

# The Spanish Taxation System and the Manila Food Market: Indications of an Early Commercialized Economy

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Before the Spanish conquest, Filipinos thrived on a system of mere subsistence. The Spaniards realized that in order for them to effectively maintain control of the colony they must improve the production of food and resources in the islands. To do this, the Spaniards instituted revenue-generating measures such as systematic taxation and compulsory sale of agricultural products to the colonial government. Later, having been introduced to better farming equipment, the natives were able to practice a more intensive form of agriculture that enabled them to sell to Chinese traders at higher market prices and fulfill their tax requirements. The 16<sup>th</sup> century galleon trade and a war against the Dutch, both of which required a vast array of construction materials and manpower, put an enormous strain on food and supply requirements and prompted colonial authorities to implement more coercive taxation and forced labor. By the 17<sup>th</sup> century, a survey of Manila provisions revealed growing mercantilism and a stable food supply owed to improved trading and surplus from trade and friar farmlands. No longer dependent on galleon trade, new patterns of consumption, foreign demand for agrarian resources and a legitimate labor market at the beginning of the 19<sup>th</sup> century signaled the era of modernization and growth for the Philippine economy.

During its occupation of the Philippines, Spain pressed for improved food production, the development of indigenous agricultural resources and the commercialization of the local economy, to maintain effective control over the Asian colony. In what way and by what strategies Spain attained these objectives are the subject of this paper, which is based on historical records of the 17<sup>th</sup> and 18<sup>th</sup> centuries, relating to the so-called *repartimientos de dinero* (cash distribution) and the composition of the indigenous tax.

Notwithstanding the splendid natural conditions in the country at the time of the arrival of the Spaniards, the Philippines was not largely a food-producing country, and neither a big producer of other resources. With the exception of the Muslim south, which is of a different type of dynamics,<sup>1</sup> the few sources of information on Luzon and Visayas available during this early period give us a picture of a subsistence economy with hardly any stimulus for internal growth, that did not generate resources beyond what was needed for their own sustenance.<sup>2</sup> Even at the close

of the 18<sup>th</sup> century, prior to the changes brought about by the international market, the archipelago did not reach the desired level of production despite its vast agrarian potential. This is not surprising though, considering that the region had satisfied the need for food and other resources of the natives whose population then was not that high.<sup>3</sup> A subsistence type of agriculture was sufficient to adjust the resources to the needs of the people despite the existence of a number of farm lands, like those in Manila, which were already generating a certain amount of surplus goods in a manner Alfons Dopsch would point to as “the natural economy of exchange”<sup>4</sup> occasionally resorted to by Chinese traders.<sup>5</sup>

### **Tribute as Resource Generation**

The arrival of the Spaniards, which paralyzed the process of Muslim expansion in Luzon and the Visayas from the south, would deeply alter the equilibrium. This was due largely to the fact that the conquerors were able to overcome the initial obstacles they encountered in their search for food. The mechanism by which the Spaniards realized their objective to obtain food and other resources needed to effect their conquest consisted of an imposition of payment of *tributos* (tributes) on the part of the natives. It is similar to what had been practiced before in New Spain and, in general, in all colonies in America. Its primary purpose was to generate resources with which to finance the maintenance of the islands (Alonso Alvarez, 1998a and 1998b). Such expenses included salaries of government officials, expenses of the clergy tasked to spread Christianity among the natives, and rewards to the defenders of the territory.

However, the dispersal of indigenous settlements — the primitive *barangays* each — with its own resources but hardly connections to each other, proved to be a constraint in the efficient collection of taxes. The prospect of supplying food and ammunitions to the troops was made possible only after the introduction of a new type of human settlement patterned after the American model. These were the *reducciones* or *pueblos* (towns), temporary units where the natives from different *barangays* together with those who were awarded new agricultural lots gathered. This settlement model facilitated the collection of tributes, which were either handed over to the *encomenderos* as a form of reward or remained under royal authority.

