The history and background of the philippines history essay



Our company is a multinational company and is interested to expand the business in the Philippines. Before even considering expanding the business, the company has to do research on that particular country in order to create a competitive advantage and avoid potential losses and any other consequences. A detailed research was conducted on the political system, legal system, cultural and religious background, and the current economic condition in the Philippines to form a solid and comprehensive comparison with our business' home country, the United States.

The Philippines had a long and arduous history. About 30, 000 years ago, the Negritos were believed to have migrated to the Philippines from Borneo, Sumatra, and Malaya. Certain groups such as the Igorots, a primitive Malayan culture, have apparently survived until today. Arab traders introduced Islam into the southern islands of Philippines during the 14th century. The Spanish began their conquest of the Philippines in 1564 with the arrival of Miguel Lopez de Legaspi. Soon after, the Spanish started to colonize the Philippines and established cities such as Manila. Manila became a booming commercial center in East Asia by the end of the 16th century. The Spanish settled and ruled in the Philippines until the late 1890s. During their rule, the British once invaded the Philippines in the early 1760s.

The Spanish reign ended with the Philippine Revolution in which Filipinos revolted against their Spanish conquerors. The Spanish was also facing conflicts with America in the Spanish-America War in 1898. America tried to gain support from the Filipinos to seize the Philippines from the Spanish. On June 12, 1898, Emilio Aguinaldo declared the independence of Philippines and established the First Philippine Republic after taking control over Luzon https://assignbuster.com/the-history-and-background-of-the-philippines-history-essay/

with the help of the Americans. However, the Americans captured Manila from the Spanish, which ended the alliance between the Filipinos and the Americans. Philippines were transferred from Spain to the United States in the Treaty of Paris (1898). The Americans then conquered the Philippines from 1898 until 1946. The American's conquest ended when Japan occupied the Philippines during World War II.

Subsequently, the Philippines gained independence from the United States and formed the Third Republic of the Philippines in 1946 and Manuel Roxas became the first president of the independent nation. During the rule of President Ferdinand Marcos, he installed martial law in 1972 because of threats from the Communist Party. During the time of martial law in the 1970s, the economy in Philippines prospered and crime rates decreased due to the curfew installed. However, the Marcos administration was filled with corruption. During the subsequent lifting of martial law and presidential elections, the political landscape of the Philippines was greatly unstable, especially with the assassination of the opposition leader Benigno Aquino Jr. An election was held in 1986 that declared Marcos as the winner but People Power Revolution uprising due to the suspicious results lead to the exile of Marcos and the installation of Corazon Aquino as the president of Philippines.

The current president of the Philippines is Benigno Aquino III.

Formal Government Structure

Since the Philippines acknowledged itself as a sovereign state in 1898, the country has had four prime constitutions. The 1899 Constitution established the first republic in Asia, the 1935 Constitution was used as basic law during

the period of self-government while the Philippines was still under U. S. rule and became independent in 1946, the 1973 Constitution, which allowed Ferdinand Marcos to continues to serve as president, and the current government is based on the 1987 Constitution, which largely restored agencies and processes Marcos took apart in his regime. The 1987 Constitution depicts the political system in the Philippines, which is republican and democratic. This is a unitary system with the power residing in the central authority; authorities of lower levels of government are given by the Congress or by executive order. Formal political structure patterns in the Philippines resembles similarly to the United States, the president in charge of executive powers, Congress enacted laws to ensure uniformity of the law to maintain an independent judiciary. (123IndependenceDay. com, 2012)

The Executive Branch

As Chief Executive, the President possesses the power to enforce laws. The president's cabinet currently composed of 23 departments assist the work of the president. (CIA, 2012) Among the more essential division is the Ministry of Foreign Affairs, Ministry of National Defense, Ministry of Finance, the Ministry of the Interior and Local government, Ministry of Justice, Ministry of Trade and Industry. President and Vice President are generated in large elections, the six-year term without reelection possibilities. This signifies that the president and vice president may belong to different political parties. The vice president is to inherit the responsibilities of the president if the president is in the situation of the death, resignation or incapacity. The

controversy of the result in the election of the president and vice president is judged by the Supreme Court decision. (123IndependenceDay. com, 2012)

The Legislative Branch

The Philippine Congress works in a bicameral body where the upper house being the Senate and the lower house being the House of Representatives. (CIA, 2012) The two houses have equal powers, the budget bill must be generated from the lower house, while the ratification of the treaty is solely from the upper house.

