

Wants, Wages, and Workers: Laboring in the American Philippines, 1899–1908

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A need for workers posed a dilemma for the new U.S. administration in the Philippines anxious to demonstrate its progressive intentions and distance itself from the compulsion that had characterized public works during the previous regime. Instead, it turned to the market to find both an ideologically acceptable and a practically realizable solution. Commencing with an investigation of extrafamilial work relations during the Spanish period, this article traces the nature and extent of the labor shortage at the turn of the twentieth century. It then discusses the important role of unions before evaluating government policy in the light of subsequent events. In one sense, the American Philippines was the first truly modern state in Southeast Asia, infused by the logic of capitalism and informed by market mechanisms.

The United States acquired the Philippines from Spain for a bargain-basement price of \$20 million through the Treaty of Paris in 1898. The occupation of the archipelago, however, with its 7,000-odd islands and seven million or so people, proved a much costlier affair than the original sum might suggest. The United States had to fight a war that officially ended in 1902 but actually continued through 1907, necessitating an army of some 120,000 men with as many as 74,000 troops in the field at any one time and resulting in over 7,000 U.S. casualties, including more than 4,000 dead. President William McKinley's assurance that America's mission in the Philippines was "one of benevolent assimilation substituting the mild sway of justice and right for arbitrary rule" was often difficult to reconcile with the manifold demands of colonial administration. In particular, the new colonial administration required labor: employees to staff expanding government agencies and people to work on large-scale development programs. Unfortunately, there were too few workers for hire. This shortage posed a dilemma to a U.S. gov-

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ernment anxious to demonstrate its progressive intentions and to distance itself from the compulsion that had characterized public works during the previous regime. Instead, it turned to the market for both an ideologically acceptable and practically realizable solution. Offering higher wages and improved working conditions would encourage people to sell their labor on the open market, a situation that was also seen as “precedent to the successful operation of the form of government that we design to set up in the islands.”¹ And just as the nature of that democracy was inevitably constrained, so the functioning of the market would prove equivocal.

Many of these developments have passed largely unnoticed by historians of the Philippines, who are preoccupied more with discussions about the momentous political events at the turn of the century and the nature of the “unfinished revolution” than with the lives of ordinary men and women.² Reynaldo Ileto has explained this fixation as the legacy of U.S. colonialism. Filipino and non-Filipino scholars alike continue to interpret history more through the prism of patron-client relationships than from the perspective of class. More absorbed by the implications of European immigration than overseas expansion, U.S. labor historians have also shown little interest in how the state-defined welfare policies of the Progressive Era (1898–1916) influenced conditions in the Philippines or the extent to which the archipelago acted as a testing-ground for the elaboration of colonial policies elsewhere. Yet labor policies

1. Orlino Ochoa, “*Bandoleros*”: *Outlawed Guerrillas of the Philippine-American War, 1903/1907* (Quezon City, 1995); Brian McAllister Linn, *The Philippine War, 1899–1902* (Lawrence, Kans., 2000), 325; William McKinley to the Secretary of War, 12-21-1898, Communications between the Executive Departments of the Government and Aguinaldo Etc., 56 Cong., 1 sess. *S. Doc. 208* (1898), 82–83; Victor Clark, “Labor Conditions in the Philippines,” *Bulletin of the Bureau of Labor*, 58 (1905), 725.

2. On the Philippine Revolution, 1896–1898, see Teodoro Agoncillo, *The Revolt of the Masses: The Story of Bonifacio and the Katipunan* (Quezon City, 1956); Agoncillo, *Malolos: The Crisis of the Republic* (Quezon City, 1960); Renato Constantino, *The Philippines: A Past Revisited* (Quezon City, 1975); and Reynaldo Ileto, *Pasyon and Revolution: Popular Movements in the Philippines, 1840–1910* (Quezon City, 1979). On the early American colonial period, see Peter Stanley, *A Nation in the Making: The Philippines and the United States, 1899–1921* (Cambridge, Mass., 1974); Glenn May, *Social Engineering in the Philippines: The Aims, Execution, and Impact of American Colonial Policy, 1900–1913* (Westport, Conn., 1980); Stuart Creighton Miller, “*Benevolent Assimilation*”: *The American Conquest of the Philippines, 1899–1903* (New Haven, Conn., 1982); Floro Quibuyen, *A Nation Aborted* (Quezon City, 1999). On the Huk Rebellion, see Benedict Kervliet, *The Huk Rebellion: A Study of Peasant Revolt in the Philippines* (Quezon City, 1979). On the National Democratic Front and the New People’s Army, see Kathleen Weekley, *The Communist Party of the Philippines 1968–1993: A Story of Its Theory and Practice* (Quezon City, 2001).

constitute the foundations upon which a uniquely American form of colonial society in the Philippines was envisaged, and a shortage of workers threatened both its elaboration and its realization. The creation of a wage-labor market, the introduction of systematic management techniques, the enforcement of Chinese exclusion laws, and the qualified encouragement of union organization that took place between 1899 and 1908 round out an important episode in U.S.-related labor historiography.³

Indigenous working men and women, of course, were not merely idle bystanders in these developments. The increasing demand for skilled employees placed many people in novel situations while undermining customary forms of reciprocal labor exchange. These changes in the lives and expectations of ordinary Filipinos helped to generate a class consciousness that developed more fully in the labor strife of the 1930s. But the roots of this transformation did not lie solely in the transition from Spanish to U.S. colonialism: The notion of a passive *tao*, or peasant, dependent for advancement on either the altruism of elite patrons or the benevolence of colonial administrators, needs to be fully relegated to the narratives of neo-imperial historiography. Rather, a more realistic image of life for working people hints at the social and economic dynamics actually at work in late nineteenth- and early twentieth-century Philippine society.

This article commences with an investigation of extrafamilial work relations during the Spanish period before discussing the nature and extent of the perceived labor shortage that the new colonial administration confronted. It then examines the role unions played and the assumptions behind U.S. policy in light of subsequent events. The Americans were both new to empire and late to the colonial game. They were anxious to demonstrate that their rule was both qualitatively different from that of the European powers in the region and administered for the benefit of the indigenous population.

