

THE CHINESE

華僑在菲律賓

IN THE

PHILIPPINES

1770-1898

Volume II

ANALYSES AND DOCUMENTS BY ADOLFO AZCUNA, ANDRES  
CHIONG, LOURDES DIAZ-TRECHUELO, MILAGROS GUERRERO,  
LIU CHI TIEN, JESUS MERINO, O.P. AND RICARDO ZARCO.

Edited by Alfonso Felix, Jr.

HISTORICAL CONSERVATION SOCIETY

XVI

# THE CHINESE IN THE PHILIPPINES

## Volume II

**SOLIDARIDAD PUBLISHING HOUSE**  
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Philippines

THE PHILIPPINES IN THE CHINESE

Volume II

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THE CHINESE IN  
COMMENTS ON EVENTS AND TRENDS

# THE CHINESE IN THE PHILIPPINES

## Volume II

*Presented by*  
**THE HISTORICAL CONSERVATION SOCIETY**

*Edited by*  
**ALFONSO FELIX, JR.**

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## Chapter I

### THE POLITICAL BACKGROUND

Milagros C. Guerrero

Spanish concern with the Chinese problem was intensified by Chinese collaboration with the British during the latter's occupation of the City of Manila between 1762 and 1764. Simon de Anda y Salazar, who took over the reins of the government from the inept and bungling Archbishop Manuel Antonio Rojo, is reported to have ordered the hanging of all the Chinese in Luzon. Those who escaped this cruel fate were advised to keep away from the British. To ensure complete cooperation, Anda promised that the restrictions on commerce would be relaxed in the case of the Chinese mestizos who had been guilty of aiding the British.<sup>1</sup> In 1766, soon after Anda was installed as governor-general of the colony, a Royal *Cedula* ordered the expulsion of the Chinese who had committed "infidelity, apostasies and other abominable excesses" during the British occupation of Manila. Only true Christian Chinese were to be allowed to remain. Those who remained, however, were to be restricted to agriculture and commerce and were to reside only in the *Parian*.<sup>2</sup>

Anti-Chinese feeling had understandably reached a new high, especially among the colony's officials. Francisco Leandro de Viana, royal fiscal of the Audiencia of Manila, demanded the expulsion of the Chinese as a punishment for their collaboration with the British and their undue control of the city's retail trade.<sup>3</sup> In 1768, exactly a year later, after Viana's opinion reached Spain, Governor Anda made patent in his memorial the anti-Chinese feeling among civil authorities in Manila.<sup>4</sup> He blamed the galleon trade, which benefited only a few affluent Manila merchants, as one of the major causes of Chinese preponderance in the colony. The rest of the Spanish community, who were neither religious nor civil officials, nor were dependents of the government, lived a life of parasitism, "on charity and in a state closely bordering on vagabondage." The religious swelled their coffers by baptizing the Chinese, even those who were not prepared to receive the faith and who were evidently using a seeming conversion to Christianity as a ruse to stay in the colony indefinitely. Anda, of

course, anticipated concerted opposition from the ranks of the galleon traders and the religious. Thus he pointed out that, since the expulsion and exclusion of the Chinese would ensure the colony's economic stability and the security of the Spanish community, the friars and the galleon traders be made to suffer the same punishment meted out to the Chinese. Eventually the Spaniards would take the place of the Chinese as merchants, retailers and shopkeepers and the Indians would revive their ancient industries, thus making the colony an asset to Spain.

Sound though the proposals might have been, Anda's proposal was ignored. A majority of the Spaniards regretted the departure of the Chinese in 1766, for they were unwilling to take over the economic activities of the Chinese and certain that the Indians "were not capable" of replacing them.<sup>5</sup> It did not take long for the Spaniards to disregard the wisdom of Anda's words.

