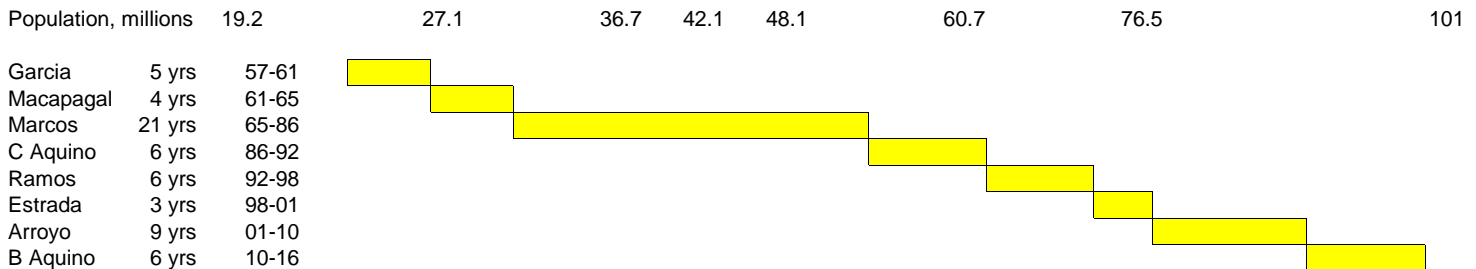
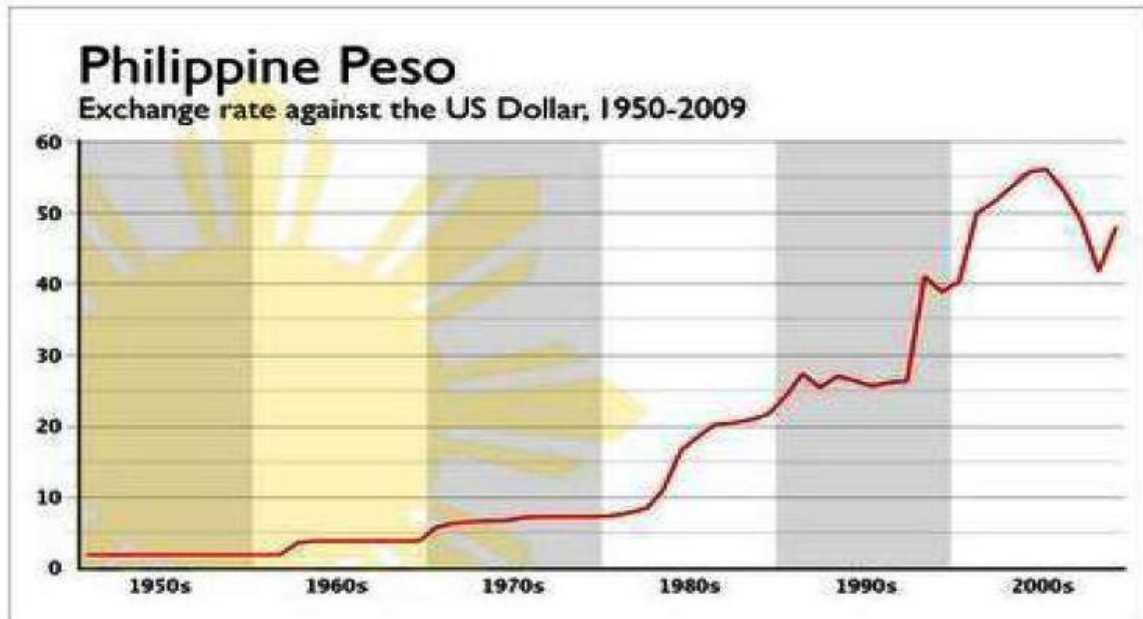


Tuesday, January 20, 2009

# The Philippine peso, from 1950 to 2009

A 60-year history of the Philippine peso packed into one happy graph:



What we have here is a chart showing the historical exchange rate of the Philippine Peso against the US Dollar from 1950 to 2009. (Data from 1950 to 1997 from Penn World Tables; Data from 1997 onwards from Qanda, using exchange rates on January 1 of each year)

