

The Philippines: National transport strike as Iran war creates economic crisis

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On March 19, tens of thousands of jeepney and bus drivers, joined by workers and transport workers across the Philippines, launched a two-day nationwide strike. The sharp increase in the price of oil and basic commodities is creating the conditions of a social catastrophe and are triggering immense levels of anger. Elite politics, with its rival factions and geopolitical orientations, has been profoundly destabilized.

Another two-day strike starting this Thursday was announced yesterday by the No To Oil Price Hike Coalition.

PISTON—the Pinagkaisang Samahan ng mga Tsuper at Opereytor Nationwide (The Unified Federation of Drivers and Operators Nationwide)—reported 70,000 strikers across the country last week, with 15 to 20 strike centers in Metro Manila alone, and simultaneous actions from Pasig to Iloilo to Cebu. Picket lines formed at dawn in Quezon City, Parañaque, Bulacan, and San Mateo. Commuters reported waits of 45 minutes or more; multiple Manila universities suspended in-person classes; residents on dozens of routes found no vehicles running at all.

Since Washington launched its criminal war of aggression against Iran on February 27, pump prices in the Philippines have surged—diesel up 17.28 pesos per liter, kerosene up 32.35, gasoline nearly 7.48. Behind these numbers lies immense human misery. Fuel prices govern the cost of everything. When diesel rises, so does the price of every kilogram of vegetables, fish, and rice that is trucked or shipped to market. Electricity rates in Manila—already raised 64 centavos per kilowatt-hour by Meralco electricity corporation in early March—are forecast to jump a further 16 percent in April. The Department of Economy, Planning and Development has projected that headline inflation will surge to between 6.3 and 7.5 percent in March and accelerate again in April, a level that would wipe out the gains of the past two years.

For the mass of Filipino workers and poor, there is no cushion. Food and non-alcoholic beverages already consume 37 percent of average household expenditure. The official poverty threshold for a family of five is P13,873 (\$US230) a

month—and the official statistics agency itself conceded last year that the food component of that threshold, P63.87 per person per day, is “insufficient.” The poorest Filipinos, those already living on the margin between bare subsistence and destitution, are now being pushed over the edge.

The demands raised by PISTON, a member of the Stalinist BAYAN coalition, express the desperation of the situation, including an immediate rollback of oil prices, the removal of taxes on petroleum products, and a fuel price cap of P55 per liter. PISTON is appealing to the Marcos government to carry out measures to soften the blow of the global crisis. None of the demands target or even speak to the underlying causes of the growing catastrophe: including the exposure of Washington’s imperialist crimes and role of the Marcos administration in the US war drive, and the demand to place the oil industry under democratically-controlled public ownership.

The Philippines is among the most petroleum-dependent and energy-insecure economies in Asia. It has a single functioning oil refinery—the Petron facility at Bataan—capable of meeting only 40 percent of the country’s fuel requirements. The rest is imported as finished petroleum products from the regional hubs of South Korea, China, Malaysia, and Singapore. Yet this regional supply chain is overwhelmingly dependent upon oil that transits the Strait of Hormuz. South Korean and Singaporean refiners source approximately 70 to 80 percent of their crude from the Gulf states. Malaysia’s refineries draw heavily on the same supply routes.

China alone constitutes a partial exception: Beijing has diversified its crude imports toward Russia—which became China’s single largest crude supplier in 2024 at 2.17 million barrels per day—and maintains strategic reserves estimated at 120 days of imports. Russian crude reaches China via pipelines and Arctic tanker routes. The Chinese refined products that account for roughly a quarter of Philippine imports are therefore only partially exposed to the disruption ravaging the rest of Asia’s energy supply.

