

# Chapter 1

## Manila as the Capital of the Philippines

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This chapter aims to portray how Manila functioned as one of the entrepots in the Southeast Asian region. It also intends to clarify Manila's role as a way station for the Manila Galleon Trade. According to seventeenth century Spanish sources, ships from China and Southeast Asian ports came to Cavite, loaded with many textiles, spices, and other products from various ports. Silk, satin, damask came from China but also from other Southeast Asian ports which received ships circulating from Southern Chinese ports. Since Manila re-exported these textiles and other products to Acapulco, Manila required large quantity of textiles. The documents used in this chapter show us what goods were coming into Manila and what possibly were exported further to New Spain. Furthermore, this chapter indicates the relationship and the role of Chinese and Portuguese merchants in the Asian waters and the Manila Galleon Trade.

In 1571, Miguel Lopez de Legazpi founded Manila as the official capital of the Philippines and the city was given the title of "city of Manila".<sup>1</sup> The reason that Legazpi chose Manila as the capital was because the city was embedded with large rice fields in its hinterland. The food product was enough to supply all the Spaniards and other inhabitants of Manila. The native Tagalogs made their living through the cultivation of rice, fishing, hunting, and trade. When the Spaniards came to Luzon, they already had regular contacts with Moluccas, Borneo, and Malacca, trading gold and food, and they also traded with the Chinese.<sup>2</sup> However, when considering the account that the Chinese came to Luzon for trade, the most important reason for the Spaniards to establish Manila as the capital and settle there was the trade with China and probably with Japan.

As the economy of the colonial Philippines did not develop large scale plantations or workable mines even in the later years, the Spanish Philippines were totally dependent on trade activity with New Spain which was the major source of income.

Manila became an important crossing point for the silk and silver trade. Hitherto, silk was considered to have entered Manila through trade by the Chinese merchants.

<sup>1</sup> AGI Patronato, 24, R.20 Titulo de Ciudad de Manila.

<sup>2</sup> Nicholas Cushner, *Spain in the Philippines*, Ateneo Tuttle, Rutland, 1971, p. 65.

Meanwhile, Boxer, referring to Portuguese sources,<sup>3</sup> has pointed out that the Portuguese merchants based in Macao also played an important role in this trade. This chapter will examine and clarify the role of Portuguese and Chinese merchants based on Spanish sources from the Archivo General de Indias in Sevilla.

## 1. Description of Manila

Detailed description of Manila cannot be found until 1587.

(In Manila) there are some Spanish residents and in the city of Manila, there are normally 700 and when more, there are 800 men although Your Majesty has foresight to bring every year further reinforcement from New Spain, this has not always been carried out and when the reinforcement comes, the numbers are few people and after arriving here, there are no salary nor benefits. Some of the men seems to be in great hunger and since the land is not fertile, large part of them die.....all the houses and haciendas (large ranch) including the fortification cannot escape from fire incidents and are always in danger of being burnt as they are being (made of) wood and canes and covered with nipa. Then, it is not possible to give order to construct roofs and bricks so that many houses may be sturdy and beautiful made with stone.<sup>4</sup> (See Map)

It seems that many of the soldiers who were sent from New Spain died of hunger or from the humidity and hot climate in the Philippines and that is why Spain had to spend a great amount of money on sending soldiers from New Spain to the Philippines every year. Large parts of the city at the end of sixteenth century were still constructed by wood and canes and even the fortification was not constructed by stone. This meant that the city itself was short of budget and was dependent on financial support from New Spain.

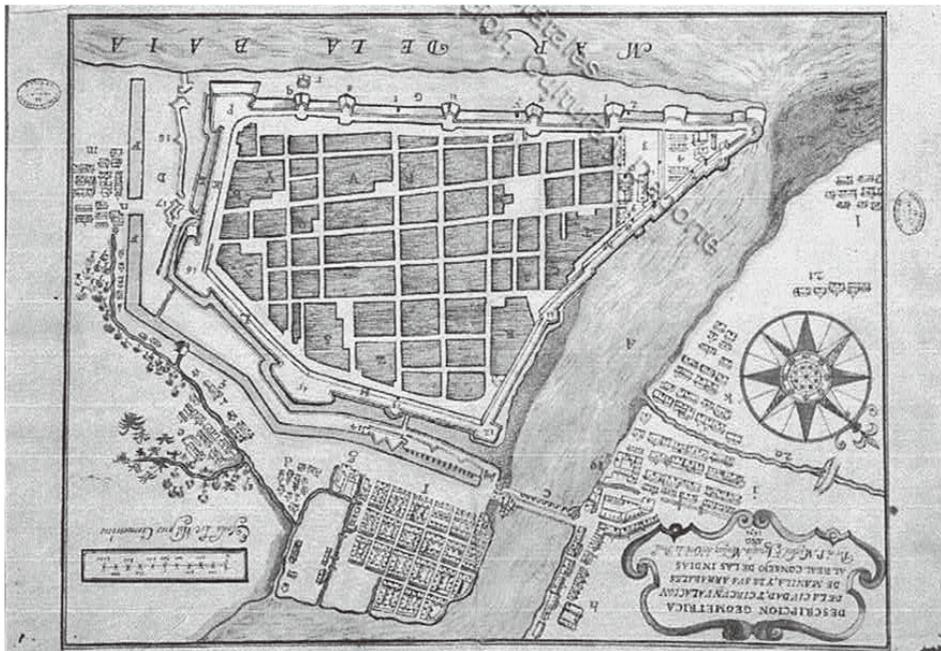
Despite the difficulties of ruling and administrating the far away colony, after the establishment of the Galleon trade, which connected Manila and Acapulco, Manila became one of the hubs in Asian trade where products from China, Japan, Macao, Siam, Cambodia, Malacca, Makassar, and Borneo were traded and redistributed again. The

