

PRODUCTIVITY, INTEGRATION, AND PARTICIPATION:
A BRIEF LOOK AT THE BICOL RIVER BASIN DEVELOPMENT PROGRAM

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by

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The views and interpretations expressed in this report are those of the author and should not be attributed to the Agency for International Development.

INTRODUCTION

The Bicol series of projects in that area of the Philippines was, and continues to be, a major experiment in integrated rural development. With a major productive focus on irrigation, it provides a number of ancillary benefits such as roads, health services, and an active program office designed to foster public and private investment in the region.

The Bicol projects have become in A.I.D. perhaps the most widely known series of rural development efforts involving a parastatal organization in what has clearly been one of the poorer areas of the Philippines. For this reason, and area development aspects of the series of projects, the Office of Evaluation undertook the sponsorship of an impact evaluation. That report was published as A.I.D. Impact Evaluation Report No. 28: Philippines: BICOL Integrated Area Development.

Dr. David Robinson, who received his Ph.D. from Cornell University and whose dissertation dealt with Irrigation in the Philippines, wrote the attached report reviewing the history of the Bicol projects. Because Dr. Robinson did not accompany the team in its field evaluation of the Bicol, the Office of Evaluation thought to publish his report on the Bicol separately. It should, however, be read in conjunction with that report.

The Office of Evaluation hopes that the wider dissemination of such reports as this will enable both an internal and external audience to consider more comprehensively the successes and failures of efforts at rural development, both integrated and unintegrated.

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The Bicol River Basin Development Program (BRBDP) is an approach for dealing with a complex set of development problems in a single geographic area. It represents the collective attempts of a diverse set of individuals and institutions to improve the quality of life of the poor majority of the Region's residents. The program is experimental in its scope, organization, and strategy.

The following discussion and analysis of the BRBDP examines the Program from three perspectives -- productivity, integration, and participation. Productivity considerations come first because it is the constraints on productivity that are responsible for the Region's poverty and the promises of improved productivity that are responsible for the selection of the Region as an integrated development area. In addition, productivity should be a central dimension of any major rural development program.⁽¹⁾ The second focus, integration, is the organizational response of both USAID and the GOP to the constraints on and promises of productivity. This response takes into account previous efforts in the Region that followed standard sectoral lines, but failed to have a significant impact on the Region's problems. The third focus, participation, has become of great interest during the last few years among major donor agencies, and is an important element of USAID's New Directions' mandate for development.

This paper will discuss these three dimensions of the Program empirically and theoretically, beginning with a brief examination of the problems and potential of productivity in the Bicol Region. Integration will be treated in terms of how shortcomings of previous efforts of the Government of the Philippines (GOP) in the region led to the integrated approach. In addition, some of the theoretical arguments for integration will be presented. Participation will be considered as an essential part of the integrated approach and as a means for creating and maintaining development.

It should be noted that this paper is based on a rather large and growing mass of writing on the Bicol Region. No new data will be provided here, and as little "old data" as possible will be reiterated, especially in the form of rates, population density, etc. The purpose of this paper is more to examine the implications of the previous data and reports, and the intellectual assumptions that led to the particular path that the BRBDP follows, in order to raise issues for assessing the Program's impact. The emphasis will be on incorporating the empirical reports, project plans, and theoretical assumptions that guided the plans into an overall examination of the Program. The object is not to provide answers, but to raise questions about the Program, especially as they relate to evaluating the Program's impact on Bicolanos.

Productivity--problems and promise

Productivity constraints in the Bicol Region have been well documented and their effects on the population are well known. Relying on a 1968 UNDP study of regional planning in the Philippines, BRBDP documents have continually referred to the Region as a "partly stable and partly downward transitional area."⁽²⁾ This description is usually followed by a long list

of familiar problems that occur throughout the Region as well as in many other parts of the Philippines, not to mention in other LDCs. These productivity constraints fall into three broad categories; physical, institutional, and cultural.

Physical constraints

Physically the Bicol Region was until recently rather isolated from Manila, the financial and market center of the Philippines. In 1973, when the Program was in its infancy, one could travel year-round between Manila and Daet, but south of Daet to Naga, the road was often impassible during parts of the rainy season and often in need of repair. Because of the condition of the road, vehicle breakdowns were common, which naturally added to the duration of the trips. Recently, however, the Philippine-Japan Friendship Highway has been completed through Southern Luzon and the road trip between Manila and Legaspi can be completed in around ten hours (eight to Naga City).

The other overland connection between Legaspi and Manila is the Philippine National Railroad (PNR), which makes two trips per day, each of which takes at least 12 hours. Derailings and washouts of the track are not infrequent. By air, Nega and Legaspi are connected to Manila by several Philippine Airlines (PAL) flights each day. Connections by sea are via small inter-island boats, which travel between Manila and Tabaco, and Manila and Legaspi.

The major physical problems of the region can be described in two words: typhoons and floods. The Bicol Region is in the center of the Philippines' "typhoon belt," and is subjected to severe storms several times each year. Even the "mild ones"(by Bicol standards) produce considerable damage to some of the Region's most important crops, vis., abaca, bananas, and coconuts, not to mention damage to the small huts that house so many of the area's people. Floods occur after many typhoons, but may also occur during the heavy part of the rainy season. Rice, which is usually not affected by "mild" typhoons (except at two crucial stages of its growth), can be harmed by the severe flooding that results when the Bicol River overflows its banks. A related problem is the periodic eruptions of Mayon Volcano, which can alter the typography of nearby land and thus affect water flows in a significant part of the surrounding area.

Another physical problem the Region faces is the intrusion of brackish water into many of its streams, which are at or below sea level near the coast, during the dry season when irrigation water is absolutely necessary for rice production. Rice yields are reduced when the plants are exposed to salt water.