Faced with initial difficulties in determining whether payment of the tribute should be made in cash or in kind, the Filipino natives clearly opted for payment in cash.<sup>6</sup> Undoubtedly, they were able to derive it from the sale of specific products to the Chinese businessmen who arrived with the establishment of trade relations with the Asiatic continent that brought about the galleon trade. On their part, the conquerors initially accepted this practice without realizing that it was more a response to the demand for labor in American mines, farm lands and manufacturing ventures imposed by the realities of American life, rather than to the exigencies of life in the colony whose economy became more and more linked to distribution than to production. For the natives, this meant the sale of a part of their agricultural produce, and with the cash obtained, they were easily able to settle their manageable tax obligations.<sup>7</sup>

Very soon, however, a number of undesirable factors affecting the economy led to a significant increase in prices, which the people noticed (Hidalgo, 1997). On one hand, the demand for food and military ammunitions increased as a result of the impositions of the conquest. The crucial mobilization of native troops allied with the Spaniards resulted in a decrease in manpower available for agriculture in Luzon. This, together with the permanent establishment of the *barangays* in *reducciones* and towns (which drastically reduced the size of agricultural lots), put pressure on the supply of food and resources.

An increase in the price of agricultural products being imminent, the Spaniards reacted almost immediately by demanding the payment of tribute in kind and by imposing a tariff (lower than market level), on the prices of products included in the tribute. Their intention was clear: by ascribing low values to taxable goods, they wanted to re-establish the initial equilibrium on prices. But that was only possible by entering more goods into the market, something the indigenous agriculture was not yet capable of. The final solution inevitably came with the introduction of innovations in the use of agricultural tools, especially after the promotion of the Chinese plow and the carabao as the harrowing animal. These resulted in a consolidation of an agrarian system with a high level of sedentary activity (Corpus, 1997). Thus, the natives were compelled to practice a more intensive form of agriculture that would achieve the level of production necessary for them to survive as well as pay in kind an undervalued tribute.

The conquerors' strategy therefore aimed to enforce a commercial type of agriculture by way of compulsory taxation and not through mechanisms inherent to the market. This conflict of interests lasted until 1595 when Gov. Luis Perez Dasmariñas succeeded in imposing the Solomonic criterion allowing the payment of half of the tribute in cash (Hidalgo, 1985), an order finally confirmed in 1604 during the administration of Pedro Bravo de Acuña. This method of payment finally came to an end with the establishment of a double mechanism of coercion. First, the natives made money with which to pay part of their tax obligations by directly selling specific agricultural products to Chinese traders at relatively high market prices. Second, as the natives paid the rest of the tribute with produce, the colonial authorities acquired a wide supply of goods and services. In turn, they used these goods and services to finance the conquest and control prices at a tariff rates that were significantly lower than market prices.

### **Enter the Galleon**

Such was the situation until about the end of the 16<sup>th</sup> century when regular trade with Acapulco was established. The galleon trade was considered the only means to ensure European presence in Southeast Asia. The annual galleon, loading Oriental merchandise in the vice-royalty of New Spain, maintained the islands under Spanish control in a cheap and efficient manner. The difference in prices between Asia and America for such products as silk, Chinese pottery and Indian cotton encouraged the entry of silver in significant quantities, warranting a refurbished Filipino economy. The traders continued their transactions as middlemen. The financiers continued to give credit lines and, in general, the Spaniards paid in cash for their food supply and other goods. At the same time, the natives received their payment in cash, enough to pay their tax obligations. All these reinforced Spanish control over the archipelago. At that time, the measly collection of taxes<sup>8</sup> immediately required a subsidy from the popular *situado real* (Bauzon, 1981).

