HOUSEHOLD NETWORKS AND SURVIVAL STRATEGIES
AMONG THE URBAN POOR: MONETARY AND NON-MONETARY
TRANSFERS AMONG SELECTED FAMILIES IN TONDO

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This report was prepared as part of an IDEC-IBRD supported evaluation of the Tondo Foreshore Upgrading Project. The evaluation, which began in 1977 in the Philippines, is part of a 4-country study which also includes El Salvador, Zambia, and Senegal. An important issue emerging from all of these evaluations is the question of project affordability and the ability and willingness of the target population to meet the costs of participating in the project. In the Tondo evaluation, information on affordability had been obtained not only from a longitudinal survey which had been annually applied over a 4-year period to a sample of over 1000 households in the project, but also from an income and expenditure panel in which 120 households kept daily records on all income and expenditures over a 3 year period. 1/

Due to delays in project implementation, the initiation of the process of cost recovery has been delayed such that to date there is no direct evidence on the proportion of families who have affordability (or willingness to pay) problems. It was suggested in various of the evaluation reports, however, that as much as 20 per cent of project households might face repayment problems, or that their efforts to keep up the payments could affect their ability to cover other basic expenditures such as food. At the same time, apparently contradictory findings on the process of house consolidation were coming out of studies. It was thus found that many apparently poor

households were able to invest transfers that would have been expected in housing improvements. The explanation for this was that many households were receiving gifts or loans from friends and relatives to help finance the improvements.

The importance of these "income credits" through inter-household "support networks" had also been reported from evaluation studies in El Salvador and Colombia where it was found that not families in the lowest income deciles, the transfer income could represent in some cases up to 50 per cent of regular household income.  

Although these transfers were to be very important, they have proved difficult to study. This is because motivations for many of the transfers are deeply imbedded in social customs or unwritten family codes. In many cases, the recipient does not mention these transfers when questioned about sources of income. While this is sometimes because the motives for the transfer are very personal, at other times it is because the recipient does not look upon these "gifts" as part of his or her income. The objective of the present study was to select a number of the apparently poorest households in Tondo and to conduct case studies to describe their "survival strategies" and the ways in which they interact with these "support networks". The studies very clearly demonstrate the tremendous importance of these networks as a form of income maintenance, as help in times of emergency, and as a source of capital for investment in housing or small businesses. The networks are also shown to be very complex in many cases with a household receiving and

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giving transfers to a large number of kin and non-kin. In general, the studies reveal the robustness of the Philippine family which clearly emerges as the most important source of assistance. There are, however, frequent references to help received from neighbors, friends and influential local people.

The study provides some very useful insights for the urban planner into the complexities of income formation and the tremendous difficulties of trying to adopt income criteria in the definition of project affordability. Many households with little or no earned income have been receiving regular support from parents, brothers and sisters or children. With this support, they would seem quite able to meet project payments. While the studies provide a caution against the use of oversimplified "operational" definitions of income, affordability and accessibility, they also suggest that an urban project that understands the dynamics of the network support system may be able to tap considerable new sources of investment for projects such as housing or small businesses.

The study also provides valuable insights for the social scientist interested in the study of network support systems and survival strategies. In addition to demonstrating the diversity of sources of support, the case studies also suggest a viable methodology for studying and quantifying the importance of these networks. By focusing on specific issues, such as how house improvements were financed, who helps to cover basic food costs, and who can be asked for help in times of emergency, it seems to be possible to direct the respondent to think about the dynamics of these support systems and the situations in which they apply. Of particular interest is the analysis and comparison of the concepts of utang na loob (social exchanges which imply an
obligation to repay when the need arises) and *malasikit* (support to someone unable to help themselves and where no expectation of repayment is created). A number of examples are given to show that subtle social pressures regulate the extent to which a person is willing to accept a gift through the *malasikit* system as this produces a sense of shame (*hiya*) which is one example so strong that the beneficiary felt unable to visit the person from whom he had received the gift.

It is believed that the study of these support networks will provide both operational and theoretical insights into the dynamics of urban poverty and strategies for its alleviation. This report is one of the initial studies which are being prepared as part of the planning of a comparative 3-country study on Support Networks and Survival Strategies of the Urban Poor. This study will be conducted by the Urban and Regional Economics Division of the World Bank in cooperation with local research organizations. In addition to the Philippines, it will also include a study of Kenya and Colombia. The first phase of the study has begun in Colombia, where a research proposal was approved in October 1981. It is hoped that Phase 2, encompassing all 3 countries, will begin in 1982.

Michael Bamberger

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3/ Patterns of income formation and expenditures in Cartagena, Colombia*. RPO 672-57. Approved by the World Bank Research Committee in October 1981.
I. INTRODUCTION

1. The following case studies form part of a larger effort to evaluate the impact of the Ton o Foreshore upgrading project on the target population. In assessing the effects of a project such as this, one of the more outstanding concerns is to establish the degree to which the population has access to benefit from the project, and the extent to which the population can afford to pay for them.

2. In 1979, a study carried out by the Research and Analysis Division of the National Housing Authority on the incomes and expenditures of some 120 families showed that a little over 27% of the household population may not be able to pay for the monthly charges. This segment of the household population was termed "high risk" as it was expected that they would be caught up in arrears when the period of collection commences.

3. The income and expenditure study also indicated that a very significant proportion of the average monthly income was attributable to non-periodic and intermittent sources. These sources of income which fell outside the boundaries of regular and expected origins, were responsible for approximately 11% of the total average.

4. Although the existence of extra-regular incomes was previously anticipated, the nature and relative importance of these transfers take on new meaning in light of the study's findings that a significant percentage of households may find it difficult to meet monthly charges. The cases presented here can be considered as an extension to the on-going income and expenditure study. In general, the cases were prepared to provide a descriptive account
I present transfers among some of the poorest families in Tondo, and
so into major cultural and environmental mechanisms that make the
poverty possible.
6. The families selected for this descriptive study were drawn from the
participants in the on-going study on family incomes and
expenditures. As data on these items are available and the characteristics of
each family are known, selecting the poorest families was a relatively
straightforward procedure. In addition to families with low income, informant
families were selected on the basis of such characteristics as seasonality in
the primary earner's occupation, absence of other working family members,
family size/number of dependents, and other qualities that would outwardly
suggest that the family was in a very difficult financial position.
7. The primary data-gathering technique used in this study was the
unstructured in-depth interview. Although the major informants ideally should
have been the heads of the household, this arrangement could not be maintained
due to the absence of the husband, who has to go to work. The cases are
presented in a chronological format, with attention being given to stressful
events in the families' history. This is done deliberately as part of the
general methodology in gathering information. By providing a chronology of
the major events in the individual cases, it was hoped that the dramatis
personae could be firmly located within the temporal framework, and thus would
not only permit the examination of the continuity of the transfers, but also
recognize the relative importance of each individual involved in the
process.
8. The emphasis given to stressful events in the life of the informant
and his/her family is largely a result of two part hypothesis: while the very
The nature of unexpected adhancing events, which may be considered in connection with the maintenance of the typewriter, have been brought together in a methodological approach, which the important individuals have admitted to. The aim of this approach, admittedly a methodological short-cut, but in the absence of sufficient time to carry out a full-scale ethnographic study, was felt that the deficiencies arising from the abbreviated method were unacceptable. Taking up traumatic events may be unpleasant for the informant, and usually it is desirable is taking up her time with long and circuitous conversation while she is yet to get on with the housework. Without a doubt, some important trade-offs had to be made. However, by isolating our concepts, it was felt that more useful data could be surfaced than what could have otherwise been generated had the lines of inquiry been loose. A genealogical chart is supplied with each of the cases as a reference to names of the informants' siblings, offspring, and affinal relatives.
Emiliano came to Manila in 1956 and obtained a job at the South Harbor through a relative who was working there. Hospicia came to Manila in 1958. Both were from Northern Samar. Hospicia lived on Espana street in 1958 and then transferred to Del Pan in 1962. At the time, Emiliano was the overseer of the house into which Hospicia and her relatives transferred.

