Continuity and Change in the Philippine Business Landscape

Eric Vincent Batalla*

Introduction

During the past decade, the Philippines began recovering from a serious economic malady that had enveloped it since the early 1980s. For the period 2001-2010, gross domestic product (GDP) grew at an average pace of 4.7 per cent per year and, in per capita terms by 2.6 percent per year. These contrasted previous performances where the GDP grew only by 1.8 and 2.7 percent per year for the periods 1981-1990 and 1991-2000, respectively.

The economic performance of the last decade reflects a local climate that is more conducive to business than those of previous periods. Small and medium enterprises (SMEs) have expanded their share of total value added while the upper rung of business establishments has become more diversified. Furthermore, the changes in the composition of the Top 1000 as well as the Top 100 corporations suggest economic liberalization effects. Notwithstanding these positive developments, major governance issues continue to choke economic growth and business sector expansion.

Time and again, the necessity of institutional and governance reforms has been articulated. The current presidency of Simeon Benigno Aquino has even has placed the fight against corruption at the top of its priority. However, it is not clear whether or not such articulation of governance reforms would make headway in the near future.

This article provides a brief overview of the long-term patterns of change and continuity in the Philippines. Its purpose is to pinpoint key areas of reform despite

* Visiting Professor (October 2011－March 2012), Graduate School of International Cooperation Studies, Kobe University.
Professor, Political Science Department, De La Salle University, Manila, Philippines.

the confidence brought about by recent enhanced economic performance. A broad sketch of the economy's long-term performance as well as changes in the business sector shows encouraging but somewhat superficial developments. The economy has yet to improve productivity and be driven by private and public sector investments. However, investment as a driver of growth has been hampered by governance problems. A longer-term perspective suggests deeper political reforms are necessary in order to cause a seachange in the country's business landscape.

1. Continuity and Change in Economic Performance and Structure

During the past fifty years or so, the economy has witnessed a number of structural changes occuring in the process of political democratization and economic liberalization. Nevertheless, two major continuities could be observed in patterns of performance. First, the economy has continued its moderate (if not relatively slow) growth pattern. Second, it continues to be driven largely by private consumption expenditures.

1. 1. Moderate Long-term Growth Pattern

Economic growth since the 1960s has been moderate. The average GDP growth rate from 1960 to 2010 is about 4.1 percent but in per capita terms, it is only 1.4 percent (Table 1). Compared to faster growing economies in the East Asian region, such performance has been rendered as inferior or lackadaisical. Per capita GDP growth rates in many East Asian countries have been at least 4 percent a year (ADB, 2007).

While some attribute the differences to the Philippines' rapid population growth rates (e.g., Orbeta, 2005), others have underscored fundamental policy deficiencies and other critical constraints to growth in explaining differential economic performances (e.g., World Bank, 1993; ADB, 2007). Recent studies have further suggested the importance of incorporating "economic turning points" and their impact in explaining long-term economic performance. The 1980s and particularly the political-economic crisis of 1984-85 have been the decisive turning point for the Philippines (Balisacan and Hill, 2003; Tolo, 2011; Batalla, 2011).

Table 1 Average Philippine GDP Growth Rates, 1960-2010

Period	Average GDP Growth (%)	Average Annual GDP per Capita Growth (%)	Average Annual Gross National Income Growth (%)
1961-1970	4.9	1.7	5.0
1971-1980	5.9	3.0	5.9
1981-1990	1.8	-0.9	1.8
1991-2000	2.9	0.6	2.8
2001-2010	4.7	2.8	4.6
1961-1983	5.1	2.1	5.2
1984-1998	2.0	-0.4	1.3
1999-2010	4.6	2.6	5.4
1961-2010	4.1	1.4	4.0

Source of basic data: World Bank

Tolo (2011) compares the Philippines to top-performing, moderately-performing and slower-growth performing market economies during two periods, namely: 1965-1983 and 1984-2005. Her study shows that growth in the Philippines during the period 1965-1983 was faster than the period 1984-2005. She notes that while the economy performed in line with the average during the first period, the second period saw a rapid deceleration of growth due to the impact of political unrest, a string of natural disasters and economic turmoil in 1984. Of these, she argues that political instability was the key factor since natural disasters and economic turmoil could be treated as temporary shocks.[1] Table 1 shows the economy's performance for the period 1984-1998, where in per capita terms, the average annual growth was negative.

1. 2. Consumption-Driven Growth

Consumption, not investment, primarily drives the economy. Table 2 compares household consumption expenditures as percentage of GDP in six East Asian countries. Whereas, consumption expenditures as share of GDP have been reduced in neighboring East Asian countries, the opposite situation is true for the Philippines. In

Table 2. Household final consumption expenditure, etc. (% of GDP)

Period	Indonesia	Korea,Rep.	Malaysia	Philippines	Singapore	Thailand
1961-1970	84.8	79.0	64.5	68.8	92.0	70.7
1971-1980	63.4	66.4	56.5	65.2	58.3	66.7
1981-1990	58.9	56.4	54.0	71.4	46.1	60.6
1991-2000	62.3	52.2	46.5	72.9	41.9	54.7
2001-2010	61.1	54.4	45.8	74.0	40.9	56.3

Source of basic data: World Bank

fact, the Philippine share of consumption expenditures to GDP has even increased from the 1970s to the 2000s.

Declining consumption expenditure shares in other East Asian countries suggests that investment expenditures share a significant portion of domestic output, which has served to accelerate growth in these countries. Bocchi (2008:24) has argued that a major portion of the private sector in the Philippines is not investing but that growth is sustained by the "least protected sectors" of the economy. Accordingly, on the demand side, growth is fuelled by remittances from overseas while, on the supply side, by non-capital intensive exports. Since remittances from abroad have assumed economic significance during the last two decades, it could be further argued that external development assistance has been the major source of past consumption-oriented growth.

1. 3. The Structure of Production and Employment

Notwithstanding its moderate performance, the economy's production structure has changed through the decades, shedding off the predominant agricultural orientation that had characterized it since colonial times. There is a clear trend in agricultural production's decelerated growth. Based on a country study published by the ADB (2007), agriculture's contribution to GDP growth dropped from 26 percent during the period 1961-70 to about 16 percent during the period 2001-2006.

The industry sector grew faster than agriculture from the 1960s onwards. However, the trend also points to decelerated growth since the 1980s. After reaching a peak of 49.6 percent during the period 1971-80, the industry sector's contribution

to GDP growth went down to 22 percent in 2001-2006, (ADB, 2007). Of the three sectors, the services sector's contribution to GDP growth has been the largest rising to 61.5 percent during the period 2001-2006 from 37 percent in 1961-70 (ADB, 2007).

Table 3 shows the services sector's average share eventually exceeding half of the economy's total gross value added. Industry's average contribution to GDP has only slightly increased while that of agriculture has decreased remarkably. The share of agricultural production has continued to decline relative to those of the two other sectors. By the 2000s, agriculture has registered an average of about 13 percent of total output. Along with agriculture, manufacturing's GDP share has also declined after peaking in the 1970s.

It must be noted however that the ascendancy of services is not unique to the Philippines. Tolo (2011:6) showed that in all countries in her sample, services became dominant, "followed by industry, then agriculture." Further, growth of the services sector became relatively faster than those of the other sectors during the period 1984-2005. This suggested lackadaisical growth of Philippine industry and agriculture especially when compared with other East Asian countries whose growth rates in these sectors had been rapid. As Tolo (2011:6) observed for the Philippines, "In fact, growth in the agriculture and industry sectors, as well as the manufacturing sub-sector, were lower than the 'slower-growing' group average for 1984-2008."