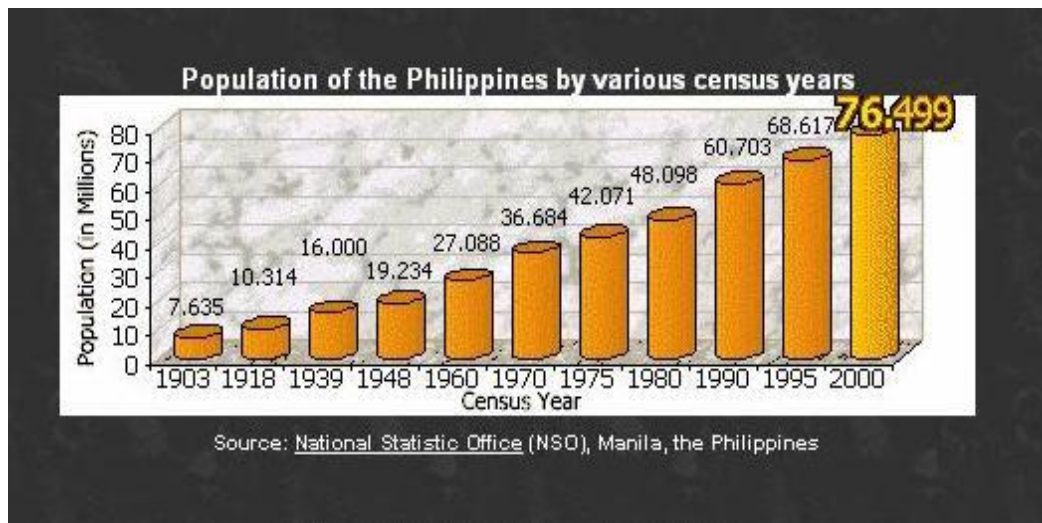
It's just really weird that I haven't seen a graph like this available anywhere else on the internet, because there's so much that can be learned from it. Look at how all the significant movements in the graph can be traced to events in Philippine history (which is, looking back at it, composed almost entirely of bad news):

- **1961:** President Diosdado Macapagal allows the peso to float on the free currency exchange market, unpegging it from the US dollar to stimulate economic development. Its value sinks from P2 to P3.7 to the dollar.

- **1970:** I can only assume this is due to the First Quarter Storm, where a series of heavy demonstrations and protests and marches take their toll on the country. The value of the peso slips **from P4 to P6** to the dollar.
- **1983:** Ninoy Aquino assassinated, and Marcos' shit hits the fan. The country rapidly deteriorates, culminating in the EDSA Revolution. Value of the peso dives from **P8 to 20** to the dollar over a few years.
- **1989:** A series of ugly coup attempts threatens the Aquino administration, including a bloodbath in January 1989. Peso descends from **P21 to P27** to the dollar over two years.
- **1997:** The Asian Financial Crisis occurs, and I can't understand it no matter how many times I check Wikipedia, but the peso crashes from **P26 to P41** to the dollar in a single frickin' year.
- **2000:** Economic mismanagement and political instability during the Estrada administration, plus charges of corruption leading to an impeachment trial. Peso nosedives from **P40 to P50** to the dollar.

And finally there's 2005 to the present, the only time in history that the Philippine peso has significantly strengthened in value, albeit with a sharp rebound in 2008. I'm at a loss to attribute this to any single event, but history has shown that movements of that scale do not happen without a reason.

Note: the above write-up (except for the section just below the graph) was pulled from the internet sometime in 2009, and I can't find anymore who was the author to give credit to. Same is true for the figure below.



The 2016 elections are all but over now, and after my earlier write-ups about how I was for Mayor Duterte for president, as opposed to Mar Roxas, I had to follow it up with more write-ups on why. Simply, it's because I believe Roxas would continue the status quo of the present administration of "Penoy" Aquino, which to me is a disaster.

So I wrote why, and I am reproducing my list of reasons on the 4th and last page.

And so as to have a basis of comparison with the other previous presidents, I am putting together this report which should prove interesting as it ties together dollar exchange rates, population growth, gross domestic product, growth rates, time spans of each of the presidents, etc. Ideally, I would have wanted more data such as total external debt, OFW remittances, growth of the net worth of each president (corruption Index?), poverty rates, and a slew of other economic and social indicators. But that is asking too much, especially if the data would have to be consistent to the 1950's. The table on the next page is all I can muster.

