

MOVING OUT OF POVERTY: POOR AND ONCE-POOR URBANITES'
EXPERIENCE OF MOBILITY AND WELLBEING
IN AN URBAN INFORMAL SETTLEMENT IN METRO MANILA¹

Marita Concepcion Castro Guevara
Department of Sociology-Anthropology and Department of Interdisciplinary Studies
Ateneo de Manila University, Philippines

An Overview of Philippine Poverty

Why and how do some poor households in Metro Manila informal settlements move out of poverty and stay out of poverty, whereas others fall into poverty and stay trapped? How do civil society groups, on the one hand, and local and national governance systems, on the other, impact on poor people's experiences of economic freedom?

The Philippines harbored 1.4 million informal settler households in 2000, encompassing some 8.4 million people² (National Housing Authority cited in Yabut 2005; Webster, Corpuz and Pablo 2002, 7).³ More than half of them (52 percent) lived in Metro Manila (ibid). In the 14 cities and three municipalities comprising Metro Manila, 727,000 informal settler households (Yabut 2005), or 4.4 million people,⁴ clustered in hundreds of depressed neighborhoods. This represents 34 percent, or a third, of the 2.1 million households inhabiting Metro Manila in 2000 (National Statistics Office 2003).

Programs aimed at poverty reduction have occupied a prominent part – if not deemed the centerpiece – of every administration in the Philippines since 1986. However, because they are identified with a specific administration, they tend to be discontinued when a new administration takes over (Reyes and Valencia 2004, 10). President Fidel V. Ramos in the 1990s launched the Social Reform Agenda, which consisted of 10 flagship projects.⁵ When President Joseph Ejercito Estrada was elected on a pro-poor platform in 1998, he initiated the *Lingap para sa Mahihirap* (Caring for the Poor) Program.⁶

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² Self-computed, based on an average household size of six members for poor families. While the average size of Filipino families is five, poor families tend to have larger family sizes than nonpoor families. According to the 2000 Family Income and Expenditure Survey by the National Statistics Office, the average family size of poor families is 6 whereas it is 4.7 for nonpoor families (Reyes and Valencia 2004).

³ The Asian Development Bank (1999) has a higher estimate of the number of informal settler households in the Philippines – 2.5 million as against the National Housing Authority's official count of 1.4 million.

⁴ Self-computed, based on an average household size of six members for poor families.

⁵ These ten flagship projects were: (1) agricultural development, (2) fisheries and aquatic resources management, (3) ancestral domains, (4) socialized housing, (5) comprehensive and integrated delivery of social services, (6) workers' welfare and protection, (7) livelihood, (8) credit, and (9) institution-building and (10) effective participation in governance (Reyes and Valencia 2004).

⁶ *Lingap* envisioned livelihood, medical insurance, waterworks, food subsidies, socialized housing, and social welfare programs at the district level, and aimed to reach the poorest 100 families in each of the 78 provinces and 83 cities in the country. However, *Lingap* failed for several reasons: a weak targeting design, lack of consultation and participation of beneficiaries and local government units, and the highly politicized process of beneficiary selection by national legislators (Balisacan, Edillon *et al.* 2000).

Like her predecessor, President Gloria Macapagal-Arroyo vowed to make poverty reduction the cornerstone of her administration. Accordingly, the National Anti-Poverty Commission has drafted a poverty reduction framework anchored on redistributive reform featuring five basic components.⁷ Called *Kapit-Bisig Laban sa Kahirapan* (Linking Arms against Poverty), or KALAHI, the anti-poverty reduction program of the Macapagal-Arroyo Administration envisions a strategy of reaching depressed communities that is *focused, accelerated, convergent, and expanded* (Soliman 2005).

Notwithstanding these programs, poverty afflicts nearly one in three Filipinos. According to official statistics of the National Statistical Coordination Board (NSCB 2007), 30 percent of the population – or 23.84 million Filipinos – did not earn enough in 2003 to meet their basic needs. The figures are even more worrisome if one considers self-rated poverty: 52 percent of Filipino families (roughly 9 million households) considered themselves “poor” or “*mahirap*” in the third quarter of 2007 (SWS 2007). How can the lives of millions of Filipinos be significantly improved?

Although economic growth is often regarded as the pathway to poverty reduction, it does not *always* reduce *chronic poverty*.⁸ While in general and in the aggregate, growth goes together with poverty reduction, it is quite difficult to say how, within a country, economic growth will affect particular regions and communities, such that even as growth is positive overall, “one could find that many people have escaped from poverty while many others have fallen into poverty” (Ravallion 2001, 1811).

Studies that consider data collected over multiple periods for the same set of households are helpful for addressing these gaps in the literature. However, panel studies are few, perhaps because they are time-consuming and expensive to carry out, and can be weakened by significant attrition rates in the sample population. Moreover, although such studies are able to identify which households rose out of or slid into poverty, they pay scant attention to what households are doing by themselves to rise out of poverty. This is because these studies tend to link households’ movement out of or into poverty to factors from the larger environment, and not to households’ aspects of agency (Krishna 2003).

The reality, however, is that the poor usually do not sit idle, waiting for growth or program benefits to trickle down to them. Rather, they are “managers of complex asset portfolios,” which include their labor and human capital, productive assets such as housing, household relations and social capital (Moser 1998). How the poor manage their assets affects their household poverty and vulnerability (*ibid*). As Narayan (2005) points out, “Poor people are the most important resource in the fight against poverty. They have imagination, guts, knowledge, experience, and deep motivation to move out of poverty.”

⁷ The five basic components of the KALAHI anti-poverty reduction program are: (1) asset reform; (2) human development services; (3) employment and livelihood opportunities; (4) participation in governance and institution-building, and (5) social protection for the poorest and most vulnerable groups through targeted interventions, social welfare assistance, safety nets and social insurance.

⁸ Chronic poverty is defined as the condition of remaining poor for much of one’s life course, and probably passing on one’s poverty to subsequent generations (Hulme and Shepherd 2003).

Examining Human Security in Payatas

What is “human security”? According to the Commission on Human Security (2003, 4), it is “protecting fundamental freedoms.... protecting people from critical (severe) and pervasive (widespread) threats and situations.... using processes that build on people’s strengths and aspirations.... creating political, social, environmental, economic, military and cultural systems that together give people the building blocks of survival, livelihood and dignity.”

This study explores the interaction between “human agency” and “social structures”⁹ in the urban poor’s quest for security in their lives. It focuses on Payatas, a 774-hectare informal settlement in Metro Manila that is home to some 125,000 people ([Barangay Payatas Council 2007]). Located in Quezon City, Payatas is known for its 22-hectare garbage dump, which ingests 2,200 of the city’s garbage every day (Westfall and Allen 2004, 40). The majority of households in Payatas rely on the dumpsite for a living – scavenging for discarded plastic and paper recyclables that can be sold to junkshop owners, or rummaging for thrown-away food for their pigs, if not for themselves.

On July 10, 2000, torrential rains caused the mountain-high dumpsite to collapse, burying 200 men, women and children, according to the official count.¹⁰ For days, the attention of the nation was riveted on Payatas. Aid from government agencies and local and international organizations poured in, has kept coming in.

This study endeavors to understand how and why some poor households in Payatas have, in their view, “moved out of poverty,” or “fallen into poverty,” or “remained poor” since 2002.¹¹ Using quantitative and qualitative data collected in two points in time (2002 and 2007), it seeks to learn retrospectively about the dynamics of upward mobility and poverty from the men and women whose households, they say, were “once poor but have moved out of poverty,” or “have remained poor,” or “have become poor,” in the last five years. In privileging the statements, views, experiences, and stories of the “poor” and “once-poor” in Payatas, this research adopts an interpretive approach.¹²

⁹ In his structuration theory, Anthony Giddens (1979, 1984) posits that human agents produce, reproduce, or modify social structures through their actions. In turn, social structures enable or disable human actions.

¹⁰ Payatas residents, however, estimate the casualties of the garbage slide to be around 1,000.

¹¹ I wish to acknowledge my participation in the 2003-04 pilot phase of the Moving Out of Poverty Project, directed by Deepa Narayan, Senior Advisor of the Poverty Research and Economic Management Division of The World Bank. My involvement in this project occurred under the auspices of the Institute of Philippine Culture (IPC) of the Ateneo de Manila University (Guevara, Aguirre, and Racelis 2004). The Moving Out of Poverty Project is a global comparative study in some 20 countries that seeks to examine mobility and chronic poverty over time across different political, social, and economic environments; and to analyze factors that have not been systematically included in previous studies on growth and how it impacts on the poor, namely: social exclusion; social capital and social norms; crime, conflict and violence; and the quality of both local and national governance and democratic functioning ([Narayan] 2003, Narayan 2004, [Narayan] 2006). Although the IPC was involved only in the pilot phase and no longer in the main study (still underway) of the Moving Out of Poverty Project, I would like to build on the pilot study I conducted in 2003-04 by using essentially the same research instruments developed for the Philippine Pilot Study, but focusing this time on another urban poor community – Payatas in Quezon City.

¹² Interpretivism can be traced to sociologist Max Weber (1864-1920), who believes that social researchers should seek to understand the subjective meaning that an acting individual attaches to his/her action.

Specifically, the study seeks to answer the following questions:

1. What are the various dimensions of vulnerability in the lives of Payatas households? Is their existence in 2007 more secure – or more vulnerable – compared to their situation in 2002?
2. How do households in Payatas – on their own and linking up with others – seek to reduce and mitigate the various risks to which they are exposed?
3. What more can be done by the households themselves, civil society, and government to manage these threats?

Gathering and Analyzing the Research Data

Data Collection

In 2002, the Institute of Philippine Culture (IPC) of the Ateneo de Manila University, with support from the Ford Foundation, conducted a research on Payatas. The study included a survey of 125 households, focus group discussions, and interviews. Like the 2002 IPC study, this 2007 restudy of Payatas adopts an *interpretive approach*. Thus, it will seek to understand poverty and mobility from the perspective of Payatas men and women, by obtaining their views and stories through household surveys, focus group discussions, and in-depth interviews.

For this 2007 restudy of Payatas, I renewed ties with as many of the original 125 households that I could locate, to find out whether or not their lives – in their view – have improved since 2002, or turned for the worse, or remained the same. I was able to find and conduct semi-structured interviews with the heads or spouses of 89 (or 71%) of the 125 households. The *household surveys* gathered information on household assets, sources of cash income, expenditures, credit and debt, access to employment and markets, education and health, social capital, perceptions of wellbeing, and aspirations.

Likewise crucial to this research are the *in-depth interviews* which elicited *narratives* of men and women belonging to 12 of the 89 households included in the household surveys. Of the 12 men or women whose household stories I obtained, one says his household has never known poverty (“never-poor”), six perceive their households to have moved out of poverty since 2002 (“once-poor”), three claim that their households were not poor in 2002 but have since plunged into poverty (“now-poor”), and two believe that their households have remained poor (if not have become poorer), since 2002 (“still-poor”). They narrated how their households succeeded in staying or moving out of poverty, or why they fell into poverty, or remain mired in poverty, since 2002.

