

THEORY AND EMPIRICAL EVIDENCE OF THE HOUSHOLDS' PERCEPTION OF THE EXTENT OF POVERTY: THE CASE OF 5 BARANGAYS IN THE BLIST AREA

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ABSTRACT

The research argues that how individuals look at poverty is rooted on two causes: (1) income poverty, defined by the lack of employment opportunities and; (2) non-income poverty, defined by the lack of access of individuals to basic government services. Results reveal that households perceived themselves income poor because they have little education. On the other hand, households perceived the government as a job creator in their area. They perceived themselves poor because of lack of employment opportunity. The research employed the logistic regression to test its hypotheses. The paper concludes that education is still highly perceived as the key to poverty alleviation among poor households. On the other hand, households perceived that the government plays a vital role in generating employment for them. This concern must go hand in hand. Even if the individual is highly educated, he/she will remain poor if the government does not charter employment opportunities.

Field: Economics

INTRODUCTION

BLIST stands for Baguio, La Trinidad, Itogon, Sablan and Tuba, considered contiguous areas in the regional center for the Cordillera Administrative Region (CAR) in the Philippines. The BLIST is not identified as a geopolitical entity. It came about when the Regional Physical Framework Plan of CAR was formulated in 1990. BLIST was identified as a major sub-regional area due to the fast urban growth of Baguio City influencing the adjacent municipalities most especially, La Trinidad. It plays a major role in the development of CAR and the North Luzon as the centers for tourism, commerce and education. Thus, BLIST is seen as a planning area.

Planning has been undertaken in the BLIST area in view of rehabilitating Baguio City, which was damaged by the earthquake in 1990. It was thought then that rehabilitating goes beyond restoration and addressing the city's long-term reconstruction. It considers the city's future interaction as well as integration with its neighboring areas.

In 1993, a master plan has been prepared for the development of Metro BLIST. It was prepared by a joint group of European and Filipino consultants following the 1990 earthquake. It considered a larger planning area in view of the influence and integration of development of

other areas surrounding Baguio City and La Trinidad, thus, Itogon, Sablan, and Tuba formed part of the larger planning area.

Planning for the BLIST area has articulated the following areas of concern, especially of what cooperation can provide for the areas in terms of expected benefits. Areas of expected benefits are manifested in the following, such as water, traffic condition, better urban environment, infrastructure development, revenue collections and better economy.

Efforts to make a realization of the plan have been painstakingly done for the BLIST area, but the city and local government authorities still showed apparent lukewarm attitude to spread “bounties” of the areas especially Baguio City. BLIST have not graduated from the ills of urbanization and widespread poverty. The BLIST scenario proves major changes have taken place, justifying the need to revive and realize the benefits of the BLIST plan.

Aware of the existence of the 1993 METRO-BLIST master plan, the Saint Louis University together with VLIR-PIUC following its mandate of mission to transform, aims to revive the BLIST plan by undertaking a 5-phased research program to investigate the intricacies of poverty scenario in the BLIST area. It is hoped that with these series of researches, responsive policy and poverty alleviating program can be realized.

To identify key areas of intervention the local government together with the National Economic Development Authority (NEDA) pursued a comprehensive strategy to understand poverty via the minimum basic needs (MBN).

The primary data enhanced the intuition provided by the table below to take a look at perception of poverty taken from the context of how economic circumstance and government intervention shaped the household’s perception of poverty. The following table presents the bigger picture of the socio-economic circumstances in the BLIST area.

Poverty Incidence

BLIST areas differ significantly in terms of poverty incidence. This is what the NSCB (National Statistical Coordination Board) poverty indicators reveal. Poverty incidence is the proportion of these poor families/individuals to the total families/individuals. Among the BLIST areas, Baguio City has the lowest poverty incidence, which indicates that only 6% of total families/individuals are poor. La Trinidad posted a little higher poverty incidence compared to Baguio City, indicating that 14% of total families/individuals are considered poor. Whereas, Itogon, Sablan, and Tuba exhibited a remarkably high poverty incidence ranging from 30-49%.

The poverty incidence in each of the municipalities can be supported by the following socio-economic conditions.

Socio-economics Characteristics

Employment

Baguio’s economy thrives primarily on tertiary economic activities, particularly on commercial retail and services that support the flourishing tourism industry. These activities generate substantial income for the City from business taxes as well as employment. As of 2005, there were 15,353 legitimate business establishments operating in the City. The three

Table 1
Matrix of Socio-Economics Profile of BLIST (Baguio City, La Trinidad, Itogon, Sablan, Tuba)

<i>Demographic & Socio-Economic Profile</i>	<i>Blist Municipalities</i>				
	<i>Baguio City</i>	<i>La Trinidad</i>	<i>Itogon</i>	<i>Sablan</i>	<i>Tuba</i>
A. Poverty Incidence ^a	0.0673	0.1441	0.3013	0.4910	0.3688
B. Socio-Economic					
C.2 Employment					
C.2.1 Occupation	Service	agriculture	mining,	agriculture	agriculture
C.2.2 Unemployment Rate	12.5	industry 10.7	agriculture	nd	nd
C.2.3 Major Source of Livelihood	teritary	agriculture	agriculture	agriculture	agriculture
C.3 Literacy Rate*	97.64	96.92	nd	93.34	93.99
C.4 Health Facilities					
C.4.2 Hospitals	5	1	-	-	-
C.4.3 Health Clinics/ Centers/ Sbstns.	16	1	nd	1	4
C.4.4 Barangay Health Stations	nd	24	nd	8	15
C.5 Water & Sanitation					
C.5.1 Water Sources					
C.5.1.1 Major rivers/ creeks	-	1	-	3	21
C.5.1.2 Dam/mini- hydros	-	-	1	1	-
C.5.1 Toilet Facilities	adequate	adequate	adequate	adequate	adequate
C.6 Public Safety					
C.6.1 Crime Rate (/100,000 persons)	22.04	17	32.89	nd	nd
C. Demographic					
B.1 Population ^b	252,386	67,963	46,705	9,652	38,366
B.2 Number of Households		13,658	8,588	1,873	7,210
B.2 Density (person/sq.km.)	5,151	9.31	9.93	105	91
B.3 Growth rate	2.31	4.04	2.7	1.05	2.72
D. Physical Profile					
A.1 Land Area (ha)	4,893	8,079.5125	49,800	9,168	43,427.8541
A.1.1 Urban land area (ha)	4,893	2,740.68	1,803.1	-	8,385.0978
A.1.2 Rural land area (ha)	-	5,338.8325	47,996.9	9,168	35,042.7563

Sources: Municipal Profile, BLIST

^a Estimation of Local Poverty in the Philippines, November 2005

^b 2000, 2005 Census of Population and Households

most dominant economic activities are; 47.89% retail trade, 17.37% real estate business and the remaining 17.20% are service establishments.

There are also small and medium scale industries and various handicrafts in the City. Some of these include metal-crafts particularly silver and brass, woodcarving, textile weaving and knitting. Food processing is also growing especially for strawberry products.

The presence of the PEZA in the City has greatly contributed to the City's economy. There are at present 7 multi-national corporations located in the area. It generates about 10,000 employment annually. The total exports generated by the zone in 2005 reached \$2.63 billion. Texas Instruments Philippines Inc. (TIPI) is the most prominent corporation nationwide. It is

not only the highest producer of ICs but also the top dollar earner and it is consistently adjudged as a model workplace with good management practices.

