

Social Development and Philippine Overseas Employment Policy (1975-1997): Issues, Problems and Prospects

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It is significant to note that under the three political administrations examined in this article, overseas employment has been frequently touted as one that contains a strong development potential. Migration is oftentimes perceived by politicians and publics alike as the offshoot of the failure of existing social development programs and strategies at the national level such as creating viable domestic employment and internally generating economic and capital resources. This article attempts to show how policies relating to overseas employment promotion and development have affected the country's social development concerns and outlook. Also, it proposes certain operational parameters by which overseas labor migration policies and phenomena may be assessed especially as regards the more relevant concerns for social development. More specifically, it seeks to: (1) describe the nature and nuances of the national policy program on overseas employment of the Philippines covering three successive presidencies (i.e. from the mid-1970s to the late 1990s); (2) assess the social development impacts and implications of the program especially in relation to Filipino migrant workers and their families; and (3) enumerate some of the persistent as well as likely social development issues and problems that arise from the conduct of the policy and program.

Introduction

International migration from the Philippines is one thought that captures the attention and imagination of a growing number of Filipinos. Almost every person today dreams of being able to earn dollars, pounds sterling or yen primarily to support a family in the Philippines amidst the worsening poverty and unemployment situation in the country. Without any viable alternatives, the preferred option for government is to promote overseas employment by facilitating their deployment for jobs abroad.

In recent years, the Philippine government has been confronted with a growing concern over how it has handled or managed the overseas employment program. Numerous criticisms have been raised against the government's policy strategy and outlook in regard to overseas employment. Some say that government has reduced the status of the Filipino migrants to that of modern-day slaves and even simple commodities. Others argue that government is not doing enough to protect the

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welfare of Filipino nationals abroad despite their large monetary contributions in the form of foreign exchange remittances.

Why is it necessary to examine the social development argument for overseas employment? First, overseas employment has been visualized then and now as a national development platform (if not an outright development strategy) by past and present governments in the Philippines. Second, overseas employment has extensive impacts and implications for individuals and communities to the extent that such may eventually have an effect on national development goals and prospects. Third, the extensive nature of overseas employment phenomena is such that development researchers cannot ignore their long-term consequences.

In the main, this paper attempts to establish how policies relating to overseas employment promotion and deployment have affected the country's social development concerns and outlook. Also, it proposes certain operational parameters by which overseas labor migration policies and phenomena may be assessed especially as regards the more substantive concerns for social development. More specifically, it seeks to: (a) describe the nature and nuances of the national policy program on overseas employment from the Philippines covering three successive political administrations (i.e., the period from the mid-1970s to the late 1990s); (b) assess the social development impacts and implications of the program especially in relation to Filipino migrant workers and their families; and (c) enumerate some of the persistent as well as likely social development issues and problems that arise from the conduct of the policy and program.

Numerous studies have been undertaken which assess the general impacts and implications of overseas employment. This paper does not depart significantly from such studies. Despite this, the paper assumes that social development takes into account a wide range of aspects that revolve generally and essentially around the upliftment of the human condition. For lack of better parameters, however, the study makes use of primarily economic benchmarks for social development (e.g., income, employment, occupational skills, education, etc.) as these are the ones where quantitative data is readily available. Nevertheless, the paper takes into consideration the other non-economic or non-market dimensions (e.g., sense of occupational prestige, family as well as community security and welfare, psychological stability, adjustment and adaptation, etc.).

What is being undertaken here is an attempt to use qualitative social data to validate and substantiate the more quantifiable economic information. The study asserts that such economic and non-economic indicators complement one another to give a more extensive and comprehensive perspective of the social development impacts of an equally extensive phenomenon as overseas employment. At the same time, the research assumes that a critical component of social development must include the orientation towards workers welfare protection and economic sustainability. Such component is but a function of increased accountability and transparency in implementing authorities and agencies in addition to greater

political sensitivity and seriousness to commit resources in the pursuit of avowed goals.