Additionally, *three focus group discussions* were conducted in Payatas: one with adult men, one with adult women, and one with mixed male and female youth. The focus groups aimed to bring to the fore the participants’ perceptions of life in Payatas in 2007, vis-à-vis how it was five years ago, in 2002.

Analyzing the Research Results

To understand the dimensions of human (in)security in Payatas, this research refers to Carolyn Moser's framework on the characteristics of urban poverty and vulnerability. According to Moser (1996, 9-10, 16-22), life in urban poor communities exhibits these characteristics: unaffordability/high cost of urban goods and services; unavailability, insufficiency, or insecurity of employment; insecurity of land and housing tenure and poor quality housing; vulnerability to economic shocks and to macroeconomic policy adjustments in prices, wages, and public expenditure; inadequate access to services and social infrastructure (e.g., water, electricity, solid waste disposal, health, education); and higher (*vis-à-vis* rural areas) levels of violence, alcohol, and drug abuse.

To analyze transitions out of or into poverty, this study will use Anthony Giddens' structuration theory and Moser's asset vulnerability framework. Giddens (1979, 1984) believes that all *agents* have some source of power and possess the ability to make a difference in the social world. Informed by this insight, this study will examine the various resources or assets which households combine and deploy to eke out a living, if not to move out of poverty. According to Moser (1998), the urban poor possess five kinds of assets: their *labor*, often considered the most important asset of the poor; *human capital*, encompassing the health and education of the poor; their *productive assets*, such as their house; their *household relations*; and their *social capital*, or their social relations based on norms of trust and reciprocity, which the poor can harness to their advantage.

However, Giddens also maintains that *structures* influence agents – they are “always both constraining *and* enabling.” Applying this notion, this research will analyze the various economic, political and social factors that either facilitate or hinder households' attempts to move out of poverty.

Developments in Payatas (2002 – 2007)

Much has happened in Payatas since the trash slide of July 2000. First, there has been an outpouring of aid from the *government* (city government, national government agencies, the Office of the President)¹³ and *civil society*, including nongovernment

¹³ The *Quezon City Government* under Mayor Feliciano “Sonny” Belmonte, through its Social Services and Development Department (SSDD), provides welfare services whose programs include education on family life and parent effectiveness, livelihood training, microcredit, day care services, supplemental feeding, social enhancement of women, the elderly and the disabled, among others ([Barangay Payatas Council 2007]). As for the *national agencies*, the 2002 IPC study and this 2007 restudy of Payatas show that the people are most familiar with and appreciative of the Department of Health (e.g., free immunization, free medicine/vitamins), and the Department of Social Welfare and Development (e.g., scholarship programs, doleouts). Even the *Office of the President* has programs for Payatas. Residents who participated in the 2002 and 2007 household surveys and focus group discussions say that former President Joseph “Erap” Ejercito Estrada visited Payatas several times while he was in office, to interact with the people and to give them relief goods and housing. At present, President Gloria Macapagal-Arroyo has a program offering scholarships to poor and deserving children in Payatas.

organizations (NGOs), faith-based groups, and academic institutions.¹⁴ For example, Gawad Kalinga (To Provide Care), an initiative of the Couples for Christ movement under the Catholic Church, has built 150 houses since 2003, with plans of constructing more houses before the end of 2007. Second, there has been an increase in *people's organizations* in Payatas, with every major residential street having its own neighborhood association. As of 2007, there are over a hundred people's organizations in Payatas ([Barangay Payatas Council 2007]). And third, a new *barangay captain* (local political leader) was elected in 2002, whom residents credit for significant improvements in the community since 2002, especially in the area of infrastructure.

Through the survey and focus group discussions (FGDs) conducted in 2001 and 2007, this study was able to obtain Payatas residents' views on various aspects of their life, and how these changed in the last five years, or since 2002. Guided by Moser's (1996) indicators of urban poverty and vulnerability, the next section will discuss these features of urban life in Payatas: affordability of urban goods and services; employment; security of land and housing tenure; access to services and social infrastructure (e.g., water, electricity, health, and education); infrastructure; the physical environment; and the social environment (violence, alcohol, and drug abuse).

Affordability of Urban Goods and Services

Based on the 2002 survey of the Institute of Philippine Culture (IPC), the high cost of commodities and services was perceived as the thirteenth most serious problem in Payatas, as mentioned by 7.2 percent of 125 respondents. According to Edna, who participated in one of the focus group discussions (FGDs) held in 2001, "The prices of goods seem to be beyond the reach of ordinary citizens. I pity the people – they really can't afford to buy things anymore." Corazon, another 2001 FGD participant, said: "We can't cope with the high cost of our expenses. Life is truly hard, so very hard for us."

In 2007, most of the 89 survey respondents complain about the unabated increase in the prices of everything they need to buy or pay for. "Prices of goods just keep going up," sighs Martin, an interviewee. Almost all said that life in 2007 is harder than it was in 2002. According to Adelfa, who was also interviewed, "Life at present is more difficult than it was years ago because of the sharp increase in prices of goods." Research participants in 2007 say that the Expanded Value-Added Tax (EVAT), which took effect in the second half of 2006, has made the cost of goods and services even more expensive than before.

¹⁴ Among the nongovernment groups providing social services in Payatas are: *nongovernment organizations* such as the St. Joseph's Foundation for the Children and Elderly, Scandinavian Children's Mission (SCM), German Doctors for Development Countries, Rotary Club, Vincentian Missionaries for Social Development Foundation, Inc. (VMSDFI), the Mother Ignacia Social Action Center (MINSAC), Caritas Manila, Philippine National Red Cross, Gawad Kalinga (under the Couples for Christ); *churches* like the Ina ng Lupang Pangako Parish, Mother of Divine Providence Church, Iglesia ni Cristo, International Baptist Church, Breath of Life Tabernacle; *religious congregations* such as the Religious of the Virgin Mary and the Society of Jesus; and *academic institutions* like the Ateneo de Manila University (particularly its units, Ateneo Center for Educational Development (ACED), Pathways for Higher Education, and Gawad Kalinga – Ateneo).

Employment

Based on the 2002 IPC survey, employment was the second most commonly cited problem in Payatas, mentioned by 48 percent of the respondents. A number of residents bewailed that they had neither a job nor sufficient capital to start a small business, and thus resorted to scavenging. Many of them also moved from one contractual job to the next, and hence did not enjoy stability in employment and income.

2001 focus group discussion participants had this to share: “Even though you try so hard, you can’t get a job anywhere – except at the dumpsite. So we just scrounge for things there,” said Ligaya. “I have no joy in life because I’m the only one in my family who has work. How can I be happy, when I scavenge every single day. That’s the only kind of work I can do,” Lilia lamented. According to Marlene, “We really need capital. You won’t be able to act without it. Even if you want to sell vegetables, you can’t do anything because you don’t have money.” Carlos shared, “Companies are closing down. People don’t have jobs, so they resort to hold-ups. Their situation is that desperate.”

In 2007, the lack of employment and capital is as much of a problem as it was in 2002 – if not even more so. Survey participants in 2007 continue to deplore the lack of jobs. They bewail the malpractice of contractualization, which has become even worse in 2007. Says Irma, a female interviewee, “[My son] Raul has not had a regular job since 2000. He tried to look for employment, but... he could never get hired. Now, he has lost all hope of finding a job.” Thus, just as they did in 2002, Payatas residents in 2007 turn to foraging at the dumpsite, when the scourge of unemployment hits them so hard.

There are ongoing efforts to provide jobs and capital to Payatas residents. There are job fairs conducted by the Office of the Quezon City Mayor; skills training (e.g., bracelet making, tie dyeing, throw-pillow making, computer literacy) offered by the Technical Education and Skills Development Authority (TESDA); and microcredit loans (usually 5,000 pesos or US\$111) provided by the Sikap Buhay (Livelihood Initiative) Program of the Office of the Quezon City Mayor (Estrella 2007). However, many remain unemployed or underemployed, and in need of jobs or livelihood opportunities.

Security of Land and Housing Tenure

In 2002, insecurity of land and housing tenure was the fourth most frequently cited problem in Payatas, mentioned by 28 percent of the IPC survey respondents. Joaquin, a participant in a focus group held in 2001, explained the plight of informal settlers like himself: “We here are only squatters, so sometimes the authorities scare us. They say they’ll be evacuating us to somewhere because we don’t own this land where we’re staying. They expect us to just get up and leave and build our houses elsewhere.”

In 2007, the problem of insecurity of land tenure continues to afflict most residents. According to the Barangay Payatas Profile ([Barangay Payatas Council 2007]), “roughly 60 percent of the residents [in Payatas] are squatters needing decent housing” –

although the proportions might be even higher. A positive development since 2002 has been the increase in the number of Community Mortgage Program (CMP) beneficiaries.

Briefly, the CMP is a process by which informal settlers, through forming neighborhood or people's organizations, are able to ascertain the legitimate owners of the land, and acquire the land for their community. For this to happen, the people's organization (PO) negotiates with the different groups involved in land acquisition: (1) the landowners, who transfer the title to the PO; (2) the National Homes Mortgage Finance Corporation (NHMFC), which is the government-owned body that guarantees payment to the landowner and allocates such funds; and (3) nongovernment organizations (NGOs), which assist the residents in organizing themselves, so that the latter can dutifully pay their monthly amortization to the NHMFC (Labastilla 2006, Chapters I and II). Based on this 2007 restudy of Payatas, CMP beneficiaries typically need to pay 400 to 500 pesos a month (US\$100), over a period of 25 years.

The following are some areas which have had CMP household-beneficiaries since 2002: Golden Shower St. in Group One; Bicol St. in Group 3; Group 13; and a few areas in Lupang Pangako (Phase 1, Phase 2 - Blocks 3 and 8). While this is an achievement, the number of household-beneficiaries belonging to these and other areas represents but a fraction of the total number of informal settler households in Payatas. Much still needs to be done in the area of securing land tenure for the people of Payatas.

Access to Services and Social Infrastructure

Water. In the 2002 IPC survey, water was the top or most frequently mentioned problem of Payatas residents, cited by 68 percent of the respondents. They lamented the absence of a water system in their area, or the weak and irregular water supply. Josephine, a participant in a focus group held in 2001, said: "Some of the people here have to dig their own wells." Joaquin, another focus group participant, complained: "You have to buy your own water. Water suppliers charge thirty pesos a drum. You have to call them and wait. We would be so grateful if the government could help. They could at least build jetmatic pumps here."

In the 2007 Payatas restudy, water no longer emerged a major concern cited by survey focus group participants. The period 2002-2007 has witnessed the remarkable installation of water pipes throughout Payatas by the National Waterworks and Sewerage Administration (NAWASA). At present, only a few areas in Payatas are not serviced by NAWASA, and these include Group 13, Violago Homes, and the AMLAC Subdivision. For residents who do not enjoy water in their own homes, they receive water through the water rationing program of President Gloria Macapagal-Arroyo. However, they have to line up for this based on a predetermined schedule (Estrella 2007).