The tourism industry plays a very vital role in the City's economy. Despite the downtrends due to the global crisis and the high competitiveness among destinations in and around the country, tourists continue to visit the City. There are 109 hotels, inns and lodging houses operating in the City with 4,687 lettable rooms. Also there are 1,117 restaurants and cafes that cater to tourists dining needs. The city's natural ambiance remains an integral and indispensable pull factor for local and foreign visitors. And statistics reveals that domestic tourists still outnumber foreigners and *balikbayans* coming up to Baguio.¹

The commercialization of the vegetable industry of the Province of Benguet rendered La Trinidad as the center of marketing activities during the mid 80's. This spurred socio-economic growth for the municipality. Today, with signs of near cityhood, La Trinidad continues to have an agriculturally based economy boasting of its strawberry and flower gardens.²

Itogon bespeaks of a mining municipality. But with the closure of the Benguet Corporation and large-scale mining activities, the municipality of Itogon turns to small-scale mining activities as an alternative source of livelihood, which local officials believe can go a long way. Before the General Agreement on Tariffs and Trade was signed in the 1990s, Itogon was thinking of turning to vegetable growing if large-scale mining stops. But with the problem on importation and GATT, the town finds it difficult to go into vegetable farming.

Sablan and Tuba municipalities' main source of livelihood also comes from agriculture. Recent trends in international trade, however, aggravated the backward state of vegetable production in these municipalities and the rest of Benguet. A case study of vegetable and mining industries in Benguet reported that out of the 50% agricultural employment in the Cordillera, vegetable farming employs about 140,000 people coming from Benguet alone.³ In the Cordillera, some 45,000-peasant households derive their wherewithal solely from the commercial production of temperate-clime crops – mostly vegetables plus a few fruits and flowers. These include the majority of peasant households in the most highly elevated municipalities of the Cordillera, for example are the municipalities of La Trinidad and Tuba. In addition to these are close to 2,000 peasant households that derive their income solely from the commercial production of vegetables, flowers, fruits, root crops, and tiger grass (or broom grass) in the municipality of Sablan.⁴

Trade liberalization has been lethal to agriculture, especially vegetable farming, resulting to high unemployment rates in the LIST municipalities. Benguet vegetable industry continues to encounter problems such as the high cost of production, unstable market, layers of middlemen, declining soil productivity, lack of infrastructure, stiff global competition and the lack of support from the government. Local commercial agriculture is reeling from the blows of import liberalization. In 2001, Metro Manila vegetable traders had stopped buying temperate vegetables from Benguet and nearby provinces due to the influx of cheap imported vegetables and other farm products. From mid-2002 throughout 2003, prices of vegetables remained low. Garden workers from the municipalities adjacent to Baguio sank deeper into the debts they incurred for farm inputs. Hence, more farmers and small traders were dragged into bankruptcy and deeper poverty. In addition, the introduction of genetic engineering by imperialist countries is aggravating their monopoly on seeds and agrochemical inputs. Behind the introduction of

genetic manipulation technologies is the scheme to make our domestic agriculture more dependent on transnational companies in nearly every aspect. Continuing trade policies of the Macapagal-Arroyo government threaten to wipe out local vegetable production.⁵

Literacy Rate

The BLIST areas boast of high literacy rates, much higher than the national rate of 92.3%. There are 259 educational institutions operating in Baguio City alone, managed by the public and private sectors, seven (7) out of the ten (10) major private colleges and universities in the entire Cordillera Administrative Region are operating in the City. La Trinidad's source of educational pride is the Benguet State University (BSU), the only university of Benguet. Sablan and Tuba also registered high literacy rates of 93.34 and 93.99 percent. The high literacy rate in the BLIST area is attributed to the intensified campaign on the government's education for all programs. (Source: http://www.cdsea.org/db/cds_city)

However, recent findings reveal that the small budget for public education affects all public elementary and high schools not only in the city but the neighboring municipalities. The government's meager budget for state universities and public schools means a yearly slice of subsidies, pushing these public institutions to further privatize. For instance, in the municipality of La Trinidad, the municipality cited as an example the efforts of the town in constructing additional school buildings just to learn that the facility could not accommodate the still increasing number of school children. Department of Education (DepEd) has no funds to hire additional teachers; the municipality has taken the initiative to engage the services of volunteer teachers, spending P2 million just for the honoraria of the volunteer teachers and another P2 million for the day care workers.

Health

Health service is becoming too expensive and out of reach for sick rural folk here in the BLIST area. This is attributed to the lack of physicians and nurses especially in the rural areas. Except for the six tertiary hospitals in Baguio City and one in La Trinidad, the rest of the municipalities lacked doctors and nurses because few medical practitioners were willing to be assigned to the countryside. Doctors and nurses prefer to work in cities because of higher wages and better benefits. Because of the situation, rural folk have to spend thousands of pesos just for transportation and lodging in Baguio City, making it treatment for minor illnesses too expensive. The large number of people seeking medical attention in Baguio's main hospitals, she added, was also depleting the city's medicine stocks because patients prefer to go to the city instead of seeking treatment at the municipal or district hospitals for lack of doctors.

At present, the Baguio General Hospital and Medical Center average 352 patients a day. Another 681 people seek medical consultation at the hospital daily. Because of the situation, Benguet administration would focus on the delivery of health services in rural areas by improving the medical facilities of local government units.⁶

Addressing the rising cost of health care and to help poor patients cope up with the high cost and negligible allocation for health services is the idea of resurrecting cooperative hospital by a group of Baguio-based volunteers. Originally conceptualized and launched in 2003, the coop hospital now boasts of some three-digit membership. This coop hospital widens the health

service not only in Baguio City but its neighboring municipalities, La Trinidad, Itogon, Sablan and Tuba.⁷

Water and Sanitation

Three water sources are now located in the BLIST area. Budacao spring and waterfalls are situated in Tuba, the Mohawk water sources at Baguio Gold Mines is located in Itogon, and the Irisan spring in Sablan. Currently, these resources provide enough supply for drinking water in the area. The major challenge in the metropolitan arrangement in BLIST is how to bring an adequate water supply in the increasing requirements of Baguio City because of its continued rapid urbanization and development. Increasing population in Baguio City is cited as the main cause of the city's water shortage. Architect Alabanza, former NEDA-CAR director, pointed out that Baguio would eventually source its water from neighboring municipalities to meet the water shortage.⁸

Mercado, *et al.*, recognized the water sources and water distribution as one of the most daunting challenges for Metro BLIST. The water supply is inadequate to meet the levels of demand in the area. Water supply problems include production and distribution within the BLIST area. The most serious water problem is felt in Baguio City due to its topography constraints and aggravated by an institutional problem. The current supplier in Baguio City, the Baguio Water District (BWD), is believed to exploit water resources in neighboring areas but does not take responsibility of serving the needs of areas outside Baguio City leading to serious conflicts with neighboring municipalities.