The paper is structured along a descriptive assessment of three different political administrations from Marcos, Aquino to Ramos governments. Each major section begins with a description of the policy framework, goals and structures that have been formulated to manage labor out-migration. After these, there is a brief specification of some of the major social and economic impacts brought on by overseas employment both at the macro as well as micro levels to be followed by a discussion of the broad issues and concerns that cut across the different administrations.

Labor Export and the Marcos Administration: 1975-1986

The country's experience with the phenomenon of overseas employment can be traced back to the early years of the Marcos administration specifically the Martial Law period. During this time, the overseas employment program became institutionalized. This is not surprising since it was also during the Marcos administration that labor out-migration became more pronounced than at any previous time in the country's economic history. Prior to this, emigration from the Philippines constituted mostly of professionals going to the more developed Western countries such as the United States, Canada, Australia and parts of Europe (CIIR 1987).

Many of the unskilled laborers that left for abroad during this time were agricultural workers employed in the sugar and pineapple plantations of Hawaii and later the canneries of Alaska. But none of the extent of out-migration during the pre-Marcos era could match the magnitude that began in the 1970s. Between 1906 and 1946 there were some 125,000 Filipinos who went to work in Hawaii (CIIR 1987: 34). Within a six-year period from 1975 to 1980, no less than 594,413 Filipinos found jobs overseas mostly in the Middle East.

Clearly, it was during the Marcos administration that overseas employment acquired a magnitude of such proportions as to justify its political institutionalization. The major rationale for initiating the overseas employment program at the time was to be able to address the twin problems of unemployment and deficits in the country's balance of payments. In addition, there was the intent to acquire skills and training for local workers which can be essential altogether to the national development program.

The Philippines and the rest of the world had been reeling from the effects of the oil crisis of the early 1970s. At the same time, the crisis allowed for many oil-rich economies to profit from their sales in petroleum-based products. This subsequently gave them the capacity to engage in massive and rapid infrastructure construction programs that required huge inputs of human as well as technological and capital resources. The rise in petro-dollar earnings among countries during

much of the 1970s and early 1980s in the Gulf combined with the lack of adequate local human resources necessitated the import of large numbers of foreign workers.

Subsequently, the Middle East market became saturated by the 1980s to the extent that the petro-dollars were no longer coming in and also because many of the infrastructure projects were actually finished, or nearing completion. At this juncture, it became vital for the Philippine government to look for other markets for Philippine labor. This new market proved to be closer to or within the Asia-Pacific region itself.

The Policy Statement and Structures

During the early 1970s, overseas employment was seen as a temporary measure to ease the country's chronic unemployment and balance of payments problems. It is therefore not surprising that much of the government efforts undertaken within this period and beyond have concentrated on the deployment and marketing of Filipino labor overseas. However, to the extent that government undertakes the marketing of workers abroad, such is only seen as a temporary or palliative measure by officials at the time. As soon as the economy is able to acquire sufficient financial resources and address the persistent unemployment and underemployment difficulties, the policy will be gradually phased out.

It became crucial for government to regulate this growing industry and phenomenon. First, government supervision of overseas employment was essential to achieve the above-stated national development goals. And second, it was necessary for government to regulate the phenomenon lest an unregulated industry create more social and economic problems for more people than what it can resolve. In the beginning, the Philippine Labor Code of 1974 institutionalized three critical government agencies that attempted to regulate as well as develop the labor export program. These are the Overseas Employment Development Bureau (OEDB), the National Seamen Board (NSB), and the Bureau of Employment Services (BES). A fourth agency, the International Labor Affairs Service (ILAS) was established to supervise the conduct and operations of labor attaches in overseas posts.

The immediate intent for managing the overseas employment program was not just to regulate this new and rapidly expanding industry but also to ensure that government is able to generate the most benefits. Indeed, the goals at first was to restrict the involvement of private recruitment agencies. Indeed, there was even an initial attempt to phase out altogether these private recruitment entities. In fact, it initiated a corporate export strategy that aimed to undertake collective labor contracts for mainly infrastructure projects overseas similar to the South Korean strategy at about the same period.

