

ECONOMY JIGSAW: BATTLING INFLATION THROUGH UNDERSTANDING THE PUZZLE PIECES OF THE PHILIPPINES' ECONOMIC GROWTHN

by the EconoMystics



TARGET 8·1

SUSTAINABLE
ECONOMIC GROWTH

SDG 8

Promote inclusive and sustainable economic growth, employment and decent work for all. Sustained and inclusive economic growth can drive progress, create decent jobs for all and improve living standards.

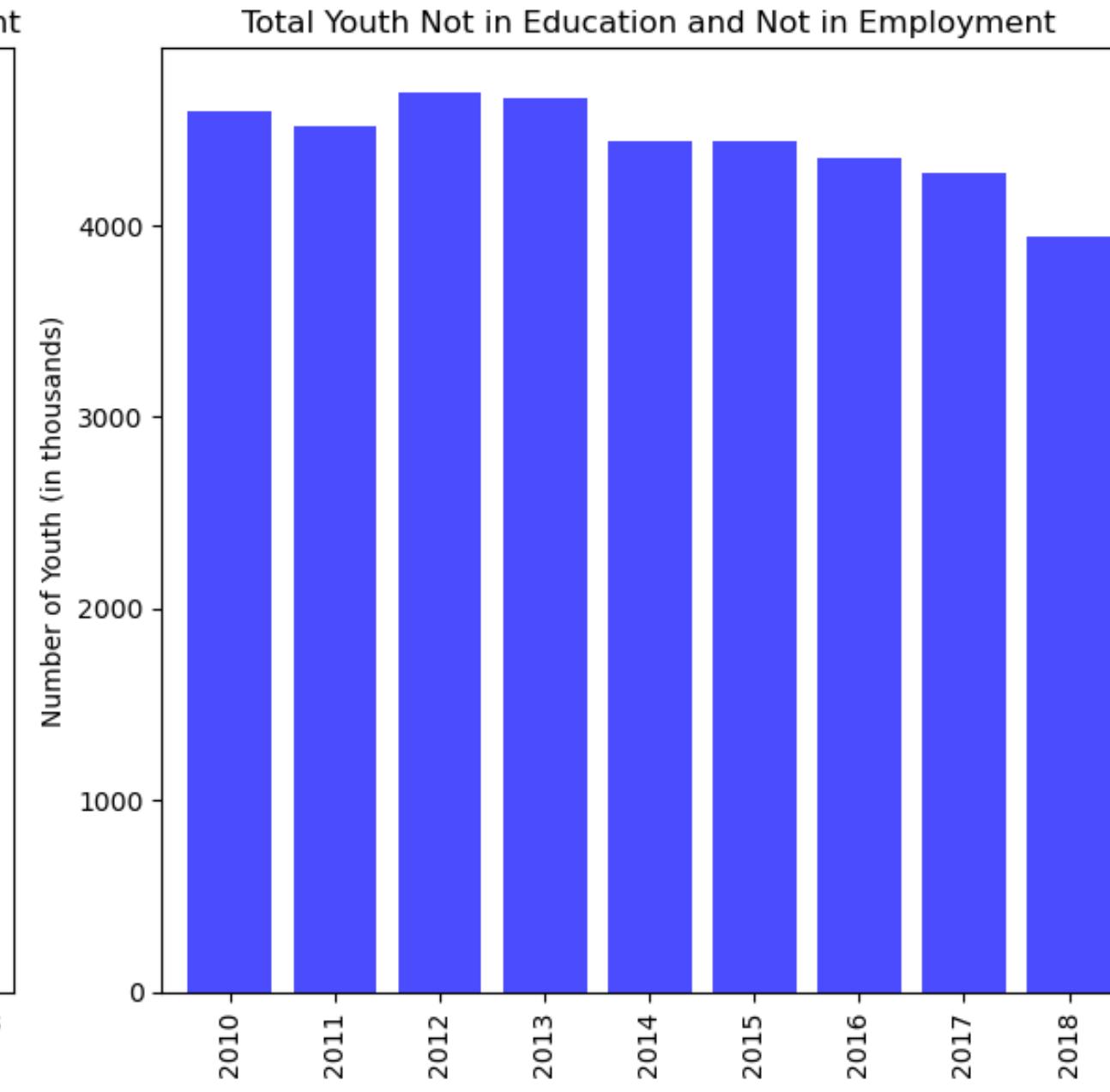
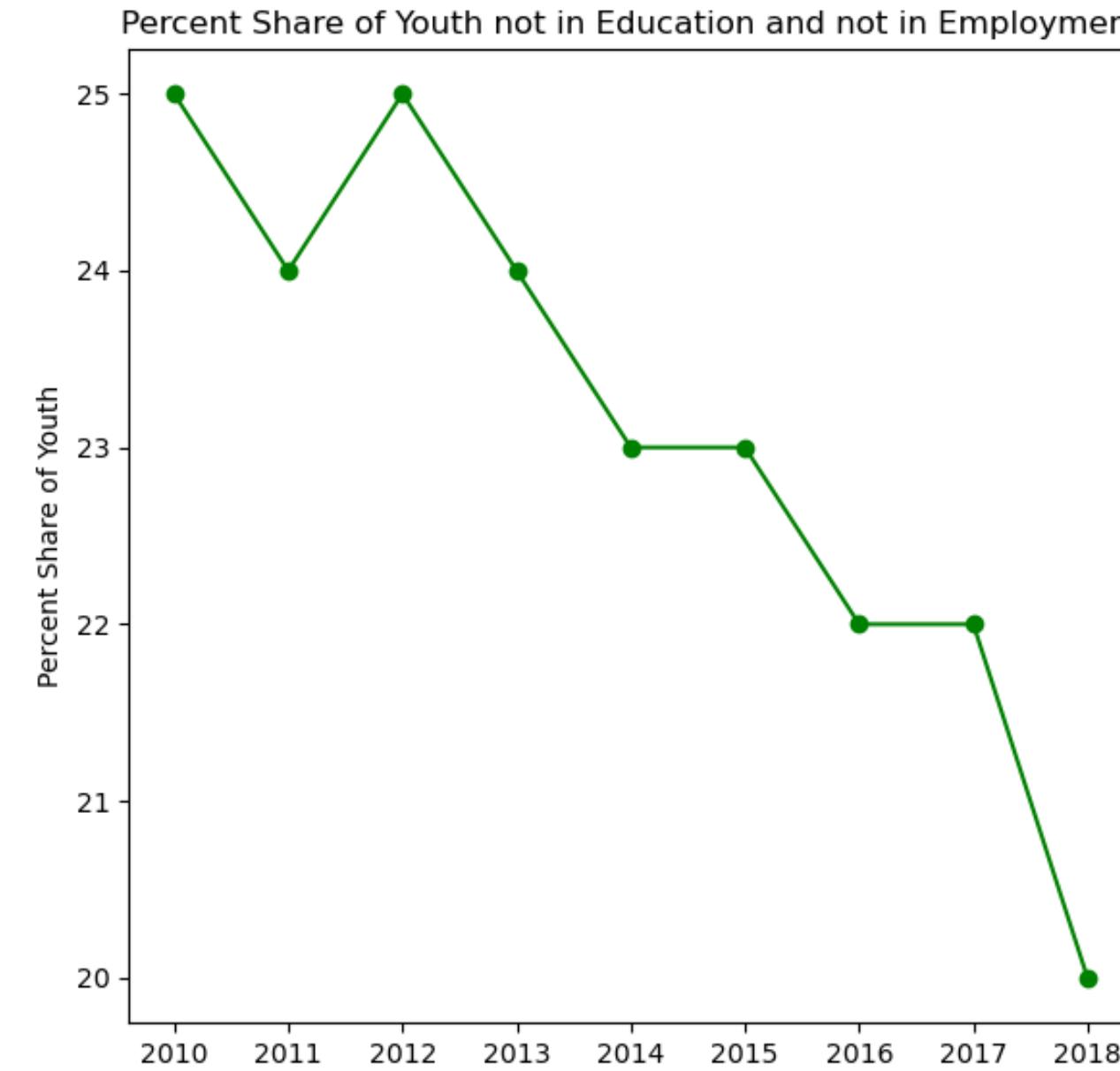
TARGET 8.1

Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries

PHILIPPINE ECONOMY

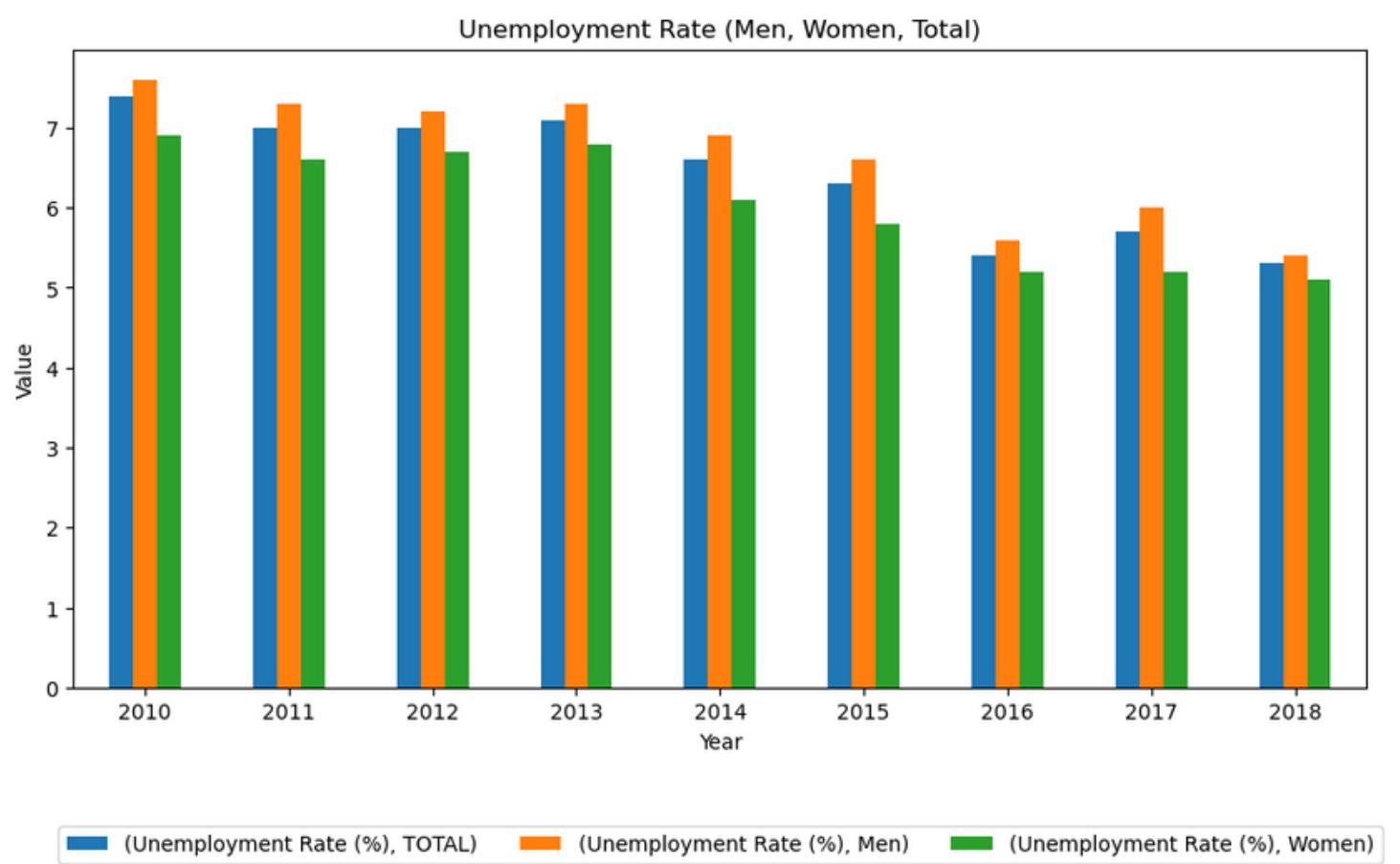
The Philippine economy achieved one of the highest growth rates in emerging economies in 2022. GDP growth is set to moderate to 6 percent in 2023 in a challenging external environment. The Bangko Sentral ng Pilipinas (BSP) has hiked the policy rate to 6.25 percent, helping anchor inflation expectations.





