Sangleyes, Japones, and Casados: An Overview of the Actors of the Sino-Japanese Trade in the Philippines Between the 16th and Early 17th Centuries

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Abstract

After a series of unsuccessful expeditions to the Visayas and the Moluccas (Spice Islands) across the Pacific Ocean, the Spaniards were finally able to settle in the Philippines in 1565, when the mission of the celebrated *Adelantado*, Miguel López de Legazpi, established a base at Cebu, in the heart of the archipelago. A few years later, in 1570, Legazpi and his men reached the island of Luzon, and met in Maynila the first traders from China and Japan.

This essay gives an overview of the Sino-Japanese trade in Luzon from the middle of the sixteenth century to the beginning of the seventeenth century, discussing the role of its principal actors: the Chinese from Fujian (*Sangleyes*), the Japanese from Kyushu (*Japones*), and the Portuguese of Macau and Nagasaki (*Casados*). The aim is to shed light on the complex patchwork of connections and interdependences among these groups of traders and their relationship with the mandarins, daimyos, officials and notables who invested money in the Philippine trade. Which were the economic interests of these groups? How did they conduct business in Luzon? And what was their role in the eyes of Manila, Beijing and Kyoto/Edo? In answering these questions, particular attention is given to the state of affairs in China and Japan at the turn of the sixteenth century that influenced the development of the Fujian-Kyushu traffic via Luzon and the Sino-Japanese trade in the Philippines.

Key Words: Luzon Trade, Intra-Asian Maritime Networks, Manila, Macau, Kyushu

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1. The Birth of the “Luzon Trade”

When the Spaniards reached Maynila in 1570, they found a community of traders of forty Chinese and twenty Japanese. The latter had probably come from Kyushu, whilst the former had almost certainly moved from the region of Minnan in Fujian province. The presence of Chinese merchants in the bay of Manila comes as no surprise, as their trade in the Philippines had in fact a long tradition that dated back at least to the Southern Song dynasty (1127-1271). The islands had been part of the Chinese trade network along the eastern sea route to the Moluccas, and in early Ming times, under the reigns of the emperors Hongwu (1568-1598) and Yongle (1402-1424) tributary missions had come to Nanjing from Luzon (呂宋), Mindoro (麻逸, Mait), Sulu and Mindanao.

According to Spanish sources, several junks and champans were sailing to the Visayas at the beginning of the sixteenth century, despite the existence of a ban on private maritime activities that was lifted only in 1567. In 1527, for example, a very young Andrés de Urdaneta, who had taken part to the expedition of García Jofre de Loaísa of 1525, reported that two ships from China came every year to Butuan (Mindanao) to carry on trade in cinnamon, gold and pearls with the natives of the island. A few years later, Álvaro de Saavedra stated the presence of Chinese merchants in Cebu, and further evidence comes from García de Escalante, who (in 1544) spoke of “much porcelain and some bells” (mucha porcelana y algunas campanas) carried by the Chinese (chinos) to the ports of Mindanao. Apparently, these traders had come to buy gold and some precious stones.

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1 AGI, Patronato, 24, n. 17.
Yet, as William H. Scott has pointed out, “the Spaniards never saw either these Chinese or their ships” until 1569. In other words, there is no clear evidence of the presence of Chinese ships calling at the ports of the Visayas and Mindanao in the first half of the sixteenth century.

What in Spanish documents appear as “Chinese” ships and merchants from “China” may simply refer to the natives of the Northern Philippines, who were known among the Portuguese as Luções, and at the beginning of the sixteenth century were sailing as far as Melaka. Later reports depict the activities of traders from Mindoro and Luzon, who visited the ports of Cebu and Butuan to sell ‘prestige goods’ like porcelain and bells, as well as iron, tin, cloth, and perfumes.

The very first encounter between the Chinese and the Spaniards took place only in 1569 – two years after the opening of Yuegang (月港, Haicheng) – when Legazpi and his men captured a junk off the coast of Panay (Capiz). Since the Spaniards reached the Visayas in the summer of 1565, we can assume that between this date and 1569 there were no Chinese or Japanese ships calling at the ports of Cebu and Mindanao. That, of course, does not imply that they were not sailing to other islands in the north of the archipelago. In fact, it is likely that traders from China and Japan were already visiting the ports of Luzon around the middle of the sixteenth century. A well-known passage of a letter by Miguel de Legazpi dated June 23, 1567 clearly

6 In those years, ships belonging to influential Filipino traders, like Regimo diraja for example (who was appointed temenggong of Melaka after the capture of the city by Albuquerque’s troops), were calling at several ports of Southeast Asia, and even plied the route Melaka-Guangzhou across the South China Sea. William Henry Scott, Barangay: Sixteenth Century Philippine Culture and Society, pp. 193-194. However, by the time the Spaniards settled in Manila, the Luções had already given up their long-distance maritime ventures and only sailed among the islands of the Philippine archipelago.
indicates the presence of Chinese and Japanese traders in Luzon (and Mindoro) prior to the opening of Yuegang in 1567. However, little is known about their trade in the Philippines around the middle of the sixteenth century, and we almost entirely ignore what was happening at that time in the provinces of Pangasinan, Ilocos and Cagayan, which would host the bases of several wokou (倭寇) in the 1570s and early-1580s. It is in fact in the ports at the mouth of the rivers Agno, Abra, Padsan, and Cagayan that the Sino-Japanese traders, smugglers and pirates carried out their business before the arrival of the Spaniards, and it is there that the “Luzon Trade” came into existence. By this term we refer here to a regional form of trade conducted by merchants from China and Japan in the north of the Philippines around the middle of the sixteenth century. Its development was a direct consequence of the state of affairs in East Asia and was affected by the political tension between Beijing and Kyoto.

Since early-Ming times trade between China and Japan had been regulated by a system of official licenses (tally trade: kanhe maoyi/kangō bōeki 執行貿易) established at the beginning of the reign of the third Ming emperor Yongle (r. 1402-1424). According to this system, only three Japanese ships were permitted to visit the port of Ningbo once every ten years (at least in theory) to present a tributary embassy to the Son of Heaven. However, in 1547/1549, principally because of the raids and pillages of the wokou, the Ming court decided to put an end to the tally trade and severed all relations and contact with Japan. From that moment on, the Japanese ships were not permitted to anchor in Ningbo nor in any other port of China. Later, in 1557, the same kind of prohibition was extended to Portuguese Macau. Several years

8 “Más al norte de donde estamos […] están unas yslas grandes que se dizan de Luzon y Vindoro donde vienen los chinos y japones a contratar cada año”. AGI, Filipinas 6, n. 7.
before, in 1539, the kingdom of Joseon had also banned the Japanese ships from its harbors. Trade relations between Korea and Japan were reestablished in 1547 with the treaty of Tenbun, but the Japanese were permitted to visit only the port of Busan, whose trade was quickly monopolized by the Sō family in Tsushima. Moreover, because of a ban on maritime activities (haijin 海禁) that had been imposed by the Mings in the first half of the fifteenth century, no Chinese ship was permitted to sail abroad, and even after the opening of Yuegang in 1567 the Fujianese merchants could not visit the Land of the Rising Sun and trade with its people. Hence, on Legazpi’s arrival in Luzon (1570), the Japanese had no access to the ports of China, Macau and Korea (apart from Busan), and the Chinese could not sail to Kyushu.

The commercial isolation of Japan together with the frustration of the Chinese private trade caused a general increase of contraband and resulted in a recrudescence of the wokou’s activities along the coast of China towards the middle of the sixteenth century. The Ming court took a resolute action against piracy during the 1550s and early 1560s, when several military campaigns were launched against the principal bases of contraband off the coasts of the provinces of Zhejiang, Fujian and Guangdong. Many ports thus had to be abandoned in search of new places where to carry on trade freely, without state control. When the Spaniards arrived in the Philippines (1565), most of the Sino-Japanese “pirates” and smugglers had been thrown out of the Chinese coast, and some of them had moved to the south, to Indochina and the Philippines. We know for example of the Cantonese pirate Lin Daoqian 林道乾, who apparently moved to Luzon (and then to Cambodia and the Malay Peninsula), and of Lin Feng 林鳳 (alias “Limahón”), who established a temporary base in Taiwan before attacking Manila in 1574.10

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Along with the transnational gangs of pirates, several traders settled in the Philippines and constituted the first nuclei of their overseas communities. The geographical position of Luzon, at the crossroads of China and Japan, was particularly suitable for them: being very near to the coasts of Fujian and Guangdong and not too far from Kyushu, the island could be reached quite easily. Moreover, ships from Japan could get there by way of the Ryukyu Islands and Taiwan, thus avoiding the danger of sailing close to China and being intercepted by the local patrol squadrons. The Sino-Japanese seafarers, smugglers, pirates and adventures who moved to Luzon during the sixteenth century, contributed to the establishment of a profitable trade in the ports of Cagayan, Ilocos, Pangasinan, the Manila Bay, and the island of Mindoro. Their commercial voyages across the region resulted in the development of a new sea route that connected Fujian to Kyushu via Luzon.