Emiliano and Hospicia were married in 1971, he at the age of 39 and she at 44. Emiliano was a widower with 6 children by a previous marriage, while Hospicia had a daughter by her first marriage. They continued to live in Del Pan for a while, then moved to a succession of rented rooms. They lived in San Antonio St. in Tondo, then with a sister of Hospicia in Mandaluyong, then to San Andres for 6 months. Upon moving back to Tondo, they lived in a rented room in Pavia Extension for over a year. In 1966, Emiliano heard from a friend that someone along Pavia Extension was selling his house. Emiliano and Hospicia bought the house for P1,000 out of their savings.

From 1938 onwards, Emiliano worked at the pier as cargo handler. In 1972, he fell from a plank and landed on steel plates. The accident left him with serious and permanent injuries to his left shoulder and spinal column, and he retired from active work shortly after he was released from the hospital. The company for which he worked, Luzon Stevedoring, paid for his hospitalization expenses, provided him with a small amount of P1,300 as separation pay, and a monthly P100 disability pension. At the time that he was employed, Emiliano earned from P70-P100 a week.
Hospicia formerly sold cigarettes and processed fish in a stand on Soler street, and grossed about 50 pesos. Her profit there amounted to P10 daily. The capital for this small enterprise was provided by her husband, who was convinced by an uncle (also a cigarette vendor) that the business was profitable. The cigarette and candy stand was set up in front of a large hardware store; permission from the Chinese owners was secured through the help of a sales clerk who was also from Hospicia's and Emilio's province, Samar. Although Hospicia began the business in 1964, she decided to "close shop" when their vacant house was broken into in 1972 and approximately P400 in cash and a clock were lost to thieves.

As Emilio still required attention for the injuries he sustained, Hospicia permanently terminated her business. The P1,300 Emilio received as separation pay went toward household needs and the repair of their house, which in 1972 incurred damages in its roof and walls when neighbors stood on the roof with pans of water to combat a fire. The Cacicas spent a little over P400 for materials and paid 2 carpenters P20 a day for 2 days to repair the house.

Family

Emilio had 4 children in his previous marriage, and Hospicia had one. In the course of their marriage they had one child. All six children are married and have relatively stable occupations. Although only Emilio and Hospicia are the only occupants of their house, and they take pains to avoid unnecessary expenses, the P100 monthly pension does not go far. What sustains them is the constant flow of gifts in cash and in kind from their five married children. These gifts permit this elderly couple not only to send for essentials, but also to set aside some savings.
Beatriz is the Gelicame's eldest daughter, who is married to a construction worker presently in Saudi Arabia. Her husband earns a substantial amount monthly, which is remitted to the Philippines as required by labor regulations. Part of this amount has been used by Beatriz as capital to further expand an already thriving eatery, which she had set up in her residence in Del Pan (at the fringe of the Tondo Project boundaries). Because she lives close to her parents' house and operates an eatery, Beatriz frequently sends one of her children over to the Gelicame residence to bring food and other consumables. Although the volume given varies, it is of sufficient amount and frequency (4 to 5 times a week) to supply most of the Gelicame's needs. A "delivery" often consists of enough prepared food for lunch and supper, and is sometimes accompanied with a small amount of money.

In other times when Hospicia does not feel like going to the market to buy food, she simply drops by Beatriz's eatery and is given food previously prepared for customers. As a result, the Gelicames readily admit that they do not spend so much for food, other than that which they consume for breakfast. Beatriz also drops by occasionally to visit her parents, sometimes bringing a gift of money with her, or a household item that the Gelicames could use.

Marciana, another daughter, is also married to a construction worker stationed in Saudi Arabia. She, like her sister Beatriz, receives a substantial amount of money from her husband. Marciana and her family used to live very close to her parents' home (Rawia), but have recently set up residence in Sapang Palay, one of NHA's resettlement areas. Marciana has invested part of her husband's earnings in improving their house and in the purchase of appliances. Because of the distance of her residence from that of
her parents, Marciana only occasionally. Prior to her
transfer of her family's Sapang Palay, she and her children spent a lot of
time with the Gelicames. Her parents also frequented her former house in
Ravis, to look after the children or simply to talk. Recently, the Gelicames
have taken to visiting Marciana and family in Sapang Palay, spending two to
three days there to compensate for the few and far between visits by
Marciana. Marciana gives the visiting Gelicames some money during these
occasions, ostensibly for the bus fare back to Tondo, but the amounts are
clearly in excess of what is needed. Furthermore, Marciana gives her parents
money or groceries whenever she comes to visit.

Olympia is the Gelicame's third daughter. She is married to a
businessman and resides on Clavel Street, within the Tondo district. Like the
rest of her siblings, she finds time away from looking after her own family to
drop by her parents' residence. She and her husband own a farm in the Ilocos
which provide her family with additional income. Every harvest season she
gives her parents a supply of rice that lasts the Gelicames a month or longer
(depending upon the other contributions of the Gelicame's children of this
particular consumable). Seasonal produce of the farm also finds its way into
the Gelicame's food stores. In addition, Olympia's occasional visits are
instances where she hands her parents money. The amount often varies and
seems to depend on Olympia's perception of how truly her parents need cash.

The Gelicames own a small parcel of land in Sarar, which is part of
the farmland that Emilio's great-grandfather passed on to relatives. Other
than what could be retrieved from a few coconut trees, it produces
very little. Their daughter Narra looks after this small piece of land with
the help of her husband Jesus. Narra rarely comes to Manila, but stays at her
parents' house when she visits. As she takes care of marketing, cooking, and other household chores whenever she is around, her presence in the house permits the Gelicames to go visit other members of the family. Whatever money she can spare goes to purchases for her parents' daily needs.

Another child of the Gelicame's lives in Samar, but regularly commutes to Manila to purchase items for a buy-and-sell business. Marjorie, Hospicia's child by marriage, comes to Manila two or three times a month to purchase a variety of goods. She sells the goods in Samar to clients who pay on an installment basis, and realizes large profits from her transactions. She or her husband Luis stay with the Gelicames in the duration of her business shopping, which usually takes two to four days, depending upon the volume and type of merchandise to be shipped back to Samar. During their stay they provide for food and other necessities, in addition to some extras picked up in the process of shopping for goods. When Marjorie or her husband leaves, she never fails to hand over some money to her parents, however small. According to the informants, Marjorie typically gives them P30-70 each time.

