The Manila Galleon, 1565-1815: the Lure of Silk and Silver

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From 1565 until the year of Waterloo, great Spanish galleons continued to cross the Pacific, bearing cargoes of American silver. 'This prodigious voyage' took a heavy toll of life. Yet still (wrote a Chronicler) 'the desire of gain prevails...'

A sixteenth-century Spanish historian, Francisco López de Gómara, described the Iberian seafarers' discovery of the ocean routes to the East and West Indies as being "the greatest event since the creation of the world, apart from the incarnation and death of Him who created it." Even in the year of the sputnik many people, including those who are other than Christians, may think that he was not far wrong.

For the most striking feature of the history of civilization prior to the Portuguese and Spanish voyages of discovery was the dispersion and isolation of the different branches of mankind. The societies that waxed and waned in the whole of America, and in a great part of Africa and the Pacific, were completely unknown to those in Europe and Asia. Western Europe had only the most tenuous and fragmentary knowledge of the great Asian and North African civilizations.

These on their side knew little or nothing of Europe and the rest of Africa—a "dark continent" to them as well as to us—and nothing at all of America. It was the Portuguese pioneers and the Castilian conquistadores from the Western rim of Christendom who brought together, for better or for worse, the widely sundered members of the great human family. They thus first made humanity conscious, however dimly and inadequately, of its essential unity.

López de Gómara, writing in mid-century, could see this clearly enough, but such was not the first general reaction of his countrymen to the achievements of Columbus and his immediate successors. These discoverers were not, it will be recalled, looking so much for unknown lands as for the fabled riches of Cathay, Zipangu, and the Spice Islands, so luridly described by Marco Polo and the few European travellers who had penetrated to the Far East in the Middle Ages.

Whereas Vasco da Gama and the Portuguese who sailed eastwards in his wake brought back cargoes of costly spices, silks, and other products of the Gorgeous East that they (rather than Venice) now held in fee, the new-found lands to the West at first seemed to yield little but stark-naked Amerindians, parrots, exotic woods, and some alluvial gold.
America, in fact, for a couple of decades seemed primarily an obstacle to be circumvented in the quest for Cathay and spices. This was partly achieved by the globe-girdling voyage planned and commanded by Magellan and completed by Del Cano in 1519-22. The little Victoria’s homeward cargo of cloves sufficed to recoup the cost of the whole expedition, though all the other ships were lost and the Spaniards found that the Portuguese had won the race to the Moluccas, where they were already installed at Ternate.

Then came the discovery and conquest of Mexico and Peru, when the glittering booty won by Cortes and Pizarro helped to distract Spanish attention from the search for spices, and to make them less envious of their Portuguese rivals, with whom they concluded an agreement in 1529, recognizing Portuguese possession of the Moluccas in return for a large cash indemnity. Their position was still further improved by the exploitation of the rich silver-mines of Zacatecas in Mexico and Potosi in High Peru from 1545 onwards.

But the original desire for spices was never entirely forgotten, and occasional expeditions were made across the Pacific from Mexico. These were uniformly unsuccessful in the face of Portuguese opposition, but the lure of silks and spices still proved a more potent incentive than the desire to follow up the pioneer voyages to the northern coast of America. “What need have we of those things which are common with all the peoples of Europe?” asked Peter Martyr scornfully of the Council of the Indies. “To the south! to the south! For to the riches of the Aequinoctial they that seek riches must go—not unto the cold and frozen north.”

El Mar del Sur, the Southern Sea, was the common Spanish name for the Pacific Ocean, and various causes, including a sharp rise in the Portuguese price of spices during the decade 1550-1560, culminated in a final effort being made in 1564 under the leadership of the Basque Town Clerk of Mexico City, Miguel Lopez de Legazpi. Cebu in the Philippines was reached in April 1565, exactly forty-four years after Magellan’s death on neighbouring Mactan. Legazpi’s high hopes of finding spices in this region soon faded, although some reputed cinnamon was secured from Mindanao.