Demographic Characteristics

Population growth rate proved to be rising for the five municipalities. Cited in the master plan of BLIST area, 1990-1995 growth rate in the whole area is a little higher than the national average, but unevenly distributed across each of the political units. While Sablan is growing at a modest rate of 1.05, Baguio City and La Trinidad are experiencing rapid growth of more than 4%. The rest of the municipalities showed a high population growth rate, exceeding the national level and far exceeded government target of 2%. Baguio City has the smallest land area among the municipalities, but it has the highest number of persons counting at 252,386 as of 2000 census, resulting to a very high density ratio of 5,151 per square kilometers. The United Nations Population Fund (UNPF), in a study with the regional Population Commission (PopCom), recommended the development of the towns near Baguio. The study showed that with a land area of 50 square kilometers, Baguio could no longer add more people to its growing population. Baguio City, according to the study, has surpassed its original design capacity of 200,000 people. The study identified Baguio's huge population as the main cause of the city's water shortage, air pollution, forest denudation, traffic congestion, and other urban woes.

Surprisingly, La Trinidad posted a very high average population growth rate of 4.04, almost doubling the growth of the rest of the municipalities. According to the 2000 census, it has a population of 67,963 people. But recent findings of UNPF and PopCom showed that Baguio City's neighboring areas, particularly La Trinidad, are also affected by overpopulation and migration. Today, La Trinidad is manifesting the same urban problems of vehicular traffic, lack of housing, waste management, and rising criminality.⁹ According to La Trinidad's mayor

Mr. Nestor Fongwan, La Trinidad could not cope up with its growing population that is why the Municipal Government is not aspiring to convert Benguet's main town into a city. With a normal growth rate of four percent, the mayor said it would not be practical for the municipality to aspire on becoming a city because the town needed to double its population for it to qualify for a cityhood status. The local government experiences difficulty in dealing with its current population. There are around 80,000 individuals occupying La Trinidad's 10,000 hectares of land. The mayor clarified, the major cause of the rapid increase in population is due to immigration.¹⁰ Pressures of urbanization and urban development are expected to be experienced in the BLIST areas especially within Baguio City and La Trinidad. On the other hand, Itogon and Tuba municipalities posted an average population growth rate of 2.7%. Itogon and Tuba are considered alternative housing areas to solve the problems of urbanization in Baguio City and La Trinidad.

The primary data enhance the intuition provided by the discussion above to take a look at perception of poverty taken from the context of how economic circumstance and government intervention shaped the household's perception of poverty.

FOCUS OF THE RESEARCH

The research argues that how individuals look at poverty is rooted on two causes: (1) Income poverty¹¹ defined by the lack of employment opportunities and; (2) Non-income poverty defined by the lack of access of individuals to basic government services.

The research agenda is guided by the following specific objectives. The research aims to:

1. Evaluate the socio-economic circumstances of the selected barangays in the BLIST area.
2. Determine extent of the household's perception of root the root cause of poverty using income and non-income indicators.
3. Determine which among the socio-economic profile of the individuals significantly explain the individual's perception of poverty.
4. Determine how each selected barangay perceived poverty based on the identified key indicator of this research.

THEORETICAL CONSIDERATION

Poverty is rooted on several factors. How individuals perceive poverty depends on two factors. The individuals' well being is impaired by his capability to move up (functioning) the economic ladder. This is defined by what they have or what they lack. Along this area, we consider an environment where individuals maximize their effort to improve their economic situation subject to the constrained of their capability. This first factor closely associated to income poverty. The research aims to identify poverty in the BLIST area on the basis of various demographic indicators.

Embedded in this perception of income poverty is the individual's capability to earn income. A very important theory in labor economics defines the earning equation as the relationship between an individual's earnings (M) and his/her individual characteristics (X_1, X_2, \dots, X_n). In developing economies, education (E) is a catalyst for the individual or households to alleviate

them from poverty. This notion of poverty alleviation closely hinged on income poverty. Economic theories predict that an individual's earnings will depend positively on how much education she/he had. On this premise, an individual perceives that he/she will not be poor if she/he had enough education to insure her/his entry in the labor market. This relationship is expressed as,

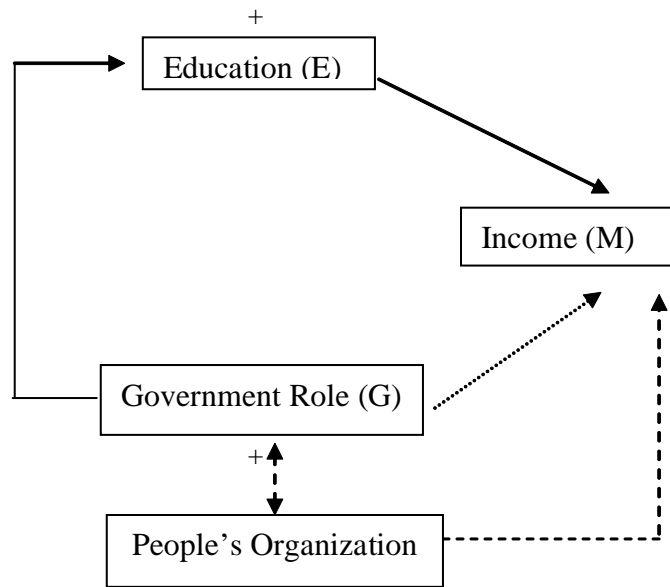
$$M = f(E)$$

and the equation is

$$M = \beta_0 + \beta_1 E + \mu_i$$

In poor economies, access to education is critical. Education as a public good is dependent on the efficiency of the government to deliver this service even in the remote areas (where poverty is more pronounced). While education may directly affect income, the role of the government has an indirect effect on income poverty. Figure 1 shows the relationship,

Figure 1: The Relationship of Education and Government to Income



In the Philippines, primary and secondary education is free through state run schools. The role of government plays an important role through education to alleviate poverty. The perceived inability of the government to provide these basic services indirectly affects the ability of the individual to earn income. Experiences of countries like Malaysia, Korea and Thailand, showed significant change in the households' earning capacity owing to their governments' expenditures on education (Hasan, 2001). Expanding the model,

$$M = f(E, G)$$

and the earnings equation becomes,

$$M = \alpha_0 + \alpha_1 E + \alpha_2 G + \mu_i$$

There is currently broad agreement that the multiple dimensions of poverty cannot be adequately explained or addressed by definitions and measurements based only on income or consumption, which may fail to show the human development outcomes (Sen, 1983, 1990). Thus, the second factor to BLIST poverty is the concept of entitlements and deprivation. Individuals consider themselves poor because they are deprived of basic government services (G) and cannot access what they are entitled to. In a recent study on social assessment in the communities in Ghana, it was found out that the main distinguishing features of poverty included hunger and food insecurity, weak capacity to educate children and access to basic services, inability to honor social obligations, powerlessness and isolation (Korboe, 1998).

Again we consider utility maximizing agents working within the constraint of a larger environment where individuals do not consider only their capability, but the adequacy of an institution or a group of people (P) working through a well-defined mechanism of service delivery to alleviate poverty. The feeling of helplessness is measured as a deprivation of government services in the areas of food and nutrition, health, water and sanitation. Sen articulates that poverty is a deprivation of essential assets and opportunities to which every human should be entitled. Everyone should have access to basic education and primary health services. Poor households have the right to sustain themselves by their labor and be reasonably rewarded and have some protection from external shocks. These rights and entitlements are understood as “endowments” that people have in any society. Sen’s concept of well-being in the form of choice over capabilities is achieved through a combination of entitlements and endowments. Non-income (NM) features to poverty consider the government and/or group interventions. Thus,

$$NM = f(G, P)$$

And the equation is shown as,

$$NM = \beta_0 + \beta_1 G + \beta_2 P + \mu_i$$

The equation shows that deprivation and entitlement, which are the non-income indicators, would depend on the efficiency of the government and the availability of social capital¹² in the community.