The Gelicames have two sons, Guillermo and Pio. Guillermo recently moved in from Samar and lives very close by to the Gelicames (CP Garcia St.). He works as a stevedore in the piers. Geographic proximity permits close and frequent contact between Guillermo's family and his parents. There appears to be little monetary or material exchange between the two households, a Guillermo earns just enough for his family's needs. There is, however, a sufficient number of occasions when surpluses (particularly food) in either household are shared.

Pio is the only child born upon the marriage of Emilio and Hospicia. Pio lives with his wife in Baesa, Quezon City. His parents very
rarely see him because he has been away for long times. He has also stayed at the construction sites. No mention of his contribution to Gelicane's work has been made by the informants.

In 1973 a fire swept through the area and destroyed the Gelicane's house to the ground. What materials were left from the fire were used to put up a makeshift structure with the help of neighbors. Members of the family threw themselves into the reconstruction process as much money as they could spare at the moment. No exact amounts could be recalled by informants, but they place the initial costs of reconstruction at around $2000. The house has been slowly built up over the years, the most recent additions being sheets of galvanized iron roofing costing $240.

The Gelicane family are open and explicit about having savings, which they have in a bank deposit. They recognize the fact that their savings are made possible through the handouts given them by their children, and are confident that they can use these savings for the development charges for the Tondo project.
MONDARES

Juanito and Lucila Mondares lived with their 4 children in a house that roughly measured 4 meters by 6 meters. The house is relatively new and made of wood, but is very small. With the exception of a kerosene stove, a radio, and an electric fan, the house is otherwise bare. Whenever the Mondareses have visitors, they borrow a couple of chairs from the family of Juanito's brother, who is a neighbor.

Lucila is the youngest child in a family of 10 children. As the youngest girl, she was pampered by her parents and her siblings. In addition to this, she was always sickly, and had her family's attention all the time. Her father worked in a brokerage firm, while her mother ran a small business of preparing and vending foodstuffs. They lived in a rented house in Blumenrutt, close to the public market. Lucila and her elder sisters would bring the turon (fried banana strips encased in flour) that their mother prepared to sell in the offices along Escolta street. This was where she met Juanito, who was then earning a living by selling sweepstakes tickets.

Lucila and Juanito were married in 1968, largely as a result of Lucila's refusal to go further and being punished by her father. They were both unprepared for the marriage: Juanito's meager earnings could not support both of them, and they had to move into the house where Lucila's family lived. Juanito was then 27 years old, and Lucila was 15. They lived in Blumenrutt for a year, supported entirely by Lucila's family, the members of whom felt that the youngest girl of the family needed all the support she could get. Practically all of Lucila's personal needs were provided for by her parents and her siblings, and Juanito made only nominal contributions to
the household finances. Lucila gave birth to her first child in Blumentritt, the expenses for which were assumed by her family.

After a year's residence with Lucila's kin, the Mondares moved into a room in Sevilla street (in the project area). Their new home was owned by Juanito's aunt, who allowed them to occupy a room for free. After two months, they transferred to the house of Juanito's father in Pavia Extension, the site in which their present house now stands. Juanito drifted from one job to another in an effort to support his family, but was unable to earn enough to meet his family's needs. His father and other brothers who were employed helped to tide him over, as fostered by the communal arrangements in his father's house.

The conflagration in Tondo in 1972 left the Mondares with only the shirts on their backs, and Juanito could not turn to his family for support because they too were desperate for finances. Juanito and Lucila were forced to move back into Blumentritt (Lucila's kin) with their children. Juanito shuttled between Tondo and Blumentritt for about 3 weeks as he assisted his brothers in rebuilding the burned house. Juanito's father at this point decided to subdivide the lot that they had claims to (about 130 sq. meters in area) among the four brothers and their respective families.

Juanito assembled a makeshift structure out of some materials salvaged from the fire and from second-hand items he bought with funds borrowed from Lucila's family. He was assisted by his brothers in building the house. With a little borrowed capital (P150) Juanito began to put together merchandise that he sold house-to-house. Lucila and their children moved in from Blumentritt soon after their house was built.

In 1977, Lucila's father retired and received a substantial amount
from the company he worked for as part of his separation benefits. Juanito gave him P3,000 to build a better house. Juanito proceeded to build his new house with the help of his brothers.

Lucila has always been plagued with a number of illnesses (asthma, diabetes, and ulcers) and is often hospitalized. During the past year, she has had to undergo treatment twice. She reports that in any given year, she has to be confined 3 to 4 times. Because of her susceptibility to illness, Lucila does not do any of the housework. She heads for the market in the morning to buy food, and looks after the children the rest of the day. Her husband, by cooking meals and washing the family's clothes, does the housework. After lunch, he leaves to peddle flashlights and other assorted items. Without a definite sales route, Juanito takes his trade wherever he feels he'll make a good sale. He comes home around 7 or 8 p.m. with food for supper.

Lucila's poor health and frequent hospitalization would have long paralyzed the Mondares had it not been for the constant financial and material support extended to them by Lucila's family. While not well-off, her brothers and sisters are all gainfully employed and hold down stable jobs. Two of her sisters set aside a certain amount from their salaries each month to give to Lucila. The amounts vary, but Lucila reports that these monetary gifts provide a substantial amount for her children's needs. Her other siblings frequently stop by the Mondareses' house to check on her health and to extend assistance. Lucila receives multi-vitamins, food supplements, and medicines from her family, in addition to occasional gifts of money from her brothers and sisters.
The volume of gifts increases when Lucila has to be hospitalized. Her brothers and sisters assume all the costs of medical care and medicines, knowing that Juanito cannot afford the expenditures. Juanito rarely, if ever, visits Lucila when she is confined. The reason for this, Lucila says, is because "Nahihiya siya sa pamilya namin" (he feels shamed in front of my family). As it is Lucila's brothers and sisters who watch over her during her periods of confinement as well as pay the bills, Juanito avoids any face-to-face contact with Lucila's kin. He similarly avoids accompanying Lucila to Almendric (where Lucila's kin live) whenever Lucila decides to go visiting.

The Mondares recently received a radio and an electric fan from Lucila's brother Juan, who is a seaman and who just arrived after a tour of duty abroad. Lucila also received a sum of money from Juan as a gift, although she declined to specify how much she was given. Even when Juan is out of the country, his wife Babes comes to visit the Mondareses. According to Lucila, her sister-in-law Babes appears to be under Juan's instructions to check on Lucila's welfare every now and then, and to hand over money as the need arises.

Not a month passes that is not marked by a visit from Lucila's mother or elder sisters. The eldest sisters, Nenita and Norma, are the most frequent visitors to the Mondares residence. Nenita works for a travel agency, while Norma is employed in a trading firm. Both are spinsters and appear to be very deeply concerned with Lucila's welfare. They provide Lucila her monthly "allowance" which is augmented every now and then by another sister, Teresita, who works as a secretary. Lucila feels she can always count on her sisters Nenita and Norma for aid, since she says "wala naman silang pamilya" (they do not have families of their own, anyway). However, she does not seek the
assistance actively. Indeed, the members of her family extend her the aid voluntarily and independently. It is as if there is an implicit understanding among Lucila's siblings that individually and collectively, they should help out as best as they can. While Lucila does not solicit the assistance, she has in more ways than one come to expect it. Her youngest child Roselle will begin attending school next year, and Lucila feels that the added expenses of sending another child to school will somehow be offset by the gifts she receives from her siblings. "Alam naman nila ang kalagayan namin". (They know what our situation is like) she points out.
Roberto Maldonado was the sixth of eight children born to Buenaventura Peralta and Gregorio Maldonado. He was born in Albay in 1934 and was the Peralta's only son. The Peraltas were a farming family, and tended a 8-hectare coconut and banana farm in Santa Catarina, Albay.

