



REPUBLIKA NG PILIPINAS  
REPUBLIC OF THE PHILIPPINES  
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS  
DEPARTMENT OF EDUCATION, CULTURE AND SPORTS  
DECS Complex, Meralco Avenue  
Pasig City, Philippines



Sama-Sama  
sa DECS

*Tanggapan ng Kalihim*  
*Office of the Secretary*

August 20, 1999

DECS MEMORANDUM  
No. 344, s. 1999

**INFORMATION CAMPAIGN ON THE PROPOSAL TO AMEND  
THE CONSTITUTION**

To: Regional Directors  
Schools Superintendents  
Public and Private Elementary and Secondary School Principals

1. In line with the government's efforts to ensure transparency and democratic discussion on the issue of the proposed Constitutional amendments, the Department of Education, Culture and Sports hereby directs all field officials at the regional and division levels to undertake an information and communication campaign on this issue.
2. The conduct of information and communication campaign will greatly help our constituents particularly the students and teachers to better understand the issues concerning the proposed Constitutional amendments.
3. Enclosed is the primer and briefing materials on Constitutional Correction and Development (CONCORD).
4. Immediate and wide dissemination of this Memorandum to all concerned is desired.

*Andrew Gonzalez*  
ANDREW GONZALEZ, FSC  
Secretary

Incl.: As stated  
Reference: None  
Allotment: 1--(D.O. 50-97)  
To be indicated in the Perpetual Index under the following subjects:

AMENDMENT

CAMPAIGN

CONSTITUTION

## 20 Myths and Facts Surrounding the CONCORD

*Lawmakers, columnists and other critics of the Malacanang-proposed Constitutional Correction and Development (CONCORD) have raised bogus issues in a pathetic bid to befuddle the truth that reforming certain economic provisions of the 1987 Charter is the only way for the Estrada Administration to generate enough jobs and investments as well as improve the delivery and bring down the cost of power, water, transportation, telecommunications and other services.*

### I. On Globalization and Market Liberalization

**Myth I** REMOVING THE "PROTECTIONIST" PROVISIONS OF THE 1987 CONSTITUTION WOULD LEAD TO THE "ALIENIZATION" OR "SELL OUT" OF THE NATIONAL PATRIMONY

**TRUTH** With the end of the Cold War and the rise of the global free economy, the contest for ideological supremacy has given way to a global race for economic survival and ascendancy. The battle lines are no longer drawn between which ideology or political creed is better but between which market or economic system is more competitive.

Protectionism and inward-looking nationalism are anathema to the emerging Borderless World. Global competitiveness under the New Rules of Geopolitics only means that whoever has enough resources to produce better and cheaper goods and services will be ahead in the economic race.

Hence, reforming the Constitution to ease protectionist policies that have stunted local industries and turned off foreign investors is in sync with the new "Economic Nationalism," which means attracting investments that would spell enough jobs and better living standards for all Filipinos.

As pointed out by Senate President Blas Ople, one of the framers of the 1987 Constitution, President Joseph "Erap" Ejercito Estrada has displayed the "greatest moral courage" in acting on his conviction—the need to "change the paradigms of mainstream economic and political thought, which is anchored to economic protectionism as the holy shibboleth of a hundred years".

Ten (10) of the country's biggest and most prominent umbrella groups of business executives have also echoed the President's position on the need for constitutional reforms so government can create more jobs and best prepare Filipinos for the new Globality.

In an August 11 resolution signed at the Manila Polo Club in Makati City, officials of 10 of these Big Business groups said a "reexamination" of the Constitution is needed "in the context of our collective task to strengthen the country's overall readiness in coping with the demands and challenges of the globalization and in sustaining economic recovery, progress and stability of the nation as it marches towards the new millenium.

The signatories include leaders of the Employers Confederation of the Philippines (ECOP), Philippine Chamber of Commerce and Industry (PCCI), Management Association of the Philippines (MAP), Philippine Exporters Confederation (PHILEXPORT), Philippines Inc., Small Enterprises Research and Development Foundation, Federation of Filipino Industries, and Confederation of Garment Exporters of the Philippines.