The individual is a utility maximizing agent who makes choices under constrained environment. As a utility maximizing agent, he allocates his available resources, Income (M) and non-income (NM) resources to consume goods and services. The individual is a consumer of private goods (X) and public goods (Y). This concept is expressed as a utility function subject to a constrained income.

$$\text{Max : } U = f(X, Y)$$

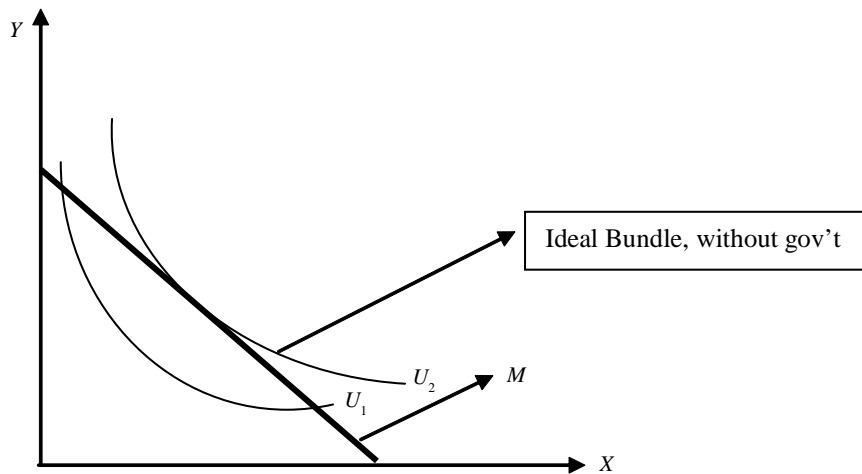
$$\text{S.T. : } Z = P_x X + P_y Y$$

$$\text{Where: } Z = M + NM$$

The basic economic theory, we use to explain the perceptions of the households on the root causes of poverty are premised on the neo-classical school of thought. Individuals are utility maximizing agent working within a constrained means. Individuals make several basket of choices of which they are indifferent to each choice. The basket of choices individuals chooses is ordered in terms of preference with the same degree of satisfaction (utils). The

basket of choice that individuals finally make will depend on his constraints (ability) to pursue his self-interest. In economics, among the most important property of utility is the “more is better rule”. No matter how individuals want more but the constraint is pervasive, individuals dissatisfaction persist relative to the desired level of satisfaction or basket choice.

Figure 2: Utility Maximizing Condition without the Government



Using the diagram, the utility maximizing basket of goods is a combination of food and nutrition, health, water and sanitation and shelter. Initially households acquire the basket of goods based on what they have—their income. A certain level of satisfaction, given the combination of goods/services, is reached if they perceive that income is sufficient to meet this level (represented by curve U_2). Thus, the household is in equilibrium.

Greatest satisfaction is not only achieved when private goods and services are consumed. Satisfaction is best achieved when combined private and public goods and services are consumed. When income is perceived to be a prevalent problem, poverty prevails, thus households do not achieve that combination of goods and services that provides the greatest satisfaction. Government must be present to augment the inability of households to reach a greater level of satisfaction (represented by U_3).

The basket of choices that each household makes is constrained by the individuals' income and the government's ability to deliver the basic services of the individuals. Government augments the basket of goods individuals' desire through efficient delivery of government services. With government services individuals are better off, attaining a higher level of satisfaction (represented by U_2). How fast the government delivers the services depends on how well individuals' group efforts as facilitators of change are institutionalized in the community. If their ability to spend has changed, then consumption patterns will change in accordance with preferences. The expenditure necessary to achieve the same level of utility level, or the appropriate new poverty line, is depicted by line $M + NM$.

Figure 3: Utility Maximizing Condition without the Government

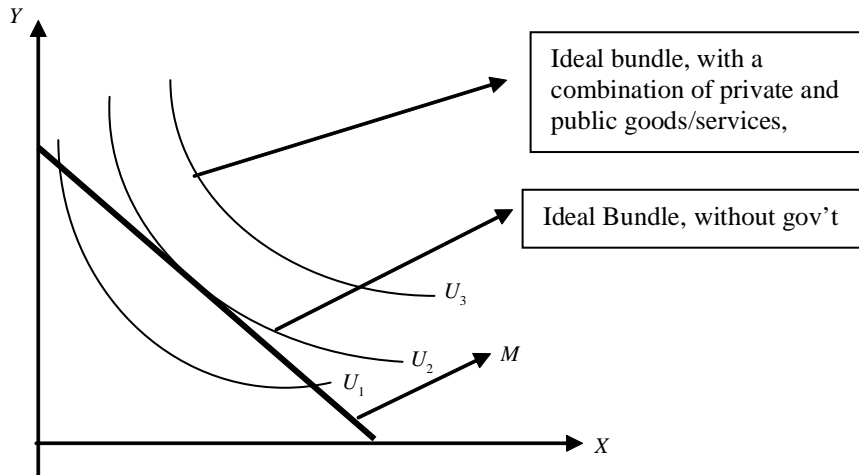
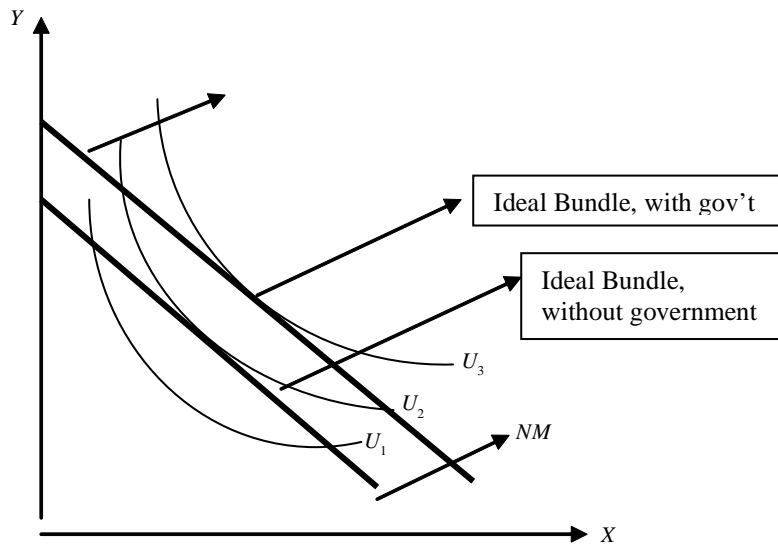