Working for Spain

Americans in the Philippines confronted a labor situation markedly different from the market determination of wages with

3. Reynaldo Ileto, "Orientalism and the Study of Philippine Politics," in Reynaldo Ileto, *Knowing America's Colony: A Hundred Years from the Philippine War* (Center for Philippine Studies, School of Hawaiian, Asian, and Pacific Studies, University of Hawai'i at Manoa, 1999). A Bureau of Labor was established by Act No. 1868 of June 18, 1908.

which they were familiar. Communities in the archipelago had a long tradition of local welfare traceable to early Hispanic times and probably predating the written historical record. The roots of an extrafamilial work force lay in customary practices at the village level. Able members of a community often labored voluntarily for public improvements. In some cases, entire communities might work together until all the houses in a new or relocated *barrio* (district within a village) had been built. Alternatively, there was also an exchange of labor between family and groups at a sub-community level, based on reciprocity. All across the archipelago, cooperative arrangements shared certain basic characteristics about the mobilization of labor, although a distinction was often made between activities connected with agriculture, house building, and ceremony.⁴

These arrangements were mainly noncommercial and especially prevalent in localities where labor was not obtainable for money or where money was lacking to pay for it. They were particularly pronounced in areas of recent pioneering and settlement. Aid in whatever form was rendered on the expectation that it would be returned in kind at a later date. Need or sometimes lot determined the order in which a person or family received help; the notion of succession was suggested by the Tagalog term of “*turnuhan*,” for such a practice derived from the Spanish word *turno*, meaning “a turn.” Group participation ranged from as few as three to more than 200 members with numbers determined largely by the type and amount of work required. Members were mainly relatives or neighbors whose houses lay nearby in the community. In the twentieth century, larger and more elaborate organizations began to emerge with written constitutions that specified the rights and obligations of members. Many of these societies stressed secrecy, being organized in a quasi-military form and developing elaborate rituals similar to those of the Freemasons. Such associations apparently emerged more commonly among the poorer sectors of society, and many were reportedly “dying out” in the centers of towns “where the standard of living is not uniform.”⁵

4. Julian Balmaceda, “‘Turnuhan’ As Practised in Various Provinces,” *Philippine Agricultural Review*, 20 (1927), 381–421.

5. *Ibid.*, 387, 390, 399, 405, and David Wurfel, “Trade Union Development and Labor Relations Policy in the Philippines,” *Industrial and Labor Relations Review*, 12 (1959), 584. It is unlikely that these kinds of associations are in decline in either the Philippines or elsewhere in maritime Southeast Asia. On the Philippines, see Greg Bankoff, “Cultures of Disaster, Cultures of Coping: Hazard as a Frequent Life Experience in the Philippines,

The temporal origin of these customary practices poses an intriguing question. Those on Palawan existed “since time immemorial,” presumably “an old trait of the Malays brought over on settling the island.” Associations on Bohol could be traced back at least fifty years (i.e., before 1870), and “possibly some have been in existence for an even longer period.” The ones in Antique were credited with the construction of roads, bridges, and churches “in Spanish times.” Certainly, the *cofradías*, or village associations that professed concern for the physical and material welfare of their communities and realized these ends through redistributive activities among their members, date back to at least the beginnings of the seventeenth century. More formal and less prevalent than the *turnuhans*, the *cofradías* also helped regulate extrafamilial exchange of labor and other commodities at a community level. While primarily religious and concerned with the spiritual health of the inhabitants, the observance of Christian morals, and the organization of the annual fiesta to honor the town’s patron saint, these associations also had important charitable functions.⁶ More contemporarily, the articles of incorporation of the voluntary association known as *The Crusade* enjoined its affiliates “to engage in social and charitable enterprises and to aid the unfortunate and needy people in general.”⁷

These forms of reciprocal practice and obligation were sometimes the only means of mobilizing a work force for extrafamilial labor prior to the twentieth century. The only other important mech-

1600–2000,” in Christof Mauch and Christian Pfister, eds., *Natural Hazards: Responses and Strategies in Global Perspective* (Lanham, Md., forthcoming 2005). On rotating credit associations elsewhere, see Clifford Geertz, “The Rotating Credit Association: A ‘Middle Rung’ in Development,” *Economic Development and Cultural Change*, 10 (1962), 241–263, and Shirley Ardener, “A Comparative Study of Rotating Credit Associations,” *Journal of the Royal Anthropological Institute of Great Britain and Ireland*, 94 (1964), 201–229.

6. Balmaceda, “Turnuhan,” 386, 394, 408; Estatutos que Observa los Hermanos y Hermanas de la Cofradía de Smo Nino Jesus, 40.A.1 folder 8, Ternate, 1866, *Archive of the Archdiocese of Manila*; Estatutos de la Cofradía de Jesús Nazareno, 40.A.1 folder 9, Cofradías, 1891–1897 in *ibid.* On the role of cofradías in the Philippines, see Mary Caridad Barrion, *Religious Life of the Laity in Eighteenth Century Philippines As Reflected in the Decrees of the Council of Manila of 1771 and the Synod of Calasiao of 1773* (Manila, 1961). Cofradías are common to both Spain and Hispanic America where they share the same concerns with matters spiritual and charitable. See William Callahan, “Las Cofradías y Hermandades de España y su Papel Social y Religioso Dentro una Sociedad de Estamentos,” in Pilar Martínez López-Cano, Gisela von Wobeser, and Juan Guillermo Muñoz, eds., *Cofradías, Capellanías y Obras Pías en la América Colonial* (Mexico City, 1998), 35–47, and Asunción Lavrin, “Cofradías Novohispanas: Economías Material y Espiritual,” in *ibid.*, 49–64.

7. Articles of Incorporation of ‘The Crusade,’ 40.A.1, folder 11, Cofradías, 1914–1935, *Archive of the Archdiocese of Manila*.

anism of this nature was vested in the Spanish colonial state whose right to exact labor from its subjects derived from its role as patron of the Catholic Church. The state necessarily incurred expenses in propagating Christianity and in transporting, maintaining, and protecting missionaries in the archipelago. In return, the state and those to whom it delegated such responsibilities, both secular and ecclesiastic, laid claim to “moderate” labor services. Through such institutions, municipal authorities were obliged to provide a certain quota of men for work on public projects, especially shipyards (*repartimiento* and *polos*) and for service in the homes of Spaniards and in the churches (*servicios personales*). Others were drafted as soldiers, sailors, rowers, and porters in the suppression of uprisings, in the armed exploration of new territories (*entradas*), in hostilities against the Dutch, and in wars with the Muslims. Abuses, however, were rampant, and workers were frequently employed to labor in private enterprises. Corvée labor for the government continued into the nineteenth century, with every able-bodied man obliged to render forty days a year to the state (reduced to fifteen in 1882) or to pay three pesos in lieu of such service.⁸

Other compulsory or semi-compulsory labor included forms of debt peonage that Americans often confused with slavery. Tenants, deeply in debt to their landlords, might offer their own or even their children’s “services” to redeem what they owed. Such practices certainly persisted into the early twentieth century, despite prohibition by law. Although peonage had aspects of both tenancy and hired labor, such as the fiction of rents and wages, any monetary transfers were largely notional because actual coinage seldom changed hands and transactions were mainly conducted in kind. In addition, debt served to bind workers to an employer and to hinder labor mobility. Victor Clark, whose detailed survey remains one of the principal sources on colonial labor conditions at the turn of the century, related an incident he witnessed in which a party of policemen sent by the *presidente* (mayor) of a neighboring municipality arrested a field worker employed on a government experimental farm in West Negros for debt. This episode prompted Clark to conclude that “evidently freedom of contract exists in very slight measure where inci-