Institutional constraints

Improved productivity in the Bicol is held back by numerous institutional (social, economic, and political) factors. When the Bicol program was being planned, one of the most important of these was the land tenure system, which was based on share cropping. Although share cropping does provide certain benefits to farmers, mainly in the form of security, its

incentive structure does not promote the effective application of the HYV package of rice technology because it does not allow farmers to receive benefits proportional to the risks they must take to increase their harvest. Complicating the farmers' situation was the relative difficulty of obtaining production inputs (quality seed, chemicals, extension services, and credit). Thus both the availability of inputs and the incentives to use them were absent.

Another important constraint in the Bicol Region is the micro-political environment, which rests on a well-established and starkly dualistic social structure. Lynch et al. speculate that this system has existed for centuries, and that it divides Bicolanos into "big people and little people" who have worked out a mutually advantageous relationship. "Big and little Bicolanos stay together because they need one another's help, and because they have judged, consciously, or unconsciously, that they can afford the going price. Let the need decline or the price exceed the current limit set on either side, and they will drift, or more likely fly, apart."

This dualistic relationship between the "big" and "little" people is based on an exchange of resources between them.

"One side offers an assurance of subsistence, help in times of crisis, protection from danger, mediating influence with the powers that be, and occasional good times. The price for all this is labor on the farm or elsewhere and the multitude of varied services, rendered with proper deference and loyalty to the patron-partner. . . . This clinging to the old class system, precisely because it is so pragmatically reasonable, is one of the greatest challenges the BRBDP must face."⁽⁴⁾

Political implications of the Bicolanos' social class system flow from the mutual claims and exchanges made. Lynch et al. indicate that the resources exchanged, and the claims made, have remained relatively constant over time. This is not to say that there has been no change in the Region, but that the basic political relations between "big" and "little" Bicolanos have probably not been heavily affected, for example, by the wild party politics of the pre-Martial Law period, or by other ostensible symptoms of modernity such as the proliferation of radio and television, increased education, and to some extent, physical mobility. Although that period did involve apparent political "participation" by both big and small Bicolanos (in elections), voting was heavily affected by personal ties, intimidation, and corrupt (by modern Western standards) use of public resources, all of which were a function of the social class system.

Culturally, the most important single variable to consider in describing the Program beneficiaries is their poverty. Lynch et al. argue that low income is "a paramount consideration" of Bicolanos and is "the root cause for (their) not enjoying a higher position in life."⁽⁵⁾ Further, they refer to "the grinding poverty of most Bicolanos" as one of two "principal

social and psychological facts with which a River Basin assistance program must reckon."⁽⁶⁾ The behavioral implications of poverty for development projects are well known and include a belief that outside forces are in control of one's destiny (fatalism), avoidance of risk, preoccupation with immediate as opposed to long term needs, etc.

It is important to remember, however, that the summary statistics that describe poverty can mask variations in the situations faced by poor people. It is the relationships among variables that are usually used to describe poverty quantitatively, "such as income, expenditures, nutrition, education, social activities, and geographic setting . . . (that are) important for gaining any insight into the condition of the rural poor and the varying milieus in which they live."⁽⁷⁾

Productivity--potential

The existence of massive problems in the Bicol Region does not distinguish it from other parts of the Philippines, but its potential does. In fact the Region was selected as the site for the country's first Integrated Area Development (IAD) project because of its potential for improvement. A 1972 "Report on the Province of Camarines Sur and the Lower Bicol River Basin," described the area as one "where land, water, and human resources can combine, given proper planning and financing, to substantially increase agricultural output."⁽⁸⁾ The BRBDP's Project Paper went further, calling the project site a limited geographic area that has high potential for growth.⁽⁹⁾

In a sense, the area's potential is a matter of conditions being so bad that improvements are virtually inevitable. A more useful formulation, though, evidence that existing resources--human, economic, and physical--have been severely underused. The problem is that use of one or a few of the area's resources is impractical or impossible without the use of others. A clear example of this is rice farming. Bicolano farmers have been shown to be receptive to the principles of HYV technology: the use of so-called "miracle rice" seeds is widespread in the Region.⁽¹⁰⁾ The use of other inputs, however, which are necessary to achieve optimum yields, has been far below recommended levels. As a result, average yields in the Region are lower than in the Philippines as a whole, and much lower than yields obtained in Central Luzon.⁽¹¹⁾

Inputs were underused because they were expensive, often hard to get, and of limited value in the absence of assured water supply. Even if they were less expensive and more accessible, however, they might continue to be under-applied because of difficulties farmers had in marketing their rice. The ideal place to market rice is Manila, but poor transportation made that impractical. In fact transportation within the Region was so poor that farmers often could not transport their produce to small local market places.

The problems associated with low rice production--land tenure, difficulty in obtaining inputs, scarce credit, poor transportation, poor marketing,

occurrence of typhoons, inadequate irrigation--illustrate how complex and inter-related the causal factors are that both account for low productivity; and indicate the potential for greater productivity. It is clear that concentrating on one or two factors is not enough; they must all be attacked if improvement is to be brought about. Similar patterns exist for the other major sectoral problems in the region: industry, use of natural resources, improvements in health and nutrition, transportation, etc. Further it is clear that the major sectors influence each other.

Integration

Previous development efforts in Bicol

In the past, the GOP's development efforts in the Bicol Region, as they did in the rest of the Philippines, were designed and implemented by a number of national agencies and a few local ones. Each agency concentrated on its own sectoral specialty, although there was often considerable functional overlap. For example, the old Agricultural Productivity Commission (now the Bureau of Agricultural Extension) had extension workers (Farm Management Technicians) who provided agricultural training and some organizational advice to farmers, and those who provided home economics advice to women (Home Management Technicians). Agricultural training and information was also provided by the old Bureau of Plant Industry and, to a certain extent, by the National Irrigation Administration and the old Presidential Arm on Community Development. Similarly the Bureau of Social Welfare provided some of the same kinds of home economics management training to women as were provided by the HMTs.