The existence and success of trade relations with America soon brought about a second wave of taxation changes that greatly affected the entire economic system. The galleon trade demanded the maintenance of a network of small ships transporting goods to Manila from all corners of Southeast Asia. The need was partly solved with the arrival of Chinese junks.<sup>9</sup> However, the supply problem remained and now included the

food requirements of the Spanish and the growing Chinese population as well as at the port of Cavite. The port serviced the galleons and required wood for construction, canvasses and ropes for masts and spars, metals for equipment, cannons for defense, simple textiles for the packaging of products, and provisions for sailors and troops who had to endure long voyages. There was also a demand for tree cutters and smiths who were scarce as a result of the ban on the hiring of natives (Hidalgo, 1995: 235). Facing these new exigencies, the tribute or tax proved to be inadequate: it could neither generate a variety of goods in sufficient quantities to support the galleon nor shoulder employment the cost needed for the construction of ships that would help maintain trade with America.

### **More Taxes and Forced Labor**

The new problems arising from the continuation of foreign trade called for new solutions which were all related to the strengthening of the mechanism of compulsory taxation. While all types of personal services<sup>10</sup> were banned during the first years of conquest, two types of taxation patterned after the American tradition were implemented in the archipelago.

The *repartimientos* established in the Philippine islands at least the way we understand them today, were generally in the form of cash and not so much of goods as in almost all American territories.<sup>11</sup> The money needed to be distributed among the natives was one of the items that constituted the *situado* which came with the galleon of Acapulco and whose evolution can be checked from the accounts of Mexican Treasury (Tepaske and Klein, 1988).

The distribution of cash – *bandala*, as the natives called it – may be defined as cash items distributed by the *Real Hacienda* (Royal Treasury) among the native communities for the acquisition of certain goods at customs price for the needs of the galleon and Manila's population. Actually, the farmers were constrained to sell, in advance, at customs price and not in accordance with marketing regulations.<sup>12</sup> The differences between the actual and prescribed value of the goods actually made up the payment of the original tax to be added to that of the tribute. In this manner, the colonial administration compensated for an initially low system of taxation, as in the *tributo* (tribute) in the Philippines, with the

imposition of the *repartimiento*. In due time the Royal Warehouses were supplied with all types of provisions for the maintenance of the galleon and the Spanish population of Manila.

Regarding personal services, the so-called *polos*<sup>13</sup> of the natives, provided for semi-gratuitous labor<sup>14</sup> needed by the Spaniards in jobs like wood cutting for naval construction and smelting of weapons and cannons.<sup>15</sup> Actually, these personal services likewise constituted a mechanism of compulsory taxation, similar to the *tributo* and the *repartimiento*, in so far as a type of sharing went to the colonial administration from the difference between the amount paid to the *polistas* (Filipinos rendering forced labor) and the amount existing in a true labor market.

The result of this second wave of fiscal and economic changes led not only to a greater downgrading of native products by Spanish administrators but also constituted a more efficient response to the challenges of a continuing galleon trade and, above all, the needs of the city of Manila. There is something peculiar about the latter case, since we have seen from the time of the conquest that the Spaniards were already beset with the problem of food provision. The problem of food supply in the capital, the center of population in the Philippine islands, would later acquire another solution that would eventually be perfected.

### **Manila's Source of Food**

Supplying Manila's market was done in four ways. First was through the sale of surplus goods in the Royal Warehouses. This started as an occasional practice but eventually was imposed as a regular activity. Second was through the sale of produce from the *encomiendas*, whether they were private- or government-administered. In the latter, with the absence of a real accounting system (which existed only in name), the provincial authorities devised a rigid distribution network, utilizing the mechanisms of tax collection and sharing and personal services for private profit.<sup>16</sup> The administrators were prohibited by law from engaging in this activity. But it became so widely prevalent that during the 18<sup>th</sup> century, the *alcaldes* (mayors) were required to pay a certain fee in order to engage in commerce (Jagor, 1875). The network was completed by the rest of the administration officials of the land and the bulk of the native *principalía*, reaching the lowest levels of the native population

through the *cabezas de barangay*. On too many occasions, the practice of trade among the *alcaldes* and *corregidores* prevailed over the task of tax collection in a *totum revolutum* where in practice, there was no distinction whatsoever between government resources and private enterprises.