8. Nicholas Cushner, *Spain in the Philippines: From Conquest To Revolution* (Quezon City, 1971), 112–126; Onofre D. Corpuz, *The Roots of the Filipino Nation* (2 vols., Quezon City, 1989) 1: 90–91; John Larkin, *Sugar and the Origins of Modern Philippine Society* (Berkeley, 1993), 31–33.

dents like this occur.” Slavery, however, did persist in the Cordilleras and among the Muslim Moro population of the southern Philippines. All these forms of socioeconomically obliged labor continued to represent a significant percentage of the work force, even during the early years of U.S. colonial rule. Clark concluded that, even where nominal wages were paid, “they are often but a new method of continuing the relationship of peon and patron.”⁹

Whether anything approximating a commercial labor market existed under Spanish colonialism is thus debatable. Only among the sugar plantations on Negros did something resembling a significant wage labor force emerge prior to the twentieth century. There local labor was scarce, and workers came from the surrounding, more densely populated islands first to clear and then to work the estates as paid hands. Some were effectively permanent subsistence laborers known as *duma'an*. Often they fell into a form of debt peonage through unpaid credit at estate-stores that rendered their salaries largely meaningless. Others were temporary workers engaged to cut and carry cane to the mill for a wage during the peak labor season from November to April. Agents of the plantation owners recruited these workers, known as *sacadas*; the owners advanced them money, paid their transportation expenses, and supplied their food and other necessities, effectively binding them to return the following season. In neither of these cases, however, could workers be considered as operating under real labor market conditions. Moreover, Governor-General Valeriano Weyler's attempt at regularizing work contracts in 1890 clearly sought to reduce any influence laborers might lay claim to under a more open market system and to protect planters by preventing employees from selling their labor elsewhere. Clark tended to view these arrangements as “a transitional stage” between a more “feudal,” servile relationship and a freer contractual one based upon wages.¹⁰

9. Edward Rosenberg, “Filipinos as Workmen: Data and Conclusions on the Labor Situation and General Conditions in the Philippine Islands,” *American Federationalist*, 10 (1903), 1026; Clark, “Labor Conditions,” 774, 775–776, 895–896; William Cameron Forbes, *The Philippine Islands* (1928; Cambridge, Mass., 1945), 239. The last legal foundation of the system supposedly disappeared with the introduction of the penal code in 1884 that abolished imprisonment for debt, but the practice persisted on Mindanao. See, in particular, Michael Salman, *The Embarrassment of Slavery: Controversies over Bondage and Nationalism in the American Colonial Philippines* (Berkeley, 2001).

10. Alfred McCoy, “Sugar Barons: Formation of a Native Planter Class in Colonial Philippines,” *Journal of Peasant Studies*, 19 (1992), 106–141; Larkin, *Sugar*, 60–82;

A variant of wage labor also existed in the tobacco regions of the Cagayan Valley after the abolition of the government monopoly there in 1882. When labor could be secured, workers received twenty cents in silver currency a day (fifteen cents American) for sowing, transplanting, cutting, and packing the crop.¹¹ Qualified forms of wage labor also existed among the timber cutters of the incipient small-scale commercial lumber industry, the workers on the British-owned railway, and the ranks of the new professional law enforcement agencies, primarily the *Guardia Civil* and *Guardia Civil Veterana*.¹² Manila, too, was attracting an increasing number of rural migrants by the second half of the nineteenth century, and a substantial cigar-making industry employed a mainly female labor force of leaf rollers on a piecework system. However, it was still a very limited labor market if, even on the Manila docks, the Americans found it impossible to secure Filipino workers to load or unload their ships in August 1898 and had to use Chinese in their place. In fact, so acute was the labor shortage that the U.S. administration needed largely to employ its own soldiers in this capacity for the two years following their arrival in the archipelago.¹³

Filomeno Aguilar, *Clash of Spirits: The History of Power and Sugar Planter Hegemony on a Visayan Island* (Honolulu, 1998), 97–155; Clark, “Labor Conditions,” 749–750, 777.

11. On the government’s monopoly over tobacco, see Edilberto de Jesus, *The Tobacco Monopoly in the Philippines: Bureaucratic Enterprise and Social Change 1766/1882* (Quezon City, 1980). Clark, “Labor Conditions,” 761. One U.S. dollar was equivalent to two Philippine pesos, although many rates were quoted in Mexican pesos (also often referred to as dollars). On the currency situation in the islands at the time, see Willem Wolters, “Flooded with Foreign Coins: Spanish and American Administrations Dealing with Currency Problems in the Philippines 1890–1905,” *Bijdragen tot de Taal-, Land- en Volkenkunde*, 157 (2001), 513–538.

12. Testimony of Adolph von Bosch to the Philippine Commission, Manila, May 6, 1899, *Report of the Philippine Commission* (2 vols., Washington, D.C., 1900), 2: 111–112; Greg Bankoff, *Crime, Society and the State in the Nineteenth Century Philippines* (Quezon City, 1996), 145–146; Arturo Corpuz, *The Colonial Iron Horse: Railroads and Regional Development in the Philippines, 1875–1935* (Quezon City, 1999).

13. Rosenberg, “Filipinos as Workmen,” 1022; Maria Luisa Camagay, “The Cigarreras of Manila,” *Philippine Studies*, 34 (1986), 507–517; Daniel Doeppers, “Migrants in Urban Labor Markets: The Social Stratification of Tondo and Sampaloc in the 1890s,” in Daniel Doeppers and Peter Xenos, eds., *Population and History: The Demographic Origins of the Modern Philippines* (Madison, Wisc., 1998), 253–263. The largest tobacco company, the *Compañía General Tabacalera*, employed a work force of 4,000 men, women, and children. Rosenberg, “Filipinos as Workmen,” 1022. Capt. F. H. Grant to Maj. J. B. Aleshire, Manila, Oct. 24, 1902, and “Labor Conditions in the Philippine Islands,” both in *Eighth Annual Report of the Philippine Commission to the Secretary of War, 1907* (Washington, D.C., 1908), 973, hereafter cited as *Eighth Annual Report*.

