

MULTI-DIMENSIONAL FACTORS AFFECTING LOCAL ECONOMIC DEVELOPMENT

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ABSTRACT

The study investigates the multi-dimensional factors that have affected the development of the Municipality of Lianga. It made use of qualitative research design using survey, key-informant interview, and documentary analysis methods. The study revealed that more than half of the population is living in poverty. Households who are poor are mostly seen in rural Barangays where economic activities revolve in unstable farming, fishing, and small-scale businesses. Each household is composed of large family sizes where there is strong adherence to traditional beliefs and practices. Further, the development of the place was affected by problems related to peace and order, lack of available jobs for skilled workers, deficiency in financial capital for micro-entrepreneurs, farmers, and fishers which resulted to low productivity and low incomes by most of the households in the locality. Hence, this paper explicate the importance of multi-dimensional approach to rural development efforts and suggest that such approach be integrated in the framing of economic development plans to religiously address the factors that contributed to the lagging of growth in the locality.

Keywords: Profile of the Municipality, Development Status, Competitive Edge, Development Issues, Social Problems.

I. INTRODUCTION

The Municipality of Lianga is one of the oldest Municipalities in the province of Surigao del Sur in Caraga Region. It was created on October 17, 1919 by virtue of Executive no. 27. Today, it remains a fourth class Municipality per Department of Finance Memorandum Circular no. 97-3 (71) dated May 21, 1997. The place is in a state of economic stagnation while it's previously held Barangays are now overtaking the place in terms of economic growth; for instance, the Municipality of Barobo was once a Barangay of Lianga and is now a third class Municipality. Hence, this study geared to investigate the socio-cultural dimensions to determine existing social problems and factors that have affected the development of the place.

Most of the Barangays in Lianga are characterized as rural based on the categories set by the Commission of Population and Housing. It has huge number of households who are living in poverty by about 63.9% who remain poor despite that more than 75% of the population has formal schooling. People who are living in poverty are those who failed to meet their basic food and non-food needs (PSA, 2015). As shown in the 2012 Small Area Poverty Estimates, Lianga is ranked 7th out of 18 total Municipalities in the province of Surigao del Sur that have highest cases of poverty incidence.

Large number of poor people is the major development challenge in Lianga at present. Llanto (2016) explicated that poor people in rural areas are vulnerable to risks and shocks as a result of low incomes and low wages. Human Vulnerability refers to the prospects of eroding people's choices and capabilities (Human Development Report, 2014). Many studies have explained that economic growth alone is not sufficient to reduce poverty. IMF (2016) stated that the overall economic growth can only be achieved through the promotion of inclusive growth. This means the need to focus on social changes in rural villages by providing more livelihoods to the people and by developing the agriculture economy (JICA, 2015).

Further, understanding the development of any society necessitates profound understanding of its various socio-cultural factors. Todaro (2015) explicated that development is not purely an economic phenomenon. It is a multidimensional process that would involve the reorganization and reorientation of the entire social and economic system.

Hence, examining the development of Lianga across the years through the socio-cultural lenses is very important for future local development planners, policy makers, and government institutions lay their policies and interventions.

II. METHODOLOGY

This study made use of qualitative research design. It has utilized descriptive survey, key-informant interview, and documentary analysis methods.

Descriptive survey was used to determine the perceptions of the people in terms of spiritual, political, economic, cultural, and social development status. Perceptions of the people on the extent of political development were also investigated in terms of devolution, democratization, and peace and order. The instrument that was used in the survey is a researcher-made instrument which has undergone content validity from experts whose field of specialization is in Social Sciences. After it was validated, reliability was tested using Pearson's test-retest.

There are 413 respondents of the survey that represented the 11 of 13 Barangays of Lianga. Two Barangays were excluded during the survey due to clashes between the rebels and Government

Forces during the conduct of the study; where the researcher was not permitted by local officials to penetrate some of the area for security reasons. The selection of respondents was through the application of Simple Proportional Random Sampling method. The sample size was then proportionally distributed to 11 barangays to determine the number of respondents and assure that all of them are well represented.