However, the government later realizing its inability to respond to the huge external demand for Filipino labor, eventually allowed for greater private sector

involvement. Between 1975 and 1982, private sector placement was 63 percent of total placements for the period. And from just 15 in 1975, the number of registered private recruiters increased to 554 by 1980 and 1,203 by 1983 (CIIR 1987: 26). Ultimately, the private recruitment agencies dominated the deployment of Filipino workers overseas even until today. And since the mid-1970s, the government has undertaken a policy of liberalizing the job market such that private recruiters are able to charge fees for their services to workers.

Eventually also the government realizes the difficulty in allowing for the operation of three distinct agencies which bear essentially the same mission and mandate. In 1982, the government undertook a reorganization of the then Ministry of Labor. And in the area of its overseas employment program, the government created the Philippine Overseas Employment Administration (POEA) to take over the functions of the OEDB, the NSB and the BES. Throughout this period there was much emphasis on maintaining the high market share for Filipino labor in overseas markets but this time substantially assisted by the private sector.

Even with the 1982 reorganization, the mandate of the POEA continues to be the same as the previous OEDB, that is, to promote and develop overseas job opportunities for Filipinos in cooperation with private recruitment agencies. In addition, as part of its continuing attempt to promulgate a corporate export strategy, the POEA became involved in designing marketing plans and missions abroad as well as to promote programs that would encourage other countries to hire Filipino labor such as promoting their expertise in trade visits and even media advertisements.

Social and Economic Impacts

The effects of all these efforts appear to have paid off. Annual worker deployments throughout most of the middle of the 1970s up to the whole of the 1980s averaged no less than 100,000. The marketing strategy proved especially successful in the Gulf countries mainly because of the continuing large demand for foreign labor in those areas. All throughout this period, the largest number of overseas migrants went to Middle East countries such as Bahrain, Kuwait, Libya, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE). The labor export program had a substantial effect on the local labor market as well. Workers going abroad made up an increasing share of the local labor force from 1 percent in 1977 to 3.5 percent by 1985 (Abella 1992: 28).

Most of the workers in these areas were employed in infrastructure construction. This means that many of the workers that went abroad are production process laborers. But while it is so, migration tends to be highly selective. There was a high degree of educational attainment among migrants that went abroad. In 1975, about 20 percent of employed workers in the Philippines had completed high school. In contrast, about 80 percent of Filipinos employed overseas were high

school graduates and about 50 percent have had some college education (Cariño 1992: 13). In addition, remittance incomes from Filipino workers overseas constitute a substantial part of the country's foreign exchange inflows. Moreover, migrants' families are said to possess a higher propensity to save than non-migrants (Abella 1992: 32).

Throughout this time it can be shown that it is the lack of employment opportunities within the domestic labor market that has propelled labor out-migration from the Philippines. Indeed, the country's chronic unemployment and underemployment levels appear to be more substantial than what the overseas labor market is able to offer such that current emigration levels will not reverse persistent labor patterns (Vasquez 1992: 47). At first, there were positive prospects for the transfer of skills from abroad to the local market. While a concern for brain drain has been frequently cited, other studies show that there is little evidence to support such a consequence in the beginning at least given the primary educational characteristics of the migrants at the time.

In the ensuing years, it became difficult for government to manage the varied effects of out migration from the Philippines. Numerous social and family-related problems and concerns became increasingly evident. Family separation combined with loneliness and exposure to hostile cultural environments proved to be daunting for many Filipinos. Widespread social effects such as teenage pregnancies, divorce, drug abuse, truancy among others became evident especially in the early 1980s. The rise and persistence of such social problems convinced many officials in the succeeding administration under Corazon Aquino of the harsh and socially debilitating effects of labor export. The subsequent administration sought to create a more humane social context for overseas employment partly as a reaction to the apparent callousness of the previous regime and partly to show its greater concern for human dignity.

