



# DEBT SNAPSHOT

Freedom from Debt Coalition (FDC)

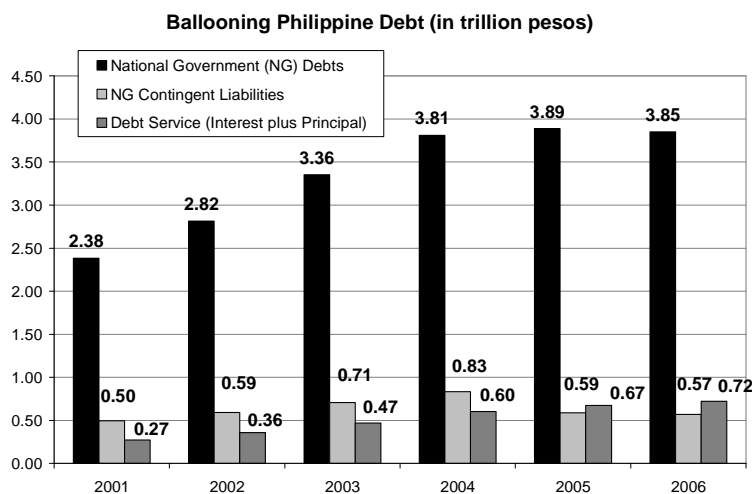
<http://www.fdc.ph>

## The debt problem is not yet over.

Beneath all the jargons and statistics generated by the economic magicians of President Gloria Macapagal-Arroyo – the fourth post-dictatorship president – lies an undeniable face of debt and poverty. Even after two decades of paying religiously to our lord-creditors, even after two decades of honoring the dishonorable debts of an equally dishonorable dictator, the Filipino people still continuously pay their own blood and sweat to prop up an illegitimate system of debt encroached by the iron grip of neo-liberalism.

<b>Total External Debt as of end-September 2007</b>		
<i>Using US\$ 1 = PhP 46.1315</i>	<b>US\$ (billion)</b>	<b>PhP (trillion)</b>
<b>RP External Debt</b>	<b>54.427</b>	<b>2.511</b>
General Government	27.607	1.274
Monetary Authorities	0.265	0.012
Banks	10.394	0.479
Other Sectors	14.550	0.671
Direct Investment: Intercompany	1.611	0.074
<i>Source: Bangko Sentral ng Pilipinas (BSP)</i>		
<i>Note: Breakdown of totals may not sum up due to rounding of digits.</i>		

<b>Outstanding Public Sector Debt as of end of 1st Qtr 2007 (in trillion pesos)</b>		
<i>Using US\$ 1 = PhP 48.5172</i>	<b>US\$ (billion)</b>	<b>PhP (trillion)</b>
<b>Consolidated Public Sector Debt</b>	<b>101.8031</b>	<b>4.9392</b>
Consolidated Non-financial Public Sector Debt (includes GOCCs like NPC, PNOC, MWSS)	91.3099	4.4301
Financial Public Corporations (BSP and 3 GFIs – DBP, LBP, TIDCORP)	29.4452	1.4286
<i>Minus: Intra-sector-debt holdings</i>	<i>18.9520</i>	<i>0.9195</i>
<i>Source: Department of Finance, Outstanding Public Sector Debt.</i>		
<i>Note: Breakdown of totals may not sum up due to rounding of digits. The consolidated public sector comprises the general government sector, non-financial public corporations, and financial public corporations, after elimination of intra-debt holdings among these sectors.</i>		



<b>National Government Debt as of end-October 2007 (in trillion pesos)</b>			
<i>Using US\$ 1 = PhP 43.85</i>	<b>US\$ (billion)</b>	<b>PhP (trillion)</b>	
<b>NG Outstanding Debt</b>	<b>86.613</b>	<b>3.798</b>	
<b>Domestic Debt</b>	<b>50.376</b>	<b>2.209</b>	
<i>By Instruments</i>	Treasury Bills	13.934	0.611
	Treasury Bonds/Notes	35.941	1.576
	Loans	0.502	0.022
	Others	0.000	0.000
<b>Foreign Debt</b>	<b>36.237</b>	<b>1.589</b>	
<i>By Creditors</i>	Multilateral	5.359	0.235
	Bilateral	8.506	0.373
	Commercial	0.798	0.035
	Foreign Denominated Securities	21.551	0.945
<b>NG Contingent Liabilities</b>	<b>11.471</b>	<b>0.503</b>	
<b>Domestic Debt</b>	<b>1.482</b>	<b>0.065</b>	
<b>Foreign Debt</b>	<b>10.011</b>	<b>0.439</b>	
<i>Source: Bureau of Treasury, Statistical Data Analysis Division.</i>			
<i>Note: Breakdown of totals may not sum up due to rounding of digits. The total national government debt must take into account the contingent liabilities, so it comprises both the outstanding and the contingent debt.</i>			

# Debt Facts

The Philippine debt problem is not yet over, as some people would want us to believe. Let us view some statistics on the debt situation.