Table 1: Distribution of Respondents of the Survey

Barangay	Population	No.of Respondents
Anibongan	1113	18
Banahao	2022	33
Ban-as	1377	22
Diatagon	7022	103
Ganayon	935	16
Liatimco	1810	27
Manyayay	2063	30
Payasan	1980	29
Poblacion	4567	67
San Pedro	1255	28
St. Christine	2699	40
Total	26843	413

Documentary analysis was used to provide data on the profile of the Municipality of Lianga in terms of population, economy, classification, and poverty index. Most of the documents used are government records extracted from the 2013 Socio-Economic Profile of Lianga.

Key-informant interview was also used to validate the data gathered from the survey and documentary analysis. It gathered data on the competitive edge of the Municipality of Lianga in terms of marine resources, eco-tourism potentials, human resources, forest and mineral resources, and agriculture. The key-informants in this study are the head of offices and employees in various agencies such as the Municipal Department of Agriculture Office (6), Department of Environment and Natural Resources (8), Municipal Development Planning Office (2), Municipal Tourism Council (2), members of farmers and fishers cooperative (10), caretakers of eco-tourism sites (5), fishers/seaweed farmers (5), and upland farmers (5), and other local officials.

III. RESULTS AND DISCUSSION

This study investigated the development of the Municipality of Lianga concentrating on the five area of focus; profile of the municipality, development status, extent of political development, and competitive edge. The profile of the Municipality of Lianga includes population, economy,

classification, and poverty index. Development status of the Municipality was investigated in terms of spiritual, political, economic, cultural, and social dimensions. In investigating the extent of political development, devolution, democratization, and peace and order were included. The discussion on the competitive edge of Lianga includes its Marine Resources, Eco-Tourism Potentials, Human Resources, Forest and Mineral Resources, and Agriculture.

A. Profile of the Municipality

The profile of the Municipality of Lianga showed that the place is not overpopulated considering its population density of 1 person per 1 hectare. It is classified as fourth class Municipality per Department of Finance Memorandum Circular no. 97-3 (71) dated May 21, 1997. Most of its barangays, that is 11 out of 13, are classified as rural based on the categories set by the Commission of Population and Housing (2012). As shown in the 2013 Socio-Economic Profile of the Municipality of Lianga, about half of the population is considered dependents to their family as to basic needs. Dependents are those whose age bracket ranging from 0-16 years old and 60 years old and above. They are considered dependents considering that they are not contributing in terms of income to meet the family needs.

Most of the land area is covered with thick forest lands where the production of rice is not sufficient to feed the entire population due to poor irrigation system and small area of suitable rice fields. Coastal barangays are more populated than upland barangays and these places have high cases of poverty incidence. In rural coastal areas, fish- capture method of fishing is more active than aqua-culture method of fishing. However, the production in fish- capture is greatly affected by the kind of capital that is invested where the low productivity is the result of poor infrastructure and deficiency of facilities and lack of important technologies by both farmers and fishers in the locality.

The above findings clearly affirm the JICA (2015) report which stated that people who are impoverished live in rural areas especially in developing countries. It also affirms the 2015 report provided by International Institute for Sustainable Development (IISD) that the main livelihood of the people in developing countries lies in agricultural farming. High poverty incidence in Lianga is the result of poor infrastructure investment in Agriculture which served as the main livelihood of the people. This also supplemented the State of Local Governance Performance Report (2011) which indicates that the Municipality of Lianga is low in Resource Allocation and Utilization, Local Legislation, Support to Housing and Basic Utilities, Transparency, Freshwater Ecosystems Management, and Forest Ecosystems Management. On the other hand, Navarro & Llanto (2014) stated that there had been underinvestment in the Philippine infrastructure where the country ranked second to the last among ASEAN countries in terms of quality-of- infrastructure ranking.

Deficiency in infrastructure investment have resulted to low productivity in Lianga; where most of the people lacked financial capital to acquire important technologies and facilities, resorted to traditional methods in farming and fishing that generates low output.



Plate no.1 shows the traditional method of Fish Capture using branches of mangroves as temporary sanctuary for fishes. This sanctuary will only last until two to three weeks, after which the fishermen will use fishnets to surround the sanctuary and trap the fishes inside.