Electricity. In the 2002 IPC survey, electricity was the eighth most frequently cited problem of Payatas residents, mentioned by 12 percent of the respondents. They complained about the high cost of electricity, the absence of individualized metering, illegal tapping by residents, and the lack of electrical posts. Flordeliza, a focus group

participant in 2001, remarked: “The problem with electricity is, even though you don’t consume much of it, you still pay a lot.” Shanita, another focus group participant, criticized the Manila Electric Company, Inc.’s (MERALCO’s) inability to curb illegal tapping: “We end up paying for the consumption of those who steal our electricity! Before, I used to pay 120 pesos a month, now it’s 300 pesos. I keep bringing this up with MERALCO, “Sir, why am I being charged this?” MERALCO then removes these illegal electricity connections, but the following month, they’re up again, and we complain to MERALCO all over again. These people who steal electricity should be jailed to serve as a warning to others.”

Today in 2007, all areas in Payatas are covered by the Depressed Areas Electrification Program (DAEP) of MERALCO (Estrella 2007). However, many residents still choose to tap illegally into their neighbors’ electricity, to elude payment of MERALCO’S installation and service fees. Electricity coverage may have increased dramatically since 2002, but the problem of illegal tapping by residents remains unabated, owing to their lack of income.

Telecommunications. Back in 2002 when the Institute of Philippine Culture conducted a study in Payatas, the use of cellular phones was not yet prevalent in the community. Now in 2007, virtually all households in Payatas – even the poorest – own at least one cellular phone, with Globe and Smart being the most popular service providers. The widespread use of cellular phones has made the selling of phone credits a popular home-based business. Perhaps every fifteenth house in Payatas has this sign on the door: “Globe/Smart pass-a-load available here.”

Not many households in Payatas own a telephone serviced by either the Philippine Long Distance Telephone Company (PLDT) or Bayantel. Fewer still have a computer at home with an Internet connection. However, many *sari-sari* (variety) stores have telephones, the use of which they allow for 5 pesos per five minutes. For Internet services, one can go to any of the Internet kiosks in the community, or to the Internet center on Bulacan St. established and operated by the *barangay* or local government.

Health. In 2002, 8 percent of respondents in the IPC survey brought up health as a major problem in Payatas, and was the eleventh most commonly cited concern in the community. People complained that the barangay health centers lacked medical facilities and supplies, and that their health was poor.

These are what some 2001 focus group discussion participants said: “The barangay health center may be open, but the doctor’s not there in any care,” observed Shem. April added, “Before you’re able to consult a doctor, you have to go through such a tedious process. You have to be at the health center at the crack of dawn to have yourself enlisted. And then the staff tell you, “Just come back another day.” So you got yourself tired for nothing!” Josie complained, “The government health center makes us pay for medicines that they should be giving to us for free.”

In 2007, health remains a major concern in Payatas. According to Barangay Secretary Rosita Estrella (2007), many Payatas children are malnourished and/or

suffering from primary complex. Recognizing this, the *barangay* or local government implements continuous feeding programs overseen by the Barangay Nutrition Scholars (BNS) (ibid.). These feeding programs are supplemented by those carried out by NGOs and some Jesuits. A positive development since 2002 has been the opening of the Barangay Superhealth Center in 2007 in Lupang Pangako – Phase 1, Area B. This is in addition to three other Barangay Health Centers in Area A (Ilang-Ilang St.), Group 3 in Area B (Bulacan St.), and in the Barangay Hall in Lupang Pangako – Phase 1, Area B ([Barangay Payatas Council 2007]). These health centers are staffed by a physician, nurses, midwives, utility aides, and Barangay Health Workers (BHWs) (ibid.). However, Payatas residents, whether in 2002 or 2007, prefer going to the health centers managed by an NGO, the German Doctors for Developing Countries (known in the community as “German Doctors”). This is because the latter provides medicines for free, unlike the Barangay Health Centers which sometimes charge the people for the medicine they give.

Education. The 2002 IPC survey revealed that education was perceived as the ninth most serious problem in Payatas, with 10.4 percent of respondents deploring the lack of schools, facilities, teachers and books, and the fees they have to pay. A related problem pertained to that of out-of-school youth, who become *istambays* or bums in Payatas. This was the twelfth most frequently mentioned problem in 2002, cited by 7.2 percent of respondents.

Let us listen to what parents had to say in 2001 about their children’s education, during focus group discussions held then. Edna shared, “My child goes to Payatas B Elementary School on Narra St. The classrooms are overcrowded – some hold as many as 75, 77, even 80 students. Some children are not attended to by the teacher because they are too many. But this is their situation every day, and so students seem to have gotten used to this.” Edna also deplored the lack of school facilities: “There’s no school clinic. No gym. In fact, there’s even no library.” According to Nenita, “My child attends the Lagro High School, but their classes are not every day. They meet only three days a week. The school lacks teachers and classrooms, that’s why. So my child is in school from 6:00 a.m. to 6:00 p.m., every other day. And of course, if children don’t attend class every day, they lose enthusiasm for school. It’s really better if classes are held every day.” Esperanza complained, “My child goes to a public school, but it’s like he’s in a private school. Sometimes, students have to buy all of the books.”

By 2007, noteworthy developments in Payatas have occurred in the area of education. Take the Lupang Pangako Elementary School, for example, one of four public elementary schools in Payatas.¹⁵ It now boasts of a newly-painted bright yellow façade, and declares itself a “Child Friendly School.” It also has more classrooms (now 42) and more teachers (now 82), as a result of financial support from the Office of Quezon City Mayor Feliciano “Sonny” Belmonte. Today, it has only two shifts of six hours each (6 a.m.-12 p.m., 12-6 p.m.), whereas in SY 2002-2003, it had three shifts of four hours each

¹⁵ Aside from the Lupang Pangako Elementary School in Area B, the three other public elementary schools in Payatas are: Payatas A Elementary School in Group 1, Area A (Ilang-Ilang St.), Payatas B Elementary School in Group 1, Area B (Narra St.), and Payatas C Elementary School in Group 2, Area B (Madja-as St.) ([Barangay Payatas Council 2007]).

(6-10 a.m., 10 a.m.-2 p.m., and 2-6 p.m.) Not only that: its academic achievement also has improved dramatically. Thanks to the dedication of its principal, Benjamin Caling, and teacher training provided by the Ateneo Center for Educational Development (ACED), the Lupang Pangako Elementary School climbed to rank 16 among Quezon City public elementary schools at the end of SY 2005-06, and has risen further to rank 9 for SY 2006-07. This achievement is all the more phenomenal, considering the school was ranked 94 only a few years ago in SY 2003-04 (Ateneo de Manila University 2007).

The public high school in Payatas similarly has improved. Formerly called “Payatas High School,” this has been renamed to “Justice Cecilia Muñoz Palma High School” since 2002. The youth participants of a focus group held in 2007 appreciate this move: “When our school used to be called “Payatas High School,” people we met would look down on us as if we were trash, because whenever they heard the word “Payatas,” they would think of the dumpsite.” Now, they feel prouder of themselves, especially because the person after whom their school is named – Justice Cecilia Muñoz Palma High School – is a heroine in their eyes, known as she was for her integrity and passion for truth and justice. However, it is not only the change in their school’s name that they are happy about: academic instruction has also improved. In 2001, parents complained about the fact that their children had 12-hour shifts (6 a.m.-6 p.m.) every other day; this schedule did not augur well for learning, they said. In 2007, Payatas high school students go to school every day, and enjoy a six-hour shift (either 6 a.m.-12p.m., or 12-6 p.m.).

Infrastructure

According to the 2002 IPC survey, the state of the roads in Payatas was the third top problem in Payatas, cited by 28.8 percent of respondents. Residents complained about the unpaved and bumpy roads, or the road repairs that were left unfinished.

Roads and streets in Payatas have improved considerably since 2002. Upon her election as Barangay Chair in 2002, Rosario Dadulo requested Quezon City Mayor Sonny Belmonte for funds for road pavement. Since then, the major roads in Payatas have been repaired: Ilang-Ilang St. (Area A), San Juan Bautista St. (Area A), Bulacan St. (Grp. 3, Area B), Molave St. (Grp 1, Area B), among others. Pathwalks and footbridges in all areas in Payatas have also been constructed since 2002 (Estrella 2007).

Male and female youth participants (ages 15 to 18) of a July 2007 focus group discussion express satisfaction, not only with the road repairs and creation of pathwalks/foot bridges since 2002. They also praise the construction of new facilities under the 2002-2007 term of Barangay Chair Dadulo, most of which can be found on Bulacan St. in Group 3, Area B: the Payatas Fire Station, the Water Refilling Station, and the Women’s Center – aside from the Barangay Superhealth Center in Lupang Pangako, which had already been mentioned. The FGD youth participants are also proud of their newly renovated and bigger Barangay Hall, located also in Group 3, Area B (Bulacan St.). They also note, with satisfaction, the establishment of more school buildings, and the repainting of existing ones. Finally, the FGD youth participants appreciate the setting up of more street lamps, and feel safer walking on the streets of Payatas at night.

Physical Environment

In 2002, the foul odor that emanated from the mountain-high Payatas dumpsite was so overpowering that it was a supreme sacrifice not to cover one's nose upon entering the community. It is not surprising then that the smoke and stench from the dumpsite was the seventh most frequently cited problem in Payatas in 2002, mentioned by 15.2 percent of survey respondents. These are the thoughts expressed by Payatas children, ages 8 to 13, during a focus group discussion conducted in 2001: "We don't like having a dumpsite here in Payatas.... It stinks.... Sometimes, accidents happen there. We know of people who've died there. My classmate's family, for example. His brother and mother were buried in the trash slide that happened in July 2000.... Also, many children who live near or are always at the dumpsite become sick. They get diarrhea, hepatitis, dengue, and lung diseases from inhaling the smoke and stench."

In 2007, the stench from the dumpsite is no longer as overwhelming, except for a few areas in Lupang Pangako. The youth participants of a 2007 focus group claim that the dumpsite is more orderly and less unsightly now.¹⁶ They are particularly pleased with the "beautification" efforts where the dumpsite is concerned: "There are flowers planted near the dumpsite," they say. The youths are also aware that some Payatas residents who lived dangerously near the dumpsite have been relocated to Montalban – although one wonders about the dislocation experienced by those relocated, and if they have jobs.

Moreover, since the Payatas trash slide tragedy of July 10, 2000, the Quezon City Government, through its Payatas Operations Group (POG), has initiated efforts to transform the Payatas dumpsite into a "model solid waste disposal facility" ([Payatas Operations Group] 2007, 1). A 100-kilowatt Pilot Methane Gas-to-Energy Power Plant was inaugurated by the Quezon City Government on July 10, 2004 (ibid.). Then, exactly three years after that, on July 10, 2007, the Quezon City government launched the Controlled Disposal Facility Biogas Emission Reduction Project. This project promotes the "commercial utilization of the dumpsite gas for power generation," and is "the first Philippine Clean Development Mechanism (CDM) project activity of its kind" (ibid.)