But he soon perceived that if the Moluccan spices were far to seek, Chinese silks and other products of the richest and the oldest civilization of the East were close at hand. When the first Manila galleon left on the return voyage to Mexico in 1565, her small cargo mostly consisted of pseudo-cinnamon; but four years later Legazpi wrote optimistically: “We shall gain the commerce with China, whence come silks, porcelains, benzoin, musk, and other articles.”

His occupation of Manila was the first step in this direction (1571), and although he died next year, the two galleons of 1573 left with a cargo which included 712 bales of Chinese silk and 22,300 pieces of “fine gilt china and other porcelain wares.” This was the beginning of a pattern of trade which lasted for over two hundred years, during which period Manila was commercially little more than an entrepot where Spanish-American silver was exchanged for Chinese silks.

The Chinese of Fukien had been trading intermittently with the Philippines for centuries before the arrival of the Spaniards, although historical notices of the islands before the Ming period (1368-1644) are few and vague. A work published in 1575 observed that “Lii-sung
produces gold, which is the reason of its wealth; the people are simple-minded, and do not like to go to law.”

The growth of Chinese influence on Luzon after the Spanish occupation is described in the official chronicle of the Ming dynasty as follows: “Tens of thousands of Fukien people came here for the purposes of trading, because the country was both near and wealthy. Some of them stayed for good and brought up their children there.” This quotation need not be taken too literally, and the Spanish records which speak of between fifteen and fifty large junks being engaged in the annual trade between Manila and Fukien ports during the last quarter of the sixteenth century are obviously more reliable.

The Spaniards and Filipinos termed the Chinese who engaged in this trade, and more particularly those of them who settled in or near Manila, Sangleyes, a word of uncertain origin but probably derived from the Amoy term for an itinerant trader.

As noted in a previous number of History Today, where the rather similar position of the Portuguese at Macao was under discussion, the Far East was then the meeting-place of a world of dear silver and one of cheap. The ratio of gold to silver might be as low as one to six in China, and as high as one to twelve or even one to fourteen in Spain.

The Chinese demand for silver was apparently insatiable—“they will as soon part with their blood as it, having once possession”—and the Spaniards were in a good position to supply this demand from their apparently inexhaustible mines at Zacatecas and Potosi. If the Chinese traders from Fukien soon found that they could not forgo the opportunity of getting silver from America, the Spanish colonists in Mexico, Peru, and the Philippines—though emphatically not the government at Madrid nor the merchants at Seville—soon found that Chinese silks and other wares were equally indispensable to them.

The mother-country could not possibly satisfy the economic needs of her far-flung and growing empire; but the economic ideas of the day also meant that the American colonies were sternly forbidden by draconic legislation from producing enough manufactured goods of their own. In these circumstances, the attractive products of China, and particularly luxury-goods like silk, soon became necessities to those of the colonists, and even of the Amerindians, who could afford them. The authorities at Madrid strove by repeated legislation to stop, or at least to limit, the flow of American silver by way of Manila to China; but the economic facts of life were too strong for them, and the distances involved were too great.

This was particularly true of the Philippines. The motley throng of conquistadores, missionary-friars, needy adventurers, exiled convicts, and remittance-men who gravitated to this remotest outpost of the Spanish empire had not gone there to labour with their hands, or to toil in rice-fields under a tropical sun. All Spaniards, save a few eccentric reformers, regarded manual labour as something degrading, and even begging as preferable to tilling the soil or leading the life of an artisan. Working-class Chinese had no such inhibitions; and although Chinese merchants were regarded by their Confucian ruling-class with even greater contempt and aversion than that with which the haughty Spanish Dons regarded their own traders, the Chinese (unlike the Spaniards) have always been a nation of shopkeepers when they have had the chance.
The inevitable result was that, within a very few years, Manila became, and for centuries remained, completely dependent upon Chinese (or Sangley) labourers, artisans, market-gardeners, servants, shopkeepers and traders for its very existence, and for the functioning of its daily life. Two anecdotes will illustrate this. The first I can vouch for; and though the second is obviously of the se non é vero ben é trovato order, it was a stock-in-trade of the seventeenth century Spanish chroniclers and at any rate exemplifies the state of things.

