

“The Impact of Rising Global Oil Prices on Philippine Jeepney Drivers During the 2026 U.S.–Iran Conflict: A Situational Analysis”

John Dominic A. Acobera, RSW, LPT

Master of Social Work - Clinical Social Work, Western Mindanao State University, Zamboanga City, Philippines

Email of Corresponding Author: Jdacobera2@gmail.com

Publication history:

Received: August 9, 2026

Accepted: August 26, 2026

Revised: August 23, 2026

Published: August 27, 2026

International Journal of Sustainable and Integrated Studies, Vol. 1, No. 1, pp. 443–448, August 2026.

Abstract

This study examined the socio-economic effects of rising global oil prices on Philippine jeepney drivers during the 2026 U.S.–Iran conflict. Anchored on the relationship between global oil market instability and local livelihood vulnerability, the study employed a mixed-methods descriptive-survey design involving 50 active jeepney drivers selected through purposive sampling. Data were gathered using a researcher-made survey questionnaire that measured respondents' profile, awareness of fuel price causes, operational expenses, income, working hours, challenges, coping mechanisms, and perceptions of government fuel subsidies. Quantitative data were analyzed using frequency, percentage, and weighted mean, while qualitative responses were examined through thematic analysis. Findings revealed that average daily fuel expenses increased from ₱871.45 to ₱2,347.50, equivalent to a 169.38% increase, while average daily net income declined from ₱1,210.46 to ₱550.23, reflecting a 54.54% reduction. Drivers also extended their working hours from 9.66 to 10.94 hours per day. The major challenges included stress, physical fatigue, difficulty meeting household and school-related needs, delayed meals, debt accumulation, and reduced financial security. Although 60.0% of respondents received fuel subsidies with a mean value of ₱5,700.00, many considered the assistance insufficient. The study concludes that the oil crisis severely affected the livelihood sustainability and welfare of jeepney drivers. It recommends temporary fuel excise tax suspension, dynamic subsidy adjustment, and improved digitalized subsidy distribution. The study supports SDG 8, SDG 11, SDG 16, and SDG 17 by addressing decent work, sustainable transport, responsive governance, and stakeholder coordination. Its sustainability impact centers on socio-economic, public transport, community, and policy sustainability for vulnerable transport workers.

Keywords: Coping Mechanisms; Diesel Price Increase; Fuel Subsidy; Jeepney Drivers; Oil Crisis; Public Transportation; Socio-Economic Impact; U.S.–Iran Conflict

1. Introduction

This study examines the socio-economic effects of rising global oil prices on Philippine jeepney drivers during the 2026 U.S.–Iran conflict. The Philippine transportation sector remains highly dependent on imported petroleum products, making public utility transport workers vulnerable to global fuel price fluctuations. Jeepney drivers are particularly affected because their daily operations depend heavily on diesel consumption, and fuel price increases directly raise operational expenses while reducing daily net income and household sustainability (Conchas & Apas, 2024). Against the backdrop of geopolitical instability, this study provides a situational analysis of how global oil market disruptions affect local transport livelihoods, driver welfare, coping strategies, and perceptions of government fuel assistance.

The Philippine transportation sector is highly sensitive to global oil price movements because of its reliance on imported petroleum products. Jeepneys, as one of the country's primary modes of public transportation, are especially vulnerable to diesel price increases since drivers shoulder fuel expenses as part of their daily operations. When fuel prices rise, operational costs also increase, directly affecting drivers' income, working hours, and capacity to sustain household needs (Conchas & Apas, 2024). In 2026, tensions between the United States and Iran intensified, creating concerns over possible disruptions in global oil supply. The relationship between the United States and Iran has long been marked by political conflict, economic sanctions, and geopolitical instability (Wright & Nada, 2019; Katzman, 2019; Maloney, 2019). Ruiz Estrada, Park, Tahir, and Khan (2020) emphasized that even the possibility of armed conflict between the two countries could disrupt global oil supply chains and trigger sharp increases in oil prices.

Related literature highlights the strong connection between geopolitical instability, global oil price movements, and the vulnerability of oil-dependent economies. The Middle East remains one of the world's largest oil-producing regions, with countries such as Saudi Arabia, Iran, Iraq, Kuwait, and the United Arab Emirates collectively controlling major petroleum reserves that support global energy demand (Gazi, 2023). Because of this, instability in the region can immediately affect global fuel markets and countries that depend on imported oil. Studies also show that fuel price increases worsen the economic vulnerability of transportation workers. For jeepney drivers, especially those under the boundary system, higher diesel prices increase daily expenses while fixed remittances to vehicle operators remain unchanged. This reduces take-home income, increases operational pressure, and intensifies financial insecurity among drivers and their families (Conchas & Apas, 2024; Conchas & Apas, 2024). These insights suggest that fuel price hikes are not only economic issues but also social welfare concerns affecting labor, household stability, and public transportation sustainability.

