

THE ALTERNATIVE ROUTES TO THE MANILA GALLEON

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The Manila Galleon trade, based on the acquisition of precious products from China (silk and porcelain) and from other places (spices or lacquered furniture) through Chinese intermediaries, for later exporting through the Acapulco-bound ship in exchange for Mexican silver would be the backbone of the Philippine economy for more than 250 years, spanning the colonization of the Philippines and the independence of continental America (1565-1820).

It had its notable parallel with the *Carrera de Indias*, where a part of the goods came from Europe. Seville-based traders profited with their mere inclusion in the lists of the *Consulado* or *Universidad de Cargadores* and the American metal served as payment for imports, such that Spain appeared as a “silver bridge” spanning America and Europe, the same way as the Philippines would become the “silver bridge” for America and Asia.

This situation led the reformist Bourbon governments to look for a direct route to the Philippines from Spain, parallel to the trans-Pacific Manila galleon which connected Nueva España from Acapulco to Manila. If initial contrary opinions regarding Spain’s losses from the Manila galleon were heard at the end of the 16th century (continuing with the *arbitristas*, projectors, of the 17th), it was in the 18th century when a true reaction was seen in Spain. Under the aegis of innovation, this appeared in economic writings, and generated successive projects, promoted by high government institutions and seconded by individuals.

This way, the possibility of an alternative route to the Manila galleon begins to emerge. The *projectistas* are those who, through ideas advanced in their works, want to remedy the Spain's material depression, due to, among other causes, the bad management of the more relevant trade lines, the *Carrera de Indias* (through which the Atlantic Spanish trade was maintained) and the trade in the Philippines (through which the Spanish Pacific trade was sustained).

The economic writings of the 1700s propose, in broad strokes, a reorientation of the Philippine economy based on three elements:

1. The development of production in the archipelago to neutralize the so-called "passive trade," the deficit generated by very expensive imports which had no counterparts in local goods and the consequent currency outflows.
2. The strengthening of regional commerce, what the English called *country trade* and the French *le commerce d'Inde en Inde* [India trade in India], as a way to diversify the exchanges, lessen the dependence on Chinese providers, secure a more balanced import/export trade and attenuate the hunger for silver.
3. The transfer of a part of the traditional trade of the Manila galleon from Mexico to Cadiz as a way of establishing direct traffic not only between Spain and the Philippines, but also with other Asiatic markets. This would spell the end of Spanish monopoly in the archipelago, the elimination of Mexican traders' exclusivity at the other side of the Pacific, the promotion of multilateral exchanges and entry of Spain-based interests in Asia, where Spanish trade had been excluded, which other European powers were taking advantage of.

Before economic *proyectismo* could be implemented with patent results, many writings were made, proposing some of the measures earlier highlighted individually or in combination with others. This way, the projects referring to the creation of a company for direct trade between Cadiz and Manila, through the Cape of Good Hope or the Cape of Horns, are among the earliest texts written by advocates of late mercantilism (Jerónimo de Uztáriz, the marquis of Santa Cruz de Marcenado or Bernardo de Ulloa). Beginning in the 50s, there is a series of profound observations from the islands themselves (the Jesuit José Calvo or the naturalized Englishman Nicholas Norton Nicols). One has to add some small allusions made by other authors (generally commenting on the initiatives started by Minister José Patiño).

In following the theoretical premises implemented by the alternative routes to the Manila galleon trade, we are going to go into two of the most representative projects of this period. First, we will refer to the proposal made by José de Carvajal y Lancáster in his *Testamento político o idea de un gobierno católico* [Political Testament or the Idea of a Catholic Government] (1745), which combines the idea of a Cadiz-based privileged company with other measures for the islands' economic development and the lessening of dependence on Chinese silk products. It is based on the premise that the galleon trade was prejudicial both to Mexico (which was losing its silver to China) and Spain (which, because of Chinese silk textiles, was losing its capability to export its own textiles). This project outlines a protectionist stance for Spanish industry (the company could not buy Chinese textiles of any fiber, be it silk, linen, wool or cotton) and limits the importation of products which do not compete with Spanish ones (like raw silk, gold powder, any kind of spices, elephant tusks, medicinal drugs, amber and porcelain and Japanese lacquer) while developing the archipelago's own

production (cinnamon in Zamboanga, on the island of Mindanao, and cloves on the island of Luzon).

