

[ADRN Issue Briefing]

## Philippine Government Moves to Shut Down Biggest Television Network in the Country

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On February 10, 2020, the government of President Rodrigo Duterte filed a complaint before the Supreme Court to shut down the biggest broadcaster in the Philippines, ABS-CBN Corp, and its subsidiary ABS-CBN Convergence. The legal petition which was filed by the Office of the Solicitor General argued that the broadcasting network violated its operating franchise agreement by committing illegal practices and allowing foreign entities to control the network.<sup>1</sup>

The legal move of the Duterte administration comes at the heels of the President's continued public threats to revoke the operating franchise of ABS-CBN. In separate events, Mr. Duterte repeated his rants against the broadcasting organization as part of his larger populist diatribe against "oligarchs" and "powerful private corporations."<sup>2</sup> The President also complained that the network did not run his political advertisements during the 2016 elections.<sup>3</sup> ABS-CBN has reported critical and unsavory stories about controversial issues about the Duterte presidency including the extra-judicial killings following the war on drugs, Philippine's foreign policy pivot to China, and domestic corruption.<sup>45</sup>

The franchise of ABS-CBN is set to expire on March 30, 2020. Under the Philippine law, broadcasters are required to secure congressional franchise through national legislation. Renewal of franchise would enable the network to operate in the next 25 years.<sup>6</sup> Non-renewal of the franchise would mean closing down of television and radio operations that could result in the unemployment of over 11,000 workers.<sup>7</sup>

At the present, the Philippine lower house or the House of Representatives (HoR), which is largely controlled by a "super majority" of Duterte allies, is tasked with an initial hearing of petitions on the renewal case of ABS-CBN's franchise. While there are several petitions to initiate discussions on the franchise renewal, the leadership of the HoR has emphasized that it is not in their immediate legislative agenda.<sup>8</sup>

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<sup>1</sup> <https://www.cnnphilippines.com/news/2020/2/13/ABS-CBN-franchise-timeline.html>

<sup>2</sup> <https://www.rappler.com/nation/246358-duterte-tells-abs-cbn-sorry-do-not-expect-franchise-renewal>

<sup>3</sup> <https://www.rappler.com/nation/168137-duterte-block-abs-cbn-franchise-renewal>

<sup>4</sup> <https://news.abs-cbn.com/specials/healing-drug-war>

<sup>5</sup> <https://news.abs-cbn.com/specials/dispatches-from-marawi>

<sup>6</sup> <https://www.chanrobles.com/republicacts/republicactno7966.html#.Xlzk7agzZPa>

<sup>7</sup> <https://www.interakasyon.com/politics-issues/2019/12/09/158655/abs-cbn-franchise-jobs-renewal-duterte/>

<sup>8</sup> <https://news.abs-cbn.com/video/news/02/28/20/cayetano-abs-cbn-franchise-renewal-not-in-house-priority-agenda>

On February 24, 2020, the Committee on Public Services of the Philippine Senate held a separate hearing on the impending expiration of the ABS-CBN franchise. The hearing was attended by officials of government agencies from the Security and Exchange Commission (SEC), the Bureau of Internal Revenue (BIR), and the National Telecommunications Commission (NTC), who testified about how the network has legally abided by the rules of its franchise.<sup>9</sup> What stood out during the hearing was how Mr. Duterte had been vindictive about the network's decision not to run his paid political advertisements in 2016 and had instead aired negative campaigns by his political opponents. In the same hearing, the President of ABS-CBN expressed his apologies but also explained why the Duterte campaign's ads were not run. He also explained that while the network had attempted to return the money that the Duterte campaign had paid for the ads, it was unaccepted by the campaign.<sup>10</sup>