Social Environment (including Violence, Alcohol, and Drug Abuse)

Based on the 2002 IPC survey, Payatas seemed a dangerous community in which to live and raise one's children. Drug abuse was rampant, and was considered the fifth most important problem in Payatas, cited by 24 percent of respondents. Violence in the community was deemed the sixth most serious concern, mentioned by 22.4 percent of respondents, who bewailed the killings, gang wars and riots, trouble-making drunkards, frequency of theft, incidence of rape, and the lack of police in Payatas. Aside from violence and drug abuse, residents were also bothered about the values and attitude of their neighbors, which emerged the tenth most important problem in Payatas. Nearly 9

¹⁶ This is a result of the efforts of the Payatas Operations Group (POG), under the Quezon City Government, "to re-profile the garbage mounds and apply a unique leachate control system ([Payatas Operations Group] 2007).

percent (8.8%) of respondents decried their neighbors' penchant for vices like gambling, smoking and rumor-mongering, the lack of unity, lack of discipline, and parental neglect.

In 2001, focus group participants complained about the fights and killings in Payatas, and the slow response – if at all – of the police to people's calls for help. Auring shared, "There are many killings here. You'll just die like a chicken! No one cares." According to Marlene, "If you call the police while a fight is going on, they won't arrive. When it's all over, that's when they'll show up." Flordeliza added, "The police are hesitant to appear in the scene while a fight is happening. They really won't come near. That's because they're also afraid to die."

In 2007, the incidences of gang/fraternity wars, reported rapes, and killings are noted to have decreased. "It's more quiet now," say participants of a focus group discussion of women in July 2007. Research participants attribute this mainly to the presence of the military in Payatas since the first half of 2007. While militant groups decry the militarization of Metro Manila informal settler communities, participants of the three focus group discussions held in Payatas (involving men, women, and mixed male and female youth) unanimously approve of the continued stay of the military in Payatas. The FGD participants appear to trust the military more than the police: "Some police protect drug lords and pushers. The military, on the other hand, perform community service. They build day care centers, and even fund their construction."

Lastly, it is important to note that an important development since 2002 has been the construction of a Women's Center in Group 3, Area B (Bulacan St.). A Barangay Human Rights Action Officer who arbitrates disputes is stationed there.

Recapitulation

In summary, Payatas, as a *community*, appears to have improved in many ways since 2002. The most notable improvements are in the areas of infrastructure, the management of the Payatas dumpsite, and access to water, electricity, and telecommunications. Education, health, and the peace and order situation also have made strides, although much can still be done in these realms. These developments can be credited to Chair Rosario Dadulo, who took over the reins of the barangay in 2002; the dedication of Quezon City Government officials led by Mayor Sonny Belmonte; the initiatives of nongovernment groups; and certainly, the efforts of Payatas residents themselves to form people's organizations that address the concerns of the urban poor.

Notwithstanding these improvements, however, the majority of households feel insecure and vulnerable. As they did in 2002, poor people in Payatas in 2007 dread that their houses will be demolished, because they do not have titles to the land on which they reside. They also worry that they will not be able to afford the increasing costs of food, their children's schooling, and utilities like electricity and water, owing to their lack of employment. Clearly, securing land tenure, generating employment and livelihood opportunities, and cushioning the impact of the rising cost of urban goods and services, should be the priority concerns where Payatas is concerned.

Household Wellbeing and Transitions Out of/Into Poverty

Assessment of Household Wellbeing

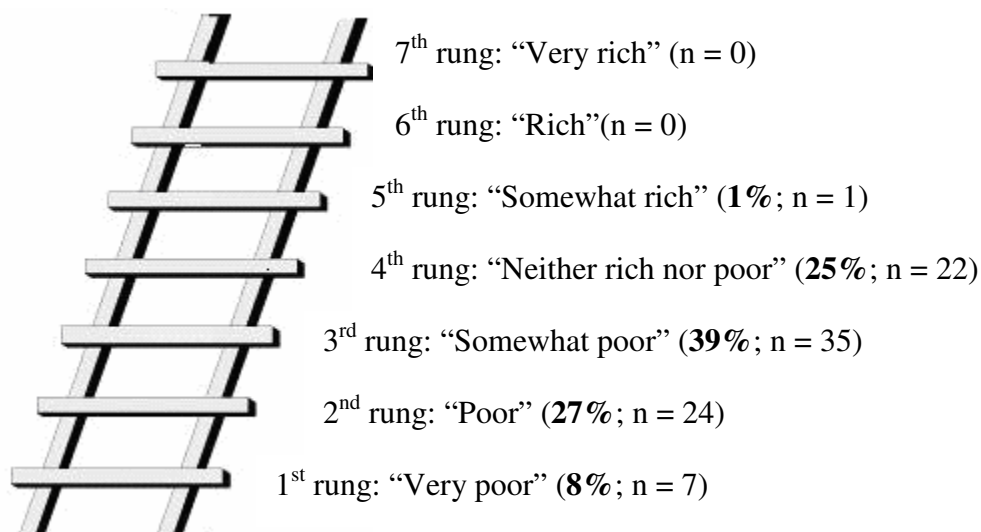
How do Payatas residents perceive their household's situation in 2007, vis-à-vis how it was in 2002? In their view, did they move out of poverty, or plunge into poverty, or remain poor during the period 2002-2007? What factors caused these movements out of or into poverty? To address these question, household surveys were conducted in 2007, involving 89 (71%) of the 125 households surveyed in 2007. The remaining 36 respondents (29%) could not be located anymore because they had left Payatas to move to the province or to another part of Metro Manila.

The 89 respondents included in the 2007 survey were asked to assess the wellbeing of their respective households in two points in time – 2007 and 2002 – with the aid of a visual: a ladder with seven rungs. Each rung corresponded to a level of poverty or wellbeing: “very poor” (1st rung), “poor” (2nd rung), “somewhat poor” (3rd rung), “neither poor nor rich/just have enough” (4th rung), “somewhat rich” (5th rung), “rich” (6th rung), and “very rich” (7th rung). Based on respondents' evaluation of their respective households, 74 percent (66 hhs) considered their family “very poor”/“poor”/“somewhat poor”; 25 percent (22 hhs) perceived their household as “neither rich nor poor/just have enough”; and only 1 percent (1 hh) said his family is “somewhat rich” (see Figure 1).

FIGURE 1

LADDER OF LIFE VISUAL AID DEPICTING DISTRIBUTION OF HOUSEHOLDS BY SELF-RATED POVERTY OR WELLBEING

(Base: 89 households)



Payatas residents who were interviewed regard poverty as a multidimensional phenomenon encompassing economic, social, and psychological aspects. Moreover, they can identify particular characteristics for each level of wellbeing or poverty:

The “very poor” (*“mahirap na mahirap”*). Who are the “very poor”? According to Payatas research participants, they are the ones who “have nothing to eat” and those “who beg in the streets just to have something to eat.” They have “nowhere to live,” and sleep on “the streets, the sidewalk, near canals.” They have “no jobs” because “they were not able to go to school.” Most likely, they “came from the province,” and “knew no one” and had no one to turn to when they migrated to Metro Manila. Moreover, “very poor” households are characterized by their large household size, with seven or eight children, if not more.

The “poor” (*“mahirap”*). On the other hand, “the poor” do not beg to be able to eat, but “strive and work to feed themselves.” Payatas men and women who were interviewed said that in their community, the “poor” are the scavengers – those who “rummage through garbage in the dumpsite.” Scavengers scrounge for recyclable items like plastic and paper, which they sell to junkshop owners for income. They eat “*pagpag*” – “left-over food scavenged at the dumpsite, which they wash in hot water then cook again.” If they have some money, they eat rice seasoned with salt, soy sauce, or shrimp paste (*bagoong*); or rice and cheap fish like sardines; or noodles, which is inexpensive yet filling. Unlike the “very poor,” the “poor” have somewhere in which to live, albeit “small, makeshift houses” built on lots which are not theirs. Hence, they constantly face the threat of demolition. In terms of education, the “poor” finished “only grade one or grade two.” Thus, they cannot find employment and resort to scavenging, from where they “earn little.” The “poor” illegally tap water and electricity from their neighbors, because their income from scavenging is “not enough to pay for electricity, water, and other expenditures.” Like the “very poor,” the “poor” tend to have large households: “Many of them have eight, seven children. They don’t practice family planning. For as long as the woman can bear children, she will keep giving birth,” says a female interviewee. Moreover, some participants claim that a number of those who are “poor” are poor “because they are lazy” and are “always in bed, getting up only when they feel hungry and need to look for food.” An interviewee remarked that it is usually the “woman who works and tries to find a way for the family to survive,” because many of the men are “lazy and into vices,” and “think nothing of earning a living and budgeting their money so that the children could have something to eat.”

The “somewhat poor” (*“medyo mahirap”*). What characterize the “somewhat poor”? Payatas men and women who cooperated in the study said that the “somewhat poor” “have jobs,” although “not permanent.” “Counted among them are construction workers” and “contractual employees who are terminated after only five months,” lest they become regular employees entitled to employment benefits. Thus, the lives of the “somewhat poor” are vulnerable: “If they lose their jobs, they have nothing to eat once again,” says a female interviewee. They eat three times a day but “only ordinary food – vegetables, fish,” although on “rare occasions,” when there’s a “windfall of money,” they manage to buy “some pork and chicken,” As for their housing, the “somewhat poor” are typically “renters in a squatter area.” Compared to the “very poor” and the “poor,” “somewhat poor” households have fewer children: “That’s controlled, around four,” remarks a research participant. The “somewhat poor” also have a higher educational

attainment. Usually, they are able “to graduate from elementary school” and might have even been “able to reach high school, except that they had to drop out for lack of financial support.”

The “neither rich nor poor” (“*katamtaman lamang*”). With regard to the “neither rich nor poor,” or those who “have just enough in life,” Payatas research participants identified them as the ones who have “permanent jobs.” Owing to this, they are not wanting in food: “They are able to eat three times a day at least” because “they enjoy *merienda* (or a mid-morning or mid-afternoon snack),” say those who were interviewed. As for their houses, those who “have just enough in life” “do not pay rent” because they “have their own house.” However, inasmuch as the majority of households in Payatas do not possess land titles, the “neither rich nor poor” are typically still “squatters,” say research participants. They may “have purchased the rights to the land which they are occupying,” and “that’s why they build their houses.” Additionally, they are “able to buy appliances such as DVD players, TV sets,” as well as the “school supplies” of their children. They can afford to pay their water and electricity bills, and “may even have a telephone.” Households which “have just enough in life” mostly “have only two or three children,” notes a participant. Owing to this, among other reasons, they are “able to keep their children in school, all the way through college.” The parents themselves were able to finish high school and reach – if not finish – college. Finally, research participants described those who are “neither rich nor poor” as possessing the ability to make strategic decisions and moves in life (“*may diskarte*”). As noticed by an interviewee, “Those who have just enough in life are not prone to vices. The men of such households know how to provide for their family.”

