DUTCH RELATIONS WITH
THE PHILIPPINES, 1600-1800
by
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From the original Dutch publication “Nederlanse Betrekkingen met de Philippijnen, 1600-1800” in: Bijdragen tot de Taal-, Land- en Volkenkunde, Deel 124, 4de aflevering, 1968. 's-Gravenhage; Martinus Nijhoff.

Only few Asian countries possess a source publication which, by its volume and precise annotation, is comparable to The Philippine Islands, 1493-1898, published by Emma H. Blair, J.A. Robertson and E.G. Bourne. Volume 53, “Bibliography”, lists the archives and libraries used for the compilation. Documents and historical sources from Dutch institutions were not utilized, but there is a note on their locations. Under “Other European collections”, there is the following statement: “A letter from the Director of the Netherlands archives at the Hague reports that there is no distinctive section of the archives devoted to the Philippine MSS. Most of the papers are written in the Dutch language and many deal with the Dutch expeditions to the Orient and the Dutch oriental possessions. It is quite probable that many MSS of the East Indies contain references to the Philippines.”

Indeed, the archives of the United East India Company are very rich in documents relating to the Philippines, but these are for the most part hidden between the other papers. The series: “Uit

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1 The Philippine Islands, 1493-1898. Explorations by early navigators, descriptions of the islands and their peoples, their history and records of the Catholic missions, as related in contemporaneous books and manuscripts, showing the political, economic, commercial and religious conditions of those islands from their earliest relations with European nations to the close of the nineteenth century. Translated from the originals. Edited and annotated by Emma Helen Blair and James Alexander Robertson, with historical introduction and additional notes by Edward Gaylord Bourne. With maps, portraits and other illustrations. (Cleveland, 1903-1909. 55 vols.)

Translators Note: Footnote 2 and part of the original text are omitted with permission from the author. It was a paragraph pertaining to a description of the publication: The Philippine Islands, 1493-1898 itself.

3 Some Dutch sources have been used, although via a French translation, e.g., “Early Years of the Dutch in the East Indies, translated and condensed entirely from Recueil des voyages.... de la Campagnie des Indes (Amsterdam, 1725).” Ibid., vol. LIII, p. 141.


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Indie Overgekomen Brieven en Papieren" (Letters and Papers sent over from the Indies) OB for short, contain more than 250 letters, logbooks, resolutions, and instructions with regard to the Dutch blockade of Manila, the relations with the island of Mindanao, the shipping and trade between the Philippines and the rest of Asia, etc. These documents can be found with the help of lists of contents, which are to be found in the front of most of the 2908 large volumes.

The General Dispatches of the Central Government in Batavia to the Directors of the VOC in the home country, and the letters sent to Batavia from such outposts as Formosa, Ternate, Tonkin, etc. also supply a great deal of information not mentioned at all in the lists of contents. The series: Patriase Missiven (Dispatches from Home; from the Gentlemen XVII, Directors of the VOC, to the Governor General and Advisory Council), the resolutions of both bodies and the diaries of Batavia Castle are provided with indices, which are also helpful in tracing relevant data. For the benefit of Philippine historians, I have recently concluded an annotated survey of these source materials.5

I would like to take into closer consideration several topics from the history of Dutch-Philippine relations, which, in the course of that survey, came to my attention, such as the purpose of the Dutch expeditions in Philippine waters in 1648, and the development of the Company’s trade with Manila until the end of the 18th century. To this end, mainly those materials contained in the VOC archives, whether published or unpublished, will be used. Preceding it, is a short overview of the Philippines in relation to these topics.

The group of islands which, after 1542, were to be called the Philippines—after the Spanish king—was discovered in 1921 by the Portuguese Fernao de Magalhaes, who was in the service of the Spanish. Magalhaes was killed that same year, when he intervened in a battle between native kings. The second commander, Sebastian del Cano, at last completed the first voyage around the world with the ship "Vittoria", after he had taken on a load of spices from Tidore and the Moluccan Islands. This was the start of a fierce dispute between the Spaniards and the Portuguese, and later between the Spanish, the Portuguese, and the Dutch, about the possession of the Spice Islands. For a while, the dispute was settled in 1529, when Charles V sold the rights to the Moluccas to Portugal. A second line of demarcation6, 17 degrees east of the Moluccas, would separate the Spanish and Portuguese spheres of influence.

6 With the Treaty of Tordesillas in 1494, a similar demarcation has already taken place for the western hemisphere.
In 1564, Philip II sent an expedition under Miguel Lopez de Legazpi from Mexico to the Philippines (N.W. of the Moluccas, so within the Portuguese territory) to conquer it for Spain. The Spanish brought an important part of the archipelago under their sphere of influence between 1565 and 1571, although repeatedly harassed by the Portuguese. In 1571, after a bloody fight with Radja Soliman, Legazpi made the small Mohammedan kingdom of Maynila on the largest island of Luzon the capital of the new possession.

A government was set up after the Spanish American model: a governor, and next to him a high court of justice, the Audiencia, and, on a lower level, a provincial government with alcaldes mayores to exercise executive and judicial powers. Landholding was regulated according to a feudal system, the encomienda. The Spanish conquerors obtained plots of land on loan from their king, which were to be cultivated by the local Filipinos, who were just serfs. (Slavery, however, was abolished by a decree issued by Philip II in 1589.) The viceroy of Mexico exercised supreme rule over the Philippines on behalf of the Spanish king until 1821.

The church was powerful, exercising great influence on the government. Its missionary work was done with great zeal, and large land grants were obtained from the Spanish crown. High religious functionaries in Manila organized the "obras pias", charitable institutions that became rich through trade. It was also due to the missionary diligence of His Catholic Majesty, that Spain did not leave the Philippines any earlier, despite the fact that not much gold, nor other valuables, were found.