Globally, the escalation of the U.S.–Iran conflict in 2026 caused oil prices to surge to approximately \$110 per barrel as markets anticipated potential supply disruptions, especially in the Strait of Hormuz, a critical route for international oil transportation (Seigle, 2026). This global price shock affected oil-importing countries such as the Philippines, where diesel-dependent public transportation sectors experienced substantial fuel price increases (Villanueva & Esmael, 2026). At the national and local levels, jeepney drivers faced intensified financial strain because fuel is a major daily operating cost. Drivers working under the boundary system became more vulnerable since they had to pay fixed daily remittances while absorbing the increase in diesel expenses. Although the Philippine government implemented fuel subsidy programs for public utility vehicle drivers (Flores, 2026), there remains limited evidence on how jeepney drivers experienced the crisis, how they coped with rising costs, and how they perceived the adequacy of government assistance during a geopolitical fuel shock.

The study is conceptually anchored on the relationship between global oil market instability and local livelihood vulnerability. Geopolitical tensions in oil-producing regions may disrupt supply expectations and increase world oil prices, which then affect oil-importing economies and fuel-dependent sectors. In the Philippine jeepney sector, this relationship is observed through changes in fuel expenses, daily income, working hours, operational challenges, coping mechanisms, and perceptions of government subsidies. This conceptual direction is supported by literature showing that geopolitical conflict can disturb oil supply chains and increase fuel prices (Ruiz Estrada, Park, Tahir, and Khan, 2020), while fuel price increases can reduce earnings and worsen economic vulnerability among transport workers (Conchas & Apas, 2024; Conchas & Apas, 2024).

While existing literature discusses global oil price shocks, geopolitical instability, and the economic burden of fuel price increases, limited studies have examined the real-time experiences of Philippine jeepney drivers during the 2026 U.S.–Iran conflict. Previous studies have established that fuel price increases negatively affect transportation workers by reducing net earnings, increasing operational pressure, and worsening economic vulnerability (Conchas & Apas, 2024; Conchas & Apas, 2024). However, there is still a need to document how jeepney drivers specifically experienced the crisis in terms of fuel expenses, income, working hours, coping strategies, and perceptions of fuel subsidy adequacy. Thus, this study aims to examine the socio-economic effects of rising global oil prices on jeepney drivers amidst the 2026 U.S.–Iran conflict. Specifically, it assesses the drivers' demographic and operational profile, level of awareness regarding the geopolitical and economic causes of fuel price increases, changes in fuel expenses and income, operational challenges, coping mechanisms, and perceptions of government fuel subsidies.

This study aligns with SDG 8 – Decent Work and Economic Growth because it examines how rising fuel prices affect the income, working hours, and livelihood stability of jeepney drivers. By documenting the economic pressure experienced by transport workers, the study contributes to discussions on decent work, income protection, and labor welfare in vulnerable informal and semi-formal transport sectors. The study also supports SDG 11 – Sustainable Cities and Communities because jeepneys remain an important mode of public transportation in the Philippines. Fuel price instability threatens the affordability, continuity, and reliability of public transport services, making the issue relevant to sustainable urban mobility and community access. In addition, the study relates to SDG 16 – Peace, Justice, and Strong Institutions because it examines the perceived

adequacy of government fuel subsidies and the need for responsive public assistance during economic shocks. It also connects with SDG 17 – Partnerships for the Goals because addressing fuel-related transport crises requires coordination among government agencies, transport groups, and other stakeholders.

The study contributes to socio-economic sustainability by showing how global oil price shocks affect the daily income, household security, and livelihood continuity of jeepney drivers. It also contributes to public transport sustainability by highlighting the operational challenges faced by diesel-dependent drivers during periods of fuel instability. From a policy and governance sustainability perspective, the study provides evidence on the perceived limitations of government fuel subsidy programs and the need for more responsive assistance mechanisms. Its findings may support policy discussions on temporary fuel tax relief, dynamic subsidy systems, and improved digitalized distribution of aid for public utility vehicle drivers. The study also has relevance to community and institutional sustainability because jeepney operations support mobility, employment, and access to essential services. In local communities, sustainable economic systems are closely linked with the movement of people, goods, and services, including locally produced commodities whose value depends partly on accessibility and community-level purchasing behavior (Banzon, Santos, & De Leon, 2026). By examining the lived economic realities of jeepney drivers during a geopolitical oil crisis, the study offers insights that may inform transport policy, social protection programs, and crisis-responsive governance for vulnerable workers.