After the arrival of the Spaniards in the Philippines, the Luzon Trade was enriched by the flow of silver capitals from Acapulco and Callao, as well as from several Indian and Southeast Asian articles carried from the Portuguese Indies. Nevertheless, its original structure was only partially touched by the Iberian commerce and the transpacific voyages of the Manila Galleons. In fact, although the input of much American silver stimulated the Chinese presence in the Philippines and permitted the establishment of a global network encompassing three oceans and four continents, the Sino-Japanese trade of Luzon remained confined to the China Seas and kept a regional character.

11 The transpacific trade of Manila, which permitted the silk-for-silver exchange between Asia (China) and America (Mexico) and contributed to the emergence of the first world economy, lies outside the scope of this study. On this theme, see William S. Atwell, “Ming China and the Emerging World Economy, c. 1470-1650,” in D. Twitchett and Frederick W. Mote (eds.), The Cambridge History of China, vol. 8: Ming Dynasty, 1368-1644, Part 2 (Cambridge: Cambridge University Press, 1998), pp. 376-416; Dennis O. Flynn, “Silk for Silver: Manila-Macao Trade in the 17th century,” Philippine Studies, 44:1 (1996), pp. 52-68; Dennis O. Flynn, and Arturo Giráldez, “Born
Throughout the late sixteenth and early seventeenth century, until Japan’s withdrawal from the seas (c. 1630s), this trade was carried out principally by Chinese, Japanese and Portuguese merchants. The latter acted as middlemen for the Castilian, Mexican and Peruvian residents at Manila, a few Cantonese notables in Guangzhou and some Japanese lords of Kyushu. Their regional network linked together Macau, Manila and Nagasaki and extended to Melaka, the Moluccas, Goa and Acapulco. The Lusitanian captain-merchants employed Spanish and Japanese silver capital to finance their commercial ventures in Asia, and used the Philippine shipyards to build their own vessels. The Spanish involvement in the trilateral trade between Fujian, Luzon, and Kyushu was limited to the purchase of silk and a few other products needed at Manila (especially military supplies). In spite of being the masters of the Philippines, the Spaniards played in fact a much lesser role, and their principal concern was with the transpacific trade of the Galleons rather than the local Sino-Japanese trade.

Last but not least, the natives of Luzon (Tagalogs, Ilocanos, Pangasinenses, etc.), who had established their own port-settlements at the mouth of the principal rivers of the island, controlled the distribution of the forestry products and were the only ones to keep contact with the mountain dwellers of the Central Cordillera. Trade between the Igorots and the Filipino coastal chiefdoms was based on the exchange of local products, like metal ores, hardwoods and resins, for pigs, carabaos, and pottery. This upland-lowland exchange system was one important aspect of the Luzon Trade and a fundamental component of its structure.


13 Laura Lee Junker, “Craft Goods Specialization and Prestige Goods Exchange in Philippine...
2. Sangleyes, Japones and Casados: the Actors of the Luzon Trade

The most influential actors of the Luzon Trade were the Chinese, or “Sangleyes” (常來, 商來, 生理, etc.), the majority of whom sailed to the Philippines from the ports of Fujian (especially from the areas of Zhangzhou and Quanzhou). In later years, some junks also arrived from other coastal towns of the Middle Kingdom, most notably from Guangdong, but the lion’s share of this trade was held by the Fujianese. They left port in March, reaching Manila in two to three weeks, and returned to China at the end of May or in June before the departure of the galleons bound to Acapulco.

The Sangleyes sailed to the Philippines to sell silk, cloth, porcelain, iron, lead, copper, tin, sulphur, and saltpetre. They also carried foodstuff (especially rice and wheat flour) and domestic animals (like cows and horses). In 1574 a first group of Chinese merchants sold in Manila silk, cotton, furniture, iron, and other articles. After the opening of Yuegang (1567) and the founding of Manila (1571), the Chinese presence in Luzon increased dramatically. According to the calculations of Pierre Chaunu, and more recently of Juan Gil, the number of ships that reached the “Pearl of the Orient” from China increased from fourteen junks in 1574 to forty-six in 1588. In 1595 Manila was visited by fifty Chinese ships, and in the first years of the

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seventeenth century an average of more than twenty ships sailed annually from Fujian to Luzon. This coming and going of junks was extremely profitable for both the Philippine government and the Fujianese port authorities. From 1581 the Chinese began to pay a 3% charge of *almojarifazgo*, a percentage that was raised further in 1610 to a 6% tariff. In China they also paid taxes on the tonnage of ships and on the value of the imported commodities. Moreover, in addition to the cost of the sailing permits, each ship coming from Luzon had to pay a specific surtax (*jiazengxiang* 加增餉) of 120 *taels* (兩), which was introduced in 1589.

Trade was carried out in Manila in a special quarter known as the Parián that was located outside the city walls. The Chinese community grew steadily during the last decades of the sixteenth century from the 40 men met by Martín de Goyti in 1570 to about 18,000 residents. When the first Sangley uprising broke out in 1603 there were probably 20,000 Chinese living in the Parián. Their number, despite forced expulsion and massacres, continued to increase during the seventeenth century.

Much has been written about the presence of the Chinese in the Philippines and their importance for the Galleon Trade. The intermediation of the Sangleyes in the silk-for-silver exchange between China and Mexico was beyond any doubt their first contribution to the development of a globalized economy, but as we will see below there are other aspects to consider, related to the local Sino-Japanese trade and the triangular route between Fujian, Luzon and Kyushu.

The second group of traders was that of the Japanese, who reached Luzon twice a year, in October and in March/May. Their principal purchase was Chinese raw silk, which was carried to Kyushu and then redistributed throughout the country. It was

18 Pin-tsun Chang (張彬村), *Chinese Maritime Trade: The Case of Sixteenth-Century Fu-chien (Fukien)*, pp. 262-263.
19 Spanish sources indicate up to 30,000 residents.
worked to sew kimonos and other sorts of clothes according to the local fashion. The Japanese sailed to Luzon also to trade with the natives, from whom they bought gold, beeswax, dyewoods and spices (cinnamon), palm wine, civets, and deerskins. In Manila they purchased wine, glasses, Spanish clothes and accessories, and sold textiles, arms, lacquers, minerals and metals. Moreover, they sold golden panels, boxes and furniture, which were destined to Mexico, Peru and the European courts, as well as wheat flour, salt meats, larks (fimbros, Hispanization of 雲雀), horses, and of course silver.\(^{20}\)

The number of Japanese who moved to the Philippines after the arrival of the Spaniards increased year by year, and in 1595 there were some 1,000 men living in Manila.\(^{21}\) They concentrated in a special quarter (Nihonmachi 日本町) outside the walls of the city, in the outskirts of Dilao, and later, after 1614, also in another site known as San Miguel. Even if their number did never reach the several thousands of men of the Chinese community, yet their political influence was considerable.

A third relevant group of traders was that of the Portuguese Casados of Macau and Nagasaki. The captain-merchants of the State of the Indies took an active part in the Luzon Trade soon after the union of the Crowns of Spain and Portugal in 1580. Several ships sailed to Manila from Melaka, Macau and the Moluccas, carrying cloths and Indian rarities, African ivory, amber, and precious stones, Persian and Turkish carpets, cloves, nutmegs, mace and pepper.\(^{22}\) All these products were destined to Mexico and Peru and were shipped to Acapulco on board the Spanish galleons.