The manifesto was also signed by leaders of two distinguished groups in the Filipino-Chinese business community – The Chinese Filipino Business Club (CFBC) and the Federation of Filipino-Chinese Chambers of Commerce and Industry Inc. (FFCCCII).

**Myth 2**      **ALLOWING FOREIGNERS TO BUY LAND AND GAIN MAJORITY CONTROL OVER LOCAL INDUSTRIES WILL LEAD TO THE “RECOLONIZATION” OF THE PHILIPPINES**

**TRUTH**      The operative or buzz word nowadays is “downsizing” or rightsizing.” Given the knife-edged economic race, multinational giants are either scaling down operations or folding factories, like IBM, or merging, like Chrysler and Daimler Benz.

The supposed superpowers are just like these business behemoths and have been reforming their bureaucracies to reduce the quantity of red in their operations.

The disturbing wave of racism and xenophobia now sweeping the United States, Western Europe and other economic powerhouses stem from the fact that their natives are angry that shrinking public resources, instead of being spent exclusively on them, have to be shared with immigrants or overstaying aliens.

Hence politicians like Pat Buchanan or European neo-Nazis who mistake human aliens for little green Martians boast ever expanding constituencies. The least that the major powers have in mind is to resort to such cash-draining and politically unpalatable exercises as establishing new colonies.

**Myth 3**      **ECONOMIC RECOVERY CANNOT BUILT ON CHARTER CHANGE**

**TRUTH**      Although our economy is on the rebound, the recovery is fragile and can be sustained and boosted only by making it more investor-friendly through the removal of the “protectionist” provisions of the Constitution. Sharpening the country’s global competitiveness requires massive doses of capital, which we obviously lack.

No matter what pro-market laws Congress could pass, such would be hamstrung by constitutional provisions barring foreigners from owning land, doing business in the public utilities sector, or owning more than 40 percent of the companies in other industries.

As the 10 business groups stressed in their Aug. 11 manifesto supporting the CONCORD, “the next century belongs to the most prepared peoples in terms of skill, productivity, managerial talents and well-functioning markets and institutions of governance.

**Myth 4**      **CHARTER CHANGE IS “BAD ECONOMICS.” CONGRESS CAN HELP STIMULATE GROWTH BY FIRST PASSING LAWS TO IMPROVE INFRASTRUCTURE**

**TRUTH**      Infrastructure buildup does not come cheap. The bottom line is we do not have funds to hire enough teachers and doctors for the barrios or build enough classrooms and barangay health centers, much less cover the archipelago with farm-to-market roads, irrigation and postharvest facilities, telephone systems and the like.

Take the case of the telecommunications sector, which was estimated five years ago to require a whopping \$5 billion to develop at par with those of our neighbors. With foreigners barred from acquiring controlling stakes in public utilities, are there local companies that can cough up P200 billion for such an undertaking?

According to House Majority Leader Manuel Roxas III, Islacom last bagged the government contract to upgrade telecom network in the Visayas, but its German partner, Deutsche Telekom, couldn’t come in because Islacom had failed to raise its supposed equity share.