2. Material and methods

2.1 Research Design

The study utilized a mixed-methods descriptive-survey design. The quantitative component measured changes in operational expenses, daily income, and working hours before and after the increase in fuel prices. The qualitative component examined the respondents' experiences, challenges, and coping mechanisms during the oil price surge.

2.2 Locale of the Study

The study was conducted in the Philippines, focusing on active jeepney drivers affected by rising fuel prices during the 2026 oil crisis. Data were gathered through face-to-face distribution in jeepney terminals and online dissemination to driver groups.

2.3 Respondents of the Study

The respondents were 50 active jeepney drivers in the Philippines. They were selected because they currently operate jeepneys as their primary source of livelihood and were directly affected by changes in diesel prices.

2.4 Sample and Sampling Procedure

The study used purposive sampling to select 50 jeepney drivers who met the inclusion criterion of being active jeepney operators. This sampling procedure ensured that the respondents had direct experience with the operational and financial effects of rising fuel prices.

2.5 Research Instrument

Data were collected using a researcher-made survey questionnaire. The instrument included items on respondent profile, awareness of the causes of fuel price increases, operational costs, income, working hours, challenges encountered, coping mechanisms, and perceptions of government fuel subsidies. It also included open-ended questions to gather qualitative responses on the respondents' experiences during the oil crisis.

2.6 Data Gathering Procedure

The researcher gathered data through face-to-face survey distribution in jeepney terminals and online dissemination to driver groups. Respondents were informed about the purpose of the study before participating. The completed responses were then organized for quantitative and qualitative analysis.

2.7 Data Analysis Techniques

Quantitative data were analyzed using descriptive statistics, including frequency, percentage, and weighted mean. These were used to describe the respondents' profile, awareness, operational changes, challenges, coping mechanisms, and perceptions of government fuel assistance. Qualitative responses were analyzed through thematic analysis to identify recurring patterns in the respondents' experiences and coping strategies.

2.8 Ethical Considerations

Participation in the study was voluntary. The respondents were informed about the purpose of the research and were assured that all information gathered would remain confidential and anonymous.

3. Results and Discussion

3.1 Profile and Operational Characteristics of Jeepney Drivers

3.1.1 Driving Experience

The results showed that most respondents had relatively short to moderate driving experience. More than half of the drivers had 1–5 years of experience, while nearly one-fourth had 6–10 years. A smaller portion had 11–20 years of driving experience, and only a few had more than 20 years in the sector. This finding suggests that many respondents may not yet have long-term financial stability in jeepney operations. Since a large proportion of the drivers had limited years of experience, they may be more vulnerable to sudden increases in operating costs, especially during periods of fuel price instability.

3.1.2 Vehicle Ownership Arrangement

The findings revealed that most respondents operated under the boundary system, while only a smaller group owned their jeepneys. A very limited number operated under cooperative ownership. This means that the majority of drivers were required to pay fixed daily remittances while also absorbing the increased cost of fuel. This ownership structure increases economic vulnerability because drivers under the boundary system carry the burden of fuel expenses while still meeting operator payments. As a result, increases in diesel prices directly reduce their take-home income and make it more difficult to sustain both operations and household needs.

3.1.3 Fuel Dependency

All respondents reported that their jeepney units used diesel as their primary fuel source. This indicates complete dependence on diesel price stability for daily operations. The result shows that jeepney drivers are highly exposed to diesel price fluctuations. Since their livelihood depends on fuel-intensive daily travel, any increase in diesel prices immediately affects their operating costs, income, and ability to maintain regular transportation services.

3.2 Awareness of Geopolitical Causes of Fuel Price Increases

3.2.1 Awareness of the U.S.–Iran Conflict

The results showed that most respondents were aware that tensions between the United States and Iran contributed to the increase in oil prices. A large proportion identified themselves as either aware or very aware of the connection between the conflict and rising fuel costs. This finding indicates that jeepney drivers recognize the relationship between international geopolitical events and local fuel price increases. Their awareness suggests that drivers do not view fuel price hikes as isolated local issues but as outcomes connected to global oil supply conditions.

3.2.2 Awareness of the Strait of Hormuz and Global Oil Supply

The findings also showed that most respondents were aware of the importance of the Strait of Hormuz in global oil supply distribution. A large majority indicated awareness or strong awareness of its role in oil movement and supply stability. This result further supports the finding that jeepney drivers understand how global supply routes can affect domestic fuel prices. Their awareness of the Strait of Hormuz reflects a practical understanding that disruptions in major oil routes can influence the cost of diesel used in their daily operations.