The labor shortage

The labor shortage that confronted the Americans in 1898, however, was more perceptual than real. It was not that there were too few people to work but that those people saw no reason to labor for someone else in return for a wage. The Spanish had faced the same problem. A treasury official noted the perennial lack of workers for hire in Nueva Ecija, Principe, Cagayan, and Ilocos Norte in 1876, while a government agricultural inspector attributed the serious losses experienced on the sugar plantations of Iloilo to the insufficient number of cutters available for hire during the harvest of 1894–1895. The latter went on to observe how even “the most prudently devised industrial undertakings attempted in these islands . . . have been wrecked upon the reef of deficient labor supply,” and he commented that many mining and industrial enterprises had “gone to pieces” despite the prospect of handsome profits. Labor, or the lack of it, was to be a constant feature of all U.S. endeavors during those early years in the Philippines, prompting an informed commentator at the time to declare that “The primary problem in the Philippines is the labor problem.”¹⁴

Americans after 1898 faced a situation no better and often much worse than the Spanish had experienced, as disruption, disease, fear of reprisals, and loss of life made labor recruitment even more difficult. An estimated 200,000 to 600,000 Filipinos died during the war, a significant proportion of the economically active sector of the population. At the same time, major development programs of the new colonial administration created an unprecedented demand for large work forces dwarfing those of the largest enterprises under Spanish rule, the sugar *centrals* of Negros. Insufficient manpower haunted the first years of the construction of one of the most ambitious early infrastructural projects, a route through the mountains to Baguio, known as the Benguet and, later, Kennon Road. The advantage of a hill station away from the intense heat of the lowlands soon manifested itself to U.S. authorities, but access remained the main problem if the place were to serve as a location that invalids could reach, let alone where they could convalesce. The new road was estimated at approximately thirty-five miles in length, but more intractable than the terrain was the question of la-

14. Clark, “Labor Conditions,” 864–865, 725.

bor: It was “scarce, untrained, unwilling, and extremely difficult to procure.”¹⁵

U.S. military authorities initially followed existing labor practices when recruiting men for these large-scale enterprises. They employed patrons or bosses to secure a gang of twenty to thirty workers. The patron in turn handled payments. Each would receive a slip stating the number of men under his control and the time they had worked. After certifying and presenting the slips to the cashier, the patron was entitled to collect what was due to him and his respective gang for the work performed that day; he would then redistribute the money to his crew. This time-consuming procedure was costly and discouraged regular attendance and continuity of employment. Even if a worker was paid directly, he would immediately turn the money over to his patron who exacted a certain amount (about 20 percent) before returning to him the balance. Such conditions could not be allowed to continue for long if a modern labor market were to operate. The initial work force on the Benguet Road was made up of impressed local Igorot tribesmen under U.S. foremen, but military authorities soon stopped such practices. The authorities then sent agents to recruit laborers throughout the neighboring provinces, but the road’s chief engineers continually complained of a “crippling” labor situation that forced the work “to drag along,” making “the most unsatisfactory progress.” Private enterprises encountered similar problems. The Atlantic, Gulf and Pacific Company’s rock quarries at Mariveles experienced comparable difficulties in securing and retaining sufficient labor.¹⁶

The demand for labor during the first years of U.S. occupation and the inability to recruit sufficient Filipino workers, particularly those with skills, led foreign business interests to call for congressional legislation to relax the laws excluding Chinese from the Philippines. A Chinese presence in the archipelago predated Euro-

15. The population of the archipelago was estimated at nearly 7,000,000 in 1899. Larkin, *Sugar*, 54–60; Aguilar, *Clash of Spirits*, 126–155; Corpuz, *The Colonial Iron Horse*, 132; Robert Reed, *City of Pines: The Origins of Baguio as a Colonial Hill Station and Regional Capital* (Baguio City, 1999), 78; Lyman Kennon, “Report of Officer in Charge of Construction of Benguet Road,” in *Sixth Annual Report of the Philippine Commission 1905* (Washington, D.C., 1906), Part 3, p. 360

16. Aleshire to William H. Taft, Nov. 4, 1902, in *Eighth Annual Report*, 969; Capt. Archibald Butt to Taft, Oct. 24, 1902, in *ibid.*, 980; Kennon, “Report of Officer in Charge,” 360; Rosenberg, “Filipinos as Workmen,” 1023. The quarries at Mariveles were located in a sparsely settled part of the country about thirty miles by steamer from Manila.

pean settlement, but the community had expanded rapidly after Spanish occupation. The expectations of a mercantile elite created a need for all sorts of services that the colonists were either unwilling or unable to provide for themselves and also stimulated a demand for goods that were uneconomical to import, given the restrictions imposed by the galleon trade. As early as 1879, a Spanish commentator was complaining that the Chinese had monopolized all the retail commerce of Manila and could “at will leave the city without food, light, or clothing.” Most stevedores on Manila’s dockside were also Chinese, as were the skilled laborers in the Cavite naval station. In both cases, Chinese were credited with the ability either to outperform Filipinos or to provide skills unavailable among the indigenous work force and so were able to command higher wages. Chinese already in the islands even benefited from the exclusion laws, demanding higher prices and better conditions for themselves. However, U.S. officials blamed their frequent use of opium for making them less tractable and more troublesome than Filipinos. Such reports, whether true or not, continued to influence labor recruitment, and 500 to 1,000 of the Chinese initially hired for work on the Benguet Road after 1903 were soon “got rid of” as too “difficult to manage.” One report noted that while a Chinese worked “like a slave” on a piecework basis, he made only an indifferent worker when engaged on a day basis.¹⁷

Under the new commercialism promoted by the U.S. regime, employers soon began to make interethnic comparisons between groups of workers on the basis of their productivity. Chinese, with their demands for higher rates of pay, increasingly appeared less competitive than Filipinos. On the docksides of Manila and in the naval station at Cavite, the loading and unloading of coal were initially handled almost exclusively by Chinese stevedores, who were considered the only workers capable of meeting the physically de-

17. Rosenberg, “Filipinos as Workmen,” 1026–1027; “Labor and Wages/Causes of Scarcity of Laborers/The Filipino as a Laborer/Wage Tables, Census of the Philippine Islands, 1903, Part 4, Labor Conditions in the Philippine Islands,” hereafter cited as “Labor and Wages Tables,” in *Eighth Annual Report*, 995, 998; William Schurz, *The Manila Galleon* (New York, 1939); Clark, “Labor Conditions,” 860, 862; Lt. Comm. Gustave Kaemmerling to the Commandant, Cavite, Dec. 3, 1903, “Labor Conditions in the Philippine Islands,” in *Eighth Annual Report*, 992; Statement of the Hon. William H. Taft, Secretary of War to the Committee of Ways and Means, House of Representatives, Washington, D.C., Jan. 28, 1905, in *ibid.*, 1008. On the Chinese in the Spanish Philippines, see Edgar Wickberg, *Chinese in Philippine Life, 1850–1898* (New Haven, Conn., 1965).

manding nature of this heavy work. Consequently, they commanded a comparatively high rate of pay: 75¢ a day with double rate for extra time, night work, and Sundays. Some complained, however, that it was impossible to make Chinese laborers work for longer than an hour without taking a fifteen-minute smoke break and that their “lunch-hour” extended between noon and 2 p.m. Filipinos progressively began to replace Chinese stevedores after July 1, 1901; they worked for between 40¢ and 50¢ a day and took only a one-hour break. While initially handling only a small proportion of coal, Filipino workers proved so satisfactory that they began to account for over half of such lading operations by October and for practically all by December. They also proved themselves considerably cheaper than their Chinese equivalents on a cost-per-ton basis.¹⁸ “It is my experience,” wrote Capt. F. H. Grant, assistant in charge of the Army Transport Service in October 1902, “that Filipino labor is much more satisfactory in every way than Chinese labor; it is not so expensive, and we can accomplish more in a day with natives than can be accomplished in the same time with an equal number of Chinese.”¹⁹

This experience was repeated elsewhere during the first few years of U.S. occupation, as Filipinos increasingly replaced Chinese or were apprenticed to learn those skills, exacerbating an already difficult labor situation. At times, competition between the two groups of workers flared into open antagonism. Fights broke out, with individuals laying about them with whatever weapons came to hand.²⁰ Filipinos were also observed not to work well under Chinese bosses and not to take readily to their method of doing things. Whether competition over employment contributed to these latent antagonisms or actually caused such emotions is difficult to discern, although anti-Chinese sentiment and assaults upon their persons had increased in the late nineteenth-century society in the archi-

18. The cost of loading and unloading a vessel using Filipino labor varied from 28¢ to 48¢ per ton in 1903, the differences mainly reflecting the frequent rough weather in the bay and the delay caused to lighters.