The structure of Philippine employment has also changed through the decades. The growth of industry and services vis- -vis agriculture has naturally led to the expansion of employment in these sectors (Table 4). Services have accounted for about half of total employment (and still growing). Industry's employment contribution

Table 3. Average Contribution to GDP by Sector, 1961-2010 (%)

Sector	1961-70	1971-80	1981-90	1991-2000	2001-2010
Agriculture	27.6	29.0	23.5	19.1	12.9
Industry	31.1	35.6	36.4	33.0	33.5
Manufacturing	24.1	25.8	24.9	23.6	23.4
Services	41.3	35.4	40.1	47.8	53.7

Source of basic data: World Bank

Table 4. Average Employment Contribution by Sector, 1961-2010 (% of total employment)

Sector	1961-70	1971-80	1981-90	1991-2000	2001-2010
Agriculture	n.d.	53.3	49.0	42.2	35.7
Industry	n.d.	14.8	14.5	16.1	15.4
Services	n.d.	31.7	36.6	41.7	49.0

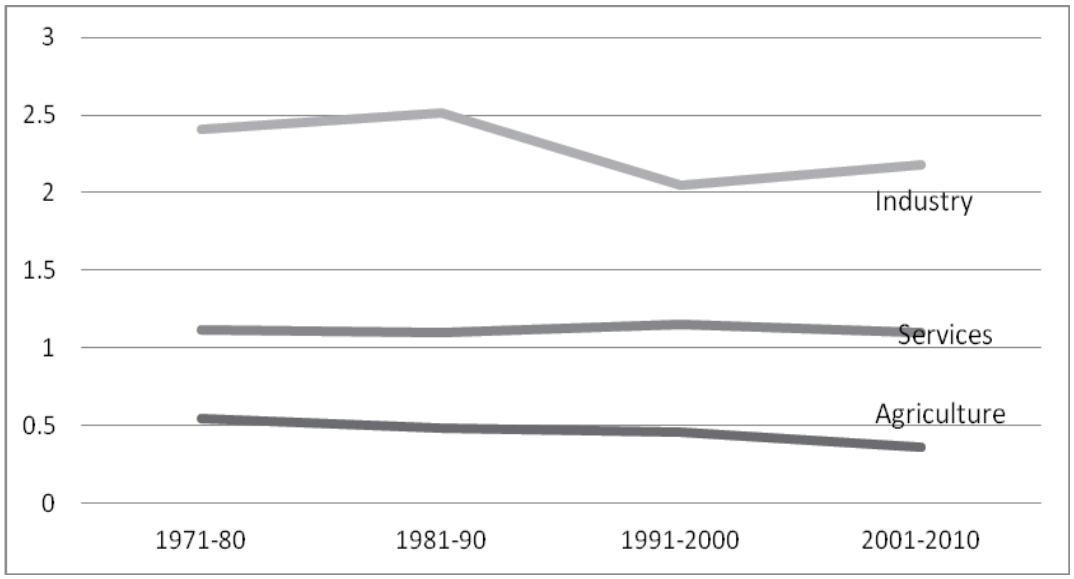
Legend: n.d. = no data available.
Sources: World Bank, Laborsta, National Statistical Coordination Board.

has been consistent with its relatively slow value-added growth performance. The long-term pattern suggests relative stagnation in the sector's employment contribution. Manufacturing's employment share has even declined.[2]

In sum, during the past decades, the Philippines has increasingly relied on services for much of its production and labor absorption. Usui (2011) has pointed out that while the services sector has absorbed labor away from agriculture, productivity in the former has actually stagnated. This suggests that over-reliance on the service sector's economic contributions might be inappropriately placed given the limited capacity of that sector to bring the economy toward the path of rapid income growth and full employment. Especially in the backdrop of a large and growing labor surplus, raising the value added in the services sector is a major challenge.

Figure 1 shows the sectors' structural contribution ratios, i.e., the sector's value-added contribution relative to its employment contribution. Since the 1970s, services have maintained neutral values while agriculture has consistently demonstrated low contribution ratios. Industry yields the highest contribution ratio among the three sectors. The drop in the value of its contribution ratio during the period 1981-90 could be attributed to the dismal performance of the manufacturing subsector amidst the economic turbulence of the "lost decade." Industry has slightly recovered since then but largely due to expanded roles assumed by non-manufacturing enterprises.

Figure 1: Average Sectoral GDP-Employment Contribution Ratios, 1971-2000



Source of basic data: Same as in Tables 1 and 2.

It might be argued, as Sicat (2004) did, that Philippine manufacturing and labor productivity were hampered by uncompetitive wage rates and restive labor due to government labor policy. However, others have suggested the broader view that the lack of an industrial policy has had effects on productivity. For instance, Kajiwara (1994) has shown that labor productivity gains in certain manufacturing industries were experienced in the 1970s due to technological transfers associated with increased foreign direct investments. Unfortunately, much of these productivity gains were reversed during and in the aftermath of the harsh political and economic climate of the 1980s. Kajiwara (1994) argued that productivity improvement in the latter half of 1980s largely resulted from trade and investment liberalization policy. He recommended a selective industrial policy to boost productivity and accelerate growth.

However, governments have not adopted a clear and effective industrial policy. In fact, the administration of President Gloria Arroyo (2001-2010) even adopted the strategy of leap-frogging industrialization by promoting services as the leading sector. The cornerstones of this strategy included labor export and strengthening the country's position as a key destination for business process outsourcing (BPO).

The BPO industry is a major source of employment in the country and average compensation for BPO workers is higher than those of other non-agricultural skilled workers (Magtibay-Ramos, Estrada, and Felipe, 2008). The industry includes call centers, software publishing and development, animation and creative services, data transcription, back office processing (e.g., data processing and medical transcription) and engineering design. Based on the 2008 Annual Survey of Philippine Business and Industry (ASPBI), there were 456 BPO establishments employing more than 187,000 workers and generating value-added totaling P83.5 billion from combined revenues of P127 billion.

2. Sectoral Performance of Business Establishments

In 2003, the Small and Medium Enterprises Development (SMED) Council of the Department of Trade and Industry (DTI) defined the sizes of enterprises as follows: microenterprises were those with at most 9 workers, small enterprises with 10-99 workers, medium enterprises with 100-199 workers, and large enteprises with 200 or more workers. The SMED Council adopted the term “SMEs” to include micro-enterprises as well as small and medium enterprises (DTI, SME Development Plan 2004-2010). The same treatment shall be adopted in this article.

Table 5 shows the preponderance of SMEs in the country. They account for over 99.6 percent of the total number of Philippine enterprises. They also share over 63 percent of total employment. Further, SME share of total value added has been estimated at 37.5 percent in 2009, apparently an improvement over the 21 percent share in the 1983 census.

Microenterprises, which were highly unstable and vulnerable, comprising more than 91 percent of the establishments. Large establishments, which account for 0.4% of the total number of establishments, possess tremendous economic power. Numbering only 3,080 in 2009, they account for close to 37 percent of total employment and over 62 percent of census value added.