Labor Export and the Aquino Administration (1986-1992): Continuity and Change

When the Aquino Administration assumed power in 1986, it inherited a State deeply traumatized by politics and a battered economy reeling from the ravages of authoritarianism, cronyism, mismanagement and the 1983 economic and financial crisis, the nations' worst in its post war history. According to Aquino's Labor Secretary, Nieves Confessor, the economy inherited by the Aquino Administration was characterized by the following adverse conditions—"a rapidly growing population with a faster-expanding labor force; double-digit unemployment rates and low productivity levels; escalating prices; increasing wage demands and threatened industry viability; and deteriorating labor-management relations" (Confessor 1992: 135). This was further exacerbated by the fact that the government was nearly bankrupt and saddled with paying a burdensome foreign debt (Timberman 1991: 323).

As a consequence of the economic and political crisis of the period, the labor sector experienced tremendous turmoil and deterioration. Based on statistics cited in the assessment report of Secretary Confessor, during the Marcos administration, unemployment deteriorated from 4.2 percent in 1979 to 12.6 percent by 1985 and was further exacerbated by the contraction of the manufacturing sector which left 2.6 million Filipinos jobless (Confessor 1992: 135). Furthermore, 6.6 million employable Filipinos were classified as underemployed (Timberman 1991: 323).

Labor relations during this period was characterized by intensified adversarial relations between labor and management (Confessor 1992: 135). The widespread practice of job rotations, forced vacations and outright lay-offs were clear examples of the worsening conditions in the labor front (Confessor 1992: 135).

It is against this backdrop, that policy for Filipino overseas workers (FOWs) under the Aquino administration evolved. The policy reflected both the themes of continuity and change. Continuity in the sense that the Aquino administration, just like its predecessors, viewed overseas employment as essentially a resource-generating endeavor (both in terms of employment and foreign exchange) that was worthy of national government attention, regulation and control. On the other hand, it was characterized by change because the Aquino administration's policy on FOWs reflected new policy orientations towards worker empowerment and welfare. These novel policy orientations provided the impetus for program innovations and modifications in the management of the existing labor programs, making it more responsive to the needs of Filipino overseas worker.

The Policy Statements and Structures

In its attempt to recover from the ravages of authoritarianism and cronyism, the Aquino Administration reformulated the 1986 Philippine Development Plan to achieve the following: "employment generation, poverty alleviation, the promotion of equity and social justice, and the attainment of sustainable economic growth" (Confessor 1992: 135). As a consequence, labor policies and programs were revised and refocused to reflect these new national development priorities (Confessor 1992: 135). According to Confessor, the 1986-1992 Medium Term Development Plan was notable in its employment thrust which not only viewed employment as a priority concern but "expanded the role of government from its employment promotion functions in order to contribute to employment generation and creation" (Confessor 1992: 136). A further distinguishing character of the labor policies under the Aquino Administration that differ from its predecessors was the orientation towards the goal of workers empowerment and welfare.

This was true especially with regards to its policy for Filipino overseas workers (FOWs) or overseas contract workers (OCW). The Aquino administration realized and appreciated the resource-generating potential (both in terms of employment and foreign exchange) of exporting labor just like its predecessors. In fact, it

continued the same policy line on the export of Filipino manpower, in the words of Sec. Confessor as:

the (Aquino) administration has not encouraged and does not encourage the continued deployment of Filipino workers overseas. And yet, this cannot be stopped at the moment since to do so would be a clear violation of their human rights. Preventing the out-migration of workers has no room in this democracy. And, as long as the national economy cannot adequately create the number of jobs needed to gainfully employ the country's fast expanding labor force, the overseas market will always be there as an attractive alternative. Even the risks of illegal recruitment will not render overseas employment any less attractive (Confessor 1992: 138).

According to Confessor, "the Aquino government's basic policy has been that overseas employment should be treated as originally intended—as a temporary measure" (Confessor 1992: 138).

The policy was reflected in the conceptualization and implementation of the following government policies, strategies, programs and mechanisms to protect the welfare of FOWs. Some these are outlined by Sec. Confessor as follows: "(a) the implementation of marketing approaches that entail selective deployment of overseas contract workers (OCWs), both in terms of country of destination and skills category; (b) the launching of mass campaigns against illegal recruitment; (c) the formulation of guidelines governing contract processing, ensuring workers' insurance coverage and providing for contingencies have also been refined; (d) giving attention to setting pre-qualification requirements and standards for promoters and for their accreditation; and (e) the conduct of continuing negotiations with the receiving governments for the better protection of Filipino workers" (Confessor 1992: 138-139).