19. Aleshire to Taft, Nov. 4, 1902, and Adam Neder to Aleshire, Oct. 23, 1902, in *Eighth Annual Report*, 971, 977, 976; Rosenberg, “Filipinos as Workmen,” 1023–1024; Grant to Aleshire, Oct. 24, 1902, in *Eighth Annual Report*, 974.

20. J. Beardsley, “Labor Conditions in the Philippine Islands, Engineering News, November 23, 1905,” in *Eighth Annual Report*, 1019–1020; Capt. A. R. Couden to Commander in Chief U.S. Asiatic Fleet, Cavite, Dec. 12, 1903, in *ibid.*, 986; Capt. H. W. French to Aleshire, Oct. 28, 1902, Labor Conditions in the Philippine Islands, in *ibid.*, 975.

pelago. At any rate, organized labor in the Philippines vigorously opposed Chinese migration amid strong popular support for the continuation of the exclusion laws.²¹

The most urgent demand for Chinese labor came from the larger U.S. and European industrial employers, especially shipbuilders. The general arguments for relaxing the exclusion laws included several factors: the need for skilled labor to maintain existing industries and to enable others to start up in face of stiff competition from the Chinese mainland; a demand for unskilled labor for employment on large infrastructural projects such as road making, mining, and even agriculture in the sparsely habited regions; and the importance of providing an impetus to make Filipinos more inclined to work. To support these claims, Clark observed that China manufactured hemp into rope at less than half the labor costs in the Philippines; a shipwright in Hong Kong received less than one-third the amount the equivalent worker received in Manila. The newly formed American Chamber of Commerce in Manila, therefore, vigorously petitioned Congress to allow the entry of skilled Chinese labor. Their residence in the islands, however, was only to be temporary. One employer told Edward Rosenberg, an American union official whose account of labor conditions is one of the more important contemporary sources: "We want more Chinese to keep them here for one or two years, then ship them back and get another lot, for the Chinese I have here now are becoming too independent and want more pay."²²

A comparison of the number of Chinese arrivals and departures

21. Bankoff, *Crime, Society and the State*, 45. Japanese workers were also recruited but never in sufficient numbers to affect the labor market significantly. "Labor Question, Report of the Philippine Commission, 1903, Part I, Labor Conditions in the Philippine Islands," *Eighth Annual Report*, 967, 987. Chinese were generally regarded as skilled labor and so able to command rates of pay of up to one dollar (U.S.) a day. Statement of the Hon. William H. Taft, Secretary of War to the Committee on the Philippines, United States Senate, Washington, D.C., Feb. 5, 1905, in *Eighth Annual Report*, 1003. Opposition to Chinese migration was strongly shared by labor in the United States. Rosenberg, "Filipinos as Workmen," 1021, 1027.

22. Clark, "Labor Conditions," 863; Frank Golay, *Face of Empire: United States-Philippine Relations, 1898-1946* (Quezon City, 1997), 89; Rosenberg, "Filipinos as Workmen," 1022. Edward Rosenberg was editor of the *San Francisco Clarion* and a veteran labor leader of stevedores and teamsters on the Pacific waterfront; he was sent as a special commissioner of the American Federation of Labor to investigate labor conditions in the Philippines.

tures in the Philippines between the last years of Spanish rule and the first years of the American regime reveals much about the effectiveness of the exclusion laws. An annual gain of between 5,000 to 8,500 persons between 1889 and 1893 fell by half between 1899 and 1903 and even turned into a net deficit of some 600 to 800 individuals in 1900 and 1903. Members of the First Philippine Commission, as well as U.S. military authorities, were unequivocal in their support of the exclusion laws and adopted a policy of employing Filipino labor wherever practicable. While they recognized that unrestricted Chinese migration might well result in the more rapid commercial and industrial development of the islands, such an advance could only be “at the expense of the Filipino people.”²³

Some compared the situation in the Philippines with British policy in the Straits Settlements, where there were “now more Chinamen than Malays” and where Malays had been “relegated to an inferior and altogether negligible condition.” Certainly, Governor William Howard Taft felt strongly about the subject, addressing the Union Reading College in Manila on December 17, 1903, that he was “emphatically opposed to the general policy of admitting the Chinese.” Instead, the United States aimed to instruct the Filipino workingman in “the dignity and importance attaching to labor under a free government” and cultivate in him an appreciation of his independence so that “he shall know that his labor is not a badge of peonage and slavery.” Great things could then be expected of him, although the transition to a condition “where the only motive is gain must necessarily be attended with difficulty.”²⁴

The working man

Although the labor market during the Spanish colonial period may have been limited and mainly restricted to urban areas, an incipient union movement emerged in the second half of the nineteenth century.²⁵ These unions had a more syncretic purpose than the specifically economic organizations that Americans thought

23. Clark, “Labor Conditions,” 859; “Labor Question,” 968.

24. Statement of the Hon. William H. Taft, Secretary of War to the Committee of Ways and Means, House of Representatives, Washington, D.C., Jan. 28, 1905 in *Eighth Annual Report*, 1004–1006; “Labor and Wages Tables,” 998; “Labor Question,” 969.

