

Indonesian population program; Lessons for the Philippines

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The facts are clear. In terms of key economic and social indicators, the Philippines was ahead of Indonesia, Thailand and Vietnam 40 years ago. Today, we are behind and face the dismal prospect of falling even farther behind in the next few years. And a major part of the reason is that in contrast to the Philippines, the three carried out successful population management programs. As a result, all three are now enjoying the dividends of effective family planning: rapid economic growth, decreasing poverty and a better quality of life.

We did not take the population challenge seriously. Our neighbors did.

Causal relationship

Indonesia is perhaps the clearest case of the causal relationship of population management to economic growth and poverty reduction. As Peter Miller, a leading family planning analyst with experience in Indonesia, told me, "family planning clearly preceded economic growth in Vietnam, Thailand and Indonesia, but it is in Indonesia that the case is most clearly seen."

Miller recalls going from an assignment in Bohol to Surabaya in Indonesia in 1975. Compared with Bohol then, Surabaya was desperately poor, with "the children lining the streets showing signs of severe malnutrition." But what he found significant was that in contrast to Bohol, family planning was widely practiced.

Surabaya was a microcosm of Indonesia during this period of widespread poverty, where the key program to promote economic growth was the vigorous family planning program pushed by the Suharto government.

Transition

The demographic transition in the West was marked by economic growth followed by a fall in the fertility rate. In contrast, Indonesia's economic takeoff was preceded by a fall in the fertility rates. The Total Fertility Rate (TFR), or average number of children expected in a woman's lifetime, dropped from 5.6 in 1965-70 to 5.2 in 1970-75 and from 4.7 in 1975-80 to 4.11 in 1980-85.

This left Indonesia well positioned for its golden period of economic growth in 1985 to 1995, when per capita income grew by 70 percent.

A low population growth rate translates into a higher gross domestic product (GDP) per capita. This translates into higher incomes, higher savings and higher investments. The magic combination of effective population management and rapid economic growth was key in triggering a virtuous circle that saw the percentage of the population living in poverty reduced from 40 percent in the late '70s to around 11 percent in the mid-'90s, or an overall reduction of almost 75 percent in two decades.

Ingredients of success

What accounted for the success of the population program?

One very important ingredient was national leadership. There were many things wrong with Suharto. The man was responsible for countless human rights violations, but one of the things the dictator apparently got right was that any possibility of development would be choked by unrestrained population growth. As Jose Ferraris, the United Nations Population Fund (UNFPA) representative in Indonesia, put it, "Suharto had vision. He saw things 30 years down the road and he provided the high-level political will."

A second ingredient was the population program became a mass movement. "It began as a top-down movement, but it soon became a bottom-up movement," Ferraris said.

Innovative organizing at the village level sustained the momentum of the program. Central to this process was Haryono Suyono, a charismatic individual who was described as a "cross" between Juan Flavio, the dynamic Filipino civil society figure, and Meechai Viraidya, a central figure in the history of family planning in Thailand.

Highly motivated

Highly motivated field workers promoted the idea of a "small, healthy, prosperous and happy family." Signs proclaiming "Two Children are Enough" were planted everywhere and blue chromatic circles were imprinted on houses whose residents were practicing contraception.

Third, the program was integrated into income-support programs. One of the major reasons for successful expansion of village family-planning groups in Indonesia was the ability of the National Family Coordinating Board (BKKBN) to come up with innovations to make these groups more attractive to village women. These served as incentives for women to limit births.

Microcredit

Making microcredit available was one such initiative. "The BKKBN provided funds with low interest rates to the groups for microcredit purposes. Many groups established rules of eligibility, requiring family planning use for a specific period before they could have access to these low-interest loans," analyst Ashok Barnwal said. "This worked like an incentive to use the family planning methods. This intervention also helped in strengthening the government-society link."

A fourth reason was an active government effort to recruit religious leaders to support the process. The role of the ulamas or Muslim leaders trained in Islamic doctrine and laws was critical in convincing Indonesia's majority Muslim population. So the BKKBN initiated a sustained dialogue with them.

The decisive outcome of this effort was the ulamas' issuance of a fatwa or religious opinion supporting the use of contraceptive methods except for vasectomy. As a result, about 90 percent of the Muslim community now supports family planning, according to Eddy Hasmi, head of BKKBN's Center for International Training and Collaboration.

Catholic community

The family planning leaders were aware of possible problems with the minority Catholic community. Like what they did with the Muslim leaders, they placed a special effort on a constructive dialogue with the Catholic hierarchy. The Church in Indonesia supports family planning and though it does not endorse the use of contraceptives, it does not actively oppose it, according to Hasmi.

There is dialogue between the State and the Catholic Church in Indonesia. The process has been made easier by the "relative independence of the Catholic Church," Ferraris said.

The attitude of the Indonesian Church is that family planning is a matter of moral choice by the individual and this moral choice can only be exercised “if it is based on information.”

The liberal attitude of the Indonesian Catholic hierarchy is evident in its approving the distribution of a government family planning booklet, titled “Building a Prosperous and Responsible Family,” which has 11 pages that describe in detail the different methods of artificial contraception.

Still, despite the relatively tolerant attitude of the Indonesian Church, the TFR in East Nusa Tenggara, where Catholics form the majority, is 3.7—the highest in the country - while the national rate is 2.3.