By the early seventeenth century the Portuguese had established a complex trade network that included Manila and Acapulco. They took part in the transpacific trade


\(^{22}\) Antonio de Morga, *The Philippine Islands, Moluccas, Siam, Cambodia, Japan and China, at the Close of the Sixteenth Century*, p. 342.
of the Spanish galleons with important quotas and could count on the presence of agents in several American ports. Their commerce linked Asia to Europe across three oceans, and can be considered one of the first examples of a globalized trade network. However, what is relevant here is the participation of the captain-merchants of Macau and Nagasaki to the triangular trade between Luzon, Guangdong and Kyushu, as well as their contribution to the establishment of an official trade route between the Philippines and Japan.

The Luzon Trade was based on the exchange of a set of local and imported articles that included silk, cloth, precious metals, as well as forestry and marine products. Among them, silver and gold were particularly important. Both were considered as commodities, and their price changed according to the market condition and the relationship between supply and demand. The high percentage of purity of the Mexican reales de ocho, which were shipped every year from Acapulco to the Philippines, attracted the Chinese traders to Manila like bees to honey, and made the city the center of the silk-for-silver exchange in Asia. The relevance of silver for the Chinese economy, especially after the introduction of the Single Whip taxation system (一條鞭法), is too well known to be repeated here. Therefore, I will limit myself to a few observations on its price in the Philippines.

In the early 1580s one libra of Chinese raw silk (Japan’s principal import) was sold in Manila at the price of twelve or thirteen reales, that is, 150/160 per picul. At the beginning of the seventeenth century the same kind of silk was sold at about 200 reales per picul. This increase of price was largely due to the presence in Manila of

24 Relación de lo que se entiende de las cosas de las yslas Philipinas por papeles que se han visto tocantes a ellas. AGI, Patronato, 24, r. 66.
too much silver which, as it is known, came not only from Mexico but also from Japan. Towards the end of the sixteenth century, great quantities of Japanese silver started to be shipped to Luzon in order to buy the best silks (especially white raw silk) from the Fujianese. At that time, the Japanese had already introduced various new techniques of mineral extraction, and were rapidly improving their abilities in smelting metal ores. In 1610 the Spanish captain Juan de Cevicos lamented the high price of silk in Manila and put the blame on the Sino-Japanese trade. According to him, the problem was that while the Portuguese at Macau regulated the price and the distribution of silk by means of the *pancada* system, the Spaniards, on the contrary, allowed the Japanese and the Chinese to trade freely. The same observation had been made by Antonio Morga twelve years before, in 1598. Moreover, when Cevicos wrote his report, the *almojarifazgo* tax – which had been introduced in the early 1580s under the government of Gonzalo Ronquillo – was still fixed to a very low tariff of 3%. In the 1590s, despite the war in Korea, the increasing number of Chinese ships calling at the ports of Luzon stimulated the voyages of the Japanese to the Philippines and contributed to the growth of commerce. According to Manila’s customs records, in 1595 the “Pearl of the Orient” was visited by fifty junks from China, and the next years (1596-1597) by more than forty junks. Ships from Kyushu were three in 1594, six in 1596, and probably nine in 1599.

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26 By the end of the sixteenth century mercury was widely used in Japan to refine the ores of the principal mines of the country. The result was the issuing of the Keichō silver coin (80% of purity) at the beginning of the Tokugawa era. Dennis O. Flynn, “Comparing the Tokugawa Shogunate with Hapsburg Spain: two silver-based Empires in a Global Setting,” in James D. Tracy (ed.), *The Political Economy of Merchant Empires* (Cambridge: Cambridge University Press, 1991), p. 335.

27 AGI, *Filipinas*, 4, n. 6. The *pancada*, or bulk-purchase system, had been introduced in the Philippines by royal decree in 1589, but it was never applied.

28 Emma Helen Blair and Alexander Robertson (eds.), *The Philippine Islands 1493-1803*, vol. 10, p. 84.

29 In that same year (1610) the tariff was raised to 6% for the Chinese, but remained the same at 3% for the Japanese traders.

Japanese sailed to Manila to meet the Chinese demand for silver and to sell iron, saltpetre and wheat to the Spaniards. In the early years of the seventeenth century four ships per year regularly sailed to Luzon in order to trade with the Chinese, the Spaniards, and the natives of the Philippines.

However, one may ask: why the Japanese sailed to Luzon if the Chinese silk had such a high price? And then, considering that they had to pay a 3% tax of almojarifazgo to the Spaniards, why did they risk their money (and lives) at sea if they could have the raw silk carried by the Fujianese directly to Japan? According to a well-known memorandum, ascribed to the Madrileño merchant Pedro de Baeza and written at the turn of the sixteenth century, a picul of the best quality of Chinese white raw silk was sold in Nagasaki at about 140/150 taels (192/206 reales), which is more or less the same price of the Manila market. In the light of this, it is quite obvious that the Japanese must have had another important reason for sailing to Luzon aside from the purchase of Chinese raw silk, a reason that, in my opinion, is mostly related to gold and some other products of the Philippine forest.

During the late Sengoku period (戦国時代: 1467-1603), and especially under the hegemonic governments of Oda Nobunaga (織田信長, 1568-1582) and Toyotomi Hideyoshi (豊臣秀吉, 1582-1598), gold became in Japan – in the words of Charles R. Boxer – “the most compact form in which to keep capital”. As a matter of fact, it

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33 Memoria de las mercaderías que lleva la nao de los portugueses de la China para Japón. AGI, Patronato, 46, r. 31; Francisco Colín, S.I., Labor evangélica, ministerios apostólicos de los obreros de la Compañía de Jesús, fundación y progresos de su provincia en las islas Filipinas [1663]. Ed. by Pablo Pastells, S.I., 3 vols. (Barcelona: Imprenta y Litografía de Henrich y Compañía 1900), vol. 3, pp. 219-221; Charles Ralph Boxer, The Great Ship from Amacon (Macau: Instituto Cultural de Macau, Centro de Estudos Marítimos de Macau), p. 179; AGI, Patronato, 24, r. 66.
34 Charles Ralph Boxer, The Christian Century in Japan, 1549-1650 (Berkley-Los Angeles-Cambridge: University of California Press, 1951), p. 112. “Gold, […] the Japanese gentlemen and lords buy it gladly so as to have their property in more manageable shape if the need should arise to
was easy to carry and to handle, and was not subject to be lost in a fire or to be
damaged by the attack from enemies and rebels. The Japanese warlords (whose
wealth was expressed in koku [石] of rice) found the use of gold powder a much more
practical way to preserve their wealth and to keep their political power untouched.
Both Nobunaga and Hideyoshi tended to collect most of their taxes in gold, which
thus contributed to the exceptional rise of its value. Throughout the second half of the
sixteenth century the ratio between gold and silver was in China of 1/5.5, 1/7 or 1/8
(depending on period), and in Japan of 1/12 c. Such a high disparity was extremely
advantageous for the Portuguese traders, who carried Chinese gold to Nagasaki and
Japanese silver to Guangzhou. The Fujianese similarly benefitted from this disparity,
and sailed illegally to the ports of Kyushu to sell gold and silk to the Japanese in
exchange for silver. Clearly enough, the different value of metals in China and in
Japan made Luzon the most convenient place where to buy silver – from the Japanese
as well as from the Spaniards – and gold – from the natives – in exchange for silk and
porcelain. “Every year”, says a letter of Juan Pacheco de Maldonado dated April 20,
1572, “Japanese ships come to these islands laden with merchandise. Their principal
trade is the exchange of gold for silver, two to two and a half marcos of silver for one
of gold”.