Better infrastructure investment has impact to productivity and local economic development. Haq & Shafique (2015) studied the impact of water management on output, labor, and capital growth in Pakistan. They found out that proper water management have increased the agricultural output in Pakistan through efficiency in the allocation of resources in the provision of water that is available in tube-wells and farm gates. In the case of Lianga, Agriculture output was not maximized as a result of poor irrigation system and geographic disadvantage where 75% of its land area is covered of forest land and there is absence of wide flat lands suitable for rice farming. Its proximity to coasts have prompted most of the people to engage in fishing industry that is the reason why there is more number of fishers than farmers in Lianga. Some of the skilled workers, who did not want to engage in fishing, have looked for jobs in urban areas that is the main reason why in terms of population density the place is not overpopulated due to outmigration. This supports the findings of IFAD (2016) that reduction of population growth rate especially in rural areas among Asian countries is the result of out-migration by rural population due to rapid urbanization in cities and urban centers that provided more economic opportunities.

B. Development Status of the Municipality

Survey was administered to 413 people who are residents of the 11 Barangays of Lianga to determine their perceptions in terms of spiritual, political, economic, cultural, and social development status of the Municipality. The result of the survey is presented in table 2.

Table 2: Perceived Development Status of the Municipality

STATUS	MEAN	ADJECTIVAL RATING
Spiritual	3.60	Agree
Political	3.93	Agree
Economic	4.07	Agree
Cultural	4.06	Agree
Social	4.26	Strongly Agree
Over-all Mean	3.98	Agree

The perceived development status of Lianga revealed that old customs and traditions of the people are still preserved. Catholicism is the dominant religion in the locality but there are still traces of animistic beliefs of the people. As to political aspect, there is positive response on the transparency in the local government. Nevertheless negative practices and systems such as vote-buying and existence of traditional politicians are evident. The observance of criminality and insurgency is evident as perceived by the people. As to economic aspect, the production in agro-fishery sector was not maximized due to geographic disadvantage, insufficient infrastructure investment, and lack of financial capital to acquire new technology and facilities by both farmers and fishers in the locality. Further, majority have agreed that stable job of the head of the family are some of the concerns of the people. This resulted to the cycles of debts that most of the people are trapped as a result of financial illiteracy. More than half of the population still speaks the “Kinamayo” language. These people agreed that they still practiced traditional methods in their livelihood. Further, majority of the households in the locality are poor despite high percentage of those who have formal schooling. Specifically, about 63.9% of the households in Lianga live in poverty despite that 86.92% of the population have reached secondary and tertiary schooling. Large family size has also affected the monthly expenditures for the family’s basic needs. The low monthly income attributed to large family size and huge number of dependents in most of the households somehow provides justification of huge number of poor people now living in Lianga.

The above findings somehow affirm and negate the findings of other researchers. Otsuka, et al. (2015) stated that agricultural labor market only will not reduce poverty in developing countries rather though an increase in non-farm incomes. With this, he meant that the increase of the number of educated youth have positive effect in poverty reduction since labor markets are clearly segmented in accordance to the person’s level of education. In the case of Lianga, more than 75% of the population is considered skilled workers since they have reached secondary and tertiary schooling (Briones, 2013). Yet, majority of the people still live in poverty; which is in contradiction to the earlier statements of Otsuka, et.al (2015). Briones (2013) pointed out that the

bulk of the households in rural areas are dependent in agriculture and such households tend to be chronically poor. As regards to employment conditions, he stated that underemployment is widely seen in rural areas where agriculture is the primary job provider. Labor force with secondary and tertiary schooling is characterized as skilled workers. However these groups of workers has high rate of unemployment due to limited available jobs or job vacancy that eventually led to labor surplus. Hence, the result of this study accept the theory of Alvin Toffler as reflected in his work entitled the *Revolutionary Wealth* that more people will work in the future but there will be fewer jobs.

Other researchers have focused on the cultural factors in order to explain the causes of poverty. Nwagboso (2012) pointed out the negative impact of cultural practices/belief system to rural development efforts. With this, he meant that the hindrance to community development is the result of failure of the people to abandon their traditional beliefs and practices.

One factor that was considered by the researcher in this query is the connection between the person's education background and it's propensity to adopt new innovations and leave their traditional beliefs and practices. Edillon (2010) found the correlation between rural villages that has more numbers of educated people and its likelihood to adopt new innovations and technology. The connection of the preservation of traditional practices as hindrance to rural development efforts should be supplemented by other relevant factors considering that in the case of Lianga there is huge number of educated people in both rural farming and fishing villages yet most of the people still practiced traditional methods in their livelihood. Further, it is being discussed in the preceding paragraph that one of the problem as perceived by the people is the lack of financial capital to acquire new technologies and facilities by farmers and fishers which for the researcher is one of the causes that affected the economic development of the place. Even if the population has been oriented about the recent innovations still adoption to new technology and innovations is being hindered considering that there are no facilities at hand that can be utilized. Thus, the preservation of traditional beliefs and practices is not alone the root cause of the problem and the main reason for the difficulty in the achievement of rural development efforts, rather it is the manner by which infrastructure was properly and accurately distributed to the rural population who badly need assistance to uplift their socio-economic status. Secondly, diffusion of knowledge to adopt new technology should be supplemented with better infrastructure that religiously reached the doorstep of the poor and marginalized people in rural areas to provide them opportunities to adopt and utilize such technology to their end.