The proportion of sexually active women of reproductive age who want to practice family planning but do not have access to family planning supplies or methods is over 15 percent in the province, much higher than the national figure of 9 percent.

Its relatively poor performance in family planning is perhaps not unrelated to the fact that East Nusa Tenggara is also a depressed region, where the unemployment rate in its most populated part, West Timor, reaches as high as 80 percent.

Recovering direction

For a decade after the Asian financial crisis in 1998, Indonesia entered a period of economic crisis and political instability. The family planning programs saw some scaling down in emphasis and budget-wise. However, the habits of contraceptive use to limit family size held: from 1997 to 2003, TFR decreased from 2.8 to 2.4 and to 2.3 in 2007.

Nonetheless, the deemphasis on the program might have had some negative consequences. The current high incidence of abortion, which was estimated in 2010 at about 1.2 million, could have something to do with the fact that “access to and the quality of family planning counseling and other services deteriorated owing to neglect,” said Hasmi. He added that a number of microstudies pointed in this direction.

There is also the sense that the 1.3-percent population growth (given a population of 241 million in 2011) is still uncomfortably high and adds a cohort of people “nearly the size of Singapore” each year, as one government publication put it.

Worried about such trends, President Susilo Bambang Yudhoyono has refocused government attention and sought to increase government resources for family planning during his second term.

Window of opportunity

Today, Indonesia is said to be on the threshold of its “window of opportunity,” with a dependency ratio - that is, the ratio of people age 0-14 and age 65 and above to the working age population of 15 to 64 years - moving from 51.9 in 2005 to 48.8 in 2010 to 44.7 in 2020 to 44.0 in 2030.

The members of the labor force entering the work force during this period is said to be of a better quality from the perspective of skills than earlier cohorts owing to their being born to smaller families, a condition that has helped equip them with higher educational attainments, better health and modern values.

The entry of this new cohort into the labor force coincides with the unfolding of a new, sustained boom in the Indonesian economy that saw Indonesia grow by 4.9 percent during the lowest point of the current global economic crisis in 2009, even as other economies were plunged into recession.

“Among Indonesia’s strengths, the macroeconomic environment stands out ... Fast growth and sound fiscal management have put the country on a strong fiscal footing. The debt burden has been drastically reduced, and Indonesia’s credit rating has been upgraded,” said the World Economic Forum.

It pointed out that “as one of the world’s 20 largest economies, Indonesia boasts a large pool of potential consumers, as well as a rapidly growing middle class, of great interest to both local and foreign investors.”

A strength that the report should have underlined as well is Indonesia’s having successfully surmounted the population problem.

Lessons

So what lessons can the Philippines learn from Indonesia?

Definitely, the most relevant is a strong commitment on the part of the national government that is sustained over time.

Second, family planning cannot simply be left to the government but must be supported by organizing at the grassroots, community level.

Third, incentives can facilitate commitment to family planning. The Aquino administration might, for instance, provide subsidies to families that are able to limit their size.

Finally, the program’s progress can be accelerated if it enjoys the support of a country’s religious leadership.

In Indonesia, the support of the ulamas in the Muslim community has been a big plus for the program. Unfortunately, the Catholic hierarchy in the Philippines will not be swayed from its opposition to family planning.

Thus, it might be necessary to mobilize lay Catholic leaders as well as priests who believe in the program – of whom there are many – to neutralize the irrational opposition of the bishops.

The Indonesian experience shows the value of political will, innovativeness, participation and dialogue in family planning. It is one that the Philippines will do well to study and replicate, with sensitivity, of course, to our particular national circumstances.

Walden Bello

Comparative indicators

Indicators

1. Economic

	Indonesia	Philippines
GDP at current prices (2010 est., in US\$)	\$706.7 B	\$188.7 B
Per capita GDP (2010 est., in US\$)	\$4,200	\$3, 500
Growth rate of GDP (2010 est.)	6.1%	7.3%
Inflation rate (2010 est.)	5.1%	3.8%
Unemployment rate (2010 est.)	7.1%	7.3%
Budget deficit as % of GDP	26.4	56.5
Gross domestic investment as % of GDP	2.5	16
Foreign investments inflow (2010 est., US\$)		
(home)	\$81.2 B	\$24.5 B
(abroad)	\$33.7 B	\$6.5 B

2. Human development

	Indonesia	Philippines
Poverty index (% living at \$1.25 a day)	29.4	22.6
Birth rate (2011 est., per 1,000 persons)	18.1	25.34
Inequality-adjusted Income*	0.41	72.3
Infant mortality**	27.95	19.34
Education index***	0.840	0.888
Literacy rate	90.4%	92.6%

* 2010, Gini, 0 = perfect equality.

** 2011 est., deaths/1,000 births.

*** 1 = perfect education attainment

3. Other

	Indonesia	Philippines
Corruption index+	110 th	134 th
Tourist arrivals++	7.00	3.52
Happy Planet index+++	16 th	14 th

+ 2010, higher rank, less corruption.

++ 2010, in million arrivals.

+++ Higher rank, more happy

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P.S.

* Philippine Daily Inquirer, 12:59 am | Sunday, July 31st, 2011.

<http://opinion.inquirer.net/8959/indonesian-population-program-lessons-for-the-philippines>

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