- Myth 5 AN "OPEN DOOR" POLICY AND UNBRIDLED ECONOMIC LIBERALIZATION ARE "ANTI-POOR AND ANTI-FILIPINO" AND WOULD "DOOM THE MASA TO POVERTY."
- TRUTH On the contrary, the CONCORD is pro-poor, and will allow President Estrada to move his Erap para sa Mahirap vision beyond rhetoric to action.
- Aside from the war on corruption and crime, the two other planks of his 1998 campaign platform were job generation and price stability. The CONCORD means more investments and jobs plus better and cheaper services.
- Thus, this initiative will help him deliver on his campaign promise to attack poverty by creating enough jobs and stabilizing, if not pulling down, prices of commodities and services
- Myth 6 FOREIGN MONEY IS NOT ENTERING THE COUNTRY BECAUSE OF THE LACK OF POLITICAL AND ECONOMIC STABILITY AS WELL AS INTERNATIONAL CONFIDENCE IN THE ESTRADA ADMINISTRATION
- TRUTH This is preposterous because an ever growing number of international institutions have commended President Estrada for his better-than-expected handling of the economy at the height of Asia's two-year financial crisis. In fact they have lauded the Philippines as a model in the region, predicting that it would recover from the crisis way ahead of most of its Asian neighbors.
- Among these institutions are the World Bank, International Monetary Fund, United Nations Development Programme and the World Trade Organization. The local Big Business groups that have similarly commended President Estrada for his peerless brand of public governance include the PCCI, ECOP, PHILEXPORT, FFCCCII and the CFBCI.
- Myth 7 THE ACCELERATED TARIFF LIBERALIZATION UNDER THE COMMON EFFECTIVE PREFERENTIAL TRADE (CEPT) AGREEMENT AMONG ASEAN MEMBER-STATES IS ALREADY BAD; REMOVING THE PROTECTIONIST PROVISIONS OF THE CHARTER WILL ONLY MAKE THE SITUATION WORSE
- TRUTH Free trade is Rule No. 1 of the New Global Order. Even the erstwhile Communist bastions like Russia, Vietnam, Cuba and China now welcome foreign investors with the red carpet. North Korea is the world's last remaining isolationist state.
- When one neither has the clout to change the rules nor the dough to host another competition, the best that the player can do is to master the game. And the key to global competitiveness into the next millenium is to attract more investments and raise enough liquid assets to equip Filipinos with the skills and technology to produce goods and services that are better and cheaper than those produced elsewhere.
- Myth 8 THE PROBLEM DOES NOT LIE IN THE "OBSOLETE" PROVISIONS OF THE CONSTITUTION BUT IN THE "HOLLOWING OUT" OF THE ECONOMY ARISING FROM THE DESETEGRATION OF OUR AGRO-INDUSTRIAL BASE
- TRUTH Far from the hollowing out, the agriculture sector has rebounded this year from negative growth in 1998, thanks to the top priority given by President Estrada to agricultural modernization and food security - by way of the *Agrikulturang MakaMASA* program of the Department of Agriculture (DA).
- According to the DA's Bureau of Agricultural Statistics, the various *Agrikulturang MakaMASA* programs credit support for farmers, irrigation infrastructure buildup, intensive

use of high-yield seeds and fertilizers – have helped push 1999 harvests to a projected 11.76 million metric tons of palay, or a tenth over the average yield of 10.67 million MT during the past five-year period, and 4.64 million MT of corn, which is 2.7 percent higher than the average yield of 4.27 million MT in the 1994-98 period.

This strong performance of the agriculture and fishery sector is expected to power high growth, prompting government projections of a 3.7 percent rise in the Gross National Product (GNP) this year and a higher 5.3 percent to 5.9 percent in the year 2000.

Again, money-lots of it-is needed to shift agricultural modernization into high gear. In 1997, the Congressional Commission on Agricultural Modernization (AGRICOM) said government would need P120 billion to modernize the sector. And because of budgetary constraints, this funding for the Agriculture and Fisheries Modernization Act (AFMA) has to be spent by installment – spread out over seven years.

But with more capital, government can frontload the AGRICOM-endorsed AFMA by raising public spending in irrigation projects, farm-to-market roads and bridges, postharvest and cold storage facilities, rural credit, and research and development (R&D) on high-yield seeds and other ultramodern farm technologies.

**Myth 9**      **COUNTRIES THAT DO NOT ALLOW FOREIGN OWNERSHIP ARE MORE SUCCESSFUL IN ATTRACTING FOREIGN INVESTMENTS – “THERE IS NO CAUSAL RELATIONSHIP BETWEEN THE LAND OWNERSHIP POLICY OF A HOST COUNTRY AND THE RATE OF FOREIGN INVESTMENTS”**

**TRUTH**      This claim does not fly because the Philippines has generated paltry foreign investments compared with those in other Asian economies that allow foreigners to own land or gain controlling stake in local businesses.

Data furnished by Trade Secretary Jose Pardo showed that, in 1996, the Philippines attracted \$1.25 billion direct investments from abroad, as against \$9.44 billion in Singapore, \$6.19 billion in Indonesia, \$4.7 billion in Malaysia and \$2.34 billion in Thailand.