Possessing only 24 seats, the Philippine Senate has one of the smallest upper chambers in bicameral legislature countries. Its members are elected from the whole country, on staggered basis for a period of six years, and 12 senators being elected every three years. Senators may serve up to a highest of two terms, which is twelve consecutive years. (CIA, 2012)

The constitution states that the House of Representatives shall not contain more than 250 members, allocated by the area and population, and these party list representatives shall not go beyond 20% of the total number of members. Members are elected to a term of three years and three consecutive terms as a maximum. A speaker chairs the House of Representatives. (Department of State, 2012)

The Senate and House of Representatives organize working committees according to departments or functional benefits. These committees' function is to conduct inquiries with the aid of legislation and summon upon government officers and also the private sector, involving concerned citizens, to emerge before them. Senators and Representatives may file any https://assignbuster.com/the-history-and-background-of-the-philippines-history-essay/

bills for the legislation on almost any topic, but the Senate is habitually anticipated to file bills on national imports while the House of Representatives, conversely, is generally concentrated in the essential concerns.

Congress also works as the sole judge concerning any election competition that applies to its members. In support of the Senate, there is the Senate Electoral Tribunal, which is formed by three justices of the Supreme Court and six senators selected on the basis of proportional representation from parties represented in the Senate; for the House, there is the House Electoral Tribunal, which is formed by three justices of the Supreme Court and six representatives selected on the basis of proportional representation from parties of organizations registered under the party-list system. (123IndependenceDay. com, 2012)

The Judiciary

Judicial power is held completely in the Supreme Court and in the lower courts. Members of the judiciary are selected by the president from a list of nominees given by the Judicial and Bar Council, a constitutional organization consists of representatives from the executive, legislative, and judicial branches of government, the legal profession, and the private sector. Once chosen, judges have secure permanent status and can work until the age of seventy or until they become unsuitable for work. (Department of State, 2012)

Constitutional Commissions

The Constitution also provides for independent constitutional commissions, which are the Civil Service Commission, the Commission on Audit and the Commission on Election. The Civil Service Commission is responsible for the management of the civil service, including all government institutions, including companies possessed or managed by the government. The Commission on Audit takes responsibilities in inspecting, auditing and settles government revenues and expenditure account. The Commission on Election is responsible for managing all legal election, initiative, referendum, or recall. It has authority over contested elections of officials other than members of Congress, the vice president, and the president. These commissions' member are selected by the president and confirmed by the Commission on Appointments of Congress. They have a seven-year term, which is non-renewal. (Department of State, 2012)

Local Governments

(123IndependenceDay. com, 2012)

The lowest political unit in the Philippines is the barangay (village). A council leaded by a punong barangay (chairperson) manages the barangay. A number of barangays forms up a city or municipality. A barangay includes at least two thousand people for municipalities and five thousand for cities. A province includes municipalities and usually is called component cities. Other cities are run independently of the province and have their own charters. There are also sub national governmental units composed of several provinces linked by common characteristics such as ethnicity or language. In all these levels, their communities elect government officers.

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Economy System

As a business looking to invest in a foreign country, we must look at the type of economy system of the host country and the ways we can structure our business model to gain a competitive advantage in that economy. The Philippines has a mixed economy system. A mixed economy system refers to an economic system in which private ownership and free market operations are allowed but the government regulates certain aspects of the economy. As put forth by Tucker (2010) a mixed economy is " an economy system that answers the What, How, and For Whom questions through a mixture of traditional, command and market systems" (Tucker, p. 521, 2010).

The Philippines economy is somewhat similar to the economy in the United States in the sense that it is a mixed economy that is trying to head towards a free market economy system. However, the major difference is that the Philippines is categorized as an emerging economy and a newly industrialized economy whereas the United States is categorized as a developed nation. The World Bank lists the Philippines as a lower middle-income nation (World Bank, 2012). Nevertheless, the Philippines have tremendous potential and can benefit our business if we expand to the country.

