Title: Eslao v. Court of Appeals and Ouye (334 Phil. 286)

Facts:

1. **Marriage and Early Life**: On June 22, 1984, Maria Paz Cordero-Ouye married Reynaldo Eslao, and they lived with Reynaldo's mother, Teresita Sagala-Eslao, in Paco, Manila. They had two children: Leslie and Angelica.

2. **Arrangement for Children**: Leslie initially lived with Maria's mother in Sta. Ana, Pampanga, while Angelica stayed with her parents in Manila. This continued until Reynaldo's death on August 6, 1990. Thereafter, Maria intended to take Angelica to Pampanga, but was persuaded by Teresita to let Angelica stay, citing grief over her son's death.

3. **Maria's Remarriage and Life Changes**: Maria met Dr. James Manabu-Ouye, married him on March 18, 1992, and subsequently relocated to San Francisco, California, in January 1993. Her new husband, a dentist, had good financial standing and wanted to adopt Maria's children.

4. **Custody Dispute**: In June 1993, Maria returned to the Philippines intending to bring her children to the U.S. Teresita opposed Maria's decision, claiming abandonment of Angelica by Maria. Maria sought legal assistance, with her lawyer demanding Angelica's custody.

5. **Trial Court Ruling**: The trial court granted custody of Angelica to Maria, recognizing her as the natural mother. Teresita appealed the decision.

6. **Court of Appeals**: The appellate court affirmed the trial court's decision, leading Teresita to file a petition for review with the Supreme Court.

Issues:

I. Whether Maria Paz Cordero-Ouye abandoned Angelica by entrusting her to Teresita Sagala-Eslao.

II. Whether compelling reasons exist to separate Angelica from her mother Maria Paz Cordero-Ouye in favor of her grandmother Teresita Sagala-Eslao.

III. Whether Teresita Sagala-Eslao is fit to be granted custody of Angelica.

Court's Decision:

1. **On Abandonment**: The Supreme Court held that entrusting the child to Teresita did not constitute abandonment because parental authority and responsibility are inalienable and personal. Therefore, when Maria entrusted Angelica to Teresita, it was seen as temporary rather than a permanent relinquishment.

2. **Compelling Reasons**: The Court did not find sufficient grounds to separate Angelica from her mother, especially considering Maria's stable financial situation and desire to reunite with her children in the United States. The best interest of the child remained paramount, which included the better living conditions available with Maria in the U.S.

3. **Parental Fitness**: The Court found Teresita to be a fit individual with the necessary financial means; however, Angelica's best interest, both practically and legally, was prioritized. The ultimate decision focused on the natural rights and obligations derived from the parental relationship.

Doctrine:

- Parental authority and responsibility are inherent rights derived from the nature of the parental relationship. These rights are not subject to permanent relinquishment except in specific legal instances such as adoption. The welfare of the child remains the primary consideration in custody disputes.

Class Notes:

1. **Parental Authority**: Defined in the Family Code (Arts. 209-211), emphasizing the responsibilities and duties of parenting rather than just rights.

2. **Temporary Custody**: Entrusting a child to another does not equate to renouncing parental authority unless done through specified legal proceedings such as adoption or guardianship.

3. **Best Interests of the Child**: Underpinning principle in custodial cases, referring to considering the child's physical, emotional, and moral well-being.

4. **Abandonment of Child**: Judicial declaration typically needed to establish that a parent has abandoned their child under the Family Code, Art. 229.

5. **Custody in Remarriage**: Custody can be revisited upon a parent's remarriage if it implies improved well-being and a more stable environment for the child.

Historical Background:

The case reflects the evolving concept of family law in the Philippines, focusing on the best interests of the child standard. The case arose at a time when the legal system sought to balance traditional family structures with modern concepts of divorce, remarriage, and transnational family dynamics. This marked a shift towards protecting child welfare above other familial ties, consistent with global legal trends at the time.