In spite of this occasional overlap, and in spite of the benefits that redundancy can provide to target groups, the overall effects of the separate sectoral approach were chaos and waste. The competition that home offices in Manila faced for limited government resources was reflected in the field by an absence of coordination, failure to share information, and an inability of field personnel to work together. In some cases field personnel were reluctant to cooperate too much with other field personnel from competing agencies because of the belief that there was only a limited amount of recognition to go around. Sharing efforts, and recognition, it was feared, would occur at the expense of one's own agency.

The practical case for integration

The problems of lack of coordination and functional overlap were not unnoticed in the Region. In 1965 and 1966, four regional bodies--Bicol Development Council (BDC), Bicol Development Planning Board (BDPB), Bicol Development Authority, and Bicol Development Company (BIDECO)--were established primarily to rationalize and standardize the Region's development activities.⁽¹²⁾ Their efforts were not very successful, and in 1970, a conference was held at the Ateneo de Naga and attended by local officials and representatives of national agencies to decide what to do. The result was an attempt to relate the activities of the BDPB and BIDECO to each other through "a two-pronged strategy--linking of production (supply and delivery) systems and

the linking of inputs (particularly capital loans) to production (outputs)." An overall regional plan evolved out of that meeting. (13)

By 1971 the newly-formed national planning agency of the Philippines (National Economic and Development Authority--NEDA) took an active part in the Bicol's development activities, but not much effort was made to decentralize decision making, which was largely controlled from Manila. In addition, "not much support was obtained from line agencies or local politico-administrators." (14)

The most significant early events in the development of the BRBDP occurred in 1973. In February, an interagency survey team published the so-called "Blue Book," entitled The Bicol River Basin Development Program. In May, President Marcos issued Executive Order 142 creating the Bicol River Basin Council and establishing the Bicol Program Office. In June, the President established the Cabinet Coordinating Committee on Integrated Rural Developed Projects, whose "Board of Directors consisted of the secretaries of seven departments directly concerned with the integrated area development approach. . . ." (15) The year 1973 is also the time that USAID began serious involvement in the Bicol Region. Its original project paper ("Bicol River Basin Development Project"), developed in March 1973 and revised in 1974, was largely based on the Blue Book. It outlined a six-year comprehensive plan "to develop the institutional capability and initiate implementation of capital development projects" in the Region. (16)

In 1976, the BRBDP attained formal status as a "nationally supported project under the Cabinet Coordinating Committee for Integrated Rural Development Projects," through Presidential Decree 926. PD 926 strengthened the decentralized BRBDP Program by providing increased authorities and well-defined policies including a clear coordinating and monitoring role, and very significantly, authorized annual budget appropriations. (17)

The theoretical case for integration

There is relatively little that is empirically disputable about the need for some kind of "integration" or "coordination" (18) of efforts in the Bicol Region. There are, however, several different, although not necessarily conflicting, theoretical arguments in support of integration. An examination of these is helpful in suggesting (a) how the integration should work (process) and (b) the kinds of results that can be reasonably expected (outcomes).

In the following discussion, three theoretical foundations for integrated area development--spatial analysis, structural organizational analysis, and political and administrative decentralization--will be noted and special emphasis will be placed on how they apply to the Bicol program. Spatial analysis stresses the importance of the location of services, populations, and resources for development projects. Structural organization analysis explains the weakness of having separate sectoral efforts try to develop an area that has many interrelated problems, and argues that certain kinds of decision problems that are basic parts of multiphased development demand

integrated organizational approaches. Political and administrative decentralization means not only relinquishing decision-making power by the central government, but strengthening local-level institutions and their ties with centrally available resources.

Spatial considerations

The BRBDP development strategy is to build up the physical infrastructure, improve essential social services, improve land tenure arrangements, increase agricultural productivity, and encourage private investments in agribusiness and rural based industries. The strategy also takes into account urban-rural linkages, spatial integration, and how urban functions support rural development.⁽¹⁹⁾

The conceptual basis for this strategy relies on several key ideas about how development is promoted. These are the ideas of central place theory, the importance of spatial configurations of populations and resources, and the link between urban centers and rural areas. In spatial models of development, a common pattern that has attracted the attention of regional planners is the existence of a primate city that drains surrounding rural areas of physical and human resources, perpetuates dualistic economic growth and settlement patterns, and prevents the growth of intermediate-sized towns that could serve as rural service centers.⁽²⁰⁾ The absence of intermediate-sized towns that are well linked to rural areas means that "the rural poor (lack) access to the services, facilities, and productive activities found in urban centres of any size, and as a result the cities (do) not provide inputs needed to increase agricultural production or meet basic human needs in rural regions." ⁽²¹⁾

The solutions to the problems of rural development lie, according to this approach, in policies that create incentives for the growth of intermediate-sized towns and for establishing "linkages" between the towns and the rural areas. These incentives may be in the form of laws that reduce the taxes on investments in specific towns, financial inducements such as low interest loans to businessmen and firms, or public provision of infrastructure such as roads, ports, communications facilities, and other public services that will make investments in the desired locations competitive with the opportunities in the primate city. All of these incentives have been mentioned in the Bicol development strategy.