The first Bishop of Manila, Fr. Domingo de Salazar, O.P., wrote home in 1590 that he had a Latin book bound by a local Sangley in a way which could not have been bettered in Seville. So skilful was this man that he had already driven out of business the Mexican bookbinder from whom he had learnt his craft only a few months previously. The bishop added that the Sangley image-makers were unsurpassed, and that their painters in the European style would soon be the equals of the best artists in Flanders.

The other story concerns a Spaniard who had the misfortune to lose his nose, and got a Fukienese trader to make an artificial one for him. So well did the Sangley do this work that the gratified Don paid him a substantial sum over and above the stipulated price. Equally delighted in his turn at this unexpected outcome, the trader returned next year with a cargo of wooden noses, and was bitterly disappointed when he found that there was no market for them.

Despite their complete economic dependence on the Sangleyes, most of the Spaniards distrusted them intensely. This inter-racial tension occasionally degenerated into savage massacres of mostly unoffending and unarmed Chinese who were suspected of plotting rebellion. The worst of these outbreaks took place in 1603 and 1639; but apart from these and lesser convulsions, periodic efforts were made to expel the immigrants. None of these efforts had any lasting success, and within a few months the ubiquitous Sangleyes were back again and as indispensable as ever. On its side, the Chinese government, whether of the Ming or of the Ch’ing dynasties, never made the slightest effort to avenge its slaughtered countrymen, or even to remonstrate with the authorities at Manila.

The reason for this was (as indicated above) that the Confucian mentality of China’s rulers regarded merchants and traders as blood-sucking and parasitic middlemen, unworthy of any consideration or support. Moreover, it was then a capital offence for a Chinese to leave his own country, save in very exceptional circumstances and with explicit government permission. The enterprising Fukienese who traded with the Philippines were regarded as voluntary outcasts who had committed the unforgivable crime of neglecting their ancestors’ tombs; and their fate was consequently a matter of complete indifference to the occupant of the Dragon Throne.

In the rare intervals when the Chinese authorities ever thought about the Manila trade at all, they were probably quite satisfied with the existing situation, since it undeniably channelled a steady stream of American silver into China. Here it stayed, at least down to the beginning of the nineteenth century, when the balance of foreign trade began to turn against China, and she had to export large quantities of silver to pay for the increasing (if unofficial) imports of Indian opium. The Spanish authorities, on the other hand, were continually preoccupied with this drain of silver to Manila and China, which they vainly strove to divert to Seville.
Finding it impracticable to stop the trade completely unless they likewise abandoned the Philippines—and this course, though seriously considered, was successfully opposed by the missionary-friars—they repeatedly strove to limit it. This they sought to achieve in three ways: firstly, by limiting the tonnage of the shipping concerned; secondly, by limiting the cargo capacity; and thirdly, by limiting the amount of China merchandise which each person (or institution) could embark. They failed on all three counts.

A royal decree of 1593 restricted the number of ships that might cross the Pacific yearly to two, and the tonnage of each vessel to 300 tons. As a matter of fact, the former number was seldom exceeded; and often there was only one ship (or galleon) that made the round voyage in a year; but the limitation on tonnage (extended to 560 tons in 1720) was blatantly ignored. Not only were the Manila galleons almost invariably of more than 600 tons burthen, but they were universally recognized by the mariners of all nations as being among the largest ships in the world.

By the early seventeenth century they were usually of about 1,000 tons, and a few, such as El Salvador, built in 1615, and the Santissima Trinidad, which was captured by the English and taken to Plymouth in 1762, were of 2,000 tons. Many of them were built of the excellent hardwood of the Philippines, which, like the Indian teak, was greatly superior to European timber. “These large ships are built with excellent timber, that will not splinter,” wrote Captain Woodes Rogers after his vain attack on the Nuestra Señora de Begoña in 1709; “they have very thick sides, much stronger than we build in Europe.”