Filomena Maldonado is the third of four children of Gregorio and Cavina Isiot. The Maldonados lived in Daraga, Albay but moved on to Castilla, Sorsogon during the Japanese occupation (1942-1945). She, like Roberto, came from a farming family. They owned and worked a 12-hectare farm.

Roberto studied in the same elementary school that Filomena was attending, and were acquaintances when he was in Grade 2. After graduating from grade schools he lived in Sorsogon, to attend high school, but midway through third year he was forced to stop school when a powerful typhoon devastated his parents’ farm. Without his parents’ earnings from the farm, Roberto could not keep up with the monthly installments he had to stay enrolled in school.

He was offered a scholarship by a relative, Vicente Peralta, then a Congressman, but Roberto’s parents refused it for fear that their son would be exploited. Roberto felt very sorry over this lost opportunity, as he wanted very much to continue his studies.
In 1956, Roberto returned to Albay to work as a mechanic for a bus company. He met Nena in a public gathering and they did not see each other again until much later. Roberto and Nena were married in June 1959. The marriage was against Nena’s wishes, but her father favored Roberto and pressed Nena into the wedding.

The marriage got off poorly and the couple frequently had quarrels resulting in a separation. The Peralta family were then tenants in a small farm, which Roberto left in Nena’s care when he left Albay for a job in Quezon. In 1960 Roberto landed a job as a heavy equipment operator for a firm working on the Angat Dam (Pampanga). A year later he and Nena worked out a reconciliation and Roberto brought Nena and his one-year old son to the worksite. However, one of the managers of Roberto’s firm took a fancy for Nena, and Roberto moved his family back to Bicol and quit job to avoid trouble.

From 1963 to 1968, Berto lived alternately in Bicol and Manila, undertaking an assortment of jobs. He stayed in the house of his aunt Crisanta whenever he was working in Manila. Berto worked as a driver for a trucking firm, a porter in Divisoria, a bus conductor, a typesetter, and a factory worker. Between jobs, he went home to Bicol.

In April 1968, Berto brought his family to Manila. They lived in his aunt’s house on Abad Santos Street for free, but paid P10 a month for the additional consumption of electricity. At this time Berto and Nena had 4 children, and Berto’s Aunt Crisanta would often give them prepared food whenever Berto could not find employment. He was then working as a carpenter.
To augment Berto's income, Nena began to sell boiled corn. She started the business by borrowing P10 from Crisanta for capital, and turned a daily profit of P2-4. Later, a neighbor convinced Nena to sell lugaw (rice porridge) instead, and Nena went ahead with this new business venture. With a capitalization of P20 a day, she earned an average P30 in profits.

Berto gave up his job as a carpenter to help Nena with the profitable business but later got a job as an assistant to a vegetable dealer in Divisoria. He earned P10 to P25 daily by disposing of the produce brought in by the dealer. The combined incomes of Berto and Nena enabled them to purchase two rundown huts for P600 in the present Super Block 12 (Project Area) from a man named Dolfo. This was in June 1968.

Nena continued to run the lugaw business from their new residence. Berto appeared to be doing well in his job as vegetable distributor, but someone envious of Berto's success was irritated enough to stab him. Berto had to stay home for months to convalesce, and he ultimately lost the job. During this period he began to undertake small repairs in their house, using his carpentry skills. Nena's brother Antonio arrived from Bicol and helped Berto carry out the repair.

In 1969 Nena gave birth to their fifth child. It was a difficult delivery for Nena, whose health during the pregnancy had suffered greatly not only from the cooking and vending of lugaw but also from attending to her four children in school. The complications from the delivery forced her to stop the lugaw business, and she stayed home to care for the children. She shifted from cooking and vending lugaw to the manufacture of bukayo (candies coconut shreds), and she also began a backyard piggery. Nena earned P15- P25 a day.
from raising the banya, and the sale of pigs provided her P400-
profit. In the meantime, Berto was employed in a large construction firm
as a carpenter.

By early 1971, the Peralta were able to construct a two-story house
out of family savings. In April, however, a configuration in power halted
the Peralta residence. It took the Peralta a year to construct another house,
building progressively from a small hut they constructed after the first.

Nena continued with her banya business until 1976, when the rising
price of sugar forced her to stop altogether. She continued raising pigs, and
in 1978 she sold the last batch for P2000. In late 1979 Berto was sent to
Saudi Arabia by his firm to work on a project that his company was contracted
to carry out.

The income of the Peralta comes from three sources. Nena does
crochet work for P15-30 a week and collects rent from two persons who pay
P120/month as well as a portion of Berto’s salary, which amounts to
approximately P1,300/month.

The Peralta’s ability to save centers on Nena’s ingenuity in cutting
down expenses, and at the same time devising means by which income can be
raised. Aside from her business ventures, she encouraged her children to sell
items such as ice cream, cigarettes, and fried bananas. To ensure that Berto
did not squander his money, Nena herself picks up his salary from the
construction firm that he worked for. Nena reports that this enabled her to
keep almost all of Berto’s wages, and that only the profits she made from her
banya business went into their daily needs.
Owen could not really recall what incident prompted them to borrow money as she always said that she had some savings set aside. During the period from late 1973 until the end of 1974, however, the robbery in their area and the simultaneous hospitalization of three of her children into the family savings forced the Peraltas to borrow money and approach sources of assistance.

To reconstruct their house, a large portion of which had to be dismantled during reblocking, the Peraltas asked the assistance of the Don Bosco Alay Pabahay (a housing assistance program managed by the Catholic clergy in Tondo), took out loans from NHA and the Social Security System, and borrowed from the daughter of Berto’s aunt Crisanta. Together with some savings the Peraltas were able to invest over P10,000 into their new house, with the bulk of the expenses (P7000) being shouldered by the Alay Pabahay.

The hospitalization of three of the Peralta children (one fell from the roof, one fell down the stairs, and the other suffered pneumonia) prompted the Peraltas to borrow P840 from the Barangay Chairman in their area. Berto paid part of it by working for chairman Salazar when Salazar’s house was being reconstructed. Salazar, who also owns a grocery and also operates a private power distribution franchise, also extended the Peraltas credit during the period that Berto was not yet sending money from his Saudi Arabia post.

Xena is currently saving as much as she can to pay back their debts. As of the present she has, by her estimate, only P600 more to pay back. She has been crying, however, to raise P3000 quickly to give to Berto’s Aunt Crisanta, who badly needs it for a major surgical operation. She says she “feels obligated” to help Crisanta now that Crisanta needs the assistance.
Juliana (Julie) Bernardo, the youngest of six children was born in Cebu on August 3, 1937. Although her parents were natives of a distant province, Julie's parents migrated to Cebu when her father, who served as an inspector of a shipping line, was assigned to Cebu.

