

The Bourbon Background of Bustamante's Embassy to Siam¹

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ABSTRACT

Inilalatag sa artikulong ito ang dalawang pangunahing dahilan sa pagturgo at pananatili ni Bustamante sa Siam: una, ay ang pag-angkat ng bigas sa naturang lugar dahil sa patuloy na paghina ng produksyon ng likas na yaman sa Pilipinas, at pangalawa, ay upang muling patibayin at pagyamanin ang pakikipagrelasyon sa Siam. Matataghal na ang pamaraang ginamit ni Bustamante ay tulad ng sa Bourbon kung saan ang sentro ng pagbabago ay nasa iisang lugar at iyon ay kung saan nakatalaga ang representatibo ng pamahalaan, sa ganang ito ay pamahalaan ng Espanya. Makikita na muling nanumbalik ang lakas ng Espanya sa Siam, at syempre ay sa Pilipinas. Pinatunayan ni Bustamante na ang kanyang pamaraang Bourbon ay tunay na krusyal sa pagpapanatili ng kapangyarihan ng Espanya sa kanyang nasasakupan at maging sa mga rehiyong nais niyang bumuo ng matibay na pakikipagrelasyon.

On March 2, 1718, Alexandro Bustamante set sail from Manila as ambassador plenipotentiary to Siam under the instructions of the then governor of Filipinas, his uncle, Manuel Bustillos Bustamante y Rueda (“Real Titulo”). The ambassador wrote a personal account² of his diplomatic mission wherein he states its two main objectives (“Real Titulo”). These were: 1) to import rice from Siam in response to a severe shortage in Filipinas—the result of locust infestation of the country’s rice fields, that hoarding by officials and clergy had aggravated, and 2) to take this opportunity to reestablish friendly and commercial relations with Siam that Manila’s *vecinos* (citizens) noted had ceased for many decades.³

However, Alexandro's account does not mention the specific instructions of the governor, which, at one point, he notes as "secret," and dwells greatly on how he conducted himself vis-à-vis the Siamese officials and their corresponding response to his comportment when he came face to face with them. While the account seems to hold back other possible motivations of the Manila government in organizing the embassy, it reveals passing references to the times. Proceeding from this account and using works about Spain during this period, this paper aims to provide a more coherent picture. The paper synthesizes political developments in Spain and the colonies and connects these with Bustamante's embassy to Siam, how such developments helped shape his diplomatic engagement with Ayudhya. I refer particularly to the Bourbon kingship in Spain, its reformist policies and projects in domestic and international affairs, Governor Bustamante's reforms in Filipinas, and the place of the embassy in the Bourbon scheme of things.

All Power to the King

An understanding of the Bourbon philosophy of the state and policy directions in international relations could situate the Bustamante regime and its programs and measures to deal with the needs of Filipinas, including the decision in 1718 to organize a diplomatic mission to Siam.

In 1717, the arrival of Manuel Bustillos Bustamante to serve as governor of Filipinas⁴ signaled the real beginning of Bourbon rule in Filipinas. This came more than a decade after Philip V succeeded Charles II of the House of Austria (Hapsburgs) and ushered in the reign of the Bourbon dynasty⁵ in Spain. The governor served directly under Philip V in the War of the Spanish Succession,⁶ which sealed Bourbon rule over Spain and her dominions. Having thus participated in ensuring Philip V's succession to the kingship, Bustamante may be regarded as a true Bourbon follower who was likely imbued with the spirit of reforms that the Bourbons set to

carry out throughout the Spanish empire. The Bourbon dynasty in Spain embarked on reforms to arrest the decline of the kingdom in all spheres of society under the last Hapsburg kings and to improve the country domestically and in foreign relations. In Filipinas, Governor Bustamante initiated actions that reflected the reformist outlook of the Bourbons, who inherited from Charles II a kingdom in the throes of a general crisis. On the state of Hapsburg Spain in the last years of the 17th century, J. H. Elliott puts it concisely:

The Castille bequeathed by Philip IV to his four-year old son was a nation awaiting a saviour. It had suffered defeat and humiliation at the hands of its traditional enemies, the French. It had lost the last vestiges of its political hegemony over Europe and seen some of its most valuable overseas possessions fall into the hands of the heretical English and Dutch. Its currency was chaotic, its industry in ruins, its population demoralized and diminished.... Castille was dying, both economically and politically; and as the hopeful foreign mourners gathered at the death-bed, their agents rifled the house.... Spain's prospects as a European power clearly depended on Castille's capacity for recovery from the debilitating weakness of the middle years of the country. The immediate need was a long period of good government; but unfortunately, there was no one capable of providing it.... The economic paralysis of Castille in the 1680's was accompanied by the paralysis of its cultural and intellectual life. The depressing last years of Philip IV had at least been illuminated by the sunset glow of Castille's great cultural achievement. (361-367)

The Bourbons then moved to realize the centralization of the monarchy, greater than what their predecessors had accomplished. The reason for centralization was the necessity to place the country under conditions that would enable the kingdom to put up with the economic requirements of its wars (Le Flem et al., 449). They carried out to the fullest extent royal absolutism, which the kings of the House of Austria had pursued. The Bourbons implemented this by ending the autonomy of the regions such as Aragon, Catalonia, Valencia, Mallorca and the Basque, and by abolishing the *fueros*,

the charter or special political laws that provided the legal basis for the autonomous existence of the regional *reynos*. Known as the *Nueva Planta*, the decrees also installed a *capitan general* and an *audiencia* as the highest authority in the regions (de Lara, Baroque and Ortiz 312).

Philip V ended regional autonomy by refusing to convoke the *cortes* of Aragon. Instead, he summoned the regional councils to send deputies to the *cortes* in Castilla. Administrative institutions, which had “signified some authority beyond the scope of the king, either decayed or were destroyed” (Atard). Henceforth the *cortes* of Castilla extended its jurisdiction over all Spanish dominions and laid the basis for a unified kingdom. Measures that reduced the power of the church were also carried out such as the recognition of royal patronage or the right of monarchy to nominate religious personnel to certain offices and benefices in the Spanish churches and the restriction of the Inquisition (Altamira 136, 160).

To put into effect the centralization of the bureaucracy, Philip V created five “secretaries of state” (later to be called ministers) responsible for specific branches of the administration following the French model (Herr 12). The new royal offices not only prompted administrative efficiency but also provided the ministers the authority to translate into reality the supremacy of the state over the church and effectively secularize political life (Altamira 160-161). At the lower levels, the bureaucracy began to rely on career military and civilian officials, who were “subject to regular appraisal and promotion and sustained by fixed salaries instead of gratuities or the fees of the office” (Bethel, 395).