The other project is conceived during a special time, the years after the British occupation and Spanish recovery of Manila. Spanish authorities would pick up its principal suggestions. The extensive program designed in 1765 by Francisco Leandro de Viana (fiscal of the Audiencia de Manila) focused on the opening of direct communication between Cádiz and Manila and the following principal objectives:

- 1- Direct Spanish participation in the trade in the Philippines.
- 2- The deviation to Spain of a part of the trade, without intermediation from Nueva España.
- 3- The entry of new agents in the territory reserved for Manila-based merchants.
- 4- The promotion of production in the islands.
- 5- The defense of Spanish interests against the importation of Spanish textiles and “low-value products” using a false foreign brand. This would force Spanish trade to directly reach Asiatic markets as a way of avoiding the introduction in Spain and in Spanish America of China-made textiles but marked as coming from Europe to guarantee a surplus of prestige, and thus, of price.

A practice which arouses Viana’s radical hostility may be the imitation of widths of the pieces of fabric or the reasons behind the stamping of European textiles given by English or French factories in Canton to Chinese artisans: *"Each of the said nations give the Chinese samples which they invent every year, weave the cloth in the same width as those of Europe and then sells them as made in France or England [...] In our ships to Nueva España a big amount of those fabrics and pieces is loaded, and being of the same quality as those which the galleons from here bring to Acapulco [...] there is a great difference*

in the prices, as the mark of having been made in France or England gives value and esteem to the said pieces in the entire Kingdom of Mexico, and only the mark of having been made in China makes those going to Acapulco lower-priced.” It may also involve other products: “This fraud [...] would be known to the merchants of Cádiz and they would discover other infinite things from Canton sold in Spain through London or Paris, as it happens to boxes of powder of all kinds, be it gold, silver, silver, etc., in the pearl sticks with golden branches, in those of fine patent leather with lacquer or paints, and other various curiosity items made from mother of pearl, ivory, etc.”

In this route, the direct Spain trade with the Philippines and the Far East and the transformation of the mercantilist space of the Spanish Pacific were consequences of this process. It incubated for a long time, but was accelerated now by England’s occupation of Manila from 1762-1764. That grabbed the attention of Spanish authorities, who understood the structural weakness of that last corner of their empire and the obligation to introduce a wide-ranging reform program to ensure its continuity.

In effect, the British occupation of Manila during the Seven-Year War (1762-1764) and the delay in returning control of the city to Spain, would condition the terms and modalities of the opening to trade of the Pacific. Economic interests suggested during the three preceding decades would be strengthened by urgent military requirements, due to the need to significantly improve the defense of the islands and secure a direct route for sending from Spain necessary help in case of a repetition of threats from other powers, especially from England.

Beginning in 1765, the Spanish Crown, without closing down the traditional Manila galleon trade, decided to open a direct route from Spain to the Philippines, with ships leaving Cadiz (the new capital of the Spanish overseas

monopoly) and reaching Manila through the Cape of Good Hope (a route banned to Spain since the Treaty of Tordesillas in 1494). This was carried out gradually in a series of steps:

1. 1765-1784: Expeditions of naval ships which directly went to the archipelago.
2. Concessions of direct trade with Manila to several individual firms:
 - 1776: Five principal guilds in Madrid
 - 1779: Ustáriz, Llano San Ginés and Company
3. 1785: Concession of the monopoly of the route to a lone privileged company: the Royal Company of the Philippines.

Let's begin with the activities of the navy ships which inaugurated the Cádiz-Manila route in 1765 and made 14 roundtrip voyages in 20 years. The following ships (some of which made more than one trip) made the voyages to Cavite: the ship *El Buen Consejo*, the frigates *Venus*, *Astrea*, *Palas*, *Juno*, *Santa Rosa*, and the storeship *Santa Inés*. They made the voyage to Asia by going around the Cape of Good Hope. Some ships made two commercial stopovers in India: in Tranquebar (Danish colony in the Coromandel coast, founded in 1616 as *comptoir* of the Danish East Indies Company) and Calcutta (on the Gulf of Bengal, seat of the British East Indian Company since 1690).