Agriculture languished all throughout the Spanish period, while collecting spices on Mindanao was made difficult by piracy, and opposition by the "Moros", the Moslem natives. However, these drawbacks were minimal compared to the huge profits that were made through trade between East Asia and the American West coast. Manila was ideally situated for this trade, since it is located at approximately equal distance from the Chinese coast, the main origin of silk, and from the spice region in the South. Silk and spices were the main products, shipped yearly by the galleon to Acapulco, Mexico, in exchange for silver from the Peruvian mines, which it brought back to Manila. The Spanish real- and later the Mexican dollar- were,

7 The large island of Mindanao in the south of the archipelago, but north of Celebes, and the Sulu-archipelago between N.E. Borneo and Mindanao, remained practically independent until late into the 19th century.
10 Schurz, p. 27-29, 63-64.
until far into the 19th century, the legal currency in the whole of East Asia. 10

Besides the numerous advantages of the Acapulco shipping enterprise, it also brought disadvantages. This trade was dominated by a small group of civil servants, merchants, and the above mentioned “obras pias”, which invested the money obtained through gifts, inheritances, etc. profitable and valuable cargoes. The Philippine economy hardly profited by it, mainly because the cargo of the yearly galleon consisted of products from outside of the Philippines, principally supplied by the Chinese. Thus Manila remained a “passive intermediate station” on the route from China to Spanish America. 11

According to the computations of P. Chaunu, the Philippines absorbed almost 15% of the revenue between 1591 and 1780 extracted by Spain during its flourishing period -1503 to 1650- from its American possessions. 12 Olivier van Noort, who passed by the Philippines on his voyage around the world, and lay before Manila waiting to ambush Chinese junks and the silver ship, but lost one of his two ships (the “Eendracht”) to the Spanish, stated it very clearly: “These islands themselves have no riches, but most prominent is the trade of the Chinese, who visit there everywhere to do business, and are very subtle in their dealings.” 13

The financial position of the colony was repeatedly in great danger because of this narrow economic basis on which it was built; this was the case especially when the Acapulco galleon stayed away one or even more years in succession. In 1653, the VOC office in Formosa reported that the inhabitants there did not want to continue the trade with Manila, because for three years no ship from Mexico had arrived, “. . . which causes such scarcity, that, instead of silver coins, leather circulates in the community, which has caused the trade to come to nothing.” 14

The Spanish civil servants and armed forces also suffered because their salaries depended on the considerable subsidies from Mexico brought by the galleon. The Dutch had a very clear under-

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12 De reis om de wereld door Olivier van Noort, 1598-1601 (Voyage around the world by Olivier van Noort). Published by J. W. Ijzerman. Publications of the Linschoten Society XXVII (’s Gravenhage, 1926) p. 113.
13 OB 1654 I, fol. 200r.
standing of the situation, and from the beginning of their settlements in East Asia, they aimed at hitting the Spaniards at their weakest spot. A blockade of Manila, preferably combined with pirating one of the silverships from America served a threefold aim: weakening the Spanish empire, strengthening their own trade position by acquiring silver so indispensable in Asia, and, lastly, diverting the Chinese junks to the Dutch factories. With this in mind, Governor-General Jan Pietersz. Coen wrote to the Directors of the VOC in 1623, that the Company had to stop the junks from trading in Manila and other parts of the Indies, except Batavia, and that they should also harass them as much as possible on the coast of China. Governor-General Pieter de Carpentier and his Council underlined this by saying: "The Chinese ships will not give up their trade with Manila if they lose only their cargo. But if we want them to stay away from there, we have to take all the men prisoners or kill them".15

Originally the Dutch did not want to treat the Chinese too harshly, in order not to prejudice the people against them. Francois Wittert e.g. did take 17 junks during his expedition in Philippine waters, during 1609 and 1610, but he also traded with others. In December 1609, Wittert bought from three Chinese junks raw and finished silk, cloth, and various provisions, for 4000 reals cash.

In a battle against the Spaniards in April 1610, at which Wittert was killed, the Dutch lost three of their four ships and all their booty. Merchant Pieter Segers, who escaped with the yacht "De Pauw" to Patani, foresaw other troubles. Serious complaints were expected from the Chinese on account of the capture of the junks and the forced sale of silk, because not everything was paid for in cash.16 He therefore proposed to the Directors of the VOC the adoption of a different policy. The Company should send a fleet of eight ships and three large yachts into Philippine waters, supplied with a sufficient number of carpenters to build there three or four galleys "...because near Manila are excellent islands for shipbuilding. With such an armada and strength... we could easily force them, even if there were 50 junks, to accompany us to Patani, taking half the cargo or so. Once we will have arrived in Patani, we will also buy the rest, but pay only half of it, with the promise that, next year when they bring to us a new cargo of an equal quantity of silk in Patani, we shall pay cash for the other half and for the newly brought wares as well. . . ."17

15 D.A. Sloos, De Nederlanders in de Philippijnse wateren voor 1626 (Amsterdam, 1898) p. 5 and footnote 2 on the same page.
16 OB 1607-1613 II, Pieter Segers to Jacques l’Hermite, June 18, 1610, fol. 3, 6.
17 Ibid. Pieter Segers to VOC Directors, Nov. 3, 1610, fol. 2r. and v.
There are no indications that Segers’ advice was followed up. At any rate, during the next big expedition under Jan Dirksz. Lam ... ten Chinese junks were taken with a total cargo value of almost a million guilders (four million pesos). In the battle against Admiral Ronquillo in April, 1617, Lam lost three of his ships; the Spanish navy, on the other hand, was totally destroyed as a result of this encounter, and later by storms. Coen wrote therefore: “If it pleases God and our masters, we have to resume this matter courageously again...” Zaide’s comments on the battle of Playa Honda tend to exaggerate Spanish victories over Holland and that the latter’s defeat was “...not recounted in Dutch writings.” By “Dutch writings” Zaide probably refers to the 17th century (pamphlet) literature. Apparently Zaide did not know about Mac Leod’s lively description of the battle complete with situational sketches and who concluded that the Dutch squadron was defeated ... and its power was temporarily destroyed. According to Mac Leod, had Lam kept his nine ships together, he could have won, and in all likelihood could have captured Manila. Contrary to what Blumentritt, Zaide and other historians believed the capture of Manila was not the aim of the war by the Dutch. Nevertheless, the results of the 1646 campaign were very poor, if we consider that the Company then went to war with a total of fifteen large and small ships, in contrast with the Spaniards who only had two old galleons, the “Encarnacion” and the “Nuestra Señora del Rosario”, assisted by a few more war junks and galleys. Still, every year, a procession is held in Manila in remembrance of the victories at Bolinao, Marinduque, Mindoro, Mariveles and Corregidor. From a detailed account that the Governor-General and Council sent to the home country, it is clear, that the scant success was due to the dispersed action of the Company ships. A report about the enterprise of Marten Gerritsz. de Vries states that this fleet commander came upon two large Spanish galleons and two junks “in the Embocadero of Spiritu Sancto in the bay of Tiguau” on June 26, 1646 which were waiting for the galleon from Mexico. De Vries blockaded the bay for a month, then he had to withdraw because