Over the years of implementation, some of the more discernible impacts of the of the aforementioned government interventions were as follows:

1. The crackdown and prosecution of notorious and illegal recruitment agencies through improved interagency coordination (Confessor 1992: 138).
2. The formulation and implementation of clear and comprehensive guidelines for the recruitment and placement to aid vulnerable OCWs such as those in the entertainment industry were implemented. (Confessor 1992: 138).
3. The forging of selected bilateral labor agreements and memoranda of understanding (MOUs) with several receiving governments (i.e. United Kingdom, Austria, Spain, Indonesia, France, Canada, Italy, the Republic of Palau, the Federated State of Micronesia) to improve the welfare of FOWs by enabling them to enjoy benefits including retirement, sickness and disability benefits that these governments grant their nationals, was undertaken (Confessor 1992: 138).

4. The Welfare and Resource Centers established in overseas job sites with high densities of OFW workers, as well as the establishment of various mechanisms to protect migrants beginning with their recruitment, deployment and even upon their eventual return to the Philippines were institutionalized to the significant benefit or well-being of migrants (Confessor 1992: 138).

Social and Economic Impacts

Because of the local and global transformations in the labor industry and the nature and nuances of the Philippine political economy during the Aquino administration, overseas employment continued as a primary development strategy.

In fact, the number of overseas migrants increased in both numbers of processed and deployed Filipino contract workers during Aquino administration. Based on data taken from the POEA, the total number of processed Filipino contract workers increased from just 36,000 in 1975 to 414,461 in the 1986 and to a staggering 723,448 workers by 1992 or by the end of the Aquino Administration (Cariño 1992). Furthermore, the number of actual workers deployed increased from 350,982 workers in 1984 to 686,461 workers in 1992 (Cariño 1992). The point that is noteworthy is the substantial increase in the number of rehires of land based workers and the staggering expansion in the number of sea-based workers from 56,774 workers in 1986 to 136,806 workers during the Aquino administration. These statistics reflect the increasing preference of the global market for the skill and experience of Filipino migrant workers (Cariño 1992).

Studies also show that the most important regional destination for majority of the Filipino migrant workers continues to be the Middle East. Other important alternative destinations of Filipino migrant labor is Asia that includes Japan, Taiwan, Hong Kong and Singapore (Cariño 1992).

Studies also indicate that a large percentage of the workers deployed in these areas were either blue-collar workers, e.g. construction or workers in the service sector e.g. maids or entertainers (Cariño 1992). Recent studies also imply that the Filipino migrant workers also possess a high degree of educational attainment and thus became a competitive worker in the international labor market (Abella 1992).

The chief economic impact of the labor export program during the Aquino administration has been on the supply of labor and foreign exchange revenues through remittances.

The overseas labor market has been responsible for an average 14.6 percent of the annual growth in employment, which is around 630,600 a year (Abella 1992). In terms of foreign exchange inflows, the total foreign exchange earnings have increased during the period studied, from \$680.44 million dollars in 1986 to \$2,202.38

in 1992 (Abella 1992). This amount represents a significant contribution to foreign exchange and is an estimate which does not include remittances from so called "unprocessed workers" (Abella 1992). According to the Abella and Cariño studies, substantial amounts of foreign exchange earnings has had a substantial and positive impact on consumption patterns, fertility and savings patterns in the Philippines (Abella 1992).

Overseas employment during the Aquino Administration continued to be a steady and substantial contributor to employment generation (Cariño 1992). This trend continued despite the global fluctuations such the Gulf War in the early 1990s. In fact after the liberation of Kuwait, thousands of Filipino workers were deployed to jobs in the Middle East where massive reconstruction programs were launched. According to Cariño, burgeoning demand of workers for overseas placement was so great that the Aquino administration had to explore alternative labor markets such as Taiwan to meet the demand.