25. With some important exceptions, the early history of labor in the Philippines has been treated somewhat cursorily as a prelude to more significant events that took place later. See Kenneth Kurihara, *Labor in the Philippine Economy* (Stanford, Calif., 1945);

they should be. A mutual aid and benefit association had existed among workers at the arsenal and shipyard at Cavite from at least 1851; the first recorded strike occurred there in 1872, when over 1,000 workers failed to report for duty. Worker associations known as *gremios* existed by the late nineteenth century, taking the form of mutual assistance organizations based around craftsmen belonging to a particular shop or neighborhood. At least four date back to 1870, the *gremios* respectively of the *Obreros de Sampaloc* (Workers of Sampaloc), the *Escultores del Barrio de Santa Cruz* (Carvers of Barrio Santa Cruz), the *Carpinteros* (Carpenters), and that of the *Impresores* or *Litógrafos* (Typesetters). Although they sometimes resorted to collective action on behalf of their members (printers went on strike against the management of a German-owned firm over maltreatment of one of their fellows in 1893 or 1894), these associations resembled urban *cofradías*, which were mainly known for their organization of religious celebrations and mutual benefit programs. Nevertheless, their activities alarmed the Spanish colonial ministry, which banned them under article 543 of the Penal Code introduced in 1887.²⁶

The first attempts at organizing a trade union movement, however, occurred under U.S. aegis and culminated in the creation of the *Unión Obrera Democrática* (UOD) in February 1902. The tremendous depreciation of the Philippine silver currency meant that increases in real wages, uneven in the first place, were much less than popularly assumed, representing no real gain for some occupations and an actual decrease in living standards for others. The many

Renze Hoeksema, "Communism in the Philippines: Historical and Analytical Study of Communism and the Communist Party in the Philippines and Its Relation to Communist Movements Abroad" (Ph.D. dissertation, Harvard University, 1956); John Carroll, "Philippine Labour Unions," *Philippine Studies*, 9 (1961), 220–254; Jose Ma. Sison, *The Struggle For National Democracy* (Quezon City, 1967); and Elias Ramos, *Philippine Labor Movement in Transition* (Quezon City, 1976). More detailed analyses based on primary sources can be found: for unionism, in Rosario Torres-Yu, "Workers Progressive Response to Underdevelopment and Authoritarianism" (Ph.D. dissertation, University of the Philippines, 1987); Melinda Kerkvliet, *Manila Workers' Union 1900–1950* (Quezon City, 1992); and William Henry Scott, *The Union Obrera Democratica: First Filipino Labor Union* (Quezon City, 1992); for the sugar industry, in Alfred McCoy, "A Queen Dies Slowly: The Rise and Decline of Iloilo City," in Alfred McCoy and Edilberto de Jesus, eds., *Philippine Social History: Global Trade and Local Transformations* (Quezon City, 1982), 297–358; Larkin, *Sugar*; Aguilar, *Clash of Spirits*.

26. Ildefonso Runes, "Toward a Militant Trade Unionism," *Philippine Journal of Industrial Relations*, 5 (1983), 65–76; Carroll, "Philippine Labour Unions," 226; Scott, *Unión Obrera Democratica*, 6–9, 71–72; Ramos, *Philippine Labor Movement*, 15.

ensuing strikes involving thousands of workers were partly for higher wages and better conditions but also for political reasons. When he visited the islands in 1903, Clark estimated that there were at least 20,000 unionized workers in Manila organized into 150 federated unions. Moreover, the evident display of worker coordination, whereby one strike would begin only after another had been settled, indicated an integrated strategy. The intensification of strikes following the dissolution of the UOD and its successor, the *Unión Obrera Democrática de Filipinas* (UODF), also suggests that unions functioned as meaningful expressions of organized labor. As Rosenberg noted, in such an atmosphere of revolutionary promise and high colonial blandishments, “is it any wonder the working people are not satisfied with conditions of labor which existed under Spanish rule and insist on better wages and better treatment.” The first annual report of the newly created Bureau of Labor acknowledged as much, explaining the greater frequency of strike actions as the “consequence of the unity and solidarity of ideals and sentiments which now reign among the workingmen.”²⁷

But the roots of union militancy revealed more than simply economic factors. The leadership of the union movement, men like Isabelo de los Reyes and Domindor Gómez, represented the Manila-based urban literati who were deeply involved in non-military confrontation with the new colonial administration. They articulated their opposition through labor organizing as well as religious nationalism, seditious theater, and radical journalism. The Americans certainly explained the rise in union activity as largely inspired by the *ilustrado* (educated elite). They blamed a “coterie of non-workingmen” who used imported labor ideals as a political rallying cry to arouse “an artificial” interest among workers. The latter joined unions because they were “accustomed to obey their leaders, not because they comprehend or sympathize with [their] purpose.” While union activity was at least partly politically inspired, it was also quite definitely a labor movement organized by working men such as Herminigildo Cruz, secretary of the UOD, and Crisanto Evangelista (who later founded the *Congreso Obrero de Filipinas*), both of

27. *First Annual Report of the Bureau of Labor; Fiscal Year 1910* (Manila, 1911), 7, 23–32; Scott, *The Union Obrera Democratica*, 35–41; Clark, “Labor Conditions,” 844; Rosenberg, “Filipinos as Workmen,” 1024.

whom were influenced by the writings of Mikhail Bakunin and Karl Marx.²⁸

This early unionism also defies easy definition because of its links to the American Federation of Labor (AFL). Edward Rosenberg had been sent to the Philippines as a special commissioner of the AFL. Following the arrest of Gómez and the declared bankruptcy of the UODF on May 29, 1903, Rosenberg immediately offered his services to reorganize the union movement along American lines and began publishing manifestos in both Spanish and Tagalog. The constitution for a new union, the *Unión del Trabajo de Filipinas* (UTF), was drawn up and approved by Governor Taft on September 29, 1903. Although Rosenberg's proposed statutes restricted union activity solely to matters of wages and working conditions, he still appealed to notions of working-class solidarity, calling for all union officers to be laborers. The membership subsequently rejected his proposals, but the influence of the labor turmoil taking place in the United States had an effect. An account of union activity in Manila, filed by a correspondent of the American Socialist Labor Party's *Daily People* on May 28, 1902, noted that recent big strikes in America had been "described voluminously" and that they were having "a great influence on the credulous workmen." Clark also recounted an example of woodcarvers who unsuccessfully struck for equal wages when apprised of what equivalent workers were paid in the United States.²⁹

U.S. colonial policy promoted this form of unionism so long as it confined itself to matters of wages and working conditions and did not meddle in political activities. Such activity was considered a sign

28. Ruby Paredes, "The Origins of National Politics: Taft and the Partido Federal," in Ruby Paredes, ed., *Philippine Colonial Democracy* (New Haven, Conn., 1988), 41–69; Michael Cullinane, "Playing the Game: The Rise of Sergio Osmeña, 1898–1907," in Paredes, ed., *Philippine Colonial Democracy*, 70–113; Clark, "Labor Conditions," 849; Vivencio Jose, "Si Cristiano Evangelista at ang Radikalisasyon ng Kilusang Manggagawa," *Philippine Journal of Industrial Relations*, 5 (1983), 77–82; Rene Ofreneo, "Isabelo de los Reyes and the Organized Labor Movement," *Philippine Journal of Labor and Industrial Relations*, 18 (1998), 98, 103; Michael Cullinane, *Ilustrado Politics: Filipino Elite Responses to American Rule, 1898–1908* (Quezon City, 2003).