A third way of supplying food to the market came from the produce of large friar lands. Roth's study notwithstanding (1977), we are still uninformed as to what portion of their production was sent to Manila. It may be inferred, however, that on the whole, it must have constituted a significant amount, considering the wide scale production in friar-owned farm lots, which made up the most fertile lands in the vicinity of the capital. Finally, we must not underestimate the fourth method of bringing in products to Manila's market, which consisted of those coming from China and India but were not absorbed by the galleon trade and of products coming from Spain and Mexico through the same.

The foregoing situation prevailed without great changes until the early 17<sup>th</sup> century when hostilities with the Dutch imposed new requirements on the Asian colony. The war demanded a frenzied working pace in naval construction and the recruitment of native troops which resulted in a manpower shortage in agriculture. In this manner, the war worsened the already difficult living conditions of the Filipinos (John L. Phelan, 1959: 101), thus strengthening the mechanisms of taxation in the form of *tributo* (which was collected with greater efficiency), the *repartimiento* (which from being occasional became a common and continued practice)<sup>17</sup> and, above all, the *polos*.<sup>18</sup> These services, due to their frequency and intensity, eventually became a source of vexation among the natives.

The end of hostilities toward the middle part of the 17<sup>th</sup> century did not mean the disappearance of the above-mentioned taxation scheme, as gleaned from the *Ordenanzas* (Ordinances) of Governor Fausto Cruzat (1696)<sup>19</sup> and Jose Raon (1768).<sup>20</sup> Furthermore, the system of taxation acquired greater efficiency when the last *encomiendas* managed by private individuals became part of the Royal administration. Having been integrated into the new provincial structure, the old *encomiendas* came to be administered by the *corregidores* and *alcaldes mayores* (magistrates) who included the *encomiendas* in their distribution network.

### Composition of the Manila Market

To have an idea of the local market's resources, we can only rely on the quantitative data corresponding to one of the modes of trade supply and in specific periods. In both cases, the data deal with existing stocks in the Royal *Almacenes* (Warehouses), the result of purchases made by way of cash distribution. The first of the sources we shall use covers the last decade of the 18<sup>th</sup> century,<sup>21</sup> while the second only provides us with information for the year 1732.<sup>22</sup> The former provides references pertinent to the stocks of the Royal Warehouses between 1684 and 1701, which appear in more than a hundred pages — merchandise largely acquired from Filipino natives and Chinese and Mexican merchants by the government of Manila, with their quantities and prices based on customs duties. Using these figures, the following tables are derived. The only factor useful in comparing the occurrence of the different products in the Manila market is that of the *valores* (value) of merchandise. Being the only homogeneous unit, the *valores* makes it possible for us to quantify the levels of commercialization.

Table 1 gives us a composition of the Manila market, where food was overwhelmingly predominant (two-thirds of the total), followed by textiles. In terms of demand, rice was far ahead of the rest, comprising more than three-fourths (78.9%) of all food commodities. About one-fourth consisted of other cereals (7.6%), other types of food (4.6%), salt and its by-products (3.1%), oil (3.0%), salted fish and other preserves (2.0%), meat, sugar, wine and liquor being in very small quantities. After food, the second category of importance consisted of textiles (14.8% of the total), with abaca fiber standing out<sup>23</sup> (41.4%), followed by the *elefantes*, a kind of cloth (17.2%), then the blankets of Ilocos (10.1%). These were followed by other industries (17.55% of the total), among which figured the iron industry (39.5%) and naval construction (21.7%), with the following lagging behind: metals (7.4%), construction materials (6.3%), gift items (5.1%), wax (4.9%), tar (4.6%), and furniture and other domestic materials (4.4%).

But from what places did these products originate? Is it possible to identify a production specialization in the archipelago? To answer these questions, we can use a complementary and reliable source of information, namely, tax accounts sent annually by the provinces to Manila during the last decades of the 17<sup>th</sup> century. Since a part of the tribute had to be paid



in kind, we can say that the payment was made from the surplus of family businesses, which may thus indicate that a province could possibly engage in a provincial specialization.