Foreigners are allowed to own land, whether for industrial or agricultural purposes, in Malaysia, so long as such acquisitions have prior approval by its Foreign Investment Committee. In Thailand, foreign-owned companies are allowed to own land if they are engaged in BOI-promoted industries or are locating in government-recognized industrial estates.

## **II      On the Urgency of the CONCORD**

**Myth 10**      **THE CONCORD IS FVR’s CHA-CHA IN DISGUISE. BOTH HAVE THE SAME HIDDEN AGENDA – TO LIFT TERMS LIMITS OF INCUMBENT ELECTIVE OFFICIALS.**

**TRUTH**      This non-issue has been thrown out of the window with the decision of President Estrada to limit the CONCORD to economic reforms.

Under his two-step proposal, the Congress-convening as a Constituent Assembly-would submit amendments for popular approval via a plebiscite that would piggyback on the 2001 elections. Political reforms would have to be taken up by a duly elected Constitutional Convention (Con-Con) in 2004, or after his term.

**Myth 11**      **A CONSTITUENT ASSEMBLY WILL OPEN A PANDORA'S BOX OF AMENDMENTS IT MAY, FOR EXAMPLE, ABOLISH THE SENATE AND ADOPT A UNICAMERAL SYSTEM OR SCRAP THE PRESIDENTIAL SYSTEM IN FAVOR OF PARLIAMENTARY SETUP**

**TRUTH**      Again this issue is dead because the CONCORD is limited to economic reforms. Various safeguards are being drawn up to ensure that lawmakers will tackle economic reforms alone

As proposed by President Estrada and Senate Majority Leader Franklin Drilon, the lawmakers would be made to sign a covenant binding them to discuss only the economic amendments to be endorsed by the Preparatory Commission on Constitutional Reforms (PCCR).

Mr. Estrada has repeatedly vowed in public, moreover, that he himself would campaign against political amendments should lawmakers have the chutzpa to introduce such provisions

Moreover, the PCCR has said in a report that it already reached a consensus to "focus its work on reviewing the economic provisions of the Constitution. This is consistent with the parameters proposed by the President on the substance and process of Constitutional amendments. This consensus was reached during the 7<sup>th</sup> meeting on August 16 of the PCCR, which is chaired by retired Chief Justice Andres Narvasa.

**Myth 12**      **THE CONCORD IS "A DIVERSION THAT THE COUNTRY CAN ILL AFFORD"**

**TRUTH**      It is not a diversion because government cannot keep the economy on the high growth path without correcting provisions in the Constitution that hog-tie investors.

If there is anything diversionary, it is the baseless protest movement that anti-Estrada bashers aim to nourish as part of the malevolent plot to bring government to its knees and scare away the very investors that we hope to attract to the country to stimulate growth and create jobs.

**Myth 13**      **THE CONCORD LACKS POPULAR SUPPORT. SURVEYS BY THE SOCIAL WEATHER STATIONS (SWS) SHOW THAT TWO-THIRDS OF FILIPINOS OPPOSE CHA-CHA**

**TRUTH**      Of course, most Filipinos are against the repugnant Cha-Cha given its black hearted hidden agenda. In fact, President Estrada has been in the forefront of a public information campaign on the urgency of the CONCORD to prove to the people that it is the exact opposite of Cha-Cha.

Once the people know fully well that the CONCORD is pro-poor, pro-jobs, pro-investments and is shorn of any political agenda the President is optimistic that they will accept constitutional (economic) reforms with open arms.

**Myth 14**      **THE CONCORD MAY BE OKAY, BUT NOW IS NOT THE RIGHT TIME**

**TRUTH**      Actually the right time for constitutional reforms was yesterday. Globalization is moving so fast that we need to keep running just to remain in place.

We have to bite the bullet now lest the Philippines lose its comparative edge. The Philippines was the least affected by the Asian crisis, and must draw up an attractive package of incentives for investors at this time when most of our neighbors are still punch drunk and debating over what went wrong with their erstwhile vibrant economies.