Julie's father was killed by the Japanese occupation forces during the war, and when the years of liberation came, the elder Bernardo children had moved into Manila and had found some form of employment. As Julie was the youngest, she stayed with her mother in Cebu until 1953, when both were to reside permanently in Manila with the help of the elder Bernardo children.

Jorge, the eldest and the most financially secure of the siblings, spent for the construction of a house in the Sevilla Extension in Puno. While the house was being constructed, the other Bernardos, Julie, her mother, Catalina, and brothers Felipe and Delfin, lived with a family that owned a house very close to the site where the Bernardo house was being constructed. The Lacsons, members of this family, were very good friends of Jorge, and allowed the Bernardos to live with them free of any payment. The Bernardos' stay with the Lacsons lasted a long time after which they moved into the newly built house.

Felipe and Delfin, Julie's elder brothers, provided for their needs. Felipe sold cigarettes and shined shoes for a living in front of Isla Cruz church. His daily income fluctuated widely, but he managed to average P20 every day. Delfin, on the other hand, worked as a "watch-your-car-boy" along Escolta. Because of his inordinate skill in playing cama (a variant of the game of checkers), Delfin found occasional sponsor who brought him to town.
first and the youngest to slow in high competitions. At least once a month
he would compete in these play-offs, and would bring home P50-P100 as his
share of the winnings.

Julie, when not helping out her mother in the household chores,
attended Jose Abad Santos High School. In 1955 she graduated with first
honors. She did not express any interest in going to college, as she believed
at that time that a college education was not very important for women.

On the year of Julie's graduation from high school, her brother
Arturo and his family (wife Lydia and two children) moved into the Bernardo
house. Arturo was a barber, while Lydia earned a living by ironing clothes
for other families. Like Delfin and Felipe, Arturo and his wife regularly
gave their mother money for household expenses. Julie's mother died in 1958
from bleeding ulcers. The bulk of the burial expenses was assumed by Julie's
brother, Jorge, who was by far the most well off of the siblings. The
remainder of the costs were met by Julie's other brothers and a certain
Avelino Concepcion, a close relative.

Julie met Pedro Cortezano in 1959, who was visiting his aunt, a
neighbor of the Bernardos. Pedro was from Catanduanes and worked as a
tailor. They eloped to Pedro's hometown in June 1960 and were married in
civil rites in September. Julie was 23 and Pedro 20. They did not have a
church wedding because Julie claimed that at the time she was already one
month pregnant. The couple lived with Pedro's parents for 9 months. Inasmuch
as Pedro's family earned more than enough from the farm that Pedro's parents
owned, Pedro did not feel obligated to contribute to the income of the entire
household.
The Cortezanos built a house in the Sevilla Extension in 1961 and set up their residence in the Sevilla Extension house where Julie formerly lived. The two-story house was divided among the Bernardos' children: Julie and her family occupied the ground floor together with Felipe, while Arturo and his family shared the second floor with Delfin. Felipe gave Julie P5 - 10 a day as his share of the house expenses. Delfin, who lived in the second floor, had similar arrangements with Arturo.

Julie's husband, Pedro, worked as a driver and was receiving about P300 a month. This was augmented by Julie's income from working as a part-time seamstress in one of the shops in the neighborhood. She also worked part-time in a cardboard box factory and earned a total of P30-80 weekly from both jobs. She quit her job after giving birth to their child, Amalia. Because the Cortezanos wanted to live separately from the rest of the Bernardos, Pedro built a small house next door to the Bernardos' residence. Pedro first hired a carpenter for a week, then later was helped by his brother, Elia. The house was completed in a month's time. It cost the Cortezanos about P1,500 to build, and the funds were taken out of Pedro's share in the sale of his parents' farm.

Pedro resigned from his job in 1966 and established a partnership with a friend in buying and selling used cars. Julie is unaware of how much capital Pedro had or where he got it; Pedro once told her that her concern should be limited to how much he gave her. She received P600-1000 monthly from Pedro. Although Pedro was earning a lot from the business, Julie did not get to see most of Pedro's earnings. Julie attributes this to Pedro's
fooling around with women. She recalls an incident where Pedro and herself came home from a movie to find Pedro's mistress Sabel waiting in their own house.

The marriage eventually broke up in 1969. Although Julie and Pedro had separated, he occasionally came to visit. One of the visits resulted in a pregnancy, and Julie gave birth to Arnel in 1970. Pedro gave her P500 for the baptismal celebration. In the same year, Julie gave away her two daughters for adoption. Her daughter Caridad was adopted by a childless cousin, Consolacion. The other daughter, Erlinda, was adopted by Consolacion's brother, Avelino Concepcion. Julie felt that her daughters could have a better life with her wealthier cousins than if they remained with her in Tondo.

Julie singles out Avelino Concepcion, her cousin, as a major source of aid. Avelino is a lawyer and worked as a fiscal in the Manila City Hall. In the mid-60's Avelino acquired a lot in Tondo in his name, which was part of a program to provide squatters land titles. He transferred his rights to Jorge, Julie's elder brother. Although there was no written agreement, this lot was where Jorge and the rest of the Bernardo family had built their house. Only later did Julie find out that their lot was given in exchange for a piece of land in Aklan, which the Bernardo children should have inherited from their father, but instead ended up in Avelino's care.

In 1972, a neighbor precipitated a court case by building a store within the Bernardos' lot. Again Avelino stepped in to resolve it, advising Jorge to pay the P1000 in tax arrears to facilitate acquisition of the title. Avelino also provided the Bernardos with a lawyer and advised them as to what steps to take. They formally acquired the title and won the case.
Julie intermittently received money from her husband. In 1974, upon the graduation of her daughter Yolanda from grade school, Pedro sent P500 through the mail. Julie and Pedro lost the last of each other that year, and she has not heard from him since. Jorge, Julie's wealthier brother, offered to send Yolanda to school and took her under his care.

Of the original Bernardo family, only Julie now lives in the house. Her brother Arturo and his family left for Quezon in 1973, but ultimately settled in Bulacan. In February 1976, Felipe died from ulcers, followed by Delfin in September of the same year. All three daughters live with other relatives, and only Julie's son stays with her.

Since her brother's death, Julie had been supported by Jorge. She received a regular amount of P10-15 daily. Subletting rooms in 1977, she subdivided the house and charged P40-100 a month per room, the amount varying with room size. Her first renter was brought to her by Avelino, who still visits occasionally. Her brother Jorge has cut Julie's allowance down to about P20 weekly, reasoning that Julie's renters provide her with steady income.

Julie's renters have voluntarily paid higher rents in late 1979, raising her monthly income to about P300. Relations with her renters are good, and Julie has even been able to borrow P800 from one of her renters to pay for amortizations on the lot. As agreed upon with Jorge, Julie is to pay the amortizations, since it is she who benefits from it.
Julio's eldest daughter Yolanda has recently returned from Jorge's house, where she lived since 1975. Yolanda reported that she had an argument with Jorge's wife, and would not like to go back. Jorge wants Yolanda to come back, but Julie says she prefers to care for Yolanda now. Jorge has not shown up since.
DISCUSSION

1. The role of kinship in the network of mutual assistance that an individual constructs over his lifetime may be likened to the hub of a wheel; from a tightly unified family unit, the assistance network touches those comprising other relatives, and further outwards, other individuals who may fall outside of the kinship group but who nevertheless are important in the system of exchange. The supportive role of the family as the principal unit of kinship is well understood and does not require much discussion. The existence of reciprocal obligations that bind each member to the rest of the family unit and a set of expectations that compel the individual to respond to these duties, is as universal as the idea of the family.

