

Hi everyone, Doy Santos here, back again with another episode of The Cusp! Yes, after a long hiatus, our last episode took place back in January 2018, over a year ago.

Been doing a number of things in the interim. Focused on releasing Policy Briefs and blogging about news on The Cusp. Decided to come back to the podcast, and strictly do audio versions from now on. Just wanted to focus on the spoken word and not so much video, and all that entails...

We left last year with a discussion of the proposed shift to the parliamentary system in Episode 15. Lots have happened since then. Former president GMA became speaker of the house towards the middle of last year - an internal coup within the ruling party, instigated by presidential daughter Davao Mayor Sara Duterte.

Her role is becoming more prominent now as we head into the midterms, with eyes focused squarely on 2022 and what happens after Duterte steps down.

GMA's speakership effectively ended any discussion of charter change as the senate under Tito Sotto dropped it like a hot potato for fear that GMA would try to parlay her speakership into becoming PM.

Incidentally, the same accusation or suspicion was given to GMA's father. During the ConCon of 1971, when the then ex-Pres. Diosdado Macapagal took over from ex-Pres. Garcia to head the Convention, and by 1973 or '74 after ML was declared, he too was thought to be angling to become speaker or PM under Marcos's revised model with the Batasan Pambansa elections.

Diosdado agreed to pass the proposed Consti but FM outwitted him by not calling for elections of the Batasan, delaying it until 1978.

So anyway, given GMA's ability to stir suspicion among the senators, any talk of cha-cha was dead on arrival at the senate. Luckily this is her third and last term as a congresswoman, so they decided to shelve it, at least until the next Congress, when a new speaker would be elected.

The president for his part tried to revive federalism after speaking to former ARMM governor Nur Misuari, following the passage of the BOL and the appointment of the interim regional government. Duterte recounted Misuari issuing a threat to declare war, if federalism wasn't passed. A claim later dispelled by Duterte's defence secretary. Misuari, according to him has no capacity to wage a war. The aging warrior is fighting a corruption case, and is perhaps trying to be relevant, as the MNLF which he headed is now effectively on the sidelines.

Meanwhile PM Mahathir of Malaysia, which brokered PH govt deal with rival rebel group MILF, that led to the BOL, did a victory lap, with a trip to Manila.

This visit has inevitably led to people drawing comparisons between the two nations. Malaysia follows a federal parliamentary system. They sit above us in the economic ladder with a per capita GDP of \$11,521, compared to our \$2,891 in 2017 in constant 2000 dollars based on the

WB. If you take purchasing power into account, Malaysia's per capita income is still almost 4 times that of the Philippines at \$26,800 per person compared to our \$7,500.

But back in 1960 there was but a small gap between our countries, Malaysia's per capita GDP was but \$1,353 and ours was \$1,059. That's an average annual growth rate of 3.8% over 57 years compared to our 1.8%. So their growth rate in per capita terms has been more than twice that of ours. Over a long period that leads to a massive disparity of income.

Even today with our so-called faster rate of growth. I computed over the last six years since 2012. Malaysia's per capita income was 3.5% per year, while ours has been 4.9% per year. So they are growing slower, but starting from a higher base compared to us. We have a lot of catching up to do.

How did they achieve that?

Well they too have a multiethnic society, like ours. They have a multiparty system. The ruling UMNO was part of a coalition that Mahathir led from 1981 to 2003 when he stepped down. Their multiparty parliamentary system has not suffered from instability or lack of continuity that the Philippines had through much of the last half century.

UMNO was in power since Malaysia's independence in 1959 all the way to 2018, when Mahathir returned from retirement to successfully challenge his successor, Najib Razak as a member of the Opposition. This party oversaw the development of Malaysia, particularly from the time Mahathir assumed PM'ship in 1981.

Continuity and succession as I mentioned in a previous episode is a key ingredient for sustaining growth in ASEAN compared to Sub Saharan Africa, which has also experienced higher rates of growth at time, but has not sustained them.

