

A STUDY ABOUT THE DETERMINANTS OF ROAD CONSTRUCTION IN THE PHILIPPINES

Angelico COPO
Margarita ESQUEJO
Dawn GARCIA
Zsarmaine SARMIENTO
De La Salle University
2401 Taft Avenue, Manila 1004
Philippines
Email: copo_mico10@yahoo.com,
marge_esq28@yahoo.com,
dudeez_19@yahoo.com,
minchies12@yahoo.com

Abstract: An efficient land transport infrastructure via an extensive road network has enormous multiplier effects on the economy. This paper aims to empirically determine the factors considered in choosing the region prioritized over the others in the construction of national roads. It hopes to suggest which among the multi-dimensional aspect of road construction should be explored by policy-makers in enhancing intraregional competitive advantage. The theoretical model used is the center-periphery model. Engineering data will be regressed in Panel Regressions to pinpoint significant variables which determine road construction per region. Panel regional data for the years 1988-2005 are collected for the study. Actual results indicate that the official budget, employed population, number of vehicles, number of firms, population density, and GDP per capita, are significant factors for road construction allocation in terms of monetary value and physical values. It has been found that centers have better quality roads compared to peripheries.

Key Words: intra-regional competitive advantage, center-periphery model, panel regressions, engineering data, road construction