Table 5. Number and Employment of Business Establishments in the Philippines, by size, 2001 and 2009

Size or Establishment	2001				2009			
	Number of Establishments	Share of Total (%)	Employment	Share of Total (%)	Number of Establishments	Share of Total (%)	Employment	Share of Total (%)
Total	811,592	100.0	5,657,966	100.0	780,437	100.0	5,689,939	100.0
Micro	743,949	91.7	2,151,885	38.0	710,822	91.1	1,731,082	30.4
Small	61,762	7.6	1,357,662	24.0	63,529	8.1	1,449,033	25.5
Medium	2,923	0.4	399,358	7.1	3,006	0.4	415,526	7.3
Total MSMEs	808,634	99.6	3,908,905	69.1	777,357	99.6	3,595,641	63.2
Large	2,958	0.4	1,749,061	30.9	3,080	0.4	2,094,298	36.8

Source: Department of Trade and Industry

Data on Japanese establishments from Tamangan, Josef and Habito (2004) could be used for comparison to gain some sense of proportion. Table 6 shows that SMEs in Japan and the Philippines have shares of employment not so wide apart from each other. The major differences could be found in the shares of SMEs in the total number of establishments and in value added.

In 2000, Japanese SMEs accounted for close to 70 percent of establishments enjoying about 55 percent of total value added (Table 6). While there were more large establishments in Japan, their value-added contribution was less than half of the total. This differed considerably from the Philippine case, which showed a skewed distribution in favor of large establishments. This suggests a big room for improvement in SME sector productivity in the Philippines.

Table 6. Selected Comparative SME Indicators, Philippines and Japan, 2000/2001

Indicators	Philippines, 2001		Japan, 2000	
	SMEs	Large	SMEs	Large
Share of Total Number of Establishments (%)	99.6	0.4	69.5	30.5
Share of Total Employment (%)	69.1	30.9	73.9	26.1
Share of Total Value Added* (%)	30**	70	55.5	44.5
Note: *Does not include microenterprises (firms with less than 10 workers). **Estimate in SME Development Plan 2204-2009. The estimated SME contribution to total value added was 28.1% and 37.5% in 1993 and 2009, respectively.				

Source: SME Development Plan, 2004-2009; Tables 2-17 and 2-18 in Tamangan, Josef and Habito (2004).

In the 2009 Philippine census, almost half (or 49 percent) of establishments were engaged in wholesale/retail trade and repair services. Manufacturing came next with 14 percent of the total number of establishments, followed by hotel and restaurants (13 percent) and real estate, renting and business activities (6 percent). In terms of employment shares, the largest two industries were trade and repairs (24 percent) and manufacturing (23 percent). Real estate, renting, and business activities shared 15 percent and hotel and restaurants 9 percent of the total number of establishments.

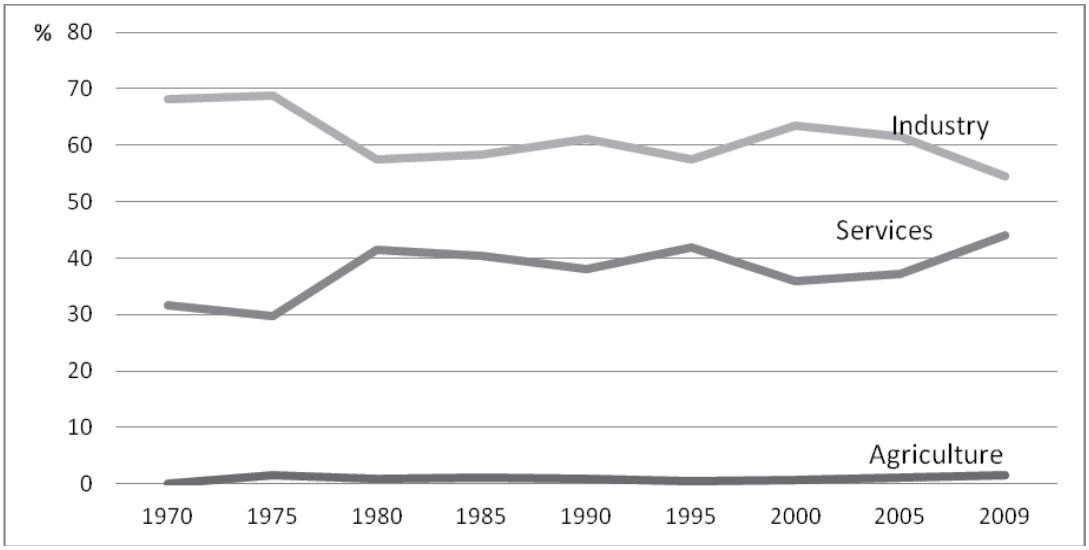
Ostensibly, the role of SMEs in Philippine manufacturing has yet to be developed. As discussed in Aldaba (2008), the average share of SMEs in total manufacturing value added even declined from 28 percent in 1998 to 21 percent in 2003. SMEs where high manufacturing productivity levels were high (and exceeded "50 percent of their industry value added") were into the production of leather footwear, wood and cork, furniture, printing and publishing, industrial chemicals, other nonmetallic, fabricated metal, and miscellaneous manufactures (Aldaba, 2008: 18). In most other manufacturing industries, higher value-added and higher productivity levels could be found in large establishments.

3. The Top 1000 Corporations

About one-third of the large establishments make it to the list of the Philippines' Top 1000 Corporations, which is published annually by BusinessWorld and its predecessor, Business Day, in cooperation with the Securities and Exchange Commission (SEC). From 1970 to 2009, industrial sector has consistently dominated the list of Top 1000 corporations. Figure 2 shows the sectoral distribution of the top 1000 firms in terms of sales.

Industrial firms, particularly manufacturing, continue to grab the lion's share of total revenues of the Top 1000 (Table 7). Corporate agricultural sales performance has remained poor in comparison with industry and services though it has risen to over 1 percent of total sales during the past decade. Consistent with the pattern of structural economic change earlier discussed, the services sector has also expanded its presence in the Top 1000 both in terms of number and revenues.

Figure 2: Sectoral Distribution of the Top 1000 Corporations, 1970-2009 (% of Total)



Source: Business Day Top 1000 Corporations in the Philippines, various issues; Business World, Top 1000 Corporations in the Philippines, various issues.

Table 7. Revenue Distribution of Top 1000 Corporations By Subsector, 1995-2009 (%)

Subsector	1995	2000	2005	2009
Agriculture & Forestry	0.6	0.6	1.1	1.5
Fishing	0.3	0.1	0.1	0.1
Mining	2.6	0.4	1.1	1.9
Manufacturing	50.1	51.7	47.2	44.0
Electricity, Gas, & Water Supply	7.3	9.4	12.5	7.1
Construction	1.2	1.9	0.7	1.4
Wholesale & Retail Trade	15.6	13.5	13.8	16.8
Hotels & Restaurants	0.8	0.9	0.9	1.2
Transport, Storage & Communications	4.0	5.8	8.0	9.0
Financial Intermediation	14.1	12.6	10.5	11.7
Real Estate, Renting & Business Activities	1.7	1.2	1.8	4.3
Social Services	1.8	1.8	2.3	1.0
Total	100.0	100.0	100.0	100.0

Source: Business World's Top 1000 Corporations in the Philippines, various issues.

The trends in the service sector reflect the remarkable growth of telecommunications, shopping mall, BPO, real estate and property development, as well as in hotel and restaurant industries during the 2000s. Increased consumption expendi-

tures associated with the growth of these industries have been supported by the inflow of billions of dollars remitted to private households from abroad (Bocchi, 2008; Usui, 2011). From a mere US$103 million in 1975, overseas worker remittances have amounted to US$18.7 billion in 2010. In fact, the inflow of overseas remittances has exploded particularly in the past decade, growing at a compounded rate of 13.4 percent per year since 2000.

