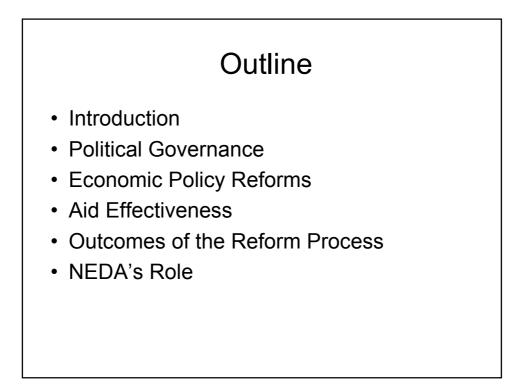
Political Governance, Economic Policy Reforms, and Aid Effectiveness: The Case of the Philippines/Lessons from the Ramos Administration

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Introduction

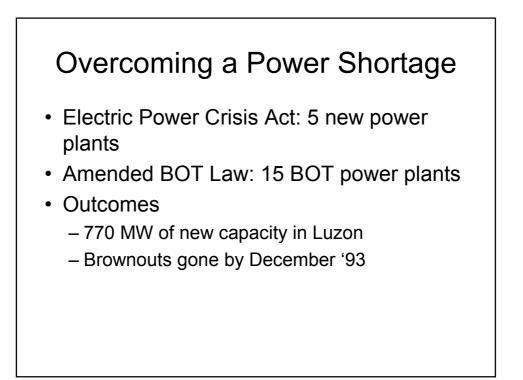
- Tools for creating opportunities and expanding human choices under Ramos administration
 - Political governance
 - Economic policy reforms
 - Aid effectiveness

Political Governance: Challenges and Responses

- Challenges faced by the Ramos administration

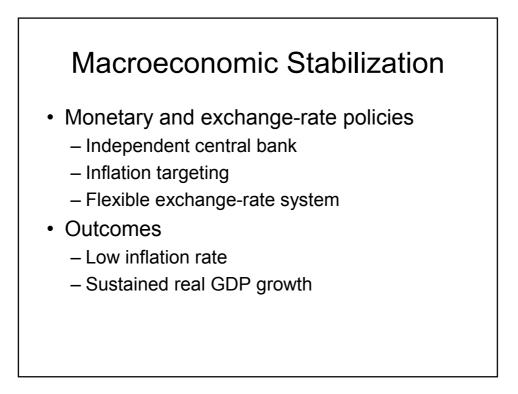
 Political instability
 - Internal and external insecurity
 - Judicial activism in economic policymaking
- Responses
 - Coalition building in Congress
 - Amnesty and peace talks with rebels
 - Judicial appointments and reforms
 - Legislative-Executive Development Advisory Council
 - Multisectoral People's Summit





Macroeconomic Stabilization

- Responsible deficit reduction
 - Spending cuts
 - Tax enhancers
 - Excise tax on cigarettes
 - Comprehensive Tax Reform Act of 1997
 - Privatization
- Outcomes
 - Increased tax effort
 - Consolidated public sector surplus in 1996

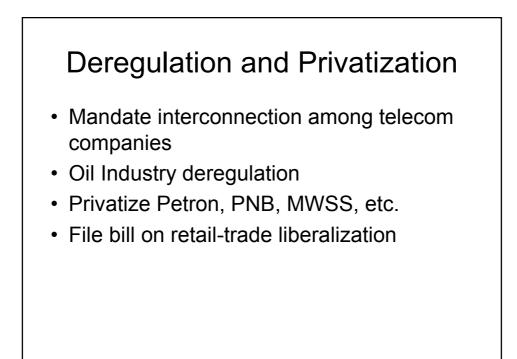


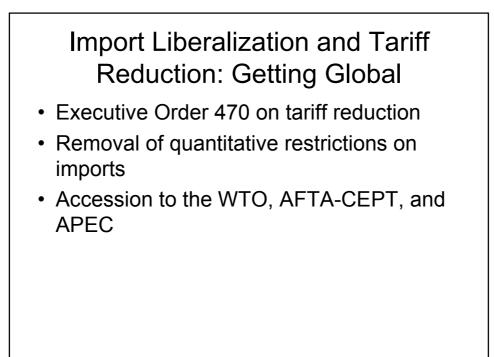
Long-term Industrial Restructuring

- Industrial policy
- Deregulation and privatization
- · Import liberalization and tariff reduction
- WTO accession
- Financial-market liberalization



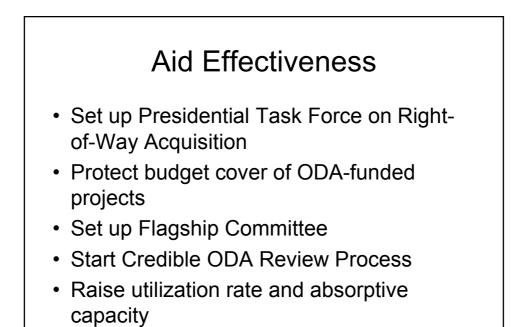
- Raise agricultural productivity
 - Expand access to modern seeds
 - Increase investments in rural infrastructure
- Raise investments in industry and services
 - Enact Land Lease Law
 - Ratify MIGA ratified
 - Trim Negative Lists in Foreign Investments Act













- · Reliance on markets and price signals
- Sustained real GDP growth
- Single-digit inflation rate
- Resiliency amid 1997 Asian financial crisis

