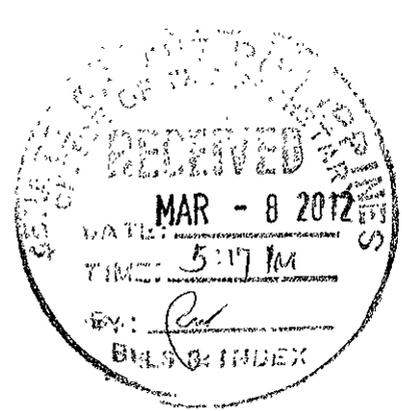


FIFTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)



SENATE
P. S. R. No. **743**

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE REPORTED NEED TO IMPROVE THE PHILIPPINES' WORLD RANKING IN THE INDEX OF ECONOMIC FREEDOM HOPING THAT THIS WOULD ENCOURAGE MUCH NEEDED INVESTMENTS IN THE COUNTRY TO PUMP PRIME THE ECONOMY

WHEREAS, the Constitution, Article 2, Section 19 provides: "The State shall develop a self-reliant and independent national economy effectively controlled by Filipinos".

WHEREAS, based on the report issued by the Heritage Foundation (HF), the Philippines' world ranking in the 2012 Index of Economic Freedom rose to 107th, eight notches higher from last year's ranking of 115; the country ranked 19th out of 41 countries in the Asia-Pacific region, surpassing other emerging economies such as Indonesia, India, China, and Vietnam;

WHEREAS, the country garnered an Economic Freedom Score (EFC) of 57.1 this year, an improvement from the country's previous EFC of 56.2;

WHEREAS, the Index of Economic Freedom highlights ten (10) economic freedoms, namely, property rights, freedom from corruption, fiscal freedom, government spending, business freedom, labor freedom, monetary freedom, trade freedom, investment freedom, and financial freedom;

WHEREAS, the study was conducted by The Heritage Foundation, a think tank whose mission is to formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, and a strong national defense;

WHEREAS, based on the study, the Philippine economy has been on a steady path of economic expansion;

WHEREAS, the Philippines' 2012 score is 0.9 points higher than in 2011, which constitutes a significant improvement in business freedom;

WHEREAS, various media reported that according to Mr. Edwin Feulner, president of The Heritage Foundation and co-editor of the 2012 Index of Economic Freedom, the rapid expansion of government appears to be responsible for flagging economic dynamism;

WHEREAS, the new index documents a world in which economic freedom is contracting, hammered by excessive government regulations and stimulus spending that seems only to line the pockets of the politically well-connected;

WHEREAS, countries with higher levels of economic freedom also have higher levels of per capita GDP on average; in Asia, the five freest economies have per capita incomes 12 times higher than in the five least free economies and economic growth rates are higher in countries where economic freedom is advancing;

WHEREAS, positive measures of human development in areas such as health and education are highly correlated with high levels of economic freedom, and economically free countries do a much better job of protecting the environment than their more regulated competitors;

WHEREAS, the 2012 index results confirm the vital linkage between advancing economic freedom and eradicating poverty; countries that rank mostly unfree or repressed in the index have levels of poverty intensity, as measured by the United Nations' new Multidimensional Poverty Index, that are three times higher than those of countries with more economic freedom;

WHEREAS, various media reported that according to Foreign Affairs Secretary Albert Del Rosario, this improvement is a clear validation of the policy reforms that the President has put in place to move the country forward and uplift the lives of our people;

WHEREAS, despite the country's rise in the Index of Economic Freedom, the Philippine government should not be complacent in enacting programs and measures that will ensure the continuous rise in economic freedom of Filipinos;

WHEREFORE, be it hereby resolved by the Philippine Senate, directing the proper Senate committee to conduct an inquiry, in aid of legislation, on the reported need to improve the Philippines' world ranking in the Index of Economic Freedom hoping that this would encourage much needed investments in the country to pump prime the economy.

Adopted,

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MIRIAM DEFENSOR SANTIAGO

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