

Dawn Smith

Ludington High School

Ludington, MI, USA

Philippines, International Trade

### **Philippines: The fight against Inflation**

The Philippine population is about 114,597,229, and around ten percent of that is food insecure, so about 12 million people in the Philippines do not have enough food. The Philippine government, which operates just like the United States government, has tried many ways to help alleviate hunger in the Philippines, but few have worked. According to [statista.com](https://www.statista.com), in 2021, "sugarcane was the leading crop produced in the Philippines with a total volume of production of 26.28 million metric tons, followed by rice with a production volume of 19.96 million metric tons." The average farm size in the Philippines is 5.3 acres or almost  $5 \frac{1}{3}$  football fields. The majority of food-insecure people are farmers or agricultural workers. The climate in the Philippines is tropical and maritime.

In the Philippines, the average family size consists of about 4.4 people. It's common in the Philippines for three generations to live together, which makes it easier due to high prices from inflation and others. The majority of houses are made of brick and are two stories tall to keep them safe in bad weather. The majority of food consumed in the Philippines is rice, along with seafood, pork, and bread. Food is either bought at supermarkets or food stands throughout the towns. In the Philippines, the most common jobs are in the service sector. The average income yearly in the Philippines is \$3,218; the median salary is about \$12,955 yearly. With little salary comes poverty and, later, hunger. Hunger is one of the extreme effects of poverty in the Philippines.

Although public schools are free to attend, there are many disadvantages to them compared to private schools. The majority of public schools in the Philippines don't have good sanitation, and the quality of education in public schools remains poor. Healthcare in the Philippines is considered expensive for many families; around 40% of the population cannot afford healthcare. Tap water in the Philippines is usually unreliable; 58% is contaminated. The Philippines ranked fourth among countries hit by the most disasters in 2015. A report by the United Nations Office for Disaster Risk Reduction (UNISDR) said: "Filipino parents experience physical and emotional stress from the financial costs of child learning problems, child discipline problems, health problems, and managing conflicts among family members." Poor families in the Philippines suffer from hunger and malnutrition, domestic violence, high rates of natural disasters, and many more problems.

Many of the rural areas in the Philippines rely on imports. The Philippines, like many countries around the world, is facing skyrocketing food inflation due to supply issues and high fuel costs. The Philippines is the most food-insecure country in emerging Asia due to its reliance on imported food to feed its expanding population. With a population expected to grow from 110 million today to 145 million by

2050, the Philippines' food insecurity will remain an issue in the decades ahead. The reliance on imported food to feed its growing population is one of the main contributors to this. 70% of all households rely on borrowing money for food. A quarter of all households that rely on agriculture or farming are food insecure.

Also, according to [www.unicef.org](http://www.unicef.org), (2014) "every day 95 children die in the Philippines from malnutrition; 27/1000 children don't make it past their fifth birthday; and about 1/3 of the children that live past five are permanently stunted in growth due to malnutrition." The number of refugees in the Philippines has gone up by 95% in the past few years. According to macro trends, (2023) "around 8% of the refugees in the Philippines are food insecure." Due to the use of fuel for trade and the burning of fossil fuels, air pollution has been at an all-time high in the Philippines. Air pollution has been the cause of about 45.3 deaths per 100,000 people, the third-highest in the world. According to [borganproject.org](http://borganproject.org), (2019) "Half the population suffers from malnutrition-related conditions. In the Philippines, about 50 percent of the population suffers from anemia caused by iron deficiency. Large percentages of people suffer from other malnutrition-related ailments. Such ailments lead to fatigue and decreased immune function."

To meet the growing demand for food due to inflation, many farms have relied on subsidies. However, the country will continue to be vulnerable while food protectionism is rising. The president could raise interest rates to limit the peso depreciation. Still, the government has said it isn't eager to do so and will only lift interest rates, which will gradually make food imports more expensive. Subsidies are unnecessary and a waste of money; the country cannot afford them, and they do not address the food insecurity issues that have plagued the Philippines.

