

## Civil Society and Domestic Governance

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THE GROWTH OF CIVIL society in rapidly developing economies has been hailed as one of the most exciting and socially transformative developments of the 1980s and 1990s. Empirical evidence seems to suggest that socioeconomic development tends to facilitate, if not cause, the growth of private, autonomous, or independent groups that contribute to political liberalization and the eventual democratization of once closed or constrained societies. Singapore's senior minister, Lee Kuan Yew, once remarked that the habit of obedience, presumably to established authority, was broken on the factory floor, where an educated work force and managerial class required by industrialization and economic growth could more efficiently function under a more representative, as opposed to the old patriarchal, system of governance.

In the Philippines, where the state was weak and unable to penetrate remote areas and various sectors of society, nonstate actors rose to provide the social services required by communities. This phenomenon is rooted in the country's social and cultural traditions, where in the absence of a centralized authority prior to colonialism, local communities organized themselves to meet common needs. For example, the Banaue rice terraces were built through the voluntary and collective action of farming communities along steep mountainsides to raise crops for their food security rather than as a response to the fiat of organized central authority. Throughout the country's history, self-help community organizations

provided various types of social services, from peace and order to the building of bridges and various other commonly required facilities.

In past decades, nongovernmental organizations (NGOs) provided health, training, and livelihood opportunities for poor rural and urban communities, often quite apart from political agendas that included the organization of populations at the grass-roots level and political awareness-raising against authoritarian rule. With newly acquired wealth and increased social awareness, private philanthropy served to encourage the growth of other autonomous social actors such as independent think tanks and social development organizations, as well as serving as tax shelters.

Moreover, where the state or the dominant party was not responsible for the growth of middle classes consisting of professionals, technocrats, managers, and other white-collar workers, this growth led to economic pluralism of the sort conducive to eventual political pluralism. Such development facilitated the rise of civil society organizations, as in Thailand.

Thus, many states, including authoritarian ones such as Indonesia, find themselves faced with a growing number of civil society organizations tending in one instance to complement, enhance, assist, or support the state in the performance of some of its functions. In this case, they can serve a very useful role in meeting social needs and assisting domestic governance. However, there are also elements of civil society that seek not only to compete with but also to undermine or replace the state, such as radical political groups and liberation and independence movements, which can be inimical to the public interest, to political stability, and to regime security.

The increasing complexity of the consequences of rapid economic and social change has been compounded by phenomenal strides in transportation, telecommunication, and information technology, making the role of civil society as a support mechanism for domestic governance extremely crucial and valuable. Civil society has also been strengthened by information technology as it moves from using inefficient means of communication such as the mimeograph and copying machines to more efficient means such as fax machines, mobile phones, and electronic mail.

No wonder there are notions circulating today about the state receding in power and importance and its being replaced by other types of social organizations. Increasing global interdependence and the interconnectedness of societies and economies have served to highlight the implications of the rise of civil society for governance, both domestic and international.

## IMPLICATIONS OF GLOBALIZATION AND RAPID ECONOMIC GROWTH

Analysts of social change stress the socioeconomic and political implications of rapid growth amid globalization. Among these are the following.

- Increasing urbanization and cosmopolitanization of more and more people within and across nations create on the one hand pressures upon states to provide urban centers with social infrastructures, social services, and other types of public utilities required by internal migration, and on the other the loosening of state control over public opinion, the movement of peoples across national borders, and the choices and actions of citizens in response to globalizing trends.
- The rise of middle classes with a consequent impact on changes in consumption patterns tend to create social tensions that challenge the state's capacity to respond adequately. Extravagant lifestyles of the new rich further highlight the gap between rich and poor, which economic growth has increased rather than decreased and which has marginalized the rural sectors, while demands for political liberalization and participatory democracy pose further challenges to the state.
- The revolutionary rise in expectations, made more real by new information brought by increased physical mobility even among the poor in search of jobs outside their communities and countries as well as by the various information media, could lead to pressures for social and political change requiring effective management responses from government.
- Where procedural and performance legitimacy overlap, the failure to sustain or enhance performance can seriously undermine regime security, posing in turn challenges to domestic governance. The implications of reduced performance on domestic governance in Asian societies are immense, as evidenced in the deteriorating situation in Indonesia where regime legitimacy continues to erode amid economic decline and where economic difficulties have revived primordial ethnic and religious fissures that the New Order government sought to mute.
- The rise and growth of civil society includes the consequent transformation of the distribution of economic, social, and political power and of the allocation of resources among new economic and social actors and between old and new actors.

As already noted, civil society increasingly serves as a complementary and support mechanism to the state in delivering social and other services, including the acquisition of a role in decision making. The rise of new sources of economic, social, and political power could mean the transformation of civil-military relations whereby the military role in politics could decline, as in the case of Thailand, with an accompanying rise in the importance of political parties, legislatures, media, and autonomous social groups. An alteration of the pattern of allocating resources with regard to where they are located—i.e., state/society, civil/military, central/local government, various sectors in society—and who participates—i.e., political parties, the military, traditional elites, the new rich, professionals, NGOs, nonprofit organizations (NPOs), and civil society in general—is likely to follow.

