



THE ECONOMIC PHENOMENON OF TRANSFORMATION: “THINKING BEYOND THE DRAWBACK TO SOCIETAL CHANGE IN MINDANAO”

By

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Abstract:

The economic phenomenon of transformation: thinking beyond the drawback to societal change in Mindanao brings economic trauma and believes to be critical as it seems in the economy which will require the government to take an initiative in finding a tactical solution. A plan of action that makes the economic mobility that will lead to success despite facing different challenges in adjusting the new chapter of manpower dealings. As inflation pave the way in the economy that causes unending price disturbances, results in unfavorable economic flow that needs a thorough brainstorming aimed at achieving and reshaping the image of the macroeconomics perspective. The income inequalities are not an excuse for being experienced during the pace of economic transformation, hence, require an effective government intervention to prevent the increasing poverty level. The government focuses a lot on societal well-being and it is a must to employ some modifications that will supplement the capacity and security requirements. The economic transformation believe to alleviate lives, in the aspect of educating those low-income earners situated in far-flung areas requires tedious and tremendous efforts from the government reaching them by mobilizing the government hierarchy since they fear that the economic levels they are in today may come to worsen the situation due to different underlying factors. Common predicaments on the part of the business sector concerning income degradation suggest that to ensure employment continuity amidst this uncertain time, the government should find some remedial action in helping the huge number of displaced workers who experience income degradation to transform the economic landscape as we work towards recovery and stability. Helping in finding ways for business sectors in maintaining their operations is one way of reciprocating government and the economy by providing labor allocations that help in building and reshaping the economy back to its antagonistic stage.

Keywords: *The economic phenomenon of transformation: “thinking beyond the drawback to societal change in Mindanao”.*

Introduction

The economic phenomenon of transformation: thinking beyond the drawback to societal change in Mindanao considers 1) economic mobility 2) poverty 3) income inequality 4) poor health care 5) sustenance, and 6) income degradations are major factors that people feel and experience during the attack of the pandemic. The long and winding road to everyone's walks of life has crippled their day-to-day living. Major adjustments are forcedly adopted by micro, small-medium enterprise (MSMEs) businesses alike in adhering to the government mandate despite having the feeling of being deprived of the right to existence. Alongside, it gives more unfavorable impact on life as the journey continues to a direction that is embraced with different levels of challenges and uncertainties.

Gradually, as the pandemic slowly and manifest the downward trend of its strength, the economy now is open as the level of restrictions drops. The National Economic Development Authority (NEDA) reportedly that the country is still tested on our resiliency as we strengthen the economic foundation.

Building back a better and stronger economy, we have to face the dual challenges of addressing the economic crisis and restoring our long-term development trajectory. The government effort on restoring the progress should focus on the socioeconomic agenda as countries placed it on a more solid path to recovery. The economy of today is seen to have gradually relaxed as restrictions now are not an issue. The full blast of the economic activity will bring forth potential reforms. The government is positive enough that when productive sectors in the economy will be strengthened, our fiscal and economic reforms and the infrastructure programs will enable the economy to recover. Throughout this unprecedented crisis, NEDA has advocated for the safe reopening of the economy on a risk-based approach. This is one of the many ways to contain the spread of the feared virus to recur so that people and the economy itself interplay, thereby, the need for recovery is certain. All the experience difficulties such as loss of productivity will now be in full recovery.

Method

Since the researcher is a "Frontliner" documentary, ethnographic analyses and triangulation test validation for the period of two years covering 2019-2021. Records and reports on the convergence of information from the survey of the micro-small and medium enterprises (MSMEs). Thus, their executive reports received descriptively were triangulated to the ethnographic notes by the researcher within the period specified. Since the study deals on the economic phenomenon of transformation: "thinking beyond the drawback to societal change in Mindanao, "VERITAS" (truth) on the quali-quantitative data, exchanges of ideas, and other prepondering shreds of evidence with the observation made were taken into consideration particularly, interviews and surveys within Misamis Oriental Philippines. This is to counter-check and ask for the confirmatory revalidation of the veracity and credibility of the respondents during the interplay of the documents. The two hundred (200) direct informant was "interviewed" through "Google meet," "Skype" and messenger whichever is made possible to every location focusing on issues covering the study. The identified area of the study was purposively randomized. Data tracing, and data triangulation were made to ensure the validity and its relevance to the findings of the study. The instrumentation used multimedia infrastructure and superhighways were assessed and evaluated thus the following findings are:

Findings and Discussions

The economic phenomenon of transformation: thinking beyond the drawback to societal change in Mindanao considers 1) economic mobility 2) poverty 3) income inequity 4) poor health care 5) sustenance 6) income degradations are major factors that people feel and experience during the attack of the pandemic, thus, the finding below are:

Economic mobility

The crisis that hit all over the world is not just an ordinary test of time. People experience the so-called economic mobility which describes someone's well-being changes over time. The pandemic holds on the chances and opportunities to enjoy life for quite a time since the normal way of finding the source of living tremendously shape the abnormality in which one has no choice rather than adhering to it. It is always a dream for everyone to have the mobility to improve their lives in the upward direction that signifies a positive reaction to their economic standing. Businesses are now free to explore and start all over again to their normal, however, obstacles blocks along the way as the footprints of pain and struggles remain, challenges and some form of adjustments requires and the past events dreaming for business stability becomes a memory. The business enthusiast are in glory since freedom to do things is evident, the long way and the battle of the beginning wave, and certainty of becoming normal is yet to be tested. The department of trade and industry-fair trade enforcement bureau (DTI-FTEB) sees some positive views on

the resumption of businesses however, some constraints were born timely due to some untoward events such as the conflict in some other countries that create a domino effect to the business.

The full resumption of business as demanded by the Philippine Chamber of Commerce and Industry (PCCI) was granted by the government to places where there is no significant report on virus infections purposely to pave the way of the long agony for the businesses. The country now seems to go back to its normal life despite some reports on infections. Gone are the days when restrictions govern the day-to-day business operations. It started with controlling the movement of people, allowing businesses to operate in a limited capacity intended to balance the economy. Many businesses become closed shops for having difficulty in maintaining their operational requirements. Many labor forces lost their job as a result of business closure decisions. Now that the full capacity requirements are already in effect, businessmen still find it difficult to adjust since there is a mismatch when it comes to consumers buying intentions. An interview with the businessmen from the micro, small and medium enterprise (MSME) found to have something in common as they always say that although businesses now come to normal, people/consumers have limited purchasing power which in effect, business is not that productive nowadays. Prices of all commodities continuously increasing while consumers do not have enough to acquire things in volume since resources are very limited. Another group of businessmen also find it difficult even if the freedom of people now is in full scale due to economic imbalance. This economic trauma believes to dominate the economy which requires the government to take an initiative in finding some tactical solution. The hope and the people's battle cry to be free from all levels of restrictions does not bring a positive effect to business as well as the economy where change remains to be seen and business development depends largely on how consumers respond. The economic mobility that leads to business success faces a lot of challenges as it adjusts to the new chapter of business dealings.

Poverty

The absence of opportunity/chances despite hard work results in poverty. Working hard versus working smartly comes in different views. Traditional people still practice the working hard principles in life which in turn, did not give a substantial return to invested time and effort that remains a challenge. In the past decades, the proportion of households living below the official poverty line has declined slowly and unevenly. Before the pandemic, economic growth has gone through boom and bust cycles and was exhibited by great expansion as an indicator of economic stability. Since the economy is working well, people, businesses didn't find it as heavy as it was experienced during the pandemic. There are a lot of reasons why people experience poverty and these are greatly affected by low to moderate economic growth. Added on to the weak employment generation and the quality of jobs generated. The high inflation rate as experienced today as the economy starts to open contributes a lot to why the poverty level is high. It was also reported that high population growth is contributory to poverty as it creates a mismatch between the family's capacities to provide for their needs.

There are efforts done by the government and another initiative for poverty reduction however, it did not translate to the intended results. In a study conducted, poverty is linked to educational attainment since the stakeholders (the parents) do have not enough capacity to build up funds for education. While it is true that the government exhausted the possible resources generation to provide free and quality education, at this present time where the pandemic strikes, providing free education is not even enough since different need arises attune to the changing times. Expanded efforts of the government to comprehensively analyze the potential cause of poverty to accelerate a reduction and achieve more inclusive growth but still poverty is evident. A report from the national economic development authority (NEDA) shows that 23.7 percent categorizes as poor Filipinos in the first semester of 2021. This means that those Filipinos who fall under this category whose per capita income is not sufficient to meet their basic food and no-food needs are said to be on the poverty level. Comparing this information to past years where we are free from experiencing the pandemic shows a figure lower than the current year where pandemics invaded the country.