<sup>3</sup> Charles R. Boxer, *The Great Ship from Amacon, Annals of Macao and the Old Japan Trade, 1555–1640*, Centro de Estudos Históricos Ultramarinos, Lisboa, 1959.

<sup>4</sup> AGI Filipinas, 34, N.75 Carta de Santiago de Vera sobre situación general.

products were raw silk, porcelain from China, ivory, pearls, rubies, sapphires, cast irons, copper, rice, and many other products from Southeast Asia. In Antonio de Morga's famous account, *Sucesos de las Islas Filipinas*, some of the following products are mentioned in detail.

In these islands, there are mines and washers of gold especially in (the islands of) Pintados, river of Botuan (Butuan), in Mindanao, and in Cebu where the men benefit and work in a mine called Taribon, with good gold ... In some of these islands' coasts, there are mother of pearls, particularly in Calamianes, ... In the same way, there are large sea tortoises which the natives appreciate for their shells and sell as merchandise to the Chinese and Portuguese and other nations who come in search for them and highly value the curiosities made from them.<sup>5</sup>



**Map. Plan of Manila of 1671 (AGI Filipinas, MP10)**

There are also pearls in the island of Ibabao and in the island of Batayan, in Cagayan, in Bohol and in Mindanao, Baguindanao

<sup>5</sup> Antonio de Morga, *Sucesos de las Islas Filipinas, Edicion critica y comentada y studio preliminar de Francisca Perujo*, Fondo de Cultura Económica, Mexico, 2007, p. 238.

and in the island of Joloc (Jolo), a large quantity should be found. There are spices and drugs especially cinnamon in the island of Mindanao, in Cavite, Compoc, Taya, and together in Butuan. Round peppers though not in a (large) quantity but if seeds are sown there would be as many as those in the island of Cauchiu (Cochin) which is close to China. There are also *elefante* in the island in large quantity and also in the island of Joloc. There are ginger, tamarinds, and other drugs.<sup>6</sup>

As can be seen above, the Philippines itself only produced certain spices such as ginger and cinnamon, cotton, and gold which were not enough to enter in the large dynamism of Asian commerce during this period.

Manila was a city where products came in and went out, and it was more likely to have been a large junction for goods to come and go, although the city was important for many other countries for acquiring American silver when the galleons came in from New Spain. This is the reason why the city never gained a fortune from the trade although there was customs tax (*almojarifazgo*) for all the ships entering the port of Cavite, which was paid to the city.

## 2. Trade between Manila and Macao

Macao was founded in 1557 and the city had contact with the Spaniards in the Philippines from the early phase of the Spanish conquest. The first news of Chinese and Japanese merchants traveling to Luzon for trade was obtained from the Portuguese who were going to Visayas.<sup>7</sup> Macao and Manila were connected closely by both sides. The Spaniards needed Chinese products which would sell well in New Spain and the Portuguese needed American silver since Japanese silver was beginning to be difficult to acquire due to the closure of the country. The Portuguese brought Chinese goods especially raw silk which they acquired in the markets in Guangdong and brought some to Manila to trade with American silver especially after Japan closed the country. Portuguese interest in trade with Manila meant further trade with New Spain. The first petition was sent to the King in 1591, that trade between Manila and Macao had been carried out without any restrictions and refers to the fact that

the Portuguese ships have always gone to the Philippine Islands from Macao... In the past years, large ships from New Spain have come

<sup>6</sup> AGI Filipinas, 84, N.3 Memoria de lo que fray Diego de Herrera ha de tratar en la corte. 1573.