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18 Sloos, p. 37-45 and the archives cited there.
19 Zaide, I, p. 261, footnote 49.
21 F. Blumentritt, Holländische Angriffe auf die Philipinen im XVI., XVII. und XVIII. Jahrhundert. Historische Skizze. (Leitmeritz, 1880). This treatise has been based exclusively on Spanish sources, and the presentation is therefore one-sided.
22 Zaide, I, Chapter XVI: “Portuguese and Dutch Wars”.
23 Embocadero: Strait Bernardino, between the southeast corner of Luzon and the northern point of Samar. (On the latter island is Cabo del Espiritu Santo). The galleons sailed through this Strait to and from Acapulco. The island Ticao in the Strait of San Bernardino served as the last place to obtain provisions for ships going across the Pacific Ocean. The convoy ships were waiting for the galleons from Acapulco here too. Schurz, p. 121-122.
of mortality amongst the crew and lack of victuals. When the Dutch fleet retreated, the Spaniards followed them, and on July 30, the parties came to blows. During this battle, which was continued on August 1, the Dutch counted 19 dead and 58 wounded. The yachts “Breskens” and “Visscher” and two fire-ships were lost. The Spanish ships were damaged substantially, but were able to get to the safety of Manila Bay. De Vries sent two ships to Formosa, and sailed with three others along Luzon’s east coast, burning several villages and churches, and taking more than a hundred captives.

The silvership from Mexico had “sailed to Cagayan out of fear, and was shipwrecked. However, as reported by those taken prisoners, all silver had been salvaged. Thus the enemy suffered great losses, because of the destruction, and also because the return ship was not sent out. This was stated in the intercepted letters, which also complained about the poor conditions in Manila and Ternate...

The fleet returned to Batavia in October because reinforcements did not turn up. In July, a second squadron had sailed out under Pieter de Goyer, but had failed to make contact with de Vries. One ship, disabled by a storm, had to return, the other three blockaded Manila Bay, which kept the return ship to Mexico from leaving. De Goyer twice gave battle to the above mentioned galleons (including the two galleys), with a loss of 16 dead and many wounded. The Dutch were able to keep the upper hand and captured two more junkys... “we intend to send a considerable force of 10 or 12 ships and yachts there again in February to finally get the silver ship, to harass the enemy, and to prevent the Chinese from trading there, and at the same time drive the Spaniards from Ternate...”

Four of the five Spanish victories are here, more or less incidentally mentioned; in March 1646, François Caron (then Governor of Formosa) made a remarkable statement about the one at Bolinao (N.W. Luzon). A fleet of three strong yachts and a flyboat were sent out from this island under the command of master merchant Cornelis Caesar, and manned with an experienced crew, “...strong and well disposed to lick the Spanish...,” but, because of disagreement bet-

24 Mac Leod notes here: “...very different from before Goa, where we were always supplied with fresh provisions from Wingoerla.” Mac Leod, II, p. 360.
25 Cagian: Cagayan, north-east corner of Luzon. This route to Manila was apparently much safer than via the rocky Embocadero, but the season was too advanced: “...for, after the beginning of July, or earlier, a ship was liable to be thrown upon the Luzon coast by a baguio, or typhoon, while the seas about the Bashees above Luzon were famous for their storms.” Schurz, p. 226.
26 OB 1647 II, fol. 27v-29r. Italics are mine (MPHR). The Spaniards kept their possessions on Ternate and Tidore until 1663, when they had to concentrate their armies on Manila and Tidore until 1663, when they had to concentrate their armies on Manila, on account of the impending attack by the Chinese rebel and pirate, Coxinga.
ween the commanding officers, they did not succeed in opposing the “Encarnacion” and the “Rosario.” Where are the “Batavians,” Caron complains (referring to the battle of Duins), who attacked 67 Spanish galleons in September 1639 with a handful of ships? It is not surprising, that the Spaniards now carry their heads high. The Spanish captain, sent to Formosa as a prisoner of de Vries, does not even want to raise his hat to the Dutch, and “... when somebody told him, and ordered him to do so, he answered that he was His Majesty’s captain, suggesting that the honor should be done to him; such dirty drivel is to be ridiculed, and does not need to be reported...”

Caron, as we know from other sources, was always ready to criticize. From the last passage, it seems that his pride was hurt, which may have made his judgment of the battle at Bolinao unreasonably harsh. The Philippine galleons were formidable opponents, even for three “valiant” yachts and a flyboat. The Spaniards used for the construction of those galleons the many excellent kinds of wood found in the Philippines. Even with cannon fire, it was tough to get them to sink. The English fired more than a thousand bullets of eighteen and twenty-four pounds into the “Santisima Trinidad”, in 1762, during the capture of Manila, without even penetrating her hull.