The “rich” (“*mayaman*”). How did Payatas residents describe the “rich”? They are the ones who have “good jobs,” for example, being a “business man or business woman.” Their prestigious professions or businesses became possible because of their high educational attainment: “They benefited from a good education. They were able to graduate from college. Their education is what they use to prosper,” says a research participant. Payatas residents also observe that the “rich” live in “exclusive subdivisions... and would not live among the poor of Payatas because the rich hate stench.” However, some research participants noted that there are also “rich” people living in Payatas – “the junkshop owners.” Moreover, the “rich” eat “first-class food like beef steak and ham,” and engage in leisure activities like “gambling in casinos, playing mahjong... golf, tennis.” The “rich” are also perceived by research participants as “able to attain whatever they desire, and can afford to indulge their whims.” Unlike the “poor” who worry about where to get their next meal, the rich “don’t have to bother about their material needs.” Some of the Payatas residents who were interviewed envy the comfort enjoyed by the “rich,” but at the same time disdain them. Says a participant: “All that rich people want to do is to make their money grow. They already have so much, yet they want to accumulate more wealth. They are never content with what they have.” Another interviewee remarks: “The rich may lavish money on their family, but often they are not able to attend to their children. They are so busy with earning a living that they leave the supervision of their children to their household help. And so their children, who are neglected, learn vices.”

Transitions Out of or Into Poverty, 2002-2007

Did the households of the 89 men and women included in this study have better or worse lives in 2007, vis-a-vis 2002? How many of them see their families as no longer poor in 2007? Or now poor? Or still poor if not poorer in 2007 compared to 2002?

Based on 2007 survey of Payatas households, there are almost as many participants who perceive their household situation to have improved in the period 2002-2007, as there are those who view it to have deteriorated. That is, 35 respondents (39%) claimed that their family situation “*improved*,” whereas 36 participants (40%) said that it “*worsened*.” Eighteen respondents (20%) believe that their family situation “*remained the same*,” of whom 14 (16%) perceive their household as either “*somewhat poor*” (8 hhs; 9%) or “*poor*” (6 hhs; 7%). This is worrisome, as it means that these 14 households feel that they are as poor in 2007, as they were in 2002 (see Table 1).

TABLE 1
DISTRIBUTION OF RESPONDENTS
BY PERCEPTION OF HOUSEHOLD SITUATION, 2002-2007,
AND BY SELF-RATED HOUSEHOLD WELLBEING/POVERTY IN 2007
(Base: 89 households)

SELF-RATED HOUSEHOLD POVERTY/WELLBEING IN 2007	PERCEPTION OF HOUSEHOLD SITUATION, 2002-2007						TOTAL
	“Improved”		“Worsened”		“Still the same”		
	N	%	N	%	N	%	
“Somewhat rich” (“ <i>Medyo mayaman</i> ”)	1	1%	0	–	0	–	1 (1%)
“Neither rich nor poor” (“ <i>Katamtaman</i> ”)	16	18%	2	2%	4	4%	22 (25%)
“Somewhat poor” (“ <i>Medyo mahirap</i> ”)	15	17%	12	13%	8	9%	35 (39%)
“Poor” (“ <i>Mahirap</i> ”)	3	3%	15	17%	6	7%	24 (27%)
“Very poor” (“ <i>Mahirap na mahirap</i> ”)	0	–	7	8%	0	–	7 (8%)
TOTAL	35 (39.3%)		36 (40.4%)		18 (20.2%)		89 (100%)

Comparing 2002 and 2007 assessments of participants’ respective households, only 7 respondents (8%) regard their households as “*never-poor*.” That is, since 2002, they have viewed their families as either “*somewhat rich*” or “*neither rich nor poor/have just enough in life*.” Sixteen participants (18%) belong to households that were “*once-poor*.” Specifically, they say their families “*have just enough in life*” in 2007, whereas five years ago in 2002, they were either “*somewhat poor*,” “*poor*,” or “*very poor*.” On the other hand, fifteen participants (17%) are from households that are “*now-poor*.” This means they think their families had “*just enough in life*,” if not were “*somewhat rich*,” in 2002, but five years later in 2007, are either “*somewhat poor*” (12 hhs; 13.5%), “*poor*” (2 hhs; 2.5%), or “*very poor*” (1 hh; 1%). Finally, the majority (57%), or 51 respondents, consider their households as “*still-poor*.” This is because during the period 2002-2007, their families, according to the participants, were not able to rise to the rung of “*neither rich nor poor/just have enough in life*,” which represents a certain level of economic sufficiency. Rather, the respondents who perceive their households to be “*still-poor*” in 2007 claim that even in 2002, they were already either “*somewhat poor*,” “*poor*,” or “*very poor*” (see Table 2).

TABLE 2
DISTRIBUTION OF RESPONDENTS
BY HOUSEHOLD TRANSITION OUT OF/INTO POVERTY DURING 2002-2007
AND BY SELF-RATED HOUSEHOLD POVERTY/WELLBEING IN 2007

(Base: 89 households)

SELF-RATED HOUSEHOLD POVERTY/ WELLBEING IN 2007	HOUSEHOLD TRANSITION OUT OF/INTO POVERTY WITHIN THE PERIOD 2002-2007								
	“Never-poor”		“Once-poor”		“Now-poor”		“Still-poor”		TOTAL
	N	%	N	%	N	%	N	%	
“Somewhat rich”	1	1%	0	–	0	–	0	–	1 (1%)
“Neither rich nor poor”	6	7%	16	18%	0	–	0	–	22 (25%)
“Somewhat poor”	0	–	0	–	12	13.5%	23	25.8%	35 (39%)
“Poor”	0	–	0	–	2	2.5	22	24.7%	24 (27%)
“Very poor”	0	–	0	–	1	1%	6	6.7%	7 (8%)
TOTAL	7 (8%)		16 (18%)		15 (17%)		51 (57%)		89 (100%)

Household Stories on Poverty and Mobility

Why are some Payatas households “no longer poor” in 2007? On the other hand, why have some households “become poor” since 2002? Why were some households “never poor” during 2002-2007? Conversely, why did some households “remain poor” – if not “become even poorer” – in the last five years, or since 2002? These questions will be addressed through the narratives of five Payatas residents, based on in-depth interviews with them. Of these five household stories,¹⁷ one features a “still-poor” household, one is about a “now-poor” household, two dwell on “once-poor” households, and one is on a “never-poor” household.

The “Still-Poor” Household

This is the story of the Casiple household, as narrated by the male household head, Martin.¹⁸

Martin Casiple, 49, and his wife, Honoria, are from Virac, Catanduanes, and have been living in Payatas for 20 years now. Eleven people live in their small and barely-furnished house, which they built in 1987 on a lot which is not theirs. Also living with Martin and Honoria are their seven children (5 sons, 2 daughters), daughter-in-law, and grandchild. Martin and Honoria are elementary school (Grade 6) graduates. Of their seven children, only one is currently in school – Jocelyn, who is just in first grade. None of their remaining six children was able to enter college: five are elementary school (grade 6) graduates like themselves, and only one – their daughter Melinda – was able to finish secondary or high school. The couple describes their children as mostly

¹⁷ Although 12 household stories were obtained, only five will be presented in this paper.

¹⁸ The names of the household members were changed, to avert any possible discomfort or embarrassment that the revelation of the plight of this family might bring to them.

“*istambays*,” meaning they are unemployed and just hang around in the house. The oldest son – Jose, 27, married – sometimes scavenges at the dumpsite, but makes very little. Their fourth son, Carlos, 20, occasionally helps out in a slaughter house and earns a measly 200 pesos (US\$4.44) a week. As for Martin and Honoria, they eke out a living by cooking and selling *laing* (vegetables stewed in coconut milk). Everyday, they wake up at 4 in the morning to cook *laing*, peddle this from 6:30 a.m. to 2:00 p.m., return to their house at 2:00 to have lunch, buy ingredients in the market from 3 to 5 in the afternoon, prepare and chop the ingredients beginning at 5 p.m., and call it a day at 8 in the evening. On average, they earn 250 pesos (US\$5.50) a day, or about 6,000 pesos (US\$133) a month, from selling *laing* – “not enough for a household of 11,” says Miguel. He and Honoria rated their household as “poor” in 2002 and still “poor” in 2007. Miguel believes his family’s situation has not changed in the last five years, nor will it change. Prospects for “improving in life” are “dim,” according to him, because “prices of goods just keep going up.” Moreover, except for daughter Melinda who is a high school graduate, he, his wife Honoria, and five of his children finished only elementary school. Only he and Honoria have a regular source of income from their small business of peddling *laing*. “My children are ashamed that their mother and I walk around all morning selling *laing* – but I am not. They should be the ones earning a living, but none of them is employed. So Honoria and I can’t stop working,” sighs Miguel. He wishes he could be granted capital funds to set up a *sari-sari* (variety) store or piggery business: “Just give me 3,000 pesos (US\$67), and I can make this grow,” he says.

The “Now-Poor” Household

The following is the narrative of the Paraguyas, a “now-poor” family, as told by the female household head, Irma.¹⁹

Irma Paraguya, 62, has lived in Payatas for eight years now. An elementary (grade six) graduate, she lived in the province of Siquijor until she was 33. In 1974, she migrated to Manila. She used to live in another informal settlement – Dapitan in Quezon City – with her husband Saturnino, son Raul, daughter Rose, and sister Luz. However, when word got around that the houses in their area were going to be demolished, they transferred to Payatas in 1999.

They were doing reasonably well in Payatas from 1999-2004. After only two months of paying rent on their house, they were able to buy it for 60,000 pesos. (They do not own the land, however, and do not possess a land title.) They invested on the renovation of their house, specifically by extending the living room. In March 2004, Irma set up a *sari-sari* or variety store in her residence. “Sales used to be brisk,” recounts Irma, “and we would sell all kinds of goods, including rice. We used to gross 1,500 pesos a day.” In addition, her husband Saturnino, son Raul, and sister Luz were also earning. Until 2004, Saturnino worked as a tricycle driver plying the streets of Manila. Raul, who took a two-year computer vocational course, made 250 pesos a day, or about 6,000 pesos a month, from working as a computer technician of Nikona Company – until he lost his

¹⁹ The names of the household members were changed, to avert any possible discomfort or embarrassment that the revelation of the plight of this family might bring to them.

job in 2000. Irma's younger sister Luz, who worked in a factory, used to help defray household expenses by buying many of the items that they sold in the *sari-sari* store.

Their family situation began to decline in 2004. In November of that year, Saturnino suffered a stroke while driving his tricycle. He was rushed to the nearest hospital and was confined for five days. The hospital bill amounted to 30,000 pesos, not to mention the maintenance medicine that Saturnino has had to take since then. Irma laments, "His hospitalization and rehabilitation have wiped out our savings. I even had to pawn my jewelry." Worse, because of his stroke, Saturnino can no longer move his left hand, and his speech is at times slurred and unintelligible. He can no longer do any kind of work, needs maintenance medication, and has to be assisted and watched over.