<sup>7</sup> AGI Filipinas, 29, N.10 Cuentas Sobre China.

to the city of Macao and the Portuguese of Macao have monopolised the trade with Japan and gained a great wealth from it.<sup>8</sup>

In 1636, the petition was made to the Crown King by Don Juan Grau Monfalcon, an attorney general of the Philippines, referring to the fact that in the year before, great damage was caused to the residents of Manila

for introducing the Portuguese of Macao to go and purchase merchandise at the Guangdong market (*feria de Canton*) in China and bringing them to resell in the city of Manila... previously the Chinese came to sell merchandise in the said city giving a more accommodating price and trusting them until the return voyage without payment making it possible to send the goods to New Spain and thus gaining much profit. All this has stopped with the arrival of the Portuguese who are not only distrustful but products at an excessive price and if they are not paid according to their preference, they send the products to Mexico as they settle in Manila and keep the goods for one year or another, which the Sangleyes did not do...<sup>9</sup>

In this document, Juan Grau Monfalcon not only mentions that Portuguese trade in the Philippines had caused damage to the Manila merchants and the residents, but he also refers to the 1593 decree that prohibited all Spaniards from going to the Guangdong market.<sup>10</sup> Nevertheless, Macao and the Portuguese were a financial lifeline for the Philippines bringing Chinese raw silk and other products to Manila. Although in 1616, the governor of the Philippines forcefully extracted a loan of 90,000 pesos from the Macao traders, the Portuguese still made a large profit and Manuel da Camara de Noronha reported that the galliots of Antonio Fialho Ferreira returned rich laden with silver.<sup>11</sup> Antonio Fialho Ferreira was a resident in Macao before 1624 and was several times major captain of the Manila voyage. He was also the brother-in-law and business associate of Lopo Sarmiento de Carvalho who was probably a *converso*.<sup>12</sup> The *conversos* (converted Jews or hidden Jews) network in Macao was quite large and strong in terms of economy and some of

<sup>8</sup> AGI Filipinas, 27, N.30 Suplica VM le haga Vuestra merced proveyendo en todo lo que convenga al servicio de VM y a la conservación y aumento deste Reyno.

<sup>9</sup> AGI Filipinas, 41, N.16 Petición de la ciudad de Manila sobre comercio de portugueses.

<sup>10</sup> AGI Filipinas, 41, N.16 Petición de la ciudad de Manila sobre comercio de portugueses.

<sup>11</sup> Charles R. Boxer, *Macao 300 years ago*, Fundação Oriente, Macao, Lisboa, 1942, p. 134.

<sup>12</sup> Charles R. Boxer, *The Great Ship from Amacon, Annals of Macao and the Old Japan Trade, 1555–1640*, Centro de Estudos Históricos Ultramarinos, Lisboa, 1959, p. 102.

them were rich ship owners such as the case of the Landeiro family and they played an important role in Asian commerce. However, the existence of *conversos* in Macao and its trade network needs to be further studied.<sup>13</sup>

The Portuguese in Macao gained wealth in many ways integrating in Asian commerce. According to Boxer, the wealthy Cantonese merchants frequently shipped their goods to Manila through the Portuguese.<sup>14</sup>

A Royal agreement was issued that

the foreigners cannot carry out business in these islands including Portuguese and that only the Chinese can trade freely and Portuguese who do not hold a license of His Majesty will be expelled.<sup>15</sup>

The research of primary sources from the late sixteenth century to the 1630s has revealed that the opinion of the Philippine government gradually changed regarding the Manila-Macao trade policy. At the beginning, the governor Luis Gómez Dasmariñas was keen on opening a free trade between Manila and Macao and in fact there were ships going directly from New Spain to Macao, possibly to acquire Chinese products directly, which would have been greatly beneficial, rather than having the Portuguese act as an intermediary. Then, the Spaniards began to be less interested in going to Macao due to the financial risks involved in case of a shipwreck. In the end, a second order was issued so that free trade with Macao would be prohibited although ships from Macao did come to Manila frequently to trade. The products that were brought by the Portuguese were not only raw silk and porcelains but various other goods such as wheat, rose water, almonds, fans, cotton textiles, white strings, sweets, rice,<sup>16</sup> and other products including spices, slaves, rich quilt from Bengal, amber, ivory, jewels, and precious stones.<sup>17</sup> Excluding wheat which was for daily consumption, other products included luxury goods for re-export to New Spain. Porcelains and silks were obviously for re-export to Latin America. There are many identical Chinese ceramics found in Macao and Mexico City (Photos 1, 2, 3, 4). Blue and white plates (Photos 1, 2) were produced in the mid-sixteenth century and the piece that is found from Templo Mayor, Mexico is assumed to be one of the earliest types that are exported from Manila to New Spain. These were probably brought into Manila by the Portuguese merchants.

<sup>13</sup> Lucio de Sousa, *Legal and Clandestine Trade in the History of Early Macao: Captain Landeiro, the Jewish King of the Portuguese from Macao*, *Kanagawa Prefectural Institute of Language and Cultural Studies* 2, 2013, pp. 49–63.

<sup>14</sup> Charles R. Boxer, *Op. cit.*, p. 12.

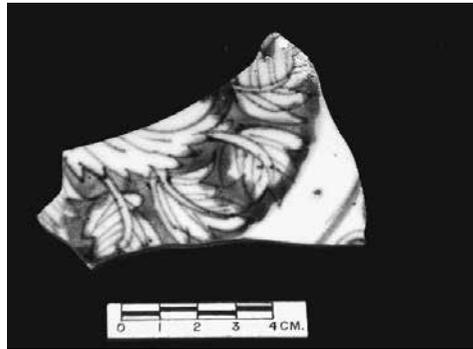
<sup>15</sup> AGI Filipinas, 82, N.1 Copia de Real Cédula a la Audiencia sobre comercio de portugueses.