**STATISTICS FROM WIKIPEDIA'S "ECONOMY OF THE PHILIPPINES"**

Year	GDP % growth in 2000 pesos	GDP in billion current pesos	GDP per capita in current pesos	Remarks
1980	5.15 %	P270.1	P744	<b>Marcos years</b> -0.09% yearly average GDP growth P722 yearly average per capita GDP
1981	3.42 %	P312.0	P797	
1982	3.62 %	P351.4	P810	
1983	1.88 %	P408.9	P707	
1984	-7.32 %	P581.1	P652	
1985	-7.31 %	P633.6	P623	
1986	3.42 %	P674.6	P591	
1987	4.31 %	P756.5	P641	
1988	6.75 %	P885.5	P715	
1989	6.21 %	P1,025.3	P786	
1990	3.04 %	P1,190.5	P796	
1991	-0.58 %	P1,379.9	P797	
1992	0.34 %	P1,497.5	P912	<b>Start Ramos</b> 3.76% yearly average GDP growth P1,122 yearly average per capita GDP
1993	2.12 %	P1,633.6	P914	
1994	4.39 %	P1,875.7	P1,052	
1995	4.68 %	P2,111.7	P1,224	
1996	5.85 %	P2,406.4	P1,336	
1997	5.19 %	P2,688.7	P1,297	
1998	-0.58 %	P2,952.8	P1,009	
1999	3.08 %	P3,244.2	P1,110	
2000	4.41 %	P3,580.7	P1,053	
2001	2.89 %	P3,888.8	P971	<b>Start Arroyo</b> 5.31% yearly average GDP growth P1,591 yearly average per capita GDP  Note: this is the only period when the peso strengthened against the dollar.
2002	3.65 %	P4,198.3	P1,014	
2003	4.97 %	P4,548.1	P1,025	
2004	6.70 %	P5,120.4	P1,093	
2005	4.78 %	P5,677.8	P1,209	
2006	5.24 %	P6,271.2	P1,405	
2007	6.62 %	P6,892.7	P1,684	
2008	4.15 %	P7,720.9	P1,919	
2009	1.15 %	P8,026.1	P1,851	
2010	7.63 %	P9,003.5	P2,155	
2011	3.64 %	P9,706.3	P2,379	
2012	6.82 %	P10,564.9	P2,611	
2013	7.16 %	P11,546.1	P2,792	
2014	6.10 %			
2015	5.80 %			

Subject: In retrospect - the Aquino administration

Let us review the past 6 years of President Aquino's ("Penoy") administration. I am the first to admit this is biased against him, so perhaps some contrary or enlightening rejoinders will balance the issues. I invite others to comment.

1. Early on, he showed his disdain for having regular cabinet meetings with his staff, and had very short working hours.

2. He stopped all projects of the former administration, and among others, the most negative in impact on the people are:

a. The Laguna de Bay Project, already a contract with the Belgian Gov't, which involved dredging and flood control. The cancellation has resulted in a lawsuit wherein the gov't may have to pay millions of dollars. The gov't has re-bid a similar project but there have been no takers. Suggested bid was three times the cost of the original approved project.

b. The Nautical Highway from Ilocos to Zamboanga, where highways and their strategic inter-island ports and their roll-off roll-on ferries were to be upgraded. Much of this progress has gone downhill, to the detriment of the riding public and the distribution of goods from source to markets.

c. The LTC Registration Program, for transportation vehicles. Up to now, there is no coherent system, and the costs and delays in getting license plates is horrendous.

3. Not only that, but he staffed his administration with friends (KKK - kklase, kamaganak, kabarilan), who have turned out to be incompetent and/or corrupt.

a. Abaya, DOTC (Dept of Trade and Communication) head, is a prime example. Previously, it was headed by Mar Roxas. When NAIA's "laglag-bala" scandal broke out internationally, Penoy did not raise a finger against the NAIA manager, a former aide in the Cory admin.

b. Another case is the MRT/LRT also under DOTC. Roxas cancelled the maintenance contract of the Sumitomo Group, and replaced them with a local firm that obviously has failed miserably. Witness its sorry state now. Furthermore, Penoy's brother-in-law has been accused of trying to extort \$30M from the Czech firm that originally supplied trains, and no less than the Czech ambassador implicated him of this. Has there been any investigation on all these? No.

c. Those thousands of traffic dividers in MM that were hastily were put up for the recent APEC Summit reportedly cost the gov't billions, but there was no open bid. Presumably, Abaya made lots of money, and surely many others.

d. Early on, there was a scandal about 2000 shipping containers that the Bureau of Customs could not account for. There has been no developments since. But it is common knowledge that the highly successful S&R chain of supermarkets, owned by Penoy's siblings, among others, was the beneficiary. Under Penoy's administration, the Bureau of Customs and BIR have gained more notoriety for corruption.

4. For the first years of his administration, he did not spend any of the moneys earmarked for infrastructure development, and together with the money withheld from the canceled projects, considered these as "savings" which were promptly put under his control, and erroneously reported as GNP so the balance sheets have been looking good.

5. This massive war-chest of money of Penoy has been used to bribe and buy his way to being a virtual dictator. Unlike Marcos, there is no need for military coercion. Money talks.