The strategic significance of this fact has not been lost on

sections of the Philippine ruling class. China is the sole major source of refined petroleum that does not depend entirely on the strait that Washington's war has now closed to orderly commerce. The oil shock has made the calculus explicit in a way that years of diplomatic maneuvering had obscured: the Philippines cannot afford a confrontation with Beijing. The peso, driven down by oil import costs and investor anxiety, broke through the P60-per-US dollar barrier on March 19, a historic low, and the Bangko Sentral intervened to prevent a complete freefall. Finance Secretary Frederick Go warned that if oil prices remain elevated, the Monetary Board will likely raise interest rates as early as April. Economists calculate that growth—which had already slowed to 4.4 percent in 2025—will take further hits from each month the war continues.

It is against this background that a significant diplomatic initiative has quietly taken shape within the Marcos government. Department of Foreign Affairs (DFA) Secretary Theresa Lazaro confirmed on March 3 that Manila and Beijing are finalizing a Memorandum of Understanding (MOU) between the Philippine Coast Guard and the China Coast Guard, covering confidence-building measures in the South China Sea. Senator Erwin Tulfo, installed just weeks earlier as chair of the Senate Foreign Relations Committee—replacing Imee Marcos, who is a leading figure in the Duterte camp and shares its strategic orientation toward China—simultaneously called for a formal review of the Enhanced Defense Cooperation Agreement (EDCA) military basing deal that is the legal framework for the deployment of US troops and military supplies to the country, including missiles targeting China. “We must reevaluate EDCA,” Tulfo declared, “as we could become a focal point in regional disputes.” Senator Stherwin Gatchalian echoed him: “The Philippines, as a developing nation, cannot afford to be dragged into a foreign war.”

What is most striking is that these are leading figures in the Marcos camp, and they appear to represent a growing faction that is profoundly concerned about the stability of ties with Washington under Trump and the perils—economic, social and geopolitical—that close relations with the White House entail. Lazaro has been the most consistent voice within the Marcos government for restraint in the South China Sea, warning against actions that could “unnecessarily derail the diplomatic space needed to manage tensions.” The Iran war has immensely substantiated her position—and that of every faction within the Philippine elite that calculates, correctly, that subordination to Washington's reckless military adventurism is economically ruinous and potentially catastrophic.

Ranged against this diplomatic track is substantial portion of the military brass, trained by the Pentagon and loyal

above all to Washington. Particular prominent has been the role played by Rear Admiral Jay Tarriela—the Philippine Coast Guard's (PCG) West Philippine Sea spokesperson, the youngest flag officer in the service's history, promoted by Marcos on February 23 just days after the latest Bilateral Strategic Dialogue in Manila.

Tarriela has begun to publicly contradict the civilian government. When the DFA announced the Coast Guard MOU with China, the PCG issued a public statement insisting it was “not part of any discussions” on the deal. This is not an administrative misunderstanding. The Philippine Coast Guard is subordinate to civilian authority; the DFA speaks for the government and the Coast Guard has no independent foreign policy prerogative. Tarriela's intervention amounted to political sabotage, conducted from within the uniform, on behalf of a strategy—the militarization of South China Sea encounters under US supervision—that serves Washington's interests.

The Iran war has compressed into weeks a set of contradictions that were years in the making. The Philippines is locked into a US war alliance that is economically devastating it. Its only source of refined petroleum that does not transit the Strait of Hormuz is from China. But Washington is preparing to go to war against China, dragging Manila behind it, and sections of the Philippine military, acting at Washington's behest, are working to sabotage the diplomatic efforts of Manila's own foreign ministry to preserve a relationship with Beijing.

The peso is at a historic low. Electricity prices are about to jump 16 percent. The transport strike brought workers into the streets. But the organizations that claim to lead them—BAYAN, PISTON, the Makabayan bloc—offer as a way forward a set of appeals addressed to the very government and the very system responsible for the catastrophe. The decisive political question posed by all of this is not whether the Marcos government will cap fuel prices or review EDCA. It is whether the Philippine working class—alongside workers in the United States, in Iran, in China, in every country being dragged toward war—will build the independent political organization capable of putting an end to the capitalist system that produces imperialist war, oil shocks, and poverty wages.



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