2. However, there is a wide variant in the extent to which individual members are expected to meet family obligations and to carry out responsibilities. These variations are culturally defined, and a brief discussion on the operating principles as they apply to the cases is necessary.

3. The extended family system, in which the nuclear family is expanded by the inclusion of other relatives into the circle of rights, duties, and responsibilities, is a familiar feature of kinship groupings in the Philippines. This is an accepted practice (in many instances the prevailing norm) especially in cases where the newcomers to the family require a period of adaptation to a new status, the locality, financial difficulties, and the like. This provides the newcomers with an environment of security and closeness that they need to stabilize themselves and reduce the uncertainties of the moment. Newly-married couples generally move into their parents house
as they begin to adjust to their new roles; newcomers to the city are taken in by relatives until they can establish themselves in their own urban niche; provisions are always made to accommodate transient relatives.

4. A common residence would also mean the presence of joint family arrangements, wherein two or more nuclear families share economic and social obligations. In the event that a nuclear family moves off to a separate residence, the bonds previously linking it to the other family diminish, but are not at all severed. A continuity in the relationship, both economic and social, is expected; in many respects the geographic distance separating the families is an incentive to increase the magnitude of the exchanges as a compensation for the reduction in frequency of contact.

5. Joint family arrangements permit the maximization of resources and allow the individual families the financial flexibility they would otherwise not have, had they lived alone. The internal movement of money, goods, and services, and the cooperative nature of the activities within the common residence are strong stabilizing forces that enable the individual families to adequately cope with stress and adversity.

6. The individual attaches a great deal of significance to his family of orientation. It is the unit to which he is permanently bound, and to which he owes his allegiance and loyalty. In the Philippines, the permanence of membership and its corresponding duties is carried to extremes, as manifested in the expectations of married children. Upon taking a spouse, the individual's responsibilities, duties, and obligations do not in any way cease, but are merely restated to accommodate the new demands of his/her new family. Marriage in terms of family responsibilities, merely means that the individual takes upon himself a second, but not necessarily primary, set
of obligations. The married individual is therefore expected to always be ready when needed, and to give unquestionably when approached for financial aid.

7. The role of the nuclear family and other relatives in the monetary and material transfers lies so close to the surface that it can be taken up as an assumption. Indeed, for any particular family, the bulk of receipts can be traced directly back to benefactor-relatives. The identity of the benefactors could, as a matter of course, be extended to include non-relatives, such as special friends and individuals who have come to identify themselves with a particular family, and have assumed some obligations as part of their assimilation. However, despite the absence of "blood relations" between these individuals and the recipient family, the quality of the bond is compared to the element of closeness and mutual support linking true kinsmen.

8. Exactly who will ultimately be involved in transfer transactions is determined largely by chance, but this can be circumvented by the individuals' conscious decision. A person, after all, has no choice as to whom his relatives are to be. As such, the individual has to conform to cultural norms defining relationships and obligations among kinsmen. Mere membership in a family unit carries with it a sense of duty, a recognition that in a situation of need those culturally designated to respond must do so. The performance of this duty is most commonly observed within the nuclear family, but in practice extends beyond this nuclear unit to encompass other relatives. The enormous number of relatives acquired through bilateral kinship, however, forces the individual to choose with whom he is to establish closer ties. A conscious selection process that assigns relatives into positions of importance is necessary. The rest of one's relatives remain outside the functional segment
but are always there, ready to assist should the occasion arise. Contrary to popular opinion, Filipinos do not indiscriminately support relatives above all others; the near-far, ingroup-outgroup dichotomies introduce limiting factors. Recognizing this, investigators of the network of social obligations in the Philippines summarize this phenomenon in the statement: "Relatives are important, but who is important is relative."

9. After having defined the boundaries which would identify the group or class of persons likely to be found in transfer relationships, it is important at this point to identify the mechanisms that regulate and maintain these relationships. A limited analysis of the cases presented here brings to the surface two cultural values of particular significance in the exchanges that operate as norms for decision and choice. These two values are not uniquely Filipino in the sense that differences in value systems are not as much caused by differences in the individual values, as by the differences in ranking and emphasis. Indeed, equivalent values are likely to be found elsewhere.

Reciprocity and the Utang na Loob Value

10. The norm of reciprocity and the resultant distributive arrangements is a universal principle of behavior that occurs even within more complex economic systems. Material and non-material items are given and exchanged on many occasions, and though as a rule, no formal repayment of gifts is expected, some eventual return is implicit. The return may not normally be in-kind, nor is an exact equivalent be expected. Gifts are clearly for the purpose of promoting continuing social relationships. To attribute these social ends to the form of economic transaction is erroneous because the economic transactions involved can be analyzed independently of the social
context. Giving, on the other hand, serves purely social ends and a strictly economic analysis would be inadequate.

11. Hollnsteiner (1975) classifies reciprocity in the Philippines into three types: contractual reciprocity, quasi-contractual reciprocity, and utang na loob (debt of gratitude) reciprocity. The third type of reciprocity, that of utang na loob, is of particular significance in the present study. However, a brief description of the other two types would be useful in differentiating the situations that would support the emergence of utang na loob relationships. Outlining the features of each form of reciprocity would facilitate the identification of which specific type applies to a given situation.

12. Contractual reciprocity supposes a voluntary agreement between two or more people to behave toward one another in a specified way in the future. An example of this is found in the case of the Father’s Club in Tondo, whose members agree to take turns in assisting each other in the construction of houses. The members work jointly on one house at a time, while the house owner acts as the boss of the work group. When the rotation in the construction of houses is completed, the obligation of each member to the others is considered settled.

13. In the contractual type of reciprocity, the reciprocal acts are equivalent and the amount and form are agreed upon beforehand. Furthermore, there is a minimum of effective sentiment in the repayment of obligations and reciprocation terminates that particular relationship.

The second type of reciprocity, quasi-contractual, differs from the first in that the terms of repayment are not explicitly stated, and that an obligation remains to initiate a similar exchange when the same kind of situation arises in the future. Assistance given by neighbors to a family undertaking house repairs is an example of a quasi-contractual situation. Male neighbors may spontaneously volunteer their labor to the family, and their wives may offer the use of their cooking facilities in the intervening period when house reconstruction interferes with the family's preparation of food.

This assistance is unsolicited, the terms of repayment are not verbalized, and neighbors providing the assistance do so without specifying when the favor is to be repaid. There is, however, an implicit understanding among the parties that when it is the neighbor's turn to repair their house, a similar exchange in aid is expected.