3. 1. Government Owned and Controlled Firms in the Top 1000

In the early decades following independence in 1946, government attempts at boosting Philippine manufacturing have resulted in a generally restrictive business environment characterized by government controls in the context of import-substitution industrialization. While government policy aimed at developing manufacturing industries, policy implementation ironically discouraged smaller firms from enhanced participation because of the various licenses, permits, and foreign exchange allocations imposed by government. Policy implementation was selective in the sense that it had largely benefited businesses with political connections. As Crouch (1985:26-27) observed, "The sudden growth of manufacturing in the Philippines had taken place as a direct result of government-imposed controls and thus made business very dependent on the state."

During the Marcos authoritarian period (1972-86), direct government participation in the economy strengthened. The number of government owned and controlled corporations (GOCCs) was estimated to be more than 300. Their alleged controll over vital sectors such as mining, steel, and banking had drawn criticisms of a "creeping state capitalism."[3] GOCCs in the Top 1000 were found in almost all industries.[4] The symbols of GOCC prominence in Philippine business included Petrophil (a subsidiary of the Philippine National Oil Company engaged in the trade of petroleum products), the National Power Corporation (NPC), Philippine Airlines (PAL), and Manila Electric Company (MERALCO). These firms were usually in the Top 10 during the Marcos authoritarian period.

After the fall of the dictatorship in February 1986, succeeding governments have decided to privatize many GOCCs. Government interest in many of the firms in the

Table 8. Distribution of Top 1000 Corporations by Type of Firm (Number)

Type of Firm	1985	1990	1995	2000	2005	2009
Domestic Private Firms	714	762	733	723	558	620
GOCCs	48	40	30	19	19	10
Multinational Corporations	238	198	237	258	423	370
Total	1000	1000	1000	1000	1000	1000

Legend: GOCCs stand for Government Owned and Controlled Corporations.
Source of basic data: Business Day 1985 issue. All others from Business World Top 1000 Corporations in the Philippines, various issues.

Top 1000 Corporations was gradually sold. Thus, from 48 in 1985, the number of GOCCs in the Top 1000 Corporations eventually fell to 10 in 2009 (Table 8).

3. 2. Multinational Presence

Although tariff and investment reform policies were adopted in the early 1980s, it was only in the 1990s that substantial progress in economic liberalization was achieved. Several restrictions on foreign trade and investments were lifted in order to resuscitate an economy seriously ailing from huge debt service obligations. Tariff reforms were introduced during the Aquino administration. Then, in 1991, a revised Foreign Investments Act (FIA) was passed. The law allowed 100 percent foreign ownership in most businesses.[5] More liberalization measures were instituted during the Ramos administration. One such reform was Republic Act No. 7721, or the Act Liberalizing the Entry and Scope of Operations of Foreign Banks in the Philippines. As a result of these reforms, more multinational corporations (MNCs) were able to participate in the country's domestic- and export-oriented economic activities.

Table 8 demonstrates the increasing presence of MNCs in the Top 1000 Corporations from 1985 to 2009. The increasing trend in the number of MNCs in the Top 1000 was only arrested during the latter half of the 2000s apparently due to the adverse effects of the global economic crisis. Nevertheless, many MNCs have still managed to be on top of several industries.

The 2010 issue of BusinessWorld's Top 1000 Corporations shows 370 MNCs, broken down by subsector as follows: 11 MNCs in mining and quarrying; 203 in man-

ufacturing; 14 in electricity, gas, steam, and airconditioning supply; 1 in water supply, sewerage, and waste management; 5 in construction; 37 in wholesale and retail trade; 14 in transportation and storage; 6 in accommodation and food service (hotels and restaurants); 6 in information and communication; 31 in finance and insurance; 2 in real estate; 9 in profession, scientific, and technical activities (services); 30 in administrative and support services (including BPO activities); and 1 in recreation.

In manufacturing, Table 9 shows a broad composition of MNCs by nationality. Participating firms have come not only from Northeast Asia, North America and

Table 9. Manufacturing Sector MNCs in the Top 1000 Corporations, 2009

Country of origin	Number	Combined Revenues (million pesos)	Share of Total MNC Revenues (%)
Japan	95	589,033.00	32.8
United States	39	386,101.00	21.5
Netherlands	9	228,188.00	12.7
Switzerland	10	184,914.00	10.3
Great Britain	5	164,184.00	9.1
Korea, Rep.	7	82,649.00	4.6
Germany	9	34,606.00	1.9
France	4	34,259.00	1.9
Singapore	7	33,082.00	1.8
Mexico	2	23,476.00	1.3
Taiwan	5	13,959.00	0.8
Singapore-US	1	9,718.00	0.5
Kiwi	1	4,217.00	0.2
Thailand	1	3,220.00	0.2
China	2	2,308.00	0.1
Canada	1	2,109.00	0.1
Australia	1	2,108.00	0.1
Irish	1	1,533.00	0.1
Hong Kong	1	1,370.00	0.1
India	1	1,117.00	0.1
Finland	1	1,094.00	0.1
Total	203	1,796,720.00	100.0

Source: BusinessWorld 2010 Top 1000 Corporations in the Philippines

Europe but also from Southeast Asia and Oceania. Japanese MNCs have surpassed American MNCs between 1970 and 2010. Based on BusinessDay's Top 1000 for 1970, American firms dominated MNCs in the Philippines. Fifty-four US-based MNCs were at the Top 200 while 30 firms were in the Top 100.

By 2009, Japanese firms combined led the manufacturing MNCs in the Top 1000. Ninety-five (95) Japanese MNCs generated revenues of close to P590 billion, or 32.8 percent of total MNC revenues. American MNCs still provided a substantial revenue share (21.5 percent) in the Top 1000 Corporations of its former colony. Firms from the Netherlands (12.7 percent), Switzerland (10.3 percent) and the United Kingdom (9.1 percent) followed to comprise the five most numerous MNCs by nationality in the Top 1000's manufacturing sector.

3. 3. The Top 100 Corporations

Inasmuch as the census value-added of establishments indicates an already skewed pattern of distribution in favor of about 3,000 large establishments (or 0.4 percent of the number of census establishments), a closer examination of the data on the Top 1000 Corporations further reveals another noteworthy observation: the Top 100 Corporations constitute around half of the total revenues of the Top 1000. In 1970, the Top 100 comprised 47 percent of the Top 1000's total revenues; in 2009, the revenue share of the Top 100 firms registered 55 percent of the P6.2 trillion revenues of the Top 1000.

Table 10 assembles data on the Top 100 Corporations in 1970 and 2009 based on their two-digit codes in the 2009 Philippine Standard Industrial Classification (PSIC) system.[6] In 1970, manufacturing, trade, and mining were the dominant sectors making up 86 percent of total revenues of the Top 100. This situation somehow changed about four decades later.