As Carvajal y Lancaster had recommended in their earlier-mentioned project, interested parties were made to swear “the secret to each other” from the start of preparations up to implementation. The expedition was to be organized with utmost vigilance and be done “without making noises” until its definitive consolidation is gradually accomplished. This measure was not free but aimed at

not alarming nor informing other foreign powers involved in the Asia trade and the oligopoly of the beneficiaries from the galleon trade.

In this context, it is interesting to give special attention to the preparation of the first naval ship which sailed the Asia route, *El Buen Consejo* (60 cannons, 2 decks, launched in 1761), as the process is significant given all the problems related to the preparation, organization of the crew, naval munitions and food supplies as well as diplomatic issues that would emerge with the launching of this state enterprise.

In effect, the Minister of the Navy, Julián de Arriaga, secretly ordered *Intendente* Juan Gerbaut to get information in Cádiz, through frigate captain Juan de Caséns, about the vessels available in the port for the enterprise, the availability of crew (200 men), the availability of skilled navigators for an expedition of such size, the possibility of acquiring in the bay the food and drug supplies for such a long expedition, the precise stopovers, and the most appropriate sailing dates from both ends of the round trip.

The inquiries are done in secret, and the conclusión is made that all requirements can be found in Cadiz, as it is a port used to preparing ships for the *Carrera de Indias*, with the exception of navigators. In effect, when there is a new route, there are no capable Spanish navigators for the enterprise. Authorities are thus advised about the practice of ships of the French and Swedish East Indies companies and the possibility of carrying out English, Dutch, Swedish, or French practices are considered. Finally, the decision is made to employ French (perhaps due to guarantees of having a common reigning dynastic line in both nations) experts in navigating in China aboard ships from the Lorient company (Joseph-Marie Mabile and Jean Marquay).

Everything was prepared in detail. In the first place, the most appropriate dates for sailing were determined. The ships were to leave Cádiz between 15 February and mid-March, arriving in Cavite in the beginning of August (to avoid the peak typhoon season). They would spend the winter in Cavite until January, “during which the gales and northerly winds cease and provide a favorable season before the start of a new monsoon or season of the northeasterlies and westerlies (which last from May and June) to undertake the return trip to Europe which is “the usual and opportune time for reaching Spain, be it the entire June or July at the latest.”

The route and stops were agreed upon. Despite the absence still of a chance to dock in Fernando Poo (present-day Bioko) and Annobón in the Gulf of Guinea (under Spanish rule only beginning 1778 with the Treaty of El Pardo), the plan to get water in Table Bay (near the future Cape Town, beside a Dutch VOC factory, where one could presume they were not welcome). However, it was deemed appropriate to cast anchor in the Mascarene islands, on Borbón island (now Reunion island) or on Isle de France (present-day Mauritius), some 100 leagues east of Madagascar. I supposed this was because there was no other option, and given the French nationality of the navigators, as colonists had settled since 1665 on these islands and assisted operations of the French East India Company, being in a strategic location for the provision of supplies for the Asia route. Moreover other possible trade stopovers were planned in Tranquebar and Calcutta, before continuing the route through one of the two straits, Malacca or the Bangka and Sunda, and heading towards the Philippine archipelago until reaching the island of Luzon and Manila Bay. The plan also considered that “*it would not be necessary to dock in any other part for the return voyage, unless there be a problem which would make it necessary for repairs or the replenishment of food supplies.*”

Thirdly, the expedition came equipped with the most advanced nautical instruments, and orders were expressly given for the provision of two azimuth needles to indicate course heading (for the calculation of the difference between the geographic north and the magnetic north, and thus be able to mark on the nautical map the measurements of the courses). One should not forget that the navy expeditions also carried a scientific mission. Thus, frigate lieutenant Juan de Lángara Para boarded the *Buen Consejo* for this purpose. His presence in this expedition (and in some of the succeeding ones) aimed at acquiring scientific experience on the route, for the enterprise's mercantilist objectives, as a good part of the scientific activities focused on hydrographic cartography, or the identification of the exact coordinates as much as possible of a desired route envisioned to be followed in the future.

Finally, the supplies and medicines were carefully prepared (with large reserves, because of lack of information of what supplies could be obtained from the Philippines for the return voyage). On the other hand, provisions for a long voyage was done with much caution, as the Carrera expeditions, lasting less than three months, even if the ships sailed from El Callao, did not present problems with scurvy. But in this new route, the outward voyage would take five to six months, according to the currents and the winds, and the return trip would take some four or five months.

