1. A triangular dynamic: China-Spain-Philippines

In the 19th century relations between peninsular Spain and the Chinese Empire were influenced by the contacts, both direct and indirect, existing between China and the Philippines. Moreover, these contacts gave rise to a peculiar view of China and the Chinese—the perspective as seen from the Philippines. And that is the perspective from which this study is approached.

It is important to note first of all that the way in which China was perceived from the Philippines was determined by various different appreciations of Chinese reality, and by a very clear dichotomy, of which the two images below are possibly a fair reflection: China was seen as a nation with a great empire and culture, whereas the Chinese in the Philippines were associated with the kind of work that they did in the colony. Let us look at these appreciations one by one.
2. China as seen from the Philippines

The first of the perspectives from which China was viewed from the Philippines was informed by the grandeur of the Chinese Empire and the importance of its culture. China was already an object of admiration in Spain, where the attraction of enlightened society was evidenced by the collecting of prints, books, porcelains, lacquered goods, fabrics, furniture and ornaments—let us not forget that such artefacts had long been familiar thanks to the Manila Galleon, and also through the writings of missionaries and travellers in China—but admiration for Chinese culture was even greater in the Philippines. For here the experience was first-hand, in an archipelago on the fringe of the Central Empire. The Philippines had never become a tributary country, but they were well aware of the influence that the Chinese empire and culture exerted on all surrounding Asian countries. China, then, was in one sense seen in terms of the greatness of its empire, the magnificence of its court and the splendour of its culture.

In second place, China was always viewed from the Philippines with a measure of unease, as a strange and powerful world potent enough to threaten the Spanish presence in the Philippines. This was a vague fear—undefined, for there were no grounds for it—possibly inflated by the threats of the Chinese pirates of old, and by the repeated vicious confrontations with the Chinese resident in the Philippines in the 16th and 17th centuries. As a result, China was ever viewed at the least with the fear-tinged respect elicited by a powerful neighbour.

A third perception of China was that of the missionaries, who essentially saw an immense land of unbelievers among whom they would wish to propagate their religious teachings. All that restrained them was the evidence of China’s real power, Spain’s limited resources and the experience of calamitous attempts at expansion into China in past centuries. They were moreover aware of the experiences there of Dominicans, Jesuits, Franciscans and other orders which had penetrated Chinese territory, and the manifold problems that they had encountered. But despite that, the missionaries in the Philippines were aware of and attracted by the tremendous potential there; it was something they never forgot and they took interest in any religious enterprise that succeeded in penetrating China.
There was also a fourth perception of China through the prism of the business world, which passed through various stages. In the first stage, this economic perspective on China was influenced by the Galleon trade and the role played by the Chinese in the exchange of Asian products for American silver. Then, with the upsurge of the new Filipino economy, oriented towards the export of tropical Filipino products, this view of China was influenced by the import/export ratio between the two countries.

Throughout the 19th century China remained one of the Philippines’ five principal trading partners, frequently taking second or third place in the ranking of exchanges, and in several years it occupied first place, above all in imports to the islands. In general terms, analysis of trade between China and Philippines shows that throughout the 19th century this remained stable, although starting in 1870, and particularly from 1880 on, there was some decline in Filipino exports to China. Those exports to China declined first of all because of shrinking Filipino rice exports, which had been a staple of the trade between the two countries, and secondly because China was not one of the preferential destinations for tropical products such as sugar, Manila hemp, tobacco or coffee, which came to occupy the first rank of Filipino exports starting in the 1820s and 1830s, and even more so in the second half of the century. Moreover, these products were normally exported in large western merchantmen which plied the Hong-Kong-Manila or Macao-Manila routes.