The type of capital that is invested by farmers and fishers have impact to production. For instance, the result of the interview with the fishers revealed that one of the reasons why they cannot maximize their fish capture production is the fact that most of them are only using

“*Baroto*” – small boat which are only intended for small scale fishing. Despite they have technical know-how due to their exposure to various fishing techniques as a result of many years of experience; they were being hindered by the lack of facilities to be used to maximize their production. Hence, the researcher supports Lovo, et al. (2015) who argued that poverty reduction in rural areas should be accompanied by the use various new practices and technologies that would increase productivity. He also support Longo & Prato (2012) that agriculture and natural resource management are crucial for pro-poor growth where success and sustainability of development initiatives can be achieved through the empowerment of the poor people in the rural areas. This means that there is a need to support the rural people to have rights and access to natural resources by enhancing their access to markets, participation in the policy making process, and strengthening their capabilities through strong support in their organizations by providing appropriate technology.

C. Extent of Political Development of Lianga

The political development of the municipality of Lianga was affected by the lack of political stability and security that resulted to low investments and low jobs despite concerted efforts of the community and the local government agencies to maintain stability.

Table 3: Perceptions of the People on the Extent of Political Development

STATUS	MEAN	ADJECTIVAL RATING
Devolution	3.94	Agree
Democratization	3.90	Agree
Peace and Order	3.82	Agree
Over-all Mean	3.89	Agree

The result of the survey showed that the people perceived that there is reasonable distribution of powers and accompanied functions of the local government officials. With the average mean percentage of 3.94, the people believed that local officials are active and effective in the exercise of their respective functions. This implies that said officials have observed devolved functions leading them to implement programs and projects in accordance to their designations and administrative functions. In terms of Democratization, the people agreed that the local government had made series of consultations to the public before actual projects were implemented. They also agreed that government resources are well distributed in all barangays. Moreover, in terms of peace and order, the people agreed that they are helping the PNP in the prevention of crime and insurgency. However, despite the concerted efforts made by the community and the PNP in the prevention of crimes, the people perceived that killings made by

gun-for-hire and insurgency are still occurring in the place. This implies that the current effort of the locals and the PNP is not enough to maintain peace and order in the locality which have affected the development of the place.

D. Competitive Edge of the Municipality: Opportunities and Challenges

Marine Resources

The topographical location of Lianga displays its proximity to coastal areas where livelihood typically circulates in seaweed farming and small-scale fishing. Seaweed farming is highly concentrated in places like Liatimco and Manyayay. According to a respondent, there are two varieties of seaweeds present in the locality. The *Kappaphycus Alvarezii* specie or *cottonii* (green seaweed) is a popular ingredient for seafood salads and the *Euchema* (red seaweeds) which are for export considering that it is a good source of Carrageenan. PRDP (2014) reported that Carrageenan is one of the world's popular additives and has range of application in food and pharmaceutical products. It estimated that by the year 2018 the country's trade of Carageenan will reach 931.6 million US dollars and accounts for 13.3% of the world's hydrocolloids market. However, the said report also stated that the supply of seaweeds is now deteriorating due to infestation, diseases, and frequent typhoons that have devastated most of the seaweed farms especially in Mindanao

In the case of Lianga, the historical background of seaweed production in Barangay Liatimco was not realized until migrants from other parts of Mindanao, specifically in the Zamboanga region, introduced the methods of culturing seaweeds. Few organizations were founded to help the seaweed farmers sustain the production and marketing of their harvests. Such organizations include the Liatimco Seaweed Planters Multipurpose Cooperative (LIASEMCO), Kaliwatansa Esconngamga Maguumaug Mangingisda, Kahugpungan Alangsa Kalmbuan (KEMMAK), and the Tugbungan Seaweeds Planters Association (TSPA) at Manyayay, Lianga, Surigao del Sur.