Civil society organizations have criticized the action of the Duterte government and have deemed its actions towards the network as a suppression of press freedom, which is a protected political right under the Philippine Constitution. The Freedom for Media, Freedom for All (FMFA), a national coalition of media-oriented organizations, stated that “the attempt to close down ABS-CBN is a direct attack against the shared freedom of all citizens” which was observed during the time of Martial Law of the Marcos dictatorship.<sup>11</sup> The National Union of Journalists in the Philippines (NUJP) described the “vindictiveness” of Mr. Duterte in ‘weaponizing the law’ to quell his critics. Human Rights Watch (HRW) highlighted that the Mr. Duterte’s “actions are part of a broader crackdown on media outlets and civil society groups that dare criticize him” and his policies.<sup>12</sup> The biggest business groups in the country, the Makati Business Club (MBC), Institute of Corporate Directors (ICD), Institute for Solidarity in Asia (ISA), Management Association of the Philippines (MAP), Financial Executives Institute of the Philippines (FEIP), and Shareholders' Association of the Philippines (SAP) have called on Congress to immediately address the issue on ABS-CBN as prolonging the issue may have consequences on the freedom of enterprise, investor confidence, and economic development.<sup>13</sup>

With regard to public opinion, nightly rallies have been organized by media rights activists, ABS-CBN employees, talents, executives, and personnel to show support for the network. In addition, disinformation and propaganda on social media have been spread to influence views about the ABS-CBN franchise renewal issue. Fake survey results have been disseminated online about how Filipinos support the closure of the media organization. Fake news has also been proliferated about people being paid to participate in rallies against the government.<sup>14,15</sup>

This is not the first time that the Duterte presidency has used regulatory powers against media organizations. In 2018, the SEC revoked Rappler's certificate of incorporation due to alleged violations against rules on foreign control and ownership. It resulted in the arrest and temporary detention of Rappler CEO, Maria

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<sup>9</sup> <https://www.rappler.com/nation/252601-senate-hearing-abs-cbn-no-breach-of-laws-franchise-terms>

<sup>10</sup> <https://www.philstar.com/headlines/2020/02/25/1995847/abs-cbn-president-apologizes-duterte>

<sup>11</sup> <https://cmfr-phil.org/statements/fmfas-statement-on-the-office-of-the-solicitor-generals-quo-warranto-complaint-against-abs-cbn/>

<sup>12</sup> <https://www.hrw.org/news/2019/12/04/duterte-threatens-shut-down-tv-network>

<sup>13</sup> <https://www.rappler.com/business/252102-groups-call-for-abs-cbn-franchise-renewal>

<sup>14</sup> <https://www.rappler.com/newsbreak/fact-check/252173-duterte-trust-rating-following-abs-cbn-shutdown>

<sup>15</sup> <https://www.rappler.com/newsbreak/fact-check/252649-protesters-against-abs-cbn-shutdown-were-paid>

Ressa.<sup>16</sup> In 2017, the country's leading newspaper, the *Philippine Daily Inquirer (PDI)*, was sold to an ally of the President after Mr. Duterte threatened its owners with legal actions.<sup>17</sup> Before the buyout, PDI had been known for covering stories against the war on drugs.<sup>18</sup> The newspaper was also one of the first media organizations to report on Mr. Duterte's alleged hidden wealth and corruption during the 2016 campaign.<sup>19</sup>

ABS-CBN has been known as a popular cultural icon in the Philippines and has served as home to the biggest names and celebrities in the media-news and entertainment industry. The juxtaposition of mass popularity of ABS-CBN with the populist rhetoric and actions of Mr. Duterte against mainstream media and “oligarchs” begs the question about the prospects of civil liberties in the country: Would the resolution of this debacle signal a tipping point or a point of no return?

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<sup>16</sup> <https://time.com/5561018/philippines-maria-ressa-arrested-fraud/>

<sup>17</sup> <https://asia.nikkei.com/Business/Blasted-by-Duterte-Philippine-Daily-Inquirer-owners-opt-to-sell>

<sup>18</sup> <https://globalnation.inquirer.net/142353/pieta-like-photo-ph-drug-war-story-new-york-times-front-page>

<sup>19</sup> <https://newsinfo.inquirer.net/783522/timeline-probe-on-dutertes-alleged-hidden-wealth>

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