly any attention to interregional planning and coordination, enamoured as they seem with international economic relations to the neglect of domestic trade and development.

The organization for development planning in general and NEDA's in particular appears to suffer from structural confusion and functional overlapping as well as important gaps and poor coordination. For their part, the RDCs have been too weak and unwieldy to serve much more than a forum for regional offices and local governments due to their collective lack of financial authority, most of which has been retained by the central offices of the national ministries. NEDA's regional offices share much of the same problem. In addition, the NROs have problems of their own in terms of internal organization, functional delineation, and staff compensation and morale. NRO leadership may be adversely affected by frequent and prolonged meetings of REDs in Manila.

At the moment, regional participants may not be well prepared to undertake the broad-based planning called for recently by NEDA because many of the key officials are new on the job and logistics and time are limited. A more basic constraint is the difficulty of organizing and mobilizing non-governmental groups to participate in regional planning and development activities.

Recommendations

To solve the problems identified above, organizational reforms need to be instituted. The following recommendations are directed mostly at NEDA central and subnational units for regional development. Since the problems may be traced to more fundamental issues of policy and institutional framework, however, we begin with the broader changes necessary to support the specific organizational reforms called for. This means that while some of these recommendations are internal to NEDA, others would require action of a broader scale.

General Policy Recommendations

Clarify the mission of planning as that of providing an effective guide for development and aim to strengthen the process. Abandon the doctrine of "indicative" in favor of more imperative planning, at least for the public sector, so that planning would have a more effective influence on implementation activities. This should be emphasized particularly in view of the commitment of the present government to--and the need for-- decentralization in general and privatization in particular. These measures would call for more, not less, effective planning if the government is to guide development toward its goals. The planning process should therefore be strengthened. Complementary measures should also be considered to broaden its scope and to provide effective mechanisms for regulating private activities in the public interest.

Strengthen the planning process by making it more democratic through decentralization. Planning would be more legitimately imperative if it were more democratic, because the people and agencies concerned would be more disposed to implement its outputs if they are involved in the process of formulating and adopting plans. Planning as well as implementation should be decentralized to broaden participation in these processes. Decentralization should thus be aimed at making planning more effective as well as achieving other purposes. In other words, decentralization and planning should complement each other.

Decentralize planning and implementation through further deconcentration of government organization and operations to the regions and through the devolution of increasingly more responsibilities, powers, resources, and institutional capabilities to local governments.

Deconcentration should aim at a more substantial and common form and degree of regionalization of the field organization, budgets, and operations of ministries. It should also aim to shift the initiative for regional planning to the regional and local levels, give more resources and resource-allocation authority to the RDCs and its members, and improve the mechanisms for coordinating, monitoring, and evaluating implementation activities.

Among other things, devolution should aim to provide a more prominent role for local governments in development planning and implementation at the regional as well as local levels. This should be accompanied by transfers of more program responsibilities, resources, and capabilities from national to local governments, and by political as well as administrative reforms at the local level.

Non-governmental groups, including enterprise and civic entities, should be encouraged and assisted to organize and participate more actively in planning, particularly at the regional level. Among other measures, they should be regularly represented on all RDCs as well as at sub-Council levels.

Strengthen the role of NEDA in development planning and its influence on implementation by giving greater emphasis on its integrative and interregional planning functions, streamlining as well as deconcentrating its organization, and making plans and programs more binding on annual budgets as well as external aid.

NEDA's role should remain primarily coordinative, and the burden of initiating program and project proposals should be shifted to the regional and sectoral agencies. But its function of integrating regional and sectoral plans within a coherent policy framework should be given greater stress.

Regional planning in general, and interregional planning in particular, should also be accentuated. This should be underpinned by a reorientation of basic policies and strategies to domestic as well as international development, to provide a better balance between self-reliant and "outward-looking" strategies.

Intraregional NEDA activities should be shifted to its NROs, though these should be complemented by improved central standard-setting, technical assistance, and monitoring and evaluation activities as well as interregional coordination.

Finally, as coordinator and integrator of substantive regional and sectoral proposals, NEDA should have a leading role in the allocation of internal and external resources for implementing plans and programs. The Director-General's participation in international loan and aid negotiations is in line with this objective, but the basic principle involved should be institutionalized by making the "pecking-order" among planning, programming, and budgeting processes clearer.