In addition to products for the Manila Galleon, which were essentially the kind most associated with the Orient—spices, silks and cottons, lacquered and porcelain goods, medicinal drugs and perfumes—the principal commodities in direct trade between China and the Philippines were as follows: China exported silk, cotton and linen fabrics, paper, parasols, china and porcelain, glassware, jewellery, ironmongery, furniture, tea, meat, fresh fruit, live poultry and sundry foodstuffs to the Philippines; and in return the Philippines sent rice—an export product which between 1830 and 1850 acquired such importance that for the first time in the history of Chinese-Filipino trade the balance of payments swung in favour of the latter. However, after a certain time this trade declined, for a variety of reasons. As well as rice, the Philippines exported raw cotton, swallows’ nests, cucumber, sugar, sapanwood (used to dry textiles), tobacco, timber,

And finally, there was a fifth perception of China, in this case a political one. Starting in the mid-1840s, perceptions of the Empire were affected by western penetration into China, her forcible opening to the exterior and the treaties concluded with the principal European powers. Thenceforth the Spanish authorities sought to ratify an agreement with China, a goal they pursued for almost twenty years until they finally succeeded in 1864. In that agreement Spain and China granted each other most-favoured nation status in their respective territories, the groundwork was laid for Spanish diplomatic representation in China, trade between the two countries was regulated and conditions were established for residence of the other party’s citizens.

In the closing years of the 19th century, this political perspective on China became tinged with concern at what was perceived in the Philippines as excessive western penetration. The fear was that this could develop into a distribution of spheres of influence that might eventually affect the Philippines archipelago. Be it remembered that Germans, Russians, French and British occupied various imperial ports in different parts of China, from whence they began to spread into the interior. Moreover, concessions for railway construction multiplied. Russia and Germany monopolised the railways of Manchuria and Shantung. Great Britain negotiated to build one in the Yangtze valley. In September 1898 China and Germany concluded an agreement for the construction of new railways.

This process of western penetration in China was viewed from the Philippines with enormous misgivings. It was feared that in order to support penetration of the Chinese market, any of the imperial powers might seek to consolidate its position in the area by acquiring a base in the Philippines to facilitate dealings with China. Let us not forget that that is precisely what happened in 1898 with the US annexation of the Philippines during the Spanish-American war, an operation that has frequently been justified as the acquisition of “stepping stones” to China—i.e. the creation of a string of strategically-placed bases linking San Francisco, Hawaii, Samoa, Guam and the Philippines, eventually reaching the coasts opposite China, always by way of US enclaves.
3. Importance of the Chinese population in the Philippines

Alongside these different perceptions of the Chinese Empire, there was always another particular view of China influenced by the many Chinese who lived in the archipelago, and by the important role that they played in the society and the economy of the Philippines. To understand this dimension of the Chinese population there, we shall now look at the reasons why their role in Filipino society was so important.

Trade had been carried on between China’s southern provinces and the Philippines since times immemorial. Indeed, the Spaniards who had reached the Philippines by way of the southern island of the archipelago in the 16th century, after much hunger and suffering through lack of resources, approached Luzón upon learning that in the neighbourhood of the original Maynila there were settlements of Chinese and other traders from whom they could purchase food.

The function that the Chinese performed in the islands’ trade acquired new importance thanks to the Manila Galleon, as it was Chinese merchants who carried products to Manila from mainland Asia, with which direct trade was not allowed. With them they brought silks, velvets and other fabrics; porcelains, lacquered goods and luxury articles from China and Japan; pepper, cloves, nutmeg and other spices from Sumatra and the Moluccas; seed pearls and table covers from Ormuz and Malabar; wheat, flour, pearls, jade and precious stones from India and Ceylon; cottons and textiles from Bengal; perfumes—musk, gum benzoin—and ivories from Cambodia; carpets from Persia... In Manila these products, which would then be exported to the rest of the world by way of the Galleon, were exchanged for American silver, essential to the silver-based imperial Chinese economy.

Thus the Chinese came to be a fundamental sector both for the supply of staples and for the trade that was carried by the Galleon which linked the Philippines with Asia and America, and which for many years was the cornerstone of the colonial model established in the islands. However, despite the key role that they played in the system, their relations with the colonial authorities in the archipelago were never easy, and it was a constant of Spanish policy to try to control and limit their activities as far as possible. The Chinese population—five thousand in 1586—soon outgrew that of the
Spanish governing elite. For that reason, about that time Governor Gonzalo Ronquillo deemed it more prudent to confine them in a clearly demarcated quarter on the outskirts of the city facing the river Pasig, where they could be kept under close surveillance and their commercial activities taxed. But despite this—or perhaps precisely because of it—relations between Chinese, Spaniards and Filipinos in the 16th and 17th centuries were marked by violence, confrontations and outright massacres.