The Directors of the VOC were not at all satisfied with the injudicious use of the fleet, which was employed for too many enterprises at once, leading to a disastrous division of energies. “The spirit of the merchant played a trick on the strategic views, because the vision of capturing the richly laden silver ships, as in the case of Piet Hein, was too attractive to keep it out of the war operations.”

The voyages of de Vries in 1647, and of Tasman in 1648, to the Philippines did little to change the situation. Again, they were unsuccessful in capturing a silver ship. In Batavia, however, it was pointed out that, because of the Manila blockade, the Chinese were diverted to Formosa, and big profits were made there. When, in November 1648, news of the Treaty of Munster reached Batavia, the sending of blockade fleets to Manila ceased.

Plans for a straight conquest of the Philippines never rose above the theoretical stage. Pieter Both, in 1612, still saw it as a real possibility for the Company to occupy the islands without too many difficulties: “...among other things, the inhabitants there are

27 OB 1647 II, fol. 182-186.
30 According to Spanish sources, de Vries was killed in an attack on Manila, June, 1647; he died, however, a few months later as the victim of the diseases that prevailed on the fleet. See Mac Leod, II, p. 362.
tyrannized, exactly the way the Duke of Alva did in our country, which could benefit us a great deal."  
Governors-General after him were in favor of blockading and pirating, which would be the downfall of Manila's trade. Coen saw his action towards the Philippines as part of his attempts to gain Chinese trade. During the blockade of Manila by a combined Dutch-English fleet in 1621-1622, not a single attack on the city was attempted; on the other hand, the expedition to Macao under Cornelis Rijersz in 1622 was definitely aimed at capturing that city. Gradually, more information was gathered about the Spanish rule over the islands and the economic situation of the regions beyond the immediate surroundings of Manila, chiefly through reports by the Chinese. It became obvious then that conquest alone would not be all there was to it. In 1642, Antonie van Diemen and his Council wrote to the Gentlemen XVII: “The Spaniards in Manila are already rather afraid of the power of the Company, and we trust that, if this business is attempted seriously, we could take possession of it, but whether the Company would gain as much profit from this conquest as the private Spanish merchants do, is to be doubted, because, according to the information received, the Philippines are [sic] more a burden than a profit to the Castillian king, which is not what the Company is after.” About this, we could say: “the grapes are sour,” but the VOC Directors must have taken van Diemen’s words to heart. They did not want to hear of territorial expansion, not unless this was strictly necessary for trade.

The war against the Portuguese in India, in Ceylon, and at Malacca, demanded a lion’s share of the naval forces. In these cases of territorial expansion crucial interests were at stake, as in the case of Ceylon, the cinnamon country.

The Dutch offer of assistance to the Shogun (Military Ruler) of Japan, who “is inclined towards the destruction of Manila,” was only made to gain the goodwill of the Japanese. It was a relief when, in 1638, riots broke out on Kiushu, which pushed this plan into the background. The VOC Directors may have felt threatened by the unpleasant prospect of a continuous guerilla warfare against the Spaniards and Christian Filipinos on the numerous islands of the archipelago. Zaide loses sight of this when he writes: “So pro-Dutch writers, in their attempt to whitewash this blot on Holland's colonial annals, alleged that the Dutch attacks were not an “invasion”, but

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merely naval sorties intended to inflict injury on the Spaniards; they claimed that the Hollanders did not covet the Philippines. Such allegations, however, do not tally with historical facts... Had not the Filipinos fought gallantly and well under the Spanish banner, the Spaniards in Manila would have lost to their Dutch foes.35 Zaide refers to Joannes de Laet (Hispaniae sive de regis hispaniae regnis et opibus, Leiden 1629), who, among other things, mentions the profitable trade between China and Mexico as proof of the Dutch interest in an occupation of the Philippines. But that is exactly where the shoe pinches: because, in order to get a piece of the pie in this profitable trade, the VOC should at least have access to the harbor of Acapulco. The over-optimistic author of the “Speculations”36 did not think this impossible, and it has been tried; first in 1657 through negotiations (see below), and once more in 1745-1746, when two ships were sent there to no effect. Naturally this could not have been realized before 1648. For the time being, the Company was satisfied with the capture of the Spanish settlement of Ki-Lung (Quelang, Keelung), on a small island north of Formosa, in 1642. The Spaniards had been there since 1626, mainly with the purpose of preventing the VOC from further expansion.37 From communication with Filipinos who had gone over to the Dutch in 1632, it was learned that the Chinese trade at Ki-Lung was limited.38 However, this capture was favorable to the Dutch trade with Japan, since the stronghold was an en route to that country. It also made a good impression on the Japanese who had a grudge against the Spanish and the Portuguese.39

At the same time, before the 1648 peace treaty, Batavia was already looking at other possibilities for the trade on Manila, if need be under a foreign flag. The English already sailed to the Philippines from Surat. They traded cloth, cinnamon, and pepper, as the VOC found by reconnoitering in Malayan waters.40 It is true that access was later denied to them, unless with special permission of the Spanish king,41 but that did not mean that the English-Manila