**Table 1**  
**Manila's Market at the End of the 17th Century**

Products	Pesos (at 8 reales)	%
Food	338,102.50	66.30
Textile industry	75,501.00	14.80
Other industries	89,523.50	17.55
Unknown	6,895.00	1.35
Total	510,022.00	100.00

Source: AHN (National Historical Archives, Madrid), *Consejos*, bundle 21022, sheets 176-210.

Generally, with the exception of Ilocos, Calamianes and the jurisdiction of Cavite, all the provinces, especially those of Luzon, had a surplus production of *palay* or unhusked rice, the most common and widely consumed cereal (see Table 2). Almost two million cavans at 25 gantas each<sup>24</sup> were distributed. The provinces of Pampanga, Camarines and Albay led in the distribution of a significant number of cavans, and almost half of their production was earmarked for commercial use. In Pangasinan and Ilocos, the production of milled rice exceeded 275,000 cavans at 22.5 gantas per cavan. With respect to the other types of food, there existed a certain specialization in wine and vinegar-making in Pampanga, followed by coconut oil in Tayabas and Leyte, poultry in Tondo, Bulacan, Pampanga and Laguna de Bay, and corn bread in Cebu. Textile production consisted of blankets (foremost of which were the blankets of Ilocos), *guintas* (Camarines, specially Oton), *medriñaques* (Leyte, Panay, Negros Islands, Cebu and Caraga), abaca (Panay and especially Mindoro), blankets and *tacifiras* (Oton) and *lompotes*, knitted and cotton stockings (Cebu). Among the non-agricultural and non-textile products which were traded through the *tribute* were gold (Pangasinan, Ilocos, Cagayan and most especially Caraga), tar (Tayabas), and wax (Camarines, Panay, Oton, Negros Islands, Cebu, Caraga and, above all, Calamianes).

**Table 2**  
**Principal Producers of *Palay* at the Close of the 17th Century**  
(In cavans of 25 gantas)

Pampanga	292,545
Camarines	291,785
Albay	268,800
Laguna de Bay	195,332
Bulacan	153,900
Pangasinan	142,848
Tondo	119,823
Cagayan	119,224
Panay	109,200
Balayan	81,090
Oton	44,567
Mariveles	21,330
Negros Island	8,483
Mindoro	6,187
Leyte	5,325
Caraga	2,950
Cebu	1,125
Total	1,864,515

Source: AHN, *Consejos*, bundle 221027, 3rd part, sheets 1-47.

### Rising Commercialism

The last set of numerical figures dates back to 1732, and refer to the purchases of the Royal Warehouses during that fiscal year. One comparison we can make between the *repartimientos* of the 17<sup>th</sup> century and those of the 18<sup>th</sup> pertain to cash amounts intended for purchases. The sum total of these quantities for the period 1684-1701 rose to 510,022 peso, or an annual average of 28,334 pesos. This amount is less than that available for the year 1732 (37,904 pesos). Thus, we can observe that the *repartimientos* increased by 33% over a period of almost 40 years in spite of the definite suppression caused by the Dutch aggression. We can therefore conclude that the levels of mercantilism increased in the

Philippine economy, at least based on purchases made in the Royal Warehouses.

Nevertheless, this increase was not the most radical transformation. If we analyze the composition of purchases made in 1732, we see that it was rather different from that of 1684-1701. In Table 3, the bigger proportion comes from the item *other industries* (65.2%), followed by food (17.4%) and textiles (13.4%), which were leading at the close of the 17<sup>th</sup> century. If we look closely at the principal products for commercial use, we observe the predominance of unworked iron (26.9%) and naval construction (27.7%), with textiles (13.4%) and salted meat (12.9%) relegated to a secondary position. The major change in relation to the purchases at the close of the 17<sup>th</sup> century is the disappearance of cereals, especially rice, which proved to be a significant item for sale by the Royal Warehouses. Does this mean that a greater diversification in the market had taken place? The impression gathered from the figures is that the *repartimientos* in cash ceased to be as consequential as they used to be during the 17<sup>th</sup> century, although the continuity of a specific regulation (Ordinances by Cruzat and Raon) does not guarantee this interpretation.