29. Carroll, "Philippine Labour Unions," 226; Scott, *The Union Obrera Democratica*, 71–72. In advocating such policies, Rosenberg was only drawing on the principles that had come to be accepted in American unionism by that time. See Christopher Tomlins, *The State and the Unions: Labor Relations, Law, and the Organized Labor Movement in America, 1880/1960* (Cambridge, U.K., 1985), 74–75; Clark, "Labor Conditions," 818.

of growing maturity and a means by which working men and women could improve the wages paid them and the conditions under which they toiled. It was simply another “phase of democracy.” “You may rest assured,” commented Taft about the proposed constitution of the UTF, “that as long as you pursue the legal object of your society, . . . the Commission, the civil governor, and the entire government will stand at your side to protect your rights.”³⁰

Creating wants

Rhetoric promoting the independence and self-reliance of ordinary men and women may seem somewhat incongruous sentiments, let alone policy, for the colonial regime of a state not noted for its radicalism and newly embarked on an imperial venture far from its shores. Yet the turn of the century was also an age of reform in the United States. Many recognized that maintaining social harmony and the outward forms of a republican polity required curtailing the worst abuses of industrial practice and upholding the basic rights of workers, if only to ensure further economic growth. Above all, the Progressive Era manifested an attempt to come to terms with the problems of a rapidly industrializing society by stretching the existing institutional framework to accommodate change. As such, it was an age rife with such apparent incongruities as a paternalistic state using the cloak of democratic oratory and the powers of the judiciary to control labor’s growing industrial and social might and yet incorporating unions within the political process.³¹ It was also an era of industrial violence in which the AFL emerged as the preeminent voice of American workers, dwarfing other organizations and claiming for itself the right to define union behavior.³²

At once contributing to this labor turmoil and responding to it,

30. Clark, “Labor Conditions,” 846–847, 849.

31. Tomlins, *The State and the Unions*, 60–95. See also Gabriel Kolko, *The Triumph of Conservatism; A Reinterpretation of American History, 1900–1916* (New York, 1964), 301–305; Bruno Ramirez, *When Workers Fight: The Politics of Industrial Relations in the Progressive Era, 1898–1916* (Westport, Conn., 1978); Richard McCormick, *The Party Period and Public Policy: American Politics from the Age of Jackson to the Progressive Era* (New York, 1986), 263–288; and Melvyn Dubofsky, *The State and Labor in Modern America* (Chapel Hill, N.C., 1994), 37–60.

32. David Montgomery, *The Fall of the House of Labor: The Workplace, the State, and American Labor Activism, 1865–1925* (Cambridge, U.K., 1987), 5–6.

U.S. employers embraced the principles of systematic management, including the ideas of “scientific management” advocated by Frederick Winslow Taylor. Workplaces were reorganized, workers timed, their productivity measured, and their capacities compared; the arbitrary personal authority of the foreman was replaced by a hierarchical management structure. While government, employers, and even unions held collective bargaining to be the means through which differences could be resolved and common interests pursued, many workers often discovered a sharp contradiction between the two in practice. As the “labor problem” rapidly became a leading national issue of the Progressive Era, the state sought to defuse the situation and reconcile labor and capital by recourse first to legislation and, when that failed, to armed intervention.³³

In the Philippines, the Americans faced a different situation from the one at home. First, rather than there being an absolute shortage of labor, Filipinos simply did not see the necessity of working for wages; second, unions in the Philippines were as much political and social organizations as they were economic ones. Filipinos, however, could not be held altogether responsible for this “deplorable” state of affairs. The mantle of over 300 years of benighted Spanish “repression,” particularly the enforced labor of its population and the “restrictions” on commercial activity, had stifled any hope of upward social mobility and reinforced the notion that manual labor was both degrading and unrewarding. Many U.S. employers also blamed the Filipinos’ unfamiliarity with commercial labor practices on “the lack of any sustained interest in massive exploitation of the indigenous . . . populations as a labor force” under Spanish colonialism. Americans were also not fully aware of the extent and function of indigenous extrafamilial notions of work; even Victor Clark was “unable to learn of any associations of Filipino

33. On the system of scientific management and the influence of Frederick Winslow Taylor, see Daniel Nelson, *Managers and Workers: Origins of the New Factory System in the United States 1880–1920* (Madison, Wisc., 1975), 55–78; David Montgomery, “To Study the People: The American Working Class,” *Labor History*, 21 (1980), 489; Montgomery, *The Fall of the House of Labor*, 485–512; Ramirez, *When Workers Fight*, 4–5; Tomlins, *The State and the Unions*, 68–82; Graham Adams, *Age of Industrial Violence 1910–15: Social Conflict in America on the Eve of the First World War, as Revealed by the United States Commission on Industrial Relations* (New York, 1966), 146–175, 216. Mass-production industry, however, was moving more toward Fordist production regimes, and there was considerable managerial and industrial diversity, especially among smaller enterprises.

working people for mutual benefit or self-help of sufficient importance to justify extended mention.”³⁴

Americans differed about the qualities of indigenous labor and the policies that should be pursued. The “official” policy favored by the administration and most colonial bureaucrats espoused the idea of “the Philippines for the Filipinos,” as opposed to the purely commercial exploitation of the archipelago’s resources by Americans and Europeans; it even discouraged the settlement of white people in the islands. On the other hand, the commercial party, composed of the majority of white residents who did not hold official positions or have direct relations to government agencies as well as a large number of “disappointed adventurers,” regarded a regime of unconstrained industrial development as the best thing for the country and its peoples. They believed that this approach would further the rapid extension of “civilization” to even the most remote parts of the islands. While these two groups differed in policy, they agreed on two basic ideas about Filipinos: that at present they made poor workers and that the means for their improvement involved paying them market wages. It is no coincidence that Victor Clark concluded his 180-page report on labor with the homily that: “Teaching the laborer how to work and securing him the largest possible return for his labor constitute our most immediate and possibly our highest mission in the Philippines.”³⁵

Americans inherited their unfavorable views of Filipinos as workers from Spanish times when Filipino “indolence and carelessness” and complete disregard for “detail and attention” had been noted in the fields of the Tobacco Monopoly. They were held by Americans to be slow, shiftless, and often absent, to lack initiative and require direction, to be without discipline, persistence, or a sense of responsibility, like “capricious schoolboys.” Moreover, Filipinos could seldom be induced to spend long periods working away from home without compulsion, as their “whole life interest is local and embodied from childhood in habitual personal intercourse with a small group of people.” They were like “cats,” declared Governor Taft, who could “not be kept away from home.” The Americans first tried compulsion and then attraction. The first proved in-

34. “Labor and Wages Tables,” 996; Benedict Anderson, “Cacique Democracy in the Philippines,” in Benedict Anderson, *The Spectre of Comparisons: Nationalism, Southeast Asia, and the World* (London, 1998), 194; Clark, “Labor Conditions,” 850.

35. Clark, “Labor Conditions,” 899.

effective and the latter time-consuming, often requiring the construction of entire villages replete with theaters, saloons, and even cockpits. The solution, however, was as simple as it was obvious: to create want. The man without wants was the enemy of civilization. On the one hand, the average Filipino seemed to have a “natural aversion” to all kinds of regular or sustained work, which was further accentuated by the tropical climate and productivity of the soil that so easily satisfied “his simple wants.” On the other hand, there was a scarcity of hireable “manpower” on the labor market. The former circumstance obviously exacerbated the latter. Only when wants had been awakened would the Filipino become accustomed to labor for their satisfaction. “High wages rather than low wages are calculated to stimulate industry. . . . A man with money in his pocket sooner or later acquires the habit of spending, and this is a habit that grows with practice.”³⁶ To uplift the worker and make of him a conscientious and hardworking employee, mobile and willing to go where he was needed, simply required a little time, training, and adequate compensation for his labors.