They had the high poop and forecastle characteristic of their type, but their apparent top-heaviness was offset by their unusual breadth of beam. As noted by W. L. Schurz, it was their unwieldy and lumbering aspect that led Thomas Carlyle to call the heavy coach in which Louis XVI and Marie Antoinette attempted to escape from France an “Acapulco ship”—Acapulco being the Mexican terminal port of the Manila galleon, or the Nao de China, “Great Ship of China,” as the Mexicans called her.

Attempts to limit the cargo capacity of the Manila galleons and the value of the China goods they carried proved equally fruitless in the long run. The limitation on the cargo was the so-called permiso, which had the effect of an export-quota. The two-fold object of the permiso was to limit the competition of Chinese silks with those of Spanish manufacture in the colonial American market and to restrict the flow of American silver to China.

The first permiso, established in 1593, limited the value of the annual cargo of Chinese goods to 250,000 pesos at Manila, with a sale value in Mexico of double that amount. In 1702 the permiso was raised to 300,000 pesos, and in 1776 to 750,000, at which figure it remained until the end of the galleon trade in 1815. The value of the return cargo was always fixed at double the permiso. The duties levied at either end, the majority of which were imposed at Acapulco, were included in this total.

The amount of lading space allotted to shippers at Manila was decided by a representative committee which met annually for that purpose. This cargo space was nominally divided into 4,000 piezas or packages, each of which measured about two and a half feet long by two feet wide by ten inches deep, though there was no absolute uniformity in these dimensions. All the citizens of Manila—and particularly widows, orphans, and the like—were supposed
to be allotted either a share in or a number of piezas, in accordance with their relative social position and occupation.

From 1734 onwards, the friars, the Jesuits, and the secular clergy were not supposed to trade as individuals; but the right of the Religious Orders and ecclesiastical organizations to trade as corporate bodies was always recognized. As time went on, most of the Manilenos sold their annual allotments to merchants or speculators. By the middle of the eighteenth century, the bulk of the trade was carried on by a few wealthy individuals and the obras pías, religious and charitable foundations such as the Brotherhood of Mercy (Hermandad de la Misericordia) and the Tertiary Order of St. Francis. These pious institutions also acted as virtual commercial bankers and marine insurance companies, lending out money for investment in the galleon's cargo at rates between twenty and fifty per cent.

The statutory limit of 4,000 piezas per galleon was seldom or never adhered to. Many galleons carried over double that amount, and the huge San Jose went down in 1694 with 12,000 piezas in her hold. "No larger or richer galleon had ploughed the sea," wrote a contemporary chronicler, "for the wealth that she carried was incredible." But even the San Jose was later surpassed by another monster, which was built with a cargo-space for 18,667 piezas.

The evasion of customs-duties was widespread, chiefly by means of the factura jurada, or sworn invoice (bill of lading). Each shipper was obliged to swear that he was the sole and original consignor of the goods shipped in his name, declaring their nature and value in detail. The factura jurada soon became an elaborate farce, whereby the consignor placed what value he chose on his shipment, and the customs-officials accepted this declaration at its face value without inspecting the goods.

After a few vain and sporadic efforts to enforce its legislation, the Crown was compelled to connive at the purely perfunctory observance of its orders—obedezco pero no cumpro, "I obey but I do not fulfill" as the expression ran—since all those concerned to implement them united to evade them. "Charles V was right," wrote the Viceroy of Mexico despondently in 1767, "when he said that it was less trouble to keep his Flemings from drinking than his Spaniards from stealing." The colonists had no choice, however; for violation or evasion of the regulations was the only means by which they could escape the full effects of the restrictive commercial system which the mercantilists of Seville and Madrid tried to impose upon the expanding colonial economy.

Thanks to this widespread fraud and evasion, the amount of silver shipped from Mexico to Manila (and thence to China) in an average good year might be about two million pesos, and shipments of more than double that amount were not entirely unknown. The Mexican and Peruvian pesos brought across the Pacific by the Manila galleons became the standard of monetary value along the China coast and elsewhere in the Far East. They retained that pride of place long after the disappearance of the galleons and the establishment of British predominance in the China trade.

