

# Philippine workers hit as Iran war continues

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Nearly three months have passed since the United States and Israel launched their illegal war of aggression against Iran on February 28. Faced with a protracted conflict, the Filipino working class faces a worsening economic crisis. At the same time, the administration of President Ferdinand Marcos Jr. continues to deepen its military cooperation with Washington.

The war is fueling an ever growing cost-of-living crisis. BMI, a research firm and subsidiary of Fitch Solutions, reported this month that the war in Iran was the “primary driver of rising social and political risk in the Philippines.” As of April, inflation has spiked to 7.2 percent, the fastest it has grown since March 2023.

In particular, fuel prices have risen sharply, with the Philippines one of the most heavily dependent countries in the world on oil imports. According to the Philippine Information Agency, 98 percent of the country’s crude oil imports come from the Middle East. Additionally, the Philippines imports 97 percent of petroleum products and 91 percent of LPG from refineries in Asian countries, including South Korea and Singapore.

The soaring cost of LPG means that growing numbers of working-class families can no longer afford to cook indoors at all. Instead, they are being driven back to wood and charcoal, to the squat clay pottery stove set on the ground outside the house, bent over and fanning the embers with a rolled-up newspaper or an anahaw fan. For most workers, outdoor cooking recalls a time in living memory when even the most basic conveniences were out of reach. Now, under the impact of the US-Israeli war on Iran and the global crisis of capitalism to which it is tied, even the elementary social gain of safe indoor cooking is being stripped away.

Families already driven back to charcoal stoves by soaring LPG prices now confront extended power outages in the midst of a deadly heat wave—another measure of the barbaric regression of social conditions imposed by imperialist war and capitalist crisis. The fragile power system is nearing the brink of collapse. Red and yellow alerts on the Luzon and Visayas grids and rolling brownouts lasting hours have left millions of workers without electricity in temperatures above 40 degrees.

At the same time, the rise in the price of petroleum has sharply impacted workers, especially those in the transportation and agricultural sectors. The Philippine Statistics Authority has stated that, as of April, gasoline inflation has risen to 59.6 percent over the prewar percentage of -5.7 percent. Meanwhile, inflation for diesel, which is crucial for rural machinery, has skyrocketed from -1.3 percent in February to 122.7 percent.

Since the war began, mass transport strikes have repeatedly erupted, including a two-day nationwide strike at the end of March and a three-day walkout in mid-April that disrupted commuting in Metro Manila and other urban centers. These actions express the explosive anger of jeepney and other public transport workers whose incomes have been gutted by fuel price hikes, leaving many with barely 200 to 300 pesos a day after expenses. While the strikes have so far been called and led by PISTON, Manibela and other unions aligned with the Stalinist Kilusang Mayo Uno, which seek to confine workers to limited protest days and appeals to the state, these apparatuses do not have these workers on a string. The very fact that thousands of drivers are repeatedly willing to shut down routes in defiance of state intimidation points to a movement that is straining against the union bureaucracies that are trying to contain it.

The role of the Stalinist apparatus is not to initiate an offensive of the working class, but to act as a political shock absorber for the regime. By limiting strikes to two or three days, fragmenting actions by sector, and channeling anger into harmless petitions and token negotiations, they seek to prevent the emergence of an independent, unified movement of the working class directed against capitalism and imperialist war. The growing scale and militancy of the transport strikes, however, show that this control is increasingly fragile.

The war is crippling Philippine farming, cutting projected output by as much as 50 percent, compounding the ongoing crisis of exorbitant rice prices. The Department of Agriculture (DA) has abandoned its projection of a record-high rice harvest for 2026, revising its *palay* (unhusked rice) production forecast downward from 20.28 million metric

tons (MT), which already fell short of the annual demand of 24 million MT. This means the Philippines was already forced to rely on imports amid rising shipping costs.

According to Agriculture Undersecretary Asis Perez, speaking at a Senate hearing on April 8, “The initial projection—what we say the minimum or the best-case scenario—is 20 percent reduction. That’s the best-case scenario. It can even go up to 50 percent decline in productivity.” He continued, “If there is no fertilizer, farmers cannot do anything. If they cannot afford to buy fuel, they also cannot operate—they have no means to farm.”

Fertilizer production is energy intensive, with much of it taking place in the Middle East. One-third of the global trade in fertilizer typically passes through the Strait of Hormuz. A 50-kilogram bag of urea now averages 2,490 pesos (\$US40.38), a 48.7 percent increase from the pre-war price of 1,675 pesos (\$US27.16). Farmers are reducing fertilizer application as a result, thus reducing yields.

High costs mean rice, a dietary staple consumed with nearly every meal, is increasingly unaffordable for millions of poor families. Well-milled rice now sells for nearly 60 pesos (\$US0.97) per kilogram, up from an average of 55 pesos (\$US0.89) in January. President Marcos’ 2022 presidential election campaign promise of 20 peso-per-kilo (\$US0.32) rice has already long been left by the wayside.

Gunerg Oviedo, a rice trader in Cebu, told the Singapore-based Channel NewsAsia, “My concern is prices are high, but salaries are low. The salaries here in Cebu are low.” The media outlet went on to state that many Filipinos have seen cost-of-living prices surge by as much as 30 percent, far above the official inflation rate.

No other commodity is as intimately bound up with social unrest in the Philippines as rice. The history of the past century has repeatedly revealed that the availability of affordable rice is the bedrock of political stability, while soaring prices and empty bins of government subsidized rice in the marketplace have been the surest bellwethers for an explosion of social anger.

Unemployment has worsened sharply. The national jobless rate stood at 5 percent in March, yet underemployment had risen to 12.3 percent. The Department of Economy, Planning and Development warned that manufacturing and logistics slowdowns, driven by fuel costs and supply chain disruptions, could push unemployment even higher in the coming months, especially as the full impact of the war becomes more apparent.

Faced with growing social anger, the Marcos administration prepares to respond with repression. On March 24, Marcos declared a national energy emergency under Executive Order 110, granting the government legal authority to impose measures to ensure energy stability.

The emergency order contains minor measures supposedly designed to reduce government fuel consumption, but it also grants Marcos the power to address so-called “disruptions,” a euphemism that includes workers’ strikes. The emergency order was passed shortly after jeepney and bus drivers had launched their national two-day strike on March 19. As conditions continue to deteriorate, brought on by the war and the intensification of the political crisis in Manila, this executive order will be used to suppress protests.

As workers suffer, billions are being spent on war preparations aimed at China. Under the direction of US imperialism, the Philippines has served as an attack dog in Southeast Asia, whipping up tensions with Beijing over disputed territories in the region. This year, Manila will spend 430.87 billion pesos (\$US7 billion) on the military, a 13.72 percent increase over last year. The wars of US imperialism are stripping away the most elementary social gains of impoverished workers the world over, while the ruling class spends billions to prepare for even more destructive wars.

The US–Israeli war on Iran is an imperialist crime, and the Marcos regime is its willing accomplice. The destruction it is inflicting on the living standards of Filipino workers is not an accidental by-product but a direct result of the capitalist profit system and its drive to war. The emerging strikes and protests must be developed into a conscious political movement of the working class, independent of the Stalinist and nationalist apparatuses, united with workers internationally in the struggle to put an end to capitalism and imperialist war.



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