The foregoing measures should be reflected in appropriate organizational as well as policy reforms. (See below.)

More Specific Recommendations

1. Modify NEDA's central organization to provide greater status for regional development in general, to provide a focus for interregional planning, and to clarify the lines of authority and leadership.

1.1 Upgrade the Regional Development Staff into a Regional Development Office headed by an Assistant Director-General for Regional Development. Essentially, this Office should be the staff responsible for coordinating the integration of regional development proposals at the central level, including the national physical framework and interregional development plans.

1.1.1 *Function.* Among others, the functions of this Office should be to: (a) provide policy advice and assistance to the Director-General and other central

authorities on regional development; (b) formulate strategies, policies, and plans for interregional and intraregional development, including the necessary projections and targets (the RDO should be concerned with basic alternative models of intra-regional development, but should leave detailed planning at this level to the regional institutions); (c) coordinate and cooperate with other NEDA central units and interagency bodies in integrating regional, sectoral, and macro strategies, policies, plans, and programs at the central level; (d) provide policy, technical, and administrative advice, guidelines, information, training, and other forms of assistance to RDCs, NROs, and other participants in regional planning and administration; (e) review and integrate intraregional development plans, programs, and budgets into the regional development portion of the national development plan; (f) advise and assist RDCs, NROs, and other regional participants in securing financial, manpower, and institutional development resources, and serve as liaison and clearinghouse for central-regional relations; (g) monitor and evaluate the formulation, implementation, and impact of regional plans, programs, and projects; (h) develop technical standards and methodologies, undertake researches and analyses, and maintain information systems for regional development planning and administration; and, (i) prepare and maintain the regional development portion of the national development plan.

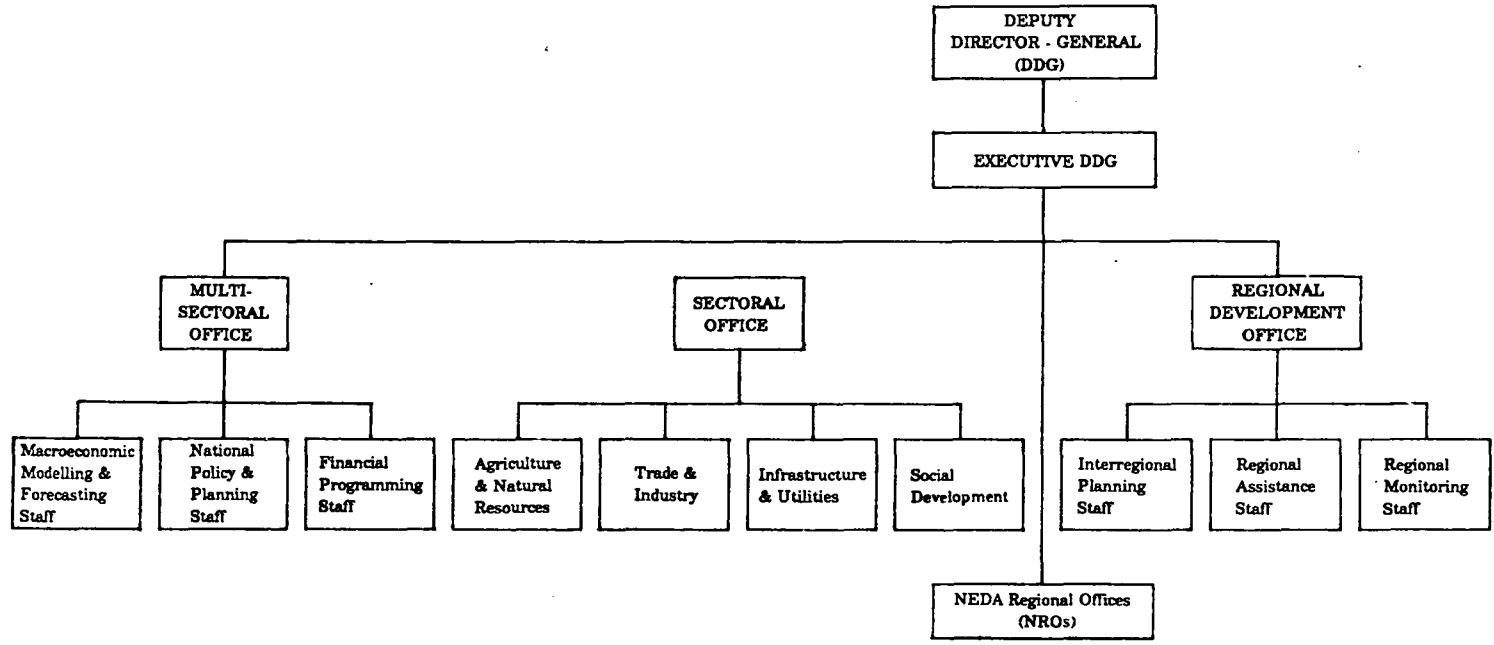
1.1.2 Structure. The Regional Development Office should be composed of the following Staffs: (a) Interregional Planning Staff, to perform most of the substantive planning functions of the present RDS; (b) Regional Assistance Staff, to provide training, institutional development, and other kinds of technical and administrative assistance to RDCs and NROs; and, (c) Regional Monitoring Staff, to monitor and evaluate regional programs and projects, undertake surveys, and maintain regional information systems. Each Staff should be headed by a Director and may be subdivided into Divisions or Units depending on the scale and specialization of their activities and personnel complements. (See Chart 3.)

