

MNI POLITICAL RISK ANALYSIS-Philippines

Election Preview

by Tom Lake

The Philippines holds its general election on Monday 9 May to decide on the identity of country's next president, vice-president, and the make-up of its Congress. The election of incumbent populist President Rodrigo Duterte's successor will have important ramifications for the Philippine political and economic landscape, as well as an impact on the increasingly tense geopolitical situation in the Indo-Pacific region. In this preview we provide a succinct briefing of how the election works and who the main candidates and parties are, charts and comment on the latest opinion polling going into the election, and scenario analysis assigning probabilities to the most likely potential outcomes of the vote and examining the potential impact of different presidencies.

Executive Summary

- Ferdinand 'Bongbong' Marcos Jr. is the clear favourite to win the presidency, with his running mate – incumbent President Rodrigo Duterte's daughter – Sara Duterte likely to win the vice-presidency.
- A Marcos win would likely see the somewhat frosty relations between Manila and Washington, D.C., remain in place, with Marcos viewed as the more 'pro-China' of the main candidates.
- A shock win for liberal candidate and current VP, Leni Robredo, would likely see a notable shift in government policy, with criticism of Beijing ratcheted up and closer links with the US and ASEAN neighbours sought.

How Does the Philippine Election Work?

Presidential elections in the Philippines take place once every six years on the second Monday of May. Unlike most other nations that have a president and vice president, in the Philippines they are elected as separate office holders rather than as a joint ticket. While presidential candidates often have a vice-presidential running mate, voters can 'split their ticket' and vote for a presidential and vice-presidential candidate from different parties.

This can lead to the scenario in which a president and vice-president are political opponents rather than partners. In the most recent election in 2016, the running mate of victorious presidential candidate Rodrigo Duterte came a distant third in the ballot, with centrist Liberal Party candidate Leni Robredo narrowly defeating another Duterte ally, Senator Ferdinand 'Bongbong' Marcos Jr. Over the course of Duterte's presidency the two have often clashed due to their staunch policy differences. Presidents are limited to a single six-year term in office, while vice-presidents can serve for two consecutive terms.

At the same time as the presidential election, voters will elect all 316 members of the House of Representatives and half of the 24-member Senate. Both the presidential and vice-presidential contests operate on a simple first-past-the-post system, with the candidate winning the highest number of votes nationally (whether a majority of voters or not) is declared the winner.

The election for the House of Representatives runs on a parallel vote, with 253 representatives elected via first-past-the-post in single-member districts and 63 via nationwide party lists via proportional representation. Parties running candidates in single-member districts cannot run candidates on the nationwide party list, and vice versa. Parties running in the party list election can win up to three of the 63 seats. The party winning most votes nationwide wins three seats, others winning more than 2% of the nationwide vote will take two seats each. If there are still party list seats left over after this, the largest parties receiving less than 2% of the vote will each win one seat a piece until all seats are filled. The intense local nature of Philippine congressional elections means vast and disparate election slates are formed with candidates from various parties

Elections take place every three years for half of the 24-member senate, with 12 seats up for election at each vote. Senators represent nationwide at-large districts, with each member of the electorate having 12 votes to distribute among the candidates (not all votes have to be distributed). Senators can serve up to two consecutive terms and can run for a third non-consecutive term.

Polling stations open at 0600 local time (1800ET, 2300BST, 0000CET, 0700JST), and will stay open to at least 1900 local time (0700ET, 1200BST, 1300CET, 2000JST), although any voters still outside the polling stations within 30 meters waiting to cast their ballots will be accommodated due to the long lines expected as a result of social distancing.