Philippine gold was available in many different qualities which went from six to
more than twenty carats. Three of the best were the ginugulan (“guinoculan”, the
“lord of golds”, of c. 23 carats of purity), the ariseis (more than 23 carats) and the

Ralph Boxer, “Plata es Sangre: Sidelights on the Drain of Spanish-American Silver in the Far East,
298. “Vienen cada año a esta isla navíos japones cargados de mercaderías, y su principal trato es el
rescate de oro por plata. Dan dos marcos y dos y medio de plata por uno de oro”. AGI, Patronato,
24, r. 25.
orejeras (19 carats). The latter was also called panica, and its purity was at least 18 carats. In 1577 Governor Francisco de Sande wrote that “the Chinese will not take the panica at more than four pesos of texuela to the tael, which – they say – is of that value in their country”. Hence in the first years of their trade in Manila, as we learn from the accounts of the Royal Hacienda, the Sangleyes were paid by the Spaniards in linguingui and orejeras gold, which were worth four and five pesos of silver respectively. In the Philippines there were good ores in Camarines (Paracale), in Cebu and Mindanao (Butuan), but the best deposits were in Luzon, on the mountains of the Central Cordillera (especially in the province of Benguet). The Igorot (Ygolotes) people carried gold downriver to the coasts of Pangasinan, Ilocos and Cagayan following the streams of the Agno, Abra and Cagayan rivers, and traded it with the locals in exchange for pigs, carabaos and pottery. The latter sold it in turn to the Chinese and the Japanese traders, obtaining ‘prestige goods’ like porcelain and textiles.

The purchase of Philippine gold by the Sangleyes is attested by several Spanish letters and reports of the 1570s and early 1580s, from Manila’s customs records and from Chinese sources like the Dongxiyang kao, a compendium of the Ming maritime knowledge published in 1617. Part of this gold was destined to Japan, as well as to

38 Emma Helen Blair, and Alexander Robertson (eds.), The Philippine Islands 1493-1803, vol. 4, p. 100.
China – where it was probably used to decorate silk embroideries – but most of it was sold to the Portuguese who paid it in silver. However, according to Morga’s *Sucesos* (1609), by the beginning of the seventeenth century the Chinese had renounced to the purchase of gold and accepted only “silver and reals”, since, it is written, they “do not like gold […] nor do they carry any to China”. At the turn of the century, in fact, they were sending to Manila “a great amount of gold, wrought and unwrought, and of different carats”, which was sold to the Japanese and to the Iberians.

As previously mentioned, the Sino-Japanese trade was conducted not only in Manila but also in Northern Luzon. The merchants of Fujian and Kyushu carried out a mutual business in the ports of the provinces of Cagayan, Ilocos and Pangasinan where in addition to gold they obtained several forestry products, like resins, dyewoods, animals and timber. In the purchase of some of these products – for example, beeswax, sappan-wood and musk – they were competitors.

Philippine wax was used as a waterproofing agent, especially for caulking ships. According to the *Dongxiyang kao*, it also came from Brunei and the Sulu Islands. Sappan (*sibucao*) grew in the mountains of the provinces of Ilocos and Pangasinan and was used to dye textiles in red and bice color (the Spaniards called it *palo para*

42 Letter from Governor Francisco de Sande, dated May 30, 1580: “y me dizen a mí los sangleyes que todo el oro que de aquí se saca va a poder de los portugueses que les dan plata por ello, y con la plata compran ellos sus mercadurías, porque los sangleyes que acá bienen son pobres, y también en China se tiene por cossa gruesa el oro para contrataciones menudas, y ansí lo ban a bender a los portugueses algunos”. AGI, *Filipinas*, 6, r. 3, n. 40.


45 Tseng-hsin Stephen Chang (張增信), “Commodities Imported to the Chang-chou Region of Fukien during the Late Ming Period. A Preliminary Analysis of the Tax Lists found in *T’ung-hsi-yang k’ao,*” pp. 176-177.
tintar). The Italian merchant Francesco Carletti who visited Manila, Nagasaki, and Guangzhou in the late 1590s states that the Chinese and the Japanese also bought it in Indochina (Siam and Cambodia). Lastly, musk was a highly appreciated perfume, in China as well as in Japan. It was extracted from the glands of the civets (gatos de algalia) and used in medicine.

With regard to the animals of the Philippine Islands, the carabao and the deer gave horns to the Chinese (used as medicines and carving materials) and hides to the Japanese (for military equipment, clothes, etc.). The latter also bought Chinese porcelain and pottery. Above all, they purchased the so-called Ruson tsubo 呂宋壺, an ancient rough earthenware dating back to the Tang and Song dynasties that could be found underground on the Philippine northern coast. To the eyes of estimators these irregular pots were absolutely priceless. Antonio Morga remarked that the Japanese were disposed to pay even two thousand taels each. In 1593 the “tributary” gift that the Spaniards gathered for Toyotomi Hideyoshi, in addition to five civets, two carabaos, and some Spanish clothes, included five of these precious pots.

The purchase of forest products and the upland-lowland exchange with the

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47 Francesco Carletti, My Voyage around the World, p. 130.
49 Francisco Ignacio Alcina, La Historia de las Islas e Indios Visayas del Padre Alcina. 1668 (Madrid: Consejo Superior de Investigaciones Científicas, Instituto Histórico de Marina, 1974), pp. 130v-133v. Tseng-hsin Stephen Chang 張增信, “Commodities Imported to the Chang-chou Region of Fukien during the Late Ming Period. A Preliminary Analysis of the Tax Lists found in T’ung-hsi-yang k’ao,” pp. 170-171, 175.
50 Antonio de Morga, The Philippine Islands, Moluccas, Siam, Cambodia, Japan and China, at the Close of the Sixteenth Century, pp. 285-286. According to Carletti, these vases were worth “five, six, or ten thousand scudos each, though ordinarily one would not say that they were worth a giulio”. Francesco Carletti, My Voyage around the World, p. 100.
51 Juan Gil, Hidalgos y Samurais. España y Japón en los siglos XVI y XVII, p. 60.
mountain dwellers of the Central Cordillera explains why in the sixteenth century the Chinese and the Japanese concentrated their activities in the deltas of the rivers Agno, Abra and Cagayan, and established trade relations with the natives of the coast (especially in the gulf of Lingayen). It is no coincidence that the Chinese pirate Lin Feng, after being repelled from Manila (1574), found protection among the Pangasinenses, who eventually helped him to escape from the blockade of the Spanish ships put at the entrance of the bay of Lingayen by Captain Juan de Salcedo.  

After the arrival of the Spaniards in the Philippines and the establishment of the route Manila-Acapulco, ships from China and Japan continued to visit the ports in the north of Luzon. In the registers of the Royal Hacienda there is evidence of trade conducted by the Chinese in the ports of Pangasinan, Ilocos and Cagayan throughout the late sixteenth and early seventeenth century. When describing the route from Zhangzhou to Brunei, the Dongxiyang kao enlists the names of several ports of Northern Luzon, among which Aparri (in Cagayan), Laoag and Vigan (in Ilocos), Lingayen (in Pangasinan), and many others. The text indicates the presence of animal hides (皮) and horns (角) in Aparri, Laoag and Vigan, and of sappan-wood (蘇木) in Lingayen. In Pangasinan the Chinese also obtained Zambal slaves from the natives of the coast.

56 The Pangasinenses also travelled overland across the provinces of Nueva Ecija and Bulacan to sell gold and other products in Manila. William Henry Scott, Barangay: Sixteenth Century Philippine
With regard to Japan, the registers of the vermilion-seal licenses (shuinjō 朱印状), issued by the Tokugawa bakufu from 1604 to 1635, indicate the ports of Cagayan (迦知安) and the Visayas (密西那) as alternative destinations to Manila. The province of Cagayan attracted the traders of the Land of the Rising Sun principally for gold and deerskins. At the beginning of the 1580s the Japanese pirate Taifuza had established in Aparri an overseas community of about 1,000 men who had arrived from Kyushu “with the intention of settling down” (benian con intento de poblar). The Japanese also sailed to Lingayen where they traded gold and sappan-wood. The city of Agoo in fact was known to the Spaniards as “the port of Japan” (Puerto del Japón) at least from 1582.

Nonetheless, it is difficult to determine how many ships called annually at the coastal settlements in Northern Luzon, and which among the latter were the most visited harbors. One important aspect to consider is the freedom that foreign ships enjoyed when sailing among the ports of the Philippines. According to Morga, for example, the Sangleyes traded throughout the archipelago, “from one island to another, with large and small champans”. In the case of coasting trade, ships were exempted from the payment of anchorage fees and the almojarifazgo tax, which is the reason why we can hardly find evidence of the Chinese and Japanese presence in ports other than Manila. Moreover, contraband trade could be easily carried out in the regions far from the Philippine capital where most of the Spaniards resided. One should consider that the Spanish presence in Northern Luzon was limited to the cities of Fernandina (Vigan) and Nueva Segovia (Lal-lo), and to a few towns mostly located

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*Culture and Society*, pp. 248-249.