Figure 4: Impact of Changes in Income, with Government Intervention



ANALYTICAL FRAMEWORK

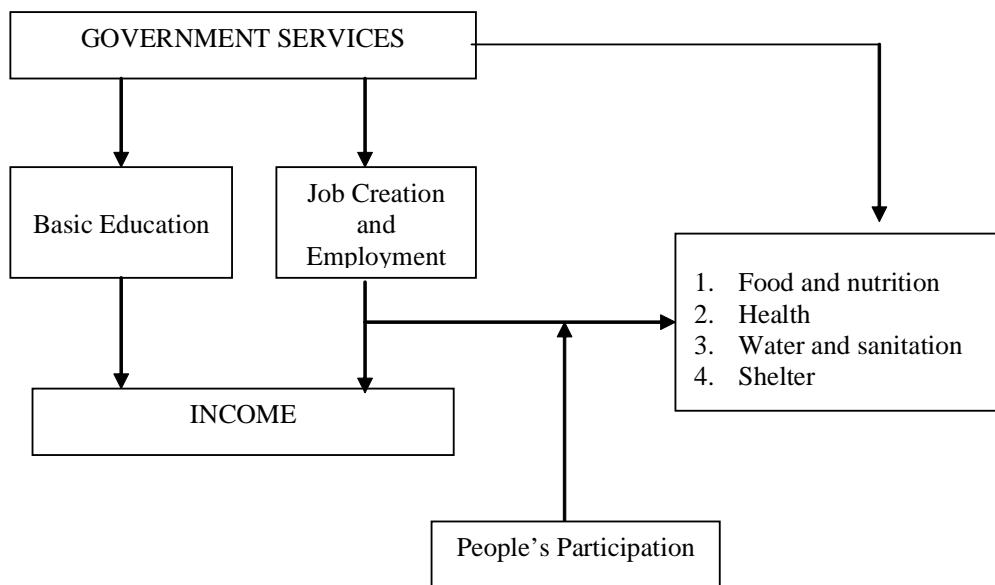
Poverty is rooted on several factors. How individuals perceive poverty depends on two factors. The individuals' capacity is impaired by his capability to move up (functioning) the economic ladder. This is defined by what they have or what they lack. Along this area, we consider an environment where individuals maximize their effort to improve their economic situation subject to the constraint of their capability. The first factor closely associated to income poverty.

The second factor is the concept of entitlements and deprivation. Individuals consider themselves poor because they are deprived of basic services and cannot access what they are entitled to. Again we consider utility maximizing agents working within the constraint of a larger environment where individuals do not consider only their capability, but the capability of an institution or a group of people working through a well-defined mechanism of service delivery to alleviate poverty.

To determine the root cause of poverty as perceived by individuals, the result of the Phase 1 research shall be employed in designing the questionnaire. In the previous study, the BLIST areas rank income as the topmost unmet needs.

The research argues that how individuals look at poverty is rooted on two causes: (1) income poverty and; (2) the lack of access to basic services. The argument is built on the framework shown below.

Figure 5: Design Framework for Analyzing Poverty in the BLIST



To solve poverty, one has to untangle an intricate cycle of root cause. In the diagram we try to trace the root cause of income poverty because of the lack of basic education and job creation and employment opportunities. Both must originate from the government.

The research model takes motivation from the country poverty analysis (CPA). The analytical framework of the CPA blends a more traditional analysis of income poverty with an assessment of access to assets, such as education, employment and membership in an organization. Access to these areas is closely linked to income, government services, and people's participation. Access to various assets helps to reduce vulnerability and to keep people out of poverty. Access poverty, however, is a major problem in the Philippines. The research framework compliments Sen's idea on Capability Approach (CA) to view poverty. The Asian Development

Bank puts Sen's idea of poverty defined as a deprivation of essential assets and opportunities to which every human is entitled. Everyone should have access to basic education and primary health services. Beyond income and basic services, individuals and societies are also poor—and tend to remain so—if they are not empowered to participate including the decisions that shape their lives.

World Bank studies yield results concluding that root cause of poverty is not income, but the poor lacks access to basic government services. Arguments are also rife that the state of poverty depends on how individual perceives his situation. Thus, measures of “how much and how many” are meaningless statistics unless it is evaluated by the individual relative to his utility concept.

METHODOLOGY

Models and Statistical Test

Proposition 1: People perceived themselves not poor because of income, government access and people's participation.

Proposition 2: People perceived themselves poor because they don't have income and access to government services and people's organization.

To predict the probability that a household perceived themselves as income poor and incapable of accessing government services the logit model is estimated as follows:

$$P_i = E(Y = 1 | X_i) = \frac{1}{1 + e^{-(Y)}}$$

Where $Y = 1$ if the household perceived themselves “not poor” and 0 if otherwise. Y is linearly related to the variables shown below:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6$$

The Questionnaire and Method of Eliciting Responses

The research uses primary data to support its argument. The primary data comes from a questionnaire. The questionnaire has two sections. The first section is the socio-economic characteristics of the households. This section elicits the personal characteristics of the household represented by the respondents, the source, and level of their income.

The second section of the questionnaire probes into the household's perception on the root cause of poverty. Five areas were explored, in basic services areas which can be accessed by the households: (1) by purchasing or spending their income; (2) through government services; or (3) both. To thresh out responses the respondents were first asked to answer the questions posed by the enumerator with yes or no. Once an answer is given, the enumerator will then ask the respondent to rate perceived state of poverty. The rating must at least approximate the initial answer of the respondent.

Training and Selection of Enumerators

Well-meaning household survey requires the training and selection of enumerators who are capable of carrying out the survey. The enumerators are not only trained to carry the survey

but they are also oriented of the thrust of the research. This way, the enumerators understands the objective of the survey and when they conduct the survey, they have a good grasp of what is the question all about and why it is being asked.

To insure the quality of data, a two-day orientation workshop was conducted in May 4 and 9, 2007 in Mt. Lodge, Leonard Wood Road, Baguio City. On the first day, the enumerators were given an overview of the poverty scenario of the Philippines, the CAR and the BLIST area. Common measures and concepts of poverty were also discussed. On the second day, the enumerators were oriented on how to accomplish the survey, what are their task and functions and how to accomplish the questionnaire. A mock survey was also conducted to give the enumerators the experience of carrying out the survey. The mock survey was timed to determine the number of questionnaires that can be accomplished during the 10-day survey. Sections of the questionnaires which were not clear were revised and re-worded based on the suggestion of the enumerators.

The Pre-test

The questionnaire was pre-tested in Longlong, La Trinidad, Benguet. Ten respondents were chosen at random. The result of the pre-test was used to test the reliability of the scale used in the questionnaire. The reliability using the Cronchbach-Alpha is 0.94 suggesting the reliability of the scales used in the questionnaire.

Quota Sampling and the Respondents

Three hundred respondents will be involved in the survey with a sample size of 60 in the chosen barangay of BLIST. In choosing the respondents the researchers used the quota method. In employing the quota method, the researchers set a criterion in the selection of the respondent barangay.

1. Safety of the enumerators: The prime safety of the enumerators was considered in the selection of the target barangays. Barangays near Baguio City were chosen.
2. Political implication of the survey: The survey was also conducted nearing the local election in the Philippines. Some LGU's were not responsive when the questionnaire was presented to them fearing that it has some political color. The support of the local official was also very important. Thus, the barangays chosen in the survey has the full support of the local officials.
3. Duration of the survey: The duration of the survey was only ten days, therefore quota sampling is appropriate.
4. Location of the households or respondents: Generally household locations are sporadic in the Cordillera therefore quota sampling was chosen to save on time.

RESULTS AND DISCUSSIONS

After presenting the primary condition of poverty in the BLIST area, the researchers pick one barangay from each of the BLIST area to determine their perceptions of poverty. The succeeding tables answer what is a persistent perception of poverty in the BLIST area.