The efforts to strengthen the power of the monarchy came to be known as regalism. It meant defending the prerogatives of the king and fighting for rights that were viewed to be inherent in royal authority (Le Flem et al., 441). A more secular outlook, which included rationalism and cultural relativism, also challenged the dominance of religion as the basis of people’s thinking. These ideas

collectively constituted the thoughts of the Enlightenment. Their proponents were called the *philosophes*, who popularized their ideas through pamphlets and newspapers. While not rejecting religious faith, Enlightenment philosophes posited that nature and society could be known through empirical observation and human reason and not by divine inspiration or intervention. Through rational thought, people could strive for knowledge and material progress and improve their conditions of life.

In Spain, secular thinking contributed to the search for a material basis for royal authority. In the face of economic decline and the failure of the Hapsburg rulers to solve the people's deprivations, an economic justification developed that linked the action of the state to the prosperity and well-being of the individual (MacLachlan 67-69). The perception of the state changed in such a way that it came to be viewed capable of acting as an agent of change, particularly in improving the people's lives. Such thinking evolved as intellectuals searched for solutions to the social crisis.

Early in the 17th century, for example, Juan de Mariana propounded that agricultural development was a source of wealth under conditions of full cultivation of the land and government intervention, an idea that preceded later physiocratic thought.⁷ Then in the same period, there were the *arbitristas* who proposed cutting expenditures, tax reliefs, repopulation and stimulation of industry and agriculture. There was also Miguel Alvarez Osorio who linked agriculture, industry and governance systematically to approach the affairs of state and society. Then in the early 18th century, Father Juan de Cabrera advocated the belief that the state should take primary responsibility for the prosperity of the people. Through these developments, the materialist justification for royal authority was established. Colin MacLachlan describes these ideas collectively as an "ideology of change" (67-69).

The role of the church and religion, therefore diminished while that of the state increased in the people's everyday life. Through the

course of reexamining old ways of thinking, the Enlightenment challenged the wealth and power of the Church. In countervailing clerical dominance, the idea of the “philosopher-king” and “enlightened despotism” took root in the affairs of the state. Enlightened despotism sought to exercise secular authority, enshrined in the absolutism of the monarchy. It also endeavored to achieve progress in all spheres of society and improve the welfare of the people. In the domain of absolutism, the monarch turned out to be the lead agent in realizing the ideal of social and individual progress.

The Bourbons informed themselves of the intellectual and cultural ferment of the times and moved vigorously to reform the social and political order. They acted as absolute monarchs but introduced changes and exercised philanthropy in governance, part of their effort to raise the lot of their subjects, as exemplified by Philip V of Spain. Reforms elevated the role of the monarchs as agents of change and laid the groundwork for democracy in the councils of the *ayuntamientos*. Such efforts however did promote a new way of governance for the kings but without really changing the social structures or “yielding an iota of their political prerogative” (Chapman 426). Enlightened despotism was contained in the idea, “*todo para el pueblo, pero sin el pueblo.*” Paul Hazard summed up the policy of the enlightened despot:

They embarked on an ample equalitarian reform program, destroying the vestiges that were still plainly visible of feudalism. Champions of progress, they carried out all provisions which they thought would bring prosperity to their subjects. The Enlightenment could be used to add splendor in their government. The administrative centralization that they carried out substituted order for the prevailing disorder. This was the order that was a reflection of universal reason; it rationalized the state. (qtd. in Atard, 33)

Spanish enlightened despotism however had its peculiarities. Most of its leading figures were public servants who did not immerse

themselves in the philosophy of the Enlightenment (Bethel, 392). According to Vicente Atard, the Bourbon monarchy that was installed in Spain rooted itself in or recovered old theories of Spanish populism, which the Enlightenment spirit simply animated (32). Then “if in the previous centuries the governments concentrated on spiritual problems and disregarded the body and its energies, in the 18th century the men of enlightened despotism were especially concerned with the body of Spain and its needs, without forgetting, however, the needs of the spirit” (Atard, 34). In the second half of the century, enlightened despotism would give way to people’s participation in governance with the rise of newer philosophies in Europe such as that of Jean Jacques Rousseau.

The cultural and intellectual climate made a significant impact on society in general. Interest and exposure to the ideas and institutions of the Enlightenment influenced the actions of the Bourbons as a reaction to intellectual decline during the latter part of the 17th century. It may thus be said that “the endeavors of these men and numerous others to regenerate the country were not wholly in conformity to rational necessity or patriotism, but responded to the general current of humanitarianism and philanthropy in the 18th century” (Chapman 472). Elements of the nobility, the clergy and the middle classes not only put into practice these ideas but also contributed to their regeneration.

Specialized schools and royal academies were established throughout the century, such as one on the Spanish language in 1713. Libraries were also opened, in particular the Royal library in 1714 that became the forerunner of the Biblioteca Nacional in Madrid. Studies in sciences, politics, history, jurisprudence, literature and the arts also flourished. The intellectual regeneration instilled among the Bourbons the zeal to push for reforms in governance, exemplified by the king’s ministers such as Jose Patiño.⁸ Given the drive for reforms during this period, a writer fittingly described it as the “siglo de los proyectos” (Cortazar and Vesga 337).

The introduction of Bourbon philosophy to Spanish statecraft and governance brought the monarchy to new heights of absolutism. The direction of reforms in all spheres of society established royal supremacy over religious authority and all political institutions. The king's ministers led the way in asserting secular thinking in the Spanish domains and in elevating, if not exalting, royal power in domestic and international affairs. Bourbon thinking and practice also gave rise to reforms in the Spanish dominions and to a breed of personnel whose minds and hearts were imbued with reformist ideals and the drive for comprehensive action.

Economic Expansion, Commercial Revival

In the economic realm, the French minister of Louis XIV, Jean-Baptiste Colbert, articulated Bourbon economic thought, which remained mercantilist⁹ but with a new dimension. It emerged as “an elaborate policy of economic warfare of the state against all other states for conquest of the supply of precious metals in the world” (Herr 47). From this perspective, Colbert proposed measures that “involved the creation of a prosperous and self-sufficient national economy under the watchful and controlling eye of the monarch” (Herr 47). The state should develop agriculture to feed the country and supply all raw materials for domestic factories, not for foreign industries, so that it would produce its own manufactures and have a surplus for export. Spanish economic thinkers such as Geronimo de Uztariz, in a work published in 1724, echoed the same prescriptions. Even earlier in the 17th century, Spanish economists such as Sancho de Moncada and Fray Francisco Martinez de la Mata were said to have already lamented the “royal mismanagement” of the flow of species from abroad and called for government action to encourage agriculture, industry and commerce (Herr 47-48).