<sup>16</sup> AGI Filipinas, 70 Autos sobre barcos de Macao. 1686.

<sup>17</sup> Charles R. Boxer, *Op. cit.*, p. 74.



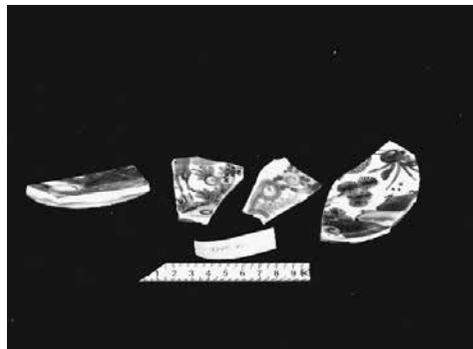
**Photo 1. Jingdezhen Plate from Monte Fortes, Macao ©Macao Museum of Art**



**Photo 2. Jingdezhen Plate from Templo Mayor (Mexico) ©INAH**



**Photo 3. Jingdezhen Plates from Monte Fortes ©Macao Museum of Art**



**Photo 4. Jingdezhen Plates from Templo Mayor ©INAH**

The archaeological evidence that same types of products have been found in two distant places infers that the product was probably exported from Macao to Portugal in one direction and to New Spain via Manila in the other. From 1580 to 1644, 79 ships from Macao came into Manila though it was not a trade on a regular basis.<sup>18</sup> This was probably when the Manila-Macao trade was most prosperous.

The document further mentions that

The third issue which must be considered is that His Majesty reserves the right of *almojarifazgo* (customs tax) each year of merchandise which the Chinese bring to this city from

<sup>18</sup> Manuel Ollé Rodríguez, *Macao-Manila Interactions in Ming Dynasty, Macau during the Ming Dynasty*, (ed.) Luís Filipe Barreto, Centro Científico e Cultural de Macau, I.P. Lisbon, 2009, pp. 152–176.

80,000 to 100,000 pesos and that the ships that come from Macao do not apply this *almojarifazgo* in any year from 20,000 pesos above...<sup>19</sup>

and that

The governors normally in some occasions despatch from here some ships of Your Majesty to the said city of Malacca and Macao and they (Portuguese) bring back large quantity of slaves.<sup>20</sup>

These slaves were probably sold in Manila and some of them might have been brought to New Spain to serve their masters during the journey or re-exported as merchandise.

The presence of the Portuguese in Macao was a support to the Philippines. The two cities were close and Macao was always ready to supply goods to Manila.

This city of Macan (Macao) inhabited by the Portuguese in the kingdom of Great China is the closest and can be reached travel in eight or ten days from Manila. And this is very important but the royal document issued last year has decreed that no Spaniards (Castellano) can go to the port of Macao ... (and this) has caused large damage to the poor Spaniards.<sup>21</sup>

This explains how the Spaniards in Manila had to depend on the Portuguese in Macao in order to acquire Chinese goods to export to New Spain. Since the Spaniards were forbidden to go to Macao, they had to wait for the Portuguese to come and sell Asian goods in Manila.

Later, another Royal decree was again issued so that all foreign merchants, including the Portuguese, were forbidden to do commerce in the Philippines.<sup>22</sup>

He (Governor Don Juan Grau Monfalcon) has made Ronquillo last year show me the great damage caused to the residents (of this city) and what the Portuguese of Macao have brought by going to the *ferias* (markets) of Guangdong in China and bringing in and selling

<sup>19</sup> AGI Filipinas, 41, N.16 Petición de la ciudad de Manila sobre comercio de portugueses.

<sup>20</sup> AGI Filipinas, 29, N.57 Carta de Francisco de las Misas sobre varios asuntos de Filipinas, comercio, salario.

<sup>21</sup> AGI Filipinas, 27, N.60 Petición de Rios Coronel sobre portuguese de Macao. 1607.

<sup>22</sup> AGI Filipinas, 82, N.1 Copia de Real Cedula a la Audiencia sobre Comercio de portugueses.

in those *estancos* (street stalls) of the cities without allowing local merchants to receive any benefits. Foreigners should not become involved nor enter into any contract in those restricted islands.

These include the Portuguese and only the Chinese and Sangleyes are allowed to do business freely.

This decree was issued in 1636, although ships never ceased to arrive from Macao and the Portuguese continued to come to Manila. This document clearly states that the Portuguese merchants were causing damage to Manila merchants by bringing in Chinese goods directly from Macao.

This was one of the reasons why Manila merchants never gained enough profit from the Manila Galleon Trade. If they were able to go to Macao directly to acquire Chinese goods without the intervention of Portuguese merchants, they could have gained more from this trade. The indirect participation of the Portuguese in the Manila Galleon Trade can also be testified by Chinese ceramics found in Lisbon and Mexico (Photos 5, 6).