Main Presidential Candidates

Ferdinand ‘Bongbong’ Marcos Jr. – Federal Party of the Philippines (*Partido Federal ng Pilipinas*) – PFP – Experience: Senator (2010-16), Member of House of Representatives (1992-95, 2007-10), Governor of Ilocos Norte (1983-86, 1998-2007) – Running Mate: Sara Duterte (Lakas-Christian Muslim Democrats)

- Son of autocratic former Philippine president Ferdinand Marcos (1965-86). Despite the anti-democratic nature of Marcos Snr’s rule, Marcos Jr. is utilising some of the nascent nostalgia for the Marcos days that some view as a more stable and prosperous time.
- Running under the banner of the PFP – founded in 2018 by supporters of Rodrigo Duterte – Marcos is seen as the preferred candidate of the outgoing president.
- Seen as more likely to pursue closer relations with China than Duterte, who initially sought closer relations with China early in his term before pivoting back to the US. For Marcos this could prove a tough line to tread in a country where anti-Beijing sentiment runs strong.
- Has President Duterte’s daughter, Sara, as a running mate. Choice is seen as emblematic of Marcos’ efforts to highlight continuity of policy between the outgoing president and his administration should he come to power. Sara has served as Mayor of Davao City (a post previously held by her father) since 2016.

Leni Robredo – Independent – Experience: Vice-President (2016-), Member of the House of Representatives (2013-16), Human rights lawyer – Running Mate: Francis Pangilinan (Liberal Party)

- Running as an independent but successfully ran for the vice-presidency in 2016 as a member of the centrist Liberal Party. Has Liberal Senator Francis Pangilinan as her running mate.
- Has sought to position herself as the 'defender of democracy' in the campaign against the more populist Marcos, who has backed Duterte's controversial policies around combatting the drugs trade.
- Robredo has promised a tough line on China and a continuation of close relations with the United States. She has stated that there will be no discussions of demarcation of the South China Sea with Beijing until a 2016 Hague tribunal ruling in favour of the Philippines is recognised by the Chinese government.

Francisco 'Isko Moreno' Domagoso – Democratic Action (*Aksyon Demokratiko*) – Aksyon – Experience: Mayor of Manila (2019-), Vice-Mayor of Manila (2007-16), Member of Manila City Council (1998-2007) – Running Mate: Willie Ong (Aksyon)

- Alongside his political career, Moreno is best known in the Philippines as an actor.
- Hailing from Manila's poor Tondo neighbourhood, Moreno has sought to put basic issues such as public hygiene and housing at the centre of his campaign.
- Running under the banner of the centre-left progressive Aksyon party, founded by perennial presidential candidate, the late Paul Roco in 1997.
- Moreno's support for more public housing has seen him come out in support of Duterte's 'Build! Build! Build!' program of encouraging infrastructure development, especially around the capital.

Emmanuel 'Manny' Pacquiao – Progressive Movement for the Devolution of Initiatives (*Probinsya Muna Development Initiative*) – PROMDI – Experience: Senator (2016-), Member of House of Representatives (2010-16) – Running Mate: Lito Atienza (PROMDI)

- Best known as one of the greats of the sport of boxing, Manny Pacquiao has previously served as senator and member of the House of Representatives as a member of Duterte's PDP-Laban party. However, split within the party led to Pacquiao running under Cebu Province-based PROMDI.
- Pacquiao running on a hard-line social conservative platform, with support for the death penalty and strongly opposing gay marriage. On economic issues Pacquiao's campaign takes a more leftist view, supporting wage increases for workers and mass housebuilding projects.

