

ASSOCIATION OF RICE & CORN PRODUCERS OF THE PHILIPPINES, INC., MANUEL GALLEG0, JR., EUFEMIO P. CAPARAS, AND GUALBERTO E. ARQUILLA, PETITIONERS, VS. THE NATIONAL LAND REFORM COUN...

G.R. No. L-29007. April 30, 1982

Ponente: FERNANDO, C.J.

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FERNANDO, C.J.:

The need to pass upon the constitutionality of the Agricultural Land Reform Code[1] in this petition for prohibition was obviated with the issuance of Presidential Decree No. 27,[2] the validity of which was assumed in *De Chavez v. Zobel*[3] and specifically upheld in the later case of *Gonzales v. Estrella*.[4] The petition is brought primarily on behalf of the Association of Rice & Corn Producers of the Philippines, Inc. Rice and corn lands subject to tillage are the very lands involved in Presidential Decree No. 27. At any rate, even without the later Presidential Decree, no infirmity on constitutional grounds imputed to such statute, may be discerned on the face thereof. The inherent weakness of the petition is due to its reliance on the obsolete laissez-faire theory, which even during the period of the American rule in the Philippines never did take root.[5] Under the 1935 Constitution still in force when this legislation was enacted, with its social justice[6] and protection to labor provisions,[7] mention being specifically made of regulating the relation between landowner and tenant, objections of this character certainly cannot justify a finding of unconstitutionality.

The petition must be dismissed.

1. Presidential Decree No. 27, issued on October 21, 1972, a month and nine days prior to the signing of the present Constitution on November 30, 1972 provides for the emancipation of the tenant from the bondage of the soil, transferring to him the ownership of the land tilled. In one of the paragraphs that explains the need for such a decree, there is reference to reformation of society, starting "with the emancipation of the tiller of the soil from his bondage * * * "[8] There was clearly, more than a month in advance a fulfillment of the explicit mandate in the Constitution that the State should "formulate and implement an agrarian reform aimed at emancipating the tenant from the bondage of the soil and achieving the goals [therein] enunciated." [9] The legislation challenged does not even go that far. It is much less comprehensive. If as pointed out in the opening paragraph, the validity of Presidential Decree No. 27 was assumed as early as 1974, on the first anniversary of the present Constitution, in *De Chavez v. Zobel* and specifically upheld in *Gonzales v. Estrella* five years later, there cannot be any justification for holding that it is unconstitutional on its face without any factual foundation.

2. An excerpt from the *De Chavez* opinion is relevant: "On this vital policy question, one of the utmost concern, the need for what for some is a radical solution in its pristine sense, one that goes at the root, was apparent. Presidential Decree No. 27 was thus conceived. It was issued in October of 1972. The very next month, the 1971 Constitutional Convention voiced its overwhelming approval. There is no doubt then, as set forth expressly therein, that the goal is emancipation. What is more, the decree is now part and parcel of the law of the land according to the revised Constitution itself. Ejection, therefore, of petitioners is simply out of

the question. That would be to see at naught an express mandate of the Constitution. Once it has spoken, our duty is clear; obedience is unavoidable. This is so not only because of the cardinal postulate of constitutionalism, the supremacy of the fundamental law. It is also because any other approach would run the risk of setting at naught this basic aspiration to do away with all remnants of a feudalistic order at war with the promise and the hope associated with an open society."^[10] A bold and radical step was thus taken precisely to put an end to the evils of tenancy which had plagued the Philippines even during the Spanish regime. The categorical language of the present Constitution brooks no evasion. It is not for us to turn back the clock. That is beyond the power of this Tribunal, even if minded to do so, which it definitely is not. If this petition for prohibition was not decided earlier, it is understandable why. There was no pressing need with the issuance of Presidential Decree No. 27 and the explicit provision of the present Constitution.