The influence of spatial theory and hypotheses about the importance of urban-rural linkages can be seen in the project documents and strategy, and in ancillary activities.⁽²²⁾ The original project paper continually stresses the importance of integrated sectoral projects including investments in agribusiness, provision of social services, rural manufacturing, and local infrastructure.⁽²³⁾ Further, the two principal provinces in the Program area (Camarines Sur and Albay) were "divided into two development areas" on the basis of important spatial characteristics, namely the homogeneity of their geographic features and the pattern of urban-rural linkages.⁽²⁴⁾ The project paper assumes that the GOP will participate in the project in ways that complement the spatial strategy: "For the private sector it is

assumed that the current favorable investment climate will be stimulated further by the GOP and that GOP infrastructure projects and other programs will provide the needed complementarities (roads, rail service, electrification, health services, etc.).⁽²⁵⁾

The idea that rural development depends heavily on linking rural areas to more developed urban centers has been accepted in the BRBDP strategy. According to the project paper, Infrastructure projects such as roads, flood control, irrigation, and marketing and agro-industries facilities are necessary preconditions for the development of a rural area. Increasing farm productivity and processing capabilities in a regional setting has been shown to be fundamentally sound strategy."⁽²⁶⁾ Another thrust of the BRBDP that has roots in a regional approach to development is the idea that agricultural development is a multi-sectoral development process. The project paper predicates agricultural development from a multi-sectoral approach.⁽²⁷⁾

Organizational considerations

The justifications for integrated development rest not only on the empirical and theoretical connections among sectors in a given region, but also the relationships among public and private sector organizations working in the overall development effort. It has been noted that these activities in the Bicol have historically been uncoordinated, redundant, competing, and ineffective. The BRBDP seeks to redress these deficiencies by an organizational approach that combines and rationalizes the activities.

The empirical reasons for the ineffectiveness of national line agencies in the Region include limited resources to support their activities, poorly trained and motivated personnel in the field, and failure of one agency to take into account the efforts of other agencies. There is also an important theoretical argument--that the goal of simultaneously effecting the development of many sectors, while laudable, is not matched by an appropriate organizational strategy:

A basic weakness of the integrated rural development approach is that policy or program objectives are adopted for which no . . . closed system technology or program methodologies are available. Integrated rural development can be described, perhaps not too inaccurately, as an ideology in search of a methodology or a technology.⁽²⁸⁾

The problem of how and where to integrate is not easy to solve. One of the dilemmas, as Rubin points out, is whether to integrate vertically or horizontally. Reputable proponents of both approaches can be found among the experts.⁽²⁹⁾ Honadle distinguishes "integrated" from "functional" organization "by the level where authority over the full range of organizational activities converges. In a functional organization it occurs near the top . . . In an integrated organization, on the other hand, convergence occurs closer to the bottom of the organizational hierarchy

Integration implies comprehensiveness (a multisectoral focus) and control (direct line of authority)." (30)

Obviously one of the crucial problems of coordinating an integrated development approach among several different line agencies is to get them to cooperate with each other. Solutions may concentrate on the internal workings and structure of the individual line agencies that are to be coordinated or on external factors that impede or encourage such coordination. According to Honadle, the relations between organizations are often a function of the internal structure of the organizations and of the managerial style that an organization uses to coordinate activities among the organization's subunits.(31)

Rubin, in contrast, analyzes the problem by trying "to find incentives that induce independent line agencies to cooperate with each other." (32) He argues that under normal conditions, the incentives facing independent line agencies working in the same geographic area inhibit them from coordinating their activities. "It is generally rational for the managers of bureaucratic organizations to promote long term budget and staff expansion." When several agencies follow this strategy, competition among them for scarce resources is a consequence. (33)

To the extent that coordination requires sharing of effort and information--both of which can be exploited by a competing organization--it is not in the interests of individual organizations to coordinate their activities with other organizations.(34) Similarly, "local political administrators (mayors, governors, etc.) operate under incentives that are adverse to coordination. . . . Their best strategy is generally to cooperate in a piecemeal fashion with whatever plans individual agencies want implemented" because in this way they maximize their chances of obtaining resources from the agencies.(35) Rubin mentions two other formulations of the external incentive structure that confound the attempt to encourage cooperation among competing line agencies: the "free rider problem," and the "commons problem," both of which arise from rational calculations (36) He concludes that "maladministration and miscoordination in local development projects need not imply bureaucratic incompetence. Such problems can stem from the rational efforts of agencies, acting independently, to maximize their respective interests. The lack of coordination in no way implies an inability to understand its potential benefits. What is lacking is a sound and reasonable basis for coordination."(37)

Rubin's solution to the problem of coordination is an external entity "to provide a setting which causes effective coordination among the agencies" by planning and facilitating among them.(38) He argues that the BRBDP supplied a "formal structure that provided the potential for informal interaction among regional directors and stimulated the participation of recalcitrant agencies."(39) The BRBDP finesses the free rider problem by making a benefit received by the regional office of any of the line agencies contribute to the ability of other agencies to receive similar benefits.

Thus the "BRBDP established a structure in which it became rational for individual agencies to support each other's projects."⁽⁴⁰⁾ It did not try to modify the objectives of the individual agencies, but its planning and facilitating roles helped the agencies "maximize their long term goals."⁽⁴¹⁾

Integration on the ground: the organization of the BRBDP

The organization and functions of the BRBDP reflect the spatial and organizational considerations described above. Spatially the BRBDP program area in the two provinces of Camarines Sur and Albay have been subdivided into ten development areas, identified by "homogeneous geographic features and rural-urban linkages."⁽⁴²⁾ (The province of Sorsogon was added later). In terms of the Program activities, an Area Development Team (ADT) has responsibility for each of the ten development areas. The ADTs are planning and implementing bodies and are composed of local mayors and personnel of the line agencies that are participating in the Program.⁽⁴³⁾ It is at the ADT level that the BRBDP initially placed most of its hopes of success: "In the last analysis, this field level relationship among sectoral agencies is where integration is most essential if the GOP's objectives of increased agricultural productivity and increased income of the rural poor are to be achieved."⁽⁴⁴⁾ The ADTs are supposed to be "involved in the planning and implementation of coordinated line agency programs . . . and the major BRBDP Integrated Area Development projects (nos. 1, 2, 3)."⁽⁴⁵⁾

Originally the responsibility for overall development objectives for the Region lay with the BRBCC, which was composed of the regional level heads of all major sectoral agencies working in the Region plus the governors of Camarines Sur and Albay. The Program Office is the operational arm of the BRBCC. After the BRBDP was formally institutionalized in 1976 by PD 926, "a line budget was established with the Budget Commission solely for BRBDP operations."⁽⁴⁶⁾