Alternatively, interregional planning and regional assistance functions may be combined in the same Staff, while monitoring and evaluation may be set up as a second Staff. The earlier alternative is described in greater detail below.

1.2 Concentrate the activities of the Regional Development Office on inter-regional planning, support services, and "aggregative" monitoring and evaluation, while at the same time increasing the regional agencies' share of these functions at intraregional level.

1.2.1 Interregional Planning. Through the Interregional Planning Staff, the RDO should formulate strategies, policies, programs, and projects that would establish the comparative advantages and specializations in terms of resource endowments and promote complementary land uses, production, trade, transport and communications, and growth patterns among the different regions or groups of regions. Interregional needs and market demands, as well as foreign export potential, should be among the criteria for determining production goals and targets within regions. So far, domestic market factors have been neglected in favor of population, employment, and past output performance as regional planning variables, and the basic assumption seems to be that national targets are merely the sum of regional targets.⁸ Suitable approaches and techniques, such as

Chart 3. PROPOSED NEDA ORGANIZATION



interregional commodity flow analysis, input-output analysis, and linear programming, should be developed along with the necessary data-base to provide a better appreciation of the potential contribution of the national economy as a system of regions.

In developing policies and plans, however, due account should be taken of the regions' needs and opportunities for the diversification of their internal economic bases so as to minimize the impact of "external shocks" from the vicissitudes of the domestic and foreign markets. This concern should apply to the national economy as a whole and should be viewed as the basic rationale for reorienting strategies to interregional development. Moreover, the claims of equity as well as efficiency, of needs as well as demands, within and among regions, should also be balanced.

Thus, the Interregional Planning Staff should continue to have an intrinsic interest in intraregional development as well, although the initiative for this should shift to the regions themselves. It should undertake theoretical and empirical researches and policy analyses as a basis for formulating and testing alternative planning models that comprise both interregional and intraregional development. It should develop a strong and integrated focus on domestic commerce, industry, and transport as well as land use planning, which other units may otherwise neglect or view from too narrow sectoral standpoints. The Staff should also assume responsibility for developing standards and guidelines, formulating goals and targets, and reviewing the integrating regional plans, programs, and budgets.

1.2.2 Regional Assistance. This program should signal the readiness of the Regional Development Office to support the operations of the RDCs and NROs through the coordination and provision of training, information and advice, and other forms of technical and administrative services that the regions may need at the center. These should include advice and assistance in securing resources, information, and action from central authorities within and outside NEDA. The Regional Assistance Staff should also help coordinate interregional activities, serve as secretariat for group meetings of RDC and NRO representatives, and provide clearinghouse services. With the cooperation of the Management Staff of NEDA, it should advise the RDCs and NROs on the development of regional institutions and processes. In effect, the Staff should be performing the function of the present "Regional Desk/Development Administration Division" of the RDS, except that it should place greater emphasis on the technical as well as administrative assistance required by the regions. This would be called for by the recommended slant on interregional planning at the central level. At the same time, the Staff should be more action-oriented (as the ADG for Regional Operations has suggested) in behalf of the regions, and should aim to reduce their having to directly transact business with Manila offices to the minimum necessary.