### THE PHILIPPINE EXPERIENCE

In the Philippines, the prioritization of economic growth in the 1970s came in tandem with increasing globalization. This led to the abandonment of an ineffective import substitution strategy and was accompanied by the decline of democratic governance and the rise of authoritarian rule between 1972 and 1986. The result was the catastrophic decay of the economy by the early 1980s.

This was followed by the opening up of the economy, which started during the final years of the Marcos administration under the direction of the International Monetary Fund and which continued during the Aquino transition in the form of the breakup of sugar and coconut monopolies; the privatization of government-owned and -controlled corporations; the dispersal of Marcos assets and crony businesses; and the deregulation of the financial system through adjustments to the exchange rate. The Ramos administration deepened and sustained macroeconomic restructuring by deregulating the telecommunication, transportation, and banking systems; revamping the tax system; increasing commitments under the ASEAN Free Trade Area, the Asia-Pacific Economic Cooperation forum, and the World Trade Organization; and creating regional economic zones in cooperation with its ASEAN partners.

The priority given to economic growth led to a forging of domestic peace and stability by securing commitments to end armed opposition to the government. At the same time, economic reforms were undertaken

within a democratic political framework. The choice of a democratic framework reflected a broad recognition of the country's political, cultural, and historical experiences, which showed that these goals could be achieved only within a democratic polity.

Unfortunately, the methods used to minimize if not overcome the so-called democratic disadvantage exemplified by the executive-legislative gridlock resulting from a presidential type of government tended to reinforce traditional politics and undermine the institutionalization of democracy. The compromise with military rebels through a general amnesty tended to send wrong signals to junior officers, whose discipline and professionalization could suffer as a result of amnesty extended to principals in the coup attempts against the Aquino government from 1986 to 1989. The use of patronage to buy legislative support for policy reform further entrenched the role of traditional politicians and the seamy side of democracy. Similarly, the building of a broad-based coalition of key legislative and party leaders undermined an underdeveloped but incipient party system whose viability is critical to democratic development.

On the other hand, the dynamic civil society that began to grow during the authoritarian Marcos administration and prospered since 1986 earned a legitimate role in decision-making with the advent of the 1987 constitution and the enactment in 1991 of the Local Government Code devolving power to local governments, NGOs, and NPOs. The usual hostility and suspicion between NGOs and government was moderated thanks to initiatives that brought them together in social development programs undertaken by the Aquino government. NGOs and NPOs became vehicles for popular empowerment once they succeeded in providing increased income, control over local resources, and decision-making capacities to their members.

The 1991 Local Government Code provided mechanisms and processes for reallocating power between the state and civil society as well as between the central and local government units by devolving power to local governments in five areas of governance—agricultural extension, education, health and other social services, infrastructure development, and environmental conservation—and by institutionalizing the representation of NGOs and NPOs in special local bodies responsible for these five areas. Local government power now includes planning, administration, taxation, and other revenue-raising measures pertinent to these five areas of governance.

The devolution of power to local governments and to civil society could result in the expansion or transfer of the recruitment base for the country's highest government positions from the national legislature to local executives. As local areas prosper under the effective management of local executives, these executives could become contenders for the presidency and vice presidency even without taking the route of the Senate and the House of Representatives, as past leaders have had to do.

The devolution of these powers poses, unfortunately, the risk of the creation of local autocracies and the reinforcement of warlordism, although these developments have not yet occurred. Similarly, the institutionalization of the role of civil society organizations in decision-making could alter their character as nonstate actors, although they have resisted organizing themselves into political parties so far.

Moreover, unlike in other Asian countries, corporate citizenship activities in the Philippines have also increased, moving beyond their traditional philanthropic focus and spilling over into social development activities, capacity-building programs of civil society organizations at the grass-roots level, and support for think tanks and intellectual exchange activities.

Further, Philippine think tanks have also penetrated the policy-making process by networking with relevant government agencies, providing research and track-two-type activities for government, and acting as a partner with government in implementing development-assisted projects. The Philippine branch of the Council for Security Cooperation in Asia Pacific, for example, has enabled various agencies of the Philippine government and civil society organizations to access information and regional networks. It has also provided a vehicle for articulating the government agenda in regional forums.

The democratic political framework, while enabling civil society organizations to play a variety of roles, has at the same time decreased the government's capacity for independent decision-making. Accordingly, the effective participatory role of Philippine NGOs in the generation and articulation of the Philippine action plan for the Manila APEC summit in 1996 is likely to be replicated in other policy areas. To be truly effective, civil society needs to follow up on its policy inputs through sustained interaction with relevant government agencies. Also, the various constituent elements of civil society need to assist each other in exchanging information and expertise and in generating financial support for their activities if their various useful roles in Philippine domestic governance are to be sustained.