Following the conflicts of 1593, 1596, 1603 and 1639, after considering whether to expel those Chinese who had not accepted Christianity in order to avoid new revolts in the inner city, it was decided to move these traders out of the colonial nucleus and transfer them to the northern bank of the river Pasig, where they were made to carry on their business in the Alcaicería [silk bazaar] of San Fernando, an octagonal structure built in 1756, and from 1783 on in the Alcaicería of San José. This may well have improved their living and working conditions, since thenceforth there were no more outbreaks of such violence.

In the 19th century the position of the Chinese in the Philippines underwent a process of profound transformation and rapid consolidation, and as the situation changed, so did the way in which they were perceived. We can distinguish several moments and various different attitudes in this respect. There was a first stage, starting in 1766 when the first expulsion of Chinese took place, but most particularly between the early decades and the middle of the 19th century, which may be described as a period of encouragement of a Chinese presence and stable relations with other population groups. Then there was a second stage, commencing in 1850 and lasting twenty years, marked by growth of the Chinese population and expansion of their activities—developments that the other sectors began to view with growing concern. The third stage, in the 1880s and 1890s, was one of splendour for the Chinese in the Philippines, who competed strongly with other rising sectors of Filipino society; that competition aroused criticism of their place in society, prompted the emergence of an anti-Chinese campaign and accounts for the recommendation that their boundaries and rights be severely limited to prevent them from gaining too much ground. The fourth and final stage, in the closing years of the 19th century, was marked by burgeoning growth and change in the Chinese population of the Philippines, which raised vital new questions in their regard. These centred around the concept of citizenship and alienness; around the possibilities of coexistence,
integration or differentiation; or again around the reaffirmation of the sense of community among the Chinese and the recovery of their relations with China.

The changes undergone by the Chinese population bore a direct relationship with the transformations in the colonial model and the successive economic systems that were adopted. The 19th century saw a fundamental change in the economy of the Philippines. From an intermediary economy centred around the Manila Galleon trade, through which Asian goods were exchanged for American silver, it turned into an agro-exporting economy based on the production of sugar, Manila hemp, coffee, tobacco and other tropical products that the Philippines was able to offer, and which were then in great demand world-wide. This brought with it the opening up to international commerce, the freeing of trade, and the shift to a very different legal approach from what had prevailed in previous centuries, characterised by trade monopolies and restrictions on foreign participation in the islands’ economy.

These economic changes were clearly reflected in the Chinese living in the Philippines, and in the role they played in the islands. With the new direction taken by the economy, and the realisation that the cooperation of Chinese workers would be most conducive to the enhancement of export-oriented agriculture, policy concerning the immigration, settlement and activities of Chinese in the Philippines changed radically from the early 1820s on. Basically, the previous restrictive regulations governing the presence and occupations of the Chinese, which were severely limited, gave way to new regulations that promoted the influx of Chinese labour, offering attractive prospects for the pursuit of new occupations and making it easier for them to settle in and move around the archipelago.

In addition, the dues that trading Chinese junks had to pay on arrival at Manila were successively reduced by decrees of 1832, 1837 and 1843. The purpose of this was not only to encourage the influx of Chinese products to the Philippines, but also to achieve reciprocal treatment so that Spanish vessels could more easily operate in Chinese ports. Be it remembered that at that time the Spanish government was seeking a trade agreement that would assure its merchants greater privileges in China and secure for Spain the same privileges as other nations. In this context the Spanish authorities were aware that they could more readily achieve their goals in China if they revised their
policy in respect of junks reaching the Philippines and the Chinese residing in the archipelago. The improvement in the conditions of the Chinese in the Philippines was therefore a consequence at once of Spanish interest in their contribution to the development of the Filipino economy and of the conviction that if they were granted greater facilities in the archipelago, greater advantages could be secured in China on a reciprocal basis.