These organizations were assisted by the Government through the Bureau of Fisheries and Aquatic Resources (BFAR) and some Non-Government Organizations such as the Sustainable Management of Coastal Resources (SUMACOR) and Partnership for Development Assistance in the Philippines, Inc. (PDAP). Although financial assistance is rarely given, government agencies granted raw materials and post-harvest facilities namely seaweed seedlings given by PDAF and solar dryers by BFAR. The BFAR and the SUMACOR became the key players in sustaining the industry by providing fish seedlings and fish cages. They also provide technical assistance through seminars on mechanisms of the growth of fish and the proper methods of culturing seaweeds. Nevertheless, capital deficiency, calamities, and "ice2x/lumot" (moss) infestation are the main causes of the decline in the production of seaweeds. Secondly, most of the mentioned

projects were not sustained since the concerned NGO's did not stayed longer while at the same time projects implemented by the BFAR did not cater all the fishers due to deficiency in their budget.



Plate no.2 The seaweed farm at Manyayay, Lianga, SdS with the Chairman of the Tugbungan Seaweed Planters Association, Mr Gorgonio D. Novela,



Plate no.3 Fish cage at Manyayay, Lianga, SdS. This served as an alternative source of income by the fishers aside from seaweed farming.



Plate no.3.The seaweed solar dryer managed by members of the LIASEMCO. This project was financed by the SUMACOR, a Foreign Non- Government Organization backed-up by the Spanish Government.



Plate no.4.The office of the KEMMAKK. Cooperative for seaweed growers.

The assistance given by both the NGO's and the BFAR have positive effect to the livelihood of the fishers since they were provided with opportunities to maximize their production through facilities, technical assistance, and free seedlings. However, one of the problems is lack of continuity and sustainability of those projects mentioned. Many of the physical facilities that were given to these fishers are not anymore functional. Solar dryers are now used to dry clothes since there are only limited numbers of kilograms of produced seaweeds after the growers have suffered great losses from "ice2x" infestations. Cooperatives are now on the brink of collapse since they do not have funds to run their organization.

Seaweed Industry in Lianga should be given emphasis because it offers economic potentials. Philippine Rural Development Project (2014) stated that seaweed industry is a viable option to poverty reduction due to its growing demand in the world market as the main source of food additives. Hence, to exploit its vast potentials, the government and other concerned agencies should take an active role to sustain its assistance to the growers by laying long-term development plans and projects to develop the seaweed industry of Lianga.

Eco-Tourism Potentials

Given that Lianga is situated between coastal and upland areas, the tourist spots range from beaches, rock formations, and falls. The local tourism office identifies 6 major places of interests: Liatimco underground cave, Bao-bao falls, Davisol, and the beaches of Pugad, Lawis and Diatagon. The locations are favorable to the tourists because majority of the spots are located along the highway. Most of the attractions found in these sites are privately owned since the local tourism lacks sufficient financial provisions for the development and maintenance of the aforementioned sites. According to a respondent, threats on insurgencies became a challenge for the local tourism where constant clashes between rebels and government forces may deter tourist to visit the place.

The most visited eco-tourism site in Lianga is the ‘Bao- Bao Falls’ located in Barangay Diatagon. According to the LGU tourism officer who spearheaded for the development of the site, the Bao-Bao falls is recently developed in the year 2014 due to financial assistance given by the tourism office of region XIII during the early stage of development and by the important contribution of the KALAHI that is responsible in the construction of paved roads which made the place accessible by any type of land transport vehicles; since then, it had attracted foreign and local tourists. The interview with the caretaker of the site revealed that more tourists are visiting the place with a minimum of 100 tourists during regular weekends and would double its size especially during peak seasons; summer and special holidays. Since the place is a recognized settlement of the Lumads, most of the caretakers and security personnel are Lumad people. This had given opportunity for the Indigenous people to earn income from their ancestral land.

The result of the study on the potentials of eco-tourism in Lianga using interviews and picture documentations supports IFAD (2016) that economic growth in rural areas may be achieved through intensive support on tourism sector by concerned government agencies. As in the case of Bao-Bao falls, more people especially the marginalized indigenous people were given opportunity to enjoy the benefit of earning income because it provided them jobs. This implies that poverty situations in rural areas may be solved and minimized if the government would

religiously provide better infrastructure projects that served as an instrument to boost the tourism industry in rural areas.