FIRST FINDING: MORE AND MORE YOUNG FILIPINOS ARE STUDYING OR WORKING

As shown in both charts, the amount of Filipino youth not in education or employment has been decreasing in the years 2010-2018. In just the span of eight years, the total count dropped by more than 500 thousand.

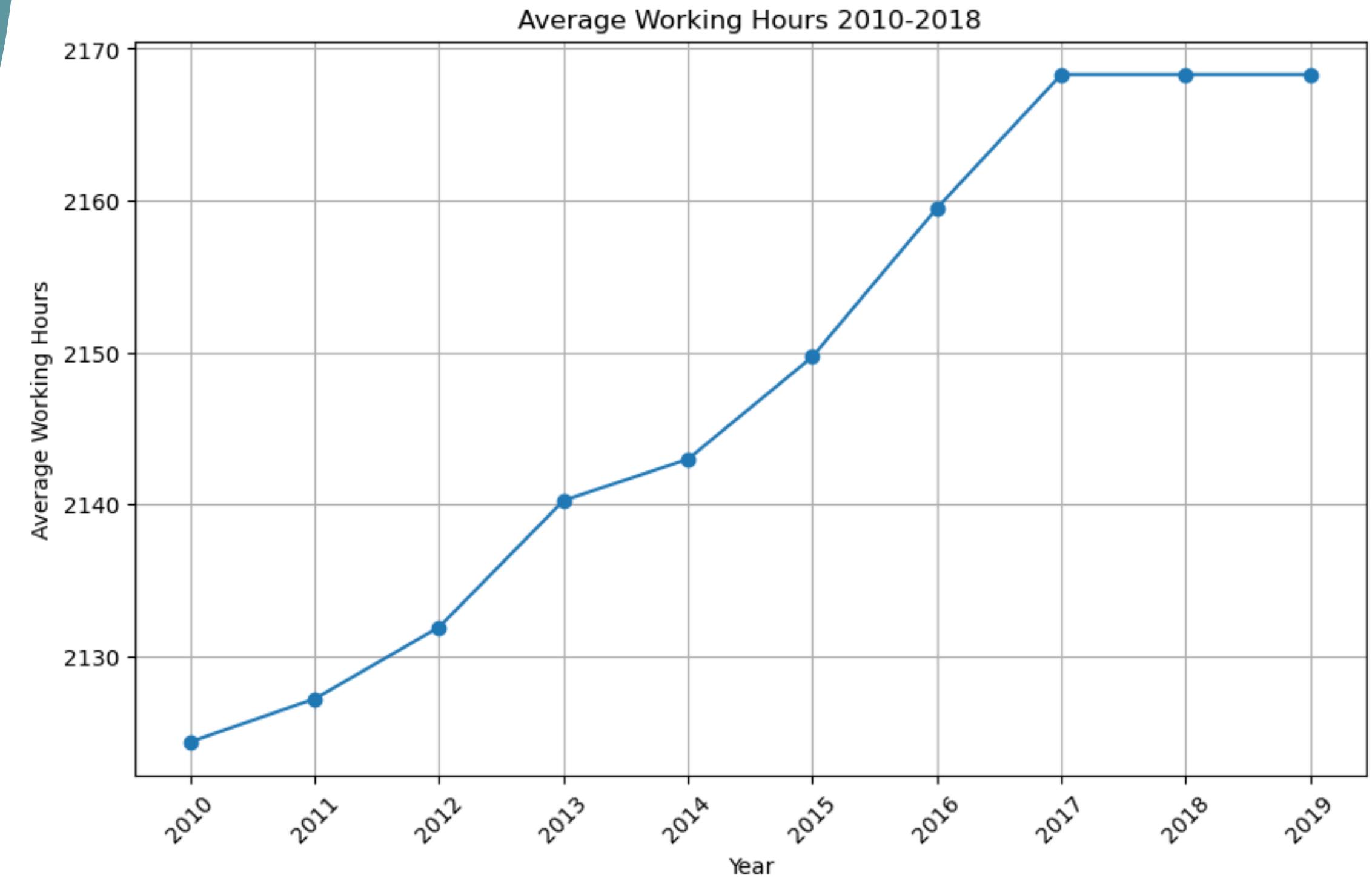


SECOND FINDING:
EMPLOYMENT IS ON
THE RISE



THIRD FINDING:

MORE WORKING HOURS



FOURTH FINDING: INCREASED VALUE IN EDUCATION



PUBLIC

Increased by 11.8% in the span of eight (8) years.