Reeling from economic decline under the Hapsburgs, the Bourbons moved, according to Rafael Altamira, to reconstruct the national wealth and public revenue, develop agriculture and increase

population, and revive traditional industries and mercantile relations in Spain and the colonies (158). The goal was to achieve economic recovery and self-sufficiency. However, it was necessary to centralize and organize state efforts. In 1705, the *Junta de Comercio y Moneda* was reorganized to include representatives from the *Consejo de Castilla*, *Consejo de Indias*, *Real Hacienda*, the *Casa de Contratacion*, the royal secretaries and the French nation (Chapman 468). Then the first commercial reform was undertaken in the *flota* of 1711, which was to reorganize it as the first fleet free of French interference (Walker 100). Continuing along these lines, in 1714, the posts of *Oidor* and *Alcalde de la Veeduria General del Comercio entre Castilla y las Indias* were created to check abuses and contraband activities in the Indies. Spain sought to improve the *carrera de Indias* (galleon trade), which was greatly affected by losses due to severe competition from her European rivals.

It thus became imperative to rebuild Spain's naval forces to protect the ships and commercial outposts. This resulted in the establishment of shipyards and the revival of industries necessary for shipbuilding such as timber cutting not only in Spain but also in her dominions like Cuba (Walker 97-99). Through interventionist measures that involved military actions, the crown sought to reverse the age-old trade imbalance by directly participating in the production process and later through concessions to trading companies (Labandeira, 112). Altogether, efforts to centralize economic activities in the kingdom indicate "homogenization" of the territory, enforced by state power, leading to the formation of a national market (Labandeira, 156). This explains why the provincial *fueros* had to cease and powers of the colonial elite had to be curbed. The decrees of the *Nueva Planta* sought to create "a chain of internal custom houses," extended to the territorial frontiers, which provided the connections for a national market (Cortazar and Vesga 353).

The basic direction of economic expansion throughout the empire was therefore to increase the financial resources of the

monarchy based on manufacturing, which in turn could rely on raw materials from the colonies. The development of manufacturing was the measure on which restoration of royal power was to be based (Bethel, 394). Renewal of mercantile relations in the Americas would in turn enable the colonies to become the regular supplier of precious metals and raw materials to the metropolis, at the same time serving as a wider market for Iberian manufactures (Herrero 124). The monarchy then had to build its bureaucratic and military capacity, which explains the transformation of the state as a professional body of career officials. Reorganization of the monarchy sought to create an efficient absolutist state geared to territorial aggrandizement. Taking into account the financial requirements of military build-up, “the revival of the authority and resources of the monarchy actually preceded the awakening of the economy” (Bethel, 395). Economic recovery derived initially from expenditures in warships, munitions, foundries, and court luxuries. Ustariz would have to say that in restoring the monarchy based on manufacturing and relying on steady supply of raw materials from the colonies, “an essential prerequisite was an expansion in the armed might of the crown” (qtd. in Bethel, 394).

Side by side with the development of agriculture, manufacturing and mercantile relations, the Bourbons also acted to reform the financial system to ensure revenues and check deficits. An organizational reform was undertaken, the establishment of the Exchequer, or the department that collected and regulated taxes and expenditures. Philip V’s minister, a French named Jean Orry who came to Spain in 1701, initiated the measure. Later, through the works of succeeding ministers like Guilio Alberoni and Jose Patiño, revenues were increased and state deficits reduced. Fiscal regulation also sought to curb corruption and wastage in the use of public revenues that brought Spanish dominions into greater crisis (Altamira 163, Chapman 434). On this problem, Chapman points out:

The efforts made by the great reformers appear the more commendable when one considers the difficulties they had to overcome. Great changes always run counter to vested interests, but this was more than usually the case in Spain. The nobles and the church were the most powerful elements in opposition; even though their authority was but little, as compared with that of earlier years, they were still able to hinder the execution of laws which damaged their interests. Nearly everyone seemed to have an exemption from taxation, or desired it, but the reformers set themselves resolutely against that state of affairs. Their success against the force of vested interests was only fair, for that element was too great to overcome; the very bureaucracy itself displayed a weakness in this particular, for it insisted on the maintenance of a custom which had sprung up that government officials might buy certain articles at a fixed price, whatever the charge to others. This calls to mind the overwhelming evil of graft, which it seemed impossible to eliminate; indeed, high officials were altogether too prone to regard it as a more or less legitimate perquisite, and did not hesitate to accept large gifts of money from foreign diplomats. Difficulties over questions of etiquette, inherent in a centralized bureaucratic government, also stood in the way of the proper execution of laws. (437-438)

To summarize, the basic thrust of Bourbon economic reforms was to build the financial resources of the state to improve the life of the people, fortify and maximize the reach of the empire, and enhance royal absolutist power. Mercantilism was reinforced to intensify development of domestic agriculture and industry (to earn more taxes, gain self-sufficiency, and produce more exports) and the revival of mercantile relations (to supply raw materials to the metropolis). Through royal directives, efforts were then exerted to protect Spanish commercial vessels on the sea-lanes and open new trading posts. Absolutism therefore was a measure to build royal power and support the territorial requirements of sustaining the glory of an empire that waned in the last years of the Hapsburgs.

Dynastic and Territorial Competition

In international relations, Spanish diplomacy in the early reign of Philip V developed according to the exigencies of defending his succession to the throne as Louis XIV's grandson and candidate. Intertwined with the standing of France as the dominant European power, Spain's foreign relations revolved around the War of the Spanish Succession from 1702 to 1713, which pitted the Franco-Spanish alliance against England, Austria and Holland.

The death in 1700 of the last Hapsburg king of Spain, Charles II, without an heir, provoked the crisis that led to war among the European powers. They sought to maintain the "balance of power" attained by the Peace of Westphalia in 1648, which ended the Thirty Years' War.¹⁰ Here France emerged as the strongest nation then being the only European power with a standing army, ably trained and well-financed by revenues from the mercantilist programs initiated by Colbert. The "balance of power" was upset as Louis XIV launched wars of aggression against the Spanish Netherlands and other neighbors until it was checked by the Grand Alliance of England, Spain, the United Provinces (Netherlands) and Austria, which all resented France's ambition to establish hegemony over Europe. Peace reigned in Europe thereafter until Charles II, king of Spain, began to seek a successor toward the end of the 17th century.

When the Spanish King fell ill, Louis XIV moved to have a member of his family installed on the throne. The nearest heir by familial ties was the *dauphin*, only son of Charles II's deceased eldest sister Maria Teresa (wife of Louis XIV), who previously renounced her claim to the Spanish throne with her marriage to the French king. But the dauphin was also heir to the French throne, which would result in a common monarch for France and Spain, thus uniting the two crowns and tilting the "balance of power" in favor of France. In 1698, Charles II named in his will the Austrian prince Joseph Ferdinand, grandson of his youngest sister, the Infanta

Margarita, as heir. Recognizing the hostility of the other European powers to French expansionism, Charles II avoided the combination of the two crowns. However, the Austrian prince died even before the Spanish King's own demise. The latter proceeded then to follow the natural French line of succession to the Spanish throne.