**Table 3**  
**Purchases of the Royal Warehouses (1732)**

Activity	Percentage
Other industries	65.2
Food	17.4
Textile industry	13.4
Unknown	4.0

Source: Archivo de Palacio (Palace Archives, Madrid), *D. Felipe V*, bundle 461, sheets 172-189.

The figures may be given another interpretation. We can deduce that in the 18<sup>th</sup> century, large trade transactions in the local market were in the hands of Chinese *mestizos* and above all the Spanish military, who dominated the big businesses linked to the defense of the land (naval construction, ironworks supplies, infrastructure, maintenance of the galleon, etc.) The presence of the military in the local trade should be understood as overlapping with the presence of the *alcaldes mayores* and *corregidores*, among whom there were practically no civilians. There did not seem to be a collapse in the system of *repartimientos*, which was concealed under trade operations conducted by the military, who actually turned out to be *alcaldes* and *corregidores*. In this light, rather than a rupture of the model of the 17<sup>th</sup> century, the system of *repartimientos* continued in the guise of purchases made by the Spanish military, with the goods probably originating from illegally obtained merchandise.

### Conclusion

In view of the available information from the given sources, we can form some conclusions without prejudice to information that may be obtained in the future. First of all, during the early colonial period, the existence of a product and labor market, largely compelled by the mechanisms of taxation, is unquestionable. On one hand, the tribute and the purchases made by the administration through the system of *repartimientos* in cash enabled European residents to have at their disposal significant quantities of food, textiles and other products. On the other hand, the *polos* provided the administration and some private Spanish individuals ample opportunities to obtain for free or semi-free labor. The existence of this coercive mechanism resulted in natives trading specific products in the Manila market. One must also emphasize that part of the production involved *alcaldes mayores* and *corregidores* through an illegal network of distribution. We must not ignore, however, the significant surplus from the friars' farmlands and the entry of Chinese and other Asian products through the Parian, the outer barrio of Manila where the Chinese resided and conducted their trade transactions. The same happened to employment: a number of testimonies from missionaries tell us about the presence of an abundant labor force in the city, especially for domestic work, which could not be recruited directly through the *polos*.

However, notwithstanding the existence of a market, we are not yet aware of what part of production by family businesses was geared toward the needs of the Spaniards. We do not even know which of the four modes of distribution of goods gained most prominence. At any rate, the information has shown the existence of a true and specialized type of production.

In conclusion, when all the means of a galleon-based economy were exhausted, after the emancipation of New Spain and with the beginning of agrarian colonization of the islands at the start of the 19<sup>th</sup> century, the availability of food and employment was to prove vital in the exploitation of the land. In the first place, it paved the way for the creation of a labor market in the future. When the economy depended exclusively on the arrival of the galleon, the employment needed was reduced and limited. However, the system was open to the possibility of obtaining labor resources by requiring more taxes or modifying the basis of taxation. However, at the start of the 19<sup>th</sup> century, with the changes that occurred during this period, along with the patterns of consumption (introduction of new textiles and new food) and with the foreign market prompting the exploitation of local agrarian resources, the system created the so-called labor market, providing the necessary employment in the field of agriculture. Moreover, the agrarian expansion of the 19<sup>th</sup> century relied on the availability of food in the market, which enabled the farmers, producers of goods other than food such as tobacco, to easily provide for themselves. These factors turned out to be elements of modernization of grand magnitude and the growth of the Filipino economy of the 19<sup>th</sup> century cannot be explained without them. ❁

### Endnotes

- 1 In Mindanao, especially in Jolo, Islamic culture was introduced from the nearby island of Borneo. Its Islamization was so profound that centralized states were formed. Their surplus products enabled them to maintain a significantly stable foreign trade.
- 2 See Wu Ching-hong , 1959: 1 and of Karl L. Hutterer. *A State of Art*, in Onofre D. Corpuz, 1997: 10-11.
- 3 Well-known studies place the pre-hispanic population during the time of the conquest between 500,000 inhabitants (U.S. Philippine Commission, 1905, I) and 2-2,500,000 inhabitants (Onofre D. Corpuz, 1989, I. 569).
- 4 Alfons Dopsch, *Natural- und Geldwirthschaft in der Weltgeschichte*, 1930.
- 5 The external factor that led to the economic development in the sultanate of Jolo was hardly applicable to Luzon and the Visayas. I refer here to the irregular nature of Chinese trade, which was not entirely interested in native goods.