The BRBDP is thus a mixed approach to integrated area development: "The program-level focus is embodied in a planning and monitoring unit which serves an ecological zone (the river basin) that overlaps subnational administrative boundaries. . . . On the other hand, the Bicol's smaller area-based project efforts use a discrete project management unit within a lead-line agency but with cooperating personnel assigned from other functional ministries."⁽⁴⁷⁾

The BRBDP has several kinds of projects, each of which is reflected in a different organizational arrangement. The "Grant Technical Assistance Projects" have the widest coverage--the entire Program area. The BRBD Project was the initial step in institutionalizing the BRBD Program. It provided technical assistance, studies, training, and commodities to the Program area. "In addition to the first two Bicol development loan projects (Libmanan IAD I and Bicol Secondary and Feeder Roads), the early Bicol Program (i.e., this project) helped induce or facilitate additional GOP and other investments in the Bicol (e.g., rural electrification, roads, ag research complex, drainage, national railroad investment, etc.)."⁽⁴⁸⁾

The next stage of the overall program was the "Grant Bicol Integrated

Rural Development (Support) Project," which is supposed to operate from 1978 to 1982. AID's technical assistance is in the form of monitoring and coordinating sub-projects, promoting private sector investments, developing other sub-projects for other external donor funding, evaluating the Program and its projects, and encouraging spin-off effects throughout the Region."⁽⁴⁹⁾

The "Development Loan Projects" contain two area-wide components--roads and health-- and three area-specific components--the three IAD projects. The roads and health projects are headed by appropriate national government line agencies: the Ministries of Public Highways and Health respectively. The three IAD projects are based on the water resources in their respective areas, and are managed by different line agencies.

The Libmanan-Cabusao project (IAD I) was the first attempt by the Bicol River Basin Council to "refine and extend to the municipality level the basic policy, planning, and management principles which underlies the 312,000 hectares Bicol River Basin Development Program . . ."⁽⁵⁰⁾ It covers approximately 4000 hectares in the municipalities of Libmanan and Cabusao. The project is "an attempt to control as many of the key input variables as possible in the project area which have a direct bearing on production and in turn farm income."⁽⁵¹⁾ Project implementation is by the National Irrigation Administration (NIA) Project Office under the overall supervision of the BRBDP Program Office.

IAD II is Bula-Minalabac, which covers 2500 hectares. The thrusts of the project are irrigation and land reform and consolidation, and involve both physical infrastructure and institution building. The lead-line agency is the Ministry of Agrarian Reform (MAR) through its Project Management Office. Overall interagency coordination is provided by the BRBDPO, with representatives of appropriate line agencies.

The Rinconada IAD III project is supposed to assist a population of approximately 256,000 living on 76,000 hectares. It is concerned primarily with flood control, irrigation and drainage. The project is implemented by NIA through a Project Management Office (PMO) to be organized by the BRBDPO. The PMO is the management organization that carries out actual administration, contracting, and management of the project.⁽⁵²⁾

Participation

The Congressional Mandate and USAID's New Directions

Although the genesis of the BRBDP and the New Directions occurred at approximately the same time, the BRBDP's emphasis on participation, its focus on the poor majority, and its concern with redistributive economics are intellectually parallel to the lines of thought that led to the New Directions. Concern with the poor majority in LDCs, and specifically with their participation in development programs that are supposed to benefit them reflects a new orientation among scholars and practitioners of "development."⁽⁵³⁾ There are two important parts to this orientation.⁽⁵⁴⁾

The first is the idea that development programs need to be focused on the poor majority, which is exemplified by Robert McNamara's 1973 address to the Board of Governors of the World Bank focusing attention on the "lowest 40%." The second is exemplified by the 1973 amendments to the Foreign Assistance Act, the so-called "Congressional Mandate," which directed that U.S. Government bilateral development programs "give the highest priority to undertakings submitted by host governments which directly improve the lives of the poorest of their people and their capacity to participate in the development of their countries."⁽⁵⁵⁾

The New Directions' emphasis on participation of the poor in development projects has at least two important consequences for the ways those projects are organized and carried out. The first of these concerns project design. Before the stress on participation as a means and end of development was in vogue, i.e., during the period when transfers of technology or resources were thought to hold the keys to development, a so-called "blueprint" approach to project design was popular and appropriate. The blueprint approach "assumes that technology that is appropriate for a particular development undertaking can easily be transferred to another target population, that implementing institutions can be easily created, and that each . . . activity to be carried out during the project can be specified, costed, and scheduled in advance."⁽⁵⁶⁾ "The blueprint approach has had a history of success when applied to development problems requiring technological solutions in a well-defined physical environment, e.g., road building, industrial development, and other transport and capital-intensive infrastructure."⁽⁵⁷⁾ Finally, this approach "has an appealing sense of order, specialization, and recognition of the superordinate role of the intellectual which makes it easily defensible in budget presentations."⁽⁵⁸⁾

In contrast to the blueprint approach is the "process approach", which is flexible, experimental, and not pre-determined. It assumes "there is little foreknowledge of which specific interventions are likely to work in the long run." In addition, it is area specific, i.e., "it concentrates on the ability of the participants--with local resources or subsidized from without--to operate, maintain, and develop an organization's technical activities, management operations, and relationships within institutions, both within and without the community."⁽⁵⁹⁾ USAID's New Directions lead naturally (or should lead) to project design based on the process approach.⁽⁶⁰⁾

The second consequence that the New Directions has for project design concerns an emphasis on local organization. This emphasis is implied in the process approach, and by the New Directions' stress on participation of aid recipients, but can be stated more explicitly: "There is a strong empirical basis for concluding that local organization is a necessary if not sufficient condition for accelerated rural development, especially development which emphasizes improvement in the productivity and welfare of the majority of rural people."⁽⁶¹⁾