Once our neighbors recover their bearings, we will again have difficulty to keep up with-much less outrun-them in the global economic race.

Myth 15 THE 1987 CHARTER IS ONLY 12 YEARS OLD – AND MUCH TOO YOUNG FOR REVISIONS

TRUTH As argued by Raphael Lotilla, a Constitutional Law professor at the University of the Philippines, the 1935 Constitution was amended in 1940, or only after five years.

Besides, even the framers of the 1987 Constitution have virtually acknowledged that amending the Charter after five years was okay.

Remember that they have stated in Art. XVII, Sec. 2 that the 1987 Charter may not be amended “within five years following the ratification of this Constitution and not oftener than once every five years thereafter.” They were saying in effect that it was acceptable to introduce amendments once every five years.

Quoting from the late American President Thomas Jefferson, who had drawn up the US Declaration of Independence, Manuel Lázaro bared in a recent newspaper article that “No society can make a perpetual constitution.”

According to Lázaro, “Every Constitution has a built-in flexibility to adapt to change and correct itself through its amendatory process.” Given the inherent flaws, in substance and style, of the 1987 Constitution, the sovereign people are summoned once more, borrowing Alexander Hamilton’s words, “to alter or abolish the established Constitution that is not conducive to their happiness.”

### III Mode of Constitutional Reforms

Myth 16 THE CONCORD IS OKAY, BUT DOING IT VIA A CON-CON IS BETTER THAN BY CONGRESS CONVENING ITSELF INTO A CONSTITUENT ASSEMBLY

TRUTH On the contrary, a Constituent Assembly is better because it is fast and cost-effective, and it offers better safeguards.

Citing Commission on Elections (COMELEC), Senator Drilon has pointed out that P5 billion to P7 billion is needed to put a Con-Con in business. The CONCORD way is virtually cost-free because the plebiscite to ratify the proposed amendments would be held simultaneously with the 2001 polls.

Professor Lotilla has also noted that a Constituent Assembly is a better guarantee that dark forces can pursue no hidden agenda. It offers, he said a better system of checks and balances.

First, Con-Con, by its very nature, is elected to rewrite the Constitution, hence it cannot be bounded by a covenant to limit amendments to economic reforms.

In contrast, a Constituent Assembly is convened just to introduce amendments, hence the joint resolution creating it can already include the economic provisions that can study and amend.

Second, an amendment can be passed by a Con-Con by a mere simple-majority vote (50 percent plus one vote), while an amendment can be passed – under the 1987 Charter – by a three-fourths vote of the Senate and the house of Representatives voting separately.

This means that it would be far difficult to have an amendment passed by Congress because it will require the votes of at least 18 senators and 160 plus representatives. “Thus, the opposition’s influence over the outcome is magnified in a Constituent Assembly,” Lotilla said.

To guarantee such a check-and-balance system, Drilon has proposed too that the solons include in the joint resolution a provision that each chamber will separately take up and vote on the proposed amendments.

He said in a recent episode of the weekly radio-TV program JEEP ni Erap this proposal (for the Senate and the House to act and vote separately on constitutional amendments) has the support of two members of the 1986 Constitutional Commission (ConCom) that wrote the 1987 Charter constitutional expert Fr. Joaquin Bernas and lawyer Adolf Azcuna who had served as chief presidential legal counsel to former President Corazon Aquino.

Fr. Bernas, in one of his column pieces, later confirmed Drilon's claims. "Constituent power has been given to Congress, and Congress is bicameral. Nothing in the Constitution suggests that Congress becomes unicameral when exercising constituent power," the Jesuit priest said

Myth 17 **AMENDING THE CONSTITUTION VIA THE CONSTITUENT ASSEMBLY "CORRUPTS THE VERY SOUL OF REPRESENTATIVE DEMOCRACY, WHICH PROVIDES THAT THE CONSTITUTION CAN BE AMENDED ONLY BY DULY ELECTED REPRESENTATIVES OF THE PEOPLE"**

TRUTH A fundamental principle of Republicanism is that the Constitution represents the sovereign will of the people.