Be that as it may, "the economic gains pale vis-à-vis the program's social costs" (Confessor 1992: 138). The social cost of the aforementioned policy can be implied from the number of documented cases of welfare and illegal recruitment from the POEA. Based on data in 1992, a decrease in both the status of illegal recruitment (from 1,452 cases handled in 1986 to 797 in 1992) and welfare cases (from 8,427 cases handled in 1986 to 5,715 in 1992) was indicated. But this alone does not completely present the extent and magnitude of the social impact of labor export. In fact, studies have shown that social problems are increasingly generated by the export of FOWs. Although episodic and limited, the celebrated welfare cases of Flor Contemplacion and the Maricris Sioson highlights the real social ills of this phenomena. In these cases, apparent is the oppression and human rights violations that OFWs constantly suffer while adjusting in host countries but also the Philippine governments' inability to manage the welfare of many of its workers abroad. It also gives emphasis to the need for more systematic studies on the social development impact of labor migration, not only to the migrants' family and community but also to the host country.

But there really is a dearth of systematic studies on the issue. Moreover, based on the few systematic studies available, the full social development impact of labor migration in the various social processes of workers is hard to measure and that the impact has implication not only for the labor exporting country but also to the receiving country. But experts agree that labor migration has led to myriad social, cultural and economic problems in labor markets such as the Philippines specifically on social structures, community world views, value systems aside from the individual. In fact the few studies of families of migrant workers suggests that some of the social ills like family break ups, poor teen self image and identity, teenage pregnancies, and drug abuse can be attributed to the lack of parental guidance by parents who are forced to work abroad for a living.

Labor Export and the Ramos Administration (1992-1998): Managing Overseas Employment

Faced with the continuing dire reality and prospect that the national economy could not absorb the growing labor supply, the Ramos Administration recognized the crucial role of Filipino overseas workers (FOWs) in the process of nation-building and national development. However, certain shifts in policy orientation occurred. One was the continuing and increasing concern by the government over the welfare situation of Filipino nationals abroad especially in light of the growing number of reported cases of abuse and exploitation of FOWs. Another was the trend towards deregulating the business of recruiting Filipinos for overseas job.

Overseas workers helped rescue the Philippines from economic collapse particularly following the successive economic crises and periods of recession that affected much of the Asia-Pacific region beginning in the mid-1990s. The foreign exchange earnings of FOWs continue to keep much of the country's balance of payments situation in the positive. However, behind the façade of monetary rewards, the overseas workers face the grim prospect of cultural and racial discrimination, sexual abuse and maltreatment, even death.

The death in the gallows of Filipina maid for Flor Contemplacion dramatizes the extent to which Filipino migrants take on the risks of overseas employment. It brought into sharper focus not only the deficiencies and loopholes in the government structures designed to protect workers, but also the apparent apathy, indifference and negligence shown by past and succeeding political administrations, government officials and functionaries charged with protecting and promoting their welfare. The Ramos administration attempted to address the problems, issues and concerns of overseas Filipinos within the realm of more clear-cut and definite policy measures and program initiatives. Previous administrations have merely emphasized the rhetoric of defending the well-being of nationals abroad. It is in the midst of these social development concerns that the next political administration sought to utilize the gains of overseas employment and at the same time address some of its harsh consequences and costs. The Ramos Administration sought to arrive at more concrete legal and policy initiatives through Republic Act 8042.

Policies and Institutional Arrangements

Aiming to optimize the benefits of overseas employment as well as protect the welfare of migrants and their families, Republic Act 8042 was enacted. Otherwise known as "The Migrant Workers and Overseas Filipinos Act of 1995," RA 8042 is a measure designed to further institute the policies that establish higher and more specific standards for the protection and promotion of the welfare of migrant workers and their families. Its declared state policies on overseas employment include the following: (1) The State shall, at all times, uphold the dignity of its citizens whether in the country or overseas, in general and Filipino workers in particular, (2) The

State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all and shall provide adequate and timely social, economic and legal services to Filipino migrants workers; (3) The State does not promote overseas employment as a means to sustain economic growth and achieve national development (even as it acknowledges the economic contributions of migrants worldwide) and asserts that the program rests solely on the assurance that the dignity and fundamental human rights and freedoms of Filipino citizens shall not at any time be compromised or violated; (4) Free access to the courts and quasi-judicial bodies and adequate legal assistance shall not be denied to any person by reason of poverty; and (5) The State recognizes that the ultimate protection to all migrant workers is the possession of skills (RP 1995: Section 2).