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35 Zaide, I, p. 268.
37 Alg. Rijksarchief, Kol. Arch. inv. nr. 4464 T 11; Dutch translation of a Spanish manuscript about the Dutch occupation of Formosa and the necessity for the Spanish to settle there. (c. 1624).
38 OB 1632 I, fol. 552-554.
41 Gen. Miss. II, p. 360; Jan. 18, 1649.
trade was finished. From then on, the English trade goods came on private Armenian ships from Madras, or sometimes on English ships with Asian names and crews. The Dutch also wanted to set about it that way, and in 1645, the Government went ahead with Barend Pessaert, head of the Danish factory at Tranquebar (Coromandel). Originally, he had been a Dutch civil servant (in connection with the trade on Japan, among other places). After his secret repatriation in 1634, he went over to the Danish with bag and baggage, in this case, with information he had gathered. He made his appearance on the Indian coast in 1636, as head of the Danish settlement. It was not unusual for a Company servant to act in such a way, compare e.g., the career of François Caron in Dutch and later in French service. Batavia constantly kept a watchful eye on the unfaithful Pessaert, as a potential saboteur of the Company’s monopoly. This also included an interest in his private life, witnessed by the following statements: “The Dane keeps the fire lighted. Pessaert lives a very dissolute life. Time will tell us if this will change with the arrival of his wife.” In 1638, Pessaert wrote a letter to the governor of Manila, in which (according to information from Batavia, where the letter was intercepted) “…the Danish ships are offered in service to the Spanish crown against the Dutch enemy (as he likes to call us), to provide the Spanish Moluccas with rice from Macassar, on the condition that payment are to be received in cloves, and besides, to provide the Spanish with copper, iron, and other needs from Japan. Residence in Manila is requested; adding more blasphemous gossip and false accusations against the Dutch government.” After some protests about the trespass of their ship and the confiscation of the papers, the Danish yielded, with an explanation that the enterprise was Pessaert’s idea, and that they had not wanted to break the friendship between Denmark and the Dutch Republic.

However, Pessaert did not let the matter rest. In 1643-44, he was sailing with a load of 25,000 stingray skins en route to Japan. These were a very popular item among the Japanese. Batavia heard of this voyage and decided to seize the ship under some pretext; this voyage to Japan had to be prevented at all costs, since the position of the Dutch, as the only Europeans admitted there, was

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43 Gen. Miss., I, p. 625, footnote 1; M. Boyer, Japanese export laquers from the seventeenth century in the National Museum of Denmark (Copenhagen, 1959) p. 11, 12, footnote 106 and the literature and archives referred to, among others, the archives of the Dutch factory in Japan (Alg. Rijksarchief).
44 Gen. Miss., II, p. 64; Dec. 18, 1639. The wife of Pessaert travelled by courtesy of the VOC to the Danish factory. One of the children stayed in Batavia. (Gen. Miss., I, p. 685; Dec. 22, 1638).
already precarious enough. So they acted according to plan, but Pessaert’s protests caused some embarrassment. At last, the Batavia government and Pessaert came to an agreement that the stingray skins would be sold in Japan on his account, while he would sail to Manila with his yacht, taking a cargo of Fl. 31,707 — consisting of cloths, cinnamon, iron, and pepper, which the Company put at his disposal, “... in order to exchange this small cargo for reals of eight for the Company, and to report to us at the same time about Manila’s opportunities and situation...” If the voyage should turn out satisfactorily, he could make more such trips, for trading in Manila must be good business; Macao had stopped bringing goods since the revolt of the Portuguese against the Spanish, and the Chinese junks were taken or chased away by the Company.46

However, the voyage turned out badly. Pessaert was killed by the inhabitants when he landed on one of the Philippine islands to fish. The yacht continued on to Manila, where the Danish were received well, and a profitable trade took place, but when they were just about to leave, they were exposed as spies by an Indian servant of Pessaert. At once, the Spaniards imprisoned the crew, and declared the ship and cargo confiscated. The Company lost Fl. 12,000,—, i.e. the balance of the cargo sent along with Pessaert minus the proceeds from the sale of the stingray skins in Japan.47 Clergyman Valentijn, always in for a juicy story, gives a somewhat different version. According to him, Pessacrt arrived at Manila, traded, and went with a sloop to the beach just before leaving, under the pretense of fishing, but really to sound the channels. The Spaniards, who could not approve of fishing with a sounding-lead, caught him, and beheaded him right there. Valentijn also tells us why the Malabar servant betrayed them; he resented the fact that Pessaert had given him a slap when he broke a glass.48

The fifth article of the Treaty of Munster stipulated, "... that the Spaniards should keep their trading routes as they are now in the East Indies, without being allowed to extend them; similarly, the inhabitants of the United Netherlands also shall refrain from frequenting the Castillian places in the East Indies.” If the article should be taken literally, the Company’s trade on the Philippines would be impossible, but blood is thicker than water, and the VOC,

48 F. Valentijn, Oud en Nieuw Oost-Indien (Amsterdam-Leiden, 1724-1726) Vol. I, 1st part, p. 145. As his source, Valentijn refers to Georg Andries; this is Jürgen Andersen from Tundern in Schleswig (Germany), a servant of the VOC around 1645 and author of Orientalische Reisebeschreibungen (Schleswig, 1669; Dutch translation, Amsterdam, 1670). Blair & Robertson do not mention Pessaert’s voyage.
always hungry for silver to use in Asia, soon made an attempt to participate in the trade on America's west-coast. The Directors proposed in 1657 to the Spanish ambassador, that the trade between Manila and Batavia be opened, indeed they even offered to take the Oriental products (specifically spices) to America themselves in exchange for silver, and further offered to make the Spanish profits resulting from this transaction, payable in the Netherlands. Especially the latter must have been enticing, because Spain needed money. Spain therefore did not reject the proposal immediately. (It was on the agenda for discussion during the mission of Godard van Reede, Lord of Amerongen, in 1660), but the fear for Dutch competition and further expansion, and in addition, the anticipated loss of import and export duties in Seville and Cadiz, stopped everything. The merchants of these latter cities were jealous of the Manila and Acapulco trade. Their trade was in Spanish textiles (silk, among others), which were shipped to Spanish America across the Atlantic Ocean, and it happened repeatedly that the Manila cargo spoiled the Mexican market for the import from Spain.