While it might be said that financial reporting has improved in between these years, the 2009 list nonetheless would reveal relative changes in the economic significance of certain industries. Several other industries have emerged. For instance, corporate agriculture has lodged into the Top 100, though solely represented by San

Table 10. Number and Revenue Distribution of the Top 100 Corporations By Subsector, 1970 and 2009

2 Digit PSIC	Industrial Classification	1970 Top 1000 Corporations			2009 Top 100 Corporations		
		No.	Revenues (millions)	Contribution (%)	No.	Revenues (millions)	Contribution (%)
01-04	Agriculture, Fishery & Forestrty	-	-	-	1	57,770	1.7
05-09	Mining	8	1,281	10.3	3	53,257	1.6
10-30	Manufacturing	55	6,706	53.9	44	1,690,262	49.6
10	*Food & Food Preparation*	*15*	*1,595*	*12.8*	*5*	*192,280*	*5.6*
11	*Beverage*	*4*	*930*	*7.5*	*5*	*247,547*	*7.3*
12	*Tobacco*	*4*	*576*	*4.6*	*2*	*71,250*	*2.1*
13	*Textiles*	*2*	*132*	*1.1*	-	-	-
16	*Wood*	*5*	*318*	*2.6*	*2*	*81,254*	*2.4*
19	*Oil Refining*	*4*	*1,248*	*10.0*	*2*	*312,669*	*9.2*
20	*Industrial & Household Chemicals*	*4*	*561*	*4.5*	*2*	*44,757*	*1.3*
21	*Pharmaceuticals*	*2*	*181*	*1.5*	*2*	*42,626*	*1.3*
22	*Tires*	*3*	*213*	*1.7*	-	-	-
23	*Construction Materials*	*1*	*53*	*0.4*	*3*	*39,770*	*1.2*
24- 25	*Iron & Steel*	*4*	*376*	*3.0*	*2*	*77,198*	*2.3*
26	*Electronics*	-	-	-	*13*	*429,230*	*12.6*
27	*Electrical*	*1*	*87*	*0.7*	*2*	*48,352*	*1.4*
28	*Heavy Equipment*	*3*	*235*	*1.9*	-	-	-
29-30	*Automotive/Vehicles*	*3*	*201*	*1.6*	*4*	*103,329*	*3.0*
35	Energy	1	335	2.7	5	291,767	8.6
36	Water	-	-	-	2	32,129	0.9
42	Construction	-	-	-	1	15,832	0.5
44-95	Services	36	4,128	33.1	44	1,268,086	37.2
44-47	*Wholesale & Retail Trade*	29	3,304	26.5	14	414,116	12.1
50-61	*Transport & Communications*	6	770	6.2	8	371,630	10.9
64-65	*Financial Intermediation*	-	-	-	16	371,065	10.9
68	*Real Estate*	-	-	-	3	45,621	1.3
70-95	*Other Services*	1	54	0.4	3	65,654	1.9
	Total of Top 100	100	12,450	100.0	100	3,409,103	100.0
	Top 1000 Revenues; Share of Top 100		26,540	46.9		6,160,792	55.3

Note: Italicized items are industries classified under a sector.
Source: Business Day Top 1000, 1970; Business World Top 1000 Corporations, 2010.

Miguel Foods, a subsidiary of the country's leading conglomerate, and ranked 17th

in sales. Utilities (energy and water) firms have also risen in importance. Combined, they have accounted for 9.5 percent of Top 100 revenues. In manufacturing, electronics firms have dominated.

Three GOCCs made it to the Top 100. These were the Land Bank of the Philippines, the Development Bank of the Philippines, and the Home Development Mutual Fund.

There were 47 MNCs in the Top 100 of 2009 (Table 11). Most of them were engaged in manufacturing and spread out to the production of oil, food, electronics, automotive, tobacco, electrical equipment, construction materials, pharmaceuticals, and cosmetics. In terms of nationality, the Top 100 shares a pattern of MNC participation similar to that of the Top 1000. They came from various regions and also Japanese and American firms led the pack.

Table 11. MNCs in The Top 100 Corporations, 2009

Nationality	Number of Firms	Subsector							Share of Total (%)
		A	B	C	D	E	F	G	
United States	11	7	1			2	1		23.4
Bahamas	1	0					1		2.1
United Kingdom	4	3				1			8.5
Canada	1	0				1			2.1
Netherlands	1	1							2.1
French	2	1					1		4.3
Hong Kong-Chinese	1	0					1		2.1
Irish	1	1							2.1
Japanese	14	13			1				29.8
Korea, Rep	4	2		1			1		8.5
Mexico	1	1							2.1
Singapore	2	2							4.3
Switzerland	2	2							4.3
Taiwan	1	0						1	2.1
Thailand	1	0					1		2.1
Total	47	33	1	1	1	4	6	1	100
Share of Total (%)	100	70.2	2.1	2.1	2.1	8.5	12.8	2.1	

Legend: (A) = Manufacturing, (B) Mining, (C) Construction, (D) Energy, (E) Finance, (F) Trade, and (G) Transportation.
Source: BusinessWorld, Top 1000 Corporations in the Philippines 2010.

The economic and political opportunities obtaining since the 1970s have allowed the conglomeration of many firms. Several family-controlled firms have successfully diversified into banking, manufacturing, real estate and property development and other concerns. A few of these like Ayala Corporation, whose origins date back to the 19th century, have managed to stay on the top tier of the country's leading firms. However, new business empires originating from the 1950s and often controlled by families of ethnic Chinese backgrounds have aggressively challenged the older conglomerates.

A prime example is the business empire of Henry Sy and family, represented by the holding company SM Investments Corp. (SMIC). Sy's SM has become synonymous with shopping malls in the Philippines. The empire's core businesses are in retail, mall operations, banking, hotels and real estate. The Sy family's business concerns have quickly assumed the top spots in retail and mall operations as well in Philippine banking. Its Banco de Oro Unibank (BDO), ranking 16th of BusinessWorld's 2010 issue of the Top 1000 Corporation, had surpassed erstwhile leaders Metrobank and Bank of the Philippine Islands (BPI) in banking sales, assets, and gross profit margins. SMIC is currently intensifying business activities in real estate, hotels, and property development.

San Miguel Corporation (SMC) has retained its position as the country's largest conglomerate. Originally established in the late 19th century, San Miguel was transformed into the country's largest conglomerate by Andres Soriano. From the 1930s to the 1980s, the company was controlled by three generations of the Soriano family. In 1970, it led the Top 1000 Corporations in sales but was later surpassed by GOCCs during the Marcos era. Control transferred in 1983 with the sale of substantial Soriano family and allied shares to interests identified with business tycoon, Eduardo Cojuanco.

Under Cojuanco and company president Ramon Ang, SMC has managed to stay on top of the Philippine business community. In 2009, SMC ranked Number 1 among Philippine conglomerates based on consolidated financial statements. This position was achieved without including interests in San Miguel Foods, San Miguel Purefoods,

and San Miguel Brewery (co-owned and managed by Kirin Brewery). The three firms, which were engaged in food and beverage manufacturing, belonged to the Top 50 firms on a consolidated basis. They were spun off from the parent company in the past decade as SMC aggressively diversified to non-manufacturing concerns through corporate acquisitions.

SMC's diversified interests include fuel and oil (Petron Corp.), tollways and airports, power and energy (33.1% stake in Meralco), mining (Daguma Agro Minerals Inc., Bonanza Energy Resources Inc., and Sultan Energy Phils. Inc., all in Mindanao), telecommunications (Liberty Telecoms and Bell Telecommunications), and banking (Bank of Commerce). The conglomerate thus owns a portfolio of firms in both competitive and recently less -competitive industries.

4. Basic Impediments

Despite positive developments experienced in the recent past, basic impediments to accelerated economic growth and business sector development remain. Some issues directly relate to high cost of production inputs such as electricity and transportation. However, the more pronounced ones apparently involved governance.