**Photo 5. Jingdezhen Plate from © Museu Nacional Arte Antiga (Lisbon)**



**Photo 6. Jingdezhen Plate from Templo Mayor ©INAH**

These two identical pieces are called “phoenix plate” in general and are distributed in many Asian sites as well as in Mexico and in Portugal. They are from the third quarter of the sixteenth century.

### **3. Manila and Other Asian Port Polities**

Another interesting document reveals how the ships came into Cavite, indicating how the port was active as an international port city.

In 1657 there are many registers of a large quantity of ships coming into Cavite.<sup>23</sup>

### **Ambassador from Canton**

10 suitcases of mantas (coats)  
 11 picos and 50 cattles of raw silk  
 5 picos of silk  
 20 pieces of coloured satins  
 50 pieces of shawls of different colours  
 50 pieces of shawls  
 40 pieces of black damasks  
 40 pieces of damasks of different colours  
 10 pieces of damasks  
 15 pieces of damasks without colours  
 30 pieces of satins  
 10 pieces of black capichuelas  
 10 pieces of picotillas  
 10 pieces of capichuelas  
 10 pieces of capichuelas with colours  
 30 pieces of taffetas with different colours  
 30 pieces of damasks with gold  
 10 pieces of black satins  
 12 cattles of linens  
 1325 picos of iron  
 650 large catesayes  
 1000 small carajayes  
 50 tachos of coppers  
 15 hernos of bronze  
 18 picos of nails  
 5 picos of wires  
 4 picos of coppers  
 2 picos of albayaldes  
 10 picos of strings of Chinchoros

1657 June

<sup>23</sup> AGI Filipinas, 64, N.1 Registros de champanes y pataches llegados a Manila.

**Boat from Kingdom of Cambodia Assisted by Francisco Dias**

4 picos of yellow silk

40 suitcases of white mantas (coat)

40 picos of camanquian

10 picos of iron

A ship from China which went there to bring back the ambassadors then returned to China.

120 picos of iron from Kingdom of Cambodia

200 picos of wheat

1500 bowls

100 picos of camanquian

780 white mantas from Japan

100 large carajayes

20 picos of clean iron

20 picos of mananqueias

502 bowls

20 picos of wheat

250 mantas from Japan

15 pieces of ordinary sarasas

5 pieces of damasks from Canton

**Kingdom of Cochin China**

Captain Sangley Niqua and Gaspar Cansaymo

500 white and wide mantas from Japan

500 pieces of raw linens

60 picos of clean iron from Japan

40 picos of wheat

30 picos of wheat flour

300 mantas from Cochin China

20 suitcases of mantas

200 small carahayes

200 medium carahayes

50 large carahayes

500 pieces of wide and raw linens

**Ship from the Kingdom of Makassar Commanded by Captain Joan Gomes de Paiba**

Joan Gomes de Paiba is a Portuguese merchant who is active between Manila, Macao, and Makassar.

**Ship from the Kingdom of Canton Owned by the King of Canton**

10 suitcases with 300 black mantas  
 11 picos and 50 catties of raw silk  
 5 picos of silk  
 20 pieces of coloured satins  
 50 pieces of shawls with different colours  
 50 pieces shawls  
 40 pieces of damasks with black decoration  
 50 pieces of damasks without colours  
 30 pieces of satins  
 10 pieces of black capichuelas  
 30 pieces of taffetas with black decoration  
 30 pieces of taffetas decorated with different colours  
 30 pieces of damasks with gold decoration  
 12 catties of linens  
 15,000 bars of canes  
 1,320 picos of iron  
 650 large carajayes  
 1,000 small carajayes  
 5 picos of wires  
 10 picos of thread from Chinchoro

**Guangdong**

**Kingdom of China**

**Kingdom of China (Ship Commanded by Captain Andres de Zaretas)**

**Kingdom of Camboya (Cambodia)**

120 picos of iron  
 200 picos of wheat  
 1500 tied bowls  
 1,500 pieces of linens

780 white shawls from Japan  
200 tied papers brought by the Chinese

**Kingdom of Cochin**

500 white shawls from Japan  
70 picos of iron from Japan  
40 picos of wheat

**Makassar (Nao San Antonio Owned by Captain Juan Gomes de Paiba)**

Textiles  
50 picos of pepper

**Cochin China (Ship whose Captain and Owner is a Chinese Named Francisco Chosa)**

White shawls from Cochin China  
40 large plates

**Batavia (Nuestra Senora del Sagrario Commanded by Captain Juan de Eruguesa)**

200 picos of wheat  
2 large boxes from Japan given by the Dutch  
10 arrobas of Castellan wine  
6 frascos with Castellan oil

**Kingdom of Sian (Siam)**

500 picos of iron  
1,500 pieces of cotton shawls  
Other textiles

**Kingdom of Sian (Siam) (Ship Owned by Luis Hernández)**

Textiles

**Kingdom of Makassar (Ship Owned by Magabilan, a Muslim of Makassar)**

Textiles

30 picos of pepper

**Kingdom of Makassar (Ship Owned by Charama a Muslim of Makassar)**

50 picos of pepper

Textiles

**Champan, a Ship which Recently Arrived from Japan, Originally Coming from China and Owned by a Sangley Named Siqua**

200 picos of wheat

There are more ships coming into Cavite this year though the majority are from China.

