

The Evolution of the Philippine Commercial System

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The Article proceeds from a previous *Ateneo Law Journal* entitled *Revisiting the Philosophical Underpinnings of Philippine Commercial Laws*. This Article covers on a micro-level, the nature and essence of the components of Philippine Commercial Laws that make it an important legal discipline and an ordered operating system in the Philippine hybrid legal system.

The Article discusses the unifying characteristics of commercial laws as the basis for development of the system by examining the equitable nature of commercial law and the universal and progressive nature of commercial laws. The equitable nature of commercial law is clearly discussed by analyzing the differences in philosophical approaches between the Civil Code and the Code of Commerce and the public interest characterization involved in commercial law areas. The Author also discussed the role of the judiciary and the primacy of jurisprudence in the development and evolution of the governing system as well as the likely effects of the “civil-coding” of important aspects of commercial law.

In the examination of the universal and progressive nature of commercial laws, the Author discusses the development of Commercial law from globular code to the scheduler model. Furthermore, there is a discussion regarding the administrative agencies and special commercial courts as seen in the illustrative relationship between the Securities and Exchange Commission (SEC) and Philippine Corporate Law. There is also an analysis of the commercial law jurisdiction and the conflicts that arise from it.

First, causes of action are split in commercial cases as seen in jurisprudence such as *Traders Royal Bank v. Court of Appeals* and *Modern Paper Products, Inc. v. Court of Appeals*. Second is the application of interim rules of procedure in these conflicts.

The Article also discusses the application of the doctrine of primary jurisdiction or the doctrine of prior resort over cases involving commercial laws. The Author concludes that there is a necessity to identify the framework by which to allow the Bench, the Bar, and the business community to be guided by a set of principles and policies by which to

relate to the underlying philosophical underpinning of our commercial law system.