In light of this, a succession of increasingly liberal measures were introduced starting in the late 1820s—specifically in 1828, 1830 and 1834. In 1839 a decree was promulgated granting the Chinese complete freedom of occupation and choice of residence. Thus they were at last allowed access to the provinces—albeit journeys between Manila and the provinces to collect merchandise remained subject to some restrictions. The law of 1839 was also intended to encourage the Chinese to settle in sparsely-colonised areas whose occupation was deemed desirable, such as Calamianes, Davao, Zamboanga or Mindanao.

Furthermore, the Chinese were encouraged to take a hand in inter-island trade by the prohibition of provincial governors from engaging in internal trade, which until then they had monopolised. Efforts were also made to attract Chinese participation in agriculture by reducing taxes on those engaged in farming (decree of 1850). However, the Chinese never really took to farming in the Philippines. At the peak of Chinese involvement in agriculture, presumably around 1870, of the 40,000 then living in the archipelago only about 5,000 were engaged in farming. The Chinese clearly felt more at home in the world of trade.

In this process of liberalisation and the consolidation of new functions, the Chinese never abandoned the roles that they had traditionally played in the Filipino economy—as importers, sellers and distributors of Chinese products in the archipelago; as artisans in certain industries, and as urban workers such as shoemakers, carpenters, woodcarvers, smiths and foundrymen, tin craftsmen, tanners, dyers, water-carriers and cooks, the occupations associated with city Chinese. In 1903 the Chinese accounted for 11.6% of all urban workers.
But at the same time they began progressively to undertake new pursuits. First, they expanded their retail and distribution activities into the provinces. Then they became commercial agents for foreign firms established in Manila, acting as their representatives in the other islands, and as middlemen between island producers and foreign exporters. In this connection A. Kuensle, the agent of a Manila-based foreign firm observed: “With very few exceptions, firms here only sell in manila and to the Chinese, who are the middlemen for the provinces. Neither the importers nor the exporters could do anything without them... Indeed, trade in the islands, which is as yet little compared to what it may come to be, depends entirely on the Chinese because it is they who sell to the inhabitants of the interior, and who barter with the natives, exchanging imported and exported products. It is the Chinese who venture into the interior, who open up communications, who carry on the exchanges, bringing imported products and carrying away products for export. You will see a Chinese trader anywhere, in the farthest outpost, in the remotest corner, always offering some product”. (Report of the Philippine Commission, 2, 227-229).

Moreover, as time passed they were allowed to purchase land, to grow products for which there was world demand and to export them; this meant that they became involved in the growing, production and harvesting of certain products, for example sugar in Negros, and Manila hemp, indigo or timbers in Iloilo. They also found their way into the business of the tobacco, alcohol and opium monopolies, becoming producers and harvesters of the protected products: there were as many as 200 small Chinese cigarette factories; rum and palm alcohol distilleries were set up, also Chinese, and there came to be as many as five hundred opium houses, mostly under Chinese control. To carry on these businesses, the more prosperous Chinese also turned to the importation of coolie labourers.

Finally, in the closing years of the Spanish period, starting in the 1880s and 1890s, they ceased to act as simple middlemen between the interior and exterior economies, or between China and the Philippines, and became direct importers of European goods and exporters of agricultural products to the major world markets.

Thus, at the end of the century the Chinese in the Philippines were still playing a fundamental role in external and internal trade, but they had further become landowners,
producers of export crops, owners of companies that now traded not only with China but with the major world markets; they had become investors, owners of banking concerns, agents of insurance companies and commissioned representatives of large western enterprises...

4. The perception of the Chinese from the viewpoint of the 19th-century Philippines

As a result of the changes in the place that the Chinese occupied in the Philippines, the way that they were perceived also changed with time.