There are many reasons for poverty and why people are becoming poor. The mismanagement of the state means that even if you are a talented person but you are not empowered, efforts result in nothing. Not being able to get a good job which means the generated income is not stable and not enough for the family. These are the constraints experienced by micro, small and medium scale businesses (MSME) as a societal response as they operate in full capacity. They have all the aspirations to business recovery however, they are challenged and forced to embrace the tremendous economic change. They have long been awaited time since the pandemic strikes the whole economy as of the present did not even give some positive signals for the business and the economy to grow. The inflation rates caused by unending increases in the price of all commodities bring forth an unfavorable effect to them. By examining the flow of the economy, it's about time that the government should look into the possibility of dissecting appropriate initiatives that will somehow solve the problem. It is therefore believed that the continued increase in the price of a commodity is not helping in any way to solve the poverty problem in the economy because the impact of this economic misfortune turn to a negative effect on businesses who in one way or the other helps people uplift their living through salary increase where businesses cannot do that due to the current economic condition.

Income inequality

As the pandemic strikes, it gives a tremendous effect on people as they often experience uneven income generation despite the hard work. This unfavorable effect is due to the economic instability coupled with the uncontrollable movement of commodity prices. The variety of classifications of people denotes different levels and ways of generating income. It can be gleaned clearly that education is the common measurement and assumes that when one is educated, this tantamount to be potential in acquiring good paying job that addresses the inequality of income. This income inequality is usually experienced mostly by ethnicity, gender, geographical location, and occupation.

The national statistical coordination board (NSCB) came out for the first time sometime in April 2022 with estimates of poverty incidence for the first semester of 2012 based on a family income expenditures Survey (FIES). The estimate showed that a portion of poor Filipinos remain unchanged and, thus, perplexed the government considering that all its effort is geared towards poverty reduction. Having experienced the income inequalities give an agony to average earning people since they work and exhaust more than the normal way to meet the basic daily needs. Most of the stakeholders nowadays find it very uncomfortable considering that the new normal life gives them the new challenge and adhering thereto demands a lot of time and adjustments. An interview conducted by different groups of identified respondents comes in common predicaments that life in the new normal is not that easy. Students today choose to continue the new normal learning approach because, for them, this concept/practice helps them save some amount of expenses that is shouldered by their parents. Another group of stakeholders came out with their views about their student's opinions and they agree with their ideas. Although, since we are not ready enough to embrace the new normal learning modalities, the learning dimensions and methodologies can be sacrificial. Quality learning as it is the primordial concern between the government and the students now comes as a matter of learning attitude. Income inequalities are not solely the impact brought by the pandemic since before the virus strikes, this problem exists however, it doubled resulting in exacerbated many complications not only to the low-income groups but also to including the business sector. In general, this income inequalities problem is a global concern however, those countries with a large population are vastly affected. When people are affected due to economic difficulties, it will also affect the business sector like the micro-small and medium enterprise. The success of every business endeavor lies largely in how consumers (the people) actively react to it. Their active reaction has something to do with the stability of the income-generating process that also depends on how good is the economy they are in. Government stability is also dependent on how businesses perform. If a business fails to meet its requirements, it will create problems in terms of paying taxes, a business cannot cater to the need for employment due to salary requirements. Henceforth, this requires an effective government intervention to prevent the massive rise in

poverty levels. A well-defined course of action is needed to appropriately address the income inequalities and achieve a significant redistribution model through the application of tactical planning analyses.

Poor health care

The believed post-pandemic and the resumption of the new normal where businesses are in full-blown status, people and the micro, small and medium enterprise still feels the uncertainty in its operation. For them, the (MSME), are worried about the health care of the employees considering that they are aware of the potential cost in the event their employee experiences sickness. In the case of the employee, they are also concerned about how to deal with if any member of their family undergoes some clinical diagnoses and have fear of financial requirements as this does not define how big their take-home pay is.

