

Contribution of Science and Technology to Inclusive Growth and Poverty Reduction

A Research in Progress by the

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Outline of Presentation

- I. Introduction
- II. Project Objectives
- III. Conceptual Framework
- IV. Review of Literature
 - A. Inclusive Growth and Poverty Reduction
 - B. Documents of selected NGAs for Year 1
(DOST, NRCP, IPO, TESDA, CHED, NEDA)
- V. Methodology

I. Introduction

- **Inclusive Growth and Poverty Reduction**
 - The avowed goal of the Aquino Administration as stated in the Philippine Development Plan (PDP), 2011-2016
 - Inclusive growth means growth that is rapid enough to matter, given the country's large population, geographical differences, and social complexity. It is sustained growth that creates jobs, draws the majority into the economic and social mainstream, and continuously reduces mass poverty (PDP, 2011-2016).

I. Introduction

- **Inclusive Growth and Poverty Reduction**
 - The European Commission's view on inclusive growth is equated with its target of a high employment economy delivering economic, social and territorial cohesion:
 - Raising employment rate especially for women, young people and older workers,
 - Helping people of all ages anticipate and manage change through investment in skills and training,
 - Modernizing labor markets and welfare systems, and
 - Ensuring the benefits of growth and that these reach all parts of EU (EC, 2013)

I. Introduction

- **Inclusive Growth and Poverty Reduction**
 - In specific terms, EU's targets for inclusive growth are:
 - 75% employment rate for women and men aged 20-64 by 2020,
 - Reducing dropout rates below 10%,
 - At least 40% of 30-40 years old completing 3rd level education or its equivalent, and
 - At least 20 M fewer people in or at risk of poverty and social exclusion (EC, 2013)

I. Introduction

- **Inclusive Growth and Poverty Reduction**
 - The Asian Development Bank defines inclusive growth as high, sustainable growth to create and expand economic opportunities, broader access to these opportunities to ensure that members of society can participate and benefit from growth, and that there are social safety nets to prevent extreme deprivation (ADB, 2013)

I. Introduction

- **Inclusive Growth and Poverty Reduction**
 - The World Bank states that strong growth is not necessarily inclusive (Montin, 2013). Inclusive growth means that there should be sharing of benefits of prosperity and there is reduction of disparities and sector balance (“people-based” and “place-based”)
 - Inclusive growth is different from pro-poor growth. For inclusive growth to be sustainable, it should be “broad-based across sectors” and inclusive of the large part of the country’s labor force,” whether poor or middle-income groups (WB, 2013).

I. Introduction

- **Christian Monsod's Treatise on Inclusive Growth :**
 - The path to poverty and inequality alleviation is sustained growth: sustained growth is not possible unless we address the problem of inequality (income, education, universal health care, livelihood, and asset reform).
 - “The poor cannot be unemployed; however, it is not the number of jobs but the quality of jobs or the productivity of employment that is important.”
 - The poor are largely engaged in agriculture and live in rural areas. 34% of the Filipino households are engaged in agriculture but comprise 62% of the poor. Poverty is largely an agricultural phenomenon and implies that poverty-alleviating programs have to give priority to this sector and area (Monsod, 2013).