- 6 This was the information given by Governor Gómez Pérez Dasmariñas in a meeting of civil and religious authorities held in Manila in 1593. See Archivo General de Indias (AGI) in Seville, *Patronato* 25, branch 52, in Hidalgo, 1998.
- 7 The Filipino tribute was the lowest of the taxes in the Empire. In Mexico taxes went as high as 14 *reales* per head in some provinces, and in the vice-royalty of Peru, between 40 and 48. But in the Philippine archipelago, the entire tribute per couple was placed between 8 and 10 *reales*, slightly higher than one peso.
- 8 According to Blair and Robertson (1903-1909, VI, 47-49), the fiscal income of the islands under Spanish administration amounted to 33,000 pesos in 1584. From this amount, 22,000 pesos came from the tributes collected.
- 9 The major food items from China consisted of sugar, biscuits, lard, ham and fruits. See AGI, *Patronato* 24, branch no. 66. Cited by Hidalgo, 1998.
- 10 See for example, *Instrucciones del Consejo de Indias al Gobernador don Juan de Silva*, 1609, in the Archives of the Province of the Most Holy Rosary (APSR), Manila, *Documentos de gobernadores*, volume 1, doc. 2, which states the following: "First of all, I hereby command that no Indios of any number, be assigned in private nor public farms. You will hire the services of the Chinese and Japanese who are presently in Manila to perform the task of wood cutting, manning the *caracoas* and other factories engaged in a type of work that is of concern to the Royal Treasury and the public convenience of these provinces. As I have been informed, there is a sufficient number of laborers who might agree to work in the above mentioned fields given a just working wage".
- 11 In Article 4 of the *Ordenanzas* of Cruzat (1696), two types of *repartimientos* are mentioned: that "of the *gavela*" or the product, and that "of donation" or cash (see "Ordenanzas Reales para el Gobierno que deven observar los Alcaldes de Philipinas" [Royal Ordinances of the Government that must be observed by the Mayors of the Philippines], in APSR, *Documentos de gobernadores*, volume 1, doc. 6).
- 12 It is not exactly a type of loan. See Jeremy Baskes, "Coerced or Voluntary? The Repartimiento and Market Participation of Peasants in Late Colonial Oaxaca," *Journal of Latin American Studies*, 28 (1996), 1-28. At any rate, Baskes' thesis only takes the view sustained by the great Mexican-Criole financiers regarding *repartimientos*, which became evident after the suppression of the offices of the *alcaldes mayores* and *corregimientos* at the close of the 18th century (a measure which adversely affected them. In this connection, see Baltasar Ladrón de Guevara and his "Informe sobre los repartimientos de comercio" (Report of the repartimientos of trade), Mexico, 1794, in David Brading, *El Ocaso Novohispano: Testimonios Documentales* (The Decline of New Spain), Mexico D.F., INHA-National Council for Culture and the Arts, 1996. For the effects of the *repartimientos* based on testimonies of various persons concerned in the vice-royalty of New Spain, see Ricardo Rees Jones, *El despotismo ilustrado y los intendentes de la Nueva España*, Mexico D.F., National Autonomous University of Mexico, 1983 and Margarita Menegus, "Economía y comunidades indígenas: La supresión del sistema de repartos de mercancías en la intendencia de México, 1786-1810" (Indigenous Economy and Communities: The Abolition of the System of Goods Distribution in the Intendency of Mexico, 1786-1810), in Juan Carlos Grosso and Jorge Silva Riquer, *Mercados e Historia* (Markets and History), Mexico D.F., Instituto de Investigaciones, Dr. José María Luís Mora, 1994.
- 13 The *polos* were not the only forced services rendered by the Filipino peasants. They were also compelled to perform the *tanorías* - a weekly service consisting of cleaning the building and watching over the prisoners in the Royal Houses of the capital of the province - and the *guardias*, night rounds of the towns. See Jagor, 1875, 311.
- 14 Every *polista* was entitled to some salary which he seldom received because the Treasury became overdrawn. The *polistas* had a monthly stipend for food consisting of

rice at 4 pesos, taken from a small amount contributed annually by all the natives. See John L. Phelan, 1959, 99.