Table 2
Socio-economic Profile of Selected Barangays in the BLIST Area

<i>Socio-economic Indicator</i>	<i>Variable Description</i>	<i>Baguio: Pinsao</i> <i>n = 60</i>		<i>La Trinidad: Pico</i> <i>n = 60</i>		<i>Itoyon: Ampucao</i> <i>n = 60</i>		<i>Sablan: Camog</i> <i>n = 60</i>		<i>Tuba: Camp 3</i> <i>n = 60</i>	
		<i>Freq</i>	<i>%</i>	<i>Freq</i>	<i>%</i>	<i>Freq</i>	<i>%</i>	<i>Freq</i>	<i>%</i>	<i>Freq</i>	<i>%</i>
Respondent's Authority	HH Head	25	41.7	19	31.7	33	55.0	25	41.7	39	65.0
	Wife	31	51.7	37	61.7	17	28.3	23	38.3	17	28.3
	Children	n.d.	n.d.	n.d.	n.d.	7	11.7	9	15.0	3	5.0
	Blood Relative	3	5.0	2	3.3	2	3.3	2	3.3	n.d.	n.d.
	In-Law	1	1.7	2	3.3	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
	Others	n.d.	n.d.	n.d.	n.d.	1	1.7	1	1.7	1	1.7
Age	Mean Age		43		44		44		42		42
HH Size	Mean HH Size		5		6		5		6		6
Gender	Male	21	35.0	18	30.0	39	65.0	31	51.7	37	61.7
	Female	39	65.0	42	70.0	21	35.0	29	48.3	23	38.3

<i>Socio-economic Indicator</i>	<i>Variable Description</i>	<i>Baguio: Pinsao</i> <i>n = 60</i>		<i>La Trinidad: Pico</i> <i>n = 60</i>		<i>Itoyon: Ampucao</i> <i>n = 60</i>		<i>Sablan: Camog</i> <i>n = 60</i>		<i>Tuba: Camp 3</i> <i>n = 60</i>	
		<i>Freq</i>	<i>%</i>	<i>Freq</i>	<i>%</i>	<i>Freq</i>	<i>%</i>	<i>Freq</i>	<i>%</i>	<i>Freq</i>	<i>%</i>
Educational Attainment	No Education	1	1.7	2	3.3	2	3.3	1	1.7	2	3.3
	Primary Education	6	10.0	14	23.3	14	23.3	21	35.0	9	15.0
	High School	27	45.0	19	31.7	28	46.7	19	31.7	24	40.0
	College Level	23	38.3	19	31.7	16	26.7	15	25.0	22	36.7
	Vocational Course	2	3.3	2	3.3	n.d.	n.d.	1	1.7	1	1.7
	Post Graduate	1	1.7	4	6.7	n.d.	n.d.	3	5.0	2	3.3
Ethnicity	Ibaloi	6	10.0	17	28.3	8	13.3	33	55.0	18	30.0
	Kankanaey	30	50.0	29	48.3	26	43.3	10	16.7	6	10.0
	Lowlander	12	20.0	2	3.3	17	28.3	10	16.7	26	43.3
	Other Ethnic Group	12	20.0	12	20.0	9	15.0	7	11.7	10	16.7

The enumerators generally interviewed the household's head in the municipalities of Itoyon, Sablan, and Tuba, while data were elicited from the wife in Baguio City and La Trinidad. There is no wide variability in the mean age of the respondents.

In all areas, the average household does not significantly vary; average family size is between 5 and 6. Those who responded to the interview were generally female in the Baguio City and La Trinidad, while in the Itoyon, Sablan and Tuba, the respondents were male.

Except for respondents from Sablan, most of the respondents are at least high school or have some college education. Many of those interviewed in Baguio, La Trinidad, and Itoyon are Kankanaey, while the distinct ethnic group in Sablan is Ibaloi. Surprisingly, quite a number of respondents interviewed in the municipality of Tuba are lowlanders. Tuba is also a host to a large mining company in the Philippines, namely Philex, from the 1960's until the late 1990's explaining the large influx of lowland migrants to the municipality. Some opted to stay within the municipality after the closure of the mines.

Table 3
Employment Profile of Households in Selected Barangays

<i>Socio-economic Indicator</i>	<i>Variable Description</i>	<i>Baguio:</i>		<i>La Trinidad:</i>		<i>Itoyon:</i>		<i>Sablan:</i>		<i>Tuba:</i>	
		<i>Pinsao</i>	<i>n = 60</i>	<i>Pico</i>	<i>n = 60</i>	<i>Ampucao</i>	<i>n = 60</i>	<i>Camog</i>	<i>n = 60</i>	<i>Camp 3</i>	<i>n = 60</i>
Occupation	Unemployed	15	25.0	9	15.0	22	36.7	15	25.0	3	5.0
	Agriculture	n.d.	n.d.	7	11.7	n.d.	n.d.	6	10.0	10	16.7
	Laborer/Unskilled Gov't Workers and	15	25.0	11	18.3	6	10.0	20	33.3	16	26.7
	Professional	5	8.3	8	13.3	12	20.0	6	10.0	10	16.7
	Traders/Business	23	38.3	24	40.0	7	11.7	11	18.3	8	13.3
	Agri-fishery	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	2	3.3	n.d.	n.d.
	Mining	n.d.	n.d.	n.d.	n.d.	12	20.0	n.d.	n.d.	12	20.0
	Multiple	2	3.4	1	1.7	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
<i>Socio-economic Indicator</i>	<i>Variable Description</i>	<i>Baguio:</i>		<i>La Trinidad:</i>		<i>Itoyon:</i>		<i>Sablan:</i>		<i>Tuba:</i>	
Status of Employment	Self-employed	21	35.0	31	51.7	9	15.0	19	31.7	20	33.3
	Casual	1	1.7	n.d.	n.d.	1	1.7	12	20.0	10	16.7
	Temporary/Seasonal	14	23.3	10	16.7	8	13.3	5	8.3	3	5.0
	Permanent	5	8.3	10	16.7	18	30.0	10	16.7	24	40.0
	Unemployed	19	31.7	9	15.0	22	36.7	14	23.3	3	5.0
	Place of Work	In the barangay	31	51.7	41	68.3	32	53.3	29	48.3	39
In the municipality		7	11.7	2	3.3	2	3.3	5	8.3	8	13.3
In the province		9	15.0	8	13.3	3	5.0	11	18.3	6	10.0
Other province		1	1.7	n.d.	n.d.	n.d.	n.d.	4	6.7	2	3.3
OFW/Abroad		1	1.7	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	1	1.7

A bulk of the respondents interviewed, view themselves to be unemployed, especially from the municipalities of Itoyon and Sablan. To them the idea of employment is an 8-hour job in an office. A large concentration of traders and businessmen (probably SMEs) are noted in Baguio City and La Trinidad, Benguet. Agriculture and mining activities are not as large as expected, though initial report provides that agriculture is the main source of livelihood in the municipalities of La Trinidad, Sablan and Tuba.

Most of the respondents especially from municipalities of Baguio City, La Trinidad and Sablan are self-employed. Thus, it is expected that the place of work is confined within the barangay where the respondent resides. Based on interviews, some Sablan households derive their source of livelihood from backyard gardening, other households articulated that there is no stable job within the barangay, and even within the municipality.