3. Nor would the objections vigorously pressed by counsel in this proceeding that the laissez-faire concept which in effect would hold sacrosanct the right of property suffices to nullify on its face the Land Reform Code. To repeat, it never did take root. The framers of the 1935 Constitution saw to that. Instead, they provided for a government sensitive to the needs of the underprivileged and resolved to satisfy them. In the language of *Edu v. Ericta*:^[11] "It entrusted to our government the responsibility of coping with social and economic problems with the commensurate power of control over economic affairs. Thereby it could live up to its commitment to promote the general welfare through state action. No constitutional objection to regulatory measures adversely affecting property rights, especially so when public safety is the aim, is likely to be heeded, unless of course on the clearest and most satisfactory proof of invasion of rights guaranteed by the Constitution. On such a showing, there may be a declaration of nullity, but not because, the laissez-faire principle was disregarded but because the due process, equal protection, or non-impairment guarantees would call for vindication. To repeat, our Constitution which took effect in 1935 erased whatever doubts there might be on that score. Its philosophy is a repudiation of laissez-faire. One of the leading members of the Constitutional Convention, Manuel A. Roxas, later the first President of the Republic, made it clear when he disposed of the objection of Delegate Jose Reyes of Sorsogon, who noted the 'vast extensions in the sphere of governmental functions' and the 'almost unlimited power to interfere in the affairs of industry and agriculture as well as to compete with existing business' as 'reflections of the fascination exerted by [the then] current tendencies' in other jurisdictions. He spoke thus: 'My answer is that this constitution has a definite and well defined philosophy, not only political but social and economic. * * * If in this Constitution the gentleman will find declarations of economic policy they are there because they are necessary to safeguard the interests and welfare of the Filipino people because we believe that the days have come when in self-defense, a nation may provide in its constitution those safeguards, the patrimony, the freedom to grow, the freedom to develop national aspirations and national interests, not to be hampered by the artificial boundaries which a constitutional provision automatically imposes.' It was not unexpected then when in a concurring opinion, Justice Laurel, who likewise sat in the Constitutional Convention and was one of its leading lights, explicitly affirmed in a concurring opinion, later quoted with approval in the leading case of *Antamok Goldfields Mining Co. v. Court of Industrial Relations*, that the Constitution did away with the laissez-faire doctrine. In the course of such concurring opinion and after noting the changes that have taken place calling for a more affirmative role by the government and its undeniable power to curtail property rights, he categorically declared the doctrine in *People v. Pomar* no longer retains 'its virtuality as a living principle.' "^[12] In *Alalayan v. National Power Corporation*,^[13] decided earlier than *Edu*, the Court went as far as to hold: "The welfare state concept is not alien to the philosophy of our Constitution."^[14] That was decided likewise under the 1935 Constitution.

4. The provision on the compensation of the landholder affected by the operation of the Land Reform Code was likewise raised by petitioners. It is a judicial question, the Constitution providing for just compensation for property taken.^[15] Such an issue need not detain us now. In the event of any exercise of the power, then the party adversely affected may claim the constitutional protection to just compensation. The statute is being attacked as unconstitutional on its face. There is no specific claim that the property owner would be deprived of such constitutional guarantee. It is worth recalling that as far back as 1919 in *Visayan Refining Co. v. Camus and Paredes*,^[16] this Court held: "Nevertheless it should be noted that the whole problem of

expropriation is resolvable in its ultimate analysis into a constitutional question of due process of law. The specific provisions that just compensation shall be made is merely in the nature of a superadded requirement to be taken into account by the Legislature in prescribing the method of expropriation." [17]

WHEREFORE, the petition is dismissed for lack of merit. No costs.

Teehankee, Aquino, Fernandez, Guerrero, De Castro, Melencio-Herrera, Erieta, Plana, and Escolin, JJ., concur.
Barredo and Makasiar, JJ., no part. Concepcion, Jr., J., on leave.
Abad Santos, J., on official leave.

[1] Act No. 3844 (1963). After the filing of this petition the Code was amended by Act No. 6389 (1971).

[2] It is entitled "Decreeing the Emancipation of Tenants From the Bondage of the Soil Transferring to Them the Ownership of the Land They Till and Providing the Instruments and Mechanism Therefor." (October 21, 1972)

[3] L-28609, January 17, 1974, 55 SCRA 26.

[4] L-35739, July 2, 1979, 91 SCRA 294. It may be mentioned that counsel in that case is the same Attorney Ramon A. Gonzales who is also one of the counsel in the present petition.

[5] This is what Justice Malcolm had to say in a 1919 decision, *Rubi v. Provincial Board*, 39 Phil. 660, 717-718: "The doctrines of laissez-faire and of unrestricted freedom of the individual, as axioms of economic and political theory, are of the past. The modern period has shown a widespread belief in the amplest possible demonstration of governmental activity."

[6] According to Article II, Section 5 of the 1935 Constitution: "The promotion of social justice to insure the well-being and economic security of all the people should be the concern of the State."

[7] According to Article XIV, Section 6 of the 1935 Constitution: "The State shall afford protection to labor, especially to working women and minors, and shall regulate the relations between landowner and tenant, and between labor and capital in industry and in agriculture. The State may provide for compulsory arbitration."

[8] Presidential Decree No. 27, par. (3).

[9] Article XIV, Section 12 of the present Constitution.

[10] 55 SCRA 26, 31.

[11] L-32096, October 24, 1970, 35 SCRA 481.

[12] *Ibid*, 491-492. *People v. Pomar*, 46 Phil. 440, a 1924 decision declared the then Maternity Law with Pay, Act No. 3071 (1923) unconstitutional. The Philippines then under United States sovereignty had to yield to the leading case of the American Supreme Court in *Adkins v. Children's Hospital*, 261 US 525. It outlawed a federal statute setting up a board to determine minimum wages for women. It was not until 1937 that *Adkins* was expressly overruled in *West Coast Hotel v. Parrish*, 300 US 379.

[13] L-24396, July 29, 1968, 24 SCRA 172.

[14] *Ibid*, 182.

[15] Article IV, Section 2 of the Constitution reads as follows: "Private property shall not be taken for public use without just compensation."

[16] 40 Phil. 550.

[17] Ibid, 560-561.

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