It is the 1987 Charter itself that states that it can be amended either of three ways: by (1) a duly elected Con-Con, (2) Congress convening itself into a Constituent Assembly, or (3) a new system of People's Initiative and Referendum.

Also the lawmakers were themselves elected by the people, hence they have the popular mandate to improve the Constitution.

Moreover, selective amnesia seems to be at work here. The anti-CONCORD critics feel that a Constituent Assembly violates democracy in its purest form because the members, technically speaking, were not elected to amend the charter. Yet they have apparently forgotten that the members of the 1986 Constitutional Commission that wrote the 1987 Constitution were themselves not elected to office but were merely appointed by then President Aquino.

Myth 18 **WE HAVE NO EXPERIENCE IN THIS CONSTITUENT ASSEMBLY PROCESS**

TRUTH As stated earlier, the 1935 Constitution was amended in 1940 – via the unicameral National Assembly convening itself into a Constituent Assembly.

According to Lotilla, the amendments introduced by the legislature in 1940 came in the form of (1) the shift to a bicameral Congress (the Senate and the House of Representatives), and (2) the change from a single-term, six-year Presidency to a four-term Presidency with reelection for another four-year term.

The Constitution was also amended in 1946 with the adoption of "parity rights," as well as in 1967, although the amendments increasing House membership and authorizing lawmakers to become Con-Con delegates without forfeiting their Congress seats were rejected in a plebiscite.

Myth 19 **THE CONCORD WILL GET IN THE WAY OF THE PRIORITY LEGISLATIVE AGENDA**

TRUTH As proposed by Drilon, Congress can adopt a schedule whereby both chambers will devote morning sessions to constitutional reforms and the afternoon sessions to priority legislative measures.



Malacanang's priority measures will not suffer because Congress can take them up between now and December.

Congress can only convene itself into a Constituent Assembly at the onset of 2000 because the PCCR will be able to submit its proposed amendments only by yearend.

Under Executive Order No. 70 issued last Feb. 19, the President directed the PCCR to finish its job on or before Dec. 31 and to "submit its report and recommendations to the President within 15 working days from 31 December 1999."

Secretary Pardo said the Constituent Assembly plan is ideal because while amending the Charter, Congress would also have to pass complementary economic bills to make the planned open-door policy work.

For example, he said, if the constitutional ban on land ownership is lifted, safeguards have to be passed too, such as those limiting the size or types of land that foreigners can buy. Such safety-net bills have to be passed by Congress because, for one thing, President Estrada wants to exclude agricultural lands from the areas that foreigners can buy.

Myth 20

#### THE PREPARATORY COMMISSION ON CONSTITUTIONAL REFORMS IS PACKED WITH BUSINESS EXECUTIVES.

Only a third of the 15 members so far appointed by President Estrada to the PCCR represent the business sector. The 10 others are either legal eagles, former lawmakers or delegates to the 1971 Con-Con.

Also, it is only proper for President Estrada to appoint business leaders and economic experts to the PCCR because the one and only agenda of the CONCORD is to reform economic provisions that breed protectionism and inward-looking nationalism, which are already archaic given the paradigms of the new Global Economic Order.

Aside from former Chief Justice Narvasa, the PCCR members include PCCI President Alberto Fenix, Jr.; former Prime Minister Cesar Virata, Cayetano Paderanga, former director general of the National Economic and Development Authority (NEDA); Ricardo Romulo, president of the Makati Business Club (MBC); Raul Concepcion, president of the Federation of Philippine Industry; and Bernardo Villegas, a 1986 Con-Com member and president of the University of Asia and the Pacific.

The other PCCR members are former Deputy Speaker Raul Daza; retired Ombudsman Conrado Vasquez, ex-COMELEC Chairman Ramon Felipe; former Rep. Margarito Teves; Froilan Bacungan, former College of Law dean of the University of the Philippines (UP); lawyer Felipe Gozon of the Integrated Bar of the Philippines (IBP), who is also chairman of the GMA-7 Network; and 1971 Con-Con delegates Cicero Calderon and Ceferino Padua.