57 村上直次郎, 《異国往復書翰集・増訂異国日記抄》(東京: 雄松堂書店, 1966), 頁 292-293, 307-308。

58 AGI, Filipinas, 6, r. 5, n. 53.


60 Antonio de Morga, *The Philippine Islands, Moluccas, Siam, Cambodia, Japan and China, at the Close of the Sixteenth Century*, p. 348.
inside the missions of the mendicant orders: the Augustinians in Ilocos, and the Dominicans in Cagayan. At the beginning of the 1580s no more than thirty Spaniards were living in Fernandina, in spite of being the political center of the region, and probably even less in Nueva Segovia, which was founded only after the defeat of Taifuza (1582). Moreover, the number of *encomenderos* and royal officials who controlled the villages of thousands of natives did not reach a few tens of men.

Unlike the silk-for-silver exchange whose center was in Manila, trade in gold and forestry products was thus carried out in the north of the Philippines and involved several actors, among whom the natives of the three coastal provinces of Pangasinan, Ilocos and Cagayan, as well as the dwellers of the mountains in the Central Cordillera. Throughout the sixteenth and early seventeenth centuries this trade stayed confined to a regional dimension and kept its local structure.

Another important aspect of the Luzon Trade was the sale of metals and minerals. Both the Chinese and the Japanese sold iron, copper, lead, saltpeter and sulphur to the Spaniards, who needed military supplies and shipbuilding materials. In the 1570s and early 1580s most of these products had been carried to Manila by the Fujianese merchants alone, and at their own risk, since there existed in China a ban on the exports of strategic materials and gunpowder, according to which smugglers could be punished with death and the confiscation of all their properties. In spite of this, the Sangleyes annually shipped several quantities of iron, lead, copper, tin and saltpeter to Manila in order to supply the royal warehouses and develop with the Spaniards mutual trust and collaboration. From a Spanish translation of a letter of the Chinese general Wang Wanggao (王望高), who reached Manila in 1575 after the fleet of Lin

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61 Nueva Segovia was founded only in 1582 after the defeat of the Japanese pirate Taifuza.
Feng, we learn that a contraband ship with several Chinese merchants aboard had sailed to Luzon in that same year carrying a quantity of saltpeter and sulphur (*salitre y recado para hacer polvora*). It goes without saying that this kind of trade was generally tolerated by the Fujianese officials who had to cope with the strong political power of the local lineages and the multifaceted economic interests of the region.

Towards the middle of the 1580s the Japanese became competitors of the Chinese, and started to send to Manila the first ships loaded with iron and copper, in addition to the other products of the country. During the 1590s they obtained a better market share taking advantage from Beijing’s political and economic choices. Because of the war in Korea against the armies of Toyotomi Hideyoshi, the Chinese court had in fact reinforced the ban on the exports of strategic products fearing that they could reach Japan or one of its “allies” and thus be used against China. This was the case of the Spaniards, who had signed in 1593 a sort of unwritten pact of collaboration with the Japanese and had been unwillingly involved in the diplomatic quarrels between the Middle Kingdom and its most problematic neighbor.

In any case, the strengthening of the ban does not mean that the Chinese suspended the exports of metals and minerals to Luzon. In fact a considerable amount of contraband trade continued to be carried out by the Fujianese in Manila as in several other ports of Asia. During the years of the war in Korea some products (above all lead and saltpeter) were also shipped to Kyushu, via Luzon, and sold to some local daimyos. In 1602, four years after the end of hostilities, the mandarins were still lamenting the great quantities of iron and saltpeter that were lost abroad every year in spite of the ban. As pointed out by Nakajima Gakushō, by the middle of the 1590s the Japanese were producing artificial saltpeter by boiling soil with

64 The ship had sailed without the license of the Mandarins (*venian sin licencia*). Manel Ollé, “El factor europeo en la dialéctica entre comercio, contrabando y piratería en las costas de China de los siglos XVI y XVII,” pp. 69-70.
65 AGI, Filipinas, 18B, r. 2, n. 8.
66 *Ming Shenzong shilu*, 374.9b-11a.
ammonia, and soon started to sell it to the Spaniards. From 1598 to 1605 they supplied the royal warehouses with important quantities of iron, saltpeter and gunpowder, as well as copper and some mercury. In 1603, after the establishment of a formal “alliance” with the government of Tokugawa Ieyasu (1598-1616) the Spaniards started to send their own ships to Kyushu in order to buy iron and other commodities directly in Japan. Their principal port of call became Usuki (臼杵), in the province of Bungo, which had belonged to Ōtomo Sōrin (大友宗麟, Dom Protasio) and was assigned to a lesser daimyo, Inaba Sadamichi (稲葉貞道), after the battle of Sekigahara (1600). From Usuki the Spaniards carried away important quantities of iron and other commodities.

The Portuguese also compensated the stoppages of the Chinese in several occasions. The imports of gunpowder and munitions from Macau became essential at the beginning of the seventeenth century, after the Sangley rebellion (1603), and in the early 1620s with the presence of the Anglo-Dutch fleet of defense in Philippine waters. The arrival of the Dutch and the English in Asia posed a major threat to Manila, which was considered the political centre of the Habsburg Empire in Asia as well as one of the principal bases for the common fight against the “heretics” of the East Indies private trade companies. Without the exports of Japanese iron from Kyushu and Chinese lead from Macau, Manila would have become too much dependent on the Sangleyes, a fact that posed serious problems of security for the city and more in general for the Spanish presence in the Philippines. So, even after the break out of two violent revolts in the Nihonmachi of Dilao (1606-1608), the Spaniards could not abandon the idea of trading with the Japanese, principally

because of their need for military supplies. By the early seventeenth century in fact the trilateral trade network between China, Luzon and Japan had reached a high degree of participation and involved too many different interests to be dismantled so easily.


In the wide spectrum of intersected and interconnected sea routes of the so-called “Asian Mediterranean”, the ports of Luzon were part of an intricate trade system that spanned from the Indian Ocean to the Sea of Japan. After the arrival of the Spaniards in the Philippines (1565) the system extended to Mexico and Peru, thus creating a broader maritime space that linked together the principal seaports of Asia, America and Europe. The Luzon Trade was a regional branch of this global system: its trilateral network included several ports of the Philippines (not only Manila), China (including Macau), and Japan, and was built in the second half of the sixteenth century by mutual economic interests. This trade saw the presence of joint groups of investors and the mingling of capitals among its participants. Although we discussed about three different groups of merchants, the Chinese, the Japanese, and the Portuguese, we should imagine a heterogeneous corpus of captain-merchants, seafarers and adventures acting in a circumscribed set of ports that covered the entire maritime region of East and Southeast Asia.

The fulcrum of the Luzon Trade was Manila’s Parián – or simply *alcaicería* (silk market) – where the silk-for-silver exchange took place and most of the Chinese activities were concentrated. The Sangley residents lived in two different quarters, one located in Baybay and the other in Binondo. Many of them converted to Christianity, but the majority did not, and kept their “pagan” beliefs and practices. Those who received baptism were given a preferential treatment, and could benefit from that improving their business. Hence, the most influential merchants of Manila became the godchildren of the Spanish governors, judges (*oidores*) and officials, thus becoming their protégées, and probably signed with them a sort of unwritten pact of collaboration. The image of a close connection between God and Mammon used by Charles R. Boxer to depict the interests of the Jesuits and the Portuguese traders in Japan, can be equally used to explain the mutual interests of the Spaniards and the Sangleyes in the Philippines. The benefit to become a Christian and collaborate with the Spaniards is clearly shown by the reward that two Chinese captains, Francisco Zanco and Tomás Siguan, received in the early 1590s for having helped the Dominican missionaries Juan de Castro and Miguel de Benavides to enter China in 1590. According to Bishop Salazar, “Doctor [Santiago de] Vera […] on seeing the good will with which those two Sangley Christians, Don Francisco Çanco and Don Tomás Siguan, offered their services for taking the fathers to China, exempted them, in the name of your Majesty, from paying taxes for the use of a ship for six years”. The Dominican father begged the King to confirm the grant of the Governor and went even further asking him “to extend it for life”. It is a well-known fact that the Chinese traders, for the sake of business success, tended to “accommodate”

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themselves to local cultures, and to change their names and identities quite easily. In Southeast Asia it was a common practice among them to stipulate temporary contract marriages to improve connections.

