



*and*  
**PCED** | Philippine Center for  
Economic Development

*present a seminar on*

**“Essays in Province Creation in the Philippines”**

by

**Prince Christian Cruz**

*PhD Candidate*

**18 September 2015, Friday**

**4:00 p.m. – Room 303**

***Abstracts***

**May the Pork be With You! Divide-by-N Syndrome and Province Creation in the Philippines**

Is it economics, demographics, or politics that drove the increase in the number of provinces in the Philippines? The number of provinces, the highest level local government unit (LGU), rose from just 50 in 1946 to 68 in 1972 and 81 in 2014. Using a binary outcome panel regression model, the paper analyzes the determinants of province creation in the Philippines from 1918 to 1972. The paper finds that aside from higher population density and higher literacy, low pork barrel allocation per person is correlated with higher probability that a province will be divided. With each province constitutionally guaranteed a representative in Congress, province creation may be due to the desire of the political elite to extend access to “pork barrel” and other national funds to their allies. The pork barrel system is a symptom of divide-by-N syndrome characterized by distribution of resources to as many people or projects as possible leading to inefficiency. The findings suggest that the local governance system which was built around the pork barrel system, encourages the creation of new provinces.

**Earthworms or Flatworms: Assessing the Impacts of Province Creation in the Philippines**

What will happen when a province is divided? Will it lead to two (or more) vibrant provinces like flatworms or will it lead to the decay of one (or more) of the divided parts like earthworms? The creation of new provinces, whether during the colonial period or in the independence period, carries with it the promise of development through increased investment or better delivery of public services. It focuses on two periods of rapid increase in the number of provinces: 1) the latter part of the Spanish Regime (1800 – 1898); and 2) the post-independence period (1946-1972). Using population density as main indicator, the paper suggests that province creation has no clear impact on development.

***About the speaker***

**Prince Christian Cruz** is a PhD candidate at the University of the Philippines School of Economics (UPSE). He got his BS Economics (2002), Master in Development Economics (2004), and MA Economics (2011) from the same institution. He is a recipient of Health Policy Development Program (HPDP) Dissertation Grant.



**Free and open to the public**

For group attendance, please contact Ms. Gloria Lambino, UPSE Economics Research Center

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