According to the document, the Spaniards were distinguishing the Kingdom of China from the Kingdom of Canton. They were probably local merchants with large investments in silver. What is noteworthy about the ships coming into Manila that year is the abundance of textiles, coats, and shawls, and the scarcity of porcelains.

An account of a ship coming into Manila from Macao in 1686 refers to some products that were brought into Manila and mentions

the evaluation of the belongings of Sangleys declared for the two ships, “San Pablo” and “Nuestra Señora de la Piedad” in Manila, in May to August of 1686.

The Portuguese ships and their Portuguese captains, Juan Bautista Pereira and Vicente Ribero from the city of Macao, allowed a Sangley on board with merchandise to sell in Manila. The goods declared were the following.<sup>24</sup>

<sup>24</sup> AGI Filipinas, 70, N.1 Autos sobre barcos Portugueses San Pablo y Nuestra Señora de la Piedad. 1686-5-25. Fols. 1r-1v.

A sack of damasks  
 Certain quantity of weapons and wheat  
 200 muskets  
 Ceramics  
 200 catties of thread  
 6,000 bowls of rough quality  
 Sayasayas (textiles)

This document is interesting in that not only two ships from Macao came into Cavite at the same time, but that the Portuguese ships were loaded with merchandise belonging to the Sangleys. This indicates that there were no rivalries between the Sangleys and the Portuguese.

Not only did ships come from Macao but ships also came into Manila from many other countries.

1686

**Kingdom of Golconda**

**Coast of Madrasta (Coast of Coromandel)**

**Kingdom of Gujarat**

**Bengala**

**Kingdom of Sian (Siam)**

Sugar

Plates

1687

**Lianpo**

**Quanzhou**

From the above list, we can infer that Southern China, Siam, Coastal India, and Makassar were the regions and countries whose ships frequently came to Manila. Trade relation between Manila and other Southeast Asian and Asian countries was active as well. From 1620 to 1640, 44 ships entered the port of Cavite each from Malacca, Maluku, and India.<sup>25</sup> Many of these provenances of ships coming to Manila such as Malacca, Maluku, coastal India, Siam were countries under the rule or influence of Portugal or had Portuguese inhabitants residing in their capital cities such as the case of Siam where there was a Portuguese quarter in Ayutthaya. However, the most frequent travellers were from Southern China. How Manila became one of the most important ports in Asia can be understood by

<sup>25</sup> Manuel Ollé Rodríguez, *Op. cit.*, pp. 152–176.

the ships coming into Cavite during the second half of the seventeenth century.

What is noteworthy is that even until the end of the seventeenth century, the Portuguese were participating in some voyages as ship owners. Some Spaniards were also participating in the trade as ship owners such as the case of *Nuestra Senora del Sagrario* which was despatched from Batavia. Direct trade with Japan was completely banned by this period although indirect flow of product via Chinese merchants still existed.

Several Portuguese merchants such as Juan Gomes de Paiba, a well renowned merchant, actively traded between Macao, Manila, and Makassar.

#### 4. The Chinese in Manila

It is well known that the Chinese in Manila were called “sangleys” in Fujianese dialect which originally meant “people who come frequently”. The first account of Chinese merchants in the Philippines is written in the previously mentioned document regarding the Chinese and the Japanese coming to Luzon to trade, although the China-Philippine trade already existed from an earlier period going back to the tenth and eleventh centuries. From archaeological studies, Chinese ceramics from the Tang dynasty were excavated in the Butuan site and many other blue and white wares were found in the Santa Ana site which can be dated to fourteenth–fifteenth centuries Yuan period.<sup>26</sup> Shipwrecks were also found loaded with Chinese porcelain and also from other provenances such as Thailand, Burma, and Vietnam.

An increasing number of Chinese began to come more frequently to the Philippines after the establishment of Manila and some of them were baptised and resided in Manila. The relationship with the Chinese and the Spaniards was an ambivalent alliance-enemy or “friends or foes” relation. The Spaniards were always afraid of the large population of Chinese who set up riots against the authority from time to time, but on the other hand it was the Chinese who supplied daily miscellaneous goods and labour to the Spaniards.

After the 1603 uprising led by the Chinese, many of them subsequently left the city and with the death of more than 3,000 men, there was a necessity for Sangleys who brought along the supply of consumer products. By the end of the sixteenth century, there were said to be about 6 or 7,000 Sangleys.<sup>27</sup>

The Chinese were engaged in trade, such as tailors, shoemakers, embroiderers, silversmiths, tattoo engravers, carpenters, wax chandlers, hat makers,<sup>28</sup> fishermen,

<sup>26</sup> Hagi Urugami Museum, *Trade Ceramics Found in the Philippines*, Exhibition catalogue, Hagi, 2000, pp. 9–16.