As for their *sari-sari* store, sales began to suffer because of the competition posed by other stores, and also because they did not have enough money anymore to stock up on goods to sell. "My store has become rather bare. What I'm selling these these days is mostly *tsitsirya*, or junk food," says Irma, "and our gross sales are only 200 pesos (US\$4.50) a day – a far cry from the 1,500 pesos we used to gross." Another blow was dealt to the Paraguya household when Irma's sister Luz returned to Siquijor in 2006 to take care of their ailing mother. Luz has not returned to Payatas eversince. According to Irma, "My sister used to help support my family, and so I didn't have such a hard time when she was still around. Now that she's left us.... How I wish she would come back!" Their main source of income at present comes from the meager sales of their *sari-sari* store: "Even if I have to borrow at 20-percent interest rates just so I can purchase goods to sell, I cannot close our *sari-sari* store. What we eat comes from this store," Irma says.

Irma continues: "I would like so much to work, even if only as a household helper. But I can't leave my husband behind." If she cannot leave the house then, Irma hopes someone would give her capital funds of 15,000 pesos (US\$333) to invest on the improvement of her *sari-sari* store – "and also so that I wouldn't need to keep borrowing money just to be able to buy goods to sell." She also wishes her son Raul would find stable employment. According to Irma, "Raul has not had a regular job since 2000. He tried to look for employment, but because he did not have a "backer," he could never get hired. Now, he has lost all hope of finding a job." Thus, Raul does construction and carpentry jobs here and there, and makes 200 pesos (US\$4.44) a day. However, this work is highly irregular: At best, in a month, he works only ten days and earns 2,000 pesos (US\$44) – way below the 6,000 pesos he used to make in 2000 as a computer technician.

Irma rated her family's situation in 2002 as "neither rich nor poor/have just enough in life." Five years later in 2007, she believes her household has become "poor." When asked if she thinks their lives would improve in the coming years, Irma said: "I don't know. I can't tell." All she can say for sure is, "Our life these days is so very sad."

The "Once-Poor" Households

This section begins with the story of the Baclayos – a family which, in narrator

Adelfa's view, has "moved out of poverty" since 2002.²⁰

Adelfa Baclayo, 57, hails from the provinces of Aklan and Iloilo. An elementary graduate (grade 6), she was 22 when she moved to Manila in 1972 to become a household helper. She left her employer when she got married in 1978, and moved to Payatas in 1979 with her husband. From 1978 to 1985, she suffered four miscarriages and the deaths of two sons (one, a month old; the other, five years old). Devastated, she begged God to keep her other children alive, and promised to "serve Him" all her life. A devout Catholic, Adelfa built a chapel right inside her house, where Mass is held every Sunday. She partly attributes her having three healthy, obedient, and hardworking children to her faith in and fidelity to God. She shares her consolations as a mother: "By God's mercy, none of my three children who lived got seriously ill, because I continue to serve God. Today, all my children work and help support me and my husband, who used to be a factory worker but has stopped working these last few years. All my children contribute something to us."

Adelfa's children are all grown up now, have finished at least high school, and are employed. Her daughter Ruth, 24, a B.S. Accounting graduate, works in an office – Prestige Company – and gives her mother 3,000 pesos (US\$67) each month. Her son Federico, Jr., 22, completed a two-year vocational course in automotive repair. He works in a recycling plant in the province of Bataan, and although he rents a place there, he visits home twice a month and contributes 1,200 pesos (US\$26.50) at each instance, or 2,400 pesos (US\$53) a month. Adelfa's youngest child, Joseph, is 21, and finished high school. However, even if he is "only a high school graduate," he is the one who "gives generously" to his mother – 2,500 pesos (US\$55.50) every 15 days, or 5,000 pesos (US\$111) a month, from his salary as a gasoline boy at the Caltex, Katipunan-Libis station. Despite the financial support she receives from her three children, Adelfa has her own income source – a *sari-sari* or variety store in her house, from which she earns an average of P3,000 pesos (US\$67) a month. On her household's aggregate monthly income of about 13,500 pesos (US\$300), Adelfa says that that is "sufficient for [their] needs." She believes her family's situation has improved and has become more comfortable since 2002: "I feel that we are slowly moving up. It has helped me that all my children are now working." She rated her household as "somewhat poor" in 2002, and as "neither rich nor poor/have just enough in life" in 2007.

Although she thinks that for the vast majority, "life at present is more difficult than it was years ago because of the sharp increase in prices of goods," her family "does not feel that times are extremely hard because [she and her children] are earning a living." A concerned citizen of her community, Adelfa has long been active in their neighborhood association, Bisig ng Magkakapitbahay (Neighbors Linking Arms), which was instrumental in bringing electricity, water, and telephones to their place. In her view, what the people of Payatas need are "loans" which they can use to start a business, and security of tenure so that the "demolition that occurred in 2004" will not happen again. For herself and her family, Adelfa would like to receive a loan to begin a small enterprise, or to buy land. Like other informal settlers in Payatas, she wishes to purchase

²⁰ The actual names of the household members were used.

the lot on which her house is built, and also to buy land in the province “for [her] children – so that even after [she] passes on to the next life, they will have something to remember [her] by.” She is confident that her children will become “somewhat rich” in the years to come, “because they work hard, are not laggards, and are educated.” Her devotion to God and the Blessed Virgin Mary being the way it is, she plans to make her house chapel bigger, when funds allow that. “The Church is what I hold on to,” Adelfa says.

The second narrative of a “once-poor” household – the Dorados – is from the point of view of Nelda:

Nelda Dorado, 57, is from the province of Bukidnon, and has lived in Manila for thirty years. A B.S. Education undergraduate (1st year, 1st sem), Nelda was 26 when she moved to Manila in 1976 to work as a household helper. It was in her employer’s house that she met her would-be husband, Romy, who was the family driver. They got married in 1976, rented an apartment in Quezon City, and bore two sons in 1978 and 1979: Ronnie (now 29) and Lino (now 28).

Despite being an elementary undergraduate who reached only the fourth grade, Nelda’s husband Romy was good at car body repairs, and was employed as a welding mechanic in Jeddah in 1992. However, after only six months of overseas work, the company for which he worked went bankrupt and closed shop. Romy was supposed to return to the Philippines, but he stayed on illegally to work for another employer. After two months, the authorities caught and jailed him, then sent him back to Manila also in 1992. He returned to the Philippines with “not much money,” yet spent this on his drinking buddies. “It was like a *fiesta* everyday, he was always being invited to drink! The small amount he brought home was gone in no time. He also did not have a job,” Nelda recalls. In 1993, they were so hard up that they had to give up the lease on their apartment and decided to move to Payatas, where they built a house on unoccupied land.

“Life in Payatas was so hard in the beginning,” says Nelda. Both jobless, she and husband Romy resorted to scavenging at the dumpsite, and when desperate had to eat *pagpag*, discarded food which they washed and reheated. Even their children Ronnie and Lino scavenged when not in school. Things eased a bit in 1995 when Nelda got a 2,000-peso loan from the Philippine-Japan Bible Church, of which she is a member. She established a *sari-sari* or variety store where she also sold viands that she and Romy cooked. On July 10, 2000, a trash slide occurred at the dumpsite, causing the loss of lives and homes, and prompting a demolition of the houses that were perilously located near the dumpsite. Nelda and Romy’s house was not one of the many that were buried or demolished, but their *sari-sari* store business so suffered that they had to leave Payatas. In 2001, Nelda, Romy, and son Ronnie transferred to Montalban, where they lived with son Lino (now married) and his family for a year. They all returned to Payatas in 2002, and Nelda and Romy reopened their *sari-sari* store cum *carinderia* (eatery). Romy no longer wished to work as a welder outside Payatas because of his hypertension. His last years in life were spent cooking and selling viands. He died in January 2006 from a stroke caused by his high blood.

Nelda admits that her life in 2007 is much better than it was in 2002, when Romy was still alive. According to her, “When Romy passed away, my problems also disappeared. He used to drink everyday! And he would even gamble! We used to fight everyday. He would hit me if I refused to give him money, so I would end up surrendering to him the money I had saved. He and my married son Lino who lives next door also used to fight always.... When Romy died in 2006, I said to myself, “It’s as if a thorn had been removed from me – the one who has made life difficult for us is gone already.” Aside from her husband’s death, what helped Nelda was a loan she received from a microfinance NGO, the Center for Community Transformation (CCT). She bought a freezer, which she uses to make and sell ice *tubig* (ice water) in small plastic bags. “My ice water sells very well – better than the viands I cook,” she says. She makes 4 to 5,000 pesos (US\$100) a month from selling ice water and viands, and her income is supplemented by the 5,600 pesos (US\$124) that son Ronnie earns from being a *pahinante* (assistant of the garbage truck driver). Their combined monthly income of about 10,000 pesos (US\$222) is, Nelda says, “sufficient for Ronnie’s and my needs.” In fact, they eat “three times a day, and even have *merienda* (mid-morning or mid-afternoon snack).” Also, a few years back, they “did not have a single appliance.” Today in 2007, they have “two television sets, two electric fans, a cellular phone, a DVD player and mini-component, not to mention the freezer.” Nelda rates her family as “neither rich nor poor/ have just enough in life” in 2007, whereas she considered it “somewhat poor” in 2002.

When she thinks of the future, Nelda feels that her family’s life will become better. “We work hard and help one another,” she says. Her sons also have “a sense of ambition.” Finally, she can take out loans from the Center for Community Transformation, which she can use to improve their lives.

Nelda’s greatest fear is a demolition, similar to what happened in their area in 2000. “I wish this lot would become ours so that we can have permanent and secure homes,” she shares. She also prays that her children will have permanent jobs. For herself, she dreams of building a bigger and more complete *sari-sari* store. For now, however, she is content with selling ice water and viands – and of course, taking care of her three grandchildren by son Lino. She says: “Now that my husband is gone, I have no aggravation, except perhaps for my three *apos* (grandchildren). But that’s the type of aggravation I would embrace anytime....”

The “Never-Poor” Household

Out of the 89 households surveyed in 2007, only one family – the Acordas – was rated as “somewhat rich” in 2007 by one of its members. Here is Eszen Acorda’s account of why he thinks his family has never known poverty.²¹

Eszen Acorda, 50, has lived in Metro Manila all his life. He grew up and finished his elementary and high school education in Santolan, Cubao, and obtained his B.S. in Mechanical Engineering degree from the University of the East. His wife, Teodora or “Dory,” 49, on the other hand, has a B.S. in Secretarial Services. At present, Eszen is a

²¹ The actual names of household members were used.

government employee at the Central Bank of the Philippines, where he is the Manager of the Building Facilities Division. As for Dory, she used to be a claims assistant at the Armed Forces of the Philippines (AFP) General Insurance Corporation, but now manages the family's bakery cum mini-grocery located in front of their house.

Eszen started living in Payatas in 1985. A year before that, Eszen asked his father (who owns a number of lots in Metro Manila and Antipolo) if the latter would be willing to sell his 400-square-meter lot in Payatas to Eszen. When his father agreed, Eszen applied for and obtained a housing loan through the Central Bank, where Eszen worked. (The loan is payable in 25 years, which means the Acordas will have been fully paid in two years' time, or in 2009.) Eszen then constructed a house with a floor area of 50 square meters (subsequently extended to 70 sq. ms.), and in 1985, moved to Payatas with wife Dory and then one-year-old daughter, Deszeny. Their two other children were born in Payatas: son Dave Michael (born in 1988) and daughter Dennise Michelle (1998).