Plate no. 5 The Bao-Bao Falls. The term was coined due to its turtle-like shape.



Plate no. 6. Local and foreign tourists of the Bao-Bao falls.



Plate no. 7 “Lumad” caretaker of the Bao-Bao falls in Barangay Diatagon, Lianga, Surigao del Sur.



Plate no. 8 The underground cave at Liatimco, Lianga, SdS

Human Resources

More than 75% of the population in Lianga is considered skilled workers. Briones (2013) stated that unskilled workers belong to the group with least primary schooling while skilled workers are those who have at least secondary and tertiary schooling. With this, Lianga has large pool in terms of human resources. The relatively high proportion of the people having high educational attainment is primarily due to the existence of a university and technical-vocational schools in the locality. Surigao Del Sur State University, for instance, offer courses like Hotel and Restaurant Management (HRM), BSE- Major in Biological Science, Bachelor of Science in Business Administrations, etc. while the technical-vocational high schools of Anibongan, St. Christine, and National Comprehensive High School have equipped the students with rudimentary skills to prepare them for the world of work in fishery industry, garments, food and beverage servicing, etc.

The potentials of Lianga in terms of human resources was not fully maximized because despite having high percentage of those with college education and college graduates which accounts more than half of the population, only 13.3% of the population are working in government institutions. Majority are working as private employees with low-paying jobs. With lack of available jobs, some professionals are engaged in small entrepreneurial activities. The findings of this study somehow supports Briones (2013) that underemployment is not just widely seen among those with no formal schooling rather includes those with secondary and tertiary schooling because these group often experience underutilization of skills. It is interesting to note in Lianga that college graduates accounts 30% percent of the population and this same percentage represents the population who engage in small scale business. This implies that most of the college graduates engaged in other endeavor due to the absence of available jobs related to their field of specialization.

Further, the case of Lianga somehow contradicts Lam's (2005) view that the continuous poverty experienced by a country is brought about by its failure to provide quality education. The data accumulated in this study implied that despite efforts of the government to provide quality education, even national competence, still the locality maintains high poverty incidence. This means that education alone does not guarantee for poverty reduction in rural areas. Rather, it is through the provision of jobs and opportunities for skilled workers.

Forest and Mineral Resources

Much of Lianga's timberlands are composed of hardwood trees such as Magkono, Yakal, and others that are of export quality. According to a forester, illegal logging was prevalent in Gata and Diatagon particularly in sitio Neptune. After the implementation of Executive Order no. 23, cases of illegal loggings were reduced and anti-illegal logging task force was formed. The local government together with the locals focuses on planted trees such as Falcata, Mahogany, Gemelina, etc. According to the Municipal Environment and Natural Resources Officer forester Hernan P. Ramirez, Falcata became the widespread tree as it is more convenient and marketable compared to the other planted trees.

Mangrove forests are also abundant in Barangay Manyayay, Lianga, SdS, where it served as sanctuaries for small fishes. As to mineral resources, limestone deposits are found in the locality and these are used for building and road construction.



Plate no. 9. Focused-group discussions on the potentials of forest and mineral resources of Lianga with Foresters Edgar Valentin, Junalisa Lumancas, and Thelma S. Alcoberes of the Provincial office of Department of Environment and Natural Resources.

Agriculture

Geographically, Lianga has more uplands than lowlands and upland distribution is becoming the major concern of the people. Somehow, there are disparities regarding land distributions since most of the upland farmers do not own lands. The Department of Agrarian had conducted land surveys of Timberlands to be awarded to the farmers but Certificate of Land Titles were not yet distributed.

According to the Municipal Agriculturist, the ideal crops for upland farming are Cacao and Coconut trees because it is more resilient to typhoons and other calamities. In addition, farmers have formed associations like Liatimco Integrated Cacao Abacca and Rubber Farmers Association (LICARFA) and Liatimco Farmers Organization (LFO) with the same purpose, sustainability. They are in turn supported by government agencies such as the Department of Agriculture (DA) and the Philippine Coconut Association (PCA). The DA supplies vegetables and rice seedlings to lowland farmers. Organic farming is also introduced and is currently used to grow vegetables in Banahao and San Isidro. Interspersed with synthetic farming, organic farming provides time for the soil to recover from the loss of nutrients that is brought about by the previous cultivation.