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The Parián had its own governor (gobernador de los Sangleyes, or gobernadorcillo), who was appointed by the Spaniards and chosen among the leaders of the Chinese community. Most of them had a long experience in matters related to maritime trade and could count on a well-established network of connections across the China Seas and beyond. 74 In 1590 the “head” (cabeza) of the Parián was Captain Francisco Zanco, who had been trading in the Philippines at least since the late 1560s. 75 After more than twenty years of experience in loco he must have been very influential in Manila, and almost certainly he accumulated a great wealth through trade. Bishop Salazar proudly designed him “one of the oldest Christians of the [Philippine] islands”. 76 A few years later, in 1599, the governor of the Parián was a certain Alonso Sauyo, who was the owner of a ship that came back to Manila in 1598 from a commercial voyage to Japan. This man was probably one of the Sangleyes who developed the trade route between Luzon and Kyushu in the second half of the sixteenth century. 77

Not a few governors of the Parián of course were smugglers, and sometimes even former pirates. Eng Kang (黃官), for example, was said to be one of the leaders of the Chinese community in Manila, for several times, before the Sangley rebellion of 1603. He had probably moved to the Philippines from Xinghua (興化, near

75 He was among the Chinese traders who Legazpi met in Capiz in 1569.
77 Juan Gil, Los Chinos en Manila. Siglos XVI y XVII, p. 579.
Quanzhou) in 1574 along the group of Lin Feng. His name appears in Spanish documents as “Encán”, or more often as Juan Bautista de Vera. According to Argensola, Eng Kang had “gathered immense wealth and he was great among the governors of the Philippines”. Almost certainly, Santiago de Vera (in office: 1584-1590) had been his godfather when he baptized.

Also the Fujianese “pirate” Li Dan (alias Andrea Dittis) is said to have been one of the leaders of the Parián. He lived in Manila during the problematic years of the war in Korea and we can imagine that he engaged in contraband activities in China and Japan. It is reasonable to assume that he developed part of his personal power thanks to the Luzon Trade. A close relationship with the Spanish officials at Manila may have helped him to build his own triangular trade network between China, Japan and the Philippines. Li Dan and his group carried out business in several ports of East Asia and controlled the traffic between Hirado and the province of Cagayan. The Matsura, who were his protectors, had strong interests in the Luzon Trade and were the first daimyos to establish official relations with Manila. Matsura Shigenobu (松浦 鎮信) received a vermillion-seal license for a commercial voyage to Luzon (Manila) in 1607, which is the year after the rebellion of the Japanese community in Dilao. Interestingly, it seems that Li Dan fled to Hirado from the Philippines in that same year.

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80 Antonio de Morga, The Philippine Islands, Moluccas, Siam, Cambodia, Japan and China, at the Close of the Sixteenth Century, p. 234.


year, after having been condemned by the Spaniards to serve as a rower in the royal galleys.

Clearly, the “China Captain” of the English sources was not the only Sangle who traded in Japan. At the turn of the sixteenth century, there is evidence of the voyages of the above-mentioned Alonso Sauyo (1598), the Christian captain Gonzalo Aiten (1599), and a certain Lin Sanguan (林三官, Rin Sankan) (1606). From the diary of the English factor Richard Cocks we came to know the name of one Higo Shikan (肥後四管) who sailed to Manila in 1618, but we cannot determine his real identity. The voyages of the Chinese merchants to Japan via Luzon initiated very early, probably before the arrival of the Spaniards. However, the earliest evidence that we could find dates back to the 1570s. According to a report of the governor Guido de Lavezares, a ship sailed to Manila in 1575 to buy carabao-horns, tortoiseshells, cotton, beeswax, and other products to sell in Japan (otras cosas para llevar a Japón). Some years later, in 1592, Gómez Pérez Dasmariñas recorded the arrival of a ship from Japan with a mixed crew of Chinese and Japanese traders. In that same year, the Philippine governor had received a letter from Matsura Shigenobu, who declared that several Chinese ships were regularly plying between Manila and Hirado at the turn of the 1580s.

The captain-merchants who sailed to Luzon in the sixteenth and seventeenth centuries were agents of some of the most influential families of South China who largely belonged to the gentry and had the power to determine the political choices of
the local administrations on matters related to trade. Without the support of the Sangleyes, the Spaniards would never have had the chance to visit Fuzhou in 1575 or to settle in the base of Piñal for almost one year in 1598/1599. The Chinese merchant Sinsay (Cinçay, Zinçay, etc. In Chinese: 信师, or simply 先生) accompanied the embassy of Martín de Rada and Miguel de Loarca to Zhangzhou in 1575, serving as interpreter for the Spaniards, and he translated in Chinese the letters of Governor Lavezares to the Emperor of China (Rey de Taybin) and to the governor of Fujian (Virrey de Hogchiu [Fuzhou]) Liu Yaohui (劉堯誨). Sinsay had come to Manila in 1574 with a cargo of silk, cloth and porcelain. He had also carried iron and gunpowder, whose export abroad, as we said, was illegal.

The Chinese traders also provided the Spaniards with intelligence information, and helped the missionaries to be smuggled into China. When in 1604 the mission of Captain Marcos de la Cueva arrived in Macau with the news of the Sangley rebellion, three Chinese merchants, whose names appear in Spanish sources as Guansan, Sinu, and Guachuan (or Guanchan), interceded with the local mandarins to have the trade restored. These merchants were among the richest captains of Manila (los más


95 Antonio de Morga, The Philippine Islands, Moluccas, Siam, Cambodia, Japan and China, at the Close of the Sixteenth Century, p. 242.
caudalosos [...] en Manila), and regularly sailed to Luzon at the turn of the sixteenth century. The registers of the Royal Hacienda provide the names of several captains who sailed from China, Japan, and Indochina, but it is difficult to determine their real identity, since most of these names derive from a Spanish rendering of the local pronunciations of their characters (e.g. in Minnanhua or in Cantonese).

By the early seventeenth century the Sangleyes associated with the Spanish officials at Manila to purchase silks and other commodities from China. As pointed out by Juan Gil, one of the reasons why the pancada system was not introduced in Manila was because the free purchase of silk was at the advantage of the richest merchants of the city, the agents of the Mexican and Portuguese groups, and the Mendicant Orders, who not only took part in the Galleon’s trade with their own quotas, but also strengthened the links with the Christian traders and opened up new possibilities of evangelization and development of their own missions. All these people, of course, took advantage from their personal connections and from the close relationship with the Chinese residents of the Parián.

Thanks to the silver capitals of the Spaniards and the Portuguese, as well as the investments in both China and Japan, the Sangleyes increased their own trading activities year after year and expanded their overseas network. While benefitting from a monopoly on the route Luzon-Fujian, the Chinese also had access to the Mexican market, since they invested money in the transpacific voyages of the Manila Galleons. Being allowed to transship a part of their silks to Acapulco, they thus enjoyed a double benefit. The afore-mentioned Eng Kang, for example, was one of the lucky men allowed to trade in Mexico.

At the end of the 1620s, when the Hispano-Japanese alliance collapsed

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96 Bartolomé Leonardo de Argensola, Conquista de las Islas Malucas, p. 307; Juan Gil, Los Chinos en Manila. Siglos XVI y XVII, pp. 80-81, 577ss.
97 Juan Gil, Los Chinos en Manila. Siglos XVI y XVII, p. 54.
(1623-1624), the Chinese started to control the Kyushu-Luzon route acting as mediators and brokers for the Spanish merchants. According to Manila’s customs records an average of two ships per year reached Luzon from Japan between 1629 and 1634, until the “Sakoku” edicts (鎖國令, 1633-1635) put an end to the Japanese voyages abroad.\(^9\) After 1634 the traffic of Japanese commodities to Manila was partly diverted to Macau, where duties and taxes were lighter, and partly to Taiwan, where the Spaniards had established an outpost in 1626. Finally, when the Portuguese were expelled from Japan (1639), it fell entirely into the hands of the Chinese who continued to sail to Nagasaki throughout the Edo period.\(^1\)

Similarly to the Chinese, the Japanese merchants sailed to Luzon on behalf of the agents of the most powerful lords of Kyushu, who controlled the principal ports of the island and had access to the overseas trade. Around the middle of the sixteenth century several merchant guilds of Kinai had established branch offices in Kyushu, in the ports of Hakata, Hirado, Usuki, Kagoshima, and others. Their ships and crews were put at the disposal of the local daimyos and several merchants sailed abroad acting as agents of these powerful warlords.