Charles II designated the dauphin's second son, Philip, the Duke of Anjou, grandson of Louis XIV, as heir. Austria's Emperor Leopold I, son of Maria Anna, younger sister of Philip IV, challenged the testament of Charles II based on the earlier renunciations to the Spanish throne made by the Infanta Maria Teresa (who was married to Louis XIV) and Anna, mother of the French king. The emperor declared his younger son, the Archduke Charles, as titular king Charles III for Spain, which England and the Netherlands supported. The alliance then launched its war on France, and of course, Spain. But the Archduke Charles became the Holy Roman emperor when his elder brother died in 1711 without an heir.

England and the Netherlands then moved for peace, on the condition of Philip V's renunciation of any further claim to the French throne. For the English and the Dutch, a "union of Austria and Spain" under the Archduke might have "appealed less than the prospect of a Bourbon in Madrid" (Eliot 374-375). The Treaties of Utrecht¹¹ assured protagonists of a "balance of power," which restrained the territorial expansion of any of them, especially France (Shenan 16). The Utrecht treaties resulted in Spain losing Gibraltar to the British, and her Dutch and Italian possessions to the Austrians, while retaining the Spanish empire consisting of the kingdoms of Castilla and Aragon and her American dominions.

In the early 18th century therefore, Spain's foreign relations saw the Spanish monarchy drawn toward the drive for royal absolutism. The War of the Spanish Succession simply ensured such absolutist direction of Spain under a Bourbon king. The role that France played was to lead the march to the modernization of the state in Europe, driven by wars. Territorial expansionism from the 16th to the 17th

century, which intensified in the Thirty Years War, fostered the concentration of royal power, standardization of governance, fiscal efficiency, and the creation of a modern army.

In America and the Pacific, Spain executed policies in conjunction with greater absolutism and mercantilism. Beginning in the late 17th century, Spain had already strengthened her position in the Americas as she competed with her European rivals. With the ascent of Philip V as king, Spain concentrated her efforts to protect her American colonies from foreign incursions. The Spanish crown built more ships, outfitted for commerce and war, not only to defend her dominions but also to stop contraband trade,¹² which encroached on her mercantile interests and diverted income from the royal treasury. The idea was to reinvigorate commerce in the colonies as a factor in the modernization of the metropolitan state. The mode of production in the colonies became geared toward the needs of the metropolis (Wittman 21-24). Spain also moved to diminish the economic autonomy of their colonies by checking not only contraband trade but also unofficial metal (silver) production. To strengthen Spanish royal authority, the crown reduced the powers of the *cabildo* (municipal council) and eliminated the sale of public office (Herrero 124). Indeed, "if the new dynasty was to profit from its vast overseas possessions, it had first to recapture control over colonial administration and then to create new institutions of government" (Bethel 199).

The new direction under the Bourbons and the conditions in which they defended their rise to power pushed colonization to renewed vigor, similar to actions undertaken in Spain itself. Following the renewed mercantilist thinking that the state had to reinvigorate domestic agriculture and commerce to enhance its power, the monarchy extended "internal colonization" in Spain by moving farther into the country's interior for agricultural production (Altamira 165). The Crown targeted unoccupied arable lands for settlement and cultivation. In the colonies, side by side

with the revival and protection of her mercantile interests, Spain also penetrated the interior as the Crown sought to check abuses in the *repartimientos* and the *encomienda*. But the immediate thrust was to reform the administrative machinery of the state, which included the designation of more able colonial functionaries, especially the viceroys. Some of these officials were later assigned to serve as governors in the colonies in recognition of their outstanding service.

As earlier noted, in 1705 the *Junta de Comercio y Moneda* was reorganized to coordinate under one administrative unit all the political and economic efforts of the Bourbon dispensation. Then in 1714, a year after the Treaty of Utrecht, the *Secretaria del Despacho Universal de las Indias* was created to assume the state's administrative and financial functions in running the colonies. As the bureaucratic machinery was renovated to enhance administrative efficiency, the Bourbons also instituted public works in the colonies, improving communications and transportation to support strides in agriculture and commerce. In these efforts to consolidate the empire, the Spanish historian Miguel Artola wrote in *Revista de Indias*, that the idea was not to end the period of expansion but to create a frontier that was more stable, solid and delineated, protected by treaties such as that of Utrecht.

To summarize, the protection or extension of territorial domain served as the driving force behind the monarchy's international relations in this period. Dynastic struggles erupted into wars and translated into treaties to maintain a "balance of power" in Europe, that is, the prevention of one state becoming more powerful than other states by territorial extension through occupation or alliances. In the colonies, the impetus to control territory and access more resources stirred the Spanish empire to fortify her colonial administration, penetrate the interiors of her dominions, and defend her commercial outposts from European rivals or seek out new ones, which extended to Southeast Asia from her Philippine outpost.

Crisis and Decline in Filipinas

The Filipinas that Governor Bustamante came upon in 1717¹³ was also a society in grave crisis, which paralleled that of Spain during the last days of the Hapsburgs. The colony was mired in economic scarcity, bureaucratic decline, and political and religious conflicts. A serious aspect of the crisis was the persistence of clerical dominance over state and pueblo affairs, and feuds among religious groups. Clerical dominance included the arbitrary application of inquisitorial powers against colonial officials, refusal of religious orders to submit to episcopal visitation or civil jurisdiction over their actions in the pueblos, and resistance to royal patronage or disobedience to royal decrees. Religious conflicts mainly revolved around wrangling for control over haciendas and parishes. At the beginning of the 18th century, clerical dominance over colonial affairs reached a point that they exercised extensive control over the pueblos arising from their economic power, spiritual hold on the population, and intervention in pueblo politics.

Another dimension of the political crisis was the weakness of the colonial state in the administration of the colony, which induced further religious encroachment on civil matters. Colonial officials, especially *alcaldes mayores*, whom the crown expected to implement royal decrees and carry out administrative tasks with dispatch, were preoccupied with their own agrarian-mercantile interests in the land estates and the galleon trade. Such interests combined with incompetence greatly hampered enforcement of or compliance with prevailing laws like the *Recopilacion de las Leyes de Indias* or the *Ordenanzas* of 1642 or the various *decretos reales*. These were borne out by the said *Ordenanzas*¹⁴ and the reports of the oidores Gueruela¹⁵ in the late 17th century, Henriquez¹⁶ and Viana¹⁷ in the 18th century. The statement “*Obedezco pero no cumpro*” aptly described how distant from royal authority the colonial administration was. Aggravating the failure of law enforcement was bureaucratic corruption, as Governor Bustamante discovered in the widespread hoarding of rice

by officials and religious entities in the shortage that befell the colony from 1717 to 1718 ("Real Título" 1).

