

# Philippines: Overseas employment and its effects

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The business pages of both the *Philippine Daily Inquirer* and the *Philippine Star* carried almost identical headlines the other day. "Remittances surged to \$1.48B in May," said the *Inquirer*. "OFW remittances hit record high in May," said *The Star*. One cannot miss the celebratory tone in which Bangko Sentral ng Pilipinas Governor Amando Tetangco Jr. shared this piece of good news with reporters. "The stream of remittances from overseas Filipinos continued to show signs of strength despite lingering global economic fragilities," he announced.

The loss of OFW jobs in some countries at the beginning of the financial crisis appears to have been successfully offset by the deployment of new workers to other destinations. Tetangco pointed to new hiring agreements recently forged by the Arroyo administration with host countries like Qatar, Saudi Arabia, Canada, Australia and Japan. *The Star* report highlighted this development by giving it context: "Labor export has been a cause for embarrassment for past administrations but the Arroyo administration has made a policy of aggressive marketing of Filipino workers whose earnings boost the country's dollar reserves."

One can hardly fault the country's financial managers for looking at the OFW phenomenon solely in terms of remittances. That is what their function directs them to do. But, the deployment of large numbers of Filipino workers for overseas employment produces various other effects to which the BSP would be systematically blind. How families and communities cope with the departure of huge numbers of individuals is certainly worth knowing. How young children adjust to the reality of absentee parents, or what spouses do to keep marital bonds strong despite prolonged separation, are long-term effects that no nation that has been sucked in a big way into the global diaspora can possibly ignore. But such are not the concerns of economic managers.

Unfortunately, because of the dire economic situation of the country and the persistence of mass poverty among our people, the national appreciation of overseas employment has been dominated by a fixation with remittances. Even the economic view has been narrowly focused on issues like effects on the nation's credit standing, dollar reserves and consumer spending. Little attention, if any, is paid to the proportion of OFW remittances that is set aside for investments in productive capacity. Nor is the government creating meaningful opportunities for OFWs to invest a good part of their earnings in entrepreneurial activity. Is it possible that while these remittances are big in aggregate terms, they are really minuscule and just enough to cover subsistence when reckoned at the household level?

One wonders too if there are any government studies on the impact of steady OFW remittances on the recipient family's motivation to find additional sources of income. My suspicion is that money sent regularly by OFWs tends to foster a vicious dependence on the part of the relatives left behind. Some academic studies have shown that the latter are effectively prompted to place their lives on hold until they themselves can leave for abroad. This mind-set is consistent with the promotion at the societal level of an infectious culture of migration.

Sociological analysis allows us to view the effects of the massive deployment of people for overseas work at various levels and from the standpoint of different institutional systems. The picture that emerges shows that while the OFW phenomenon has brought untold economic benefits to many households, it has also created injurious social outcomes for the Filipino family and the community. Though originally conceived as a stop-gap solution to the problem of unemployment, it has led to the entrenchment of an economic strategy based on labor export that tends to preclude planning for the long-term development of the national economy.

OFW remittances have funded the education of millions of Filipino children who, because of poverty, would have been excluded from the circuits of higher education. But, on the other hand, because OFW families have turned increasingly to private schools for quality learning, the government has found it easy to relieve itself of the basic obligation to educate its citizens. Thus, the deterioration of our public schools has come hand in hand with the improvement of private education.

Countless Filipino women have found personal liberation through overseas work, but many others have found themselves trapped in intolerable working conditions abroad where foreign laws do not provide them protection. Their global experience has given them a chance to step out of the skin of their culture and view their society through the prism of modern values. They have, as a result, become a singular force for change, yet their absence severely constrains their participation in the shaping of Philippine society.

They have reconstituted fragments of the Filipino nation in the remotest corners of the world using their creative genius, but the gap between the nation at home and the nation they try to re-create abroad persists. It troubles them. The task at hand is how to harness this latent commitment to nation and culture so that, beyond the remittances and the balikbayan boxes, their engagement with our society can begin with the rebuilding of our local communities as repositories of our common heritage. One cannot imagine how the recuperation of national pride can start from something as simple as this.

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**P.S.**

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