In the OB papers of 1658, there is a remarkable memoir of a certain Johan d’Erguesa, a merchant from Manila, who visited Batavia a few times. He thought the VOC trade on America very possible, if use would be made of the intermediary of “Don Louis Mendis de Ara, Marquis del Carpio, a great favorite of His Majesty.” The cargo should consist of iron, wax, cinnamon, pepper, cloves, ebony, ivory, and goods not included in the monopoly of Seville. The pepper could bring in three reals per pound (approx. Fl. 7.50), while it was worth much less in Holland. This big difference in price was caused by the high transportation costs, import duties, etc. First, the goods were shipped from Holland to Cadiz, then to Seville, next with the galleons to Porto Velo (on the east side of the Isthmus of Panama), then 18 miles across land by mule, and finally, via the Pacific Ocean by ship to Acapulco and other ports. By contrast, the transportation costs of shipping from Batavia straight to America would be no more than 5% of the value, according to d’Erguesa’s estimate.

50 Schurz, among other places, p. 404-405.
51 OB 1658 II, fol. 124-125.
52 Luis Mendez de Haro, duque del Carpio, (1598-1661), appointed to first minister of Spain in 1644 by King Philipps IV. Enciclopedia Universal Ilustrada Europeo Americana (Barcelona, 1931) Tomo XXXIV, p. 587.
When direct trade between Batavia and Manila did not get off the ground, even after 1648, the Batavia government changed its tack, mainly in view of the much coveted cloves monopoly. Contact could be made via the Spaniards in the Moluccas, from whom the Company could get the cloves, and in exchange deliver “several goods greatly needed by the Spaniards... because they are excluded from the trade with India.” It would also be possible through this trade to obtain a large quantity of Spanish reals from Manila. If this failed, then an attempt should be made to conclude a contract with the king of Makassar to buy up all the cloves brought in by the Spaniards, and to exclude the English and the Danish from trading in it.\(^{54}\) The Spanish governor did not want to enter into the first proposal, and the Batavia government was of the opinion that he would not change his mind, “... not because it would not be advantageous to them, but they envied us the profits we could make. It is therefore decided not to resort to them anymore.”\(^{55}\)

In 1663, however, the Spanish settlement in the Moluccas came to an end.\(^{56}\) Before that happened, the Dutch commander on Ternate had once more spoken with the Spanish governor about the trade on Manila, in order to give the textile trade a new impulse. The governor was not prepared to make a decision, but advised him to try sending a small ship, loaded with ammunition, to see how the new governor at Manila, Don Diego Salcedo, would react.

Although the Batavia government doubted the success of this attempt from the beginning, they were willing to subsidize the trade of Ternatan freeburghers, because such a trade would lie outside the risk of the Company. It turned out that this doubt was not unfounded, in view of the results of the voyage of Crijn Leendertsz. Geel, who returned from Manila in January, 1665. He had been well received, and was allowed to sell his cargo, but the governor would not and could not allow the Dutch to enter; the governor of Spanish Ternate, who had granted the seapass, was taken to prison. However, as stated by the supercargo of Geel’s ship, the Dutch were made to understand that they were allowed to come to Manila with a pass from Siam, Cambodia, or Makassar. So they were welcome, as long as they were disguised as non-Dutch. This was understandable to

\(^{53}\) The average was Fl. 0.47 for 1649-1659; compare K. Glamann, *Dutch-Asiatic Trade, 1620-1740* (The Hague, 1958) p. 280.


\(^{55}\) *Gen. Miss.*, II, p. 489; Dec. 19, 1651. The refusal of the Spaniards, who refer to article 5 of the Treaty of Munster, is later reconfirmed: *Gen. Miss.*, II, p. 590; Dec. 24, 1651?

\(^{56}\) See p. 490, footnote 26.
the Governor-General and Council,\textsuperscript{56a} for otherwise the Manila merchant, Johan d'Erguesa, would never have received permission to trade with the Dutch. This merchant appeared in Batavia, in February 1665, with 6000 \textit{reals} and a letter from de Salcedo, in which the Governor-General was requested to abandon the trade on Manila. There was no mention of the carrier of the letter. D'Erguesa did a thriving business, bought a larger ship, and left not earlier than July with a cargo of 10,000 rixdollars cost price, a Dutch navigator and six sailors who were loaned to him for the time being. The Dutch expected him soon back in Batavia.\textsuperscript{57}

For the VOC, the trade with Manila remained subject to several difficulties. For the dry goods, it was possible to make use of Chinese connections in Makassar, as was tried in 1686, and the following years. However, the Makassarese had to be excluded from this trade in view of the damaging consequences for the spice monopoly. This trade in dry goods for the benefit of the VOC became only a moderate success, because of the heavy duty (up to \(13\frac{1}{2}\%\)) and anchorage demanded in Manila. Moreover, it seemed that the fabrics there were cheaper than at Makassar, and lastly, the Chinese objected since they feared that the Spanish "would force them to embrace Christianity or do service for them." For those reasons, the Chinese preferred to make the voyage with Makassarese, whom the Company rather liked to stay away from Manila for the reasons mentioned above.\textsuperscript{58}

In 1693, the head merchant of the factory at Siam, Thomas van Son, made a contract with a Portuguese merchant from Manila, Carvalho, to deliver cinnamon, cloves, nutmeg, and other goods, at pre-arranged prices. Carvalho also agreed to take a letter from van Son to the governor of the Philippines. It was hoped that, in this way, a large load of cinnamon could be sold to America via Manila as the Gentlemen XVII wrote to Batavia. The round-about way via the Netherlands and Spain made the price of this product expensive. If the product were to be offered at a lower price, this would increase the use of it, and therefore also the demand.\textsuperscript{59} The next year, a contrasting opinion was voiced in regard to this topic. On second thought, the directors were of the opinion that this trade

\textsuperscript{56a}Here one cannot help thinking of the Spanish saying in the colonies: "se guardia la orden, pero no se cumple": "one respects the order, but one does not necessarily follow it." Compare among others, Schurz, p. 399.

\textsuperscript{57}\textit{Kol. Arch.} inv. nr. Res. GGRR Feb. 27, 1686, fol. 89; Ibid. March 8, 1687, fol. 170.

\textsuperscript{58}\textit{Kol. Arch.} inv. nr. Res. GGRR Feb. 27, 1686, fol. 89; Ibid. March 8, 1687, fol. 170.