The economic condition of the country was in bad shape. The financial status of the colonial government was in perennial deficit. Expenditures greatly exceeded the annual *situado* or subsidy of effectively less than 100,000 (officially 250,000) pesos from Mexico, generated from taxes on the galleon trade.¹⁸ The Manila-Acapulco trade profited only the Manila and Acapulco merchants and their illicit partners in government and the religious and hardly benefited the people. In the *encomiendas*, the population drastically dropped in the 17th century, indicating the general decline in the living conditions of the people characterized by hardships and deaths as a consequence of forced labor and famines.¹⁹ The private estates (*haciendas* and *estancias*) while enriching a few Spaniards, stunted the general agricultural and commercial development of the country. In addition, production relations exacted a great toll on the labor force due to oppressive conditions in these estates.

The undeveloped state of agriculture and the restricted scope of the galleon trade, combined with official and religious corruption, failed to spur strong commercial relations and economic development. Persecution of the Chinese, who traditionally stimulated economic activity in the provinces and the involvement of the native population in trade, added to the general economic decline. Also, the wars waged against Dutch incursions²⁰ and the Moros of Mindanao in the 17th century became a drain on the economy. This was in terms of the human and material costs in the cutting of timber and building the ships, outfitting them, and provisioning the soldiers and sailors, not to mention dislocations in the communities that *polistas* left behind to do forced labor (*polo*) such as to cut timber or build the ships. Colonial Filipinas mirrored peninsular Spain in crisis under the last of the Hapsburgs.²¹

The social dimension of the crisis in this period manifested itself in the revolts against the colonial order. From the second half

of the 17th century to the early 18th century, a number of rebellions dealt precisely with the deprivations and oppressive conditions in the pueblos and the private estates. Revolts also confronted Church and clerical dominance over colonial society. If in Hapsburg Spain the currents of the Enlightenment challenged the power of Church and clergy over state and civil affairs, in Filipinas the indigenous population attacked religious institutions or destroyed Christian images and revived indigenous conceptions and forms of religion. If the ideas of the Enlightenment and the work of the Bourbons in Spain propounded sweeping reforms in governance and society, the rebellions in Filipinas demanded changes in everyday pueblo life. To the extent that the *indigenes* were yet unable to match the power of colonial rule in the hands of alcaide mayor and friar, the losing rebels either took flight to the hills or lived again among the people perhaps to re-emerge in another revolt. Thus even past the Hapsburg reign in Spain or Filipinas, Governor Bustamante still had to deal with rebellions against the Spanish order.

Compared with Spain under Hapsburg rule, the crisis and decline was worse in Filipinas because colonial officials and religious personnel disregarded laws, which the Spanish monarchy intended for the protection of the people. With the great distance of Filipinas from Spain and the entrenchment of old ways of governance, whatever progressive changes arose in Spain hardly reached the colony. In the face of crisis, the Bourbon governor and his trusted men moved swiftly and decisively to action.

Reforms in the Bourbon Spirit

Governor Bustamante's watch was distinct. His administration was the first to implement reforms in the colony to address its festering problems. A few years before his arrival, Philip V had issued the royal cedula of 1713 wherein he indicated that laws were not observed in Filipinas and that colonial officials should provide the people with lands and access to other requirements for survival such

as water, pasture and sources of wood. This appeared to have been ignored as Governor Bustamante confronted the same issues that the cedula actually dealt with like inaction, and neglect and abuses of officials and clergy, particularly those related to land and governance. Even if a Bourbon king now reigned and issued decrees to improve the situation of the colony, the old ways persisted and defied change. When Governor Bustamante came, the social crisis and the land problems were made more difficult by locust plagues, which ruined many of the country's rice fields and created a severe shortage.

The treasury was also severely depleted, which the new governor discovered. Upon assumption of office as the new governor on July 31, 1717, Bustamante immediately looked into the financial affairs of the colony and learned from the officials of the Real Hacienda that the treasury only had some 30,000 pesos in deposit and more than 500,000 pesos in credit. Then another 200,000 plus pesos were unaccounted for by the previous interim governor. Unable to produce the required documentation of the missing amounts within a prescribed period, the said official was fined and sent to prison.²² A newly appointed fiscal listed down further charges against him. These included failure to submit payments for the license fees of Chinese transactions, jacked-up computations of expenses for shipbuilding and rents, delays in collections, unnecessary expense for the untimely dispatch of a galleon and its fiasco, and failure to cover the loss of possessions of Governor Bustamante's predecessor (Parody 73). The governor promptly carried out administrative and financial reforms, the first act of his regime, following the direction that the Bourbons in Spain had done as a fundamental reformist tack to achieve bureaucratic effectiveness and financial recovery.

To recover losses, the governor ordered the responsible citizens to pay their debts. He placed an embargo on the silver and goods in the galleons from Mexico to oblige merchants to pay the required duties. Measures that previous administrations neglected were

promptly implemented. Collection of tributes from foreigners such as the French and Chinese was intensified. Savings were generated from certain areas of public services such as the pharmacy of the royal hospital, the sawmills, and the careening of galleons. Earnings of state-owned shops such as those selling wine and betel were also improved. In two years of reforms, the treasury posted positive balances.

The rice crisis was one of the issues where Governor Bustamante saw how officials and clergy attended to their own interests and neglected the welfare of the people and the colony. In this crisis, everything about what was wrong with the colony converged and reared an ugly head. From 1717 to 1718, locusts attacked the rice fields and caused severe shortages in Manila. Officials not only neglected to respond to the situation but also engaged in hoarding the commodity. The governor moved decisively to restore order in the supply of rice by impounding existing stocks and ensuring that all were brought to the royal warehouse, from where the rice was sold at reasonable rates to everyone. Governor Bustamante effected the economic measure of filling up the warehouse with some 100,000 cavans of rice to bring down its price. Then when the supply in Manila was depleted, the governor turned to the provinces where harvests were abundant. The governor however found out that the *alcaldes mayores* refused to hand over part of their harvests to supply the main urban center while the religious hoarded stocks in their convents.

Again moving decisively, the governor sent representatives to the provinces who, under his firm instructions, requisitioned all available grains in the provinces and apportioned surpluses for Manila. He took further action by removing recalcitrant *alcaldes mayores* from their posts and replacing them with persons of his confidence (Parody 27-30). In the first quarter of 1718, in an apparent attempt to sustain a stable supply and price of rice, the governor sent his nephew to Siam, following the advice of city officials and prominent citizens, to import rice from the kingdom,

which was intended to enhance the city's finances and the colony's long-term economic well-being.

