Philippine Supreme Court issues restraining order on impeachment trial

Joseph Santolan 14 February 2012

Last Friday, the Philippine Supreme Court issued a temporary restraining order against the subpoena of the dollar bank accounts of Chief Justice Renato Corona, who is the subject of an ongoing impeachment trial in the Senate. The order, an assertion of the control of the judiciary over the Senate proceedings, brought into sharper acuity the country's emerging constitutional crisis. The executive quickly intruded into the matter last weekend, instructing the Senate to disregard the Supreme Court's injunction. Rumors of blackmail and bribery and rumblings of coups have dominated the press.

What is essential in the matter is this: President Benigno Aquino, with the full backing of the United States as part of its drive against China in the region, is consolidating power against his political rival, former President Gloria Arroyo, and her allies, including Chief Justice Corona. In this process Aquino has resorted to increasingly antidemocratic tactics, and has done so with the complete support of every section of the Philippine 'left.'

The prosecution of Corona has been an open, fumbling quest for some sort of evidence of wrongdoing on the part of the chief justice. The articles of impeachment were hastily drafted and every aspect of the trial thus far has sought to uncover some evidence of ill-gotten wealth, or an indication that Corona had money that was not detailed on his Statement of Assets, Liabilities and Net Worth (SALN).

The prosecution triumphantly produced bank statements last week indicating that Corona had \$US700,000 in foreign currency accounts—far beyond the resources indicated in his SALN. It is unclear how the copies of Corona's bank statements were obtained or if these supposed statements truly pertain to accounts that Corona owns. The prosecution panel, composed of members of the House of Representatives, lamely responded that they were given the statements by an anonymous 'little lady.'

The Senate issued a subpoena for Corona's official

dollar account records. The president of PSBank, the bank at which the Corona accounts are supposedly located, refused to turn over the documents during testimony before the Senate on Friday, stating that Philippine law provided absolute bank secrecy for foreign currency denominated accounts.

He is correct. Philippine law has two tiers of bank secrecy: one for peso accounts, which allows account information upon the express permission of the holder, or when subpoenaed by an impeachment court; and a second for foreign currency accounts, the secrecy of which is strictly inviolable without the signed consent of the owner.

The law regarding foreign currency accounts is a holdover from the Marcos dictatorship. Marcos aimed to create what he called a 'Swiss-style' bank haven for foreign currency in the Philippines. Marcos and his wife had billions of dollars' worth of experience with bank havens, having hidden stolen assets abroad for years.

PSBank filed an urgent request for a temporary restraining order (TRO) with the Philippine Supreme Court; Corona filed his own TRO requests as well. The court convened while the impeachment trial was ongoing and granted a TRO against the disclosure of Corona's accounts at the request of the bank. The judges said they would respond to Corona's appeal within ten days.

Friday's events made for intense viewing after the weeks of boredom in the trial. The PSBank president stonewalled on the stand, refusing to release the records to increasingly insistent Senators. Various 'left' protesters gathered at the Senate demanding Corona's resignation or conviction; thousands of protesters, affiliated with the reactionary and powerful Philippine religious group Iglesia ni Cristo, gathered in support of Corona at the Supreme Court. The TRO was issued late in the day and Senate adjourned till Monday to hold a caucus on the TRO.

Over the weekend, President Aquino called on Senators to override the Supreme Court ruling, denouncing it for attempting to create a constitutional crisis. Corona gave a speech denouncing Aquino for causing the Philippines to "teeter toward one-man rule." The small minority opposition bloc in the legislature initiated impeachment proceedings against Aquino; this is a symbolic gesture, it will die on the floor of the legislature. The majority in the legislature revived impeachment charges against a second Supreme Court justice, using a long-standing, but dormant case of plagiarism.

Not to be left out of the mix, the Catholic Church, a powerful political force in the Philippines, issued two conflicting statements, one from its bishops calling on the Senate to honor the TRO and one from the Catholic Educators Association demanding that the accounts be disclosed.

The Integrated Bar of the Philippines (IBP) stated that the Supreme Court order is valid. The IBP has been denouncing Aquino and the prosecutors for the conduct of impeachment proceedings being in violation of the separation of powers and an assault on the Supreme Court. The Executive has responded by filing clearly framed-up corruption charges against the head of the Bar, for undocumented allegations of accepting a bribe in 2001.

On Sunday night, Corona's defense hastily called a press conference and claimed to have evidence that Aquino's executive secretary Jojo Ochoa had contacted the Senators and offered each of them P100 million (\$US2.2million) in pork barrel funds in exchange for a vote to override the TRO in session on Monday. When pressed, the defense panel would not reveal its source for the information. But the story is not beyond the bounds of possibility. A number of representatives of the House stated that the Executive had made a similar but smaller offer for the passage of the articles of impeachment, sight unseen, in early December.

In caucus on Monday the Senate agreed by a 13-10 vote to honor the Supreme Court TRO. Aquino, and the various pseudo-left groups allied with him, decried the move.

Bayan, the Maoist Communist Party front organization, stated that it was "disappointed with the Senate" and that Corona was threatening the Senate. The statement issued the night before by Corona was "a declaration of war" against the Senate. Bayan filed a motion before the lower house to condemn PSBank for filing its appeal before the Supreme Court. Akbayan, another pseudo-left organization and an integral part of Aquino's cabinet, issued its political statement on Facebook: "We dare Corona's defense team to walk out of the impeachment trial. We challenge them to make a mockery of the trial proceedings."

Corona's request for a TRO, currently pending before the Senate, is more sweeping than that requested by PSBank. He is asking the Supreme Court to end the entire impeachment proceedings as a violation of his constitutional rights. The prosecution has no evidence, he claims, and is aiming either to break the law by subpoenaing his bank accounts or to force him to disclose the accounts himself, a violation of his right against selfincrimination. When the court rules on his petition, the potential for escalating the crisis is very real.

Aquino's consolidation of power and his assault on the Supreme Court takes place in a specific context. It has been backed from the beginning by Washington, which has, through various delegates visiting the Philippines, issued rather explicit statements of support. The US has supplied funds, technology and information to the Aquino administration for its 'campaign against corruption,' which is the cloak behind which Aquino's power grab seeks legitimacy.

This support is part of the concerted escalation of tensions with China across the region. Former President Arroyo and her allies had begun to re-orient the Philippine economy and politics toward China. Through Aquino's campaign, Washington is undoing this shift and punishing those responsible for it.



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