Plate no. 10. During the interview with the technician of cacao production. He is one of the technicians who were hired by LICARFA to manage the nursery and extend technical support to its members.



Plate no. 11. The Cacao nursery of LICARFA located at Liatimco, Lianga Surigao del Sur. According to the chairman of LICARFA, the full operation of the nursery had started on January 2014. During the first stage of operation they were able to produce 180,000 cacao seedlings. These seedlings were distributed to LICARFA members and some were sold to outsiders for only 15 pesos per hill.



Plate no. 12. The water supply called “Dampakan” by the upland farmers of barangay Liatimco. This picture shows how innovative are the farmers that despite the scarcity of water in barangay Liatimco where most of their lands are hilly and mountainous, they innovate by using hydraulics that sipped water from underneath to provide water source for seedlings and other planted crops.



Plate no.13. Interview with the Chairman of the LFO, a cooperative founded by the upland farmers of Liatimco, Lianga, Surigao del Sur to promote the increase of coconut production. They are one of the recipients of free seedlings and fertilizers offered by the Philippine Coconut Authority. In January 2016, the LFO received 2400 hybrid coconut seedlings from the PCA, an initial step to encourage coconut farmers of Liatimco to maximize their production.

The agriculture sector continues to play significant role in poverty alleviation (ESCAP, 2016). In irony, the country's Agriculture contribution to GDP only accounts 10% while it employs 30% of the national employment (PSA, 2015). This means that the country's agriculture production was not maximized despite that large number of people are farmers.

In the case of Lianga, there are two main factors that affected the production in Agriculture sector. First, most of the farmers were not secured considering that most of them are still waiting for the Certificate of Land Title. The farmers' uncertainty resulted to hesitations in the cultivation of lands. Second, as the place situated facing the pacific where bad weather accumulated to form typhoons, most of the farmlands are usually devastated by strong winds, flashfloods, and landslides every year. These two factors are among the main causes why agriculture sector of the place is not productive despite government efforts to provide farmers with necessary assistance and farmers' innovation to adapt on the challenges.

Furthermore, Lianga is among the lowest municipality in terms of competitiveness rankings. It ranked 697 out of the total number of Municipalities in the country in the three areas that measures competitiveness in terms of economic dynamism, government efficiency, and infrastructure (Cities and Municipalities Competitiveness Index, 2014).

CONCLUSION

Lianga as a municipality has active economic activities such as fishing and upland farming. High poverty incidence is the result of high number of dependents, lack of financial capital, geographic disadvantage, and lack of access to innovations and technologies by most of the farmers and fishers.

Furthermore, the development of the place was affected by the people's reliance to traditional method of farming and fishing, negative political culture, lack of stable job, large family size, lack of access to innovations and technology, and lack of financial for capital formation among households.

As to the extent of political development of the municipality of Lianga, the development of the place was affected by the lack of political stability and security which resulted to low investments and low jobs.

As to the competitive edge of the municipality, the development of the place was affected due to lack of technical trainings and financial assistance to farmers and fishers, lack of available related jobs for skilled workers, and geographical disadvantage.

RECOMMENDATIONS

The local government unit through the legislative department may intensify its effort to provide good infrastructure investment such as solar dryers, seaweed nurseries, ports, upland crop nurseries, farm implements and facilities, and farm and fishing equipment by issuing an ordinance that frames the annual allocation of budget by 50% from the Internal Resource Allotment (IRA) on infrastructure investment which shall serve the farmers and fishers of the municipality.

The local government may spearhead a seminar on financial management in every barangay, workshop on entrepreneurial activities, and relevant skill trainings especially in the rural coastal barangays.

The local government unit may organize transparency committee that shall monitor and publish the implementation of infrastructure projects. To validate the report of the Transparency Committee, the academe and other institutions shall conduct assessment and evaluation as part of their Community Extension Services Program and shall launch information campaigns to the community informing the general public about the status of infrastructure investment in their locality.

The Commission on Audit shall religiously monitor the implementation of a project and shall strictly submit the findings regarding illegal use of public funds to concerned authorities for appropriate legal actions.

The local government may focus their attention in local tourism industry by providing important investment on roads, parks, and public vehicles.

The members of Irrigators Associations in Lianga shall make a project proposal of additional irrigation concrete canal to be submitted to the Department of Agriculture and National Irrigators Association (NIA).

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