Governor Bustamante saw the big picture of what ailed the colony. It was precisely the situation that the Bourbons sought to remedy everywhere in the Spanish dominions. The governor not only acted to build the colony's finances and reform its administration but also moved to strengthen royal authority and control throughout the archipelago. He pushed further the reach of the state into the interiors and the mountains, and reinvigorated the country's commerce and agriculture. In fact, what Governor Bustamante had to do was simply to enforce past royal directives that previous officials had ignored.

To strengthen the colony, the governor proceeded to build its defenses through the establishment of more fortifications. In April 1719, he reestablished the Fort of Zamboanga. It was recognized then that the Spanish forces had had to concentrate in Intramuros due to the great cost of maintaining the fort especially in the face of a threat of invasion from the Chinese Koxinga. When the threat subsided, a royal cedula in 1666 ordered the reoccupation of Zamboanga. This however was not implemented. Bustamante's reestablishment of the fort was crucial in projecting Spanish power in the South.

Governor Bustamante ordered the construction of *presidios* (military outposts) connecting Pampanga, Pangasinan, Ilocos and Nueva Segovia (now Cagayan Valley), which opened the way for the penetration of the northern provinces. The project involved the building of a road conjoining at Paniqui (now in Tarlac) and the establishment of new pueblos in between. While this was not finished during the term of Governor Bustamante, the road was then expected to facilitate communication in the region as it did when it was completed sometime during the governorship of Don Gaspar de la Torre (1739-1745) since it supposedly reduced travel through these provinces from one month to seven days.

Governor Bustamante also began the construction of a fort in Labo, Palawan but this was discontinued and was shifted to another location after his death. By establishing the colonial government's political and military access to the North and to the South, the governor effectively projected Spanish power to the far ends of the archipelago and administratively connected the colony more extensively as a Spanish dominion (Parody 40-51).

With or without fortifications, Governor Bustamante was quick to organize and send a military force to such islands or provinces threatened by European incursions or Moro attacks. He thus ordered the establishment of a foundry²³ for the production of arms. The mining of copper and iron in Paracale, Camarines Sur, was envisioned to sustain the capability of the military forces to pursue its campaigns against external threats. Internally, the governor also pursued campaigns to quell rebellions, which broke out intermittently in this period specifically in reaction to economic deprivations and hardships. Some of the unrests were also due to the oppressive acts or abuses of the *alcaldes mayores* such as the excessive collection of tributes or the unreasonable raising of the price of rice. At the same time that he contained the revolts, the governor supported the religious missions in penetrating the interior of the colony. He considered this crucial to the erection of new *pueblos* and therefore the consolidation of colonial order in the occupied areas.

The economic and political reforms undertaken in Filipinas, including the direction and conduct of foreign relations in Southeast Asia, were also matched by some attention to intellectual advancement in the colony. True to the Bourbon spirit in the peninsula, it was as if no thoroughgoing reforms could be achieved without a corresponding action in the intellectual progress of the colony, crucial to material prosperity and the struggle against clerical dominance. The manner, for example, that the embassy to Siam was conducted seemed to reflect the persona of an ambassador

informed of history and culture, and skilled in the exercise of his appointed profession.

The Bourbon period as previously noted brought its leaders and administrators into the orbit of the Enlightenment and the new ideas and skills it imparted. In the early years of his term, Philip V immediately ordered the establishment of a university²⁴ in Filipinas and designated three professorial positions in government service (one in the *Cabildo* and two in the *Audiencia*). He appointed two *catedras* for the university, to *infuse* training in the colonial regime's personnel, *para instruir a los misioneros y funcionarios: que deberian tener contacto directo con las indigenas a fin de facilitarles su cometido* (toward expediting the king's mandate) and to produce more *letrados en las Islas, para sacarlas de su atraso* (to pull her out from backwardness), these were in the words of Parody, in her study of the administration of Governor Bustamante (87-88). The governor ensured the implementation of the directives of his lord, the Bourbon king Philip V.

The sweeping reforms indicate the resolute, comprehensive, and clear-sighted manner by which the governor approached the situation of Filipinas after he assumed power. The much-needed changes that unfolded in the colony showed a governor who carried Bourbon ideals in his reforms and reflected the persona of a Bourbon official in his conduct. Governor Bustamante brooked no opposition and gave no quarter in seeing through the enforcement of every reform in every area of governance that required action. The governor envisioned to improve colonial society and enhance the strength of the monarchy. For a brief moment, the Bourbon zest and zeal held sway in the colony, establishing secular authority and threatening entrenched interests.

Protectionism and Expansion in Commerce

The effort to repel European incursions was intended to protect the islands and ensure Spanish hold in the country's commerce.

The renewed effort to fortify Spanish areas of commercial operation followed the new type of mercantilism—more protective of existing domains and aggressive in accessing resources, which the Bourbons sought to carry out throughout the Spanish dominions. Thus, Spain's foreign policies that became operative in Filipinas followed this new direction especially in relation to other European powers. For Filipinas, Philip V issued royal cédulas that restricted Spanish commercial transactions with respect to other European mercantile interests particularly the Dutch, the English and even the French.

A 1714 royal cédula strictly prohibited what was termed as “fraudulent mercantile trade” (contraband trade) and Spanish vassals entering the Indies in foreign ships. Another cédula in 1718 stressed absolute compliance with prohibitions against illegal trade with foreigners. Before Governor Bustamante's arrival, certain cédulas in 1715 allowed commerce with neighboring kingdoms such as Cambodia, Cochinchina and Canton, to accommodate particular necessities of the colony. The inclusion of the French among these foreign entities, with which Spanish vassals were prohibited to trade, came in a cédula of 1716, in view of French incursions in the American colonies supposedly under various guises (Parody, Walker, Schurz).

The sending of an embassy to Siam in 1718 fell squarely into place in the whole scheme of Spain's commercial objectives set out by the Bourbons. In the same period, the colonial regime also explored trade relations with the other kingdoms of Southeast Asia. The governor dispatched missions to Macao, Canton, Madras, Tonkin and Batavia from 1717 to 1719 (Parody 58-67). The mission sent to Tonkin, however, was able to return to Manila only in 1720 after Governor's Bustamante's death. Particular commercial concerns like the purchase of iron and copper in Tonkin, the importation of rice from Siam, or the acquisition of shipping equipment like anchors from Batavia, appeared to have been the primary goals of these missions.

Spanish interests in Southeast Asia involved mainly the need to fulfill some objectives for the benefit of Filipinas and not to pursue a specific war for territorial expansion. Bellicose encounters with other European powers were uncommon. For one thing, the Spanish missions dealt directly with royalties of the kingdoms for particular needs of the colony, at a time when European powers had not established permanent territorial or economic foothold in these areas except for trading stations, or factories, such as in Siam, or religious missions such as in Tonkin. Overall, what these trade missions did was to counterbalance the orientation of Manila's foreign relations toward Mexico.