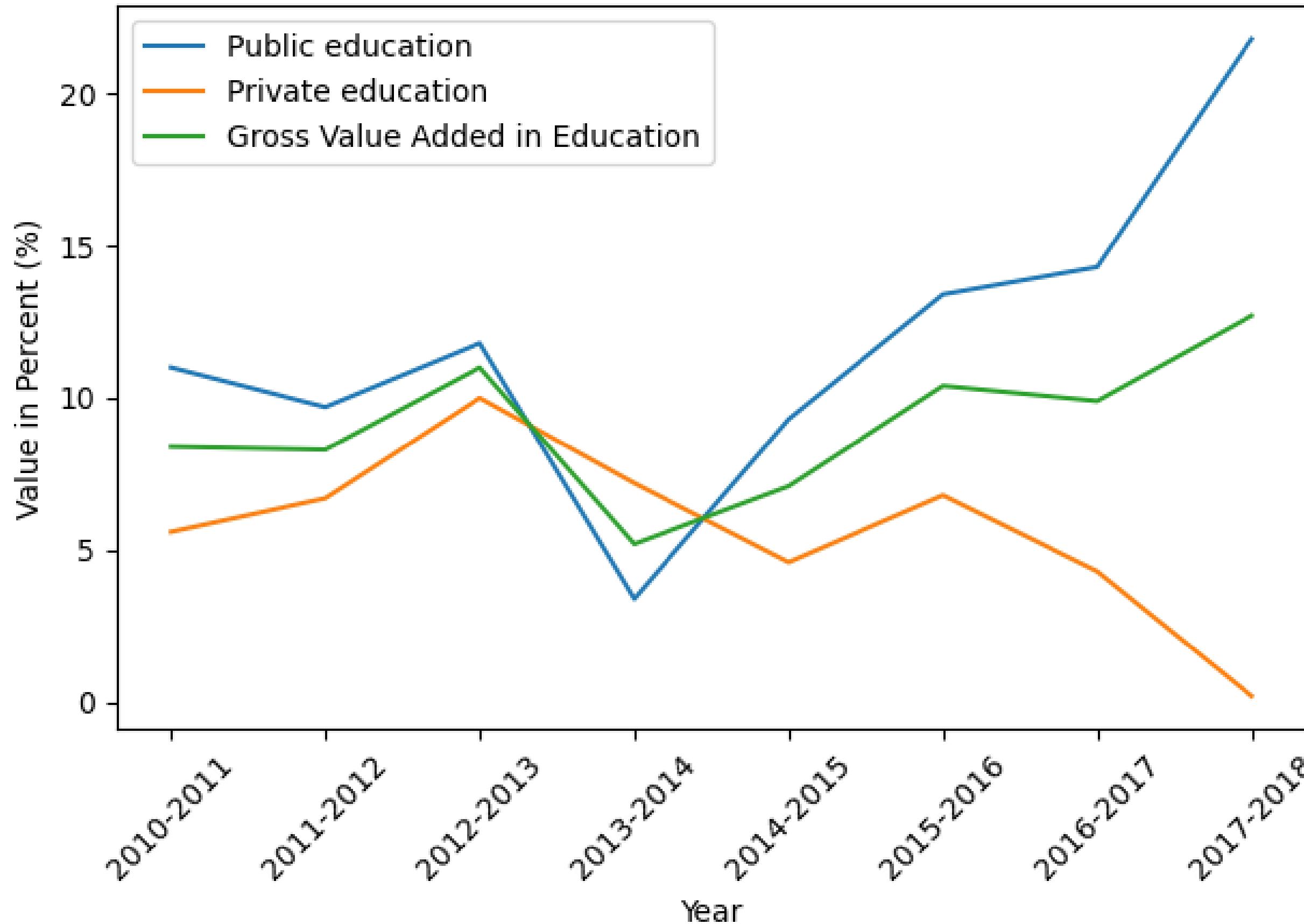


PRIVATE

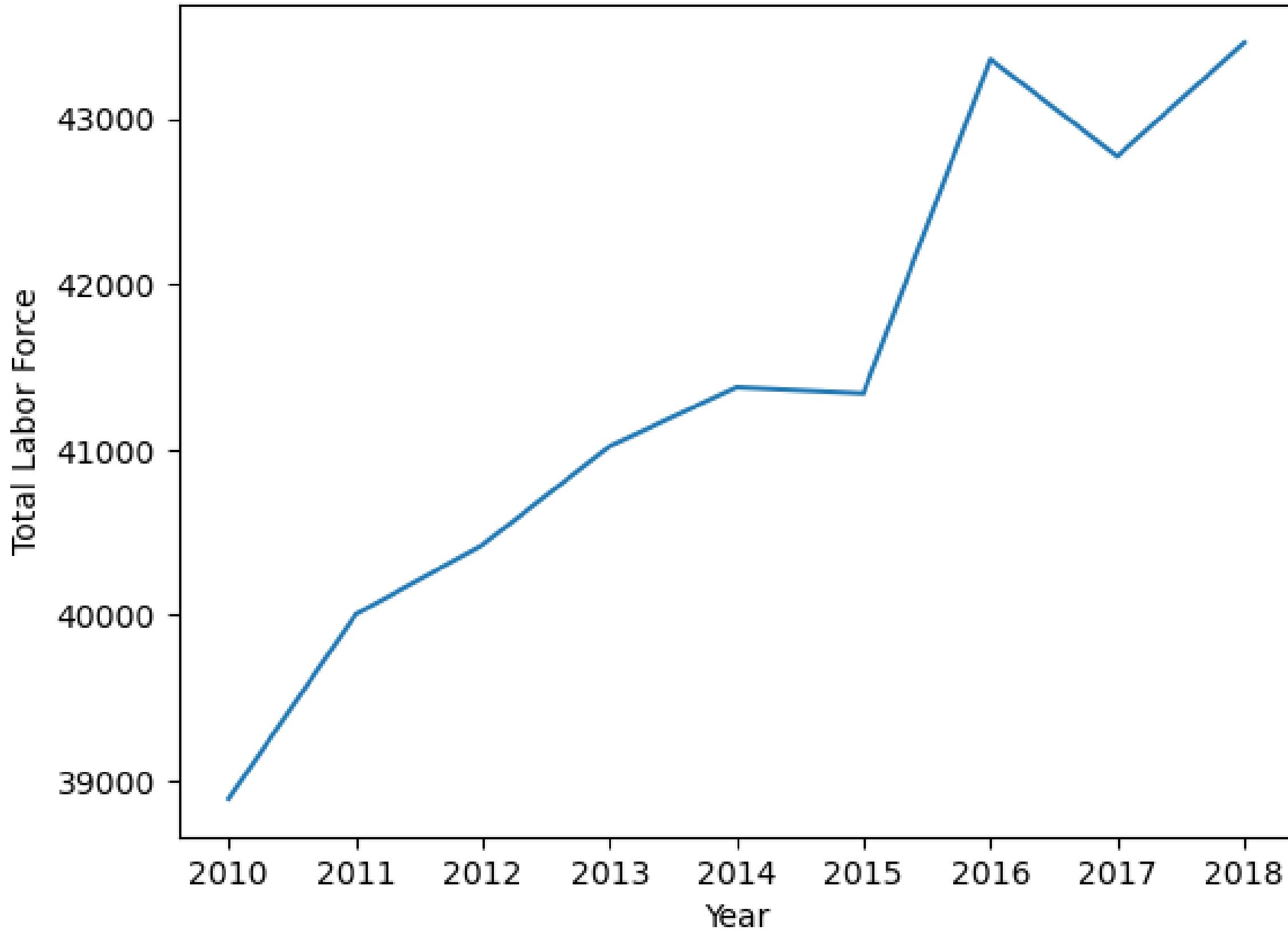
Decreased by 5.4% in the span of eight years.

Despite the trend going into opposite directions, the gross added value in education has been steadily and significantly increasing.

