THE 2016 ELECTIONS AND THE GOOD GOVERNANCE INDEX: PERFORMANCE, PROMISES, OR POLITICAL DYNASTIES?[1]

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Abstract

Governance has become a critical concern in many countries, developing as well as developed. In fact, the Sustainable Development Goals (SDGs) adopted by the UN General Assemby on 25 September 2015 and the SDG statistical framework approved by the Statistical Commission last March 2016 cover governance with statistical indicators in practically all the 17 Goals.

In the Philippines, during the 2010 presidential elections, Pres. Aquino convincingly won on a platform of good governance. During the 2016 elections, corruption became a major issue with the erstwhile leading presidential candidate losing many poll survey approval points and eventually losing the elections on the basis of alleged involvement in many irregularities while in public office. And while the Philippines has gained grounds in a number of internationally-generated ratings on governance, it continues to be mired in the bottom quarter of the country rankings.

Towards enhancing the relevance of the Philippine Statistical System (PSS) to monitoring the country's development agenda, the former National Statistical Coordination Board (NSCB)3 Technical Staff embarked on a series of initiatives in 20044 aimed at stimulating and enriching the body of statistics on governance. The then NSCB formulated a Good Governance Index (GGI) and later a Voters' Index to assess whether voters rewarded candidates associated with better GGI. The GGI was compiled initially for provinces (PGGI), and later, for municipalities (MGGI) as well. The results of these efforts were presented in local and international fora including the past four National Conventions on Statistics (NCS). Unfortunately with the abolition of the NSCB after the creation of the Philippine Statistics Authority (PSA), the NSCB initiatives to generate governance statistics were discontinued. The bright note is that in 2015, the PSA created the Interagency Committee on Governance Statistics.

In the private sector, in 2012, the Philippine Center for Investigative Journalism (PCIJ) collaborated with the then NSCB to advocate to media practitioners and professionals on the use of governance statistics in their media reporting. Since then, the PCIJ has enhanced its knowledge resources to cover statistics on governance issues. Unlike other governance statistics from the private sector which are based on perceptions, the PCIJ knowledge resource on governance is based on hard data.

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3 The NSCB is now part of the Philippine Statistics Authority.
4 The NSCB efforts were inspired by its involvement jointly with the Commission on Human Rights in the METAGORA project of the Partnership in Statistics for Development in the 21st Century (PARIS21), on the measurement of democracy, human rights, and governance.

Governance statistics in the Philippines have thus moved to big data scientists in the private sector away, at least temporarily, from the realm of official statistics.

This paper, written by former NSCB officials, aims to continue the initiatives of the then NSCB to take governance statistics in the limelight of public debate towards good governance in the country. It focuses on the provincial GGI (PGGI). As value added to the methodology/analysis used by the NSCB in the past but constrained by persisting limitations of the GGI, the paper introduces the aspect of political dynasties, comparing the GGI of Local Government Units (LGUs) where these political dynasties are present against those where they are not. The paper also looks at differences in the GGI among the NCR, Areas Outside the National Capital Region, Visayas, and Mindanao Finally, some recommendations are formulated on the way forward in pushing the PSS to revive the efforts to provide high quality statistics on governance, including those that are SDG-related, the sensitiveness of governance statistics, notwithstanding.

KEYWORDS AND PHRASES: governance, indicators, good governance index, ranking, municipal GGI, provincial GGI, voters' index, political dynasties

I. INTRODUCTION

Governance is a critical concern in many countries, developing and developed countries alike. In fact, the Sustainable Development Goals (SDGs) adopted by the UN Statistical Commission last March 2016 covers governance under many of its Goals, particularly Goal 16, which aims to promote just, peaceful, and inclusive societies for sustainable development by reducing violence, poverty and other threats to good governance. The attainment of Goal 1 on the eradication of poverty will of course be for most, if not all countries, premised on good governance.

Good governance fosters confidence in institutions by establishing a system of predictable rules and outcomes thereby creating an environment of stability which attracts more investors towards the economic development of the country, and ultimately, a better quality of life for all. Under former President Aquino's leadership, the campaign against corruption among public institutions was strengthened by legislation which promoted a culture of integrity, accountability, and transparency, not only in the government but also in the private sector. During his term, the exposé on the alleged misuse of government funds, specifically the Priority Development Assistance Fund by government officials stirred such public uproar that during the 2016 elections, corruption became a major issue. As a consequence, the erstwhile leading presidential candidate lost many poll survey approval points and eventually the election itself due to his alleged involvement in many irregularities while in public office.

With its commitment to fight corruption, the Philippines has gained grounds in a number of internationally-generated ratings on governance. Based on the Corruption Perception Index[5] of Transparency International, the country's ranking improved from 134th out of 178 countries in 2010 to 95th out of 168 countries in 2015 (see Table 1). However, in comparison with our Association of Southeast Asian Nations (ASEAN) neighbors, while Singapore and Malaysia had been ranked higher than us for sometime, and while we had caught up with Thailand and Indonesia since 2013, the latter two countries were again ahead of us in 2015. And while the Philippines has jumped 20 notches globally from 105th in 2012 to 85th in 2014, it dropped 10 notches to 95th in 2015 despite the fact that there were fewer countries included in the rankings at 168 in 2015 compared to 175 in 2014. In the latest report of the World Economic Forum on global competitiveness, the Philippines

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[5] The Corruption Perceptions Index (CPI) relates to the degree to which corruption is perceived to exist among public officials and politicians by business people and country analysts. Score ranges between 100 (highly clean) and 0 (highly corrupt).

was the second most improved country from 85th out of 139 countries in 2010-2011 to 47th in 2015-2016 out of 140 countries (see Table 2 for the ASEAN Member States). The improvement of the Philippines came under the innovation and macroeconomic environment pillars. However, we are still ranked below other ASEAN countries except for Viet Nam, Lao PDR, Cambodia, and Myanmar. Surely, the prospects for the Philippines joining the Asian tigers have become rosier and this will brace us for the possibly difficult challenges of the forthcoming ASEAN integration in 2015, but the threat of sliding back looms in the horizon.