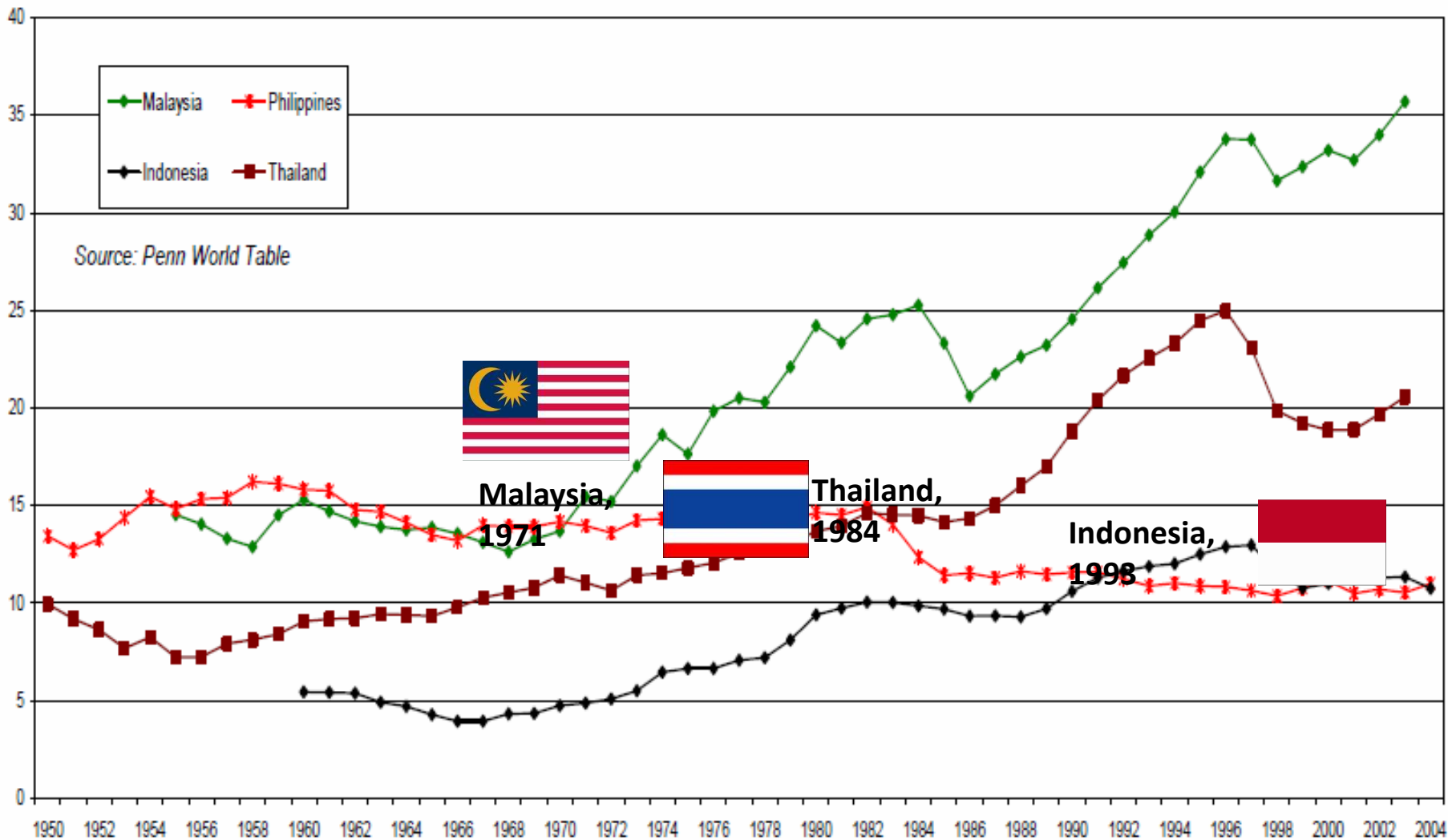


Figure 1B -- Malaysia, Indonesia, Thailand & Philippines
Real Per Capita GDP Relative to US (US=100)

Source: Penn World Table

as cited in Nelson, Robert, "The Philippine Economic Mystery." 2007

Headcount Poverty Ratio in Selected Asian Countries

Country	1985*	1995*	2005**	2008**	2009**	2010**	2011**
Philippines	32.4	25.5	22.6	--	18.4	--	--
Malaysia	10.8	<1.0	<1.0	--	0	--	--
Thailand	10.0	<1.0	<1.0	0.4	0.4	0.4	--
Indonesia	32.2	11.4	21.4	22.6	20.4	18.1	16.2
China	37.9	22.2	15.9	13.1	11.8	--	--

Source:

Ahuja, Bidani, Ferreira, and Walton (1997)

worldbank.org (accessed on 28 June 2013)

*Based on 'PPP US\$1 per day' poverty line calculated by the World Bank

**Based on 'PPP US\$1.25 per day' poverty line calculated by the World Bank

S&T in the PDP, 2011-2016

- The focus is to enable the industry and services sectors to contribute to massive job generation, provide opportunities for Filipinos to rise above poverty, and ultimately offer a meaningful choice for Filipinos to pursue gainful employment here or abroad. (PDP 2011-2016: 62)
- A culture of competitiveness shall be intensified, whereby the country's human capital shall be developed through market-sensitive education and training. (PDP 2011-2016: 63)

II. Objectives of the Project

- a) Map out and analyze the Philippine S&T environment focusing on institutions and stakeholders involved as well as the arrangements and linkages among them;
- b) Identify key S&T gov't institutions, their mandates and functions, and review previous assessments of their performance;
- c) Review literature on the impact of recent S&T policies generated by key gov't institutions, with special focus on the behavioral response of stakeholders to these policies