Alternatively, if the scale of its operations would not warrant Staff status, this unit may be formed as a Regional Assistance Division within the Interregional Planning Staff.

1.2.3 Regional Monitoring. The Regional Monitoring Staff should take charge of developing and operating systems for monitoring and evaluating the formulation, implementation, and impact of regional development plans, programs, and

projects— and/or aggregating and analyzing information secured by other monitoring units (such as the NROs themselves). It should have responsibility for relating monitoring information that requires central action to or through the Regional Assistance Staff/Division, providing feedback to the RDCs and NROs, and otherwise disseminating the results of its monitoring and evaluation activities. The Regional Monitoring Staff should also be responsible for developing and maintaining the data-banks, statistical systems, and surveys and studies needed to support the planning and assistance functions of the Office. Particular attention should be given by the Staff to programs and projects of interregional significance.

1.3 Clarify the lines of authority among the NEDA central units, and between them and the regional units. The Regional Development Office should be a staff unit with no line authority over the NROs, except by way of the appropriate Deputy Director-General (DDG) and the Director-General. The Office should be placed under supervision of a DDG specifically designated to devote attention to regional policy, planning, and operations. The NROs should report to the Director-General through this DDG, although the REDs and the RDCs should have the right of direct access to the Director-General, especially on basic policy issues. On routine transactions, however, the NROs and RDCs may communicate directly with the Regional Development Office and its Staffs. The formal organization chart of the NEDA should be redrawn to show the lines of authority more clearly, i.e., the DDGs and ADGs should be taken out of the Director-General's "box" and placed directly over the Offices that they supervise.

Regional Operations

2. Shift more of the responsibilities, powers, and resources for regional planning, programming, budgeting, and implementation to the RDCs, NROs, and other regional participants so as to broaden the basis for development activities, encourage regional and local initiative and innovation, and relieve central units of unnecessary burdens.

2.1 *RDCs and Regional Offices.* Redefine the role of the RDCs as representing regional and local as well as national development interests, goals, and priorities. The RDCs should be given greater latitude to express regional and local goals and priorities as well as to translate national ones into regional terms, so that they would be looked up to by regional agencies, local governments, and non-governmental groups as the authoritative bodies for asserting their interests and reconciling them with those of other regions and the nation as a whole. The Councils and their constituencies should also be given more of the burden and power of initiating project proposals for their jurisdictions, within the general framework of plan and program goals, priorities, and targets set by them in agreement with the central authorities. The central authorities should, as a rule, be prepared to support the priorities set by the RDCs with the needed financial and technical assistance.

2.2 *Regional Budgets.* Give the RDCs and regional offices of national agencies greater authority over the determination and execution of regional budgets so as to enhance their role in both the planning and implementation of regional programs and projects. Annual regional budgets should, as much as possible, be based on

and conform with approved AIPs and RDIPS, which should in turn be consistent with provisions of the medium-term plans approved by the RDCs. Proposed departures from these plans and programs should be explicitly justified in terms of their provisions and conditions.

As a rule, no regional project should be considered for domestic or external funding by central authorities without the prior proposal of the regional offices and the endorsement of the RDC concerned, with the exception of projects of national or interregional significance or that otherwise require central direction. The criteria for maintaining centrally determined and directed programs should be spelled out, and the main burden of justifying them should be on the central proponents. RDCs should be informed about central project proposals that would directly affect them and should have the right to review and comment on such proposals.

Authorized regional budgets should be released automatically and directly to the regional offices concerned, with information furnished to central ministry offices and to the RDCs for accounting purposes. Financial controls should be administered primarily by the regional offices and units of the OBM and COA, which should regularly apprise the RDCs of expenditures. However, the RDCs should also be authorized to require regional offices to submit regular and special financial reports as part of their monitoring and evaluation functions.