There is wide perception that the current administration will continue the fight for clean governance by adapting strategies that will ensure accountability, transparency, responsiveness, rule of law, stability, equity and inclusiveness, empowerment, and broad-based participation. President Duterte has issued instructions to his cabinet to improve front-line services of government by reducing the processing time for issuing business permits and licenses "to the barest minimum," to cut down on red tape. Also, he has made pronouncements to seek permanent and lasting peace by significantly improving people's welfare through better provision of food, education, health, housing, employment and respect for culture, particularly for the marginalized and the impoverished.

To enhance the relevance of the Philippine Statistical System (PSS) in monitoring the country's development agenda, the former National Statistical Coordination Board (NSCB)[6] Technical Staff embarked on a series of initiatives aimed at developing indicators and generating statistics on good governance. The NSCB produced time series data on the Good Governance Index (GGI) and the Voters' Index which can help assess whether voters rewarded candidates associated with higher GGI. The results of these efforts were presented in local and international fora including the past National Conventions on Statistics (NCS). Unfortunately, these initiatives were discontinued by the PSA. However, in 2015, the PSA created the Interagency Committee on Governance Statistics to discuss and resolve issues, review current techniques/methodologies, and recommend policies and workable schemes towards the improvement of governance and other related statistics.

Indeed, the importance of governance statistics is recognized in the Philippines, both by government and the private sector. They help ensure that the relationship between the state and its citizens is transparent and accountable and they help identify population sub-groups that are most affected by dysfunctional governance. In the private sector, in 2012, the Philippine Center for Investigative Journalism (PCIJ) collaborated with the then NSCB to advocate to media practitioners and professionals on the use of governance statistics in their media reporting. Since then, the PCIJ has enhanced its knowledge resources to cover statistics on governance issues. In the May 2016 election, several articles were published by PCIJ to inform voters with particular attention to political dynasty using data from the Commission on Election. According to a recent PCIJ article[7], the Philippine elections are still dominated by political families in the top vote-rich provinces and there were 68 recurring family names in the list of those with at least eight electoral victories in the last 24 years.

Political dynasties in the Philippines emerge from the highly unequal socio-economic structure of its society and the failure of the country to develop a truly democratic electoral and party system (Teehankee 2007). A combination of factors like wealth, popularity, political machinery, alliances, myth, and violence contribute to the formation of political dynasties (Coronel 2007). But as discussed in Section II, studies have found no positive effect of political dynasties on economic growth.

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[6] The NSCB is now part of the Philippine Statistics Authority.
[7] Philippine Center for Investigative Journalism article entitled "101 political clans rule polls in top 20 vote-rich provinces" written by Rowena F. Caronan

This paper aims to continue the previous initiatives of the NSCB to mainstream governance statistics in public debate and decision-making towards good governance in the country. As value added of this paper, the aspect of political dynasties will be introduced, comparing the GGI of Local Government Units (LGUs) where these political dynasties are present against those where they are not. The paper also looks at the differences in the GGI among the National Capital Region (NCR), Areas Outside the NCR, Visayas, and Mindanao. Lastly, some recommendations are formulated on the way forward in pushing the PSS to revive the efforts to provide high quality statistics on governance, the sensitiveness of governance statistics, notwithstanding.

II. Political dynasty – is it really a problem?

Political dynasty is a political structure where members of the same family are occupying elected positions either in sequence for the same position, or simultaneously across different positions (Mendoza, et al 2014).

According to some studies, political dynasties have negative effects on the socio-economic outcomes of governance. Democracy itself assures equality in political participation, but the existence of political dynasty has affected the legitimacy of democracy (Bragança et. al, 2015) and the quality of government policies in weak institutions which may lead to patronage and corruption (Dal Bó, et. al, 2009). Local governments dominated by family clans are less likely to experience good governance in terms of economic development, delivery of social services, security and the overall quality of government (Braganca, et. al 2015 and Tusalem and Pe-Aguirre 2013). Balisacan and Fuwa (2004) showed that political dynasties influence growth in expenditure but not reduction in poverty. In fact, they found that political dynasties are negatively associated with subsequent income growth. On the other hand, using a political dynasty dataset in the Philippines, Mendoza, et. al (2014) provided evidence that while political dynasties are not necessarily associated with poverty reduction, non-dynasties may be failing to offer better governance that leads to a significant reduction in poverty.

One of the democratic countries that face the threat of political family domination is the Philippines. Local political families, not political parties, are important to candidates running for national positions as they are able to mobilize local electoral support especially those with a strong provincial base. A political dynasty database mapped by the AIM Policy Center together with partner institutions used the name-matching technique by Dal Bo et. al (2009) to estimate the prevalence of political dynasty in the Philippines. The study found that the influence of political dynasty is prevalent in local government positions especially for governors (85%), Vice-governors (75%), and members of the Lower House of Congress (74%). While members of political dynasties do not necessarily perform badly when elected, the existence of political dynasties effectively creates a situation where citizens have unequal opportunities for public service in violation of Article II, Section 26 of the 1987 Constitution.

With some studies suggesting that political dynasties have no effect on poverty reduction, an antidynasty law can help strengthen the competitiveness of political participation and improve the democratic processes (Feinstein, 2011 and Albert, et. al 2015). In the Philippines, while the 1987 constitution guarantees equal access to opportunities for public service, and prohibits political dynasties, no laws have been passed nor any action been taken to prevent the proliferation of political dynasties, although attempts have been made in this direction. In January 2011, a Senate bill which prohibits political dynasties from holding or running for elected local government positions was filed. Since then, several bills have been filed on banning political dynasties including one filed just last July 2016, but they remain pending in Congress. According to the Philippine Institute for Development Studies (PIDS), the passage of anti-dynasty bills into law will allow more Filipinos to

participate in politics and governance and thus improve democracy. But clearly, this is no guarantee that good governance will be the result.