\textsuperscript{59}\textit{Kol. Arch.} inv. nr. 461, patr. Miss, July 14, 1695.
in spices could be damaging. Since the contract had not been followed up, other proposals of this kind had to be rejected.60

Three years later, the Directors in the Netherlands changed their minds again. In order to obtain Spanish money, merchants from Manila had to be attracted to come to Siam, Malacca and elsewhere. The Directors admitted that their order was contrary to that of former years, but lack of money now had forced a change of policy. In 1707, they added that the Manila merchants who came for cinnamon should be sent on to Malacca.61

Ceylon was the region known for cinnamon production which was in the hands of the VOC since the 17th century. Although it is true that other countries competed in the cinnamon trade by substituting the so-called wild cinnamon (Cassia Lignea), which was obtained, among other places, from Mindanao;62 this spice was less popular than the real cinnamon from Ceylon. After the Spanish War of Succession, the sale of cinnamon at Malacca and Batavia had increased, especially to the Manila traders, who sent the product on to America for sale. Since the Malacca office generally was not successful, the VOC searched for means of expanding their trade, by gathering other goods for example, textiles from the Coromandel coast.63 The director-general of commerce at Batavia made a statement in 1738 about the heavy competition on that coast with the English, French, and native traders. These traders brought textiles directly from India to Manila. Until a few years earlier, a ship sailed yearly from Manila to Bengal to buy textiles, but because the Manileños could not get what they liked, they had, for the last few years, come to Batavia.

However, textile trade in Batavia did not seem to be worthwhile for the Company; the traders from Manila spent all their money purchasing cinnamon, pepper, cloves, and nutmeg. The Manila trade in Batavia had a yearly turnover of Fl. 216,405.—, and a profit of 484% was made (an approximate estimate of the period between 1727-1737). The largest sale was in cinnamon: Fl. 173,625.—, with a yearly profit of 870%. Nutmeg seems to have been the most profitable at a formidable 6695%! In the course of ten years, only 15½ picul was sold of this product.64 If we calculate the selling prices

60 Ibid., Sept. 7, 1696, Oct. 9, 1697.
63 Kol. Arch. inv. nr. 466, Patr. Miss. Sept. 8, 1733, “Coromandel.”
64 OB 1738 IV, fol. 1947-1960; Report concerning the trade from Manila to Batavia, Bengal, Coromandel and Malacca, by the director-general of commerce, Joan Paul Schagen to the Council of the Indies, Jan. 21, 1738. With additions.
per pound, the Batavia prices seemed to have been equal to those in the Netherlands. The Company at Batavia, however, made larger profits, because it did not have any transportation costs, and there was a smaller risk of spoilage due to long storage. A comparison of the 1738 report with an overview of the total trade with foreign nations at Batavia during the 1734/5 period, shows that the Manila trade comprised half of this total.

In Malacca, the situation was similar to the one in Batavia: cinnamon was the most important trade product, some iron and lead sheets were also sold. The governor hoped that Batavia would send a new stock of that “precious, fragrant bark” in time to satisfy the demand for it. In 1740, Batavia sent 24,000 pounds of it to Malacca. The gentlemen XVII were happy about that, because the annual fleet from Cadiz to New Spain, which always brought a large quantity of cinnamon, had been held up by the English-Spanish war. Because of this delay, the VOC could not sell more than 400,000 pounds in 1740 and 1741, instead of 600,000 pounds, which probably increased the sales in Malacca.

On the part of the Dutch, there was also trade with Manila, mainly by private merchants in Batavia. In 1750, the Batavia government rented out a small boat to some private shipowners and supplied a cargo of cinnamon on credit, because these merchants had lost the larger part of their cargo in a fire the year before; they had to leave the remainder in Manila unsold. After the occupation of that city by the English in 1762, no merchants from Manila made their appearance in Batavia for some years. In order to set this “important negotiation” going again, and at the same time to collect some outstanding debts, the Company once again offered cargo space and freight to a group of private citizens.

We already noted that there existed a considerable trade between India (Bengal, Coromandel) and Manila, mainly in textiles, in which the Company took no part. This was run by Indian merchants (“Moros”, “Gentives”, Armenians, Portuguese, Frenchmen, Spaniards, and Englishmen) some of whom (namely the Portuguese,

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65 The above-mentioned report, and Glamann, p. 92, 280, etc.: Average Prices, Kamer Amsterdam, 1649/50-1737/38.
66OB 1736, fol. 764: “Summary of buying and selling to Portuguese, Chinese, and other foreign traders, Sept. 1734-Sept. 1735”. Sold for 317,375 rixdollars, is equivalent to Fl. 952,125.— (Indies guilders).
67OB 1738 V; Governor and Council at Malacca to Batavia government, Dec. 28, 1737.
69 Kol. Arch. inv. nr. 680, 681, 695; Res. GGRR April 30, 1750, March 16, April 30, 1751.
Spaniards, and Armenians) were residents of Manila. Many ships passed by Malacca on their way up or back; here the Dutch wrote down the place of origin, destination and cargo of each ship. A summary of these harbor records shows that from 1740 to 1775 fifty-five trading ships from Manila had visited, which had brought mainly cowries, and Spanish *reals* to Madras, Pondicherry, Tranquebar, etc. and brought back to Manila from India, various piece goods, iron bars and niter. The Batavia government regretted this, of course, and, in a resolution of July 1, 1755, they decided to protest this trade between Western Asia and Manila to the Governor of the Philippines as being in conflict with article five of the Treaty of Munster, which stated that the Spaniards were not allowed to expand their trade in the Indies beyond the routes that were in existence before 1648. Of course there was no mention of the Manila trade to Batavia, which was profitable to the VOC. Governor Manuel de Arandia answered the letter of protest (sent on August 22, 1755) with a long dispatch in Latin, in which he explained in detail how little merit there was in the Dutch appeal to the Treaty of Munster. The Spaniards were already navigating to China, Cambodja, Siam, and even to Bengal and Surat, before the VOC was established.