The currency that is used in the Philippines is called the Philippine peso (PHP). One US dollar is equivalent to approximately 41 Philippines pesos as at 21 September 2012.

Legal System

The Philippine legal system is predominantly derived from Spanish and American law, and Congress enacts its laws. Its legal system is a combination of continental civil law and the Anglo-American common law system. When the first Philippine constitution was implemented, the Philippines gained autonomous status from the US in 1935. The constitution originates from 1987 until present and is similar to the US constitution. It is not surprising that the Philippines would base much of its laws and court system on the Spanish and American models when the country have been under the colonial rule of Spain and subsequently the United States. Philippines mostly derived from Spanish on The Revised Penal Code (law that defines and punishes crimes). On The other hand, laws affecting commerce (such as negotiable instruments, banks, corporations and securities), are of American origins. In fact, the Philippine Constitution itself is modeled after the US Constitution. The Philippine justice system is consist of the Supreme Court, the Court of Appeals, the regional trial courts, the Court of Tax Appeals and the metropolitan and municipal trial courts. The high level of criminality and disorder can be partly blamed for the country's instability, but these problems occur from the structure of the society in general. The government restored the death penalty in 1993 as an attempt to increase the stability of the society. None of these sentences has been executed although around 40 prisoners have been condemned to death since then.

There are still portions of Philippine law that are endemic to the Philippines, despite the similarities of the Philippine legal system with Spanish and American laws. For instance, the barangay conciliation panels, through which

most controversies involving residents of the same city or municipality must pass through before they are litigated in court are uniquely Filipino. In addition, there is no jury system in the Philippines, unlike in the United States.

Laws enacted by Congress are where Philippine laws primarily come from. Due to this reason the Philippines is considered a civil law jurisdiction, as opposed to a common law jurisdiction, which is primarily based on court decisions developed by judges through the years. However, the modern trend is distorting this distinction because most common law jurisdictions, like the United States, Great Britain and its former colonies are starting to codify their laws, for example, pass as statutes through congressional acts. On the other side, adhering to past decisions and being guided by them in deciding similar cases, even civil law jurisdictions like the Philippines have embraced the common law practice of courts, which is called the doctrine of stare decisis. "Republic Acts" is what it's called, when the laws that passed by the Congress followed by their appropriate number. Throughout the Marcos Administration, laws were called Batas Pambansa, if passed by the Congress, which was then parliamentary in form, and Presidential Decree if passed by Ferdinand E. Marcos. Marcos then exercised contemporaneous legislative powers. In addition, after the late Corazon Aquino came into power and before the 1987 Constitution was adopted, she implemented sole legislative powers under her revolutionary government, and laws passed by her bear the title " Executive Order."

Regulatory agencies and departments of the government under the executive branch also issue rules that have the force of law. Stringently https://assignbuster.com/the-history-and-background-of-the-philippines-history-essay/

speaking, however, these are not laws and are appropriately called because they merely implement laws enacted by Congress. Through delegation of power by Congress is where these agencies or departments derive their authority.

In court decisions, the force and effect of law is in the country's highest court, which is the Supreme Court where decisions were handed down. These are laws in a way that they say what the law is, although not laws in their strict meaning as applied to the Philippines. Decisions handed down by lower courts, however, do not have this effect. Under Article VIII, Section 5(5) of the Constitution, an exceptional feature of Philippine law is the power conferred on the Supreme Court. Under this stipulation, the Supreme Court is granted rule-making power in the protection and enforcement of constitutional rights, court proceedings, practice of law and legal assistance to the underprivileged. This stipulation empowers the Supreme Court to promulgate rules on the enumerated areas that have the force and effect of law.

The Philippines considers the generally accepted principles of international law as part of the law of the land by express provision of Article II, Section 2 of the Philippine Constitution. This is known as the incorporation clause.

According to Isagani Cruz in Philippine Political Law, in case of irreconcilable conflict between Philippine law proper and international law the former prevails.

Other than the national government, the provinces are made up of several cities municipalities and the barangays that can enact regulations applicable

within their respective territorial jurisdictions, subject to certain limitations and provided they do not contravene the Constitution and laws passed by Congress. These regulations are called "ordinances."