In 1778, two years after Anda's death, the order of expulsion was revoked. In 1788 Governor Basco y Vargas finally ruled out expulsion as a solution to the Chinese problem.<sup>6</sup> The implementation of sanguinary measures, often resorted to in the 17th century as well as expulsion, would place not only the Spaniards but also the Filipinos under the dire necessity of going to work and this prospect "conspire[d] to sadden the minds of the Spaniards." It was thus ruled that any of the alternatives would not only be unwise but also impracticable. Governor Basco's revocation of the decree of expulsion inaugurated a permanent change in Spanish policy on the Chinese problem. From 1788 to the outbreak of the Revolution in 1896 Spanish policy was one of encouragement rather than of limitation, serving to stabilize not only the economic but also the social position of the Chinese. Sheer numbers, however, forced the Spanish government to exercise some measure of control over the burgeoning Chinese society in the colony. The remedy adopted, neither proper nor effective, was state control through taxation. This policy, of course, was never satisfactory and the strict regulations were used by the officials purely as a means to line their pockets with Chinese money.

State control through taxation was partly intended to discourage the influx of Chinese and to admit only those "necessary" for the colony's economy. Without the anomalies that attended the tax collection, it might have achieved its purpose. Taxes were collected through the *cabecillas*, or headmen, who functioned as spokesmen for Chinese occupational *gremios*, very much like guilds for a particular trade or craft. Since the tribute could be collected in kind — i.e., in the form of products from the Chinese *gremios* — instead of cash, the *cabecillas*

could amass considerable profit from the system.<sup>7</sup> The *cabecillas* could tax the Chinese again and again in one single year by issuing them false licenses. Many Chinese from whom the required tribute was collected were, nevertheless, deliberately excluded from the *padron*, or tax list.<sup>8</sup>

Moreover, the Chinese merchants, who were greater in number than the Chinese in other occupations, met with keen competition from the Spanish provincial governors, who acquired their items of trade through collection of the tribute from Filipinos in the form of agricultural produce.<sup>9</sup>

After 1788 the Chinese were classified either as *invernados* (transients) or *radicados* (residents). The resident Chinese were considered to be better off than the transient and as such were expected to pay higher taxes. The classification, far from clarifying their political and economic status, served only to deny them any rights due immigrants.<sup>10</sup> In 1790 a Royal *Cedula* fixed the residence tax at 6 pesos, or 48 *reales*.<sup>11</sup> The same *cedula* established a decent figure of 4,000 Chinese as "necessary" for the colony.

The characteristic inconsistency in Spanish policy, however, served to encourage the growth and stabilization of the Chinese community in the country, particularly in the City of Manila. The Spanish policy in the 17th and 18th centuries deliberately kept the Chinese separate from the natives—physically through the *Parian* and *huerta* systems and administratively through indirect rule by appointing a Chinese *alcalde-mayor* in communities with a preponderance of Chinese). In 1790 the City of Manila (Intramuros) built new fortifications in its northern side, tearing down the Manila *Parian*.<sup>12</sup> Moreover, the onerous *pancada* system, designed to regulate the Chinese trader's contact with the natives and to prevent the Chinese from losing themselves in the *Parian*, was finally abolished in 1777. Charles III, realizing that the *pancada* was honored more in the breach than in the observance, declared that, since the original motives for the *pancada* were no longer existent, it would be replaced by the *feria*.<sup>13</sup> Thus one more barrier to Chinese trade and immigration collapsed. When the quartering system disintegrated the Spaniards allowed the Chinese to move into Tondo (then considered a *provincia*, encompassing the present Tondo district, Caloocan and outlying areas)<sup>14</sup> and Kabite. The resident Chinese settled across the Pasig, in the *huertas* of Binondo and Santa Cruz, originally established for Christian Chinese and those married to Christian Filipinos.<sup>15</sup> There was, therefore, no more distinction between Christian and non-Christian Chinese. The transient Chinese, on the other hand, were



quartered in the octagonal Alcaiceria de San Fernando, a combined customs house, wholesale market and living quarters. It was located in Binondo, in accordance with the provisions of a Royal *Cedula* of 1758.<sup>16</sup> As the years rolled on, however, demographic changes and increase in trade inevitably made the Spaniards abandon the policy of quartering the transient Chinese.