Pursuant to these, the government is tasked to undertake a number of activities and mechanisms in the process of deploying workers overseas. The Departments of Foreign Affairs and Labor along with the Philippine Overseas Employment Administration (POEA) and the Overseas Workers Welfare Administration (OWWA) are the main agencies tasked to promote the welfare and protect the rights of migrant workers and overseas Filipinos.

Government services to be offered to FOWs under RA 8042 include the following: (1) regular travel advisories; (2) repatriation of workers and mandatory repatriation of under-age migrant workers; and (3) the establishment of (a) replacement and monitoring centers; (b) Resource Centers for migrant workers and other overseas Filipinos in various locations where there is a large concentration of nationals abroad, (c) shared government and non-government information systems for migration, (d) a Migrant Workers Loan Guarantee Fund, and (e) a congressional Migrant Workers Scholarship Fund (RP 1995: X-XIV).

Social and Economic Implications of RA 8042

A number of issues and concerns have been raised by different sectors concerning the promulgation and implementation of RA 8042. Immediately, there are the objections raised by private recruitment agencies who feel encumbered and threatened by the law because of its more stringent interpretation and sanctions towards illegal recruiters and illegal recruitment activities. And then there are the apprehensions felt by employees of the POEA themselves who feel that their jobs are in jeopardy by the provision of RA 8042 to phase out the regulatory functions of the government. Consistent with its objectives established at the outset, this study will instead focus on the immediate and long-term impacts and implications of RA 8042 on migrant workers (both actual and potential) as well as their families.

The immediate implications of RA 8042 on migrants and their families is that they are ostensibly now able to avail of more and better services from the Philippine government. The Welfare and Resource Centers abroad as well as the various

mechanisms to protect migrants beginning with their recruitment, deployment and even upon their eventual return to the Philippines are certainly areas that are significantly beneficial to the well-being of migrants. The information systems that are to be put in place including the prospects of engaging receiving governments in providing for better conditions for migrants in these places represent a measure of progress in the country's attempt to find more suitable and better prospects for its excess labor supply.

However, it is still the case that the context behind the law's promulgation remains the same as in previous administrations Battistella (1998: 107) notes that "the composite nature of the Act reflects the fact that overseas labor will continue to be driven by its economic advantages with occasional concerns for the problems of migrants." Many of the social, cultural and economic problems faced by Filipinos overseas continue and in fact have worsened as a result of the recent regional financial crisis.

Conclusions, Issues and Prospects

Throughout the three political administrations examined in this study, it is significant to note that overseas employment has been frequently cited as one that contains a strong development potential. Also, migration is perceived by politicians and publics alike in the context of the failure of existing social development programs and strategies at the national level such as creating viable domestic employment and internally generating economic and capital resources.

Beginning with Marcos, overseas employment was seen primarily as a resource generating endeavor (both in terms of employment and foreign exchange) that is worthy of national government attention, regulation and control. External as well as internal realities at the time and until now would tend to significantly justify the need to create institutions and processes for such a perspective. At the same time, however, government manifested a desire in the beginning at least to promote overseas employment as a temporary or palliative measure. In other words, even at the start, it was acknowledged that labor outflows would not be a sustainable social development enterprise. And yet because of structural incapacities, the Marcos Administration was unable to derive a more sustainable alternative to overseas employment. Institutional structures like the POEA and the OEDB and NSB that preceded it became more and more enduring agencies. At the same time, without neglecting the welfare aspects of the migrants, another agency was created—the OWWA.

