

The Philippines: Strong Economic Growth and Frail AIDS Prevention

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Abstract

While the Philippines' economy is being at peak period, the incidence of AIDS in the Philippines has been rising dramatically. The AIDS situation in ASEAN countries is in a controllable shape, however; it's not for the Philippines. The 2012 UNAIDS Report on the Global AIDS Epidemic reported that the Philippines is one of the seven Asian countries with increasing HIV cases. AIDS begins to spread into The Philippines in the mid 1980's. The Philippines is the country in Asia which has almost 820% increased of AIDS affected new cases within 10 years starting from 1991 to 2011 [1]. The most obviously effect of AIDS in The Philippines is illness and deaths. AIDS also stop the people in the most productive ages in order to develop the country's growth. However, the impact of AIDS is not only in the health sector, but also in the households, education, workplaces and economy [2]. The most significant cause of preventing AIDS is the lack of education as it goes like a cycle. Therefore, The Philippines is facing the difficulty to develop its country and hardly becoming the most successful ASEAN country economically.

Keywords: AIDS, the Philippines, Economy, ASEAN, Impact

1. Introduction

Acquired Immune Deficiency Syndrome, or AIDS, is caused by HIV which could be referred as an advanced HIV infection. HIV is a virus that gradually attacks immune system cells. As HIV gradually damages these cells, the body becomes more defenseless to infections. The AIDS situation in ASEAN countries is in a controllable shape, however; it's not for the Philippines. The 2012 UNAIDS Report on the Global AIDS Epidemic reported that the Philippines is one of the seven Asian countries with increasing HIV cases. AIDS begins to spread into The Philippines in the mid 1980's. The Philippines is the country in Asia which has almost 820% increased of AIDS affected new cases in recent year. The most obviously effect of AIDS in The Philippines is illness and deaths. AIDS also stop the people in the most productive ages in

order to develop the country's growth. However, the impact of AIDS is not only in the health sector, but also in the households, education, workplaces and economy [2]. The most significant cause of preventing AIDS is the lack of education as it goes like a cycle. Therefore, The Philippines is facing the difficulty to develop its country.

2. The Philippines' economic growth

The Philippines's economy has been built on a large agricultural sector. Services sector computed approx. 55% of GDP in the year of 2011-2012. However the huge global demand for other sectors persuade The Philippines government to be interested in other areas of businesses, including services that have come to dominate the economy recently in order to set the economic part away from only agricultural sector, the government has tried to promote private-sector manufacturing, and more recently the manufacturing of electronics [3]. Booming recent growth in manufacturing has directed to the economy sky rocketing and the emphasis on manufacturing as the main source of future growth still clearly bright for its possibility. So the government pays most of the attentions to and focuses on services. As already mentioned, one of the major unnoticeable roots that could slow The Philippines' fast economic growth down is come from HIV-AIDS.

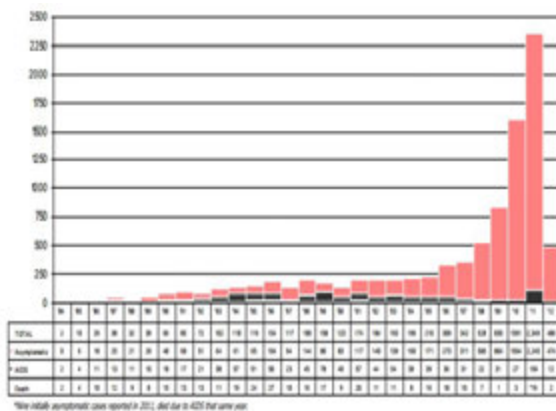
According to Economist Intelligence Unit and ADB report and analysis, they stated that “the Philippines economy grew by 6.1% in the first half of 2012, a stronger pace than forecast in the Asian Development Outlook 2012. The expansion was broadly based, coming from buoyant private consumption, higher fixed capital investment, and positive net exports. A rebound in government spending from relatively low levels in 2011 was an important factor in strong growth performance in the first half. In view of the performance so far this year, and taking into account more moderate expansion expected for the second half, the GDP growth forecast is revised up to 5.5%. The forecast for next year is kept at 5.0%.” as indicated in figure 1 below.

Figure 1

Economic Indicators 2011 – Philippines	
GDP growth (% change per year)	3.9
CPI (% change per year)	4.6
Unemployment rate (%)	7.0
Fiscal balance (% of GDP)	(2.0)
Export growth (% change per year)	(6.9)
Import growth (% change per year)	1.6
Current account balance (% of GDP)	3.1

() = negative, CPI = consumer price index, GDP = gross domestic product
 Sources: ADB. 2012. Asian Development Outlook 2012 Update. Manila; ADB. 2012. Asian Development Outlook 2012. Manila; ADB staff estimates; World Bank. 2012. World Development Indicators Online.

Figure 2: Number of HIV/AIDS cases reported in the Philippines by years (N = 8,850)



Source: Department of Health: Philippines, Feb 2012.