The government, the Philippines in particular has a plan for the universal health care (UHC) system designed to strengthen through the collaboration of some experts and of the private sectors. This mandate is intended to and a part of the expanded primary care that somehow meets the growing population. Strategies were imposed to tackle different types of diseases to aid the need of the people belonging to the low-income classes. Although, this initiative experience some constraints due to a shortage of financial, medical, and human resources as the pandemic spread, although it is not that sustaining, but still places further pressure on health care infrastructure. Medical care is regulated at the national government level by the concerned agencies like the Department of Health (DOH). They, the (DOH) are tasked with developing the national health plans, setting the technical standard, building capacity, and issuing guidelines to providers and the public. All this initiative done by the government is well appreciated by the stakeholders however, the viewpoint among the group of the business sectors shows that this is not enough to cater to the numerous volume of people. As experienced during the pandemic, manifest an evident shortage and the government itself perform extraordinary efforts to meet the need of the society resulting to drain out its financial resources. This is generally the contention of the business sector especially so, that the economic condition during its assumption does not give some signal of stability due to the emerging challenges in the economy as a whole. They even have provided the so-called health insurance through the Philippine Health Security Corporation, known as PhilHealth however, its coverage is not even enough to cover when one experiences a prolonged illness due to some sort of limitation. An interview conducted with the group of businessmen as the subject of the study shows that the initiative done by the government is quite good and focuses a lot on societal well-being, a modification of the program is needed to supplement the capacity of the business operators in terms of premiums paid for their employees to ensure their security requirements. In general, when we talk about poor health care in the business perspective especially those who are in the micro-small and medium enterprise, their worries if in the event the pandemic strikes back to the environment, their business operation will probably be affected due to the difficulties to cater health care which in turn, their drawback entails an amount of time and money.

Sustenance

Since the employment status of most laborers is affected, the nutrition for health requirements is also in a dilemma as the financial constraints pave their way towards achieving it. In the Philippines, poverty and pervasive malnutrition are not limited to families of the deprived seasonal workers. It also includes the undernourishment and found to be endemic and increasing throughout most of this archipelago of some 7100 islands, and is compounded by the prevalence and health are at risk. This happens when workers are deprived to endure the required nutritional value in the food they consumed including the rest of the family members where it has been recorded an average of about 5-10 percent experience eating a lack of nutritional value due to financial limitations. This problem is often observed and prevalent in places like rural villages

and city slums where many people consume food and undermine the quality of mineral contents due to their financial capacity. According to the Philippine Ministry of Health (PMH), nearly one-half of all reported deaths are among young ones ranging from age 4, and about one-half of all reported are those accelerated death rates among those ages 5 and younger resulted to malnutrition. Poverty is the culprit and is considered as the major factor among others. The undernourished and truly poor of the Philippines number about one-half of the population. Although dispersed throughout the most archipelago, there are different sources of its occurrence. It is also one of the major causes of malnutrition is having a huge number of family members to cater to. In 2022, the Philippine population registered 112,109,494 total population, and the majority of these figures fall under the poverty line. The increasing figure is tantamount to increasing all the basic requirements for survival and life is becoming more tedious, more so that life is always accounted for different challenges.

Philippines population growth based on 2015 census data, the registered figure was 100,981,437 which signifies that the population increases by more or less 8 million people compared to the 2010 census result. This is a very notable rate of population increase that demand heavy requirements of food resources to match the need of the consuming environment. A survey using different platforms accumulates a variety of responses to different levels classified as low-income earners. The majority of their responses when asking about nutrition find themselves unaware of what the term is about. They are just contented with what they have in everyday life and enjoy what they have and not considering the components of what benefits may bring for every intake. The majority of these people are most likely to lack education and hence, they are far away from valuing the so-called nutrition. These are the important issues to tackle as we are now entering a new chapter in life. The economy now is open back to its normal, however, it doesn't promise a potential economic reform as we experience such a long time; "lack" in terms of enjoying the normal way of life due to the strike of the pandemic. While it is true that most regions in the Philippines are already declared as level one category in terms of the spread of the virus and thus, business and all other forms of economic life are open. However, whatever the economy represents in the environment, the low-income people are assumed to affect and deprived of the provision of basic services. Sustenance on the part of the business sectors who consider sustenance as a drawback for them because they foresee that having low to lack of sustenance of every labor/workers affect their performance in the workplace. Henceforth, for the low-income earners to alleviate life and experience the so-called nutrition and its components, the government should reach out to these people in a structured and well-defined process and use all branches of government hierarchy since they fear that the economic levels they are in today may come to worsen the situation brought by different underlying factors.