The government tried to revive the idea of using Chinese labor in agricultural colonies, an idea which was seriously considered in the seventeenth century and which actually met with success in the Jesuit settlements in Quiapo and in the Augustinian farms in Tondo.<sup>17</sup> Very few Chinese took advantage of this newly-established freedom of movement, as the rural areas offered little opportunity for material aggrandizement. The Spaniards themselves, particularly the civil officials, provided the example by concentrating in the City of Manila and its *arrabales*. Manila, to both the Chinese and the Spaniards, was the heart and nucleus of economic activity, the only entrepot for the Manila-Acapulco trade.<sup>18</sup> After Manila the colony possessed no other city of importance but merely coastal towns like Cebu, Iloilo and Sual in Pangasinan. Manila, moreover, was virtually the only port of entry in the 18th century for Chinese migrants, junk traders and goods. This meant that, while there might have been a handful of Chinese elsewhere in Luzon, Manila was the hub and crux of the Chinese population in the Philippines and was to remain so even after the Chinese junk trade declined.

For 21 years after the British occupation of Manila the junk trade remained as the most important economic link of the colony with Chinese ports. The number of junks visiting Manila, however, declined steadily. The 30 or 40 ships which visited Manila between 1580 and 1700 were reduced to an average of 18 to 20 for the period 1700 and 1787.<sup>20</sup> A number of factors was responsible for the decline of the junk trade with Manila. In 1785 the *Real Compania de Filipinas* (Royal Company of the Philippines) was established, no doubt because of a long-felt desire on the part of Spain to share the profits of the Asiatic trade with the earlier-established companies: the Dutch, the English and the French. Vessels of the Royal Philippine Company were allowed to sail to Chinese ports and to the ports of the southeastern coasts of Asia and India if the dominant European power did not object to direct trade with its colony. The Royal Company, however, was influenced by Manila merchants, who saw to it that Asiatic goods were purchased right in Manila. To enable the company to buy these goods cheaply in Manila, the port of the city was opened to European vessels for a limited

period of three years (1789-92), so that European ships could bring more Asiatic goods.<sup>21</sup> The most important cause of the decline of the junk trade, however, was the upsurge of interest on the part of the junk traders in other parts of Southeast Asia, particularly in the Netherlands East Indies.<sup>22</sup> Even as the junk trade declined the Chinese succeeded in retaining and even consolidating their position in the colony's Asiatic trade as exporters of Oriental goods in mainland China and importers in Manila.<sup>23</sup>

Whatever junks came to Manila at the beginning of the 19th century carried not only goods for the galleon trade but for the domestic market as well. The Chinese continued to bring practically everything the colony needed — from gewgaws, cotton, silk yarns, cloth, linens, crockery, dried and fresh fruits, spices, salt meat, furniture and wheat flour to swallow's nests and sea cucumbers,<sup>24</sup> an indication that even the colony's culinary tastes were being rapidly sinified.

One might expect that the discontinuance of the galleon trade in 1815 and the abolition of the Royal Company in 1834 would end Chinese commerce in the Islands, since the first and the second as well were the major reasons for the monsoonal visits of the Chinese. A major break from the already obsolete mercantilistic policy of Spain had been made in 1789 when foreign shipping was admitted into Manila. Though the decree providing for this change was extended for three more years after 1791,<sup>25</sup> it was only in 1834 that Philippine ports were opened to world trade.<sup>26</sup> While the decree specifically aimed at more Western trade with the port of Manila, the provision that traders, regardless of nationality and port of origin, might trade and reside in the city made for more active Chinese participation in the colony's commerce and trade.<sup>27</sup>

The opening of the Philippines to world trade in 1834 was to inaugurate a more liberal trade policy toward the Chinese. Before 1834 the only revenues, in the form of customs duties, were contributed mainly by the Chinese junk merchants. There was patent discrimination in the imposition of these taxes. In the case of the *almojarifazgo*, for example, merchandise brought by the Chinese paid six per cent more than goods brought from any other sources. In 1832 the Royal Order of April 11 did away with this discrimination. It was ruled that thereafter Chinese ships would pay the same taxes other traders paid.<sup>28</sup> This decree was followed by the Royal *Cedula* of April 20, 1837 and by a Superior Decree of December 13, 1843, which provided for the relaxation of restrictions on the Chinese junk traders.<sup>29</sup> Hand in hand with these measures, the King abolished the *indulto de*

*comerciar*, a privilege long enjoyed by the provincial governors.<sup>30</sup> By breaking the provincial governors' monopolistic control of the colony's internal trade, Chinese participation in the economy was greatly enhanced.

