Developing communication


The varied types of social circles imply different means of communication. The presence of the Internet has made it easier for people to connect to each other, but the reliance on older channels—such as telephones, radio, and cellular phone communication—is still very much alive in the Philippines.

Thirty percent of the total mobile connections in the Philippines (https://telehealth.ph/2015/03/26/internet-social-media-and-mobile-use-of-filipinos-in-2015/) are actively accessing social media. This effort towards globalization, however, does not seem to extend to its telecommunications sector.

Despite having one of the largest numbers of Internet and mobile users globally, the Philippines has the second slowest internet speed rate in Asia (http://www.gmanetwork.com/news/story/489762/scitech/technology/list-philippines-ranks-21st-of-22-asian-countries-in-internet-download-speed). Internationally, the country is ranked 176th out of 202
Developing communication

State of the nation's communication

Internet and mobile connectivity in the country play a huge part in the daily lives of Filipinos. According to the National Telehealth Center (https://telehealth.ph/2015/03/26/internet-social-media-and-mobile-use-of-filipinos-in-2015/), the Philippines has at least 44.2 million internet users out of the 114.6 million mobile connections nationwide. The number of Philippine Internet users make up nearly half of the country's entire population.

Currently, there are only a handful of companies that provide telecommunication services throughout the country. Additionally, most of these companies are subsidiaries of larger parent corporations. Notable companies include the Philippine Long Distance Telephone (PLDT), Globe Telecom (Globe), and Sky Cable Corporation (Sky). PLDT’s subsidiaries include Digitel, Mabuhay Satellite Corporation, Sun Cellular, and Smart Communications with its own subsidiary, Piltel. Globe, on the other hand, is the parent company of BayanTel and Touch Mobile.

PLDT and Globe are the two front-runners in providing telecommunication services, with PLDT as the more dominant service provider. On the other hand, Sky is the country’s leading cable television provider.

With only two companies providing major Internet and mobile connectivity in the country, there rises a current issue of duopoly in the service. Additionally, according to the Information Technology Innovation Foundation, the country is listed to have one of the most expensive (http://technology.inquirer.net/42293/ph-internet-2nd-slowest-in-asia-one-of-the-most-expensive) Internet fees globally.

In an article (http://technology.inquirer.net/43793/ph-internet-users-paying-more-for-slow-connection-speed-study) for the Philippine Daily Inquirer, journalist Maila Ager claims that the “[Philippines is] paying more for slower internet.” Meanwhile, there has been talk of the Australian-based telecommunication company Telstra joining the current market in providing network connectivity in the country. The company is looking into investing in the country in order to provide faster internet. While only rumored to be true, the information is an intriguing one in a country so obviously saddled with a duopoly.

National impact
According to Department of Communication Chair Severino Sarmenta Jr., PhD, telecommunications in the country is an important aspect for the next administration to develop.

He notes that the investment of the government on telecommunications can go hand in hand with other areas in need of development.

“[Is the development of] telecommunications [aligned] with the priority areas of poverty, peace and order, national security, foreign policies and other issues being faced by the country?” he asks.

According to Sarmenta, telecommunications, if developed properly by the government, can help in solving issues related to proper communication and information dissemination.

“[Telecommunications] can help soldiers in the line of duty by allowing them a private line of communication with the government. This could also help with better academic learning by allowing greater access to information and providing connectivity between students and teachers,” he explains.

Sarmenta also notes that it is important to keep up with global standards so as not to be left behind in terms of progress and development.

“Ideally, we shouldn’t be working backwards. We should be keeping up with global standards of improvement,” he adds.

Another area in line with telecommunications is social development. Reliable connectivity allows for better communication amongst people scattered in an archipelagic country. Moreover, the Philippines, having a great number of Overseas Filipino Workers (OFWs), can utilize a developed telecommunication network in order to improve long distance communication between OFWs and their families.

“[Think about applications] like Viber and Skype, these are very useful in making a happy nation because we are an OFW country. These types of apps appeal to people because they are free. All you need is internet, which is something we need to improve,” Sarmenta explains.