3.3 Operational Effects of Rising Fuel Prices

3.3.1 Increase in Daily Fuel Expenses

The average daily fuel expense of jeepney drivers increased from ₱871.45 before the oil crisis to ₱2,347.50 after the fuel price surge. This represents a 169.38% increase in daily fuel costs. This sharp increase shows that rising oil prices placed a heavy operational burden on jeepney drivers. Since fuel is a major daily expense in jeepney operations, the increase substantially reduced the amount of income left after covering operating costs.

3.3.2 Decline in Daily Net Income

The findings showed that average daily net income decreased from ₱1,210.46 to ₱550.23 after the fuel price surge. This indicates a 54.54% decline in take-home earnings. The decline in net income demonstrates how higher fuel costs directly weakened the financial capacity of jeepney drivers. With more income being spent on fuel, drivers had less money available for food, utilities, school expenses, debt repayment, and other household needs.

3.3.3 Extension of Working Hours

The results showed that the average daily working hours of jeepney drivers increased from 9.66 hours to 10.94 hours after the oil price hike. This indicates that drivers extended their working time to compensate for the decline in income. This finding suggests that drivers attempted to recover lost earnings by working longer hours. However, longer working hours may also intensify physical fatigue, stress, and overall vulnerability, especially when additional work does not fully offset the increase in fuel expenses.

3.4 Challenges Experienced by Jeepney Drivers

3.4.1 Financial, Physical, and Emotional Burdens

The respondents strongly agreed that they experienced stress from rising prices, physical fatigue, difficulty meeting school fees or allowances, struggles with basic needs, and skipped or delayed meals. The highest-rated challenges were stress from prices, physical fatigue, and school-related financial difficulty. These findings show that fuel price increases affected not only the economic condition of drivers but also their physical and emotional well-being. The pressure to pay for fuel, meet boundary obligations, and support household needs created multiple burdens that extended beyond daily transportation operations.

3.4.2 Operational Adjustments and Daily Hardship

The respondents also agreed that they fell behind boundary payments or schedules and stayed longer in one place to reduce unnecessary travel. These responses show that drivers experienced difficulty maintaining normal operating routines during the fuel crisis. This result suggests that rising fuel costs disrupted the usual flow of jeepney operations. Drivers had to manage the need to earn income while also minimizing fuel consumption, creating a difficult balance between mobility, productivity, and cost control.

3.5 Coping Mechanisms of Jeepney Drivers

3.5.1 Financial Sacrifices and Debt Accumulation

The findings revealed that the most common coping mechanisms were prioritizing fuel over utility bills, increasing debt for fuel, and skipping or delaying meals to save money. These were rated as strongly agreed responses among the drivers. These coping mechanisms indicate that drivers responded to rising fuel prices by reallocating limited household resources toward vehicle operation. However, these strategies also show financial distress because drivers sacrificed basic needs and increased debt to continue earning a livelihood.

3.5.2 Fuel-Saving and Work Adjustment Strategies

The respondents also agreed that they stayed longer in one place, drove only during peak hours, cut routes short, sought side hustles, and turned off engines during traffic. These strategies were used to reduce fuel use or supplement income during the crisis. These findings suggest that drivers relied on practical adjustments to control fuel consumption and maintain income. However, the lower ratings for some strategies indicate that not all coping mechanisms were equally feasible or effective for all respondents.

3.6 Government Fuel Subsidy and Perceived Sufficiency

3.6.1 Receipt of Fuel Subsidy

The results showed that 60.0% of the surveyed drivers received a fuel subsidy with a mean value of ₱5,700.00, while 40.0% did not receive assistance. Among those who received the subsidy, nearly half rated it as insufficient, while only one driver rated it as very sufficient. This finding indicates that the government subsidy reached some drivers but did not fully address the financial burden caused by rising fuel costs. The uneven distribution and low sufficiency ratings suggest that the assistance provided was viewed as limited compared with the actual increase in operational expenses.

3.6.2 Adequacy of Government Assistance

The findings showed that even among subsidy recipients, many respondents perceived the amount as inadequate to offset the severe financial pressure brought by the oil crisis. The assistance helped some drivers but was not enough to fully cover the rise in fuel expenses and related operational costs. This result suggests the need for more responsive support mechanisms during periods of fuel instability. A subsidy system that better reflects real-time fuel price increases may provide more meaningful assistance to jeepney drivers facing sudden economic shocks.