In the first half of the century relations were harmonious and stable. This situation was favoured by geographical stability in that the Chinese were concentrated in the region around Manila; by numerical stability in that the Chinese population numbered around 5000 as compared to a total of 3 million Filipinos—the number was sufficiently large for them to perform their function in the Filipino economy without appearing as a threat either to employment for Filipinos or to the security of the islands, especially at a time when the Spanish military presence had been reinforced; and also by social stability in that the Chinese appeared to be satisfied with the improvements they were achieving and did not raise controversial demands. Philippines society appeared at last to have reached a modus vivendi with the small Chinese minority. There was only one exception to this pattern: in 1820 a cholera epidemic broke out in Manila in the course of which there were riots in protest at the foreigners who were blamed for having brought the epidemic to the islands. These foreigners included the Chinese population, but in the end there was no more than some rioting and none of the massacres of Chinese as in former times.

That stability worked in favour of the way the Chinese were perceived, to the extent that efforts were made to attract more Chinese to the islands in the hope that with their acknowledged capacity for hard work they would contribute to the development of the new Filipino economy based on export agriculture. Hymns of praise were sung to the intelligence and capacity for hard work of the Chinese, with particular stress on the importance of their contribution to the Filipino economy.
But as the century wore on, as the number of Chinese in the Philippines grew and their influence spread to new economic sectors, both Spaniards and Filipinos began—once again—to view them with fear and concern for the economic, social and cultural importance that they were acquiring in the archipelago.

In the post-1850 period, free immigration brought with it an increase in the number of Chinese in the archipelago. While in 1847 there were some 6000 Chinese in a total of three and a half million inhabitants, in the 1880s the Chinese numbered almost 90 000 in a total population of six million. In other words, while the Filipino population doubled, the Chinese population grew 15-fold. Moreover, their population had spread throughout the archipelago and had penetrated economic sectors formerly closed to them.

This numerical, geographical and occupational expansion prompted a revival of anti-Chinese sentiment, and social, economic and cultural resistance to their presence sprouted anew. This was true of widely-differing sectors. Of the Spaniards, the liberals were more in favour of the Chinese presence as a fillip to trade and economic development, and they seemed more inclined to grant them facilities. The conservatives were quick to point to the potential threat posed by the change in Chinese circumstances, both to the economic interests of Spanish businessmen and to the security of the colonial regime, and even to “Indian” rights, which as colonisers they were bound to protect against any threats from outsiders. The missionaries too argued that the spread of the Chinese through the archipelago, their living cheek-by-jowl with the Filipinos in villages remote from colonial oversight, and the dissemination of their beliefs, rites and customs, could be harmful to the “Indians” and to their own efforts at evangelisation.

Then on the side of the Filipinos, various circles objected to so large a Chinese presence. On the one hand the Filipino landowners, who grew sugar, coffee and various tropical products which they sold to foreign firms, looked askance at the way the Chinese were penetrating this sector and turning into direct competitors. On the other hand Filipino workers feared that a massive influx of Chinese could threaten their job security. And finally, over and above any economic considerations, enlightened nationalist circles, which sought to instil pride in the Filipino identity, feared the
influence of Chinese culture in the archipelago—despite the Chinese roots of such influential personalities as Rizal or Bonifacio.

This being the state of public opinion, in the 1880s and early 1890s there were numerous public outcries against the Chinese. They were criticised for the range and scale of their economic activities, they were accused of “unfair” competition in business, the taxes they had to pay were deemed insufficient, and there were calls to modify the “excessive liberties that they enjoyed” and to restrict their rights as far as possible. Attacks on the Chinese were constant in the newspapers of the time, especially the conservative ones, and thus an anti-Chinese campaign was kept alive. These included Rafael Comenge, one of the fiercest critics of the Chinese presence in the Philippines and author of a book entitled “Philippine questions. Part 1. The Chinese”, 1894; Ramón Jordana, a forestry engineer who wrote a book criticising Chinese immigration to the Philippines, 1888; José Felipe Del Pan, whose articles for “La Oceánía española” were later published in book form as “The Chinese in the Philippines”, 1886; similarly the book “China in the Philippines”, 1886, was a collection of articles on the Chinese published in “El Diario de Manila”; and again the conservative newspaper “La política de España en Filipinas”, 1891-1892, sustained a line that was highly critical of the Chinese. On the other side, the newspaper “El Comercio” supported the Chinese presence in the Philippines.