6. This is known as the Disbursement Allocation Program, or DAP. The chief architect of all these is Butch Abad, Budget Commissioner, who controls the money strings. Incidentally, his wife is in the Appropriations Committee, his daughter is the appointment secretary, and her husband is high in the Central Bank. Btw, googling DAP will give a very sanitized view, but whatever the case, that's where Penoy gets all the money, which includes pork barrel, or whatever new name it has.

7. With these massive bribes, Penoy has corrupted and destroyed the institutions of the Senate, Congress and Judiciary (putting in the inexperienced Lourdes Sereno as Chief Justice, and the pliant Conchita Morales as Ombudsman). The Corona case is a prime example, wherein all parties seemed to be in favor of Corona's

acquittal from the alleged charges against him. But after the Holy Week break, during which Penoy's people worked on the court (and it is common knowledge that only a handful didn't get any bribes : Joker Arroyo, Miriam Defensor, Bong Marcos, among the senators, and just a handful among the congressmen) then everybody was against him, and he got impeached. Poor guy recently died a broken man. Corona was merely upholding the Supreme Court's order to implement, among other things, land reform, and the immediate impact was the dismantling of Penoy's hold on Hacienda Luisita.

8. Working under the facade of being an honest champion of the people, he went after many of the past and present politicians and put them in jail or in some detention. To name a few: Enrile, Napoles, Jinnogoy Estrada, Revilla, etc. Napoles was a sacrificial lamb since she was part of the Penoy corrupt clique, but it's just that amongst themselves, they got too greedy and someone turned whistle-blower. But the others that were jailed were obviously his enemies: Jinnogoy, Revilla, Enrile, GMA, and a few others (the first two because they didn't toe the line). Informatively, Enrile was released for health reasons, but GMA still is in medical detention, although the charges against her have remained in limbo.

10. Why does not Penoy go after the real crooks, most of his KKK clique, most especially Abaya and Abad (others would be Soliman, Drilon, Puno, etc). And finally Trillanes, his special emissary to China who went there on 16 secret missions. What deal could he and Penoy have possibly made with China? Trillanes is on record as the biggest spender in the senate with a multi million monthly budget, since he supports 60 "consultants". If you analyze it, Penoy is just as corrupt as all the others. The buck stops there.

11. Penoy is suspected to be on the spectrum of Asperger's Syndrome, and indeed has some shrapnel still lodged in his body due to those coup attempts on Cory, and this may have caused some psychological trauma. Perhaps that's why he also is nicknamed "Abnoy" with the prefix meaning abnormal. It is quite obvious he cannot stand stress, and shies away in any crises. Witness the "Yolanda" disaster, or the "Mamasapano" incident aftermath (although he was in the center of it all from the beginning since it was he who ordered the "stand down" and caused the deaths of those 60 soldiers - some say that to him it was like a computer game, a past-time he reportedly spends hours with his retarded nephew). I would be more generous and say he may be an "idiot-savant", a genius at times, though evil and vindictive. But still, he is responsible for Mamasapano, and that incident is treason. So is his ploy on Bangsamoro, his attempt to create a sub-state in Palawan and part of Mindanao which could opt to merge with Malaysia. This is a long and complicated story that dates back to Penoy's father, Ninoy.

12. He has not addressed the more pressing problematical issues the country faces: drugs, jobs, land reform, MM traffic, anti-contractualization (this issue was started by GMA and would have been implemented if Corona hadn't been impeached - but the Tai-pans of industry are happy that they can continue rotating their thousands of employees every 5 months to get away from giving decent wages and fair benefits, as prescribed by law).

13. Which brings me to the point of Penoy's anointed heir, Mar Roxas. Mar has proven time and again to be a failure, first with the GMA admin, then with Penoy. And I believe he is very corrupt. He was in charge of the rehabilitation of Tacloban after the Yolanda disaster almost three years ago. What happened to those millions of dollars that poured in as donations from various countries? He hasn't accounted for the money. And the city still is incompletely rebuilt. There were wide spread reports of donated canned goods appearing on supermarket shelves. All I can say is that now, the international community has rendered us a pariah when it comes to receiving aid. And lastly, where do you think all Mar's campaign funds come from?

14. The irony of it all is that the "elites" of the country, the super rich, the oligarchs, the ruling class of a few families who have been controlling the country since independence (Marcos was a special case as he got everything for himself) want the present status quo to continue. They will, if Mar wins, or if his VP Robredo somehow ascends shortly.

15. We need a drastic change, even to gamble on a maverick who promises the stars. The answer is Duterte.