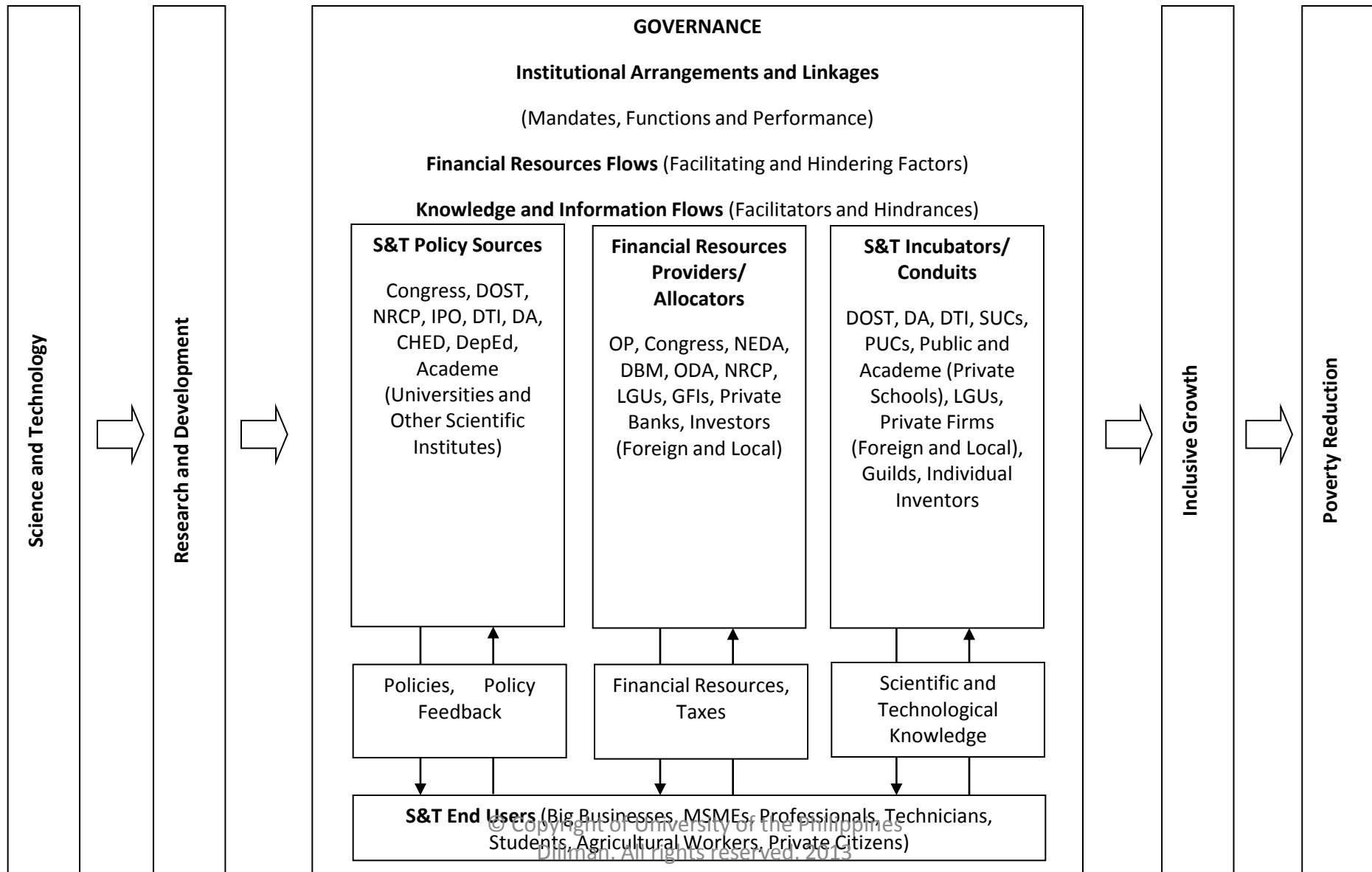
Objectives of the Project

- d) Determine the flow of financial resources for S&T (related to R&D and knowledge diffusion) focusing on gaps and bottlenecks, and review assessments on the effectiveness of gov't spending on R&D
- e) Determine the flow of S&T knowledge through various dissemination channels (selected S&T agencies) focusing on their performance assessments, contributions to inclusive growth and poverty reduction, and gaps/bottlenecks