<sup>27</sup> Antonio de Morga, *Op. cit.*, p. 187.

<sup>28</sup> AGI Filipinas, 27, N.148 Petición del Cabildo secular de Manila sobre Parián de sangleys. 1632.

stonemasons, coal merchants, porters, bricklayers, and day labourer.<sup>29</sup>

In 1595, a law was issued related to the Sangleys which stated that

The Chinese who come to Manila are to be limited to 50 men and the same number should leave the city...and that the Chinese without faith who are normally here and come every year and live inside the wall of the city should be none.<sup>30</sup>

The first Chinese settlements in Manila were located in Parián (San Gabriel), Binondo, and Tondo and the Chinese were expelled from *intramuros* to *extramuros* in order to protect the Spaniards.

Chinese-Spanish relation was again tense in 1639 when a large number of Chinese protested against Governor Hurtado de Corcuera for forcing the Chinese to work in rice plantations outside Manila. In 1622, a threat to send a tribute to Formosa by Koxinga destabilised the situation in Manila and once again, distrust towards the Sangleys rose among the Spaniards. The successions of threat and uprising by the Chinese resulted in a total distrust between the two communities. In 1682, a comment made by Don Francisco Diego de Aguilar stated that

Now, the Sangleys who are dangerous and harmful to the republic of Manila, in the first place repeated riots...it is the case of many of gambling houses which exist in Parián and in the extended province of Tondo, and are permitted and tolerated by the mayors who govern the said jurisdiction for the cheap interest which is given to the mayors sometimes 100 or 200 pesos every month only for license to play gambles ... The Sangleys are not necessarily in this place to supply and provide service in the work they traditionally offered since all (of the labour) is now readily done by the native, mestizos, Japanese, and Ternates who carry out the work firmly and with loyalty.<sup>31</sup>

What the Spaniards frequently accused the Sangleys of is that they were a people with no faith in God and caused spiritual harm to the natives who had been baptised.<sup>32</sup> However, the

<sup>29</sup> Antonio de Morga, *Op. cit.*, p. 187.

<sup>30</sup> AGI Filipinas, 29, N.57 Carta de Francisco de las Misas sobre varios asuntos de Filipinas, comercio, salario.

<sup>31</sup> AGI Filipinas, 28, N.131 Expediente sobre sangleyes 1682.

<sup>32</sup> AGI Filipinas, 28, N.131 Expediente sobre sangleyes 1682.

Spaniards were dependent on the Chinese people for supplying them with daily products. The Chinese were also artisans such as carpenters and silversmiths as aforesaid and were necessary to the city of Manila and other colonial towns in the Philippines.

Below is a list of professions of the Sangleys residing in *intramuros* and *extramuros* in 1695 which might help us understand the social situation of the Sangleys by the end of the seventeenth century.<sup>33</sup>

1. Merchants with business in trade 10
2. Shopkeepers of textiles, white clothes, buttons, or candies 85
3. Silversmiths in Parián and in other towns surrounding Manila 18
4. Tattoo engravers 9, who engrave and have their own shops
5. Ironsmiths with a forge workshop and shops of all kinds of irons, locks, padlocks, forks, and tools for outdoor use 27
6. Bell ringers 2
7. Christian officers 7
8. Tailors 2 (actual labour is done by the natives)
9. Wine sellers of rice 5
10. Embroiderer 1 (work is done by mestizos and natives)
11. Painter and paver 1 (work done by mestizos and natives)
12. Gold blender 1 (blending of gold is done with assistance of mestizo because he is already old and blind)
13. Carpenters 14
14. Stonemason 1 Sangley head of the group
15. Silversmiths of filigree (all of them are natives from Camarines and of Pangasinan)
16. Boat constructors and house constructors (all work carried out by natives)
17. Fisherman 1
18. Locksmiths with shops 8

By observing the above list, we can obtain a clearer image of the Sangleys in Manila. Most of them were probably labourers but by this time, the actual works had been passed on to the natives and mestizos, and the Sangleys became shop owners and employers, climbing up the ranks of Philippine's social class. It is true in a sense that Chinese labourers were no longer needed in the Philippine society since mestizos and natives had learned much of the work that used to be previously carried out by the Chinese.

The general image of the Sangleys in Manila is people engaged in trade with Guangdong or Fujian, but from this list, the numbers of traders remain few and limited

<sup>33</sup> AGI Filipinas, 28, N.131 Memoria y Lista de los oficios que tiene y ejercen los Sangleyes Cristianos que reciben y moran intra y extramuros de la Ciudad de Manila.

although the Sangleys in Manila probably carried out most of the large scale negotiation with the Chinese merchants. Further research needs to be made though it is possible to note that these merchants were limited to wealthy families who had strong family and business networks with Southern China. These Chinese can be classified into three groups depending on their relationship with the Philippine Islands.