As the junk trade declined Chinese items of trade were increasingly carried in ships of European registry, with the Chinese controlling the trade at both ends. The Philippines continued to import goods that had been in demand since the 16th century: silk yarn and cloth, paper umbrellas, porcelain, edible goods, furniture, iron, jewelry and tea.<sup>31</sup> In the 1840s the Chinese at the Philippine end of the trade exported, in order of value, rice, gold-dust specie, sea cucumbers, tobacco, sapanwood, cotton, mahogany, abaca, piña cloth, swallow's nests, carabao horns, salted fish, limited quantities of liquid añil (indigo) and tortoise shells.<sup>32</sup> As a more specialized agricultural system developed in the country, notably in the 1850s, abaca, coffee, sugar, tobacco and coconut oil were also exported.<sup>33</sup> Of course, not all of these products were destined for China. By this period China's position in the country's foreign trade had suffered considerably. Moreover, the Chinese merchants were no longer engaged in exporting items of trade solely for the Chinese market but were in fact entrenched in the internal commerce of the country, particularly as wholesalers, distributors, purchasing agents and money-lenders.<sup>34</sup>

Thus the practice of wholesaling developed as an entirely Chinese institution in this country. Access to direct exporting and importing made this possible. Even Europeans acknowledged their dependence on the Chinese in the purchase of goods from the provinces. Tomas de Comyn, writing of his visit to the Philippines in 1810, reiterates Crawford's observation that the superior intelligence and activity of the Chinese have placed in their hands "the management of the public revenue in almost every province of the archipelago."<sup>35</sup> A. Kuenslo, an American trader in the Philippines at the close of the 19th century, had this to say about Chinese distributors and purchasing agents:

... The trade of the islands, small as it is, compared to what it might be, has depended entirely upon the Chinese, because on one side they sell to the men in the interior, and barter with the natives for produce in exchange for imports — they go to the interior; they have opened up communications; you will see the Chinese hawkers everywhere; he will go to the last nook and corner, and he will offer his goods . . . A European can not work outside here for any length of time.<sup>36</sup>

As distributors and purchasing agents the Chinese merchants became more mobile. In provinces to which cargo ships were easily obtainable Chinese merchants of Manila plied the routes and bought abaca, sugar, resin and the like.<sup>37</sup> The development of specialized agricultural regions proved conducive not only to trade but also to investments in agriculture. Sugar, abaca and tobacco had become major export crops in the 19th century. As early as 1700 the Chinese were already engaged in the commerce of sugar, graduating very much later to milling and refining sugar both for export and for domestic use. They figured prominently in the purchase of sugar from Pampanga, Bataan, Bulacan, Batangas, Laguna, Cebu and, later, from Iloilo and Negros, maintaining in each of these provinces, *ferrierias*, or refineries, which produced low-grade sugar.<sup>38</sup> The Chinese obtained an even stronger hold on the sale of sugar when this crude method of refining sugar was replaced by steam sugar mills.<sup>39</sup>

Chinese participation also played a very important role in the tobacco industry of the colony. Their economic importance in this industry is particularly striking in view of the fact that tobacco was cultivated as a government monopoly, excluding, therefore, private commercial and industrial participation, yet even when government monopoly was at its height, controlling the tobacco from farm to factory or to the ports for export, the Chinese managed to acquire a lien on the product by assuming the task of transporting the goods from the tobacco-producing provinces in Ilocos to the port of Manila.<sup>40</sup> When the monopoly was finally abolished the Chinese became more actively involved in tobacco production. During the operation of the monopoly, the small producers had a ready market for their tobacco (though rendered unattractive by the fact that the purchase of tobacco was made through the use of promissory notes and the quota system). With the withdrawal of total government control and supervision the Chinese came in, offering loans and sometimes accepting lands as payments in case of the farmer's inability to pay. Consequently the natives were neck-deep in debt.<sup>41</sup> Thus the practice of usury by the Chinese was for the most part interwoven with their middleman functions. This system of loan contracts was, of course, entered into by the Chinese money-lenders and the Filipino producers not only in the tobacco regions but also in any region where Chinese initiative had gained a foothold. In the last half of the 19th century some Chinese were already in possession of tobacco land, preferring, however, to rent them to the Filipinos instead of cultivating the lands themselves. They also began to purchase lower-



grade and left-over tobacco<sup>42</sup> for low-grade cigar and cigarette production in Manila. Spanish-owned tobacco firms naturally preferred the foreign to the domestic market. Consequently many Chinese cigar factories were in operation, catering mostly to Filipinos.<sup>43</sup>