The third type of reciprocity, utang na loob (debt of gratitude) is a central theme in the case studies presented here. Briefly stated, utang na loob reciprocity compels the recipient of goods or services to show his gratitude by returning the favor with interest to be sure he is not in the other's debt. The type of debt created in the recipient is called utang na loob (literally, a debt inside oneself) or a sense of gratitude, Hollinstrether points out that:

Every Filipino is expected to possess utang na loob; that is, he should be aware of his obligations to those from whom he favors and should repay them in an acceptable manner. Since utang na loob invariably stems from a service rendered, even though a material gift may be involved, quantification is impossible.
One cannot actually measure the repayment but can attempt to make it
nevertheless, either believing it supersedes the original service
in quality or acknowledging that the reciprocal payment is partial
and requires further payment.
(underscoring supplied)

17. The concept of utang na loob in relation to family obligations
differs from utang na loob as used in non-familial relationships, as the
obligation felt among family members is so deep that it remains on a non-
verbal level. It is necessary to verbalize only in the rare and critical
occasion when the obligation has been flouted. At other times, mention of it
would be superfluous.

18. The utang na loob relationship between parents and children is
complementary rather than reciprocal, as parents never develop utang na loob
toward their children. They have a duty to bring up their children, which is
complemented by their children's obligation to obey and to respect their
parents, and to show their gratitude by taking care of them in their parents'
old age.

19. The complementarity imposes a deep-seated obligation on the family
members to cling to each other, and they have no choice but help each other in
times of need. While parties to non-familial utang na loob may calculate
whether or not the return payment has been made with interest, this is not the
case within the family context. One does his duties and carries out his
obligations as required, without giving thought to the value of his actions.
Failure, however, in the performance of obligations, arouses a deep bitterness
and the feeling that a sacred unifying bond has been broken and the family
betrayed. In a situation of this kind, the accusations "walang utang na loob"
(no sense of gratitude) and "walang hiya" (having no shame) take on a meaning far more serious than they would were only nonfamily relations involved.

20. A large number of instances can be drawn from the case studies to illustrate how *utang na loob* operates, and the important role it plays in the maintenance of the transfer relationships. Some examples:

21. The most straightforward example is provided in the case of the Peralta family (Case No. 3). Roberto Peralta was taken into the house of his Aunt Crisanta during his early years in Manila, and received financial aid while he was studying. In 1968 he brought his wife and family to live in his aunt's house for free, and his aunt kept his family fed when Roberto could not provide enough money for the family's needs. Even when Roberto and family had moved away, Crisanta always helped out during emergencies. Because of the favors and aid that the Peralta family received, they feel that it is necessary for them to raise the P3,000 that Crisanta needs for surgery. The urgency with which Roberto's wife is trying to raise the money underscores the Peralta family's need to demonstrate their acknowledgement of the *utang na loob* that they owe. It is not necessary for the Peralta family to spend for Crisanta's operation, since Crisanta has children of her own who can underwrite the expenses. And yet, because the Peralta family feel that they can now afford to show their gratitude for Crisanta's support in the past, the recognition of *utang na loob* is prompting the Peralta family to reciprocate.

22. The transfers within the Gelicame family clearly illustrate the working of intra-family *utang na loob*. The informants are an elderly couple who live by themselves in a small house. On the surface it would appear that they are able to live on Emilio's small monthly pension, and on small handouts from their children living close by.
19. Upon examination, however, shows that the Gelicames are the
"recipient" of a continuous stream of food, goods, and money given by their
children. The "stream" may not be very wide, but it is sufficient to permit
the Gelicame to cut away some of their gifts as savings. The Gelicame
children do not see the gifts as a form of assistance (and neither do their
parents). Rather, the gifts represent partial payments for utang na loob;
the transfers take place because of the children's obligation to repay, albeit
partially, their debt of gratitude to their parents.

20. The elder Gelicames do not feel obligated to reciprocate because
inn-family utang na loob is complementary in nature rather than
reciprocal. They expect that now that they are old and since their children
are all grown up, the younger Gelicames can take over the responsibility of
providing for their needs. The present manifestation of contributions to the
welfare of the elder Gelicames is a lifelong expectation from the Gelicame
children, and will continue to be manifested for as long as there is need for
it. Avelino Concepcion figures prominently in the case of Julie Bernardo
(Case No. 4). Avelino, a lawyer for the Manila City Hall, was responsible not
only for the Bernardo's acquisition of a lot, and the resolution of a court
case concerning the financial support from that lot, but also appears to be
very concerned with the events befalling the Bernados.

21. Although not disclosed in the case presentation, Avelino's continued
interest in the welfare of the Bernardo family arises from a debt of gratitude
that he owes Julie's father. It appears that Julie's father supported Avelino
and his brother Simplicio through school, and was highly instrumental in
establishing their careers. As Julie's father died early, Avelino's debt of
gratitude was shifted to the Bernardo children, who thereby received and
continue to receive monthly and non-monetary assistance from Avelino as a partial measure of payment for his utang na loob.

26. There are instances that appear to be examples of utang na loob at work, but upon closer examination they indicate that a value other than utang na loob may be operative. The situations where this other value is found is similar to those of utang na loob in that a deep sense of obligation underlines the actions of the giver, and that the intensity by which the value is sought is indicated by the fact that its influence operates below the level of awareness. Like utang na loob, the value of malasakit and its behavior manifestations lies at the core of many transactions.

Malasakit

27. Some reference to the etymology of the term is necessary to describe the emotional content inherent in the malasakit value. Mala is a prefix that means "similar to", "akin to", or "like". It carries with it a comparative theme that emphasizes equivalence rather than distinction. Sakit has two connotations: illness or pain. Usage of the term malasakit therefore denotes a deep sense of empathy and lasting identification with another person's circumstances, and is intimately related to the culturally-sanctioned norm prompting those better situated to come to the aid of those in very adverse situations. Malasakit compels the individual to extend aid to those who are within the functional segment of relatives, without having to be approached or reminded of familial obligations. It represents the voluntary and self-imposed duty to align oneself overself with the needs of others close to him.
28. Malasakit differs from utang na loob in a number of important ways. While utang na loob exists within the context of reciprocal arrangements and a continuing exchange between the parties involved, the theme of malasakit does not at all involve payments. The aid that one extends to another is completely spontaneous and unsolicited, and the voluntary nature of the action renders the idea of payments as irrelevant. Similar to intra-family utang na loob, the value of malasakit is complementary rather than reciprocal.

29. Secondly, there is no true exchange in malasakit and in this sense it falls outside the concept of reciprocity. The element that sustains the relationship between parties involved in malasakit is the perception of the giver that the recipient is in no position at all to help himself, and that for as long as this condition prevails as much assistance as the giver can reasonably afford will continue to be extended. Inasmuch as the giver does not expect to be repaid, there is a strong one-sidedness to the relationship that closely fits the redistributive systems existing in Filipino culture.

30. In utang na loob, the obligation to respond is always with the recipient; he must make efforts to make sure that he doesn't remain in the other's debt. Failure to reciprocate promptly puts him in a position of hiya (shame). In malasakit relationships, the recipient is under no explicit or implicit obligation to respond. In keeping with the definition of the situation, the giver is the one who continues to carry the obligation, as it is he who is in a position to help. The recipient, however, always has the option of returning token favors if and when he can, but he is under no obligation to do so.

