

Title:

Corpus vs. Cuaderno: A Case of Professional Jealousy and Libel within the Central Bank of the Philippines

Facts:

R. Marino Corpus, an economist at the Central Bank of the Philippines, was suspended and removed from his position following administrative complaints in 1955 and 1958. The complaints alleged misfeasance and resulted in an investigation led by the Governor of the Central Bank, Miguel Cuaderno, Sr. Following the investigations, Corpus was suspended without pay and later deemed resigned when the Monetary Board, influenced by a report and the Governor's statement of lost confidence, found his continued service would be prejudicial to the Bank's interests. Corpus filed a lawsuit for damages against Cuaderno, claiming his suspension and removal were the results of Cuaderno's malice and false allegations. Cuaderno countered with a libel claim against Corpus, based on defamatory statements published in The Manila Chronicle, which insinuated Cuaderno's previous dismissal for malversation and instigating the administrative charges against Corpus.

Procedural Posture:

The case began in the Court of First Instance of Manila, with Corpus seeking damages and Cuaderno countering for libel. After the trial, the court dismissed Corpus's claims and awarded Cuaderno damages for libel. Corpus appealed directly to the Supreme Court of the Philippines due to the significant amount involved in his claim.

Issues:

1. Whether Cuaderno was liable for damages for illegally causing Corpus's suspension and eventual removal.
2. Whether Corpus committed libel against Cuaderno.

Court's Decision:

1. ****On the Issue of Illegal Suspension and Removal**:**

The Supreme Court found that the suspension and removal of Corpus were not the result of Cuaderno's malicious actions. The procedural steps taken were in accordance with the Bank Charter, and the decisive action belonged to the Monetary Board, not Cuaderno alone. No evidence showed Cuaderno instigated the administrative complaints. The court also referred to another case (G.R. No. L-23721) where it was established that loss of confidence alone was not sufficient for removal, leading to Corpus's ordered reinstatement in that case. However, in the current case, the court concluded Cuaderno's actions didn't stem from

malice but were part of his duty.

2. **On the Issue of Libel**:

The Court affirmed the trial court's finding that Corpus libeled Cuaderno through a newspaper interview. Although Corpus did not name Cuaderno, the description provided and the extraneous circumstances made it apparent to readers that Cuaderno was the subject. This conclusion was supported by witnesses who immediately recognized the allusion to Cuaderno, thus meeting the criteria for libel.

Doctrine:

The Supreme Court reiterates the doctrine that for libel suits, identification of the victim is essential but does not require direct naming if sufficient description and reference to facts and circumstances allow others to recognize the person intended. Also, the decision underscores that action taken by an authoritative board (in this case, the Monetary Board of the Central Bank) cannot be solely attributed to the recommendation or influence of one individual when the board has the ultimate decision-making power.

Class Notes:

- **Libel Identification Requirement**: A victim of libel need not be explicitly named as long as there is sufficient description or reference to facts and circumstances from which readers or third parties can identify the victim.
- **Authority of Recommendation**: In organizational or governmental bodies, the power to decide actions (like suspension or termination) based on a recommendation lies with the board or collective body, not the individual making the recommendation.

Historical Background:

This case took place against the backdrop of post-WWII Philippines, a period of rebuilding and significant political and economic changes. The Central Bank of the Philippines played a crucial role in the country's recovery and stabilization efforts. The case provides insight into the challenges and internal conflicts within influential government institutions during this transformative era.