2.3 Deconcentration Measures. The above-stated recommendations should be supported by basic deconcentration measures, i.e., (a) regionalization, per the "ministry model," of the line units of all ministries that have developmental functions in the field; (b) greater degrees and common rates of delegation of substantive and administrative authority from central to regional offices, together with commensurate transfers of manpower, physical, and financial resources; (c) more substantial regionalization of ministry budgets, with increased proportions of regional to central appropriations per ministry. These steps are necessary to integrate field units, facilitate interagency decision-making, and make more resources available for allocation by regional offices and the RDCs. In particular, there is a need to expand the regionalized portions of ministry budgets to lend substance to the increased share of allocation authority recommended for the regional offices and the RDCs. Based on the past and current expenditures of the ministries involved, estimates should be made of the target regional portions achievable during the next coming years in line with the deconcentration measures proposed.

2.4 Regional Development Fund. The Regional Development Fund should be revived and expanded so as to give the RDCs an independent source of funds for investment and operating expenditures aside from those available to regional offices and local governments. RDCs should be authorized to negotiate and obtain development loans, grants, and donations to augment budgetary resources placed in the Fund. The RDF should be used primarily to finance or provide seed money for priority regional projects of an intersectoral nature and requiring close inter-agency cooperation. It may also be used for common capital improvements, such as site acquisition and development for regional government centers and the building facilities of the RDCs. A small portion of the Fund should be available to

support RDC operations, including its meetings or interagency meetings sponsored by the RDCs, though the bulk of such operating expenses should continue to come from member entities so that they would have a stake in the RDC's operating efficiency.

2.5 Implementing Authority. Through their enhanced resource-allocation powers, the RDCs should derive a significant measure of authority to direct as well as coordinate implementation activities in the regions. The powers and resources at the disposal of the RDCs and regional offices should be adequate to avoid the necessity of forming regional development authorities as distinct entities for implementing projects. The implementation of regional programs and projects should continue to be undertaken primarily by the line agencies and local governments concerned. However, the RDCs should be authorized to directly implement projects that are of urgent priority and that require a high level of integration of interagency and intergovernmental efforts. Nonetheless, such projects should be executed mainly through the line agencies and local governments involved, with the RDC as the lead agency, and should be of such definite duration as to minimize the need for a distinct and permanent project management or overhead staff.

2.6 RDC Membership. Reduce and reconstitute the RDCs' membership so that they would be more manageable, development-oriented, and balanced in representing sectoral, intersectoral, local, and non-governmental perspectives.

2.6.1 Reduce Council membership to the regional directors of ministries having the most to do with development and representing the economic and social sectors and the relevant support or general government services, as follows: (1) Ministry of Agriculture and Food (MAF), (2) Ministry of Natural Resources (MNR), (3) Ministry of Trade and Industry (MTI), (4) Ministry of Public Works and Highways (MPWH), (5) Ministry of Transportation and Communications (MOTC), (6) Ministry of Energy (MOE), (7) Ministry of Human Settlements (MHS) or National Housing Authority (NHA), (8) Ministry of Agrarian Reform (MAR), (9) Ministry of Labor and Employment (MOLE), (10) Ministry of Health (MOH), (11) Ministry of Education, Culture and Sports (MECS), (12) Ministry of Social Services and Development (MSSD), (13) National Science and Technology Authority (NSTA), (14) Ministry of Tourism (MOT), (15) NEDA, (16) Ministry of Local Governments (MLG), (17) Office of Budget and Management (OBM), (18) Ministry of Finance (MOF), (19) Civil Service Commission (CSC), and (20) Ministry of National Defense (MND). The regional directors currently on the RDCs are about twice this number, mainly because they represent bureau- rather than ministry-level field offices. With the "mini-ministry" regionalization of more ministries, their number should be much smaller. Lower-than-ministry field units that have particular contributions to make should be represented by the ministry closest to them in terms of function (e.g., National Irrigation Authority (NIA) by MPWH), may be invited occasionally to Council meetings, or may participate regularly at sub-Council levels. A few ministries may have such peripheral interest in basic development that they may be merely represented by others (e.g., MOT by MTI, MND by MLG).

2.6.2 Aside from the provinces and cities within each region, municipalities and barangays should be represented on the RDCs through their regional or sub-

regional associations or federations. Where autonomous regional governments exist, their heads should serve as ex-officio RDC Chairman, as before, but additional ex-officio members from such bodies should be limited to two (the speaker of the legislative assembly, and a minority party representative). If NACIAD or other area-wide projects are maintained, their project managers should also be invited as regular Council members. (The previous recommendations to strengthen the RDCs' budgeting and implementing powers, however, should obviate the necessity of maintaining such distinct projects at all.)