Income degradation

This is the feared effect brought by the pandemic that can greatly affect human daily subsistence as the economy was launched going back to the new normal. Its impact brings different types of deterioration that somehow adds to the difficulty of everyone's lives as it continues to struggle in the life-changing environment. More than 420,000 Filipinos lost their jobs in 2020 as the COVID-19 pandemic affected the economy and forced businesses to close, according to the department of labor and employment. The trajectory effect brought the country's unemployment rate to 10.2 percent, based on the latest Labor Force Survey in the Philippines Statistics Authority. This impact signifies an unreasonable effect on all labor-dependent people and drastically changes the lives of many as it also gives an unfavorable impact on the economy as a whole. The pandemic brings two major effects where income is with no excuse in deteriorating and deprives people of no choice due to the unexpected turn of events. There are 420,000 registered permanently lost their jobs and 4.5 million workers affected by flexible work arrangements and temporary closure.

Although the government agencies concerned such as the Department of Labor allocated an amount of P28.8 million to assist the affected workers with a total of 3.4 million who lost their jobs in formal and informal sectors. This initiative is temporary and sustaining life is somewhat questionable. Having all these

constraints degrades income generation to most labor dependent in the economy. The good governance of the country initiating different infrastructure aimed at accommodating more displaced workers is a noble initiative however, the end does not satisfy the means since there is a mismatch with the requirements. The business process outsourcing was then strengthened to facilitate the need of the working groups but this only provides an opportunity to some talented ones who are considered technological savvy. The economic difficulty brought by the pandemic triggers to allow 15 years old and over to be in the labor force and it was estimated at 73.7 million in total. Due to income degradation or depleting income to every household, the economy is now flooded by manpower with the same vision in mind to explore some economic possibility frontiers just to make a living. Sad but true and can't blame anyone since this becomes a fortuitous event hitting life in all economic standing. Respondents were asked about the status of their income as the economy was open to the new chapter. Sadly, most of them come out with the same predicaments that life in today's environment is uncertain. The recovery in terms of income lies largely on how stable is the economy. Further, they are worried if they will still be able to explore different types of job which is permanent as restrictions comes also uncertain. The feeling of being at stake and prejudice since they consider that as the economy is back, the starting point of every challenge comes. Emotionally bothered since they foresee that their income, given the fact that it is already degraded, the chance of having a better income-generating job is somewhat uncertain. Common predicaments on the part of the business sector concerning income degradation suggest that to ensure employment continuity amidst this uncertain time, the government should find some remedial action in helping the huge number of displaced workers who experience income degradation to transform the economic landscape as we work towards recovery and stability. Helping in finding ways for business sectors in maintaining their operations is one way of reciprocating government and the economy by providing labor allocations that help in building and reshaping the economy back to its antagonistic stage.

Conclusion and Recommendation

The economic phenomenon of transformation: thinking beyond the drawback to societal change in Mindanao brings economic trauma and believes to be critical as it seems in the economy which will require the government to take an initiative in finding a tactical solution. A plan of action that makes the economic mobility that will lead to success despite facing different challenges in adjusting the new chapter of manpower dealings. As inflation pave the way in the economy that causes unending price disturbances, results in unfavorable economic flow that needs a thorough brainstorming aimed at achieving and reshaping the image of the macroeconomics perspective. Income inequalities are not an excuse for being experienced during the pace of economic transformation, hence, require an effective government intervention to prevent the increasing poverty level. The government focuses a lot on societal well-being and it is a must to employ some modifications that will supplement the capacity and security requirements. The economic transformation believe to alleviate lives, in the aspect of educating those low-income earners situated in far-flung areas requires tedious and tremendous efforts from the government reaching them by mobilizing the government hierarchy since they fear that the economic levels they are in today may come to worsen the situation due to different underlying factors. Common predicaments on the part of the business sector concerning income degradation suggest that to ensure employment continuity amidst this uncertain time, the government should find some remedial action in helping the huge number of displaced workers who experience income degradation to transform the economic landscape as we work towards recovery and stability. Helping in finding ways for business sectors in maintaining their operations is one way of reciprocating government and the economy by providing labor allocations that help in building and reshaping the economy back to its antagonistic stage.

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