DEAD CAPITAL OF THE POOR IN THE PHILIPPINES

Assets whose representations are disintegrated, not fungible, cannot be leveraged to accomplish capital functions, and their owners are not effectively accountable.

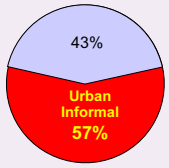
1. HOW MUCH DEAD CAPITAL ?

US$ 132,9 BILLION OF DEAD CAPITAL

Dead Capital	US$ Billion
Urban	
Metro Manila and adjacent areas	66,4
Informal Metro Manila	21,3
Previously formal areas	39,8
Adjacent areas	5,3
Other cities of the Philippines	5,7
Total	**72,1**
Rural	
Non alienable and disposable lands	40,8
Untitled alienable and disposable lands	6,3
Titled alienabled and disposable lands with restrictions	13,7
Total	**60,8**

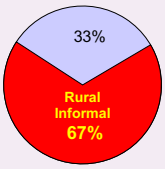
US$ 132,9 Billion

Owned by 65% of the population



DISTRIBUTION OF FORMAL AND INFORMAL DWELLINGS IN THE URBAN SECTOR (thousands)

	DWELLINGS	%
URBAN INFORMAL	4.823	**57**
URBAN FORMAL	3.655	43
TOTAL URBAN	8.478	100



DISTRIBUTION OF FORMAL AND INFORMAL AREAS IN THE RURAL SECTOR (thousands)

	HECTARES	%
RURAL INFORMAL	20.623	**67**
RURAL FORMAL	10.077	33
TOTAL RURAL	30.700	100

Another way of saying this is that US$ 132,9 billion of informal capital is:

4 times greater than the market value of the 216 domestic companies listed in the Philippine Stock Exchange (US$ 31,4 billion) at the end of 1997.

5 times greater than the value of total mineral production (US$ 23,6 billion) in the last 20 years 1979 - 1998.

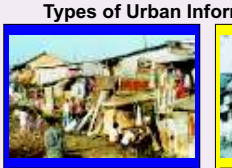
7 times greater than total savings and time deposits in commercial banks in the Philippines (US$18,8 billion) as of October 1998.

9 times greater than the capital of the largest state-owned enterprises in the Philippines at the end of 1998 (US$ 14,3 billion).

14 times greater than the value of total foreign direct investment in the Philippines (US$ 9,6 billion) between 1973 and September 1998.

2. WHERE ARE THE INFORMAL ASSETS IN MANILA ?

Types of Urban Informality in Manila



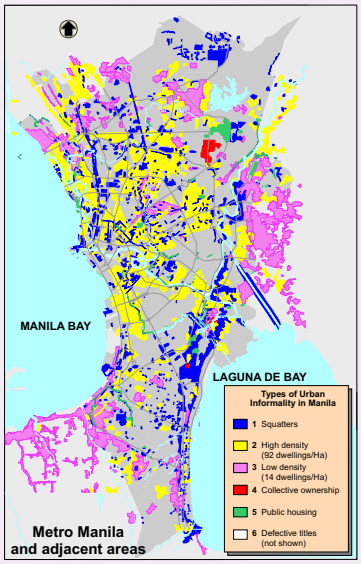
1 Squatter areas

2 High-density permanent informal settlements (92 dwellings/Ha)

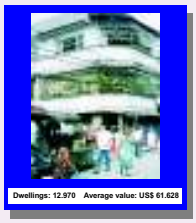
3 Low-density permanent informal settlements (14 dwellings/Ha)

4 Areas with collective ownership

5 Public housing

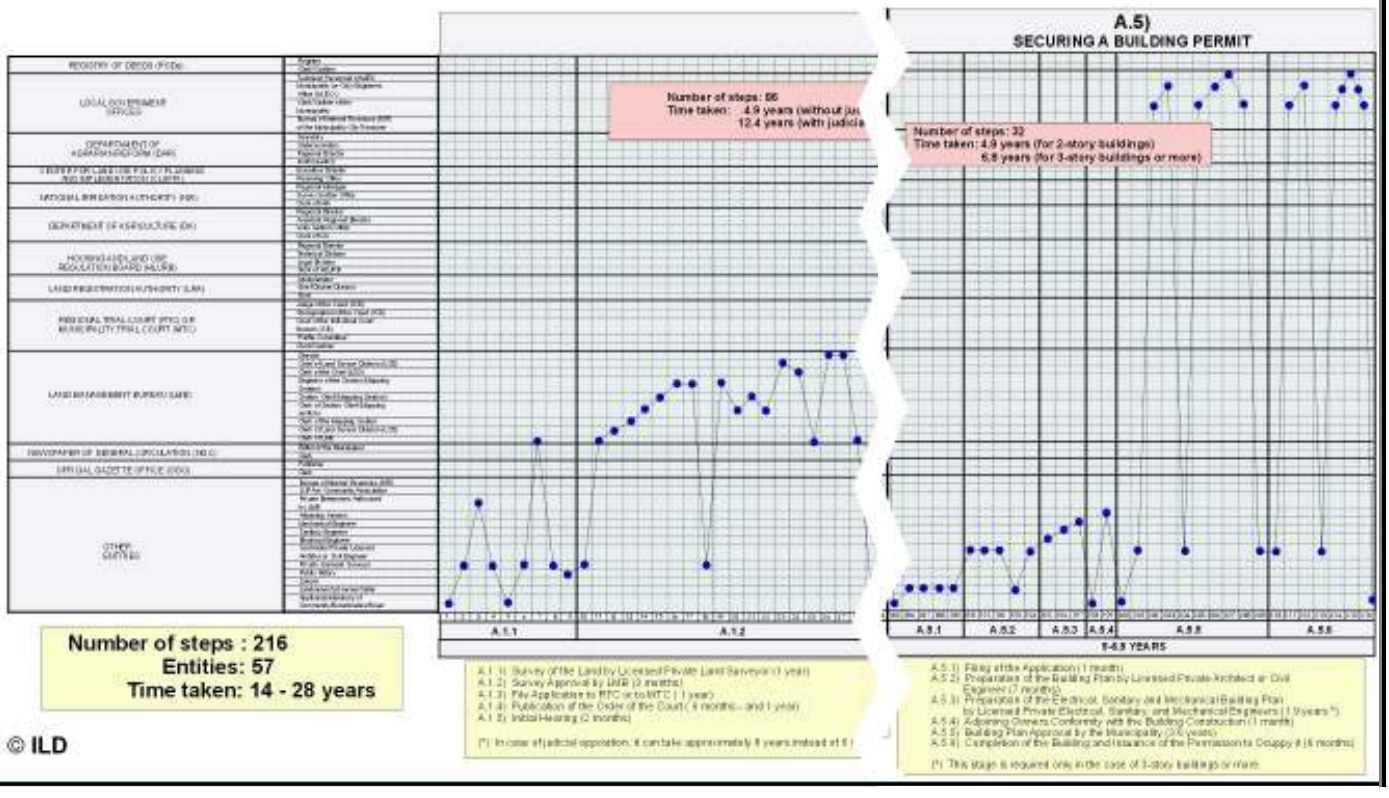


Valuation Categories



3. WHAT ARE SOME OF THE PRINCIPAL ADMINISTRATIVE OBSTACLES ?

PROCEDURES TO ACQUIRE PROPERTY FORMALLY IN THE PHILIPPINES



Number of steps : 216
Entities: 57
Time taken: 14 - 28 years

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