From the 1840's onward the Chinese took a considerable share of the purchase and sale of abaca, indigo, lumber, rice and coffee.<sup>44</sup> They also extended their operations to Mindanao and Sulu. The commodities brought to this area were in general similar to those offered to the Visayas and Luzon. Chinese junks from Amoy<sup>45</sup> and ships chartered by the Chinese in Manila arrived in Sulu, bringing Patna opium,<sup>46</sup> arms and ammunition, cast iron, nails, muslins and chintz goods from Europe and China, salamperos from Madras, chinaware, rice, sugar, oil, land, etc.<sup>47</sup> Chartered ships from Manila made their stores more varied by stop-overs at Iloilo and Antique on their way to Sulu where they bought considerable quantities of crudely refined sugar, coconut oil, rice and tobacco. From the Muslims of Sulu the Chinese bought pearls, tortoise shells, beeswax, seaweed, edible bird's nests (valued because of their aphrodisiac qualities), trepang, pepper, sago, betel nut, lumber and gold dust as well as gutta percha and almaciga.<sup>48</sup> The Chinese junks and the chartered ships departed for their respective destinations around August. They were back by September or October in Manila, where the goods they brought were sold to Manila consumers, taken to other parts of the country or transhipped to Hongkong for export to European markets.<sup>49</sup>

The Chinese, however, controlled not only the products of the direct producers, which were designed for their foreign markets through their activities as middlemen, but also the flow of consumer goods imported into the country and the products of local industry through their participation in the country's retail trade. This participation is symbolized by the Chinese *sari-sari* store. The ubiquitous *sari-sari* store (translated as general-merchandise store), where one may insist on getting a piece of garlic or a few matches free, may be traced to as far back as the 1850's, when Chinese agents, lacking neither capital nor access to credit, established the *sari-sari* store as a general outlet for the products controlled by the *cabecilla*.<sup>50</sup> As a result, Chinese mestizos and Filipinos were replaced as retailers. Chinese-established *sari-sari* stores dominated the retail trade all over the country. They sold grocery items and household staples, such as coconut oil, soap, matches, maguey rope, candles, thread, wrapping paper, buttons, cigars, tobacco and betel nut.<sup>51</sup> There were also itinerant Chinese vendors and hawkers during market days all over Luzon<sup>52</sup> as well



as specially stores and bazars, the items in which were sold at wholesale and retail.<sup>53</sup>

The Chinese were just as ubiquitously present in important occupations throughout the country, particularly in urban Manila. They were cooks, butchers, shoemakers, tailors, soap-makers, dye-makers, wax chandlers, porters, coachmen, warehousemen, smiths of all kinds, foundrymen, masons, smelters, boiler-makers, carpenters, mechanics, cabinet-makers and boat-builders.<sup>54</sup> In Binondo and in the Chinese *huertas* there were two occupations that were exclusively Chinese: herbal medicine and needle-making.<sup>55</sup>

If they entrenched themselves in characteristically urban occupations it was because they had very little competition from the indigenous population. While in some industries the Filipinos turned out better-quality products the Chinese still drove them out of business by selling their own products at low prices. Moreover, the greater mobility and quicker rewards of trade contrasted with farming made the former more attractive to the Chinese emigrants.

