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Here's what that cost-benefit analysis looks like: Some of the biggest economic costs come from what Recto would classify as "reputational risks," such as the estimated decrease in foreign direct investments due to crime (P39.94 billion) and corruption perception (P15.42 billion), and estimated decrease in inbound tourism revenues due to crime (P28.62 billion). Letting POGOs operate in the country makes the Philippines highly vulnerable to money laundering, which could dissuade foreign investors from the country, the DOF said. The more substantial hit actually comes from indirect economic costs. The DOF estimates the foregone investments due to crime, foregone revenues from tourism, among others, cost the economy P111.83 billion, while the negative effect to the tourism industry could reach P69.04 billion. And it gets worse. The cold, hard economic figures used by the DOF in its cost-benefit analysis doesn't even include the social costs yet, which the DOF considers "unquantifiable." "We note that the estimated economic costs exclude the social costs of POGOs," the DOF states in its position paper. "This includes the loss of life, physical and psychological harm to victims, and the impact on the communities such as an increased sense of fear and anxiety associated with illegal POGO activities, the perception that groups conducting illegal or criminal activity have significant economic influence in certain areas, and the negative impact this may have on institutional integrity." What about the impact of a POGO ban on employment? Based on the latest 2023 figures gathered by the DOF, there are a total of 66,547 employees working in the POGO sector, with 25,200 of them being Filipinos while the rest are foreign nationals. Still, the DOF is not too concerned about the possible impact to employment that such a ban would have. "We find this fear unfounded as other similar sectors are more than capable of accommodating them given their technical skills, particularly in the business process outsourcing industry," the DOF said. "Maraming pondo pa naman ang DOLE ngayon (The Department of Labor and Employment has a lot of funds now)," Recto said in a chance interview on Tuesday. "One job is one, Tulungan natin 'yung (Let's help the) 25,000. I'm sure they can get employment elsewhere." The National Economic and Development Authority (NEDA) likewise also believes that the "benefits of banning POGOs outweigh the costs." "The President would like to see legitimate businesses, businesses that give good reputation to our country as investment destination, as tourist destination, not ones that encourage criminalities or negative things," NEDA Secretary Arsenio Balisacan said in a chance interview also on Tuesday. The country's chief economist also estimated that POGOs only contributed "less than one half of one percent" to the gross domestic product (GDP) as of 2022. That 0.5% of gross domestic product (GDP) already takes into account the properties that cater to POGOs, according to Balisacan. In the past, the properties sector thrived on POGO money. For instance, POGOs used to make up a quarter of the demand for office space in 2019, but that has since dwindled to just about 11% of demand, according to Leschiu Property Consultants. In its study, the DOF also asserted that banning POGO operations would "not derail the real estate industry." (READ: Can the property market survive a ban on POGOs?) - With a report from Lian Juan/Rappler.com Skip to main content Reddit and its partners use cookies and similar technologies to provide you with a better experience. By accepting all cookies, you agree to our use of cookies to deliver and maintain our services and site, improve the quality of Reddit, personalize Reddit content and advertising, and measure the effectiveness of advertising. By rejecting non-essential cookies, Reddit may still use certain cookies to ensure the proper functionality of our platform. For more information, please see our Cookie Notice and our Privacy Policy.