In various major international competitiveness and governance surveys, Philippines has consistently obtained poor scores and low rankings. In the Heritage Foundation's Index of Economic Freedom (IEF), country ratings have been weakest in the rule of law category, based on the two index components of property rights and corruption. In terms of property rights, the country's IEF score has declined from 70 to 30 in the 1996 and 2012 indices, respectively. In regard to freedom from corruption, the IEF utilizes the Transparency International's (TI) Corruption Perceptions Index (CPI). This shall be elaborated in section 4.2.

4. 1. Ease of Doing Business

The World Bank Group's Ease of Doing Business (DB) series provide data for national and cross- national comparisons from 2005 (DB2004) to 2011 (DB2012) on the number of procedures, time spent, and cost of various aspects of doing business. The DB indicators for the Philippines show that from the start of the series, there

were persistent difficulties for the business sector.

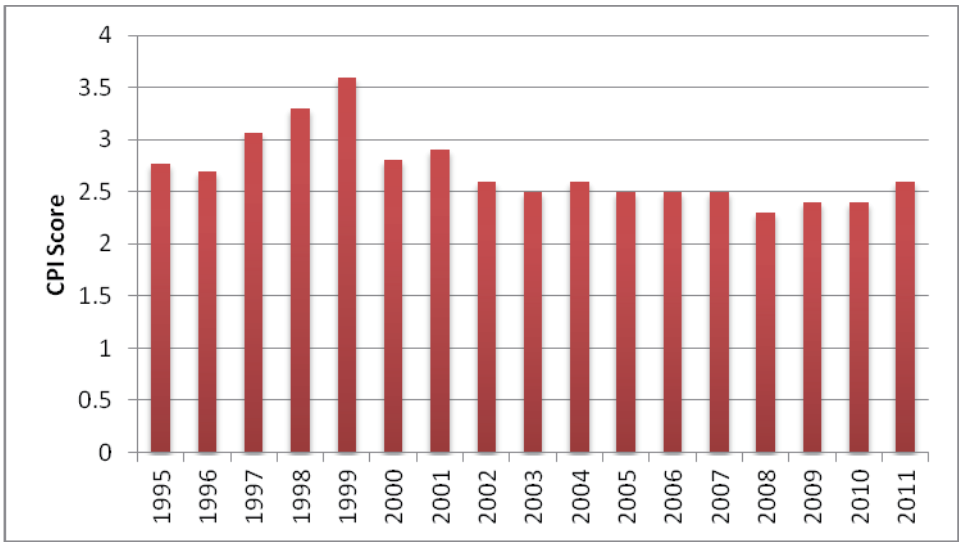
Appendix 1 presents selected DB indicators for six Southeast Asian countries of varying levels of economic development. Singapore has the top rank for DB2012 while Thailand and Malaysia ranked 17th and 18th place, respectively. Indicators for these countries are useful benchmarks for improving the ease of doing business. For the Philippines, the table suggests that when benchmarked with other Southeast Asian countries much can be done in order to improve procedures as well as to cut down the time spent and cost for business establishments. From DB2004 to DB2012, the country has only experienced slight improvements particularly in three areas, to wit: 1) the number of procedures and time spent to *start a business*, 2) time spent and costs associated with *exports and imports*, and 3) the *total tax* rate. No other improvements in other areas could be observed in between periods. This situation contrasts government efforts in Indonesia, Malaysia, Singapore, and Thailand during the same period.

Of the indicators shown in Appendix 1, the Philippines has excelled in terms of the time spent dealing with construction permits based on DB 2008 data. However, Singapore has significantly cut down its processing time from 102 days to 26 days based on DB reports from 2008 to 2012. Two weaknesses where the Philippines stood out were investor disclosures and taxation. Of the six countries, the Philippines has the lowest disclosure index score to provide better investor protection. Likewise, it has the highest total tax rate among the six Southeast Asian countries despite the cut from 51.3 percent to 46.5 percent between DB2008 and DB2012.

4. 2. Corruption

Most DB indicators reflect business-government relations. Rigid and poor performance in the indicators demonstrates government inaction to reduce transaction costs. A major and persistent source of inaction and one that seriously affects business-government relations is corruption. Transparency International's (TI) Corruptions Perceptions Index (CPI) provides an indication of the level of corruption. CPI scores range from 0 to 10. Low scores indicate high corruption and high scores signify low corruption.

Figure 3: Corruption Perceptions Index, Philippines, 1995-2011



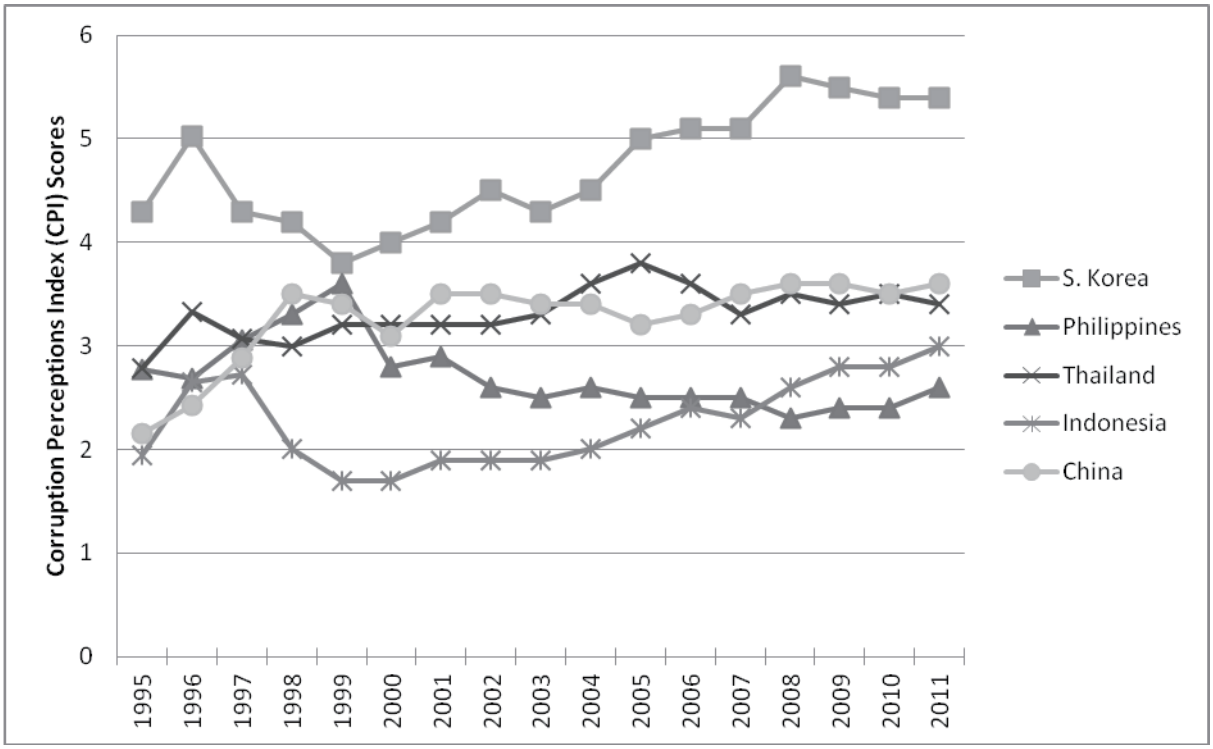
Source: Transparency International.

The Philippines has not reached a CPI score of 4 to represent substantial progress in the fight against public sector corruption. The highest CPI scores that the country had received were during the presidencies of Fidel Ramos and Joseph Estrada (Figure 3). Still, these scores indicate high corruption.