At the turn of sixteenth century, the principal groups investing in the Philippine trade were the Shimai, Itami, Itoya, and Sueyoshi (平野) families. The latter operated in Manila by means of their principal agent Tanabeya Matazaemon (田那邊屋又左衛門). His name appears in several vermillion-seal licences that were assigned to him by Tokugawa Ieyasu in the early years of the seventeenth century. The Sakai born Nishi Sōshin (西宗真, or Nishi Ruisu 西類子), who was known in Manila by his Christian name of Luis Melo, became the principal agent of the Philippine government at the end of the 1610s. He provided the royal warehouses with iron,

copper, sulphur, gunpowder, hemp, and other articles. The mysterious Naya Sukezaemon was said to be another merchant of Sakai. He bought Chinese pottery (*Ruson tsubo*) for Toyotomi Hideyoshi and his entourage at the end of the sixteenth century.

Most of these merchants had moved to Manila in the 1580s as agents of the Matsura, Ômura and Shimazu families. They contributed to the population of the Japanese quarter in Dilao and stimulated the connections with the Chinese merchants in Manila and in the other ports of Luzon. Moreover, many of them converted to Christianity and strengthened the personal ties with the Spanish missionaries, which eventually opened the path to the despatch of Spanish ships to Kyushu in the first years of the seventeenth century. The Spaniards appointed a Governor of the Japanese (*gobernador de los japones*) in Dilao, who was generally a Christian and was chosen among the most influential men of the community.

The close liaison between the Spanish missionaries and the lords of Kyushu was a consequence of the activities of the Japanese and Chinese traders in Luzon. From a report by Antonio Morga dated June, 1598, we know in fact that the friars were actively participating in the trade of deerskins and venison from the ports of their missions in the north of the island. Since their arrival in the Philippines, the Augustinians, Dominicans, and above all the Franciscans, had tried to enter Japan (and China, of course) in order to enjoy the same evangelical success of the Jesuits. So, acting as mediators in the relationship between the daimyos and the Spanish

102 小瀬甫庵，《太閤記》（東京：新人物往来社，1971），頁472-473。
104 “The Japanese and Chinese strive to take many deerskins as merchandise from these islands to Xapón. They hunt for these, and buy them from the Indians and even the religious, who give and sell them”. Emma Helen Blair, and Alexander Robertson (eds.), *The Philippine Islands 1493-1803*, vol. 10, p. 84.
officals, the missionaries promised to the Japanese the despatch of ships to Kyushu in order to gain their conversion to the faith. This is the case of Matsura Shigenobu, who met the friars at the beginning of the 1580s, and Shimazu Yoshihiro (島津義弘), who invited the Dominican fathers to Satsuma in spite of his strong anti-Christian attitude. The aforementioned Inaba Sadamichi, who controlled the area around the port of Usuki, hosted the missionaries of Saint Augustin and became a Christian in 1604.\footnote{ARSI, Jap.-Sin., 20 I, 114av, 114bv.}

The friars built up connections in China and Japan through the overseas communities of Luzon. Already in 1573, the Augustinians tried to enter the Middle Kingdom with the help of Captain Francisco Zanco, who also taught some rudiments of Chinese language to Fr. Martín de Rada.\footnote{AGI, Filipinas, 79, n. 15, f. 1v; William Henry Scott, Barangay: Sixteenth Century Philippine Culture and Society, p. 74.} In 1590, the already mentioned Juan de Castro and Miguel de Benavides sailed to Fujian on a junk belonging to Don Tomás Siguan, who had been baptized by Bishop Domingo de Salazar at the end of the 1580s.\footnote{His godfather had been Governor Santiago de Vera. Diego de Aduarte, O.P., Historia de la provincia del Santo Rosario de Filipinas, Japón, y China, de la Sagrada Orden de Predicadores, vol. 1, p. 108.} The Dominicans had just built the church of San Gabriel, near the Parián, and were in charge of the local Chinese community. According to a report by Bishop Salazar, written in June 1590, the friar-ambassador Juan Cobo, who was sent to Japan in 1592 at the head of a diplomatic mission, had received a letter from a Chinese woman living in Fujian who thanked him “for having helped her husband in a matter of business”.\footnote{Emma Helen Blair, and Alexander Robertson (eds.), The Philippine Islands 1493-1803, vol. 7, p. 236.} At that time, Fr. Juan was responsible for the Christian community in Baybay and was one of the few missionaries to have studied Chinese.

Clearly, the intention of the friars was to meet the mandarins and get from them the permission to settle in China. According to Aduarte, the plan had received the
assent of the highest authorities of the Philippines, that is, the bishop, Domingo de Salazar, and the governor, Santiago de Vera. During their short stay in Haicheng, the two friars were looked after by a “noble and rich captain” (*un capitán noble y rico*) who traded in Manila. 109 A few years before, in 1587, a group of Sangley traders even offered to negotiate with the Governor of Fujian (*Virrey de Chincheo*) an outpost for the Spaniards on the coast of China: “an island very near Chincheo, on which we could settle and construct a fortress”. 110 This outpost must have been the island of Xiamen, which had been already offered to the Spaniards in 1575 on the occasion of the embassy of Martín de Rada and Miguel de Loarca to Fujian. At the beginning of the seventeenth century, the Dominicans were finally able to enter China from the new Spanish base in the north of Taiwan (Keelung), and in 1631 the Italian Father Angelo Cocchi settled in Fuan (Fuzhou) thanks to the intercession of the Christian Sangleyes.

Regarding Japan, the friars were invited to settle there already in the 1580s. In 1587 a petition signed by the most influential merchants of the country formally asked them to establish missions not only in Kyushu but also in the region of Kinai, where the local Christian community – they declared – was eager to welcome the Franciscans “like angels from Heaven” (*los recibieran como ángeles del cielo*). 111 Hence it is no coincidence that the latter would settle in Kyoto, Osaka and Sakai just a few years later, after the reception by Hideyoshi of the embassy of Fr. Pedro Bautista (1593). As the administrators of the *Nihonmachi* in Dilao, the Franciscans were highly respected by the Japanese and found protection among the community of traders. 112

111 AHN, *Diversos-Colecciones*, 26, n. 9, ff. 10r-12v.
112 “En Manila los frailes de San Francisco tienen el cargo de administrar a los japones y de acudir a sus negocios, con lo cual lo que acá [Japón] estamos ganamos crédito”. José Luis Álvarez-Taladriz
Some years before, in 1582, the Franciscan friar Juan Pobre Díaz Pardo had met in Guangzhou some retainers of the Christian daimyos Ōmura Sumitada (大村純忠, Dom Bartolomeu) and Ōtomo Sōrin, who invited him to meet their lords in Japan. Fr. Juan Pobre had been a soldier and a trader with some experience on matters related to China. By then he was already sixty years old. After the friar returned to Hirado in 1584 and paid a visit to Nagasaki, Ōmura Sumitada decided to send an embassy to Manila in order to open up an official trade route to Luzon and establish formal relations with the Spanish government. Finally, in 1590 a new petition arrived in Manila from Japan asking for the despatch of Franciscan and Dominican friars. Among the signers of the document there were Harada Kiemon (原田喜右衛門), Harada Magoshichirō (原田孫七郎), Harutasa Yoshichika (はるたさ吉近), and others, who were presented as the principal Japanese merchants trading in Manila. Behind these men there were not only the lords of Kyushu but also some of the most important officials of the government. Harada Magoshichirō “Gaspar”, for example, was said to be an agent of the daikan of Fushimi (伏見代官) Hasegawa Sōnin (長谷川宗仁, one of Hideyoshi’s collaborators). In 1592 Gaspar Harada (“Faranda”) would personally sail to Manila to bring the letter of the Taikō for Governor Dasmariñas.