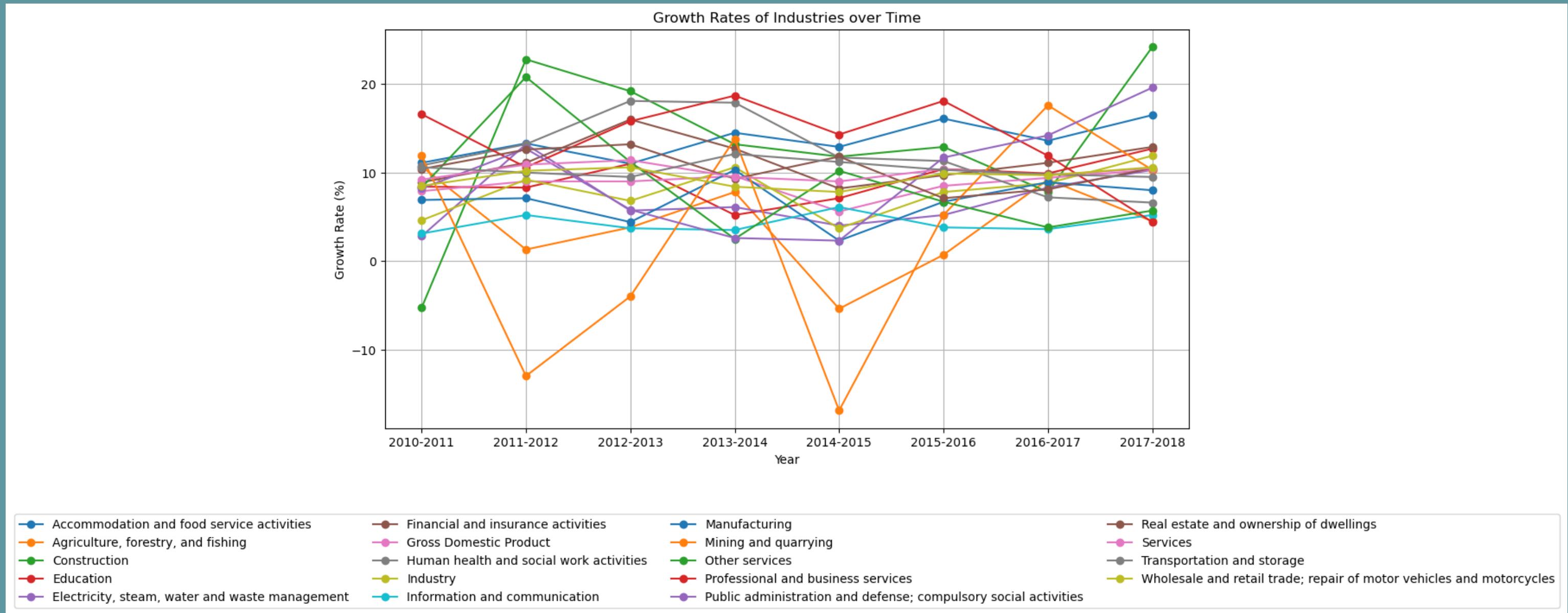
Value Added to Education Over Time



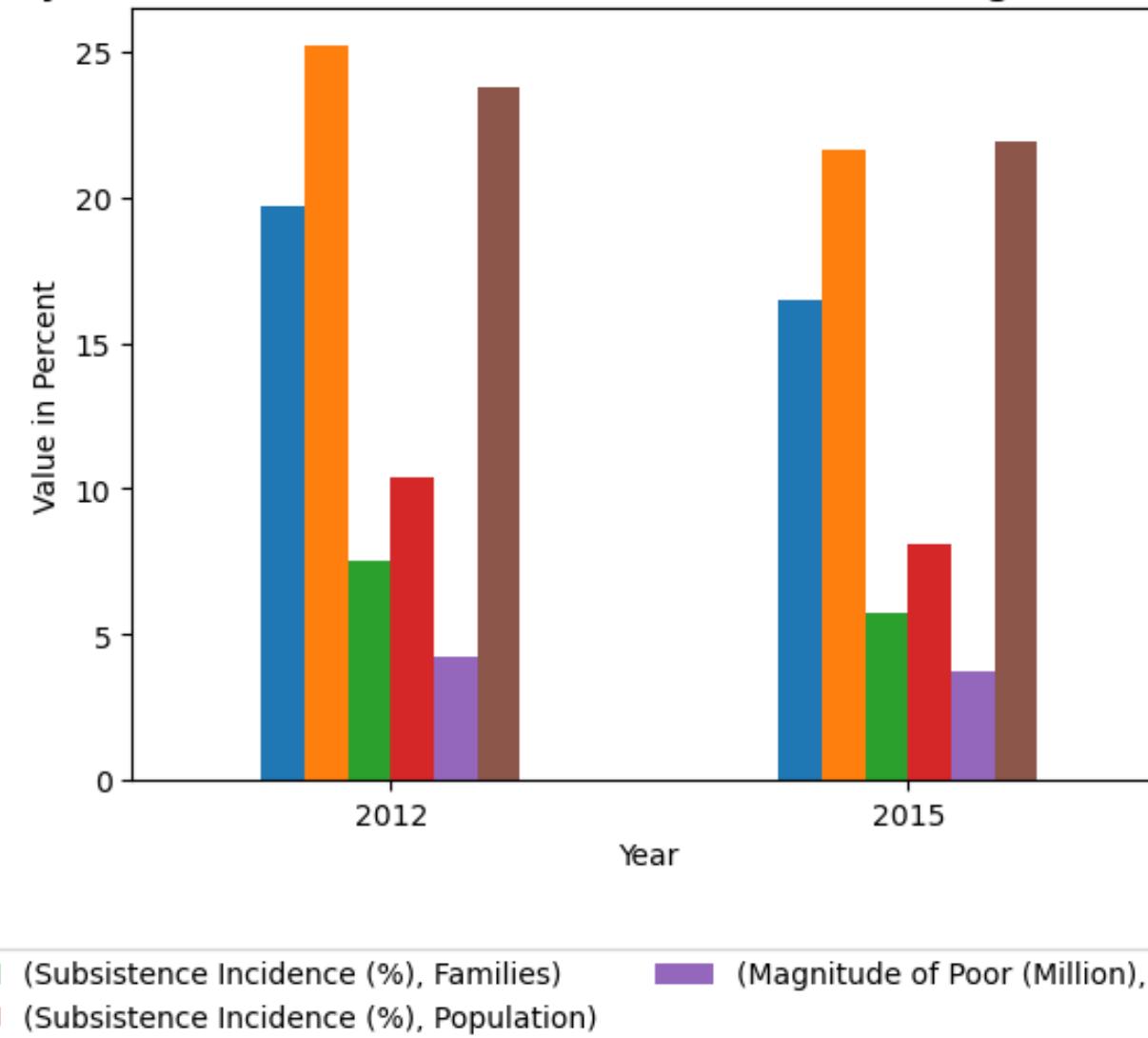
Total Labor Force 2010-2018



GUARANTEED STABLE GROWTH?