III. Overview of the Provincial GGI (PGGI)

   A. The Provincial Good Governance Index (PGGI)

The governance framework (Annex II) for the PGGI covers three areas: economic, political, and administrative governance. It has sub-themes for each area, originally with 40 core indicators for the three areas. Under this framework, governance is defined as the manner in which power is exercised in the management of the country's economic and social resources for development. It also refers to the exercise of economic, political and administrative authority to manage the nation's affairs at all levels.

- Economic Governance has 2 main areas of concern: (1) sustainable management of resources such as natural, financial and human; and (2) enhanced government responsiveness to the poor;
- Political governance has 3 areas of concern: (1) improvement of internal and external security, (2) law enforcement and administration of justice; and (3) elimination of graft and corruption;
- Administrative governance has 4 areas of concerns: (1) efficiency in the delivery of services, (2) improved transparency and accountability, (3) continuous building of capacities, and (4) expanded use of information and communications technology (ICT).

The purpose of the PGGI is to assess the performance of the executive at the provincial level; thus, the component indicators used are more or less within the control of the provincial governor. In addition, the intention is to compile the GGI at the beginning and at the end of the term of office of the LGU executives in order to assess their performance. The difference in the GGI between the beginning and the end of the term is used as a measure of improvement, if any. Due to lack of disaggregated data at the provincial level, alternative indicators were used for some sub-themes. In addition, sub-themes for which no indicators with appropriate data support could be identified were excluded; some indicators were not included because the data are not timely. The PGGI compiled in this paper has 26 core indicators and utilizes mostly administrative-based data. The list of variables as well as the methodology which will be discussed briefly in the next section, is shown in Annex I.

   B. Methodology

The methodology including the changes previously made, the data sources, and the limitations have been discussed in the previous NCS papers on the GGI. Thus, this section will only reiterate the important points in the methodology. Unfortunately, while some improvements were incorporated in the latest PGGI methodology, the limitations of the GGI previously identified have remained unaddressed.

In the original formulation based on the framework, equal weights are assigned to the different variables. However, it was realized that the operational framework and its equal-weighting scheme did not give due importance to the education, health and poverty variables vis a vis the other variables like the landline telephone density index. Hence, the current PGGI adopts the unequal weights, giving a weight of 3 to the Administrative Governance Index where the health and education variables are included, 3 to the Economic Governance Index where poverty variables are included, and 1 to the Political Governance Index, which has only two indicators. Under Administrative

Governance Index, education and health variables were given greater weights than the landline telephone density index. To prevent some sub-indices from dominating the PGGI, the sub-indices were truncated using 1.96 times the standard deviation (the limit defining the 95 percent confidence interval for a normally distributed random variable) as cut-off point.

C. Limitations

The limitations of the GGI have been presented in the previous papers of Virola et. al. (see [10]). The most crucial of these limitations are the (1) validity of the GGI as a measure of governance over a period of time, (2) data availability constraints including the desired level of disaggregation, (3) timeliness of the data, (4) appropriateness of the indicators used, (5) validity of the weights used, and (6) appropriateness of the truncation limits. While the weights have been changed in this paper, it was noticed that the imbalance in the availability of the indicators for the different components of the GGI has continued to give inordinately bigger weights to some indicators like the landline telephone density index and the unemployment/underemployment rates based on unupdated data. Towards effectively and credibly promoting accountability and transparency in governance, it is important that proposed measures or indicators of governance satisfy the criteria of validity and attributability. Thus, the GGI should be a valid measure of governance over a specific period of time. It would be desirable therefore to come up with a GGI which can detect good or bad governance over a certain period, like over the term of an elected LGU official. This way, increases and decreases in the GGI can be attributed to the LGU officials in power, at least in the collective.

III. THE RESULTS ON THE GGI: TOP/BOTTOM PERFORMING PROVINCES AND MUNICIPALITIES

3.1 The Philippine GGI

The Philippine Good Governance Index improved between 2011 and 2014!

1. The Philippine GGI improved from 148.1 in 2011 to 165.6 in 2014. All three themes improved: Political Governance (PGI), from 110.16 to 127.69; Administrative Governance (AGI), from 117.37 to 121.05; and Economic Governance (EGI), from 191.43 to 222.78 (Tables 3, 3.1-3.3).

2. The Philippines improved in 19 of the 27 indicators covered by the GGI.

   a. Improvements were achieved on financial resources, tax and non-tax revenue, expenditure on social services, unemployment rate, poverty incidence, poverty gap[8], inflation rate, crime solution efficiency rate, voters' turnout rate, high school teacher to student ratio, number of public elementary schools and high schools per 1000 school-age population, enrolment in government elementary schools and high schools , high school student-classroom ratio, proportion of births less than 2,500 grams, proportion of households with access to safewater, number of barangay health stations per 100,000 population, and proportion of energized barangays. (Table 6)

   b. On the other hand, the following indicators deteriorated/had no change between 2011 and 2014: total deposits, labor participation rate, elementary teacher to pupil

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[8] The reference periods for the poverty indicators are 2012 first semester for the 2011 PGGI and 2015 first semester poverty incidence for the 2014 PGGI.

ratio, elementary and high school cohort survival rate, elementary pupil-classroom ratio, number of health personnel per 1000 population, and telephone landline density. (Table 6)

3. Among the major island groups, NCR continues to have the highest GGI, followed by Luzon (without NCR), then Visayas and Mindanao. Only NCR has a higher GGI than the Philippines for both 2011 and 2014. In other words, NCR pulls up the Philippine GGI, the other island groups pull it down. Luzon (without NCR) had the biggest improvement while Mindanao and Visayas slightly deteriorated. (Table 7)

3.2 THE PROVINCIAL GOOD GOVERNANCE INDEX (PGGI)

QUIRINO TOPS THE PGGI IN 2014! (Tables 4-4.3)

1. From 6th in 2011, Quirino gained the top spot in 2014. It was closely followed by Mt. Province which was 1st in 2011 and Ifugao, which was previously 11th. Siquijor slid one notch down from 3rd in 2011 to 4th in 2014.

2. Quirino did well in economic governance, jumping from 19th to 1st. In administrative governance it ranked 2nd but in political governance, it ranked only 19th although still an improvement from 32nd in 2011.