There are two additional justifications for participation that the BRBDP relies on explicitly or implicitly. The first of these is the normative arguments that appear in the work of Frank Lynch and the SSRU.⁽⁶²⁾

Lynch's study has two purposes: the first "is to determine the extent to which the BRBDP meets, or is likely to meet, the demands of the new Congressional mandate." The second "is to assist planners in the task of designing programs which are socially feasible and morally commendable."⁽⁶³⁾ Their criteria for social soundness stress the participation of the intended beneficiaries in the project.⁽⁶⁴⁾ This emphasis on participation easily leads to a recommendation that is essentially for the process approach to project design and implementation, but with emphasis on participation. They argue that the correct approach is "to let the people lead and the experts follow as their partners or helpers."⁽⁶⁵⁾

The final justifications for participation involve a perspective on policy making that is extremely relevant to such an ambitious, experimental undertaking as the BRBDP. Martin Landau argues that questions of centralization and decentralization (and implicitly, participation) should be thought of in terms of decision theory; thus certain types of decisions require a centralized mode and others require a decentralized mode.⁽⁶⁶⁾ Landau bases this argument on Simon's formulation of decisions, which incorporates "factual and valuational premises," and a decision matrix developed by Thompson and Tuden.⁽⁶⁷⁾ The BRBDP is a "type two" situation, according to this formulation in which goals are largely agreed on by all major actors, but the means to achieve them are not so clear as to be easily programmable.

Support for categorizing the BRBDP as "type two" can be found in the paper by Lynch and the SSRU. It should be noted first that the SSRU's participation in the initial phases of the BRBDP, as well as its continuing input into the Program, is a deliberate attempt by USAID to introduce and encourage criticism. One AID Field Survey Team wrote that the SSRU's function was "to serve as the 'people's voice' as they react to the BRBDP's activities and suggest their own alternatives."⁽⁶⁸⁾ This function is absolutely necessary given the participatory focus of the BRBDP, since "the people" have no existing institution that can represent and articulate their needs and goals effectively to the GOP and to USAID. SSRU accepted the role as "the people's voice," and attempted in their numerous surveys and papers to discover and convey to USAID "the people's problems and priorities."⁽⁶⁹⁾

The SSRU's reports and positions are reported frequently in BRBDP documents and appear to have been seriously taken into account in designing the projects. The social soundness analysis of the original project paper states that

GOP development objectives for the Bicol River Basin coincide with the concerns of the residents of the area. . . . Of the ten problems reported in the SSRU survey eight are directly addressed by either BRBDP Integrated Area Development Projects, BRBDP integrated sector projects, or GOP line agency programs specifically targeted for the Bicol. As well, the objectives of the BRBDP tend to match specific desires of the population that are related to the two central values of economic security and social acceptance.⁽⁷⁰⁾

Assuming that the overall goals of the BRBDP are agreed on by the major participants, and that the means to get to those goals are not readily "programmed," it is clear that a decentralized decision mode that involves the participation of all concerned is in order.

Conclusion

This paper has examined the Bicol River Basin Development Program from three related perspectives. It has shown that both empirical and theoretical assumptions about productivity, integration, and participation have influenced the design and development of the BRBDP. The extent to which the Program has operated according to its design, i.e., its effectiveness in removing or alleviating constraints on productivity by bringing about integrated multi-sectoral development in the Region with the active participation of Bicolanos (especially the poor), can only be determined by a careful look at the Program in the field. It is hoped this Impact Evaluation will contribute to that determination.

NOTES

1. Norman T. Uphoff and Milton J. Esman, Local Organization for Rural Development: Analysis of Asian Experience (Ithaca: Cornell University Rural Development Committee, 1974), pp. 23-4.
2. Frank Z. Martocci, Physical Regional Planning in the Philippines (Manila: United Nations Development Program, 1968), p. 60.
3. Frank Lynch, Jean F. Illo, and Jose V. Barrameda, Jr., Let My People Lead (Quezon City: Institute for Philippine Culture, 1976), p. 17.
4. Ibid., p. 21.
5. Ibid., p. 55.
6. Ibid., p. 100.
7. Gerald C. Hickey and Robert A. Flammang, "The Rural Poor Majority in the Philippines: Their Present and Future Status as Beneficiaries of AID Programs (Washington: AID, 1977), p. 8.
8. Camarines Sur Interagency Survey Team, "Report on the Province of Camarines Sur and the Lower Bicol River Basin (n.p.: 1972), p. 7. This conclusion is based on two previous studies done by the U.N. and by the U.S. Bureau of Reclamation, and by the present Report. The core factor is the land and water base of the area. See pp. 5-7.
9. USAID/Manila, Bicol River Basin Development Program Project Paper (Manila: 1976), p. 27.
10. International Labor Office, Sharing in Development (Geneva: ILO UNDP, 1974) pp. 80, 106, cited in BRBDP Project Paper, p. 27.
11. ILO, pp. 106, 470, cited in BRBDP Project Paper, p. 22. The Project Paper states, "In 1969-71 Bicol farmers produced 8% less rice per crop-hectare than the national average, 32% less than farmers in Central Luzon."
12. USAID, "Biennial Evaluation of the BRBDP," (n.p.: 1977), Appendix 5.
13. USAID, "Biennial Evaluation of the BRBDP," (n.p.: 1975), pp. 11-12.
14. Herbert Rubin, "Integrating Rural Development: The Problem and a Solution," (Bloomington, Indiana: International Development Institute, 1980), p. 7.
15. 1975 Biennial Evaluation, p. 13.
16. BRBDP Project Paper, p. 5.
17. Ibid., p. 5.