Nevertheless, the welfare problems continued partly because the welfare agency that was established appeared to be out-staged by other agencies whose mandate it was to recruit and deploy Filipino workers overseas such as private recruiters and even the POEA itself. Under Aquino, the mandate surrounding overseas employment saw a slight shift in emphasis from outright recruitment and

deployment towards a concern for the welfare of workers. This shift in stress is manifested in the establishment of mechanisms whereby there would be consultations with non-governmental entities involved in providing assistance to migrants and their families. Indeed, a greater sensitivity to the needs and aspirations of migrants was made evident by the incoming administration partly in the context of its own rise to power and mainly in stark recognition of the extent of the problems that migrants continue to bear.

But while the acknowledged policy attention is now towards being sensitive to the people's needs and interests, the Aquino administration continued to actually project overseas employment as a primary development strategy. Overseas employment became even more crucial during the post-Marcos period especially when the new government had to accept the debt obligations of the previous administration.

This broad concern by the government under Corason Aquino for migrants welfare culminated in the promulgation of RA 8042 during the Ramos Administration. But as indicated above, there are a number of concerns that are yet to be completely addressed or answered with respect to the law. RA 8042 provides for numerous mechanisms designed to project a more caring government. However, this may remain only in theory as the government is unable to allocate sufficient resources to actually provide for such mechanisms especially in overseas posts.

Twenty Years of Labor Export and Beyond

In the more than two decades of actively promoting overseas employment primarily as a national development strategy, what has the government and the country at large been able to achieve? Very little apparently (Battistella 1995). Unemployment and underemployment continue to be a serious national development problem. There appears to be no inverse correlation between labor out-migration and unemployment rates. If anything, migration may even exacerbate the unemployment problem by attracting the most highly qualified section of the labor force. The Philippine economy is then left to train replacement workers at significant social and educational expense.

Macro economic analysts would say that overseas employment would eventually be reversed once the saturation point has been achieved particularly in the labor markets of both sending and receiving areas. Empirical cases, however, do not lend credence to such a view. Significant numbers of Turkish migrants stayed in Germany long after the need for them had been largely eliminated. The same goes for Iranians that went to Japan.

In response to the Gulf war earlier in the decade, the government actively promoted and looked for alternative markets for Filipino workers displaced by the

conflict. Efforts to create local employment continue to be a difficult option for the government to take especially after the recent financial crisis.

In sum, the major issues that the study specifies in relation to social development have to do with (a) market promotion and development; (b) remittances and development; (c) resource allocation for welfare and development; (d) overseas employment and development perspectives; and (e) external relations and development. There appears to be a certain inconsistency in the ways in which government pursues activities related largely with market promotion and worker deployment and workers welfare protection and promotion. The two development approaches do not seem to complement each other. The most recent policy pronouncement of reducing government intervention in the overseas employment process through deregulation is a good beginning but it is certainly not sufficient to address the other more critical welfare concerns of migrants.

Likewise, the huge amount of remittances sent by Filipino workers overseas have not been sufficiently utilized to achieve national development goals even to the extent that such remittance flows have increased over the last twenty years or so. Much of the remittances of workers end up being used mainly for essential household or individual needs (e.g., education, housing, medical expenses, etc.) and not for national development purposes. This raises questions regarding the sustainability of overseas employment over the long-term.

The policy declaration of past and current governments including the formal acknowledgement of FOWs as "heroes" do not seem to coincide with actual policy behavior. This relates specifically to the process of implementing the provisions of RA 8042 where resources for the full operation of mechanisms and offices that the law provides for have yet to be allocated. One is then led to imagine that RA 8042 is simply a knee-jerk response by legislators and politicians at the time to the worsening problems of migrants overseas without realizing the long-term consequences and resource costs for the country.

Similarly, there is a need to refine the country's development perspectives especially in regard to this objective of encouraging Filipino workers to seek employment elsewhere. One must weigh the long-term consequences and implications of earning higher wages in the short-term versus a loss in domestic labor self-sufficiency. Finally, the nature of the country's external relations would have to be reevaluated in the context of the avowed goals of RA 8042. National sovereignty continues to be an important feature of many states even in this age of rapid and extensive globalization. Protecting Filipino nationals abroad would have to take into serious and strong consideration the need for receiving countries to maintain their respective sovereignties lest Philippine initiatives be construed as a form of foreign intervention in the affairs of independent states.

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