**Hindrances to development**

One problem as to why Internet usage in the country is both expensive and slow is because of the duopoly present between PLDT and Globe Telecom. With mainly two service providers, there is less competition in the market which allows for easier price control.

“The government should consider a third player to come into play in order to lessen the cost,” Sarmenta notes. “Connectivity shouldn’t exactly be given by the government for free, but it should be cheaper so that it is more accessible to people.”
Another problem in developing telecommunications is the country’s geographic nature. Being an archipelago inhibits the development and construction of infrastructure to establish telecommunication networks.

Sarmenta explains that being separated into several islands is one factor as to why there are several dead spots for telephone lines and Internet connection in the country.

Moreover, the priority for developing telecommunications, despite being able to help in solving other national issues, is actually low, according to Sarmenta.

“Unlike [other countries] who have invested heavily in their telecommunications such as Singapore, South Korea and the US, we are still a developing country,” he explains.

Other countries, notably the more developed ones, are able to put heavier investment into telecommunications because they have less priority areas to improve. The Philippines, on the other hand, has other priority areas—such as poverty, education, corruption, and transportation—that still need further development.

The country can’t prioritize the development of its telecommunications if more important issues and problems still need to be solved or alleviated.

“It took nearly six years to start the construction for the [extensions and improvement] of the MRT and LRT lines. How can people be productive if we are constantly in traffic?” Sarmenta says.

Telecom in focus

While the connection has not been clearly made in the Philippines, related literature suggests that the development of national telecommunications could go hand-in-hand with social development. According to a study by Pradhan, Arvin, and Hall (http://www.sciencedirect.com/science/article/pii/S1062976915000678) for the Review of Financial Economics in 2014 on the relationship between telecommunications infrastructure and economic growth in Asia, there is a highly significant positive correlation between the two, especially when it comes to short-run growth.

Manuel Castells, PhD, the Wallis Annenberg chair in Communication Technology and Society at the University of Southern California, wrote a discussion paper (http://www.unrisd.org/unrisd/website/document.nsf/70870613ae33162380256b5a004d932e/f270e0c06t) for the United Nations (UN) Research Institute for Social Development back in 1999 on the connection between information technology, globalization, and social development. He spoke of the importance of networks within a society. The connections between people in society are important to creating a mentality
of shared growth. This can only come about, he said, by restructuring the network, which sometimes requires changing telecommunications infrastructure.

The dynamics of the system are clear: Social development could improve if feedback loops were created—both by government and non-government institutions—improving information technology and connectivity. This could only be done through the improvement of telecommunications technologies. Otherwise, it is far easier for poverty to become and stay institutionalized. Those who have been marginalized have no means to improve their circumstances.

In a 2008 presentation, Raul Katz, PhD, president of the Columbia Institute for Tele-Information to The ENTO Regulatory Economics Task Force, notes that the effects of better telecommunication systems go beyond the obvious—not only are social connections improved, but the systems for businesses, involving human resources, supply chain, and distribution, are also consequently affected by the development of telecommunications, with what seems like stagnation in terms of telecommunications growth.

Given all this, what can the government do to improve the status of telecommunications in the Philippines? Currently, one of the major regulatory acts is Republic Act Number 7925. It entrusts the development of public telecommunications services to private enterprises, with the idea that “the private sector shall be the engine of rapid and efficient growth in the telecommunications industry.” However, the lack of competition has led to the obvious stagnation of this development, leaving the country where it is today.

The International Telecommunication Union—the UN agency that specializes in information and communication technologies—published a study in 2002 on Internet diffusion in South East Asia. According to the ITU, governments play a key role in the growth of the industry. Expansion is hindered by the restrictions on foreign investments and the Philippines’ seeming economic uncertainty.

It is clear, then, that the development of telecommunications in the Philippines is an important issue for candidates to consider, one that has barely been mentioned on social media and in campaigns. The potential changes telecommunications policy could greatly affect the development of the nation; the contribution of the public sector could spell out the levels of one of the most important requirements for social change: Connectivity.