18. See James A. Carney, Jr., George Honadle, and Thomas Armoz, Coordination and Implementation at Bula-Minalabac: An Example of the Structure and Process of Integrated Rural Development (Washington: Development Alternatives, Inc., 1980), pp. 1-6 for a general discussion of "integration" and "coordination."
19. BRBDP Project Paper, p. 8, emphasis added.
20. Dennis A. Rondinelli, "Applied Policy Analysis for Integrated Regional Development Planning in the Philippines," Third World Planning Review 1 (Autumn 1979): 150-1. For an interesting argument counter to conventional wisdom about the evils of primate cities see Harry W. Richardson, City Size and National Spatial Strategies in Developing Countries (Washington: World Bank, 1977), World Bank Staff Working Paper No. 252. Richardson argues that although the neglect of spatial considerations often produces unintended and harmful effects on development patterns, "the literature on urbanization in developing countries often leaves the impression that the dominant problem is the excessive growth of the big cities relative to the rest of the urban system." (p. 7). His analysis denies the concept of optimum city size and the common notion that primate cities are a major cause of underdevelopment. (pp. 7-15, and throughout the paper)
21. Rondinelli, p. 154.
22. An important example of the significance that the BRBDP planners attach to spatial considerations is the "Urban Functions in Rural Development" project funded by the Technical Assistance Bureau. TA/UD

commissioned an analysis of integrated spatial development policy, which reviewed experience with urban and rural development in the Third World and proposed guidelines for locating urban services and facilities in support of rural development. The review also resulted in a conceptual framework for spatial analysis and program design to be tested in a series of pilot projects, the first of which was undertaken in the Bicol River Basin . . .

See Dennis A. Rondinelli and Kenneth Ruddle, Urbanization and Rural Development: A Spatial Policy for Equitable Growth (New York: Praeger, 1978), p. vi.

Not surprisingly, the study showed that the Basin area had severe spatial problems:

The functional complexity and scale analysis showed quite clearly that the Bicol River Basin is a sub-region in which services and facilities necessary for fulfilling basic human needs and generating economic development for the rural poor are not only inadequate but also highly concentrated in a few small central places, which are not easily accessible to people living outside of their immediate boundaries.

See Rondinelli, "Applied policy analysis," p. 167.

Those who suffered most from the sub-regional imbalance in services and facilities were the rural poor;

. . . the adverse effects on the rural poor of Bicol's highly skewed distribution of services and facilities are aggravated by extremely weak economics, physical, service and social linkages among settlements . . . Most of these were basic commercial, administrative, or service functions essential to meeting human needs and accelerating rural development.

Rondinelli, "Applied policy analysis," p. 169.

23. BRBDP Project Paper, pp. 5-9.

24. Ibid., pp. 8-9.

25. Ibid., p. 10.

26. Ibid., p. 15. This point is also made in the Project Paper for Bicol Secondary and Feeder Roads (1975), p. 22: "There is a strong economic basis for increasing the density and quality of agricultural service roads in the Basin. Emphasis is put on linking the target areas to markets with an economic rationale but also to population centers for increased social benefits."

27. "Rural and agricultural development is a complex process requiring major simultaneous inputs in several sectors before significant changes in productivity and income can be affected."
BRBDP Project Paper, p. 27.

28. Vernon Ruttan, "Integrated Rural Development Programs: A Skeptical Perspective," International Development Review 17 no. 4 (1975): 14, cited in Rubin, p. 1.

29. Rubin, p. 2.

30. Carney et al., p. 2.

31. For example, subunits of a highly centralized agency will behave differently vis a vis other agencies than will more autonomous subunits. See *ibid.*, pp. 15-17.

32. Rubin, p. 2.

33. *Ibid.*

34. *Ibid.*, p. 3.

35. *Ibid.*, emphasis added.

36. The "free rider" problem refers to certain situations in large groups that allow any single group member to benefit from group activity without being forced to contribute his own resources to the common good of the group. "In a commons situation, each entity uses part of a common good. It makes sense for the individual agency to maximize that use. When several agencies do so--

or try to-- this overloads or uses up the common resources." See Rubin, p. 4.

37. Ibid., pp. 3-4.
38. Ibid., p. 5.
39. Ibid., p. 9.
40. Ibid., p. 10.
41. Ibid., p. 12.
42. BRBDP Project Paper, pp. 8-9.
43. Ibid.
44. Ibid., p. 28.
45. Ibid., p. 9.
46. 1979 Biennial Evaluation, p. 11.
47. Carney, et al., p. 13. This mixed approach, according to the authors, "can complicate the management process by confusing authority relationships and increasing resource dependency." It should be noted, however, that the authors do not claim that this has actually occurred in the BRBDP.
48. Don Wadley, "Overview of AID Assistance: Bicol River Basin Development Program," (Manila: USAID/ORD, 1979), p. 3.
49. Ibid.
50. USAID, "Libmanan Integrated Area Development," Project Paper p. 1.
51. Ibid., pp. 20-21. Note that in this project, the ADC and ADT are creations of the BRBC Program Office. See Libmanan Project Paper, p. 39. Also, the ADT was "the first to be organized as well as the first to receive major capital inputs." Ibid., p. 66.
52. USAID, "Rinconada Integrated Area Development" Project Paper, Washington:), p. 20. It is not clear how much input the ADTs and ADCs had in developing the three IAD sub-projects. It is likely that they had very little input.
53. Development priorities from the 1950s until the early 1970s "were placed on increasing the pace of overall economic development." See Donald R. Mickelwait et al., The "New Directions" Mandate: Studies in Project Design, Approval and Implementation (Washington: Development Alternatives, Inc., 1978), p. 3. In the early post-World War II period, the more developed countries that offered assistance to less developed countries focussed on differences in the level of technology. A "technology gap" was

perceived. As embodied in what came to be known as Point Four, foreign assistance was conceived as filling this gap through technical assistance and transfer of technology. The requisite participation by the LDCs was adoption of the new technology . . . In the 1960s, the focus of development efforts and foreign assistance began to shift to resources and theorists analyzed various "resource gaps," between government revenues and expenditures, between exports and imports, between savings and investment."