The idea that corruption hinders economic growth and development has gained currency in recent years. This notion has been even extended by the Aquino administration linking corruption to Philippine poverty. However, empirical evidence shows that such links are not always clear. Figure 4 suggests that high corruption could coexist with rapid economic growth, as demonstrated in the CPI scores of the high-growth economies of South Korea, China, Indonesia, and Thailand.

Johnston (2005) has argued that corruption is universal and that its characteristics in countries are not always identical. He further argues that corruption in its systemic form is both symptom and reinforcing cause of deeper "development difficulties." Accordingly, systemic corruption in a particularly country, whether pervasive or not, derives from the nature of the political system. Identifying four syndromes of corruption, Johnson (2005) regards the Philippines as belonging to

Figure 4: CPI Scores of Five East Asian Countries, 1995-2011



Source: Transparency International

one (“Oligarchs and Clans”). This syndrome is marked by institutional problems, especially in providing security to both elite and mass. Johnston (2005:57) describes this syndrome as follows: “Political competition is extensive but political rights, accountability, civil liberties, and the rule of law are markedly less secure...Both political and economic actors will find it difficult to protect their positions in such systems, and potential anti-corruption forces are weak... Government is ineffective, regulation extensive and of dubious quality, and corruption controls are weak.”

Johnston’s (2005) approach differs from those that emphasize either simply public sector reform or political/economic liberalization. For instance, Bocchi (2008) observes that while the Philippines was an open and growing economy, investment was declining. Accordingly, a major factor to declining investment is elite capture of traditional and certain modern industries. Bocchi (2008;41) argues that a key measure to address elite capture is through liberalization and reform of sectors

dominated by rent-seeking conglomerates.

Substantial progress in corruption prevention and economic sector reform are difficult to achieve because of interlocking interests in the political system. This suggests that anti-corruption forces and economic policy circles should especially pay attention to political reforms to drastically alter the country's business and economic landscape.

5. Conclusion

This article has examined some patterns in the country's business lanscape based on data regarding macroeconomic performance and business establishments. In the effective absence of industrial policy, the economy's orientation has shifted from agriculture to services, which has now become the largest source of employment and value-added. This shift has been more pronounced after economic liberalization.

Because of the serious economic effects of the 1983-1984 crisis, many government restrictions and discriminatory policies on trade and investment have been lifted in order to boost private domestic and foreign investments. Likewise, government has moved away from direct economic participation by privatizing several GOCCs which have tended to crowd out private investments. The enhanced economic role given to private firms, both domestic and multinational corporations, is demonstrated in the diverse composition of the Top 1000 corporations. Furthermore, political democratization after the Marcos dictatorship has led to government attempts at economic democratization via support for SMEs.

Despite positive developments arising from political democratization and economic liberalization, the private sector continues to be hounded by governance issues and constraints. The impediments have been reflected in global governance surveys, where Philippine rankings have yet to show substantial improvements. Performance in certain aspects of governance, such as securing property rights, has even deteriorated. Certain business groups believe that specific governance improvements are necessary.

In December 2010, the Joint Foreign Chambers of Commerce (JFCC) represent-

ing the collective business interests of seven members (European Union, United States, Japan, Canada, Australia- New Zealand, Korea, and the association of multinational corporations) issued a paper embodying its desire for faster growth and greater employment. Entitled "Arangkada 2010: A Business Perspective," the paper expressed its concern over the country's sliding performances in various international competitiveness and governance surveys.

The JFCC paper identified several major problems confronting the economy, which were amply supported by comparative benchmarks. Further, it provided policy recommendations, which included 1) addressing key governance concerns that translate to the high cost of doing business in the country and 2) promoting seven "Big Winner sectors" that would lead in the economy's path toward accelerated growth. On December 1, the JFCC furnished a copy of Arangkada 2010 to President Benigno Simeon Aquino (or PNoy).

The Aquino government has yet to demonstrate its commitment to further improve business conditions in the country. Apparently, its approach has been to improve governance by regaining the integrity of government institutions through persecution of former corrupt officials. However, these may not be sufficient. As earlier discussed, many lingering institutional impediments, including public sector corruption, emanate from and are maintained by a system long characterized by political patronage and spoils. As such, previous reform efforts aimed at government institutions and economic sectors have not produced any significant dent in society and economy. Without political reforms and assuming no change in foreign investment preferences, it is likely that the Philippine economy will continue to depend on external sources for consumption-oriented growth. Similarly, the business landscape will continue to depend on prevailing business-government relations, which characteristically shift with the winds of political and economic power.

Notes

1 It has been argued that the effects of the Philippine economic turmoil of 1984-85 were akin to the country losing a major war (Batalla, 2011).

2 The share of manufacturing to total employment has slowly declined from 11 percent in 1980 to 9 percent in 2003. See Table 4 of Batalla (2010).

3 A document allegedly sent by the United States embassy in Manila to the State Department reported the "creeping state capitalism" under Marcos. See Blitz (2000).

4 Antonina Sibal, "Government firms, Are They An Anomaly?" in *Business Day 1000 Top Corporations in the Philippines* 1984-85 issue, p. 297.

5 Foreign equity is guided by a Foreign Investments Negative List (FINL), which is based on constitutional and other legal restrictions on foreign investments. The FINL provides zero foreign participation in mass media and practice of professions but allows a maximum of 40 percent foreign equity participation in utilities, natural resources development, as well as private land ownership.

6 The top 100 firms of 1970 were reclassified according to the 2009 PSIC for comparability. Corporate profile data were used for the reclassification. Some of the Top 100 firms in 1970 have changed their main business lines. These changes in their PSIC codes were reflected in the 2009 list of Top 100 firms. For instance, Metro Drug was classified as a manufacturing firm engaged in pharmaceuticals in 1970. Under the 2009 system, its PSIC code was 21001 (or a two-digit code of 21). However, Metro Drug has since changed to primarily wholesale/retail trade and in the 2009 list falls under the PSIC code of 47721 (or a 47 two-digit code).

References

Asian Development Bank (ADB). 2007. Philippines: Critical Development Constraints. Country Diagnostic Studies. Economics and Research Department.

Aldaba, R. 2008. SMEs in the Philippine Manufacturing Industry and Globalization: Meeting the Development Challenges. Discussion Paper Series No. 2008-15, Philippine Institute for Development Studies.

Balisacan, A. and H. Hill. 2003. *The Philippine Economy: Development, Policies, and Challenges*. Quezon City: Ateneo de Manila University.

Batalla, E. 2011. Japan and the Philippines' Lost Decade: Foreign Direct Investment and International Relations. VRF Monograph No. 464. Chiba: Institute of Developing Economies, Japan External Trade Organization.

----------.2010. Entrepreneurship and Philippine Development. *Canadian Journal of Development Studies* 31, 1-2, 341-365.

Blitz, A. 2000. *The Contested State: American Foreign Policy and Regime Change in the Philippines*. London, Boulder, New York and Oxford: Rowman and Littlefield Publishers.

Bocchi, A.M. 2008. "Rising Growth, Declining Investment: The Puzzle of the Philipipnes." Policy Research Working Paper 4472, Office of the Chief Economist, World Bank East Asia and the Pacific Region. January.

Business Day. The Top 1000 Corporations in the Philippines. Various issues.

BusinessWorld. The Top 1000 Corporation in the Philippines, Various issues.

Crouch, H. 1985. *Economic Change, Social Structure, and the Political System in Southeast Asia: Philippine*

Development Compared with the Other ASEAN Countries. Singapore: Institute of Southeast Asian Studies.