PROVINCES WITH THE TEN HIGHEST PGGI IN 2011: 9 IN LUZON, 1 IN VISAYAS, NONE IN MINDANAO! 5 FROM CAR! (Tables 3, 4, and 6)

1. Eight provinces were among the top ten in both 2011 and 2014. These are Quirino (1st), Mt. Province (2nd), Siquijor (4th), Cagayan (5th), Apayao (6th), Ilocos Sur (7th), Kalinga (8th), and Batanes (9th). These provinces did very well in economic governance. (Table 3)

2. The two new entrants in the top ten are Ifugao (from 11th to 3rd) and Abra (from 13th to 10th). Ifugao retained its rank in economic governance (1st) and improved in administrative governance (from 31st to 3rd). However, it experienced a huge drop in political governance, from 34th in 2011 to 75th in 2014. On the other hand, Abra improved in political governance, from 52nd to 24th, while its ranking dropped in both administrative and economic governance. (Table 3)

3. Consequently, two provinces which were in the top ten for 2011 slid out of the top ten in GGI for 2014: Biliran from 2nd to 17th and Camiguin from 10th to 24th. (Table 4)

4. The top 10 provinces come from only four regions: 5 from CAR, three from Region II, and one each from Regions I and VII. (Table 3)

5. Five out of the six provinces from CAR made it to the top ten! The CAR provinces do very well on a number of indicators: Mt. Province on high school teacher to student ratio, proportion of households with access to safe water supply, and labor force participation rate; Abra, Apayao, Kalinga, and Mt. Province in number of public elementary schools per 1,000 school age population; Apayao and Mt. Province on number of public high school per 1,000 school age population; Abra on high school cohort survival rate, total health personnel per 1,000 population, and inflation; Ifugao and Mt. Province on number of barangay health stations per 100,000 population; and Ifugao on expenditure on social services. (Table 6)

6. Outside of NCR, only twelve of the 79 provinces had higher GGI than the Philippine GGI in 2014. (Table 4)

7. In the ten provinces with the highest GGI in 2014, all the governors in 2013 were males while two of the governors in 2016 were women. (Table 11)

TOP 3 IN PGGI FOR 2014 BY MAJOR ISLAND GROUP: QUIRINO, SIQUIJOR, AND AGUSAN DEL SUR (TABLE 8)

1. The three provinces with the highest GGI in Luzon are Quirino, Mt. Province, and Ifugao.

2. For Visayas, the highest GGIs are for Siquijor, Biliran, and Antique.

3. For Mindanao, the highest GGIs are for Agusan Del Sur, Agusan Del Norte, and Zamboanga Del Norte.

NUEVA VIZCAYA HAS THE MOST IMPROVED[9] PGGI BETWEEN 2011 AND 2014! (Table 9)
1. Nueva Vizcaya has the most improved PGGI, with the most impressive gain in economic governance, from 55th in 2011 to 9th in 2014. This resulted in the increased PGGI ranking, from 74th in 2011 to 19th in 2014.
2. Specifically, Nueva Vizcaya did very well in improving the following indicators: total financial resources generated, collection of revenues, and expenditure of social services. (Table 6)

3.3 THE GGI ACROSS ISLAND GROUPS

TEN MOST IMPROVED PROVINCES IN PGGI: 6 IN LUZON, 3 IN MINDANAO, 1 IN VISAYAS.
1. Forty-nine of the 79 provinces registered improvements in their PGGI between 2011 and 2014.
2. Among the ten most improved, 6 are from Luzon, 1 from Visayas, and 3 from Mindanao.
3. The 10 most improved provinces between 2011 and 2014 other than Nueva Vizcaya are Zamboanga Del Norte, La Union, Surigao Del Norte, Quirino, Agusan Del Norte, Masbate, Ifugao, Capiz, and Nueva Ecija.(Table 9)
4. Quirino and Ifugao are really doing very well in the PGGI. The two provinces not only are included in the list of the 10 highest PGGI, they are also among the ten most improved.
5. In the ten most improved provinces in 2014, 4 of the governors in 2013 and 3 of the governors in 2014 were women. (Table 11)

MOST IMPROVED PROVINCES IN PGGI FROM 2011 TO 2014 BY MAJOR ISLAND GROUP: NUEVA VIZCAYA, CAPIZ, AND ZAMBOANGA DEL NORTE
1. The three provinces with the most improved PGGI in Luzon from 2011 to 2014 are Nueva Vizcaya, La Union, and Quirino. As a result, they jumped several notches in the PGGI: Nueva Vizcaya from 74th to 19th, La Union from 51th to 12th, and Quirino from 6th to 1st. (Tables 4 and 11)
2. For Visayas, the three most improved provinces are Capiz, Bohol, and Aklan. Their PGGIs jumped from 60th to 29th for Capiz, from 63rd to 44th for Bohol, and from 62nd to 46th for Aklan. (Tables 4 and 11)

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[9] Most improved means the highest difference in GGI between 2011 and 2014.

3. For Mindanao, the three most improved provinces are Zamboanga Del Norte, Surigao Del Norte and Agusan Del Norte . Their PGGIs jumped from 76th to 21st for Zamboanga Del Norte, from 75th to 27th for Surigao Del Norte , and from 46th to 20th for Agusan Del Norte. (Tables 4 and 11)

IV. THE VOTERS' INDEX

While the GGI measures the performance of an LGU executive, the Voters' Index, on the other hand, is intended to assess whether voters in a particular election voted on the basis of performance. It could be used to assess whether voters voted for reelectionists who performed well, or for candidates endorsed by well-performing incumbents but for some reason, are not running for reelection for the same position.

In assessing the performance of reelectionist LGU candidates (which serves as proxy for their endorsee's performance if they are not running) during the 2016 elections, it would be desirable to have GGIs for 2012 before the start of the term and the GGIs for 2015 at the end of the term. However, due to data constraints, the GGIs presented in this paper are for 2011 and 2014.