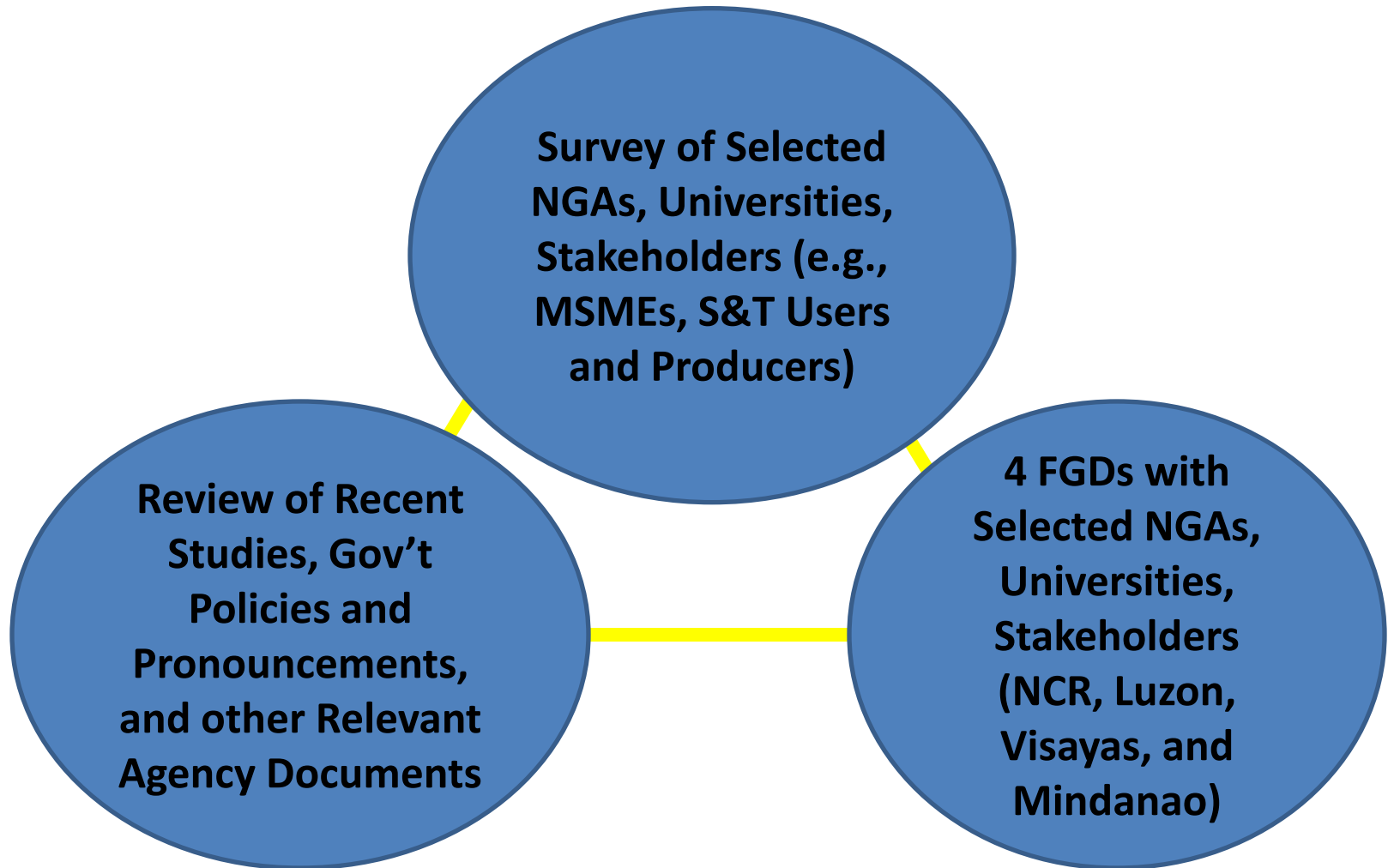
Objectives of the Project

- f) Document good practices, strategies and efforts of selected gov't institutions and other organizations towards leveraging S&T to contribute to inclusive growth and poverty reduction
- g) Recommend measures to strengthen the capacity of NRCP to take the lead in the implementation of S&T and R&D promotion, which is a vital cog in the PDP 2011-2016
- h) Generate policy advice that would improve S&T development access and diffusion in the Philippines

III. Conceptual Framework



Methodology



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Thank you!