Following Bourbon direction and decree, Manila's foreign relations opened up to the colony's Southeast Asian neighbors. Moreover, it also had to deal with other European powers in the region. Thus the situation replicated aspects of European rivalry, never more expressed than in Siam during this period as European envoys or adventurers sought space for trade in the Ayudhya capital. Competition in Southeast Asia mirrored the dynamics of European rivalry in expanding commercial influence.

Summary

In the foregoing, I have shown that the rise of the Bourbon kingship created sweeping changes in Spain and laid the basis for a new type of political leadership in her dominions like Filipinas. The discussion covered the rise of Philip V as the first Bourbon monarch of Spain up to the appointment of Governor Bustamante as his *alter ego* in Filipinas and the establishment of a reform-oriented leadership in the colony, to include trusted men in critical areas of governance such as foreign relations.

Governor Bustamante's actions in Filipinas embodied the Bourbon philosophy of the state and carried the reformist attitudes of the leading lights of Bourbon statecraft. Having served directly under Philip V in the Wars of the Spanish Succession, the governor

was a product of the Enlightenment period and behaved in a manner that reflected the spirit of the times. Like the reform-minded ministers of France and Spain, he instilled in his regime the same spirit of Bourbon professionalism that impelled reforms throughout the Spanish empire.

In the 1718 embassy to Siam, the governor served instructions to an envoy not only because he had his full confidence but also because his outlook and demeanor reflected such professionalism, which promoted the interests of the state and enhanced royal power. This was precisely the direction that defined “enlightened absolutism.”

End Notes

¹ This paper presents one of two dimensions of the background of Bustamante's diplomatic engagement in Siam in 1718. The other dimension refers to the nature and circumstances of the Ayuchya kingdom under King Thaisa that, for limitations of space, I am reserving for another article. Both are derived from my doctoral dissertation entitled *New Knowledge in an Old Account: The Bustamante Diplomatic Mission to Ayudhya in 1718*, University of the Philippines, 2005. This paper is a contribution to studies on Ayudhya history and Filipinas-Siam relations and is also addressed to Thai and Spanish scholars whom I have consulted or exchanged ideas with.

² "Real Titulo de Embaxador Plenipotenciaria," I introduced this account in a paper entitled "The Bustamante Trade Mission to Siam in 1718 in the Context of Filipinas-Siam Relations and Southeast Asian History." In *Asian Studies*, Vol. 35, 1999.

³ Manila's last contact with Siam before the 1718 embassy was the visit of a Spanish ship to Ayudhya in 1656 during the reign of King Narai.

⁴ Philip V appointed Bustamante as governor of Filipinas in 1708 but the latter had to wait for the incumbent governor (the Conde de Lizarraga, Martin Urzua y Arismendi) to complete his term until 1715, after which an interim governor (Jose Torralba) served before Bustamante's arrival. Governor Bustamante earlier served as *alcalde mayor* of Tlaxcala in 1691-92, where he was almost killed in an uprising, returned to Spain to join Philip V in the War of Spanish Succession, and then served as governor of Teposcula, Mexico from 1708 to 1715 as he waited for the Conde de Lizarraga to finish his term. Governor Bustamante was killed in 1719 on his second year in Filipinas in an uprising instigated by the friars.

⁵ The Bourbon dynasty refers to a French family, members of which became rulers of France, Spain, Naples and Sicily. The family originated in the castle and town of Bourbon, the first capital of the old province of Bourbonnais in central France. The earliest documented member of this family was a feudal lord, Aimar or Adhémar, who became baron of Bourbon in the late 9th century. Henry IV, king of France, who was also Henry III of Navarre, was the first member of the house of Bourbon to achieve royal rank. Henry was succeeded as king by his son Louis XIII and linked the house of Bourbon, through his daughters, with three royal houses of Europe. Elizabeth (1602-44) was married to Philip IV, king of Spain, Christina (1606-63) to Victor Amadeus I of Savoy, and Henrietta Maria to Charles I, king of England. Louis XIII was succeeded by his son, Louis XIV. A brother of Louis XIV, Philippe I (1640-1701), *duc d'Orléans*, founded the collateral branch of Bourbons known as the house of Orléans. A grandson of Louis XIV and great-grandson of Philip IV, Philippe, *duc d'Anjou*, became Philip V of Spain (1700-1746), the founder of the Spanish house of Bourbon. King Charles II, the

only son of Philip IV, was childless and named Philippe as his successor to become Philip V. (Microsoft Corporation. *Encarta Reference Library 2004*. 1992-1993)

⁶ The War of the Spanish Succession (1701-1714) was precipitated by the death of Charles II without an heir. The war was fought from 1701 to 1714 by the Grand Alliance, consisting originally of England, the Netherlands, Denmark, and Austria, and later, Portugal, against a coalition of France, Spain, and a number of small Italian and German principalities. The ostensible issue of the war was a conflict over the legitimacy of the 1700 succession to the Spanish crown of Philip, duke of Anjou (Philip V), grandson of Louis XIV, king of France. An underlying issue was that Philip's accession made possible an increase in the power of France, which threatened the balance of power in Europe established by the Treaty of Ryswick (1697) ending hostilities between France, on the one hand, and England, Spain, the Netherlands, Austria, Sweden, Savoy, and several German states, on the other. England moved to crush the power of Louis XIV and led a coalition in a war against France. (Microsoft Corporation. *Encarta Reference Library 2004*. 1992-1993).

⁷ The Physiocratic school refers to late 18th century economists and social philosophers who held the belief that the economy was subject to the rule of natural laws and that the government should not interfere with the operation of the natural economic order. They advocated economic liberalism, freedom of trade, free competition, abolition of all special privileges and defended the right to hold property especially land. The physiocrats called for large-scale agriculture and maintained that only agriculture could increase a society's wealth. They stressed the importance of free competition in creating a healthy economy and favored little government. They established economics as a distinct science and exposed the fallacies of mercantilism.

⁸ Jose Patiño became minister for the post of *Intendente General de Marina* and president of the *Tribunal de Contratacion* in the *Casa de la Contratacion de las Indias*, positions from which he was able to launch reforms for naval reconstruction.

⁹ Mercantilism refers to economic thinking that the wealth of a nation depends on its possession of gold and silver and that economic strength derives from a surplus of exports over imports, achieved through state controls or government intervention in economic activities.

