Armed groups, Taxation and fishing in the Zamboanga Peninsula, Philippines

Gauthier Marchais (IDS) - on behalf of:

Ana María Ibáñez (U. Los Andes)
Teresita Narvaez (Western Mindanao State University)
Patricia Justino (IDS)
Maria Adelaida Ortega (UC. Davis)
Manuel De Vera (Asian Institute of Management)
Ryan Tingalin (Western Mindanao State University)
Benjamin Crost (U. of Calgary)
Jorge Maldonado (U. Los Andes)
Rationale

Overall environmental impact of violent conflict is negative (destruction, cost, pollution, deregulation...)

Direct impact on priority regions: Amazon, Congo Basin, Sahel, Philippines archipelago

Yet, Limited disaggregated evidence of impact on environment

Conflict-affected regions are heterogenous (political, social, environmental)

Control over environmental resources (land, forests, sea) key stake of violent conflicts

‘Conservation’ often imposed by external (colonial, state, NGO) actors, along with taxes

Imposition can be part of grievances that underpin support for insurgent groups

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Rationale

The role of local communities
Communal management of environmental resources is key for protection (Ostrom et al. 2012; Agarwal 2010)

But, communities impacted by armed groups
  • taxation (widespread)
  • other forms of interference and governance (Staniland 2012; Arjona, Kasfir, Mampilly 2015)
  • Likely to impact communal management of environment, yet limited evidence (particularly fishing)

Research questions:

1. How does the presence of armed groups affect the fishing sector and environmental protection?
2. What are the implications for policy interventions?

Today, prelim. results of ongoing analysis, key work by Maria Adelaida Ortega; UNU Wider Working Paper 2024
Project on Zamboanga, Philippines

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**Focus on municipal fishing communities in Zamboanga peninsula**
Largest sardines exporting region (70% of Philippines production)
Industrial fishing sector historically tied to ‘colonial’ presence
Tensions with municipal fishing sector
+ 2011 Seasonal Fishing Ban

**Mixed methods**
Quant: Survey of 1500 Fishing Households in 59 Barangays, In Zamboanga peninsula
Qual: 32 Key informant interviews with fisherfolk, military authorities, industrial fishers, state representatives
Expertise of WMSU on fishing, U. Los Andes on Conflict & Fishing

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Armed Insurgency in Mindanao

Heritage of Moro Nationalism (against Spanish, US, and central government encroachment)

Since 1970s: Moro National Liberation Front (MNLF)
Moro Islamic Liberation Front (MILF)

+ Abu Sayyaf Group + Bangsamoro Islamic Freedom Fighters
+ New People’s Army (1969)

Project at Critical Juncture (2019-2020):
2014: Peace Agreement between MILF and government
2019: Creation of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)

Zamboanga not part of BARMM, but presence of armed groups

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Fishing amid violent conflict

Dynamics of violence
Combat for territorial control, political influence, resources
Piracy, extortion, kidnappings + drug trade
Clan politics and violence (Rido)
General decrease in violence since 2010s

Clear evidence of targeting of fishing industry
Violent extortion targets industrial fishing
Elite arrangements with army & armed groups (De Vera 2022)
Conflicts in fishing sector (zones, gear, catch) can lead to violence (also Lu & Yamazaki 2023 on Indonesia)

Little empirical evidence of effect on municipal fishing
The implantation of armed groups

Clear evidence of presence of armed groups (MILF, ‘pirates’)

(much) stronger in Zamboanga Sibugay and Zamboanga del Sur than in Zamboanga del Norte

Presence is covert (rather than overt)

Evidence that AGs provide public services

Evidence of far-reaching social networks in population + fishing sector

Figure 2: Presence of Armed groups, by province

Notes: * Questions from Community Survey. Presence of AG=1 if community leaders report that AG were present in any of the five years prior to the survey collection. Public services=1 if community leaders report that AG provide protection or have built schools, health centers or other facilities in the barangay. Acquaintance in AG=1 if household reports that a friend, relative or colleague belongs to an AG.
**Interference in fishing sector**