2.6.3 Private economic, social and civic organizations representing key sectors and broad segments of the regional population (agricultural, industrial, commercial, farmers, urban labor, cultural minorities, and professional groups) should also be given from five to seven Council slots. National assemblymen or Congressmen from a region may also be invited as Council members, but there should not be more than two or three of them at a time; they may alternate with others every two years.

Altogether, the total number of Council members should not exceed the range from 40 to 45, so that the RDCs could meet more regularly and conduct their official business more efficiently.

2.6.4 Although the reduced membership of the Councils may tend to limit involvement, participation in RDC decision-making and other regional processes could and should be broadened through its sub-Council bodies, public hearings, publication of proposals, and other forms of consultations with the general public. We endorse NEDA's move in this direction, but this should be accompanied by more adequate logistical support to enable regional agencies to penetrate to the grassroots. Precipitate as such a move may seem at the moment, it should be a regular feature of the regional development process under more normal conditions.

2.7 *The RDC ExCom.* Modify the leadership and membership of the Executive Committee to reflect the RDC's new "constitution." The "ExCom" should continue to be its vehicle for more frequent deliberations and decision-making. With the RDC's enhanced responsibilities, powers, and resources, however, its Chairman should head the ExCom and the NEDA RED should serve as Vice Chairman. While the RDC Chairman may liberally delegate authority to the Vice Chairman to run the ExCom, the Chairman should retain final responsibility for its decisions. A provincial governor, a city mayor, and a municipal association head, and an NGO representative should also be added as ExCom members, while the number of regional offices represented should be reduced to the MAF, MNR, MTI, MPWH, MOTC, two or three of the social service agencies, MLG and OBM (plus NEDA). The social service agencies may alternate annually as ExCom members.

2.8 *The RDC Chairman.* Except in regions with autonomous governments, RDC Chairmen should be elected by its members for four-year terms (with no reelection) from among the provincial governors and city mayors on the Council. Local political leaders should continue to head the RDCs because they are accountable to the constituent communities within the regions, although this need not mean that regional directors should not and cannot be made equally responsible

and responsive to regional constituents (through, say, residence requirements). This is also in line with the policy of devolution recommended here.

Local Governments

2.9 "Authentic" Local Autonomy. Transfer more substantial program responsibilities, powers, resources, and institutional capabilities to local governments as part of the larger decentralization effort. Deconcentration to the region should be balanced with devolution to the locality. Essentially, more "authentic" local autonomy should mean that the national government should, to the extent feasible, transfer programs and functions that local governments could handle rather than directly administering them at the local level; transfer the financial, manpower, and other resources and power commensurate to their enlarged responsibilities; and help them attain the administrative and/political capabilities for discharging them well. Autonomy should be preceded or accompanied by local political reforms through the appropriate constitutional and statutory provisions to ensure democracy and efficiency at the local as well as other levels.

Aside from leading the RDCs, the participation of local governments in regional processes should be facilitated by: (a) reflecting local plans and priorities more clearly in regional plans; (b) involving them in the implementation as well as planning of regional development projects as much as possible; (c) extending, through regional agencies, training and technical assistance at the scale and pace needed to make them effective regional participants as well as local "performers"; and (d) providing more coherent national policies and standards for guiding and gauging their performance. NEDA should incorporate these principles in its draft "planning code," which should, among other things, clarify agency jurisdictions over planning assistance at different levels of local government and regional administration.

NEDA Regional Offices

3. Deconcentration in NEDA. Shift more responsibilities, resources, and authority from central NEDA units to the NROs, and reorganize the NROs to reflect such changes within NEDA and in other agencies, particularly those represented on the RDCs.

3.1. NRO Functions. More than the central NEDA units, the NROs should perform the functions of eliciting and guiding plan, program, and budget proposals from within their jurisdictions, consolidating such proposals and reconciling them with national development goals, targets, and priorities, helping the RDCs direct and coordinate program and project implementation activities, providing training and technical assistance to regional offices, local governments, and/private groups, and monitoring and evaluating the progress and impact of regional projects. In particular, the NROs should provide stronger staff support for articulating regional goals, priorities, and projects, developing sensitivity to the interregional elements or implications of regional proposals, and looking for and allocating financial resources for major regional projects (especially those to be directly implemented by the RDCs).

