

Title: Buklod Ng Kawaning EIIB vs. Executive Secretary Ronaldo B. Zamora, et al.

Facts:

The case revolves around Executive Order Nos. 191 and 223, which were respectively issued on January 7, 2000, and March 29, 2000, by President Joseph Estrada. These orders effectively deactivated the Economic Intelligence and Investigation Bureau (EIIB) and separated its personnel from service.

The EIIB was created by Executive Order No. 127 under President Corazon Aquino's administration on June 30, 1987, to handle financial and economic intelligence and investigation. However, on January 7, 2000, President Estrada issued EO 191, deactivating the EIIB, citing redundancy as operations were performed by other agencies.

Subsequently, on March 29, 2000, EO 223 was issued, effectively separating all EIIB personnel from the service.

The petitioners, comprising members and employees represented by Buklod Ng Kawaning EIIB, questioned the validity of these EOs before the Supreme Court, alleging violations of constitutional rights to security of tenure and claiming the moves were made in bad faith.

The case progressed directly to the Supreme Court without passing through lower courts or the completion of administrative proceedings due to the public interest and implications for the civil service involved.

Issues:

- Whether President Estrada has the authority to deactivate the EIIB.
- Whether EO Nos. 191 and 223 violate constitutional guarantees to the right of security of tenure.
- Whether EO Nos. 191 and 223 were issued in bad faith, under the pretext of reorganization.
- Whether EO Nos. 191 and 223 effectively abolished or merely deactivated the EIIB.
- Whether the petitioners' disregard for the hierarchy of courts and the non-exhaustion of administrative remedies is fatal to their case.

Court's Decision:

The Supreme Court denied the petition. The Court ruled that the President has the continuing authority to reorganize the executive department under certain laws, such as Section 77 of R.A. 8745, Section 78 of Republic Act No. 8760, and Section 31, Book III of

Executive Order No. 292 (Administrative Code of 1987). The reorganization by the President was in good faith, designed for economy, to avoid duplicity and to streamline bureaucratic operations.

Reorganization measures like abolishing or deactivating offices due to redundancy or creation of similar agencies are allowed if done in good faith. The establishment of Task Force Aduana in place of EIIB was consistent with this principle.

**Doctrine:**

Reorganization in the executive branch is vested in the President of the Philippines, subject to good faith and the pursuit of greater efficiency and economy within the government. The abolition of an office by the President is not unconstitutional if done within the bounds of the authority and for the reasons as stipulated by law.

**Class Notes:**

- The president's power of control over the executive branch may justify the inactivation of office functions.
- Good faith in reorganization implies pursuit of economy and improved efficiency.
- Reorganization can involve the abolition of offices, the consolidation of functions, or reduction of personnel.
- Security of tenure does not protect positions within offices that are constitutionally abolished or reorganized.
- The principles of the hierarchy of courts and exhaustion of administrative remedies may be set aside in cases of paramount public interest or when the case involves the status of a public office.

**Historical Background:**

The EIIB, established in 1987 by President Corazon Aquino, was aimed at consolidating financial intelligence and investigation efforts within the government, especially targeted against economic crimes. Its deactivation and the subsequent creation of Task Force Aduana under President Estrada were part of a broader governmental effort towards reconfiguration and streamlining of the executive department, with the intention of increasing efficiency and reducing redundancies in the civil service amidst economic challenges. The Supreme Court's decision in this case reaffirms the President's authority to reorganize governmental agencies in good faith to enhance the performance of the executive branch of the government.