4.1 THE 2016 VOTERS' REWARDS AND PUNISHMENTS

PROVINCIAL GOVERNORS
1. The governor of 6 of the 10 provinces with the highest PGGI in 2014 got reelected/elected in the 2016 elections; 4 lost.[10]

2. However, all the governors of the 10 provinces with the lowest PGGI in 2014 got reelected in 2016.

3. The governor of 8 of the 10 provinces with the highest improvement in the PGGI between 2011 and 2014 got reelected. One ended his term and did not run but a relative ran in another position and won.

4. The governor of 9 of the 10 provinces with the least improvement in the PGGI got reelected in 2016. Only 1 ran but lost in the elections.

4.2 THE VOTERS' INDEX

The Voters' Index aims to measure the "wisdom" of the voters in selecting their candidates. A rate or grade of "0" or "1" is assigned to a province depending on the results of the election and the provincial GGI: 1 for provinces in the top GGI or most improved GGI category whose governor[11] won and 0 otherwise; 1 for provinces in the lowest GGI or least improved GGI category whose governor lost and 0 otherwise. To compute for the Votes' Index, the resulting scores are then added and divided by the total number of provinces wherein the governors or their relatives ran for reelection or for election to another office or position. Provinces whose governors had ended their third consecutive term and, therefore, are not allowed by law to seek reelection for the fourth term and where their relatives did not run during the elections are excluded in the computation. The table below shows the Voters' Index for the 2016 elections, using 10 provinces in the computations.

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[10] According to the methodology, even if the incumbent governor did not run, if a relative ran, the result would be counted as a win or a loss.
[11] Or a relative on the same side of the political camp of the incumbent.

Voters' Index for the 2016 Philippine Elections

	n	N	Voters' Index				
			2004	2007	2010	2013	2016
Highest GGI	10	79	1.00	0.70	0.70	0.90	0.60
Most Improved GGI	10	79	0.70	0.60	0.70	1.00	0.80
Lowest GGI	10	79	0.20	0.20	0.40	0.00	0.00
Least Improved GGI	10	79	0.10	0.20	0.40	0.50	0.10

The table shows that:
1. The Voters' Index for the 10 provinces out of 79 with the highest PGGI and most improved PGGI has both decreased from 2013 to the 2016 elections: from 0.9 to 0.6 (highest PGGI) and from 1.0 to 0.8 (most improved PGGI).
2. For the 10 provinces with the lowest PGGI, the Voters' Index has not improved at 0.0. The Voters' Index even decreased for the 10 provinces with least improved PGGI, from 0.5 in 2013 elections to 0.1 in 2016 elections.

The table shows that good performance is not sufficient for the governor to win; neither is bad performance sufficient for a governor to lose. Worse, except for the index on the lowest GGI, the Voter's Index has deteriorated between the 2013 and 2016 elections. However, while the methodology obviously still needs to be improved, and while bad performance seems to be still rewarded by voters during elections, it cannot be definitively said that Filipino voters do not consider performance as a basis for their electoral decisions. But surely, the results are not encouraging to stakeholders of good governance either.

4.3 Political dynasty and GGI

Based on the AIM Policy Center Political Dynasty Dataset, Maguindanao has the highest prevalence of political dynasty from 2004 to 2013. Among the 10 provinces with the highest dynasty share in the Philippines, seven are from Luzon namely, Batangas, Ilocos Norte, Pampanga, Bulacan, Catanduanes, Masbate, and Isabela and three are in Mindanao. On the otherhand, Mt. province has the least prevalence of political dynasty followed by Benguet and South Cotabato. Among the 10 provinces with the least prevalence of political dynasty, 6 are from Luzon and four are in Mindano. And despite the constitutional ban against political dynasties, its share has been expanding through the years. (Figure 1).
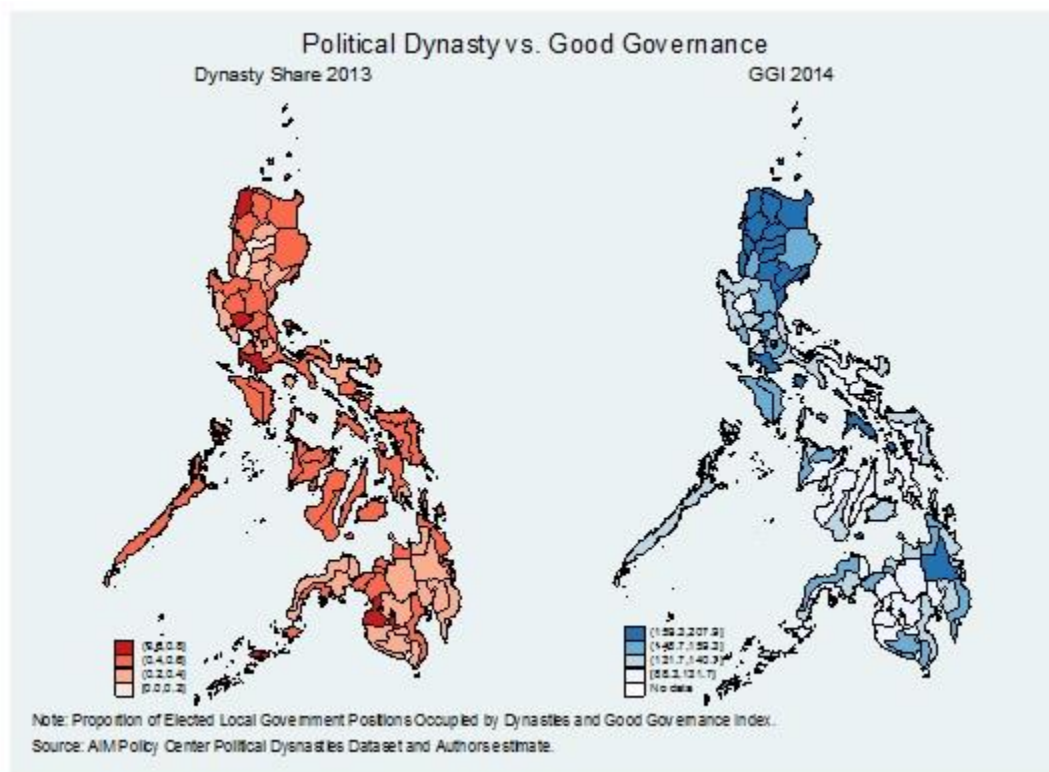
Figure 1. Political Dynasty Share
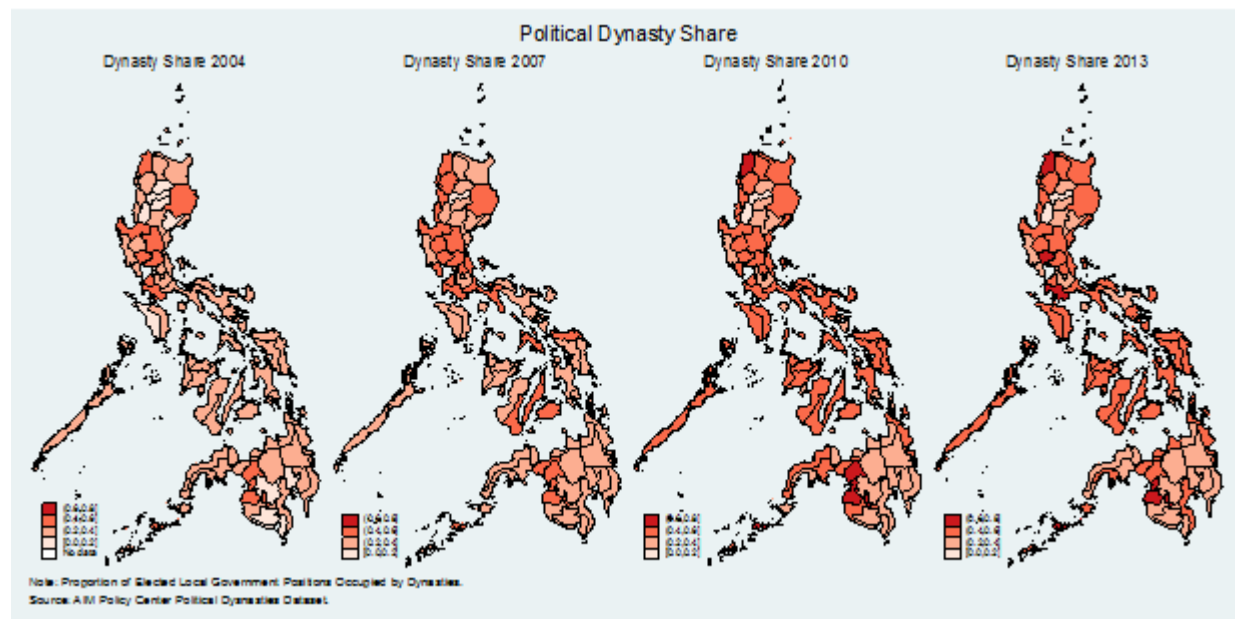
As shown in Figure 1, political dynasties are quite widespread at the local level. To provide indications of correlation between political dynasties and good (or bad) governance, the provinces were ranked based on their good governance index and political dynasty share. The findings are as follows:

1. 9 of the 10 provinces with the lowest share of political dynasty ranked well in the 2014 GGI, except for Davao del norte;
2. Meanwhile, among the 10 provinces with the highest prevalence of political dynasty, only half of them ranked unfavorably (46th-79th) in the 2014 GGI. These are Lanao Del Sur, Maguindanao, Pampanga, Sulu and Catanduanes (see Tables 12.1 and 12.2); and
3. While we acknowledge that provinces can perfom well in the GGI despite higher prevalence of political dynasties, results from some provinces indicate a possibly strong connection between low concentration of political dynasties and high performance on GGI,

Figure 2. GGI versus Dynasty Share Plot

Political Dynasty vs. Good Governance

Dynasty Share 2013   GGI 2014

Note: Proportion of Elected Local Government Positions Occupied by Dynasties and Good Governance Index.
Source: AIM Policy Center Political Dysanasties Dataset and Authors estimate.

V. CONCLUDING REMARKS AND RECOMMENDATIONS: THE WAY FORWARD

Unquestionably, governance in the Philippines improved from 2011 to 2014 with much of the improvement coming from the provinces in Luzon. However, it is NCR that pulls up the Philippine GGI, the other island groups pull it down. This could be one more indication of the imbalance in development among the island groups against Visayas and Mindanao, which calls for policy adjustments in our development agenda.

The list of 10 provinces with the highest GGI is fairly stable and CAR has a disproportionately big share of these best performing provinces. The other provinces and the other regions are well-advised to learn lessons from the top 10 provinces and CAR, respectively.

Given the previous initiatives towards the development of the GGI and given the political implications and sensitive nature of local governance in the country, the need to improve the set of indicators on governance based on available, credible and reliable statistics. and the GGI in general, remains. The PSA, thru the Interagency Committee on Governance Statistics is called upon to play its important role in the generation of timely and more relevant indicators on governance. Particularly, it is necessary to identify and agree at least in general terms, on the indicators of aspects of governance which are mostly, if not solely, within the control of the executive whose performance is being assessed. Wide consultations with stakeholders of governance indicators must be conducted to enhance the acceptability of the GGI. Further, methodologies must be carefully studied to be able to discriminate more accurately between good and bad governance. Such methodologies should be transparently communicated and disseminated to users. The time lag in the data support to the PGGI must also be addressed and the timing of the dissemination of the GGI must be carefully managed. Like opinion poll survey results, the release of the GGI can be misinterpreted and associated with political agendas depending on the results of the GGI. In like manner, the question

arises whether the GGI should be released just before the elections. Our position is that the public must be given free access to information, especially to indicators like the GGI, and even to results of opinion surveys, twenty four hours a day, seven days a week. The public debate during elections must dwell on issues, performance, visions, and the like, not on whether or when to allow access to statistical information.