In so long a voyage, through different and foreign climates (there are no previous acclimatization for the crew), there was the risk of epidemics on board (typhus) or the proliferation of herpes (due to sweating in warm and humid climates and the lack of hygiene). Above all, three months after being subjected to a diet of dehydrated stew, nuts and dried fruits (grapes, apricots, figs), of wheat cakes (*bis cottus*, cooked twice, unleavened bread, hard because it was better to dip it into wine than water, which did not take long before

acquiring a bad taste due to spoilage), symptoms of scurvy began to appear, due to avitaminosis caused by the lack of ingestion of fresh vegetables and fruits, leading to consequent gum bleeding, dental loosening, hair loss, swelling in the arms, phlebitis in the legs, bad scarring of wounds, irritability, fever, convulsions and shocks which could lead to death. To combat it, provisions have to be made for a special food combination which included, aside from live animals (chicken, pigs) for slaughter during the voyage or for the supply of milk (goats, including cows), fresh fruits like oranges and lemons, which however, did not last long during a long voyage.

When the *Buen Consejo* was being prepared, the food store was estimated to last for six months and the water reserves for seven or eight, in case it would be impossible to dock on Bourbon or Mauritius and the crew had to continue sailing, although a stopover was recommended to take in refreshments. Supplies were estimated for some 500 individuals (the crew, from the captain to the last page, and passengers) and great care was made in the selection of foodstuffs loaded so that they would not rot, as they had to last for the outgoing trip and for the return voyage, as “[sic] in the Philippines, it is difficult to secure provision of necessary foodstuffs.”

Thus, bacon and meat good for 11 months were loaded (“*good boneless meat like those loaded into foreign ships of the East Indian companies, because the salted ones [tasajo] which are purchased for the ships of the Carrera de Indias do not last for the entire time required*”); 3,750 *arrobas* of the best-quality sherry (because it also had to last until the return passage); 632 *arrobas* of oil for the gazpachos (which “should be given to the crew upon reaching the vicinity of the equator”) and for lighting during the outward voyage (“during the return trip, coconut oil acquired in the Philippine can be used”); vinegar for gazpachos and seasoning for the stews, “*aside from a good quantity to pour into the decks and other specific areas in the ships, a task*

worth doing again and again for the maintenance of the equipment” to protect the wood, eliminating insects and larvae, like lice, bugs, and ants. It is clear that Spain preferred vinegar instead of quicklime mixed with aji (when poured and burned would serve to disinfect ship storage places) as in America; water supplies for seven months (*“for the spillovers and losses that may occur”*); salt and firewood for six months; cheese for a month (*“for the special days when it is served”*); peas, bacalao; squash (*“because by experience, they help a lot in maintaining the equipment”*): rice broth (*“only for the outward voyage, as there is an abundance in the Philippines for the return voyage”*); and pepper and garlic for the outward voyage (*“there is plenty of this in the Philippines”*); and pepper and garlic (*“there is a lot of these in the Philippines”*) for the outward passage. Despite the reticence of Spanish suppliers, Chinese junks could be a source of foodstuffs for the return trip (wheat and barley, sugar and dried fruits and those in season, especially grapes and oranges), which were loaded in big martabans. The captains could also provide themselves with cubed meat (*“portable soup cubes which I had ordered made in Manila.”* A precursor to the bouillon cube 200 years ago) or from a salted extract of ox meat (before the *Bovril* of a century ago). The diet could be completed, in case of stopover on the Isle of France, with turtle’s soup, very useful in fighting scurvy (using the shell to make gelatine, and the meat, and even the insides for a nutritious stew), as it provided fresh proteins.

Aside from foodstuffs, great care was made, under the watchful eyes of three surgeons in the crew, to load a double provision for medicines (*“because there are good [sources] of replenishment in the Philippines”*), with bottles or jars of *“royal jelly substance”* (whose properties had been known since the 17th century, being rich in essential nutrients like proteins, vitamins, minerals and oligoelements, which stabilized the body’s immune system, and to help recover lost energy); of *“powder* (propolis, with anti-bacterial properties against

infections) *for the sick ones, in case they worsen, as during such a long voyage, the diets are so necessary for the vulnerability of these individuals to scurvy.*”

The *mal de loanda* (as scurvy is called in Portuguese, deriving its name from the Angolan city of Luanda), *“which makes loading necessary of prepared lemon tart in flasks as well as some coclearia spirit”* (found in wines and syrups made from leaves of coclearia, an anti-scurvy applied with cotton threads on sick teeth). Also loaded were two barrels of *“tintillo de Rota (as French ships do) for the benefit of those who have used this for hemorrhage”* (or amoebiasis, caused by *entamoeba histolítica*).