In 1732 the fifth article of the Treaty of Munster was used as an argument to set up a Philippine Company in Cadiz. Based on the information supplied by the Dutch ambassador to Spain, the plan was that the Philippine Company would form a direct trade connection between Cadiz and Manila by means of the Cape of Good Hope. The goods would be transferred into Malabar ships in Manila and traded further to other places in Asia. No ships were ever sent out, probably because of the protests from the Dutch and the English, and from the merchants in Manila, who saw their profitable intermediary trading posts threatened.

Nothing was heard about the Company for a long time until Francisco Leandro de Viana in 1765 presented an elaborate plan. He was one of the leaders who looked for new ways in which to develop the Philippines economically. This time the direct trade route from Spain to the Philippines was made part of a design for a general trade expansion in the archipelago, specially in cultivating spices among others. The first ship from Spain arrived in Manila via de Cape in 1766. The frigates, under the command of the French cap-

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71 Cowries—a type of small shells which were used as currency.
72 *OB* 1756 IV, fol. 1268-1278.
73 Kol. *Arch.* inv. nr. 685, Res. GGRR July 1, 1755.
74 *OB* 1758 iv, fol. 1015-1038.
75 All the papers concerning the Philippine Company (correspondence of the States-General, extract-resolutions, memoirs of the VOC, etc.) are in Kol. *Arch.* inv. nrs. 4464i6, 4464ee4. A summary based on Spanish sources in: Schurz, Appendix I, p. 409-418: “The Royal Philippine Company.”
tain De Casens, was called "Buen Consejo" (Good Council), but the inhabitants of Manila called it the "Mal Consejo". They considered the enterprise a straight attack on their trade with the Asian countries, and did not want to cooperate with the Company. Luckily for him, De Casens did not visit any of the VOC ports on his voyage, otherwise the Batavia government would have had to take action. The latter sent a letter of protest in July 1766 to the frigate in the Sunda Straits, in which they forbade De Casens to show himself in any of the Dutch ports, based on article five of the Treaty of Munster, and article 34 of the Treaty of Utrecht. The "Buen Consejo" was back in Cadiz in 1767, but sailed out once more in 1768. Thereupon, the ambassadors of England and the Dutch Republic together lodged a protest. They threatened that, if the Spanish navigation around the Cape of Good Hope would not stop, they would no longer feel bound by article 31 of the Treaty of Utrecht of 1713, which prohibited foreign trade in the Spanish West Indies. To this, Spain replied that the articles of the peace treaties did not state anything about the routes of navigation, and therefore there was no reason for protests as long as the Spanish ships did not carry on trade in any of the English or Dutch possessions. The navigation of the Philippine Company was thus continued until 1783, without Spain experiencing much opposition. One single ship a year really did not matter much.

When captain De Casens was forced to put into the harbor of Batavia in 1768 for repairs and resupply, he could obtain what he needed. That they were not exactly on good terms, however, is evident from a short, indignant letter written by De Casens to the sabandhar (harbor master) Van der Voort. The ship, which the VOC had supplied to shelter passengers and crew during the repair of the "Buen Consejo", had no shutters or hatches, so that the Spanish were completely exposed to rain and wind. Neither were the sick actually admitted to the hospital, because the priests, who had to assist them, were not allowed to go ashore. (There were 49 priests on board.)

In 1785, the Spaniards took up the issue of the Spanish-Philippine trade again, this time on a much larger scale. The Real Compania Guipuzcoana de Caracas joined with the Philippine company to the Real Compania de Filipinas with a charter for 25 years. The new Company wanted to trade with the Filipinas via the American harbors. Moreover, the trade with Asian countries (especially with China) had to be stimulated (article 31 of the charter). Only the trade from Manila eastwards to Acapulco remained reserved for

76 OB 1767 I, fol. 328-330.
77 Res. GGR, Dec. 9, 1768; OB 1769 VII, fol. 3046-3051, letter of De Casens to Batavia government, Dec. 9, 1768.
78 OB 1770 I, fol. 282-284, letter of De Casens to van der Voort, Jan. 17, 1769.
Manila residents. For the Dutch, especially article 31 of the charter was a stumbling block. Again, the States-General, the VOC, and the ambassador of the Republic were up in arms, and the exchange of memorandums and notes of protest, reiterating the old arguments about the injustice of this trade, continued till 1787. The Dutch Republic did not wish to take strong measures, who stood firm only on the point that Spanish ships would not be allowed to enter Company ports in the Indies, except in an emergency. Besides the actual inability of the Republic to act, there was also the consideration that the Spaniards should not be treated too brusquely, because that could endanger the trade between Batavia and Manila. As long as the Spanish did not infringe upon the contracts that the Company had concluded with the indigenous kingdoms, they should be left alone, "...therefore remaining entirely intact, the trade of the Spaniards from Manila to Batavia, because in more than one aspect, it is useful and profitable to the Company." In 1732, an anonymous writer communicated to the Dutch ambassador Van der Meer at Seville: "Other nations have easy access to the goods that the Spaniards bring from China to the Philippines, because Manila, so to speak, is a free port for everyone who buys and sells something there. It has, through actual practice, already become a stabilized custom to pay 4% of the value for the permission. Although the Dutch and the English are not allowed to show up there under their own flags, they have the facility to obtain what they want through other means..."

Thus the opening up of the port of Manila for international trade in 1789 did not mean much more than the legalization of an already existing situation.

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79 Kol. Arch. inv. nr. 4464ee4, Heren XVII to the States-General, March 30, 1786.
80 Kol. Arch. inv. nr. 4464ij6, F. van der Meer to the States-General, May 23, 1732.
81 "...with the important restriction, designed to protect the interests of the Royal Philippine Company, that foreign ships might trade only in Asiatic good." Schurz, p. 58.