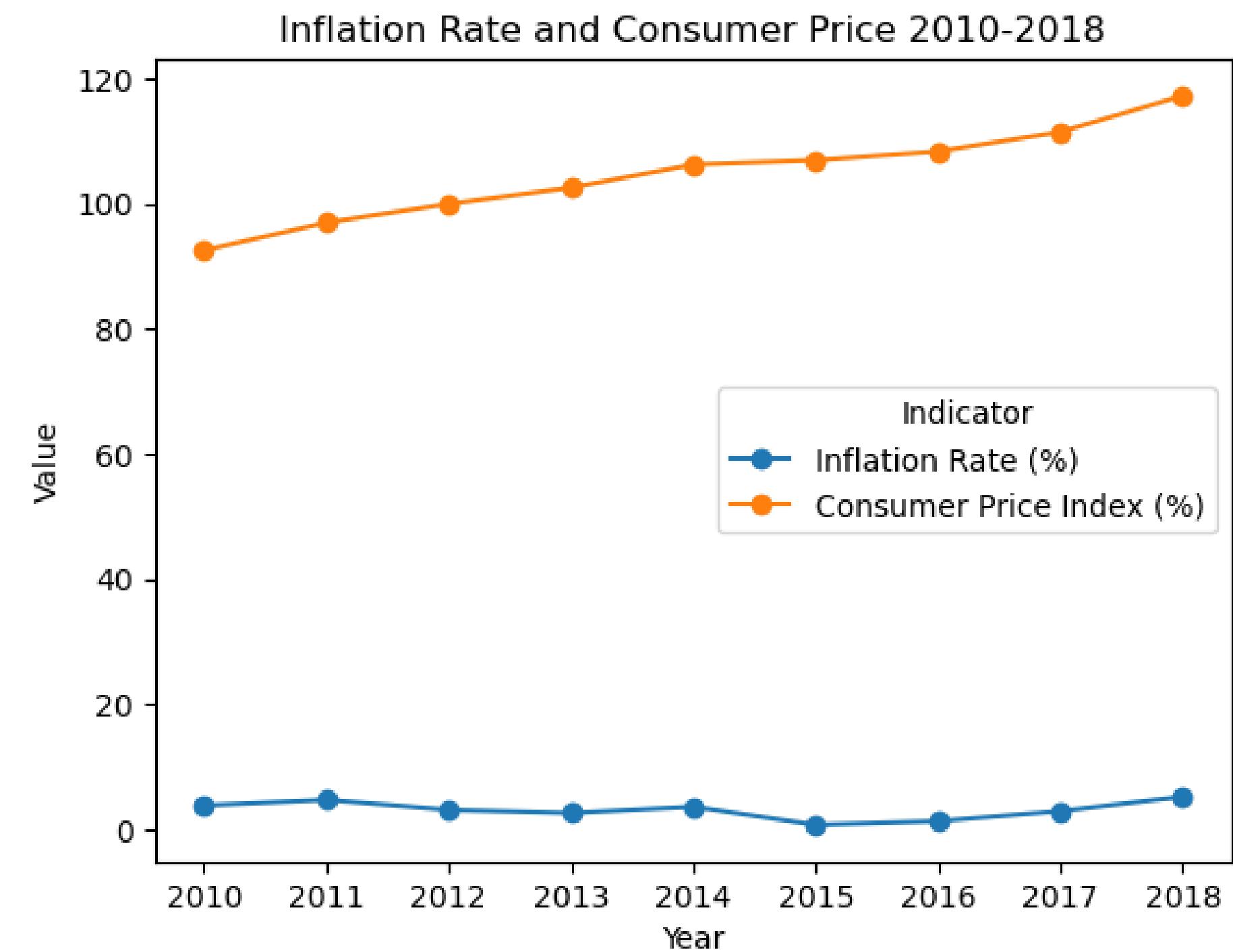


Comparison of Poverty Incidence, Subsistence Incidence, and Magnitude of Poor by 2012 and 2015