Limiting ourselves to the mercantilist angle, the navy expeditions (1765-1784) which inaugurated the Cadiz-Manila route, offer several interesting lessons. On one hand, Cadiz traders, although they did so cautiously, responded to the call and loaded a minimal amount of products for the Philippines (a little wine, liquor and oil, and some quintals of iron). They received more exports of Asian goods, among them cotton and silk textiles, and silk in all its varieties, (lanquín, raw, bundled, *quiña*, twisted, floss and hair), spices (cinnamon, pepper), sibucao sticks and porcelain objects.

If the breaking of the exclusivity of the Manila galleon route and the strengthening of an alternative route excessively justified the hostility of Filipino merchants, this first direct trade enterprise did nothing more than accept and, somehow, ratify a trading system based on the exclusive sale of Asian goods, especially those from China, by business interests in Manila. Acapulco continued to be the undisputed terminal in Nueva España, while Cádiz hardly began as a terminal in Spain even though this first concrete measure of the will to change, which had been emerging some decades earlier, produced a more than logical uncertainty on the future among beneficiaries of the Manila galleon.

In 1784, came the cancellation of the navy expeditions which joined together strategic, scientific and trade interests. The expeditions were an excellent excuse to explore a route denied to the Spanish navy for two and a half centuries and to get acquainted with the economic and, particularly, trade reality in the Philippines. They also gave Cadiz merchants their first experience in direct trade, from Cadiz to remote confines in Asia, and to show the shorter voyage compared to the system prevailing at the moment (the roundtrip, including docking time, had been reduced to 16 months). The Philippines and the entire Far East trade, became nearer since then.

After the institution of the new route came the hoped-for direct opposition from other European powers with commercial interests in the Orient, as well as from the beneficiaries of the galleon trade. Spanish authorities were conscious of an earlier issue, the presumable contestation by other countries, especially by the United Provinces, of Spain's right to sail through the Cape of Good Hope. If it is true that the protests did not trouble the Spanish rulers, who did not prohibit the expedition at any time, it is also true that at various levels (and for quite a time) the matter was the subject of intense debate.

In effect, we could summarize the controversy on the Cape of Good Hope route into the following points:

1. *Allegation of the United Provinces, 1765.* This is based on Article No. 5 of the Treaty of Münster of 1648 (within the framework of the Peace of Westphalia) and in Article 34 of the Peace of Utrecht (1713, a copy of the earlier one), which takes up the Treaty of Tordesillas (1494), based on the Bull of Alexander VI, with the exclusion of the Spanish monarchy from the “regions of Asia, the Coromandel and Bengal coasts, the Red Sea and all its dependencies.” Obviously, there is the curious contradiction that

an anti-Papist and fundamentally Calvinist country would justify itself on the illegality of a papal bull (so maligned for having given birth to the Spanish imperial empire) and in diplomatic arguments (as long as the treaties are in effect) and not in legal ones.

2. *Spain's allegation made through Francisco Leandro de Viana, fiscal of Manila's Real Audiencia, 1765.* This shows Spain's right to use this route refuting the effectivity of the provisions of the Treaty of Tordesillas during the last third of the 18th century. It is based on the special situation during the years immediately following the British occupation and the Spanish recovery of Manila, which made the strengthening of the defense of the Philippines necessary. Viana resorts to juridical arguments, as well as those from natural law, the right of peoples and the doctrine based on the great 17th century treatise writers: to sail freely on all the seas of the world “conforms to the natural right of peoples, which does not recognize dominion over the sea by any power, according to Grotius, Heineccius and others, in opposing the *Mare Clausum* of the English Selden, who defended dominion over the Baltic Sea and the Dutch right to impede this navigation in the 1653 dispute while the latter maintained their freedom with powerful fleets and with the same reasons which the Spaniards cite to sail through the Cape of Good Hope.”
3. Again, one sees a paradox, as the generic claim of Hugo Grotius' *Mare Liberum* utilizes the arguments of a Dutchman against the Netherlands. Viana, moreover, alleges that the papal bull were exclusively applicable to the two Catholic powers, Spain and Portugal, who were then dividing the world between themselves (which was irrefutable) and not to the Netherlands (which is true). Among the Dutch, “it is not possible to verify the motive for the division for the very reasons that they would use to resist it should be prejudicial to them; outside of all privilege, it is limited to peoples or nation to whom it