The Chinese community understandably grew with each Chinese penetration of the major sectors of the country's agricultural economy. After the expulsion in 1766, Chinese immigration picked up so rapidly that for the period of 1766-1790 there were around 5,000 of them, although the unofficial count was 20,000.<sup>56</sup> The number seemed to have been stabilized for a period of 30 years or so, for in 1828 there were only 5,708, 93 per cent of whom were concentrated in Manila.<sup>57</sup> In 1849 their number increased to 8,757 of whom 8,064 were in Manila.<sup>58</sup> Toward the last half of the century the Chinese population increased several fold. The Chinese population grew sharply in the 1860's and remained comparatively high up to 1894. By 1864 the Chinese population in the country had reached 18,000 and by 1875 it was approximately 30,797.<sup>59</sup> There were as many as 59,000 Chinese in 1891, but this number went down to 40,696 in 1894.<sup>60</sup> Moreover, more and more Chinese settled in the provinces, as indicated by the fact that in 1894 only 48 per cent were living in the City of Manila.

The Spaniards acknowledged the advantage of Chinese management of the colony's wholesale and retail trade and in many instances felt sympathetic with the industrious and economically active Chinese immigrants. On the other hand, they also realized that the economic power of the Chinese was assuming disproportionate dimensions — and this trend needed control and supervision. As pointed out earlier, the Spaniards proposed to control Chinese activities through oppressive tax policies now that it was no longer expedient to resort to mailed-

fist methods, but, hand in hand with this policy, the Spaniards in the 19th century enunciated a policy geared toward the economic development of the colony — a policy which necessitated relaxation of the restrictions on the Chinese. Inevitably there had to be a compromise between the two policies.

The compromise in the two policies proved remarkably acceptable to the Chinese. Although the methods of control were onerous enough, Chinese immigration continued at a comparatively steady rate. On the other hand, the Spaniards continued to waver between relaxation of restrictions and the passage and implementation of laws inimical to Chinese interests.

The Spanish policy for the first half of the 19th century was to confine the Chinese, as far as possible, to agricultural pursuits. In 1804 it was ordered that only Chinese in the provinces who were agriculturists or artisans should be allowed to remain in the colony.<sup>61</sup> On October 2, 1827 Governor Ricafort required the Chinese to secure marriage licenses in order to determine their nationality and that of their children.<sup>62</sup>

Then, in 1828, a decree was passed which increased the taxes Chinese residents were required to pay to the government. This came about as a result of a memorial sent by Manuel Bernaldez Pizarro to the King in 1827. Bernaldez Pizarro explained that the Chinese had obtained exclusive control of the retail trade in Manila and, considering the many advantages which they enjoyed and the large fortunes which they acquired in the country, their residence tax of six pesos was much too small. He thus recommended that the registry of the Chinese in the Philippines be corrected and that a new *padron*, or tax list be accurately made and the Chinese be divided into three classes: (1) wholesale merchants, who should pay a tax of ten pesos; (2) retail merchants or shopkeepers, who should pay four pesos; (3) artisans of every class, upon whom a residence tax of two pesos would be imposed. The Chinese who failed to pay their taxes would be sent to the *haciendas* for compulsory labor (*por repartimiento*). They would, however, be given a wage of not less than two silver *reales* daily and a ration of rice per day and the *hacienda* owners would pay the wages to the *alcalde mayor* of the province until the tax was fully paid.<sup>63</sup>

Bernaldez Pizarro, however, did not take cognizance of the conditions obtaining among the Chinese in the Philippines, so that the enforcement of his scheme of taxation was defeated even before the *bando* of 1829 went into effect. Such Chinese, for instance, as could barely earn a living in the Islands were allowed to pay only one peso

every month instead of the required two pesos. Delinquent Chinese taxpayers could not possibly be sent to the *haciendas* because this policy was inimical to the commerce of the City of Manila. Considering that their minimum salaries were higher than those of the natives, the scheme would have forced the Chinese to compete with the natives in agriculture. To solve this problem, the *bando* of July 2, 1829 provided that delinquent Chinese be employed in public works and fortifications for two years and if they were again found to be remiss in their duty they should be expelled from the colony.<sup>64</sup> The onerous provisions of this tax measure served to discourage the coming of the Chinese to the country. This last consequence of the law, initially desired by the Spaniards, was now no longer desired, as it tended to make untenable the economic situation in the Islands which, as Bernaldez Pizarro himself suggested, would have been avoided if there were Spanish factories established for eventual take-over from Chinese control.<sup>65</sup>