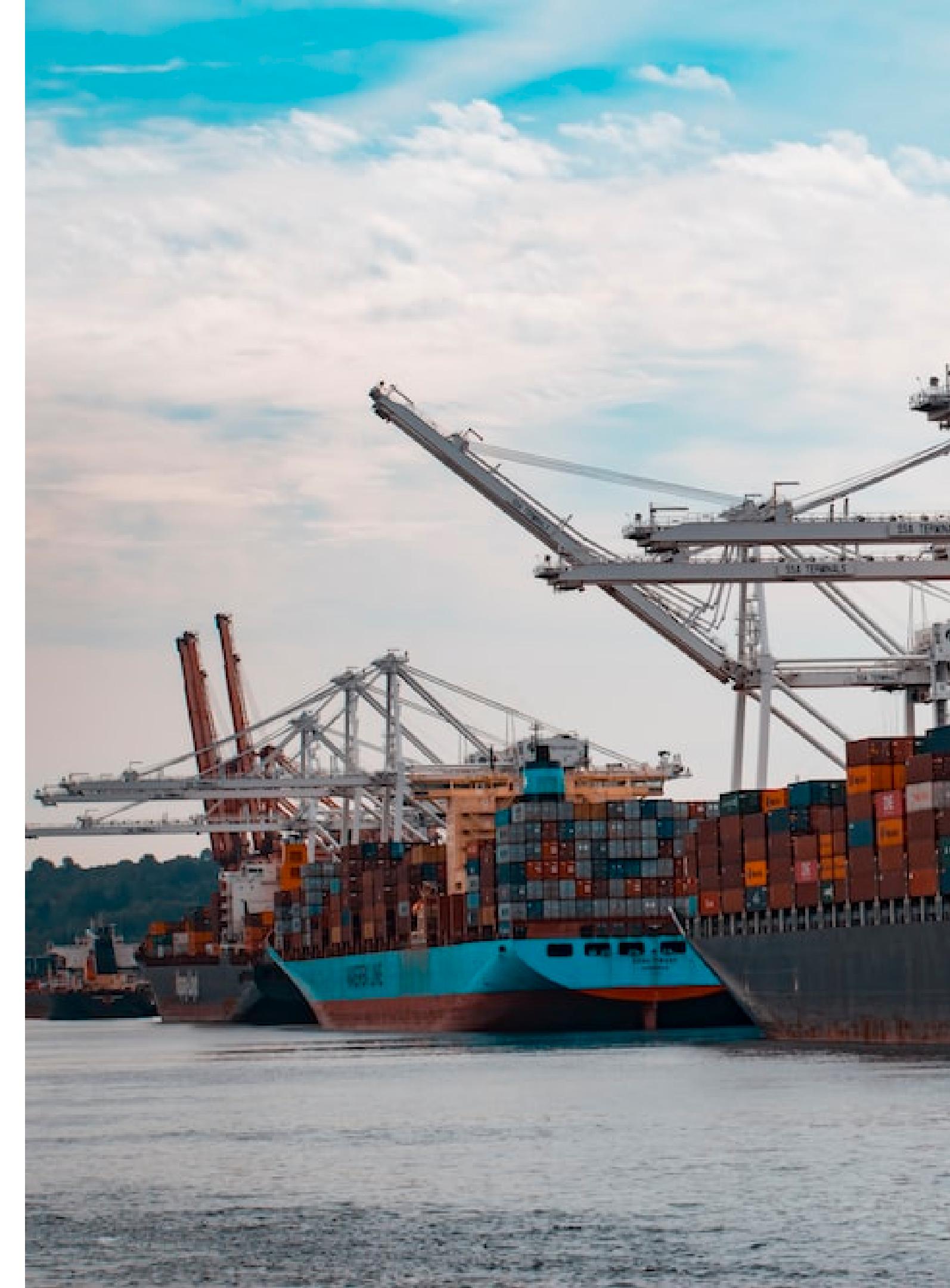
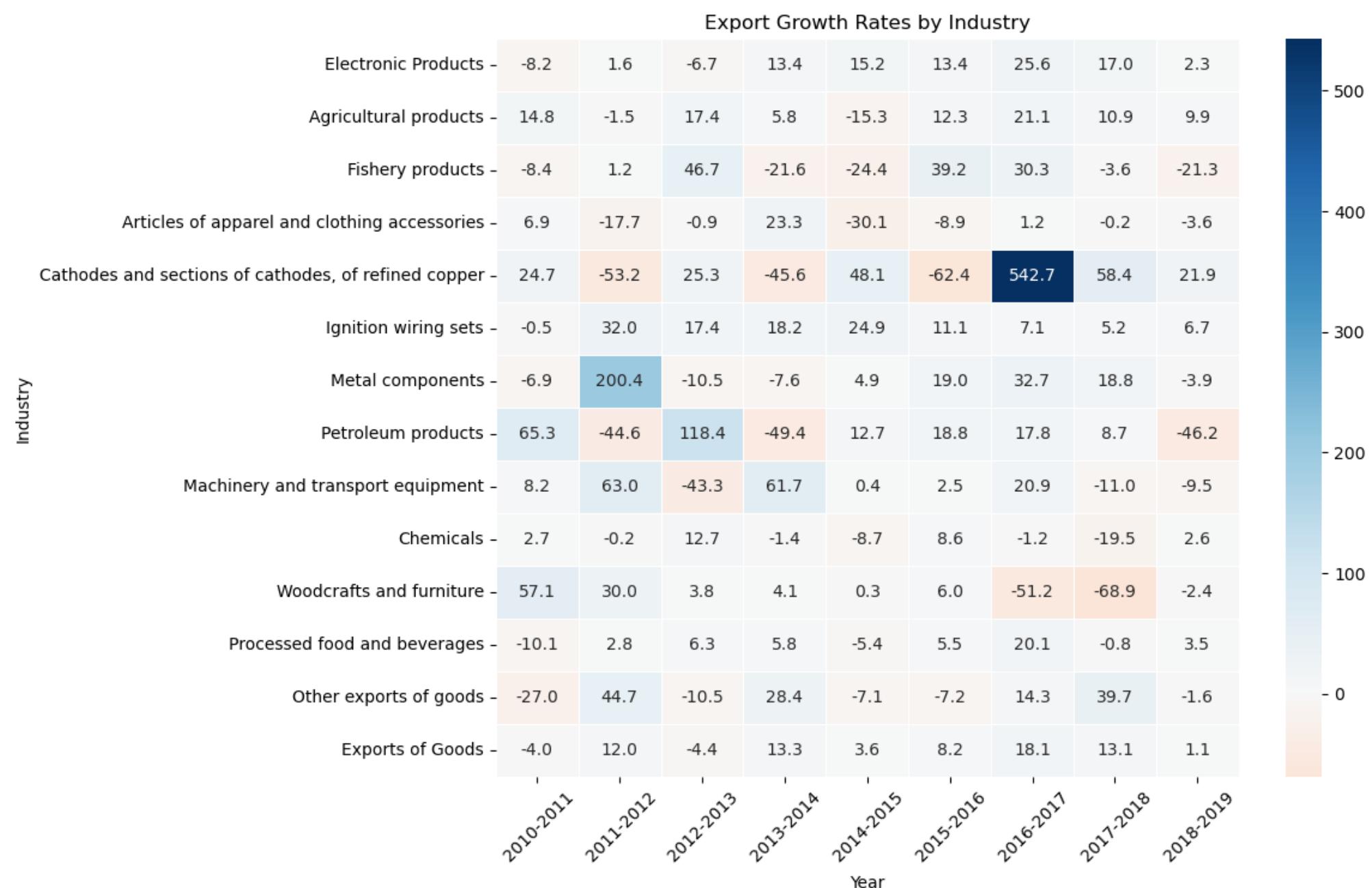
FIFTH FINDING:
PHILIPPINE PESO
HAS BEEN LOSING
ITS VALUE OVER
TIME



WHAT WENT WRONG?