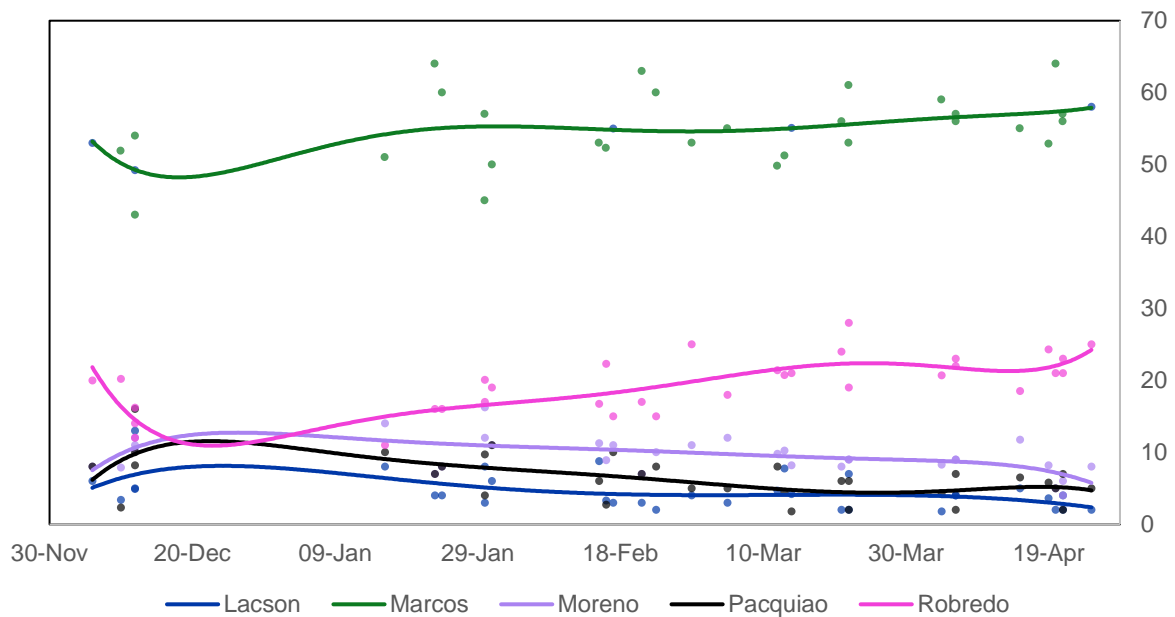
Panfilo Lacson – Independent – Experience: Senator (2001-13, 2016-), Chair of Senate National Defense and Security, Accounts Committees (2019-), Chief of Philippine National Police (1999-2001) – Running Mate: Tito Sotto (Nationalist People's Coalition)

- Lacson is running on an anti-corruption ticket having served for a short period as chief of national police. He has promised to remove graft from the Philippine bureaucracy, as well as pursue a 'Filipino First' policy in relation to the protection of local production and labour.
- Was due to run as the candidate of the centre-right liberal Partido para sa Demokratikong Reporma (Party for Democratic Reform, PDR), but left to run as an independent in late-March when the party endorsed Leni Robredo for the presidency.

- Is in favour of the death penalty and is seeking to reform the national budget to end 'pork-barrel' politics, where representatives insert large, often unaffordable, spending items in their constituencies into budgets in order to gain local support.