Similarly, the quantity and quality of the Chinese silks and fabrics, imported into Spanish America by way of Acapulco, not only drove out the officially protected Spanish manufactures, but even killed a native Mexican silk-industry, which at one time was
established with every prospect of success.

Peruvian pesos being of even finer alloy than those of the Mexican mint, and correspondingly more valuable in China, the Crown made frantic efforts to stop the resultant drain of silver from Potosí. Repeated legislation having failed to limit the tran-shipment of China goods at Acapulco for re-export to the vice-royalty of Peru, the Crown finally took the drastic step of banning trade between Mexico and Peru altogether by an edict of 1631.

But contemporary accounts of the Lima ladies’ dresses, and the survival of many sumptuous Chinese fabrics in the form of Peruvian and Chilean ecclesiastical vestments, prove that the luxury-loving Limenos continued to secure Chinese silks despite all regulations that forbade them to do so.

No history is more dramatic than that of the sea, and the story of the Manila galleon reflects this in full measure. There was no particular difficulty about the voyage from Acapulco to Manila, which was normally a matter of about two and a half or three months, made with the benefit of the favourable winds and currents that prevail between the tenth and the fourteenth parallels from March to June. The return voyage was a very different matter, and was described by one seasoned Italian traveller who made it as “the longest and most dreadful of any in the world.”

On leaving the Philippines at the height of the typhoon season in June or July, the galleon steered northwards until she reached the latitude of Japan and could take advantage of the prevailing westerly winds between the thirtieth and fortieth parallels. This voyage seldom lasted less than six months, and sometimes seven or eight, usually without sighting land after clearing the Em-bocadero until the coast of California was seen. Naturally, the mortality was very heavy, thirty or forty per cent of those on board perishing as a general rule, and sixty or even seventy per cent not infrequently.

The most dramatic case, surpassing that of the Marie Celeste, concerned the galleon San José, which left Manila for Mexico in 1656. Over a year later she drifted helplessly past Acapulco, and when she was finally picked up all on board were found to be dead, though the sails were set and her rich cargo of Chinese silks was intact. Another terrible tragedy was the loss of the Santo Christo de Burgos by fire in mid-Pacific some thirty years later. Long afterwards a boat with a single corpse and two half-dead and half-mad survivors reached the Philippines.

One of them recovered sufficiently to relate that three others had escaped from the burning ship in the same boat, but that two of these had eventually drowned themselves, and the third had been eaten by the two survivors after his own death from starvation. Over thirty galleons were lost altogether between 1565 and 1815, most of them on the lengthy eastbound passage, and some of them without trace.

Yet despite the great hazards of this navigation, and the virtual certainty of heavy mortality even on a successful voyage, Gamelli Careri noted: “Notwithstanding the dreadful sufferings in this prodigious voyage, yet the desire of gain prevails with many to venture through it, four, six, and some ten times. The very sailors, though they forswear the voyage when out at sea, yet when they come to Acapulco, for the lure of 275 pieces-of-eight which the King allows them for the return, never remember past sufferings; like women after their labour.”
The first Manila galleon crossed the Pacific in 1565 with the Augustinian friar, Andres de Urdaneta, a contemporary of Heman Cortes, as her pilot. The last galleon reached Acapulco in the year of Waterloo, when Miguel Hidalgo had already launched the Mexican war of independence against Spain. During the intervening two and a half centuries the Pacific was virtually a Spanish lake, despite the capture of four galleons by the English, and our ephemeral occupation of Manila in 1762.

The survival of the Manila galleon against the attacks of powerful enemies, the crippling legislation of the Castilian Crown, and disastrous losses in men and ships, was not only due to the fundamental soundness of a trade based on the exchange of Chinese silks for American silver. It was also due to the courage and faith of the men who sailed in those argosies, both Spaniards and Filipinos.