¹⁰ The Thirty Years' War was a series of European conflicts lasting from 1618 to 1648, involving most countries of Western Europe, and fought mainly in Germany. The struggles arose from the religious antagonisms spurred by events of the Protestant Reformation initially involving German princes and later including non-German adherents of the contending Protestant and Roman Catholic factions. Its direction and character however changed, influenced by other issues, including the dynastic rivalries of German princes and the

determination of certain European powers, notably Sweden and France, to curb the power of the Holy Roman Empire, then the political instrument of Austria and the ruling Hapsburg family. The war passed through four phases: Palatine-Bohemian (1618-25), Danish (1625-29), Swedish (1630-35), and French (1635-48). It ended with the Peace of Westphalia, signed at Münster on October 24, 1648, which resulted in the establishment of Switzerland and the Dutch Republic (the Netherlands) as independent states and weakened the Holy Roman Empire and the Hapsburgs. However, it continued for some more years in Spain until the Peace of the Pyrenees in 1659, where she ceded territories in her northern boundary to France. The Peace of Westphalia ultimately gave way to the emergence of France as the principal power on the Continent. (Microsoft Corporation. *Encarta Reference Library 2004*. 1992-1993)

¹¹ J. H. Shenan, *International Relations in Europe, 1689-1789*. London: Routledge, 1995. The Peace of Utrecht consisted of the treaties of Utrecht (1713), Rastatt and Baden (1714). Philip V remained king of Spain and the Spanish empire was partitioned. Gibraltar and Minorca went to Britain; Milan, Naples and Sardinia and the Spanish Netherlands went to Austria under Archduke Charles. Sicily went to Savoy under Victor Amadeus as King of Sicily. In the Americas, Britain acquired Hudson's Bay, Newfoundland, Nova Scotia and the West Indian island of Saint Kitts from France, and the right of *asiento*, permission to import African slaves to the Spanish colonies, from Spain. France also lost the territories in her frontier with the Netherlands and guaranteed the Protestant succession to the British throne. Philip V renounced his claim to the throne of France.

¹² Contraband trade became a serious concern of the Spanish monarchy in the 18th century. The Spanish economist Bernardo de Ulloa blamed it partly for Spain's economic woes in a treatise he published in 1740 entitled *Restablecimiento de las fabricas y comercio español*.

¹³ Governor Bustamante assumed the governorship on August 9, 1717. Juan de la Concepcion, *Historia de Philipinas*, cited as "The Government and Death of Bustamante" in Blair and Robertson, ed., *The Philippine Islands*, Vol. 44: 150. Hereinafter referred to as BR.

¹⁴ *Ordinances of Good Government* in BR, Vol. 50: 291-264. This refers to the set of ordinances by Governor Sebastian Hurtado de Corcuera of 1642 revised by Governor Fausto Cruzat in 1696. Some of the parenthetical remarks in the text, apparently part of the governor's revisions, note the violations of the ordinances. For example, "The Indians must not be harassed with injurious taxes and assessments as is so often the case." (The underscoring is mine.)

¹⁵ Casimiro Diaz, *Augustinians in the Philippine, 1670-1694* in BR, Vol. 42 (304-30). In the mentioned pages, BR cites a document referring to Francisco

Gueruela of the Royal Audiencia of Manila who reports about the abuses of the friars in violation or circumvention of existing laws. What must be noted here is not only how the friars disregarded laws but also how officials were unable to do anything to enforce laws.

¹⁶ *Events in Filipinas, 1721-1739* in BR, Vol. XLV (58-61). The pages mentioned refer to Juan de la Concepcion's brief mention of the visits to the provinces made by the the licentiates Joseph Ignacio de Arzadun y Revollo and Pedro Calderon Henriquez, the latter relating an incident where Jesuits illegally collected land rents. Again, only with the coming of the oidors were such abuses checked.

¹⁷ *Demostracion del niso deplorable estado de las Islas Philipinas...por Don Francisco Leandro de Viana, Ciudad de Manila, 1765*. Viana's memorial, while made in the mid-18th century, virtually sums up long-standing practices of disregard for existing laws, especially the *Recopilacion de las leyes de Indias*. Viana also wrote a letter in 1764 to Carlos III, a similar report citing violations of the law. See *Letter from Viana to Carlos III*, BR, Vol. 50: 118-190.

¹⁸ For a comprehensive read of this matter, see William Lytle Schurz, *The Manila Galleon*. Manila: Historical Conservation Society, (1985): 146-150.

¹⁹ The analysis of the population made by O.D. Corpuz is generally useful in apprehending the state of the country's economy and the people's living conditions in the time of the encomiendas, especially when related to reports made by various Spanish oidors or officials such as Viana. See O.D. Corpuz, *Roots of the Filipino Nation*, Vol. 1. Quezon City: AKLAWI Foundation, Inc., 1989. Especially the chapters about life in the encomiendas and the doctrines, and the appended article, "The Population of the Archipelago, 1565-1898."

²⁰ The Dutch engagement in colonial Philippines ended with the Peace of Westphalia in 1648 and the Peace of the Pyrenees in 1659, were cited from Jose Rodriguez Labandeira's *La Politica Economica*. For an example of a work on the Dutch intrusion in the Philippines, particularly in Mindanao, see Ruurdje Laarhoven, *Triumph of Moro Diplomacy*. Quezon City: New Day Publishers, 1989.

²¹ Regarding economic and land issues during the colonial period, some works are useful: Dennis Morrow Roth, *The Friar Estates of the Philippines*. University of Oregon, 1974; William Lytle Schurz, *The Manila Galleon*. Manila: Historical Conservation Society, 1985; O.D. Corpuz, *An Economic History of the Philippines*. University of the Philippines Press, 1997; Maria Lourdes Diaz-Trechuelo, "Philippine Economic Development Plans, 1746-1773" in *Philippine Studies*, XII:2 April 1964; and Horacio de la Costa, *Readings in Philippine History*. Manila: Bookmark, 1965.

²² Parody 70-71, I have read the documents from the Archivo General de Indias that Parody used such as *Cartas y expedientes del Gobernador de Filipinas*

(1720-1723). However, given the focus of this study, I have considered it unnecessary to repeat Parody's reading and citations of such documents. Parody's work and her sources become more useful in evaluating the colony's financial situation in that period when combined with the Spanish reports on the country's commerce such as that of Viana and Antonio Alvarez de Azevedo's *Extracto Historico*. Madrid, 1736.

²³ Metal production had been a well-established industry in Spain in support of its requirements for war and ship-building. A study of the construction of the galleons by Luis Navarro Garcia, *Los Galeones de la Carrera de Indias, 1650-1700*. (Sevilla:1985) provides insights on efforts to procure materials and establish shipyards and foundries everywhere throughout the empire, such as Cuba, to sustain the galleon trade. Governor Bustamante appears to be one with the Spanish ministers in pursuing these efforts.

²⁴ The royal university was named *Nuestra Señora de la Defensa y San Fernando, Rey de España* and the place designated for its establishment was across the governor's palace in the walled city.

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