So how are they able to maintain that stability, and how would or could that apply to the Philippines, given our supposed lack of party discipline? That's the problem, many argue with the proposed shift to a parliamentary system would fix that. But are they right?

The phenomenon of balimbingan, turncoatism where members of congress switch their party affiliation based on who is president leads to a lack of party discipline in voting for the administration's measures. A case in point is the budget for 2019.

SGMA belongs to PDP-Laban, and yet her lieutenants in the house delayed the passage of the president's budget, and derailed the government's infrastructure spend in the first quarter of the year, risking a slowdown in the country's economy.

Actually, this sort of problem would not happen in a parliamentary system, because it would be the PM or his Treasurer to be more precise who would commend the budget to the house. It wouldn't be up to some comte of appropriations to decide what to do with it. After holding some hearings, it's an up or down vote. As leaders of the majority in the house, the party in power

normally gets its budget measures passed. Only in a bicameral set-up would there be a chance to block certain measures within the budget, but that's it.

Wouldn't MPs just demand more pork barrel spending under that system, you'd ask? That seems to be a key finding in some studies that parliamentary systems engage in more pork than presidential ones.

Again, I don't know what those studies are based on but in parliamentary systems, pork tends to take place in key marginal or swing seats or districts that hold the balance of power, not in every district. So only in places where polling suggests the electorate might flip to the opposition, will there be inordinate spending on projects, that might not be justified through rational policy.

Whereas, in our system, they seem to distribute pork to every district. Look at it this way, it can't be any worse under a parliamentary system.

Well you might say, how do they guarantee majority votes for the administration's measures? Won't they have to engage in back-scratching as they do under our present system?

Here's the thing. In a presidential system, every congressperson ultimately wants to use their vote to gain leverage with the administration, to secure benefits for their constituents.

Under a parliamentary system, this motivation is moderated by the need to gain front-bencher status. To do that you have to toe the party line. What do I mean by that?

Every MP's dream is to be given a portfolio, or cabinet position one day as part of an administration. Junior MPs normally start as back benchers, with no portfolio assignment. They might then be given a role as a minister assisting another Sr Minister, or as a cabinet secretary. Only by proving their loyalty to the party, do they get a chance to eventually succeed their more senior colleagues in joining the front-bench.

As a shadow minister, and eventually a minister, an MP gets to wield real power, take charge of a department, be responsible for an agency, get to exert real influence and implement change.

Under a presidential system, all they can aspire to become if they stay in the House is to be the chair of a committee where they hold hearings. That's it. Between holding a budget for an agency or holding hearings, which is the bigger incentive?

Also, party loyalty may not mean anything depending on what type of electorate you serve in a presidential system. The blue dog democrats in the US tend to vote with conservatives on fiscal measures. Democrats in the midwest might be pro-gun or anti-abortion and vote with Republicans on those issues. If they did that in a parliamentary system, they would have no chance for promotion to the front bench.

The dream of congressperson in the US might be to become a senator one day. Under a parliamentary system, if you join the senate, you have no chance of becoming PM, who comes

from the house of representatives. So an MP really has no choice but to toe the party line when it comes to voting for bills sponsored by Cabinet.

So how will that improve things? How will it ensure that the right policies are adopted? Won't it lead to an autocratic state or one party rule, as per the experience of Malaysia or Singapore?

Here again is the thing. Given our multi-ethnic regions, we are in fact a de facto federal state, in that our politics tends to splinter along entho-linguistic lines. Our multi-party system guarantees that any administration does not become a monolith.

Malaysia is an example of this. Under Mahathir the PPB which he leads is the senior partner in a coalition called Pakatan Harapan. They have to accommodate the needs of their junior partners in the coalition, which includes the wife of Anwar Ibrahim, Mahathir's estranged deputy and former Finance Minister back in the 1990s, with whom he has reconciled.

Mutual accommodation means that junior coalition partners get a seat at the Cabinet table. This moderates the views and forces parties to appeal to a broader constituency, not just their own. That's how they were able to maintain one party rule for such a long time, but maintain diversity of opinion and accountability within it.

