

## Harsh Truths that Hinder PH's Economic Growth

It is not concealed to the world that the Philippines is suffering from blatant corrupt [leadership](#), poor education, and lack of infrastructure. During the 1960s, the Philippines was on its peak of economic power. However, as years went by, the nation's economy is seen to be slowing down due to several factors. Here are the harsh realities that are stopping the nation from reaching its potential.

### Rampant Corruption

According to a report by Transparency International, an organization against graft, the Philippines ranked 111<sup>th</sup> out of 180<sup>th</sup> among other corrupt countries in the world. As also stated in the World Economic Forum Global Competitiveness Report, companies worldwide decline projects in the Philippines because of corruption. Foreign investors tend to steer away from buying Philippine stocks, resulting to slow economic growth. This is one of the biggest challenges that the nation is facing while it's trying to move forward and be on the same tier as its Asian neighbors such as Japan, Singapore, South Korea, and China. The Philippines has been a notoriously corrupt country in the eyes of foreign nations, and that's the grim reality.

### Poor Education System

The foundation of economic growth is human capital (Hawaldar, 2017). Investing in proper education leads to landing a better job and earning better income. Although there are efforts to improve, the Philippines fall short when it comes to developing the education system, especially now that the focus is on secondary education. Higher education is a significant element in innovation and economic growth, that's why the nation must consider working on improving and investing on that sector. The world is changing, as well as the skills demanded by the labor market. The nation's education system must keep up with technological and educational demands.

### Lack of Infrastructure

As stated by the Philippine Institute for Development Studies, lack of infrastructure is the biggest hindrance to the nation's economic development. Skyways, buildings, and other systems are not properly supervised and tend to be underfunded. Urban planning still lacks direction on a national level (Navarro, 2015). Compared to its Asian neighbors that are on top of the ranking for overall infrastructure quality, the Philippines ranks at 98 out of 144. How does this affect the country's economic development? Poor infrastructure

delays businesses, resulting to exporters having difficulties delivering products to global markets. This is very important since the economy requires reliable and strong infrastructure to link supply chains. Better infrastructure means better access to good quality opportunities. Unfortunately, the Philippine government's infrastructure plans lack cohesion, proper implementation, and political will.

These are just three of the many factors behind the Philippines' slow economic growth. As harsh as it may seem, it is evident that the government is mum when tackling corruption, education system woes, and infrastructure concerns. However, if these will be strictly addressed, perhaps the Philippines can still have the opportunity to be the Asia's rising tiger.