**Taxation** is main form of interference

Taxes levied both in money and in fish

Taxes enforced by sanctions (physical and harassment)

Some evidence of interference in governance of fishing sector

Little evidence of popular support for regulation of fishing sector by armed actors

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**Figure 3: Interference of Armed groups in fishing**

**Panel a. Taxing**

- **AG collect taxes**: 15.4\% (Zamboanga Norte), 17.1\% (Zamboanga Sur), 17.1\% (Zamboanga Sibugay)
- **MILF/MNLF collect taxes**: 8.6\% (Zamboanga Norte), 8.6\% (Zamboanga Sur), 8.6\% (Zamboanga Sibugay)
- **Pirates collect taxes**: 15.4\% (Zamboanga Norte), 15.4\% (Zamboanga Sur), 15.4\% (Zamboanga Sibugay)
- **Monetary taxes**: 11.4\% (Zamboanga Norte), 14.1\% (Zamboanga Sur), 11.7\% (Zamboanga Sibugay)
- **In-kind taxes**: 11.7\% (Zamboanga Norte), 11.7\% (Zamboanga Sur), 11.7\% (Zamboanga Sibugay)
- **Sanction if taxes not paid**: 10.7\% (Zamboanga Norte), 17.1\% (Zamboanga Sur), 17.1\% (Zamboanga Sibugay)

**Panel b. Governance**

- **AG influence when to fish**: 11.4\% (Zamboanga Norte), 10.7\% (Zamboanga Sur), 10.7\% (Zamboanga Sibugay)
- **IG influence size catch**: 1.7\% (Zamboanga Norte), 1.7\% (Zamboanga Sur), 1.7\% (Zamboanga Sibugay)
- **Justified AG regulate fishing**: 4.6\% (Zamboanga Norte), 0.7\% (Zamboanga Sur), 0.7\% (Zamboanga Sibugay)
- **Justified AG regulate fish trade**: 6.6\% (Zamboanga Norte), 0.4\% (Zamboanga Sur), 0.4\% (Zamboanga Sibugay)
- **AG interfere fishing**: 30.8\% (Zamboanga Norte), 8.7\% (Zamboanga Sur), 8.7\% (Zamboanga Sibugay)

Notes: * Questions from Community Survey. Frequencies with respect to the whole sample.
Effects on fishing

Regression analysis of impact of AG presence (FEs, and controls)

Negative impact on fish trade: HHs more likely to sell at a loss and to be forced to sell at a loss in Barangays where AGs are present (form of taxation?)

Signs of negative impact on fish stocks: HHs more likely to report that fish stocks have decreased over the last 10 years

Figure 4: Impact on fish trade and fish stocks
Next steps of analysis

1. Consolidate results on environmental impact (additional sources and datasets)

2. Taxation for what? find evidence of ‘exchanges’ & ‘social contract’

3. Uncover mechanisms that mediate impact of AG on fishing and fish stocks:

   • Illegal & environmentally destructive fishing practices (political economy argument)

   • Collective action and communal management of fishing resources; Looking at impact on social capital & trust & participation in associations, in municipal fishing sector
Policy implications

Peace process at a critical juncture in Mindanao, both ‘on track and in peril’ (ICG 2023)

• Threats: Ongoing insecurity, political dynamics, COVID-19 delays
• Fishing sector is key stake in ongoing negotiations: Municipal waters and taxes

Taxation in conflict-affected contexts

• The ‘social contract’ that underpins state taxation is severely challenged
• ‘Invisible’ Tax burden on population and economic activity – needs to be taken into account
• Durable implantation & support for armed groups, can persist beyond ‘formal peace’
• Durability of protection & taxation arrangements: often, they serve a purpose

Environmental protection and violent conflict

• Alongside hidden tax burden, there is often a hidden toll on the environment
• Given protracted nature of violent conflict, how to protect the environment in regions that are not controlled by the state?
References and further readings