31. It would be clear that the one-sided stream of aid can potentially be the cause of depletion of the giver's resources, as malasakit calls for
altruism and self-sacrifice. While malasakit can theoretically be abused, in practice this rarely occurs. The moment always comes when the recipient begins to recognize that it represents a drain on the giver's resources, and hiya (shame) sets in. This is usually sufficient to stimulate the recipient to give back token returns to ease the one-sidedness in the relationship.

32. As this occurs, the token payments are interpreted by the giver as indications to decrease the volume and frequency of aid, and a gradual reduction follows. Also, as the token payments are by the recipient, the whole relationship is shifted from the context of malasakit to the perpetual exchanges characteristic of utang na loob reciprocity.

33. Among the case studies presented, that of the Mondares family (case no. 2) fits the malasakit theme the best. Lucila has traditionally been the "baby" of her family, receiving most of the attention of her parents and siblings. Her history of poor health makes her a special concern, and the fact that her husband has never earned enough to provide for the needs of Lucila and their children have served to underscore the necessity of extending financial aid to Lucila's family.

34. The members of Lucila's family of orientation, although not individually wealthy, are much better-off compared to the Mondareses. All are gainfully employed, and most appear to have benefitted fully from the economics of shared resources within a single house. In contrast to this, Lucila's husband Juanito is only marginally employed and can barely earn enough to keep his family fed. Given Lucila's recurring illnesses, the Mondares are in no position to stand on their own, and do require external assistance.
The case study shows that the Arriolas (Lucila's kin) soon recognized the support needed by the Mondareses. Knowing that Juanito as yet could not support Lucila after the hasty marriage, the Arriolas took them in and spent for Lucila's needs. Overtaken by hiya after living with the Arriolas for a year, Juanito decided to move into an aunt's house in Tondo. (Juanito's aunt allowed them to occupy a room free of rent because Juanito was a relative, according to Lucila. Other occupants paid rent.)

The P3,000 that the Mondares received from Lucila's father to build a house concretely illustrates the principle of malasakit. The Mondareses at that time still lived in a house built of salvaged materials with an earthern floor. Without the money to improve the structure, they managed with the makeshift quality of their house. The money given them was not a loan but a gift. Lucila's father, having just received his retirement benefits, felt that he could share part of the money with his youngest daughter's family, the members of whom needed a better house to live in. The Mondareses were not expected to pay back the amount, or to pay back anything at all.

Lucila's monthly "allowance" from her siblings and the stream of goods and favors that she receives is a continuing manifestation of malasakit. Her relatives are cognizant of the poor financial status of the family and therefore extend as much financial and material assistance as can be allowed. To a large extent, these arrangements have cultured a strong sense of dependency in Lucila, and yet she has never felt that she constituted a burden on her kin. This is understandable, since her relatives have never insinuated this, and on the contrary, continue to provide for the needs of Lucila's family.
38. On the other hand, the uninterrupted stream of financial and material aid originating from the Arriolas has continually placed Juanito in a position of hiya (shame) and has eroded his self-esteem. Incapable of returning even token favors, he avoids any face-to-face contact with Lucila's family. 1/

39. The cases presented here are few and the approach too descriptive to permit detailed examination for wide-ranging policy options. There is, however, a consistent finding that may well prove to be universally applicable to all the families in Tondo: families have unimpeded access to monetary and non-monetary resources.

40. How then can this be fitted into the existing housing services program? It would seem that the best interface would likely be the Housing Materials Loans Program (HMLP) which provides families with loans for house improvement. Taking the monetary and non-monetary resources of families into consideration, restructuring in the HMLP may permit more families, especially the poorest households who most need the assistance, to enjoy the benefits of the materials credit scheme.

41. From the point of view of the low-income urban family, home ownership and housing construction by incremental development present several advantages. First, the family is able to maintain control over the phasing, programming, and construction of the dwelling unit so as to combine monetary and non-monetary resources (including its own labor) with contracted labor at its own economic convenience. Where traditional housing policies and housing

1/ The magnitude of Juanito's hiya is reflected in his hesitation and evasiveness in answering questions relating to exchanges during interviews. As the interviews progressed to identify relevant personae he asked Lucila to take over the answering and has since made himself unavailable to the investigators throughout the study period.
credit mechanisms consider only family monetary resources as a criteria for program participation, a modified HMIP policy provides wide flexibility combining monetary and non-monetary economic interchanges that are still a significant part of the urban low-income economy in developing countries.

42. While the financing of housing construction by increments is typically family-financed without the benefit of an institutionalized credit system, an increase in these construction activities will require financing for urban low-income families. This financing mechanism should be designed to capture the savings of those families and to provide them with loans. Its design should reflect the need for relatively small investment requirements at each successive stage of housing construction. It should take into account both monetary income instability and non-monetary family resources in determining "ability to pay" for housing, rather than merely relying on monetary, fixed income in establishing an acceptable criterion.

43. Two factors may cause the "ability to pay" for housing to be underestimated when exclusively determined on the basis of monetary income. First, non-monetary economic transactions, although substantial, are not included in official income accounting. While they do exist, extensive in-kind interchanges in developing economies are not perfectly integrated monetarily. This makes the exclusive use of a monetary criterion to determine eligibility in housing financing programs inadequate. Non-monetary economic transactions include exchange of labor, food and other home-produced products, services, and assistance in various ways. In the Philippines the magnitude of these extramoneyary exchanges varies, but they constitute a substantial
proportion of the total family income. Among the families in Tondo, "extra-
regular" sources of income fully constitute 10.7% of the total average monthly
income.

44. A second cause for underestimating is the income-eligibility criteria
for participation too often based on nuclear family monetary resources. In
developing countries, however, one cannot ignore the unofficial mechanisms of
income redistribution and mutual help that are the traditional functions of
the extended family. Classical sociological research generally stresses the
negative role that these obligations play in the economic mobility of the most
successful members of the family or kin group. It has been rarely recognized
that these practices have a positive economic and social impact on the
resources of a nuclear family. In squatter settlements such as Tondo, one
frequently encounters families able to build a dwelling unit only because the
necessary monetary resources have been provided by relatives.

45. On the other hand, income instability among urban, low-income
families is another structural consideration in the design of a savings and
loan mechanism. Monthly fluctuations in disposable income may occur wherever
family income is fixed but low and may be due to employment instability, thus
incurring instability. What would this mean in terms of the proposed loan
mechanism? The constant consideration of income instability would require
relating the loan value to the amount saved. Such a criterion would stimulate
savings and allow that of "savings" as an indicator of "ability to pay" rather
than the more common and demonstrably inadequate family monetary income
criterion.

46. This exploratory policy may be carried out experimentally on a
limited scale and its results evaluated for appropriateness and effectivity.
For the current EBP mechanism, it would take only minor adjustments to implement the suggestions outlined above.

At this stage it may still be too hazardous to predict results, but these are anticipated:

1. Acceleration of housing improvements and construction by incremental stages on the basis of family initiative.

2. Provision of equal assistance to all low-income families, rather than limiting benefits to those nominally eligible.

3. More complete use of the financial, labor, organizational, and other non-monetary resources of families.

4. Increase the families' control of the goods, and services it consumes by providing the flexibility to substitute housing expenditures for higher priority expenditures in food, education, and health care.