Figure 2 illustrates couple factors indicated the cause of AIDS increasing in the Philippines as mentioned by DOH “High rates of sexually transmitted infection (STI); a substantially large sex industry, networks of men having sex with men with

behaviors putting them at considerable risk of HIV infection; a legal situation which does not support HIV prevention services to injecting drug users; an increasing number of HIV cases in adolescents and young people, large numbers of adolescents living or working under conditions which make them very vulnerable to sexual abuse or exploitation, combined with overall low awareness of STI and HIV risk and low condom use.” [1]

Figure 3: The Philippines’ GDP from 1984-2011

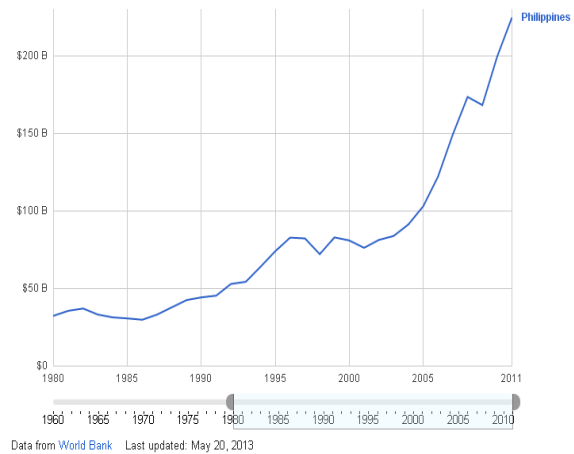


Figure 4

	AIDS Cases	GDP (Billion)
AIDS Cases	1	
GDP (Billion)	0.85850352	1

Regarding figure 2 and 3, from 1984 to 2011 number of HIV/AIDS cases in the Philippines and the Philippines’ GDP present the dramatically increase trend over time. Additionally, Figure 4 corroborates their strong correlation (approx. 0.86). As an implication, given relatively similar pattern of changes in GDP and number of AIDS/HIV cases value and move in the same directions. This could be implied that government focusing on economic growth and overlooking in health care section especially HIV/AIDS may draw their country’s development back.

3. The prospective population to the AIDS diseases

Women- in physical, socioeconomic or cultural circumstances, women tend to have less capability to deny or protect themselves from unprotected sex such as female sex workers. They are in the major risk of AIDS infection and transmission. DOH reports in 2012 that more than 40% of the Philippines women lack of confidence to ask their partners to have safe sex.

Young adults- although this group of people is educated about AIDS protection, there are still issues of inconsistent condom uses, misconceptions as well as risky behaviors.

Men who have sex with men- as a religion country, Philippine homosexual men are living in the shadow so it is hard to educate or give a proper treatment to them. DOH conducted a research and found that more than 20% of all reported AIDS cases are involve male-to-male transmissions.

Sex workers- almost the same as above mentioned group, this sex workers are hidden in the society because of it is prohibited and illegal at the Philippines. So these sex workers are far away from health services, education programs. Hence, this makes them unable to negotiate for safe sex and impose safe sexual practices on their clients.

Overseas Filipino workers- they are influenced by several factors, including limited AIDS knowledge, low rate of condom uses and the most important factor is the emotional factor which causes from being away from home too long so hardly control themselves. The seafaring workers represent 30% of AIDS transmission cases.

4. Impact of AIDS on the Philippines' Economy

The impact of AIDS on households occur when the member of that household, such as father or mother, start to suffer from AIDS. The costs of managing the disease are way above the average Filipino's means: approximately US\$12,000 per person annually at the current price of antiretroviral therapy; for AIDS cases, approximately US\$300 per person per day if confined in a government hospital. In The Philippines, the men who are families' heads are the major incomes of the family. So if when they die, it means a family already loses their permanent income which makes it even harder for women to take care of the rest of their family. In order to save money, the kids have to withdraw from school to save their expenses and increase household labors. This will result in a severe loss of future earning potential [2].

The impact on the education sector is like a life cycle as AIDS is getting worse, the education sector is destroyed. This has led to the increasing of HIV transmission due to the people are not educate enough to protect themselves from AIDS [2]. At this result, studies suggest that young people with little or no education in The Philippines may be 2.2 times easier to get infected than those who have completed primary school. In addition, children may be removed from school in order to take care of their parents or working as labors to take care of their families or even worse, they themselves may live

with AIDS, so they are unable to afford school fee or other expenses [2].

Businesses are the core structure to generate people's incomes. The impact of AIDS on firms or workplaces is one of the concerning factors that impact on The Philippines's living standard. AIDS illness and deaths to employees who also are the population in the country affects firms by both increasing the costs in order to recruit new employees or the training costs and AIDS also reduces the firm's total revenues. Revenues might be decreased because the absences of the employees. At this result can lead to a less experienced labor force which means fewer products [4].

If AIDS impact on economy in The Philippines is the combinations between households sector, workforce sector and education sector which plays the important role for The Philippines to develop the country. The Philippines's economy is affected directly by reducing the labors supply which makes a decline in productivity. As a result, The Philippines incomes also are declined. This article points out that the abilities of The Philippines to expand their exports and attract foreign investments by making labor more professional, are affected by AIDS which threaten The Philippines country's overall development [4].

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