

9% yearly growth by 2019 seen possible

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The Philippines can jack up its annual economic growth to 9 percent by 2019 given the Duterte administration's aggressive program to boost infrastructure spending, as well as raise revenues and put more money into most people's pockets from a much-needed tax reform package, lawmaker, economist and ex-analyst Joey Salceda said.

In a presentation to investors of fund management firm Philequity on Saturday, Salceda said the country could grow much faster, lift more people from poverty and boost gross national income (GNI) per capita just by following the roadmap laid out by Duterte.

He said the country's GNI by 2028 should be \$12,000 from \$4,500 at present. "But it can't be business as usual," he said.

Salceda, who was an analyst before becoming a politician, said the gross domestic product (GDP) growth target of 9 percent by 2019 could be attained assuming that the global economy would expand by at least 2.5 percent alongside a "soft landing" from US president Donald Trump's new policies and China's deceleration.

Trump is widely seen as a threat to globalization and emerging markets given the isolationist and protectionist measures he mentioned during the presidential campaign, some of which he is now implementing as president.

Salceda—formerly a research director of UBS Warburg (a division of Swiss Bank Corp.) and Barings Securities Philippines—said anybody who sits at the Oval office in Washington was surrounded by people who advocate globalization, which he said would be difficult to undo.

After 17 years of uninterrupted expansion, Salceda said the Philippines was on the right track, adding that the President could meet his goal of leveling up the country to a higher middle-income status. He attested to the cohesiveness, decisiveness and empowerment of the Cabinet assembled by Duterte.

As such, he said the 9-percent GDP growth in three years' time could be a no-brainer “just by doing what we are already doing.”

While the Philippines grew by 6.8 percent last year—among the fastest pace in the region, Salceda noted that China had previously grown by an average of 9 percent yearly for 40 years to attain its current status as a global economic power.

Salceda argued for the passage of the tax reform measures in Congress to be able to fund an aggressive infrastructure spending program.

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