The role of the merchants as negotiators and builders of political alliances was common to most of the countries of the “Asian Mediterranean”, especially China and Japan. In 1605, for example, the afore-mentioned Captain Guansan was assigned the task to bring to Manila the letters of the governor of Fujian (Tutón Virrey), the Haidao (海道) and the Censor (Visitador general). The same man came back to Haicheng the

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114 Ubaldo Iaccarino, Comercio y diplomacia entre Japón y Filipinas en la era Keichō (1596-1615), pp. 33-35.
115 AHN, Diversos-Colecciones, 26, n. 12.
116 AGI, Filipinas, 18B, r. 2, n. 12; RAH, Cortés, 9-2665, n. 132-134, ff. 15v-16.
next year with the replies of Pedro de Acuña to the mandarins. Harada Magoshichirō sailed to Manila in 1592 as official envoy of Toyotomi Hideyoshi carrying the first letter of the Taikō to Governor Dasmariñas, and a few years later, in 1598, another merchant, whose name appears in Spanish documents as “Goroyemon” (Gorōemon 五郎衛門), or “Chiquiro” (Shichirō 七郎?), sailed to Manila bearing an embassy from the new Japanese leader Tokugawa Ieyasu.

The prominent role of the Portuguese Casados in the establishment of the first Hispano-Japanese relations was due to the fact that the Spaniards were not permitted to trade outside the Philippines. Most of the official missions sent to Japan from Manila in the late sixteenth century sailed in fact on board Portuguese ships, and were entrusted to Portuguese captains. Pedro Gonçalves de Carvalhais was even dispatched to Mexico and Madrid in 1594 to please Toyotomi Hideyoshi and get his favours in matters related to trade. Clearly enough, the Lusitanian seafarers took this chance to create their own sub-branch of the Luzon Trade between Manila and Nagasaki. After the death of Hideyoshi, some Portuguese captain-merchants were successful in becoming the official mediators for the Tokugawa family. António Garcês received vermillion-seal licenses to trade in Manila almost every year from 1604 to 1609, and Captain Bartolomé Medina – who was known to the Japanese as the “Lord of Luzon” (呂宋ノしんによろ [Señor/Senhor]) and took part in most of the Spanish missions to Japan between 1602 and 1606 – in 1614 and 1615. The former was

118 ARSI, *Jap.-Sin.*, 13 II, 356; 14 I, 32r; 5. 岩生成一, 《南洋日本町の研究》（東京: 南亜文化研究所, 1940）, 頁 277。
119 That was in accordance with the treaties of Tordesillas (1494) and Zaragoza (1529), which had established the Portuguese sphere of influence in Asia, and the agreements with the Cortes gathered at Tomar in 1581, after the accession of Philip II to the throne of Portugal.
120 AGI, *Filipinas*, 18B, r. 2, n. 12; AGI, *Filipinas*, 6, r. 7, n. 110.
121 He was plying between Manila and Nagasaki already at the beginning of the 1580s. 村上直次郎, 《異国往復書翰集・増訂異国日記抄》（東京: 雄松堂書店, 1966）。Cfr. Lúcio de Sousa, *The Early European Presence in China, Japan, the Philippines and Southeast Asia (1555-1590): the Life of Bartolomeu Landeiro* (Macao: Macao Foundation, 2010), pp. 49-53, 145-146.
recommended to Tokugawa Ieyasu directly by Governor Acuña. With all probability
Garcés carried out business in Japan on behalf of the governor and his group of
associates. Interestingly, Ieyasu did not like him and even protested with Acuña in
one of his letters. With regard to Bartolomé Medina, he was the principal agent of
Andrés de Alcaraz, a very powerful and influential man who kept the presidency of
the Audiencia for two years after the death of Acuña in 1606.122

The Lusitanian trade via Manila developed in the late sixteenth century and
rapidly spread across the world. As Alonso Fernández de Castro denounced at the
beginning of the seventeenth century, not a few merchants from Portugal reached
China “with their money”, via Mexico, and then moved to Macau or to Portuguese
India, “thus defrauding the native-born citizens [in Manila] of their rights” to trade.123
Such is the case of Diogo Fernandes Vitória, who invested his money in China and
Japan, as well as in Southeast Asia, Mexico and Brazil. This wealthy Portuguese
trader had moved to Manila in 1580 and soon became a member of the municipal
council (cabildo). Among his business associates there were several local officials
(for example the governor, Gómez Pérez Dasmariñas) who traded in Guangzhou and
Nagasaki by means of Chinese and Japanese agents.124 In 1619 Governor Alonso
Fajardo sent a ship to Cambodia belonging to another member of the cabildo, the
Spanish captain Silvestre de Aybar, who was said to be in very good terms with the
governor (tiene muy intima amistad y correspondencia). However, instead of sailing
to Indochina, the ship called at Macau, and then proceeded to Japan. The next year
(1620), it finally came back to Manila with a cargo of military supplies (cargado de
bastimentos).125 A few years later, Captain Aybar was appointed warden of the camp

122 AGI, México, 2488, ff. 189r-191v.
51.
124 George Bryan Souza, The Survival of Empire. Portuguese Trade and Society in China and the
South China Sea, 1630-1754 (Cambridge: Cambridge University Press, 1986); James C. Boyajian,
Portuguese trade in Asia under the Habsburgs, 1580-1640, pp. 76-78.
125 AGI, Filipinas, 20, r. 13, n. 94; AGI, Filipinas, 24, r. 2, n. 14.
and fort of San Gabriel which overlooked the Chinese Parián, “with power to
administer justice in all matters which may arise in the said Parián”. Interestingly, his
salary of 1,000 pesos per year was not paid by the royal treasury but from the Chinese
community of the city-market. 126

One last aspect of the interconnected structure of the Luzon Trade is related to
the composition of the crews of the ships that sailed across the China Seas. Since the
Japanese lacked the nautical skills of the Chinese and the European sailors, they often
hired Portuguese, Chinese and even Spanish pilots. The Spaniards, at least in the
sixteenth century, relied on the Portuguese nautical knowledge and employed Filipino
and Chinese sailors. The Japanese sailed aboard Chinese and European ships along
with Southeast Asian sailors and slaves from both Africa and India. Sometimes the
crews could be extremely mixed, like in the case of the wokou, who formed
transnational gangs of renegades and smugglers coming from all the corners of Asia.

Conclusion

This essay has given evidence to the complex structure and the mechanisms of
the Sino-Japanese trade in the Philippines – what we have called here the “Luzon
Trade” – through the analysis of the interactions between its principal actors: the
Chinese (Sangleyes), the Japanese (Japones), and the Portuguese (Casados). It has
demonstrated how these three groups of merchants contributed to the construction of
a multifaceted trade network between Luzon, Fujian and Kyushu, and how they
carried out a transnational form of business in a cooperative and interdependent way.
What comes out from this overview is a complex patchwork of interconnections that
gave form and supported the Sino-Japanese trade in the Philippines throughout the

late sixteenth and early seventeenth century.

The Luzon Trade came into existence around the middle of the sixteenth century as a multi-centred and local system of exchange, and was affected by several factors mostly related to the political tension between Beijing and Kyoto. After the arrival of the Spaniards in the Philippines (1565) and the founding of Manila (1571), it became part of a wider regional trade system which included the triangular network between the ports of Fujian, Guangdong (Macau), Luzon and Kyushu, as well as the “global” network of the Iberians across the Pacific and the Atlantic oceans. By the beginning of the seventeenth century this trade had assumed a transnational dimension with intricate forms of investments, loans and associations among traders. The Spaniards contributed to the development of the Sino-Japanese trade via Luzon with their silver capitals, and from 1602 on they dispatched their own ships to Kyushu and Kinai to meet the local demand for Chinese silk and Philippine forestry products. However, the severance of the Hispano-Japanese relations in 1623/1624 and the implementation of the kaikin policy (海禁) in the early 1630s had a strong impact on the further developments of the Luzon Trade. In fact, the retirement of the Japanese from the seas inevitably changed its whole structure and opened the path to another form of trade, which was carried out by the Chinese merchants for the next two centuries under the Qing dynasty and the Tokugawa regime.
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