is conceded and is not passed to another nation or to other people; the privileges given by the Holy See to Catholic Portuguese should not be understood as given to Dutch Protestants,” especially when the territories were ceded to Portugal with “the express condition to propagate the Roman Catholic religion persecuted by the Dutch.”

Viana also affirms that Alexander VI did not ban the Spaniards from sailing through, only from conquering the lands assigned to the other country on the other side of the established dividing line. This time, however, the argument was a false one.

Likewise, he launches into a debate with diplomatic agreements. He put Article 15 of the Treaty of The Hague (1650), which recognized Spanish-Dutch reciprocity on the same rights and freedoms in their navigation and traffic (although there is nothing said regarding Münster-Utrecht), against the provisions of the Treaty of Westphalia (1648).

He ends by giving the factual proof that neither Spain nor Portugal had stopped sailing on either sides of the demarcation line set by Treaty of Tordesillas. Thus, Spain had sailed through Portuguese Brazil (which is true) and Portugal had negotiated the seas of Japan and China lying on the Spanish side (which is q). He concludes by saying that the bilateral Treaty of Tordesillas is obsolete and is not being implemented in the 18th century. In that case, the treaty could only be denounced by Portugal, which was not interested in rescinding it when it was violating it in Brazil.

The controversy did not end and the United Provinces returned to the offensive in 1786, at the behest of the VOC, in the wake of the inauguration of the Cape of Good Hope route by the Real Compañía de Filipinas.

With the navy's expeditions finished, the Manila circuit got a second wind with the activity of the companies authorized by Carlos III to trade in the Pacific from Cadiz. Thus, the *Compañía de los Cinco Gremios Mayores de Madrid* entered the fray when the Navy had fully consolidated the route. If the navy ships carried out military, scientific, and trade functions, the trade was the only reason for this other series of voyages between Cadiz and Manila through the Cape of Good Hope.

The *Compañía de los Cinco Gremios Mayores de Madrid* received its first official licence for this trade in 1776. It was given the power to load commodities on Navy ships bound for the Philippines, and subsequently, to charter its own ships, as well as install two factors in Manila and Cantón. Consequently, in 1777 and 1778, they availed of naval expeditions to send money and goods. But beginning 1779, they loaded goods into the ship *San Francisco de Paula (a) Hércules* (property of the Ustáriz y Llano San Ginés company) and used the frigate *Nuestra Señora de las Nieves* (which would later be owned by the Real *Compañía de Filipinas*) was for the Manila trade. In 1785, it was forced to invest 680,000 pesos in the recently-created Real *Compañía de Filipinas*, which established its independence, although its presence in Manila lasted until as far as 1841.

However, the actions of the *Compañía de los Cinco Gremios Mayores* did not fulfill expectations which prompted officials to grant it authorization in 1776. Apparently, officials in Manila showed less interest in sending chartered ships in the return trip to Cádiz than in participating in the traditional Manila galleon trade, buying goods from Cantón and sending them to Acapulco, after securing their inclusion in the Manila galleon's manifest beginning in 1780 and a Royal Order from the following year guaranteeing unhampered remittance to Manila of profits obtained in the Mexican port.

The second permit for direct trade with Manila was issued in 1779 to the Cadiz-based Ustáriz y Llano San Ginés company. It was authorized to send capital, fruits, and other goods from Cadiz and import spices, silk, and cotton textiles from Manila. In the same year, the ship *San Francisco de Paula (a) Hércules* sailed under the company's flag, but was surprised upon arrival in Manila by the declaration of war by the Thirteen Colonies. This prompted the company to decide against having the ship return to Spain. It focused on other businesses, petitioning and getting from the governor general, José Basco y Vargas, authorization to go to Cantón to acquire Chinese products and proceed to Acapulco (aside from Guayaquil and El Callao) to sell them, thus breaking the Manila galleon's monopoly of trade between Asia and América. The ship left again for Macao in 1783, from where it sailed anew for Acapulco in 1784. It arrived in San Blas, before embarking on a new crossing headed for Paita and El Callao, which it reached the following year. The adventures of the *San Francisco de Paula (a) Hércules* are not mere footnotes, but are significant in anticipating (although through individual authorization issued by the governor general of the archipelago in the face of rejection by the *Consulado de Manila*) the trade system which will end up progressively establishing the Real Compañía de Filipinas beginning in 1785.