Typical of a poor existence, households pool their income from several sources. Mean income from wages ranges from Php2,381 to Php11,022. Most of the income levels are however below poverty threshold. Income from self-employment is not as large as income from wages, the lowest at Php649 and the highest at Php5071. This means a small plot for gardening, a backbreaking gold panning or pocket mining on the side or to some vending or driving a tricycle. The data also shows that relatives abroad support most households. Money received from abroad and pension pays do not significantly add or augment household's income, the lowest at Ph152.40 and the highest at Php1915. When this income is compared with the monthly household expenditure, monthly household expenditures are generally large.

Table 4
Source of Income and Average Expenditures of Households in Selected Barangays

<i>Economics Indicators</i>	<i>Baguio: Pinsao n = 60</i>	<i>La Trinidad: Pico n = 60</i>	<i>Itogon: Ampucao n = 60</i>	<i>Sablan: Camog n = 60</i>	<i>Tuba: Camp 3 n = 60</i>
Mean Income from Wages	3722.78	2381.78	8778.41	4174.33	8941.45
Mean Income from Self-employment	3774.32	5071.23	649.12	2532.70	3274.27
Mean Income from other sources	2974.37	8387.90	415.72	2215.95	n.d.
Mean Subsidies - Abroad	953.30	1582.40	1915.87	1549.13	1349.20
- Pension	629.17	407.43	439.78	152.40	385.15
- Others	532.43	1474.13	n.d.	n.d.	n.d.
Mean Household Expenditure	8030.47	9325.00	5262.93	4818.23	7089.83
Mean HH Members - Working	1	2	1	2	2
- Out of work	1	0	0	1	1
- Studying	2	2	1	1	2

There are at least two family members working in each household, while 1 or 2 would perceive themselves out of work. On the average there are at least 1 or 2 members of a household who are studying.

World Bank studies yield results concluding that the root cause of poverty is not income, but the poor lacks access to basic government services. Arguments are rife that the state of poverty depends on how individual perceives his situation.

Table 4 presents the perception of the households respondents of their extent of poverty. In addition, the respondents were asked to rate the extent of their perception why they think they are poor according to the given indicators. The Likert scale of 1 to 5, where 5 is the highest and 1 is the lowest, was used. The households were asked to rate the root cause of poverty as being the main cause (5) to the least cause (1).

The households generally perceived themselves income poor because they cannot afford to build or repair their house. This is the prevalent pattern in all BLIST areas. Most of them feel also that the government does not meet this need. Organizations in their area are not also capable of accessing these services from the government in their behalf. Correspondingly, households articulated that this is the main cause of them being poor (BLIST average mean rating for income is 4.4; 4.9 for government intervention; 5 for community organizations intervention). Housing needs are not met because of lack of income; little/no government intervention and organizations are not present to intervene in their behalf to access housing services.

La Trinidad and Tuba households perceive themselves poor in most chosen indicators of poverty. This could probably be explained by the fact that the municipalities cannot access government services because there are no social organizations to facilitate the delivery of government services but if there are, they are inactive.

World Bank studies reveal that the people's organization can facilitate the delivery of government services. In the Philippine government programs are concentrated on food and water and education. Housing programs are selective and limited to those who have permanent jobs. Government budget per capita in these municipalities are generally lower brought about by low tax collection. Since the local government code devolution (LGCD) in 1991, Baguio

Table 5
Household's Perception of Poverty as to Income, Access to Government Services and Social Capital

Indicators of Poverty	Baguio: Pinsao n = 60			La Trinidad: Pico n = 60			Itogon: Ampucao n = 60			Sablan: Camog n = 60			Tuba: Camp 3 n = 60		
	f	%	Mean Rating	f	%	Mean Rating	f	%	Mean Rating	f	%	Mean Rating	f	%	Mean Rating
<i>I am not income poor because I can afford:</i>															
Housing	*(42)	70.0	4.8	(33)	55.0	4.7	(49)	81.7	4.5	(46)	76.7	4.1	(26)	43.3	3.7
Nutrition	**53	88.3	3.2	49	81.7	3.2	(43)	71.7	2.7	(36)	60.0	3.8	37	61.7	3.5
Health	41	68.3	3.1	(35)	58.3	4.2	(47)	78.3	2.4	(44)	73.3	2.2	(35)	58.3	3.6
Water	54	90.0	3.1	57	95.0	3.3	(55)	91.7	4.4	32	53.3	3.3	36	60.0	3.8
<i>I am not poor because I can access government services such as:</i>															
Housing	(43)	71.7	4.8	(51)	85.0	5.0	(33)	55.0	4.8	(53)	88.3	4.8	(50)	83.3	4.9
Nutrition	36	60.0	2.4	(31)	51.7	5.0	39	65.0	1.9	(37)	61.7	5.0	(33)	55.0	5.0
Health	50	83.3	2.4	30	50.0	2.2	46	76.7	2.2	47	78.3	2.1	(31)	51.7	4.0
Water	30	50.0	2.5	(40)	66.7	5.0	49	81.7	2.4	39	65.0	1.9	(28)	46.7	5.0
<i>I am not poor because we have a social organization to facilitate the delivery of:</i>															
Housing	(46)	76.7	5.0	(52)	86.7	5.0	(33)	55.0	5.0	(52)	86.7	5.0	(39)	65.0	4.9
Nutrition	29	48.3	2.6	(40)	66.7	5.0	38	63.3	2.1	(40)	66.7	5.0	(33)	55.0	5.0
Health	34	56.7	2.7	(39)	65.0	5.0	42	70.0	2	45	75.0	2.0	52	86.7	2.0
Water	(37)	61.7	4.9	(44)	73.3	5.0	45	75.0	2	34	56.7	1.7	(29)	48.3	5.0

* Figures in parentheses means the households perceived themselves to be poor.

** Means the households do not perceive themselves poor.

City is expected to lead the Metro BLIST for mutually beneficial projects between and among municipalities. Obviously, the result shows this has yet to be realized. Efforts to make a realization of the plan have been painstakingly done for the BLIST area, but Baguio City and local government authorities still showed apparent lukewarm attitude to spread its “bounties” to its neighboring municipalities, in particular the LIST areas. Even with the provision of the LGCD providing for highly urbanized cities (HUCs) to supervise the lower class municipalities, the expected leadership from Baguio City remains to be selective and sporadic since the BLIST inception in 1995.

What explains the perception of the households that they perceived themselves to be poor? The data shows that households with low educational attainment (high school and below) highly perceived themselves to be poor. If a respondent is asked and his educational attainment is high school and below, the probability that he perceives himself poor will be 100%. Aside from low income, households are reluctant to approach financial institutions. On the other hand, status of employment and membership in an organization are not significant. The result is quite surprising considering that status of employment is a determinant of income.