The Philippines has had the largest food trade deficit in the region, at about a negative 2 percent of GDP in the past three years. This number moves to negative 5 percent of GDP when its fuel trade deficit is added in. This means that as it relies on imports from India and others for staples such as rice, the Philippines does not have tools, such as good protectionism, to help it through this crisis. Most foods that are purchased in the Philippines are subsidized. Purchasing food that is not subsidized would better the economy and fight food inflation by being cheaper to buy because the money to pay for the land for non-subsidized foods is not loaned from an organization, so the sellers will have no reason to raise the price. According to the CATO Institute, "farm subsidies inflate land prices and rent. Since more than half of farmland is rented, the benefit to landowners is greater than that to farmers. Meanwhile, higher prices for land and higher rents make it harder for new farmers to enter the field."

Subsidized food is a system that is present in the Philippines to benefit the poor and provide them with necessities at a lower cost. However, this system has been continuously criticized for its inefficiency, corruption, and lack of sustainability. Therefore, there are different ways to get rid of subsidized food in the country. One way to eliminate subsidized food is to create better economic policies. Subsidized food is only necessary when the economy is weak and people cannot afford to buy necessities. One solution is to stimulate economic growth, create more job opportunities, and increase salaries so that people can afford to buy things without relying on subsidized commodities. Another way is to develop the agricultural sector. Agriculture is a significant contributor to the country's economy and is essential to providing a more sustainable way of delivering basic goods to the people. By increasing agricultural productivity, reducing post-harvest losses, and improving the supply chain, food prices will inevitably decrease without needing to be subsidized.

Additionally, the government can provide conditional cash transfers to the poor to help them buy necessities. This approach can be a more direct way of helping the poor without resorting to an inefficient

and corrupt food subsidy system. Lastly, the private sector can be encouraged to invest in the agricultural industry. By increasing competition in the industry, the economy can function more efficiently, and the quality of basic commodities will improve without the need for subsidies. To sum this up, there are different ways of getting rid of subsidized food in the Philippines. The country needs to focus on creating better economic policies, improving the agricultural sector, offering conditional cash transfers, and encouraging private sector investments. By doing so, the government can better provide for the people without having to resort to an inefficient and corrupt food subsidy system.

I mentioned previously that the Philippines is facing skyrocketing food inflation due to supply issues and high fuel costs. The Philippines, being an archipelagic country, has always struggled with supply issues and high fuel costs. These issues have been the major obstacles to the development and growth of trade in the country. To improve trade and reduce these issues, there need to be some changes in policies and strategies. Firstly, the government can invest in the development of infrastructure such as transport and roads. This will help reduce logistics costs while at the same time ensuring the smooth flow of goods. Secondly, the government can implement policies that promote local production. This will not only create job opportunities but also reduce the country's dependence on imported products.

Thirdly, the government can promote the use of renewable energy sources such as solar and wind energy. This will help reduce the country's dependence on imported fuel and, at the same time, reduce carbon emissions. Finally, the government can promote international trade by negotiating better terms for trade agreements and establishing trade partnerships. This will help increase the country's exports and, at the same time, reduce the cost of imported products. To sum this up, the Philippines needs to implement policies that focus on the development of infrastructure, the promotion of local production, the promotion of renewable energy sources, and the promotion of international trade. This will help improve trade in the country and reduce the issue of supply and high fuel costs.

In conclusion, the Philippines faces many struggles, and it is difficult for many families to have enough money to purchase food. Money is one of the main struggles in the Philippines. Even the slightest change in how food is distributed can help everyone. Eliminating or reducing subsidies would reduce the amount of money spent every year on food, therefore reducing inflation. Along with reducing the issue of supply and high fuel costs. This would, in return, allow the Philippines to reduce the amount of money spent each year on imported products. The Philippines is on the verge of being a great country; we just need to step up and help as much as we can.

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