After improving from 2010 to 2013, the Voters' Index deteriorated in 2016. To achieve the ultimate objective of the GGI, which is to enhance good governance, advocacy towards public appreciation of the GGI must be conducted. In particular, advocacy has to be strengthened to ensure that the efforts by the statistical community to produce indicators that can detect good governance feed into the decision-making of all stakeholders, especially the voters. In this regard, the media has an important role to play. But media reporting must also be balanced. Partnerships of the statistical agencies with institutions like the PCIJ and collaboration with the media will indeed be very useful in pushing the statistical agenda on governance to a higher level.

Lastly, the results of this study indicate a possibly strong correlation between low prevalence of political dynasties and good governance. This component of the study certainly deserves further research as it can be an important input in ensuring that the Constitutional ban on political dynasties is legislated and implemented.

ACRONYMS
ARMM	**Autonomous Region of Muslim Mindanao**
BIR	**Bureau of Internal Revenuje**
CAR	**Cordillera Autonomous Region**
CPH	**Census of Population and Housing**
DBM	**Department of Budget and Management**
GGI	**Good Governance Index**
LFPR	**Labor Force Participation Rate**
LGU	**Local Government Unit**
MDGs	**Millennium Development Goals**
NCR	**National Capital Region**
NCS	**National Convention on Statistics**
NSCB	**National Statistical Coordination Board**
PCIJ	**Philippine Center for Investigative Journalism**
PGGI	**Provincial Good Governance Index**
PSA	**Philippine Statistical Authority**
PSS	**Philippine Statistical Authority**
TS	**Technical Staff**

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Annex I. Methodology, Data Sources, and Limitations

A. Provincial Good Governance Index (PGGI)

The PGGI has three sub-components; namely the Administrative Governance Index (AGI), the Economic Governance Index (EGI), and the Political Governance Index (PGI).
The PGGI for each province is computed as the weighted arithmetic average of the EGI, the PGI and the AGI. Since the PGI has only two available indicators, greater weights are given to the EGI and AGI. The following formula is used for the computation of the PGGI for each province:

$$PGGI = \frac{3 * AGI + PGI + 3 * EGI}{7}$$

Detailed Component Indices

In computing for the lowest level of an index for the positive indicators, the index for a province is obtained by dividing the value of the indicator for the province by the value of the indicator for Philippines 2000.

For negative indicators, the index for a province is obtained by dividing the value of the indicator for Philippines 2000 by the value of the indicator for the province.

The AGI is computed as follows:

$$AGI = \frac{Education\ Index + Health\ Index + (Power\ Index + Telephone\ Density\ Index)/2}{3}$$

where:

Education Index (EI) = Ave (Elementary Pupil and High School Student to Teacher Ratio Index, Number of Public Elementary and High Schools Per 1000 School-Age Population Index, Total Enrolment in Government Elementary and High Schools Per 1000 School-Age Population Index, Elementary and High School Cohort Survival Rate Index, Elementary and High School Pupil-Classroom Ratio Index)

Health Index (HI) = Ave (Health Personnel Per 1000 Population Index, Percent of Households with Access to Safe Water Index, Live Births Less Than 250 Grams Per 1000 Births Index, Number of Barangay Health Stations per 100000 Population Index)

Power Index (PI) = Percentage of Energized Barangays Index

The EGI is computed using the following formula:

EGI = Ave (Sustainable Management of Resources Index, Enhanced Government Responsiveness to the Poor Index)
SMRI = Sustainable Management of Resources Index
EGRPI = Enhanced Government Responsiveness to the Poor Inde

EGI = Ave (SMRI, EGRPI)
    where:
    1. **SMRI** = Ave (Management of Financial Resources Index, Management of Human Resources Index)

    Let MFRI = Management of Financial Resources Index and
    MHRI = Management of Human Resources Index.

    MFRI = Ave (Per Capita Expenditure on Social Services Index, Generation of Adequate Resources Index)

    Let GARI = Generation of Adequate Resources Index.

    GARI = Ave (Per Capita Total Financial Resources Index, Per Capita Total Deposits Index)

    Let PCTFRI = Per Capita Total Deposits Index.

    PCTFRI = Ave (Per Capita Financial Resources Index, Per Capita Revenue Index)

    MHRI = Ave (Unemployment Rate Index, Labor Participation Rate Index)

    2. **EGRPI** = Ave (Poverty Index, Inflation Rate)

    Let PI = Poverty Index.
    PI = Ave (Poverty Incidence Index, Poverty Gap Index)

    On the other hand, the PGI is computed as:

    PGI = Ave (Voters' Turn-out Rate Index, Crime Solution Efficiency Rate Index22)
    For all the sub-indices in the computation of the PGGI, the 1.96 standard deviation (SD) limit truncation was used.
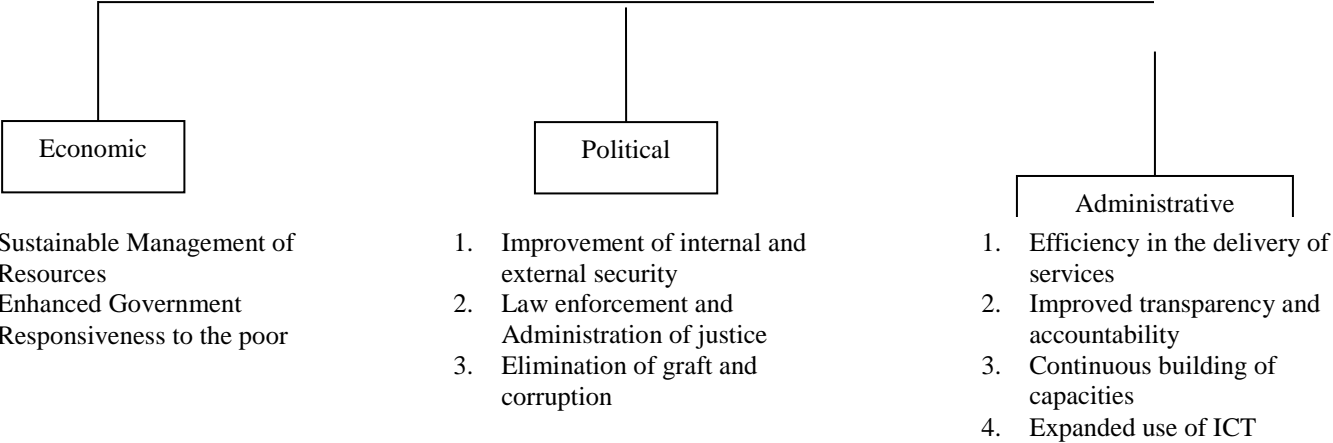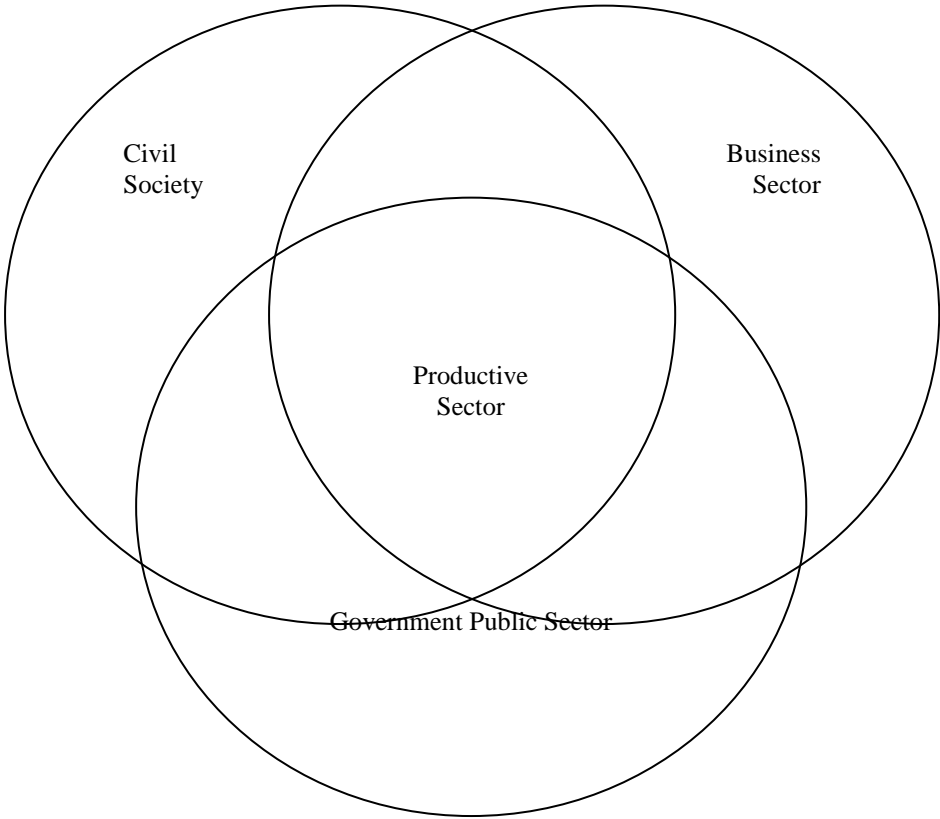
Data Sources for the PGGI

The following matrix presents the 27 indicators that were used for the computation of the 2011 and 2014 PGGI, the source document, and the respective source agency.

Indicator	Source	Document Agency
Economic Governance (9 indicators)		
1. Total Financial Resources Generated	2014 Data from 2016 BESF and 2011 data from 2013 BESF	Department of Budget and Management
2. Total Revenue Collections (Tax and Non-Tax Revenue)	2014 Data from 2016 BESF and 2011 data from 2013 BESF	Department of Budget and Management
3. Total Deposits		Philippine Deposit Insurance Corporation

4. Expenditure on Social Services	2014 Data from 2016 BESF and 2011 data from 2013 BESF	Department of Budget and Management
5. Unemployment Rate	October 2014 LFS	Philippine Statistics Authority
6. Labor Force Participation Rate	October 2014 LFS	Philippine Statistics Authority
7. Poverty Incidence		Philippine Statistics Authority
8. Poverty Gap		N Philippine Statistics Authority
9. Inflation Rate		Philippine Statistics Authority
Political Governance (2 indicators)		
10. Crime Solution Efficiency Rate (Index Crime)	PSA- 2012 CIF	Philippine Statistics Authority
11. Voters' Turn-out Rate		Commission on Elections
Administrative Governance (16 indicators)		
12. Elementary Pupil to Teacher Ratio	Basic Education Information System (BEIS)	Department of Education (DepED)
13. High School Student to Teacher Ratio	BEIS	DepED
14. Number of Public Elementary Schools per 1000 School-Age Population	BEIS	DepED
15. Number of Public High Schools per 1000 School-Age Population	BEIS	DepED
16. Enrolment in Government Elementary School	BEIS	DepED
17. Enrolment in Government High School	BEIS	DepED
18. Elementary Cohort Survival Rate	BEIS	DepED
19. High School Cohort Survival Rate	BEIS	DepED
20. Elementary Pupil-Classroom Ratio	BEIS	DepED
21. High School Student-Classroom Ratio	BEIS	DepED
22. Total Health Personnel per 1000 Population	Field Health Service Information System (FHSIS)	Department of Health (DOH)
23. % Birth less than 2500g	FHSIS	DOH
24. % of Households with Access to Safewater	FHSIS	DOH
25. No. of Barangay Health Stations per 100,000 Population	FHSIS	DOH
26. Percent of Energized Barangays	Countryside in Figures (CIF)	NSCB/National Electrification Authority

| 27. Telephone Density | CIF | NSCB/National Telecommunications Commission |

ANNEX II- FRAMEWORK FOR THE DEVELOPMENT OF GOVERNANCE INDICATORS

Civil
Society

Business
Sector

Productive
Sector

Government Public Sector

Economic

Political

Administrative

1. Sustainable Management of Resources
2. Enhanced Government Responsiveness to the poor

1. Improvement of internal and external security
2. Law enforcement and Administration of justice
3. Elimination of graft and corruption

1. Efficiency in the delivery of services
2. Improved transparency and accountability
3. Continuous building of capacities
4. Expanded use of ICT

ANNEX III: LIST OF TABLES