However, with respect to most projects, NROs should concentrate on the project identification and prioritization phases and on technical assistance to sectoral or local agencies in project design and feasibility studies. Project preparation activities should otherwise be left with those agencies. Similarly, direct assistance in project design should be made available to private groups only on a training-demonstration basis. NROs should not engage directly in project implementation activities, even those under the auspices of the RDCs, since this is likely to draw their efforts away from their more important regional planning, assistance, and evaluation responsibilities as multi-sectoral, multi-area staff agencies.

3.2 NRO Organization. Maintain the standard two-Division structure of the NROs, with some allowances for variations to suit peculiar regional conditions. Within the basic structure, reflect new or modified functions. Land use planning should be associated with plan formulation in view of its closer affinity to the multi-sectoral functions of the Plan Formulation Division. Where work distribution is a problem, this association should also provide a more balanced workload. This Division should develop an explicit interregional perspective along with the land use and spatial aspects of macro plans and projects. For its part, the Program Coordination Division should be responsible for project identification and financial analysis, which should get greater emphasis in view of the more authoritative role prescribed for the RDC in regional budgeting. Both Divisions should be prepared to provide increased training and technical assistance to other regional participants and should share the monitoring and evaluation functions (the PCD may stress project progress monitoring, the PFD, program impact evaluation). NROs should get necessary back-up services from the Regional Development Office and other units in Manila in supplying their own various areas, including institutional development.

Some degree of freedom, however, should be allowed NROs in determining their most effective internal structure and in helping shape the interagency task groups and committees of the RDCs. Conditions could vary widely, for example, between contiguous and island regions, or between rural and highly urbanized areas.

3.3 NRO Staff. Considerable improvements will probably be required in NRO staff strength (size and training), welfare, and leadership to meet increased responsibilities, although needs may vary from region to region in certain respects. The study team is in no position to recommend staff size changes between central and regional offices, but staff development should continue and ought to be accelerated to deal with the aspects of regional development (e.g., land use, interregional analysis, "location-allocation" analysis, regional development administration) that are likely to be accentuated by the decentralization process. The salary scale should be reviewed to minimize inequitable disparities within regions and between them and central units. The REDs would have to contend with the heavier burdens of regional leadership. NEDA should alleviate these by placing more funds and authority at the NROs' disposal—including clearer delegation of authority between the REDs and their next-in-rank, in case the REDs must be out of their station as frequently as, or more than, ever.

Endnotes

¹Ernesto M. Pernia, Cayetano W. Paderanga, Jr., Victorina P. Hermoso, and Associates, *The Spatial and Urban Dimensions of Development in the Philippines* (Makati: Philippine Institute for Development Studies, 1983), pp. 223-5, 258-65; Republic of the Philippines, National Economic and Development Authority (NEDA), *Updated Philippine Development Plan 1984-1987* (Manila: NEDA, 1984), pp. 24-25.

²Republic of the Philippines, National Economic and Development Authority (NEDA), *Five Year Philippine Development Plan, 1983-1987 Technical Annex* (Manila: NEDA, 1982), p. 22; NEDA, *Updated Philippine Development Plan 1984-1987*, p. 44.

³Interview with Jose M. Lawas, 16 June 1986.

⁴Republic of the Philippines, National Economic and Development Authority (NEDA), *Five Year Philippine Development Plan, 1978-1982* (Manila: NEDA, 1978), pp. 90-96; Pernia, et al., *The Spatial and Urban Dimensions of Development in the Philippines*, p. 251; Jose M. Lawas, "Regional Development Planning: Key Issues and Suggested Work Programs," paper presented at the NEDA Internal Planning Conference, 16 January 1985, p. 28. (Mimeographed.)

⁵Lawas, "Regional Development Planning," p. 23, 24.

⁶Interview with Jose M. Lawas, 21 April 1986.

⁷Interview with Jose M. Lawas, 16 June 1986.

⁸Lawas, "Regional Development Planning," pp. 13-14.

⁹Walter Isard, *Methods of Regional Analysis: an Introduction to Regional Science* (Cambridge, Massachusetts: The M.I.T. Press, 1960); Lawas, pp. 27-28.