**National Government Debt per Filipino** (using end-Oct 2007 NG Debt and NSO projected 2007 population) **P 42,819.42**

**Debt Servicing per minute** (using data on Interest and Principal payments on 2007) **P 1,165,898.02**

**External Debt as % of GDP** (using NSCB 2007GDP data and external debt data as of Sep 2007 from BSP) **34.51%**

*Source: Various Government Sources*

## Government Spending for 2007

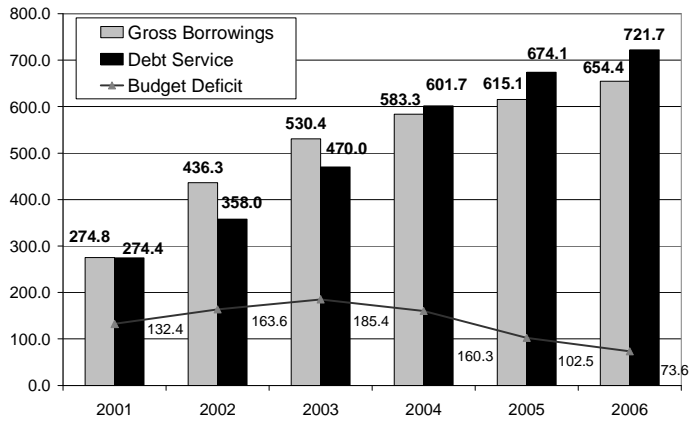
<i>in billion pesos</i>		<i>per capita</i>
<b>Debt Service</b>	<b>612.80</b>	<b>P 6,908.15</b>
Interest Payments	303.30	P 3,419.11
Principal Amortization	309.50	P 3,489.03
<b>Education, Culture and Manpower Development</b>	<b>164.10</b>	<b>P 1,849.96</b>
<b>Health</b>	<b>18.36</b>	<b>P 206.93</b>
<b>Natural Resources and the Environment</b>	<b>8.83</b>	<b>P 99.52</b>
<b>Agriculture and Agrarian Reform</b>	<b>35.55</b>	<b>P 400.79</b>
<b>Social Security, Welfare and Employment</b>	<b>55.3</b>	<b>P 624.27</b>
<b>Housing and Community Development</b>	<b>2.5</b>	<b>P 28.33</b>
<b>Military</b>	<b>53.81</b>	<b>P 606.55</b>

*Source: Department of Budget and Management, Republic Act 9401 (The General Appropriations Act for 2007), National Statistics Office for population projection for 2007.*

**Note:** Breakdown of totals may not sum up due to rounding of digits.

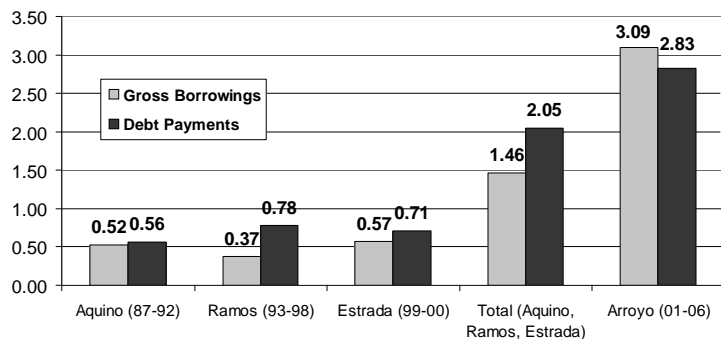
**Debt Above All.** Arroyo may have, to some extent, alleviated the debt problem, but she had been able to do so at the cost of public spending, and ultimately, of sustainable development. We are already experiencing, literally and metaphorically, the crumbling and decay of our education and health infrastructures.

**Borrowings, Payments, and Deficit (in billion pesos)**



**Pyramid Scam.** The Arroyo administration had recently been borrowing aggressively to repay old debts – a practice which is only sustainable as long as interest rates for new loans are lower than previous ones. The data shows the correlation between the borrowings and payments.

**Arroyo: Largest Borrowed, Largest Paid (in trillion pesos)**



**Record Breaker.** Among the post-Marcos regimes, the Arroyo administration managed to break not one, but two debt records – that of borrowing and paying the largest. In fact, her total gross borrowings and debt payments are larger than that of her predecessors combined.



## Freedom from Debt Coalition

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