1. Chinese who came to trade and went back as soon as their business was done.
2. Those that come to the Philippines and stayed for a short or long period of time. Their main objective was not trade in this case.
3. Those that converted to Catholicism and stayed in the Philippine Islands for the rest of their lives. Some were married to local women and obtained official citizenship.

The first type of Chinese was frequently referred to as “captain” in many documents and Atsuko Hirayama’s research refers to the Fujianese wealthy family tradition of supplying ships and capital to relatives and agents to have them operate the trade. Not all “captains” were ship owners though some of them might have been large traders who were politically and financially connected with Southern China, especially a group of merchants called “anai” or “anhai”.<sup>34</sup> These merchants who had connections to China might have been the true threat to the Spaniards in cases of insurrection and for providing potentially powerful leaders over a large Chinese population, 20 times more than that of the Spaniards. The Spanish policy to this threat was a strict segregation and no Chinese was able to stay overnight in *intramuros*. On the other hand, within Parián, the Sangley quarter, the Spaniards gave autonomy to the Sangley population living there and they were governed by Catholic Chinese citizens and able to maintain their own cultural tradition.

## **5. Rivalry between the Portuguese and the Sangleys**

When we consider the status and relationship between the Portuguese and the Chinese in Manila, the Portuguese concentrated on bringing products which would sell well in the American market. Luxury goods were the major products and most of the cargoes probably were trans-shipped to Acapulco directly. In the case of the Chinese, their major export products were mostly daily consumption goods in the Philippines and thus, it is perhaps not appropriate to say that they were “rivals”. The aim and nature of the products were different between the Portuguese and the Chinese, as can be seen in some Zhangzhou wares imported by Chinese merchants from the sixteenth century. The products were

<sup>34</sup> Hirayama Atsuko, *Supain teikoku to Chuka teikoku no kaiko: 16, 17 seiki no Manila*, Hosei Daigaku Shuppanyoku, Tokyo, 2012, p. 285.

apparently second-class ceramics, even a substitute for Jingdezhen wares, to be either consumed locally or exported as cheaper wares.

In the document written in 1574, it is stated that

Apart from iron, here in Manila they buy from the Chinese 600 plates made from rough clays, 154 small jars, 111 letters... 200 gold papers and three jars (decorated with) lions (motifs).<sup>35</sup>

These products were probably not porcelain but ceramics made from rough clay, most likely produced in the Fujian province. These were not for re-export to New Spain as there are less Fujian wares found in Mexico compared to those from Jingdezhen.

The fact that two Portuguese ships carried cargoes belonging to a Sangley shows that they were even cooperating, although it is also important to recognise that Chinese merchants were always keen and quick to seek an opportunity to enter the Manila Galleon Trade.

However, ultimately the Manila Galleon Trade's destination market was for Spanish or mestizo consumers in New Spain, and it was implemented by the Portuguese merchants who were more familiar with the European market and who also held vast networks in Asia and in a way, carried out their trade as agents of the Spaniards.

## 6. Conclusion

Manila was established by the Spanish authority as the capital of the Philippine Islands under the rule of the Spanish crown. However, its dynamism was operating as part of the Asian trade structure and network. The Asian commerce became even more cosmopolitan from the sixteenth century by the arrival of the Iberian power and the Dutch power in the seventeenth century. The trade in the entire Asian region was operated as a result of interest for Chinese silk, Southeast Asian spices, and American silver. There were many people involved in trade: people from Southeast Asian countries, Chinese, Japanese, Portuguese, Spanish, Dutch, English, Armenian, and Jews.

Manila was in the midst of this dynamism since it was the redistribution centre for American silver and the city must have played an important role. However, the city itself did not gain its fortune from Asian trade or the Manila Galleon Trade. American silver came into Manila from New Spain through the large investment of Mexican merchants and the silver was paid to the Portuguese, Chinese, and other merchants in order to acquire

<sup>35</sup> Juan Gil, *Los Chinos en Manila S.XVI y XVII*, Centro Científico e Cultural de Macau, I.P. Lisbon, 2011, p. 27.

Asian products. However, the key factor was that the Philippine Islands lacked export goods such as spices. The country never exported its own goods and became a way station for silver and Asian products. It depended on the customs tax which may not have been an insignificant sum but was not large enough to bring prosperity to the entire country. If the Spanish merchants residing in Manila had been more active, there might have possibly been some successful merchants, although in the Spanish documents, no names of Spanish merchants from Manila with large investments are apparent.

Thus, as a city lacking in assets, Manila functioned as one of the platforms of Asia where all the luxury goods and silver crossed and disappeared. However, its important role as a port where many people and cargoes came in and out cannot be ignored.

The Chinese and the Portuguese played an important role in trade in Manila and both were essential to the Spaniards in the Philippines. However, the Chinese and the Portuguese were not rivals and each of their aim of commerce was different in that the Chinese were engaged in the trade with the Philippines while the Portuguese were concentrated in bringing in goods to re-export to New Spain.

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