SIXTH (KEY) FINDING:

INABILITY TO EXPORT AT A CONSISTENT RATE





RECOMMENDATIONS TO CONTROL INFLATION

A photograph showing a large cargo airplane in flight against a clear blue sky. Below it, a vast port terminal is visible, filled with numerous shipping containers stacked in organized piles. The scene suggests a busy international trade hub.

1

EXPORT MORE, IMPORT LESS

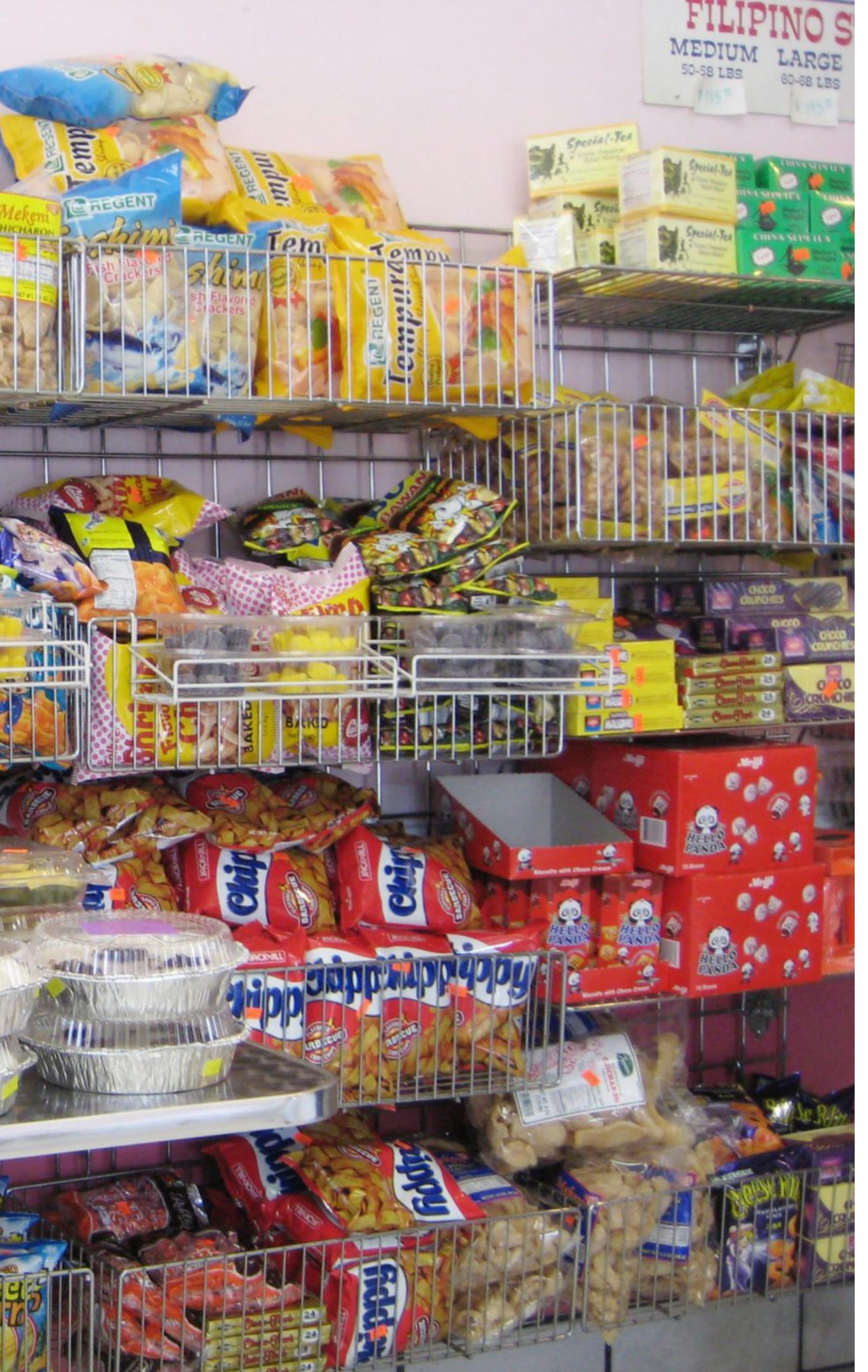
The Philippines can boost its economy through a focused approach on exportation. This can be achieved by identifying and promoting competitive export sectors, pursuing trade agreements to expand market access, improving infrastructure and logistics, supporting small and medium-sized enterprises (SMEs), ensuring product quality and standards compliance, establishing a robust export promotion agency, encouraging entrepreneurship and innovation, investing in skills development, promoting sustainable practices, and providing export financing and insurance. By implementing these strategies, the Philippines can enhance its export competitiveness, attract foreign investment, and diversify its export base, leading to economic growth, job creation, and overall development.



3

PROMOTE DOMESTIC TRADE

Promoting domestic trade in the Philippines can be achieved through several key strategies. Firstly, the government should work on reducing trade barriers and simplifying regulations to facilitate ease of doing business. Improving market access and transparency will encourage more businesses to engage in domestic trade activities. Secondly, investments in infrastructure development, including transportation networks and digital infrastructure, will enhance the movement of goods and services within the country. By reducing transaction costs and improving logistics systems, domestic trade can thrive, benefiting both businesses and consumers.



2

SUPPORT MICRO, SMALL, MEDIUM ENTERPRISES

To support the growth and development of Micro, Small, and Medium Enterprises (MSMEs) in the Philippines, several strategies can be implemented. One key aspect is to facilitate access to finance by establishing government-backed loan programs and forming partnerships with financial institutions. These initiatives aim to provide MSMEs with affordable financing options that cater to their specific needs. Additionally, the establishment of microfinance institutions dedicated to serving MSMEs can help bridge the financing gap and enable them to invest in their businesses, fostering growth and expansion.

THANK YOU