Unlike the majority of Payatas residents who are informal settlers, the Acordas possesses a lot title. That they are better off than most people in Payatas can be seen in their possessions: they have four vehicles, television sets, a DVD player, mini-component, a computer, a refrigerator, a freezer, among others. All their children are in school: Deszeny, 23, is taking up B.S. Architecture at the University of the Philippines-Diliman. Dave, 19, is pursuing a nursing degree at the Far Eastern University-Fairview. The youngest, Dennise, 9, is in grade four in a private school, Hope Christian Academy. Their incomes are also much higher than most Payatas residents. Eszen, who has been with the Central Bank for over 25 years, has a gross monthly income of 81,500 pesos (US\$1,811). (However, his net income is 22,000 pesos (US\$489), after deductions for his various (housing, educational, all-purpose) loans.) Their bakery cum mini-grocery grosses 4,600 pesos (US\$102) a day, or about 138,000 pesos (US\$3,067) a month.

When asked why the Acordas are clearly better off than most Payatas residents, Eszen offered the following reasons. To begin with, Eszen's parents are quite well off and have helped his family all these years. Eszen shares: "My father is our role model in generosity. When he was still alive, he would give his *apos* (grandchildren) 100 pesos everytime he'd see them. On their birthdays, he'd give them 1,000 pesos. Whenever I had a problem, it was he I would approach." As mentioned, Eszen's father sold his Payatas lot to Eszen at a price that was lower than the prevailing market rate.

Relatedly, Eszen's parents had the means to send their children to school, all the way through college. That Eszen has a good job at the Central Bank is partly explained by the fact that he has a college degree. Eszen remembers what his father instilled in him about the value of education: "Education is the one thing that your mother and I can give you that will never be stolen from; that you will never lose even as you grow old; and that you can use until the day you die." For this reason, Eszen's highest priority is seeing to it that his own children Deszeny, Dave, and Dennise finish college. As Eszen's father told him, "No matter how difficult your life is, even though you may not have a car or a house, always, always keep your children in school. If you have to crawl as you struggle to make your children graduate from college, then do so."

Third, Eszen and wife Dory have a sense of thrift and a culture of saving. Eszen says, “We live within our means. We monitor how much money we make, and we see to it that we do not spend more than that. We buy only what’s necessary.” Thus, none of the Acordas engages in vices like gambling, drinking, or smoking. They also use their credit card judiciously. Moreover, the Acordas have the habit of saving. Eszen says, “I told Dory to put aside and save 150 pesos (US\$3) each day. That’s forced savings. Just by committing to that, we make an extra 4,500 pesos (US\$100) every month. That’s about 54,000 pesos (US\$1,200) a year!” Dory adds: “Each of my children has a bank account. Whenever they receive money from their grandparents, I deposit the entire amount. I do not take anything – not even five centavos – for myself. Can you imagine, my daughter Dennise, at only nine years old, already has over 100,000 pesos in her bank account!”

Fourth, the Acordas all have good health, mainly a result of their healthy lifestyle. Eszen reflects: “Another thing I am thankful for is that none of us has been seriously ill. A dreaded disease like cancer can drain a family’s finances and savings. Dory and I have been able to work because we are both healthy.” He adds: “It’s important to avoid vices and to take care of your body. Do not abuse it! So, you work from Monday to Saturday – but on Sundays, you have to rest your body. Sundays should be devoted to the Lord.”

Fifth, Eszen and Dory have a sense of industry, and believe that each of them should have a source of income. According to Eszen, “Compared to my siblings, I am not as intelligent and I did not do as well in school. But this is what I can be proud of – I am hardworking. As I went on in life, my diligence and efforts were recognized by my superiors, and so I kept getting promoted. I am now the Building Facilities Division manager of the Central Bank. If you love your job, if you know the value of what you’re doing and work hard, your company will reward you with promotions and incentives.” As for Dory, she decided to avail of the early retirement program of her company, and quit the AFP General Insurance Corporation in 2003. This was partly because she wanted to spend more time with her children as they were growing up, and partly because she wanted to realize her childhood dream of having her own bakery. Eszen recalls: “We established our bakery in 2003. But before we did, we did a feasibility study: What materials did we need? How much money did we need to invest? How much will we earn?” Fortuitous events happened: “At that time, there was a bakery nearby that was closing shop and selling its equipment at a good price. When we were certain that we would be able to get a *panadero* (baker), we bought that bakery’s equipment.” Their bakery, which is managed by Dory, is doing extremely well. Eszen says, “My wife Dory is very good in handling money. Remember, she used to work in an insurance company.” Eszen attributes the increase in his family’s income to the bakery’s success. In 2002, he rated his household as “neither rich nor poor/just have enough in life.” He believes his family in 2007 is now “somewhat rich.” And even though he does not aspire to be rich, he thinks his family will move up and become “rich” five years from now, or in 2012.

Sixth, Eszen and Dory have what Filipinos call a sense of *diskarte*. This is not so much intelligence, as it is the ability to recognize good opportunities when they present themselves, and to make strategic decisions and moves. As Eszen says, “You need to

have an aggressive strategy in life. Venture out! Don't just say, "We're making enough. At least, we're able to eat." Rather, if there's an opportunity to improve your life, seize it!" The decision of Dory to quit her job as claims assistant in 2003 to open a bakery turned out to be an auspicious move. She and Eszen also made strategic decisions where their business is concerned, guided by the principle of diversification. First, they realized that if they sold only *pan de sal* (bread of salt), sales would be brisk only in the morning. To ensure that their bakery would have sales the whole day, they introduced other products, depending on the time of day. Toward lunchtime, the baker sold sandwiches. At mid-afternoon, when school children were expected to emerge from their classes, the bakery offered donuts at 1 peso a piece. The Acorda bakery offered not only different bakery products, but also various goods and services. They also sold ice water and *sari-sari* or variety store items, and allowed calls on the store telephone at 5 pesos a call.

Finally, Eszen believes that his good fortune is also a result of keeping the faith – in himself, in other people, and in God. According to Eszen, "You should not set limits on yourself. Never say, "I finished only high school. I will never amount to anything. It's enough that my family eats three meals a day." Why set limits on what you can achieve when, in fact, people have unlimited capacities?" One should also not lose heart after a setback. "Problems – including the death of loved ones – will be always a part of one's life. But you have to move on. Never give up on life!" says Eszen. One should also have faith in the goodness of people, and reach out to those in need. Eszen shares: "My parents are generous people, and our family lived by the principle, "The more you give, the more you will receive." And so Dory and I try to help our neighbors whenever we can. When there's someone who's sick or who gets stabbed in a fight, we take them to the hospital in Commonwealth in our car. When it's the birthday of my co-workers, I give them a little something. When they invite me to the christening of their child, I attend the celebration, no matter how far and difficult to reach the place is from my house." The people whom Eszen helps remember his generosity: "Their natural impulse is to ask themselves, "How can I pay back this person who helped me?" Somehow, the kindness you show to others comes back to you in the end," says Eszen.

Finally, Eszen, who is a Baptist, has an abiding belief in God. Eszen says, "I always tell my children that there is a God who will protect us. Even if we find ourselves in the darkest corners of the world, there is a supreme being who will provide for us, who will be watching over us." He believes in giving thanks to God through prayer: "For whatever we have – our food, our education – we should give thanks to the One who gave it to us. And so we pray before every meal." Most of all, Eszen believes that one praises God by serving others: "Life is not about making yourself rich. When you reach your dreams, you should share your blessings with others who are not as fortunate as you are." Thus, Eszen and Dory dream of moving to the province one day when their children will have graduated from college: "When we settle in the province in the future, Dory and I would like to help the poor – the children, most especially. We want to share with them our knowledge on and experiences in improving one's life. We want to tell them that they shouldn't lose hope, and that they must make good decisions, as these can make or break them." All this is Eszen's and Dory's way of giving back to others and to God, for all the riches they have received in life.

Factors Affecting Transitions Out of or Into Poverty

What can we learn about poverty and mobility (downward and upward) from the stories of “never-poor,” “once-poor,” “now-poor,” and “still poor” households?

First, “*never-poor*” households, such as that of the Acordas, have household heads who most likely came from households which had a modicum – if not an abundance – of resources to begin with. Thus, their parents were able to provide them a college education, which eventually helped them obtain stable and well-paying jobs. However, this initial advantage enjoyed by the “never-poor” should be maintained, if not enhanced, by personal traits like thriftiness and a culture of saving, hard work and industry, a vice-free and healthy lifestyle, an ability to recognize and seize opportunities (*diskarte*) for the betterment of one’s self and family, and harmonious social relations.

The stories of the “*once-poor*” households, such as the Baclayos and Dorados, offer insights into the factors that assist poor households’ movement out of poverty. As Moser’s (1998) asset vulnerability framework points out, the poor have certain assets (i.e., their labor, human capital, productive assets, household relations, and social capital) which they combine and deploy to eke out a living, if not to improve their lives and escape poverty. If the Baclayos and Dorados believe that they are no longer “somewhat poor” and already “have just enough in life” in 2007, this is largely due to the strategic management of their assets:

First, they *have expanded their labor* (e.g., all three Baclayo children are now working and contributing a portion of their income to their parents). Second, the children *have finished at least high school*, if not a *vocational course* (Federico Baclayo, Jr.) or *college education* (Ruth Baclayo). Children who finish their schooling not only free up resources previously allocated to education, for other purposes; they also increase the family’s income when they find employment, which becomes easier to do when one has a college diploma. Third, the Baclayos and Dorados also *used their assets such as their house as an income source*. Both have a *sari-sari* or variety store in their residence. In the case of Nelda Dorado, she has a small *carinderia* or eatery in her house. Another valuable asset that the Dorados have is their freezer which they use to make ice water for sale. Fourth, the Baclayos and Dorados have *amicable relations among household members*, which *facilitate cooperation in income generation and in the use of resources*. The importance of a harmonious family environment is especially seen in the case of the Dorados, who are now able to save their earnings because the husband/father – who used to fight with and hit them, and squander their hard-earned money on drinking and gambling – is already dead. Character traits such as perseverance in work, resourcefulness, thriftiness, and temperance or moderation certainly help in increasing a household’s income and savings. And fifth, the Baclayos and Dorados have a *large stock of social capital*, or networks they can tap into for assistance. For example, Adelfa Baclayo is actively involved in her neighborhood association, which has been key in bringing water, electricity, and telecommunications into their area. As for Nelda, she obtained a loan from her church to set up her *sari-sari* store cum *carinderia* (eatery). She

also borrowed money from a microfinance NGO, which she used to buy a freezer and start an ice water business.

On the other hand, the narrative of a “*now-poor*” family such as the Paraguayas reveals the reasons why some households plunge into poverty. These include the *termination of and difficulty in finding employment* (e.g., husband Saturnino and son Ronaldo losing their jobs); *a sustained downturn in one’s business* (e.g., the *sari-sari* store’s diminished sales owing to competition); and the *lingering illness of a family member* (e.g., Saturnino’s hospitalization and need for maintenance medication). Other reasons for sliding into poverty, which are not highlighted in the Paraguya household story but which were gleaned from the cases of other households, include: the *demolition of one’s house* and the ensuing dislocation; the *abandonment of the family by the main income earner* (e.g., to cohabit with another partner); a household member *falling prey to vices like drinking, gambling, and drug abuse*; and the *addition of household members*, either as a result of new births or the moving in of relatives or friends.