See Norman T. Uphoff, John M. Cohen, and Arthur A. Goldsmith, Feasibility and Application of Rural Development Participation: A State-of-the-Art Paper, (Ithaca: Cornell University Rural Development Committee, 1979), pp. 286-7.

The ideas that overall economic development could be brought about by transfers of technology or resources "are essentially capital-centered, and imply a passive role for the majority of people, vesting all crucial decision-making authority in the few who are highly trained technologically and skilled in managing national resource flows." Uphoff et al., pp. 287-8.

54. Mickelwait et al., pp. 2-3.

55. See Mickelwait et al., p. 3. For an excellent and concise summary of the evolution of thoughts on participation, see the summary chapter in Uphoff et al.

56. Mickelwait et al., p. 7.

57. David D. Gow et al., Local Organizations and Rural Development: A Comparative Reappraisal (Washington: Development Alternatives, Inc., 1979), p. 85.

58. David C. Korten, "Community Organization and Rural Development: A Learning Process Approach," Public Administration Review (Sept.-Oct. 1980): 497.

59. Gow et al., pp. 77-78.

60. Ibid., p. 6. It should be noted that the blueprint approach to project design and approval was built into AID procedures by the 1961 version of the US Foreign Assistance Act. According to Section 611(A) (1) , AID projects have to be spelled out in extraordinary detail (given the experimental nature of many of them) before they can be approved. See Mickelwait et al. pp. 70-81, for a discussion of this problem.

61. Uphoff and Esman, p. x. Further, they state that "linkages between and among institutions, horizontally with other organizations at the same level and especially vertically between local organizations and structures at the center of government which set policy and allocate resources . . ." are of special significance. Ibid., p. xii.

62. Lynch et al. talk of "a moral imperative" for the administration of aid "in such a way that it benefits the poor majority above all, with as little trickle-up as is humanly possible." Lynch et al., p. 2.
63. Ibid., p. 3.
64. Ibid., p. 4.
65. Ibid., p. 11. The SSRU arguments for participation go further than the previous arguments, which treated participation as a means more than an end. Although Lynch calls participation "the intermediate goal per excellence," its intermediateness is with respect to "human development" rather than the more mundane considerations of productivity, income, and employment. This is not to disparage the argument, but to point out that it differs from the other arguments that call for participation.
66. Martin Landau and Eva Eagle, "On the Concept of Decentralization," (Berkeley: University of California Institute of International Studies, 1981), p. 31.

Landau makes a related argument for a decentralized, participatory approach to development projects:

Policies are . . . hypotheses. They are assertions of the "if-then" form and they belong, ab initio, to the class of unverified propositions. Accordingly, the projects they give rise to are experiments. . . . It is evidence, not mere belief, which allows a policy to be established as a solution to a stated problem. . . . Problems are not ameliorated or solved by the imposition of formulas that bear only the authority of incumbency. The solutions must be pragmatic. A project which is not conceived of as an experimental act is a waste. . . . If a project is not treated experimentally, if its hypothetical status is not respected, it will be managed as if there is nothing to learn.

Landau and Eagle, pp. 42-44.

67. James Thompson and Arthur Tuden, "Strategies, Structures, and Processes of Organizational Design," in J. D. Thompson et al., eds., Comparative Studies in Administration (Pittsburgh: University of Pittsburgh Press, 1959, cited in Landau and Eagle, p. 34.

In any decision that has to be made by several actors, when facts and values are not in dispute, "no actor need do anything other than to apply the appropriate decision-rule." The nature of a particular problem and its solution are easy to determine and program. . . . " . . . the structural expression of programmed decision-making is hierarchy. It does not make any sense to consider decentralization here." Landau and Eagle, p. 36. It is clear that this is another way of describing the blueprint approach to project design. Participation and decentralization, in this case, are clearly not appropriate. "If we allow for participatory involvement, the

situation would be equivalent to placing a question of fact at the mercy of a vote--when that question has been settled by the weight of evidence." Ibid., pp. 37-38.

If values are not in dispute, but facts are, a different approach is required.

In this case there is "agreement as to preferred outcome but an absence of the technology necessary to bring it about. Knowledge of causation is imperfect, the relative merit of alternative courses of action is in doubt, and there is no warranted basis for determining which alternatives will be effective. This situation presents a pure 'development' problem--to find the technical knowledge appropriate to the task. The problem is strictly empirical; the solution is a matter of search and re-search." Ibid., p. 39.

In this situation, decentralization is the appropriate type of decision mode since "no single actor's knowledge reduces the risk of failure more than any other Participation in this case protects against the conceits of office and illusions of certainty. It weakens resort to dogma, extends 'freedom to analyze,' and thereby raises the potential for error detection and correction." Ibid., pp. 40-41.

Landau describes two other kinds of decisions--those in which values (i.e., goals) are in dispute, but facts are agreed on, and those in which both facts and values are disputed. There is persuasive evidence that neither of those alternatives applies to the BRBDP.

68. Eric Chetwynd, trip report to BRBDP, p. 19.

69. Lynch et al., p. 34.

70. BRBDP Project Paper, Annex C, p. 2. See in addition the Bula-Minalabac Land Consolidation Project Paper, pp. 63-67; Rinconada Project Review Paper, Annex I, pp. 1-2; Libmanan Integrated Area Development Project Paper, Annex C; and Stu Callison's "Comment" on Let My People Lead; etc. For a dissenting view of the extent to which "the people's" voice was heard by USAID, see Hickey and Flammang, p. 4. They assert, referring to the Social Science Research Unit's surveys and suggestions, "Unfortunately, we found that little of the data from this survey was used in the social soundness assessment for the Bicol River Basin programs. Furthermore, the procedures suggested by Lynch et al. clearly did not influence implementation of these programs."