Culture

It is hard to explain who the original resident in Philippines is. However, history has said that, due to history of wars, immigration during wars and business trading, most Philippines or Filipinos or Pinoy are actually Malay with a combination of Chinese, American, Spanish and Arabs blood. It is not surprising when sometimes some of Philippines were mistaken as Indonesian or Malaysian because of their looks. The only way to differentiate the Filipino with Indonesian or Malaysian is their languages. Tagalog is the national language in Philippines. Even though it is the national language, only 55% of the people practices Tagalog and the rest uses English or the other languages consisting of both the native language and dialect. There are about 111 of the other languages although only one tenth of them are important or widely used. English is widely used and understood because most of the schools, business and government practice English because most languages in school been taught in English. Since English had make big impact in their language, Filipino use taglish in their daily basis which is the combination of Tagalog and English in one sentence. Not only that, since Filipino has Chinese bloods, the elders of the Filipino-Chinese community speaks mainly in Mandarin, Hokkien or Cantonese (Tourism Promotions Board, 2010).

Though there is no official language in America, majority of the population uses English in the context of American English just as how there is a different form of English in Canada which is termed, Canadian English. Both the American and Canadian English makes up the group of the North American English dialect. In the States, Spanish is the second language that is widely spoken with about 30 million users. This represents twelve percent of the population in America (Kwintessential Ltd, 2012).

In attempt to understand or describe Filipinos, one can look upon their culture as that would reflect the characteristics of Filipinos. As an example, Filipino is known to be very family-oriented and is bonded closely with their family. Part of this devoutness is said to be inherited or passed down from the Spaniards in the 16th century who were expanding Christianity thus introducing Christianity into the Philippines. However, Filipinos also holds strong beliefs in kinship and comradeship which is said to be inherited from their Malay forefathers (Philispage, 1998).

Family Values

Family-oriented is an eminent trait in Filipino. Children were educated to respect the elders and follow what the elders asked them to do and what not to do. It is normal to see children to kiss the foreheads or the elders hands and always use "Opo" or" po" (both means yes) to whatever they say especially when speaking with older people. When children disobey or reply in rude manner they will be considered making the biggest offence. Even adults as well looked up for their parents or the elders in making decision in business to family matters because to them, the elders are the leader and

considered very wise among the rest. Due to the respect and love to the elders, most of Filipinos still live with their parents. To them moving out from their parents' house will cause the relationship to be wrecked. Filipinos enjoyed large families because big families may aid in helping them to gain strength when they are looking for a job. In addition, a big family can also ensure stability as they have larger connections or networks (Pihilispage, 1998).

Americans are well known for their self-determination and their decision mostly decided by themselves. Even when they were babies, parents make own nursery room for the babies which is completely different from Filipinos culture. Filipinos prefer to have the babies close to them and sleep with them (co sleeping). Or sometimes have the baby's crib in the same room. Growing up, American children are trained to be independent in whatever they do, brushing their own teeth, toilet train them at certain age, and eat own breakfast. This actually helped them to be a strong person when they move out from the house when they reach 18. Living with parents after the age of 18 considered embarrassing and it is a sign of failure. (Marian Beane, 2012)

Concept of Hiya (Shame)

Hiya or shame it is a concept that represent Filipinos in whatever they are doing. Showing off is not acceptable because it is totally contradictory from their value of modesty. Hiya is a concept that they must obey or families will get bad reputation because of that. Children were thought to be hiya and in a long run it causes the children not capable to speak up for what they think is correct. Concept of hiya is the reason the families becomes conservative

and refused to talk about anything and that is included sex education.

Teenagers' pregnancy increased due to lack of sex educator even in school.

(Lucy Debenham, 2012)

In 2011, The United Nation Population Fund reported that Philippines rank the highest amongst the major Asean economies with 53 births of every 1, 000 women that are between the age of 15 to 19 (Philippine News Agency 2012).

In contrast, Americans tend to encourage their children to be involved in a lot of interest and that failure is not to be understood in the meaning itself. Instead, failure is viewed as part of the learning process. American students also receive sex education in school. It is also emphasized and instilled in the student that they should express their view if they find a disagreement with a lecture or so, thus, promoting divergence thinking. However, often times, foreign visitors views this as rude (Marianne Beane, 2012).