Table 5 provides the results of the binary logistics. The research's basic premise is that poverty is created by income and non-income factors. The cause of income poverty and non-income poverty are the results of low education, employment and people's participation. The “lack or presence” of these income and non-income indicators are quantified and verified via their impact on housing, nutrition, health and water.¹³

Table 6
Probability that Households Perceived Themselves Poor as to

<i>Explanatory Variable</i>	<i>Impact Variable</i>	<i>B</i>	<i>Exp(B)</i>	<i>Sig.</i>
Income				
Education	Housing	1.104 (0.274)	3.015	.000
	Nutrition	1.158 (0.274)	3.182	.000
	Health	0.274 (0.258)	3.664	.040
	Water	0.804 (0.269)	2.234	.003
Employment	Housing	-0.616 (0.365)	0.54	0.092
	Nutrition	-0.613 (0.250)	0.542	0.014
	Health	-0.523 (0.254)	0.593	0.04
Membership in an Organization	Housing	0.708 (0.313)	2.029	0.024
	Nutrition	0.118 (0.297)	1.125	0.692
	Health	0.177 (0.293)	1.194	0.646
	Water	0.408 (0.307)	1.078	0.184
Government Access				
Education	Housing	0.271 (0.421)	1.311	0.414
	Nutrition	0.039 (0.258)	1.04	0.878
	Health	0.039 (0.258)	1.04	0.878
	Water	-0.01 (0.261)	0.99	0.97
Government Access				
Employment	Housing	-0.735 (0.350)	0.46	0.036
	Nutrition	0.006 (0.251)	1.006	0.981
	Health	0.006 (0.251)	1.006	0.981
	Water	-0.216 (0.252)	1.241	0.391
Membership in an Organization	Housing	-0.633 (0.421)	0.531	0.133
	Nutrition	-0.638 (0.288)	0.528	0.027
	Health	-0.638 (0.288)	0.528	0.027
	Water	-0.695 (0.293)	0.499	0.018

<i>Explanatory Variable</i>	<i>Impact Variable</i>	<i>B</i>	<i>Exp(B)</i>	<i>Sig.</i>
People's Participation				
Education	Housing	0.568 (0.313)	1.765	0.07
	Nutrition	0.02 (0.258)	1.02	0.938
	Health	-0.9 (0.275)	0.913	0.742
	Water	0.169 (0.261)	1.184	0.517
Employment	Housing	-0.776 (0.337)	0.46	0.021
	Nutrition	-0.91 (0.255)	0.913	0.72
	Health	0.131 (0.270)	1.14	0.627
	Water	-0.053 (0.251)	0.949	0.834
Membership in an Organization	Housing	0.349 (0.341)	1.417	0.307
	Nutrition	-0.795 (0.303)	0.452	0.009
	Health	0.531 (0.333)	1.701	0.111
	Water	-0.559 (0.300)	0.517	0.028

Three significant findings are revealed by the logistic result:

- (1) The level of income is a measure of the capacity of individuals/families to meet specified needs. It is thus, a measure of opportunity for consumption.¹⁴ Income poverty is manifested given low education. The highest odds ratio comes from education. Average odds ratio is 3:1, indicative that 1 in every 3 households would generally perceive that they are *not income poor*. Education proved to be significant explanatory variable of being income poor with impact indicators to housing, nutrition, health and water. This means that there is a decreasing probability of households perceiving themselves to be poor when educational attainment is *above* high school that could allow them to afford requirements for nutrition, health and water. This confirms intuition that, given a low income, priority will be on nutrition, health and water. This also implies that housing remains to be unaffordable among the poor.

The result also provides evidence that households perceive themselves income poor because of low or lack of employment. The average odds ratio also signifies that there are still more households perceiving themselves poor as against not being poor. With low income, households have difficulty in constructing or improving their houses. In the same way, provision for nutritional and health requirements is hard to meet with meager income derived from temporary and contractual basis of employment from agriculture.

There is also an indication from the result that membership in an organization is important to BLIST households to alleviate income poverty but only significant to housing as the impact indicator, with 2 households against 1 household perceiving that they are still *income poor* because of they lack membership in an organization to represent them in accessing housing needs. BLIST households perceive that a civic or community organization can provide the avenue for them to have access to housing. The organization plays a vital role in the representation of the people to gain access to land and housing when income is inadequate to afford them this need of accessibility, whilst at the same time they are denied a voice in local and national decision making that could challenge the systems and structures that perpetuate their exclusion.

- (2) Poverty is not only viewed as income poverty by the BLIST households, but also viewed as non-income poverty. BLIST households perceive that education, employment and membership in an organization are significant variables to non-income poverty. This means that these variables do not increase the probability that they will perceive themselves “not poor”. This means they perceive themselves poor because they cannot access government. Households still expect the government to generate employment for them. In addition, government employment strategies are not responsive to the economic circumstances in the area. For example, prioritizing call centers and factory requiring highly skilled individuals. Most often, such strategies result to displacement of individuals. Closure of mines particularly in Itogon and Tuba, drastically reduced the spill-over effects of the mining industry. Moreso, the impact of trade liberalization translated into low-income with apparent inability of the government to regulate its entry.
- (3) People’s participation, manifested in their membership in an organization, proved to be significant. This means that this variable increases their probability of perceiving themselves to be “not poor”. Community participation can serve as a safety net to secure livelihood, health, and safety, when governments are slow in delivering basic services. Individuals’ ability to attain wellbeing is dependent on resources’ availability and accessibility. Social capital such as organizations can provide mutual assistance and security among poor households. This idea, articulated by Sen, can be thought of as “capabilities” that we bring to bear in the pursuit of wealth, happiness and fulfillment.

CONCLUSIONS AND RECOMMENDATIONS

Education is still highly perceived as the key to poverty alleviation among poor households. On the other hand, households perceived that the government plays a vital role is generating employment for them. This concern must go hand and hand. Even if the individual is highly educated, she/he will remain poor if the government does not chart employment opportunities.

The development of human infrastructure is growing at a faster rate than government’s effort to develop the countryside to provide the much needed catch basin to solve high unemployment in the rural areas.

The research evidence confirms studies of poverty in the Philippines. Poverty reduction challenges persist in the Philippines particularly in the education and health systems. Accessibility to these basic needs is still deficient and is a major issue as a result of urban bias. Education builds the necessary combined capacity for knowledge and understanding that can enable people to move from a position of helplessness to one of hope. Success can only be small scale, however, without political support. And political support must translate into policy implementation alongside further educational awareness.

The responsibility ultimately lies with government to set the pace for change. Thus, there is a need for the government to review the BLIST Master Plan to develop strategies on how the trickle down effect of urbanization can also trickle to the contiguous region of Baguio City and La Trinidad. This is a call to action. Poverty incidence in the Itogon, Sablan, and Tuba area remains to be high while Baguio and La Trinidad enjoys the benefit of rapid urbanization, its neighboring municipality remains impoverish. This is to re-emphasize that future poverty reduction will require a broad, multidimensional focus on income plus access poverty, and on their broad causes.

Notes

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10. Jane Cadalig, Sun Star, "La Trinidad not ready to become a city" (Dec. 11, 2004), <http://www.sunstar.com.ph>.
11. BLIST areas rank income as the topmost unmet needs (Navarro, G et al, Survival, Security and Enabling Indicators of Poverty in BLIST, Unpublished Research, January 2007).
12. Social Capital is the people's organization in the community (DFID, 1999).
13. The choice of these impact variables in the study is consistent with Minimum Basic Needs (MBN) criteria used in the Cordillera Administrative Region (CAR) as a poverty diagnosis of one's state of

well-being for attaining a decent quality of life, basic to a Filipino family for survival, security, and enabling needs.

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