

Foreword 1

My congratulations to the Philippine Human Development Network (HDN) and the United Nations Development Programme (UNDP) on the completion of the 5th Philippine Human Development Report (PHDR) on Peace, Human Security and Human Development. Indeed, this is a very timely report for the Philippines as it continues to face the many challenges of the peace process.

The Report's analysis of the human security and human development dimensions of protracted armed conflict should lead to a clearer understanding and identification of the interventions and policies necessary to address its root causes.

Since 1997, the New Zealand Agency for International Development (NZAID) has been a consistent supporter of peace and development efforts in Mindanao. Our partnership with UNDP and HDN on the development and publication of the 5th PHDR stems from NZAID's commitment to contribute to conflict resolution and peace building throughout the entire Philippines.

The 5th PHDR comes at a propitious time when the Philippines steps up its efforts to fully implement its existing peace accord with the Moro National Liberation Front (MNLF), pursue the signing of a peace agreement with the Moro Islamic Liberation Front (MILF) and engage with the National Democratic Front (NDF).

The Report's findings and recommendations will help provide the Government of the Philippines (GOP), as well as relevant stakeholders, with a solid basis on which to pursue lasting peace, human security and development. NZAID is proud to be associated with this 5th PHDR and will continue to remain committed to helping the Philippines achieve a safe and secure future for its people.

H.E. Robert Carey Moore-Jones

Ambassador

Embassy of New Zealand



...towards a safe and just world

New Zealand's International
Aid & Development Agency

Foreword 2

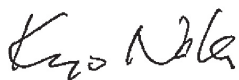
Since the early 1990s the United Nations Development Programme (UNDP) has been supporting the preparation of National Human Development Reports (NHDRs) worldwide as a tool for policy advocacy among major stakeholders to trigger action for human development. The global HDR's analytical framework and inclusive approach are carried over into regional and national HDRs.

In the Philippines, the institutionalization of the Human Development Network Foundation Inc. (HDN) has ensured independence, ownership and a productive record of Philippine Human Development Reports (PHDRs). This is the 5th PHDR prepared by the HDN since 1994 after a group of development practitioners from various disciplines got together to discuss how best to apply the major findings and conclusions of the HDR in a Philippine setting.

This 5th PHDR strives to provide relevant policy directions linking peace and security to political reforms for a substantive democracy and for stability in governance through identifying legislative action for reforms in order to strengthen civil governance.

UNDP commends this Report as a positive step towards establishing long-lasting peace and security in the Philippines, which in-turn mean positive steps towards poverty reduction and human development. These positive measures will translate into reaching the Millennium Development Goals (MDGs).

I would like to thank the New Zealand Agency for International Development (NZAID) for its support in the preparation of this PHDR on "*Peace, human security and human development in the Philippines.*" And to the HDN my congratulations for another job well done!



Kyo Naka

Resident Representative a.i.

United Nations Development Programme



Foreword 3

In this 5th issue of the Philippine Human Development Report, the Human Development Network (HDN) breaks out from its comfort zone of basic economic issues and addresses one that is at core a political one: ideology-based armed conflicts. The theme was motivated by the observation that some of the most conflict-ridden provinces are also among the bottom-10 provinces for almost every dimension of human development, yet the link between human insecurity and human development had yet to be explored; that the Philippines is home to two of the world's longest-running armed conflicts, yet a credible accounting of their human and economic costs is not available; and that insurgency, indeed terrorism, is often casually attributed to income poverty and inequality, yet too many counter examples (of poor communities not participating, much less condoning violence) could be cited. Why, after so many years of counterinsurgency policies and anti-poverty strategies, have resolutions to the conflicts been so elusive?

The Report examines the causes and costs of the communist and Moro insurgencies, asks why and how government “counterinsurgency” policies and other institutions have fallen short, and tries to suggest how current peace efforts can be recast or reinforced. It proceeds from and with a human development frame, that is, an understanding that human security is not just freedom from *fear*, a defensive concept, but also freedom from *want* and *humiliation*; that the insecurity of one is the insecurity of all, and, most important, that human security is a *right* in itself.

More than ever before, this edition of the Report required an inclusive approach. Focus areas and hypothesis were generated and refined during a well-attended Inception workshop in July 2004, after which experts from various fields—political science, public administration, law, sociology, peace studies, and economics—were commissioned to review existing literature, undertake provincial and community-level case studies, assess the responses of both government and non-government institutions, and provide technical and econometric analysis. Over the next 15 months, research findings were subject to four more workshops, including one convened in General Santos City by the Mindanao State University. Moreover, a national opinion poll was designed to help determine whether the personal experiences of prejudice against Muslims which surfaced during the research were indicative of wider phenomena.

Among the key findings and observations thoroughly discussed in the main theme chapter:

- 91 percent of all provinces were affected by ideology-based armed conflicts during the 18-year period from 1986-2004.

- Estimates of economic losses due to the Mindanao conflict range from P5 billion to P10 billion annually from 1975 to 2002. The measurement of economic costs due to the communist insurgency is more elusive but includes attacks on telecom and power facilities and the practice of collecting revolutionary taxes all of which increase the cost of doing business.

- Even harder to measure are the loss of human life in direct combat, the deaths and morbidity due to internal displacement, and the injuries and indignities suffered by victims of discrimination. In the extreme, armed conflict has uprooted entire families and societies: anywhere from one-fifth to one-third of major Muslim tribes now live in areas outside their ancestral homelands.

- Personal testimonies of anti-Muslim bias are not imagined or random. Opinion surveys have corroborated a significant degree of latent anti-Muslim bias across the country (about 33 percent to 39 percent of Filipinos).

- The incidence of income poverty *does not* “predict” the frequency of armed conflict across provinces.

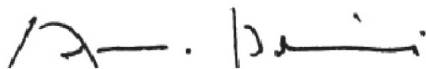
Neither do aggregate measures of income inequality. Measures of deprivation—such as disparities in access to reliable water supply, electricity, and especially *education*—however, *do* predict the occurrence of armed encounters.

■ The average income of the *middle class* (rather than average income by itself) matters to the incidence of armed conflict. Beginning with low incomes, the incidence of armed conflict first rises before falling as the average income of the middle class rises.

■ The rate of accomplishment of land reform is a good predictor of the frequency of armed conflict. However, the extent to which the land issue will remain an important determinant remains an open question.

■ Policy inconsistency within and across administrations has characterized government counterinsurgency strategies. This inconsistency is sustained by the public's superficial involvement and lack of information. For instance, the Moro conflict has been viewed as an exclusively "Mindanao issue" but should be a pressing question of human development and human security that touches all Filipinos.

The Report proposes, among others, that a common framework for peace, a legislated national peace policy, and a national constituency for peace are necessary ingredients for sustained peace-building. More important, it observes that socioeconomic investments are necessary and desirable in and of themselves if we are to believe that human security is a right. That these have also been shown empirically to be potentially effective in reducing the probability of armed conflict confirms the validity of the human development approach.



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