Department of Trade and Industry (DTI). N.d. SME Development Plan 2004-2009. Small and Medium Enterprise Development (SMED) Council. Downloaded from www.dti.gov.ph/uploads/file/SMED%20plan%202004-2010.pdf.

Kajiwara, H. 1994. "The Effects of Trade and Foreign Investment Liberalization Policy on Productivity in the Philippines." *The Developing Economies* XXXII-4, December.

Magtibay-Ramos, N., G. Estrada, and J. Felipe. 2008. "An Input-Output Analysis of the Philippine BPO Industry." *Asian-Pacific Economic Literature* 22, 1, 41-56.

Johnston, M. 2005. *Syndromes of Corruption: Wealth, Power, and Democracy*. Cambridge and New York: Cambridge University Press.

Sibal, A. n.d. "Government Firms, Are They An Anomaly." Business Day 1000 Top Corporations in the Philippines, 1984-85 issue.

Sicat, G. 2004. Reforming the Philippine Labor Market. Discussion Paper No. 404, University of the Philippines School of Economics.

Tamangan, R., F. Josef and C. Habito. 2004. Small and Medium Enterprise Development Experience and Policy in Japan and the Philippines: Lessons and Policy Implications. Discussion Paper Series, No. 2004-30, Philippine Institute for Development Studies.

Tolo, W.B. J. 2011. "The Determinants of Economic Growth in the Philippines: A New Look," IMF Working Paper WP/11/288.

Usui, N. 2011. Transforming the Philippine Economu: "Walking on Two Legs," Economics Working Paper Series No. 252, Asian Development Bank.

World Bank. 1993. The East Asian Miracle: Economic Growth and Public Policy. Washington, D.C.: International Bank.

Online Databases

Heritage Foundation. Index of Economic Freedom, various years.

National Statistics Office. Census of Establishments, various years.

----------. Labor Force Survey, various years.

Transparency International. Corruption Perceptions Index, 1995-2011.

World Bank. Ease of Doing Business. 2004-2012.

Appendix 1. Doing Business in Six Southeast Asian Countries, Selected Indicators, DB2004-DB2012

Economy	Indonesia			Malaysia			Philippines			Singapore			Thailand			Vietnam		
Year	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012
Ease of Doing Business Rank	..	..	129	..	..	18	..	..	136	..	..	1	..	..	17	..	..	98
Starting a Business - Rank	..	..	155	..	..	50	..	..	158	..	..	4	..	..	78	..	..	103
Starting a Business - Procedures (number)	12	12	8	10	10	4	17	17	15	7	5	3	8	8	5	12	11	9
Starting a Business - Time (days)	168	105	45	37	31	6	49	47	35	8	5	3	33	33	29	63	50	44
Starting a Business - Cost (% of income per capita)	136.7	80	17.9	33.1	23.1	16.4	28.6	24.1	19.1	1	0.8	0.7	10.5	8.4	6.2	31.9	20	10.6
Dealing with Construction Permits - Rank	..	..	71	..	..	113	..	..	102	..	..	3	..	..	14	..	..	67
Dealing with Construction Permits - Procedures (number)	..	13	13	..	22	22	..	30	30	..	11	11	..	8	8	..	10	10
Dealing with Construction Permits - Time (days)	..	158	158	..	284	260	..	85	85	..	102	26	..	157	157	..	200	200
Dealing with Construction Permits - Cost (% of income per capita)	..	217.4	105.3	..	10	7.1	..	146	110.5	..	22.9	18.1	..	8.6	9.5	..	367.4	109

Economy	Indonesia			Malaysia			Philippines			Singapore			Thailand			Vietnam		
Year	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012
Getting Electricity - Rank	..	..	161	..	..	59	..	..	54	..	..	5	..	..	9	..	..	135
Getting Electricity - Procedures (number)	..	..	7	..	..	6	..	..	5	..	..	4	..	..	4	..	..	5
Getting Electricity - Time (days)	..	..	108	..	..	51	..	..	50	..	..	36	..	..	35	..	..	142
Getting Electricity - Cost (% or income per capita)	..	..	1,379	..	..	95.5	..	..	762	..	..	31.1	..	..	77.6	..	..	1,343
Registering Property - Rank	..	..	99	..	..	59	..	..	117	..	..	14	..	..	28	..	..	47
Registering property - procedures (number)	..	6	6	..	5	5	..	8	8	..	3	3	..	2	2	..	4	4
Registering Property - Time (days)	..	39	22	..	144	48	..	39	39	..	9	5	..	2	2	..	67	57
Registering Property - Cost (% of property value)	..	10.5	10.8	..	3.2	3.3	..	4.8	4.8	..	2.8	2.8	..	6.3	6.3	..	1.2	0.6
Protecting Investors - Rank	..	..	46	..	..	4	..	..	133	..	..	2	..	..	13	..	..	166

Economy	Indonesia			Malaysia			Philippines			Singapore			Thailand			Vietnam		
Year	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012
Protecting Investors - Extent of disclosure index (0-10)	..	9	10	..	10	10	..	2	2	..	10	10	..	10	10	..	6	6
Protecting Investors - Extent of director liability index (0-10)	..	5	5	..	9	9	..	2	2	..	9	9	..	2	7	..	0	1
Protecting Investors - Ease of shareholder suits index (0-10)	..	3	3	..	7	7	..	8	8	..	9	9	..	6	6	..	2	2
Protecting Investors - Strength of investor protection index (0-10)	..	5.7	6	..	8.7	8.7	..	4	4	..	9.3	9.3	..	6	7.7	..	2.7	3
Trading Across Borders - Rank	..	..	39	..	..	29	..	..	51	..	..	1	..	..	17	..	..	68
Trading Across Borders - Documents to export (number)	..	4	4	..	6	6	..	7	7	..	4	4	..	7	5	..	6	6
Trading Across Borders - Time to export (days)	..	18	17	..	17	17	..	17	15	..	5	5	..	17	14	..	24	22

Economy	Indonesia			Malaysia			Philippines			Singapore			Thailand			Vietnam		
Year	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012	DB 2004	DB 2008	DB 2012
Trading Across Borders - Cost to export (US$ per container)	..	607	644	..	432	450	..	755	630	..	416	456	..	615	625	..	468	580
Trading Across Borders - Documents to import (number)	..	7	7	..	7	7	..	8	8	..	4	4	..	9	5	..	8	8
Trading Across Borders - Time to import (days)	..	27	27	..	14	14	..	18	14	..	4	4	..	14	13	..	23	21
Trading Across Borders - Cost to import (US$ oer container)	..	623	660	..	385	435	..	800	730	..	367	439	..	786	750	..	586	670
Enforeing Contracts - Rank	..	..	156	..	..	31	..	..	112	..	..	12	..	..	24	..	..	30
Enforcing Contracts - Time (days)	570	570	570	600	600	425	982	842	842	120	120	150	479	479	479	356	295	295
Enforcing Contracts - Cost (% of claim)	122.7	122.7	122.7	27.5	27.5	27.5	24.8	26	26	17.8	17.8	25.8	14.3	12.3	12.3	31	31	28.5
Enforcing Contracts - Procedures (number)	40	40	40	30	30	29	37	37	37	21	21	21	36	36	36	34	34	34

Note: DB Years reflect data for the previous calendar years. for the calendar year 2011.
Source: Doing Business, International Finance Corporation and Word Bank, varioius issues.