4. Conclusion & Recommendations

The situational analysis revealed that the 2026 oil crisis created severe economic and social burdens among jeepney drivers. The sharp increase in fuel prices significantly raised daily operational expenses, reduced drivers' net income, and threatened the sustainability of their livelihood. To cope with these effects, many drivers extended their working hours, accumulated debt, and sacrificed basic needs such as meals, resulting in physical exhaustion, psychological stress, and financial instability among their households. Although the government fuel subsidy program provided some assistance, it remained insufficient due to limited coverage, delays, and distribution inefficiencies.

The study recommends the temporary suspension of fuel excise taxes during periods of extreme fuel price increases to reduce operational costs among jeepney drivers. It also recommends the implementation of a dynamic subsidy system that adjusts according to real-time fuel price fluctuations to ensure that assistance remains responsive to drivers' needs. Furthermore, the Department of Transportation (DOTr) and the Land Transportation Franchising and Regulatory Board (LTFRB) should improve and digitalize subsidy distribution through e-wallets, direct bank transfers, and updated beneficiary registries to make the process faster, safer, and more accessible.

5. Compliance with ethical standards

This study was conducted in accordance with applicable institutional ethical standards. Participation was voluntary, and the jeepney drivers were informed of the purpose of the research before providing their responses. Informed consent was obtained, and all information gathered was treated with confidentiality and anonymity. The researcher ensured that the respondents were not exposed to harm or undue pressure during data collection. The author declares no conflict of interest in the conduct of the study and acknowledges the participation of the jeepney drivers who shared their experiences during the 2026 oil price crisis. The author also assumes full responsibility for the originality, accuracy, and integrity of the work, including compliance with copyright and authorship requirements.

REFERENCES

- Banzon, I. L., Santos, A. R., & De Leon, C. L. (2026). Consumer buying behavior and perceived value of locally produced vegetables in San Antonio, Nueva Ecija. *International Journal of Sustainability and Advanced Integrated Research*, 2(2), 1233–1240. <https://doi.org/10.65339/ijlsair.V2.I2.313>
- Conchas, C. A. J., & Apas, R. D., Jr. (2024). Fuel price increase: Unveiling the torments and agonies of the transportation sector—basis for policy formation. *Journal of Interdisciplinary Perspectives*, 2(8), 217–231. <https://doi.org/10.69569/jip.2024.0240>
- Flores, D. N. (2026, March 11). Tricycle, jeepney drivers to get P5,000 fuel subsidy starting March 17. *Philstar.com*. <https://www.philstar.com/headlines/2026/03/11/2513569/tricycle-jeepney-drivers-get-p5000-fuel-subsidy-starting-march-17>
- Gazi, H. (2023). Oil reserves in the Middle East: A comprehensive analysis. *International Journal of Science and Society*, 5(4), 172–181. <https://doi.org/10.54783/ijssoc.v5i4.774>
- Katzman, K. (2019). *Iran: Internal politics and U.S. policy and options* (CRS Report No. RL32048). Congressional Research Service. <https://crsreports.congress.gov/product/pdf/RL/RL32048>
- Maloney, S. (2019, January 24). *1979: Iran and America*. Brookings Institution. <https://www.brookings.edu/articles/1979-iran-and-america/>
- Mangaluz, J. (2026, March 24). Fuel subsidy rollout begins nationwide: How much are drivers entitled to? *Philstar.com*. <https://www.philstar.com/headlines/2026/03/24/2516495/fuel-subsidy-rollout-begins-nationwide-how-much-are-drivers-entitled-to>
- Ruiz Estrada, M. A., Park, D., Tahir, M., & Khan, A. (2020). Simulations of US-Iran war and its impact on global oil price behavior. *Borsa Istanbul Review*, 20(1), 1–12. <https://doi.org/10.1016/j.bir.2019.11.002>
- Seigle, C. (2026, March 9). *The Iran conflict is sending oil prices soaring—what happens next?* Center for Strategic and International Studies. <https://www.csis.org/analysis/iran-conflict-sending-oil-prices-soaring-what-happens-next>
- United Nations. (2026, March 16). Middle East live 16 March: UN scales up aid as crisis deepens into third week. *UN News*. <https://news.un.org/en/story/2026/03/1167137>
- Villanueva, G., & Esmael, L. K. (2026, March 24). Latest fuel price hikes seen easing. *INQUIRER.net*. <https://newsinfo.inquirer.net/2200065/latest-fuel-price-hikes-seen-easing>
- Wright, R., & Nada, G. (2019). *Iran timeline: Since the 1979 revolution*. United States Institute of Peace. <https://www.usip.org/iran-timeline-1979-revolution>