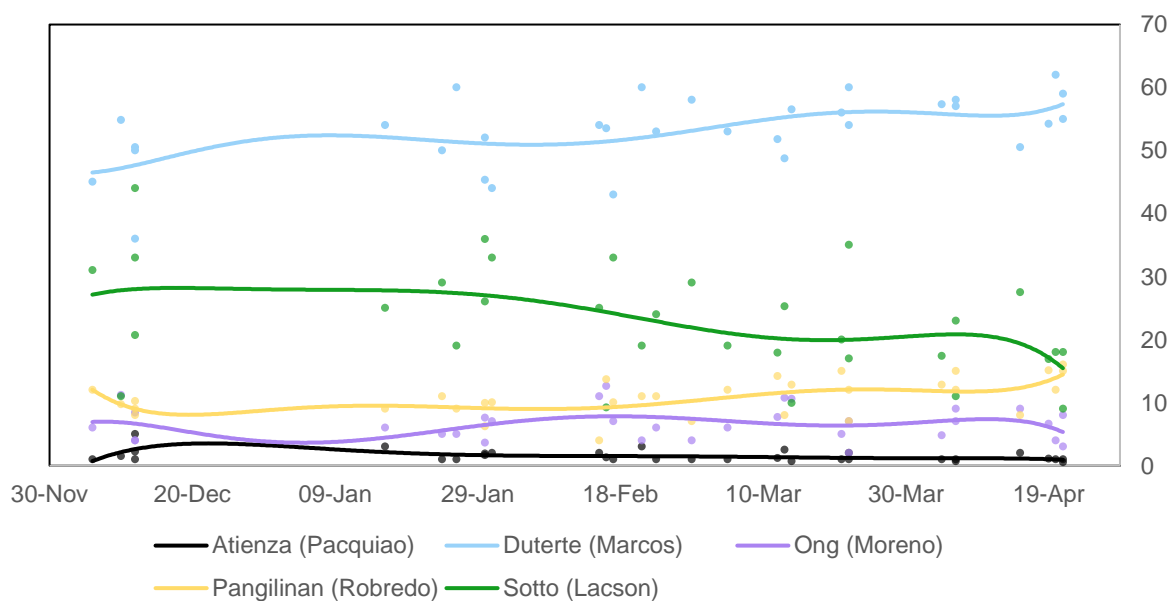
Opinion Polling

Chart 1. Presidential Opinion Polling, % and Trendline



Source: OCTA, Pulse Asia, Laylo, MBC-DZR, I&AC, Publicus Asia, RMN-APC ORE, RP-MDF, MNI

Chart 2. Vice-Presidential Opinion Polling, % and Trendline



Source: OCTA, Pulse Asia, Laylo, MBC-DZR, I&AC, Publicus Asia, RMN-APC ORE, RP-MDF, MNI. N.b. Presidential candidate in brackets

Scenario Analysis

Marcos Wins With Sara Duterte As VP – 75% Probability: The most likely election outcome is that Ferdinand ‘Bongbong’ Marcos Jr. wins the election with Sara Duterte as his vice-president. This would present a more stable governing environment for the incomer compared to the outgoing president, as he will have a VP supportive of his policy objectives. A Marcos presidency would likely see the Philippine government attempt to maintain a difficult balance between ensuring good relations with Washington, D.C. in order to maintain the Philippines place under the US’ security umbrella, while also courting Chinese investment in Philippine infrastructure. Rodrigo Duterte’s ‘war on drugs’ that has drawn notable human rights activist criticism could well continue under a Marcos-Sara Duterte administration. Marcos has been less forthright in stating his plans to combat rising public debt levels or how to deal with rising food price inflation. All of this could combine into offering a market-unfriendly outcome from the election, despite likely policy continuity.

Marcos Wins Without His Running Mate – 10% Probability: Without Sara Duterte as VP, President Marcos would likely find himself on the receiving end of more criticism from his junior, with either Liberal Francis Pangilinan or NPC candidate Tito Sotto the most likely to come away with a shock victory. However, this will not necessarily result in any significant change in policy away from Marcos’ populist agenda and would be viewed with some market trepidation.

Robredo Wins With Duterte As VP – 10% Probability: A Robredo win would likely be viewed as the most market-friendly outcome, given her vocal support for the US alliance compared with closer relations with China and strong anti-corruption credentials. Robredo has stated that she would not deepen relations with China until Beijing acknowledged the 2016 arbitration ruling relating to maritime boundaries in the South China Sea, a major political touchstone in the Philippines. Robredo has also highlighted that she would end Duterte’s war on drugs. This, along with other perceived ‘liberal’ policies, would likely come in for criticism from VP Sara Duterte, who is believed to be positioning herself for a run at the presidency in 2028 and will be seeking to burnish her ‘tough on crime’ credentials.

Robredo Wins With Pangilinan As VP – 5% Probability: This scenario would mark the most significant shift in Philippine government policy, with a liberal president and vice president in place working together to undo the past six years of President Duterte’s controversial legacy. Much closer relations with the US as well as ASEAN partners would be expected in this scenario. While the violent war on drugs would likely come to an end, a major anti-corruption drive has been promised by Robredo, and with Pangilinan in support this could yield results if implemented properly.

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