- 15 In Corcuera's *Ordenanza*, even public works were included among services: "Street gates must be fixed, the rivers within your jurisdiction must be cleaned, particularly those coming from Laguna to this city (...), bushes must be trimmed, corals and other obstructions must be cleared (...), avoiding any source of irritation for the Indios and ensuring equality for all"(art. 19). See *Instrucción que habeis de guardar vos los alcaldes mayores y corregidores de toda la gobernación de estas islas Filipinas durante el uso de vuestros oficios, cada uno en vuestra jurisdicción y distrito, 1642*. (Instructions to be observed by the alcaldes mayores and the corregidores in the administration of their office in the Philippines, in their respective jurisdiction and district), 1642, in APSR, *Documentos de gobernadores* volume 1, doc. 8. Likewise, the *Ordenanza* by Raón reiterated that the *polos* were intended to build churches and other public and private works, "specially in times of war" (APSR, *Sección Miscelánea*, volume 5).
- 16 During the administration of governor Gonzalo Ronquillo de Peñalosa (1580-1583), the number of *alcaldes mayores* and *corregidores* ranged from three or four to sixteen. Since they received very low salaries, they resorted to the monopolistic practice of purchasing goods from the natives at low prices, at the expense of other buyers. They would later on sell the same in Manila at market prices. See AGI, *Patronato* 24, branch no. 25, cited by Hidalgo, 1998.
- 17 This does not appear in the law until in the *Ordenanzas* of Governor Hurtado de Corcuera, where he says: "I have been informed of the common practice of assigning a lot of Indios in different houses, and of the abuses and humiliation they have been receiving. This should not be allowed nor be consented to without any permission from the governor" (art. 4). In addition: "The *repartimiento* (. . .) will be implemented in all towns of your provinces, with supporting papers, indicating the needs of each town and the remuneration involved, through the intervention of the priest, and you will inform your town and the rest of your province of all communication pertinent to them. And the governors will also share with the natives the corresponding *repartimiento* in accordance with their capabilities" (art. 21). See "*Instrucción que habeis de guardar vos los alcaldes mayores y corregidores...*1642, in APSR.
- 18 According to Phelan (1959, 101), even if the *polos* existed before, they were utilized extensively for manpower in agrarian activities and those involving the maintenance of the galleons and military ships at war with the Dutch.
- 19 APSR, *Documentos de gobernadores* (Governors' reports), volume 1, doc. 8.
- 20 APSR, *Documentos de gobernadores*, volume 1, doc. 8.
- 21 Archivo Histórico Nacional (AHN), Madrid, *Consejos*, bundle 21022, pp. 176-210.
- 22 Archivo de Palacio (Madrid), *D. Felipe V*, bundle 461, pp. 172-189.
- 23 Abaca fiber is obtained from a plant belonging to the banana family and is utilized in all kinds of rope making and ordinary textile manufacturing. Its fiber is strong and durable and is considered a principal industry in the Philippines (Guillermo and Win, 1997, 13). Its fabric, used alone or with cotton, gave rise to a wide variety of products, such as the *guintas*, *medriñaques*, *taficiras*, *lompotes*, etc.
- 24 As it is commonly known, the *cavan* was a measurement for grains equivalent to 44 kgs. while the *ganta* was a submultiple of the *cavan*. Generally, one *cavan* constituted 25 *gantas* of *palay* or unhusked rice. In measuring milled rice, a *cavan* would be equivalent to 22.5 *gantas*.

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