The first tax list was accomplished in 1831, showing that 5,708 Chinese belonged to the first class, 5,279 of whom lived in Tondo, 166 to the second class and 830 to the third class. One hundred and ninety-six were exempt from taxation by reason of old age. On the basis of this *padron* the Spanish authorities attempted to collect the required taxes. However, 800 Chinese preferred returning home to paying the tax. One thousand and eighty-three fled to the mountains and 453, who did not have any resources with which to pay the taxes, were compelled to render labor in public works projects and fortifications.<sup>66</sup>

In 1834 the government was constrained to authorize the Intendencia to reduce the rates to enable the Chinese to pay their taxes. Juan de la Matta, the Intendente, explained to the government early in 1843 the expediency of modifying the decree of 1831.<sup>67</sup> The increase in taxes, however, was carried out in another manner, by levying a special tax on Chinese industry and commerce.

In 1850 two new classes were created, a measure designed to increase Chinese participation in agriculture. The decree of August 5, 1850 provided that Chinese engaged in raising sugar, indigo and hemp in Luzon and the Visayas would be put on a par with the natives and would only pay 12 *reales* annually. Moreover, those who were engaged in agriculture in sparsely-populated areas were expected to pay only five *reales*.<sup>68</sup> Later the benefits of the decree were extended to Chinese engaged in the cultivation of tobacco, in fisheries, forestry, mining and shipbuilding.<sup>69</sup> However, despite the five-year exemption from taxes which was granted to the Chinese if they were to engage

in these occupation the Chinese clung stubbornly to their trade and handicrafts, with the city of Manila as their point of concentration.<sup>70</sup>

In 1852 the Chinese shop-owners were required to pay the *patente industrial*, a tax on a graduated scale, depending upon the type of shop. The rates were 100 pesos, 60 pesos, 30 pesos and 12 pesos.<sup>71</sup> This was later extended to all industries engaged in by the Chinese. In 1867 redemption fees for forced labor, or *fallas*, were made applicable to the Chinese.<sup>72</sup> The fee was three pesos. The Chinese continued to pay their head tax of six pesos, but this was abolished and superseded by the *cedula de capitacion personal*, or document of identification.<sup>73</sup> An annual tax, it was similar in character and effect to the *cedula personal*, which was required of the natives. The *cedulas* were of eight classes, the highest being 30 pesos the lowest being three pesos and applicable only to women over 14 years of age. There was actually a ninth class, called *privilegiada*, issued free to the Chinese *gobernadorcillo* and his wife as well as to his subalterns and tax collectors.<sup>74</sup>

After 1889 the *cedula de capitacion personal* was the most important tax for the regulation of Chinese movement in the country. The Chinese were required to produce them in practically every sphere of activity and the Chinese without this document (*indocumentados*) were subject to harsh penalties and, of course, to harassment. Government agents might in fact initiate domiciliary searches to ferret out the undocumented Chinese.<sup>75</sup> To avoid tax evasion on the basis of fraudulent bankruptcy, the government compelled the Chinese to have their books kept in Spanish as well as in Chinese.<sup>76</sup>

Despite such impositions, however, the Chinese community remained distinctive and relatively stable throughout the 19th century. By 1861, long after the destruction of the *Parian* and the consequent shift of the Chinese community to Binondo and Santa Cruz, the *gremios de chinos* had already given way to a formal organization of the Chinese community and government.<sup>77</sup> This development was also true of the Chinese in Cavite, Pampanga and Iloilo.<sup>78</sup> The *gobernadorcillo* and his three subalterns (the first lieutenant, or *teniente primero*, the *interventor*, or comptroller, and the *alguacil mayor*, or chief constable), were elected biennially by an electorate of 12, chosen from all previous *gobernadorcillos*, industrial taxpayers of the first and second classes and cigarette and alcohol manufacturers in Binondo.<sup>79</sup> This electorate of 12, which may be compared to the native *principalia* electorate, voted for three possible choices for *gobernadorcillo*. The *terna*, or list of three successful candidates, was then presented to the civil governor of Manila for the latter's final choice.