Business culture

Filipinos are known to hold tightly to pakikisama which implies the act of consideration, to be fair as well as valuing kinship or comradeship. This comradeship is part of personal relations and even extends into business decisions or other important decisions. As comradeship is emphasized, one can go to considerable extent to prove his or her comradeship and to establish a sense of worthiness to be part of the group. Thus, it is not surprising if a company consist of most of the family members. Extending further, the collective bargaining agreement entails that family members would enjoy the benefit of preferential hiring, thus adding an advantage to https://assignbuster.com/the-history-and-background-of-the-philippineshistory-essay/

job seekers. Interpersonal relationships tends to be favoured by Filipinos, thus, it would be an ideal to be introduced by a third party. A vast connection of networks would be an advantage in the future for the business so that one can call upon the assistance of the contacts. In Philippine, a relationship at work with colleague or others is not just a normal relation, of say, a company you represent but, with you yourself. Thus, if a person leaves the company, the replacement would have to build their own interpersonal relationships. Filipinos prefer actual face-to-face meetings compared to other forms that are more impersonal such as the use of telephone faxes or emails. At times, the key decision maker may not be at the meeting and one has to make several visits so that they may meet the decision makers who are at the top of the company. Filipinos also tend to avoid confrontations and for them, it is hard to say " no". In the same sense, their " yes" would probably mean " maybe" or "perhaps". If a person raise their voice or lose their temper, they lose face. For the Filipinos, businesses are done with people rather than the companies. For example, if you change the representative of your company in the middle of closing on to negotiations, you may need to start over though negotiations may be slow. This is because group agreement is a vital part of the lengthy process. For them, decisions made are more based on feelings which overpower facts. Therefore, it is crucial to form and develop a vast network of personal relation in conducting a business (Kwintessential Ltd, 2012).

Foreigners are often impressed by Americans as they are very achievement oriented and also by how hard the Americans work and play. The competitive spirit is often fuel to working harder. Americans are known for their

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competitiveness amongst themselves as well as other people. They would often find delight when they break their own record say, for an athletic performance or any other types of competition. They appear to have a fast-paced life and always on-the-go doing nothing is like wasting time.

Americans handle their differences or conflicts face-to-face without a mediator (Beane, 2012).

Superstitious

Folk beliefs are a form of superstition that plays a part in other's value system as well as their culture. The same would apply to Filipinos who has a number of such beliefs in regards to life, love, family, luck and so forth. The Tagalog term for superstition is pamahiin. For example, they believe that by giving a generous discount to the first customer of a particular day, sales for the day would increase. On the other hand, some cultures disregard such belief as there are no solid ground for superstitions as seen in Western cultures who emphasizes sensory existence. The relevance of considering these folk beliefs instead of an absolute disregard may be beneficial in building the needed interpersonal bond.

Religion

Article II, Section 6 of the Constitution of Philippines 1987 states that: "The separation of Church and State shall be inviolable". Therefore, the state does not interfere with religious practices in the country. Furthermore, the constitution guarantees rights to religious freedom in Article III, Section 5, in which it has stated: "No law shall be made respecting an establishment of religion, or prohibiting the free exercise thereof. The free exercise and

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enjoyment of religious profession and worship, without discrimination or preference, shall forever be allowed. No religious test shall be required for the exercise of civil or political rights". This is similar to the First Amendment of the United States Constitution in the Free Exercise Clause and Establishment Clause whereby a citizen is granted freedom to practice and exercise their religion and the Congress is prohibited from making laws respecting an establishment of religion.

Based on a report by the United States Department of State (2010), the majority of the population of Philippines, consisting of about 93 percent, is Christians. About 80 to 85 percent of the total population of Philippines is Roman Catholics, a denomination of Christians, based on the 2010 statistics (United States Department of State, 2010). Other denominations of Christianity are also practiced in the Philippines. According to the State Department (2010), about 5 percent of the population consists of Christian denomination ranging from Seventh-day Adventists, United Church of Christ, United Methodist, the Episcopal Church in the Philippines and so on. The largest minority religion in the Philippines is Islam, which is made up of around 7 percent of the total population. Muslims mainly live on Mindanao and the surrounding islands.