Finally, the authorization to create the Real Compañía de Filipinas came from Carlos III, as could be seen in Article 50 of the by-laws, with “the preferred goal of the welfare of my beloved subjects and that they promote agriculture and industry in the Philippines,” forcing the company to invest four percent of its annual profits to the specific promotion in the archipelago of these two sectors.

The presence of the Real Compañía de Filipinas meant the end of the Manila galleon's monopoly, as it combined traditional trade expeditions and those

which sailed outside the galleon's route. The Cádiz-Manila crossing began in September 1785 with the frigate *Nuestra Señora de los Placeres* going around the Cape of Horns, while the frigates *Nuestra Señora de las Nieves* and *El Águila Imperial* sailed in January of the following year through the Cape of Good Hope and reached the Philippines in August.

The Royal Company did not spare efforts to widen its concessions. Five years later (1790), it petitioned and won the elimination of the obligatory stopover in Manila, thus securing the direct trade between Spain and India and China. It was an authorization that would be ratified by the Royal Order issued 12 July 1803 (Article 60), thereby confirming granted privileges. The first of these two new lines was effectively opened in 1796, with an eventful voyage which brought the first Commissioner in India to the Isle of France (from where he sent to Cadiz a cargo of Asian textiles, coffee and Malabar pepper). He later proceeded to the Coromandel coast, first in the Danish colony of Tranquebar and then to the English colony of Madras, and then permanently settled in Calcutta as a factor of the Real Compañía. Beginning this time, with some variations, the Cádiz-Tranquebar-Calcutta line became a regular one, with several expeditions (with the ships *Columbus* and *San Julian*, and the frigates *Clive*, *Ifgenia*, *Princesa de Asturias* and *Nuestra Señora del Buen Suceso (a) La Esperanza*), between 1797 and 1818 until it became one of the more frequented and the most lucrative of all the routes opened by the Company. It conducted a good part of its trading outside the Manila and, of course, Acapulco route.

In the same manner, the Compañía de Filipinas soon opened a permanent factory in Cantón which, together with those in Manila and Calcutta (which also had had a branch on the Coromandel coast since 1818), composed the group of permanently-established ones in Asia. The factory served preferably as a consignee (not only for the company's ships, but also for others), not only for

acquiring Chinese products (tea, silk, porcelain) to be sent to Manila, but also for selling in China products coming from the Philippines. Aside from these functions, the factory could serve the direct Cadiz-Canton trade without interference from Manila. But although the Royal Orders issued from 1790 to 1803 also took into account the opening of China together with that of India, the route never materialized, despite Canton's excellent services to the direct Asia-America connection, also done outside the Manila galleon trade.

However, although the trans-Pacific trade continued until 1815 as the true axis not only of trading policy, but also of the archipelago's economic policies, opposition to direct trade from Spain had as its spokesperson the *Consulado de Manila*. It focused its energy opposing Spain's policy initiatives, the measures of the governor generals from Spain to carry out Madrid's policies, and the actions of the Real Sociedad Económica de Amigos del País (all of those directives favoring a change in the traditional system of trade in Manila).

As has been seen, during the 80s, the controversy ended with one transaction: the permanence of the traditional Nueva España trade, which would co-exist with the legal consolidation of the direct trade from Spain, while other series of measures substantially broadened Manila's role in the international maritime trade. Thus, the port of Manila experienced a progressive reactivation starting with the admission of Asian ships in 1785, the entry in 1790 of ships of any nationality, as long as they were not transporting European goods (although they could come from any point of origin since 1793), especially during periods of war with the consequent difficulty of procuring supplies. Manila thus, from 1790 to 1820 not only continued to be the center of the Spanish Pacific, but also one of the principal ports of Asia.

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