

OFWs as Human Capital

Despite the efforts of the present administration, the Philippines is still mired in a chronic economic crisis, a product of decades of failed financial policies and mismanagement. There is only one constant — and it remains as the consistently bright spot of the Philippine economy — the ever-increasing remittances from our Overseas Filipino Workers. Last year, they remitted close to \$20 billion.

But where do these foreign remittances go? How are they spent? How do they actually benefit the economy?

Government has yet to come up with a comprehensive study on this matter. But one thing is clear — much of this money goes to consumerism. Money is spent in shopping malls. It does not go to building factories and producing goods.

Perhaps, the Bangko Sentral ng Pilipinas can open a special investment window for these remittances— perhaps an OFW bond, whose rates are competitive and can attract OFWs and their families to invest in them. The funds can then be used to open enterprises and other areas of productive livelihood for OFWs and their families. Instead of buying cellphones, we should be building factories to manufacture them. Instead of buying DVDs, we can build enterprises to produce them. We can invest in agri-business, steel mills, energy generation, and other strategic industries.

But more than these financial considerations, we should look at OFWs as human capital. The 11 million Filipinos abroad learn skills and values that can be helpful in rebuilding our economy if we can only harness them. Their expertise can be retooled and attuned to our economic needs. This value added is immense and incalculable.

The first step therefore is to change our attitude towards our laboring compatriots. They are not mere statistics that add up to our GNP. Remittances are not a measure of their actual and potential contributions. They are our biggest assets. They are our greatest resource.

This editorial was written by Atty. Ome Candazo, a Fellow of ISACC.