This anti-Chinese movement of the 1980s and early 1990s shattered the harmony of coexistence and set the stage for confrontation; however, there was never a question of a reversion to the riots and massacres of earlier centuries. The critics confined themselves to mobilising public opinion against the Chinese and appealing for restrictive action by the colonial government. At all events, from the mid-1990s on the entire anti-Chinese campaign appeared to die out in the closing years of the century when the great controversies in the archipelago revolved around the rights and wrongs of the reformist policy that the government was attempting to introduce in the islands and the spreading revolutionary movements.

But the fact is that the anti-Chinese campaign prompted a number of interesting debates and processes in the Philippines. Firstly, it caused the Chinese to reaffirm their sense of
community, to start advocating for their role as a national and cultural minority in the Philippines, and also to seek outside support from their mother country, China.

Another interesting problem that this campaign against the Chinese population raised, and which was never clearly resolved, was the debate on the status of the Chinese within the Filipino universe—were the Chinese in the Philippines aliens or were they part of the islands’ population? Should they be considered nationals or aliens? Did they constitute a problem of international politics or a problem of domestic culture—an internal problem rooted in the very cultural diversity of the archipelago? Had they become a cultural minority in the Philippines but Filipinos in the final analysis, or were they still alien immigrants with no real place in the community?

This prompted a debate on the desirability of Chinese integration in Filipino society and the conditions in which such integration should proceed, or whether differentiation was preferable and on what terms. Because of the peculiar characteristics of the colonial society that had been created in the Philippines, if a Chinese wished to become integrated in Filipino society and in the process was prepared to become “Philippinised”, he encountered no great resistance, and in most cases the family would be absorbed into Filipino society in a single generation. The debate, then, was not the choice between being Chinese, Mestizo or Filipino, but between being Chinese and being Filipino. They either remained profoundly Chinese or they became completely “Philippinised”. At the turn of the century LeRoy wrote that Chinese mestizos did not seek to stress their condition as mestizos with separate origins but that in the course of a generation they were absorbed into Filipino society and came to be considered Filipinos pure and simple, even if their origin was Chinese. This question tied in with the “Philippinisation” or “Hispanisation” of the Chinese in the Philippines, an interesting problem but one that must be left for some other occasion. It also bore on the whether or not the Chinese should be included in the debate then going on in the islands on the question of citizenship: who were citizens of the Empire and what rights they possessed. This also touched on the issue of taxpaying, and the kind of taxes that should be levied depending on one’s status in Filipino society, and also the role that foreigners were acquiring in the nineteenth-century Philippines. In fact the Chinese had been somewhere between the two poles. According to the policy traditionally followed in the Philippines, there were no foreigners resident in the islands but a certain number of Chinese were
permitted to stay, albeit obliged to reside in a given area and engage in certain specified activities, first as “invernados”, then as “radicados”, and therefore what happened was that a special chapter was included in the Collection of Laws of the Indies devoted to the Chinese in the Philippines: “De los sangleyes”. They were treated as a cultural minority in the Philippines, with a unique special status, subject to special laws, the sangleyes, and also a special kind of taxation for them alone. However, when the debate on citizenship arose between Spaniards and Filipinos, and there were tense and hard negotiations on citizenship and the rights of the members of the nation, the Chinese were left out of that debate. If they became integrated they were considered plain Filipinos, with no distinctions. If they remained Chinese they were considered aliens. This process was influenced by the opening of the islands to the exterior and by the introduction of new regulations allowing alien residence, which regulated their economic activities and their rights and obligations in the archipelago. In the event the Chinese were progressively granted the same rights and the same status as any other foreigner. This meant that they were subject to the same kind of taxation; the old system of levies was abandoned and a system of personal taxability introduced first, and then payment of customs duties and taxes on economic and industrial activities later. In short, there are a number of interesting questions that remain open to debate and more detailed investigation on some other occasion when we come to analyse relations between Spain, China and the Philippines.