As for the “*still-poor*” household, the case of the Casiples is instructive as to why some families remain poor. These factors include: *low educational attainment* (e.g., the Casiples being mostly elementary graduates only), which leads to *difficulty in finding a stable job or source of income*, if at all; *a large household size that puts a strain on a family’s meager resources* (e.g., having 11 members in the Casiple household); the *lack of social capital* (e.g., not knowing anyone or any organization from whom the Casiples can obtain low-interest loans to start a business); and the *loss of hope and motivation in life* (e.g., the Casiple children preferring to stay home rather than actively look for a job/income source). Other reasons for chronic poverty, which are not demonstrated in the case of the Casiples but which were derived from the other household stories, are: *laziness* and a *penchant for vices* (drinking, gambling, drugs), usually true for the men.

To summarize, as Giddens (1979, 1984) says, all social action involves structure, and all structure involves social action. Agency and structure are inextricably interwoven in ongoing human activity or practice – including efforts to reduce if not eliminate poverty. For their part, the poor actively and creatively use their assets to improve their lives: they mobilize household members to work and help one another; they find the means to make their children complete their schooling; they make a living out of the few physical assets they own; and they form people’s organizations and connect with organizations (e.g., government agencies, NGOs, churches) that can assist them. However, Giddens also stresses that social structures impinge on the agency of people, especially the poor. When the houses of Payatas residents are demolished; when the increase in prices of goods and services outstrips the rise in their incomes; when they cannot find jobs, or when they are terminated after only five months so as not to become regular employees – they have little recourse but to scrounge in the Payatas dumpsite for their food. However, if there are individuals, groups or organizations (including the government) which are willing to work with them in providing the kind of assistance that the poor need, they are empowered to improve their lives – if not escape from poverty.

Summary, Conclusions, and Recommendations

Using an interpretive approach, and guided by Giddens' structuration theory and Moser's asset vulnerability framework, this research attempted to listen to and learn from the stories of Payatas households about how, in their view, they "moved out of poverty," or "fell into poverty," "or stayed in poverty," in the period 2002-2007. It also probed their views on the different aspects of poverty and wellbeing in urban informal settlements, particularly in Payatas. In analyzing the research results, I sought to show the interaction between the *agency of the urban poor*, on the one hand (i.e., their management of their household assets), and *social structures*, on the other (e.g., developments in the economy, government and societal stance toward the urban poor, civil society efforts).

This study concludes that Payatas, as a *community*, has improved in many ways since 2002. There is greater access to water, electricity, and telecommunications; more health and educational facilities, and improved quality of instruction; more paved roads; a better-managed and less odorous dumpsite; and less violence and crimes. These community improvements can be attributed to the action of committed barangay and city officials, and representatives of national government agencies; the infusion of assistance from civil society organizations, especially after the July 2000 garbage slide; and not the least, the efforts of Payatas residents themselves to form neighborhood associations and other people's organizations to address their problems and issues, especially those pertaining to land and housing, and the delivery of social services.

Notwithstanding these community improvements, the majority (74%) of the 89 Payatas *households* surveyed in 2007 rated themselves as either "very poor" (8%), "poor" (27%) or "somewhat poor" (39%). These ratings are only slightly better than the ratings for 2002. That is, 75 percent of these same households said that they were either "very poor" (14.5%), "poor" (24.5%), or "somewhat poor" (36%) in 2002.

According to what the Payatas research participants shared, and also based on my own observations and analysis, there seem to be *six factors hindering urban poor households' ability to move out of poverty*: (1) a large household size; (2) laziness and proclivity to vices; (3) a low educational attainment that deters one from finding a good job, if any at all; (4) unavailability, insufficiency, or insecurity of employment; (5) the rising cost of urban goods and services, without the corresponding increase in wages/salaries/income; and (6) insecurity of land and housing tenure, which may result in demolitions. Some of these factors are *aspects of agency of urban poor households* (e.g., household size, laziness, vices). Others can be attributed to *structural reasons* like economic developments (e.g., lack of employment, rise in prices) and social and political factors (e.g., low educational attainment, insecurity of tenure/demolitions).

What recommendations can be made to reduce poverty in Payatas and other urban informal settlements? What can be done by households themselves, non-government actors, and the government (local, city, and national) to improve the lives of the urban poor?

On the part of the *urban poor*, households should strive to have *various sources of income*. Families with dual or multiple earners stand a better chance of rising out of poverty, than those relying on a single income earner. However, expanding the labor supply of a family should not be done at the expense of the children's education. This brings us to the second point: parents should give the *highest priority to the schooling of the children*. They should seek to keep them in school (ideally through college), and resist the temptation to pull them out of school to make them work, say, at the Payatas dumpsite. In cases where parents have utmost difficulty meeting the education-related expenses of their children, they should seek financial assistance from NGOs in Payatas that provide scholarships (e.g., St. Joseph Foundation). In a society like the Philippines where one or two years of college education is a requirement for being hired as a crew of fastfood restaurants like McDonalds, a diploma from a vocational school or a university is a definite advantage in finding employment. Third, parents should *plan the number of their children*, taking into consideration their ability to meet their children's survival and development needs. The poorest households in Payatas are those with many young children (say, 7 to 10 children, with their ages ranging from 0-13). A large household size not only imperils the future of these children who might not be properly fed or schooled, but also puts the mother's health and life at risk. Fourth, households should *manage their resources or assets strategically*, and avoid unnecessary expenditures for alcohol, gambling, and dangerous drugs, so that they can have savings. And fifth, the urban poor should organize themselves into *neighborhood associations and other people's organizations*, to address their concerns and problems in the delivery of social services, peace and order, and security of tenure and housing. For example, under the Community Mortgage Program (which is the legitimate way for urban informal settlers to own their home lots), a community is required to have a neighborhood association that will facilitate the community's dealings with landowners, government bodies, and NGOs.

The *nongovernment sector* – including NGOs, churches and other faith-based groups, academic institutions, and the private sector – can also undertake many initiatives for and with the people of Payatas. In the realm of *education*, they can offer more scholarships, fund the addition or improvement of school facilities, or undertake teacher training. They can also provide *skills training, livelihood and employment opportunities, and market assistance* for the people. In this regard, the importance of *microcredit* cannot be stressed enough. Most of the Payatas households interviewed expressed the need for low-interest loans ranging from 5,000 to 20,000 pesos (US\$111 – US\$444) that they can use to begin a business (e.g., *sari-sari* store, piggery). They have confidence in their ability to create goods like candles, floor mats, and processed meat like *longanisa* (native sausages), but need assistance in their start-up capital and in marketing their products. The nongovernment sector can also promote the concept of *reproductive health and the importance of planning one's family*. They should educate the people on the different methods of natural family planning (NFP), but also inform them about, and make available, artificial means of contraception – so that couples can make an enlightened choice about the natural or artificial method that they believe would work best for them. Lastly, the nongovernment sector can *step up efforts in the area of security of land and housing tenure*. For example, they can help an area have a Community Mortgage Program, by facilitating people's efforts to organize themselves, offering bridge financing

so that the people may be able to buy their home lots, and undertake the onsite development of people's houses and the community in general.

On the part of the *local (barangay) and city governments*, many initiatives have already been undertaken by the Payatas Barangay Council and the Office of the Quezon City mayor (Feliciano "Sonny" Belmonte) in the realms of education, livelihood and employment, and housing/security of tenure. These efforts just need to be increased, in cooperation with the nongovernment sector and Payatas residents. Moreover, Mayor Belmonte needs to honor his promise to the people that there will be a moratorium on demolitions in Payatas. As the household stories have shown, demolitions are terribly cruel, especially if a relocation site with jobs, facilities, and social services has not been prepared. Demolitions destroy not only people's houses, but also their livelihood and social capital. It is thus not surprising that Payatas residents most dread the demolition of their homes.

Finally, the national government can do so much to improve the lives of the urban poor, including those in Payatas. While national government agencies like the Department of Social Welfare and Development (DSWD), Department of Health (DOH), and the Department of Education (DepEd) have launched many programs and initiatives in Payatas, it would help for the Office of the President and Congress to know that *certain laws/policies and practices have caused a strain* on the lives of the urban poor. For example, the people of Payatas lament the increase in the prices of goods and services, especially after the implementation of the *Expanded Value-Added Tax (EVAT)* in the last half of 2006. The government claims that the EVAT is necessary for the sustained growth of the economy, and indeed, statistics show that the economy has gone up steadily since its implementation. However, official statistics also reveal that while the economy has been growing, the average annual income per family has been declining. According to the National Statistics Office's Family Income and Expenditure Survey or FIES (cited in Mangahas 2007), the average annual family income had a "real" (i.e., corrected for inflation) decrease of 2.7 percent, from 148,000 pesos in 2003, to 144,000 pesos in 2006. Thus, for many Filipinos who are poor, incomes are simply not keeping up with the steady increase in the cost of goods and services. The vaunted benefits of economic growth are not trickling down to the majority.

In addition, the government should *strictly implement the ban against the contractualization of labor and services*. Even though the 1987 Philippine Constitution guarantees the right to job security, and notwithstanding our Revised Labor Code mandating the regularization of employees who have rendered six months of continuous service, labor-only contracting is practised with impunity, for the sake of company profit. Many companies (even big ones like department stores in Metro Manila) hire labor-contracting agencies which impose five-month contracts on employees. In so doing, they circumvent the law entitling a worker to the benefits, rights, and privileges of a regular employee, after he or she has undergone a probationary period of six months. Desperate for employment, the urban poor like those in Payatas submit themselves to this malpractice and lurch from one one five-month contract to the next, going hungry and scavenging in the dumpsite in between employment periods.

Finally, the government should *review its policies and programs on urban development vis-à-vis rural development*. In the countryside, life is also harsh for agricultural workers, fisherfolk, and indigenous peoples, thereby pushing them to search for better opportunities in cities like Metro Manila. But life in the city can be just as brutal, if not even more so, than life in the rural areas: the environment is more polluted; good and stable jobs are scarce; and the cost of land is high, as are the prices of urban goods and services. There is something terribly amiss if the rural poor feel that their lives are so hard that they migrate in droves to Metro Manila. And there is something very wrong if informal settlers – who are pejoratively called “squatters” – constitute one-third (34%) of the population of Metro Manila. The government’s urban land use policy and countryside development strategy must thus be reviewed, with inputs from the urban and rural poor who are most affected.

In conclusion, any poverty-reduction program or initiative must involve the collaboration of different sectors – the government, NGOs, faith-based groups, the private sector, and most of all, the poor themselves. This study has tried to show that it is utterly important to listen to what poor people have to say. People like Martin, Irma, Adelfa, Nelda, and Eszen understand their situation more than anyone else does, and have done a lot to survive, if not to have better lives.

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