One important thing with the parliamentary system is the meritocracy that it breeds within parties. If you have to toe the line and remain loyal to gain promoted, then you will. And it means that the best of the best, not just the ones that are popular rise to the top.

There are no celebrities who have become PM of any country. But president's? You have Donald Trump who was a reality TV show celebrity. Rogelio dela Rosa nearly became president in the 1960s. Erap Estrada became president based on his popularity, not for crafting any meaningful laws as a senator. FPJ was supposedly cheated or narrowly defeated by GMA back in 2004. His daughter Grace Poe was elected on the basis that she was his adopted daughter. Some say Manny Pacquiao could become our next president, simply on the basis of his popularity, not for his ability to draft laws or manage business in the senate.

In India with its huge Bollywood industry, there are zero actors who have been able to rise in politics. Of course in Pakistan you have the former Cricketer, Imran Kahn serving as PM, after leading the opposition. That's about it. But Kahn studied at Keble College at Oxford where he studied Philosophy, Politics and Economics and graduated albeit with third class honours in 1975, but hey that's still a lot better than the calibre of our celebrity politicians, ok?

Another benefit of the parliamentary system is the speed at which reforms are adopted. I spoke about this in Episode 15, comparing the rate at which civil service reforms took place in Britain compared to the US.

But we don't have to go back to the 1860s or early 1900s. Recently, we saw how quickly NZ under PM Jacinda Ardern adopted gun reform, following the mass shooting at a mosque in Christchurch.

In the weeks following the incident, the Labor Party in coalition with their rural based National Party adopted in principle the idea of gun control patterned after laws in Australia adopted by John Howard after the Pt Arthur massacre, which involved high powered firearms.

The policy was taken up in her cabinet, submitted to the house and passed, within a month of the shooting. That's how quickly things could happen. While in the US, mass shooting after mass shooting has occurred. Even with Pres Obama calling for changes, Congress didn't act. Thoughts and prayers was about as far as they could go. It isn't even acceptable to talk about gun control in the wake of a school shooting, where little children die, due to this being misconstrued as politicising the incident.

Finally, they say what about the transition costs of switching our form of govt. Won't it entail a lot of trouble? Well to that I'd say what are the costs of sticking to this system? Think about the benefits. Swifter action on dealing with traffic, water shortages, and addressing other issues.

The transition cost argument is a path-dependent argument. Just because of US intervention in 1898 we have to be stuck with this system? You say we love electing our presidents. But parliamentary elections look a lot like presidential elections without the cost. Instead of canvassing nationally, all we have to do is count the results in each district. Candidates and parties don't need to spend as much, and neither does Comelec.

Going back to my original question, how could a parliamentary system benefit the Philippines? Well it's quite self-evident.

We'd have more disciplined parties. We can't argue that it doesn't suit us because we have no party discipline. The lack of discipline is because the incentives are different under our set-up compared to the Westminster type of set-up, and you can see similarities with the US and ours when it comes to ill-disciplined parties, even within a stable two party system there.

Secondly, we'd have better leaders. The cream rises to the top, rather than what we have now, where another sort of thing rises to the top. The less edifying sort of floatee. The non-monolithic majorities also provide a context where leaders learn the art of negotiation and collaboration, compromise and generally forming consensus.

Finally, the swiftness with which measures are taken up, first through the cabinet process, where junior coalition partners have a seat at the table. Once adopted there, members of the coalition have to toe the line when it comes to voting in the chamber or face dire career prospects.

You get the synergy of cabinet which proposes a measure also monitors its implementation. The bureaucracy reports to them. This leads to effective implementation as well. Not a system where a law is passed, doesn't get funded, or where the IRRs go against the intent of the law.

So that's it. We've come to the end of our show for today. I promise to produce more episodes at a more frequent rate. In the meantime please go visit our website cusp-ph.blogspot.com, subscribe to my twitter feed @cusp_ph and FB page @CuspPH. I'll also be uploading this on

Youtube. Leave a comment or message there. Hope you enjoyed the show, will see you next time on another edition of...The Cusp!