As a first step, the U.S. administration replaced the payment of workers on a daily basis by the staged introduction of weekly, fortnightly, and then monthly wage packets from mid-1901, a change apparently achieved without “much complaint or comment.” Dispensing with the practice of patrons and gangs, however, was harder. On two occasions, Capt. Archibald Butt, U.S. Army Quartermaster, experienced a complete work stoppage in the Land Transport Department after he had discharged the patrons and stationed guards to prevent them from receiving workers’ pay. Patrons responded to such attempts by withholding their services and obstructing the hiring of workers. Over time and with persistence, however, greater success followed: Laborers gradually realized that their interests and those of their patrons diverged. U.S. government employers kept patrons away from the premises while telling workers that they had no need to share their wages and would always be able to find employment when they sought it. Foremen found engaging in exploitative practices were promptly fired and the grounds for their dismissal made known to all concerned. A white foreman discovered committing similar practices was discharged,

36. *Ibid.*, 759, 798, 799, 816, 870, 882, 883; Kennon, “Report of Officer in Charge,” 374–378.

arrested, prosecuted, and sentenced to six months in Bilibid Prison. Care, too, was taken to ensure that workers not be abused or mistreated. Bosses and foremen had habitually struck men who showed insolence or did not obey promptly. Now anyone found guilty of striking an employee faced immediate discharge, and the regulation's strict enforcement was credited with inducing a marked change in attitudes toward work and overtime.³⁷

In Manila, workers appeared to respond well to the new situation; by 1902 most enterprises in the city no longer had problems in securing sufficient labor. Captain Butt reported considerable progress. Receiving regular wages, enjoying steady employment, and not paying anyone for the privilege of working had the "effects on the laboring classes throughout the city in getting away from the clutches of padrones and others who have been robbing the laborer of his earnings."³⁸ So successful were these policies that private business concerns began to poach skilled workers trained by the military authorities with offers of higher pay. Butt encountered the problem in his trimming shop, losing Filipino staff trained to do upholstery, sewing, stuffing, and cutting to new carriage factories opening in the capital. However, in keeping with the aims of U.S. policy, he did not consider this "a discouraging sign," but, "if any indication at all, it should be to the contrary."³⁹

Several large-scale military and private enterprises that required sizable work forces were established during the first years of U.S. occupation. The port authority in Manila employed over 1,500 Filipinos as stevedores, sailors, firemen, engineers, and boatswains, while the naval yards at Cavite engaged "large numbers" of unskilled and skilled workers, ranging from mechanics, boat builders, machinists, boilermakers, sail-makers, flag-makers, ship-fitters, riveters, and blacksmiths to writers, copyists, and minor clerks. The Office of Land Transportation had nearly 1,000 men on its payroll as casual laborers, teamsters, packers, farriers, wheelwrights, and the like. The city of Manila hired more than 1,700 municipal employees, and the Benguet Road project had a work force of over 2,500 after

37. Aleshire to Taft, Nov. 4, 1902, Butt to Taft, Oct. 24, 1902, and Butt to Chief Quartermaster, Manila, June 30, 1901, all in *Eighth Annual Report*, 971, 980, 981; Beardsley, "Labor Conditions," 1020.

38. Butt to Chief Quartermaster, June 30, 1901, in *Eighth Annual Report*, 982–983.

39. Kaemmerling to the Commandant, Dec. 3, 1903, in *ibid.*, 992; Butt to Chief Quartermaster, June 30, 1901, in *ibid.*, 982–983.

1903. Other large government employers included the Philippine Constabulary, the successor to the *Guardia Civil*, and the Bureau of Education, which employed an increasing number of indigenous teachers to staff their expanding school system. Outside of government, the Atlantic, Gulf and Pacific Company had from 500 to 1,000 men at work on port improvements at Manila and in the quarries at Mariveles. Other private sector ventures included the street railway company providing an electric tram system for the capital; coal mining on Cebu; the British-owned Manila and Dagupan Railway, which had been constructed largely with Filipino labor; and the Tondo and Malabon Cotton Mill in Manila, which employed over 200 workers producing coarse white shirting.⁴⁰

All these employers began to record generally positive experiences with indigenous labor and were optimistic about the potential to train Filipino workers, although as Herman Krushi, vice-president of the Atlantic, Gulf and Pacific Company, noted in a letter to Governor Taft in 1903: “to successfully employ Filipino labor is, to the American employer of labor, a new business, which has to be learned.” U.S. employers began to praise Filipinos for their hard work, efficiency, and low absenteeism. Some noted, of course, Filipinos’ lack of modern industrial skills, especially their illiteracy and unfamiliarity with the English language, but offered praise for their ability to accept rapid change and radical reorganization of the workplace.⁴¹ Some also mentioned a tendency that, as soon as Filipinos acquired any education, they “at once shrink from mechanical trades, each desiring to be an ‘escribiente’ (writer)” an attribute blamed on the Spanish. Employers also showed surprise that, despite their slight physique, Filipinos displayed “considerable ingenuity in handling heavy packages” that made them perfectly able to load and unload heavier bulk merchandise such as coal. Moreover, they were credited with learning quickly and upskilling themselves

40. Forbes, *The Philippine Islands*, 205–206. For a survey of turn-of-the-century industry and employment in Manila, see Daniel Doepfers, *Manila, 1900–1941: Social Change in a Late Colonial Metropolis* (New Haven, Conn., 1984), 16–25.

41. H. Krushi to Taft, “Labor Conditions in the Philippine Islands,” July 2, 1903, Aleshire to Taft, Nov. 4, 1902, Butt to Chief Quartermaster, June 30, 1901, Comdr. J. F. Parker to Commandant, Cavite, “Labor Conditions in the Philippine Islands,” Dec. 7, 1903, all in *Eighth Annual Report*, 986, 972–973, 983, 990. Not all reports were quite so flattering, especially over the question of the lack of regular attendance by employees that was attributed to character disposition, prevalence of sickness, and the frequency of holidays. See Kaemmerling to the Commandant, Dec. 3, 1903, in *ibid.*, 992.

rapidly. Captain Butt revised his former opinion that Filipinos could not acquire the necessary dexterity and strength to become teamsters and reported that he had successfully “broke[n] in a number of natives to drive the coal and sanitary carts.” He even found them to be more “cautious and diligent” than their American compeers who drove more recklessly. In some professions, Filipinos’ expertise soon began to surpass workers of other ethnicities, with their ability to work with leather and wood being particularly appreciated. In general, observers noted that the Filipino had developed “from what might be termed a shiftless laborer to a constant worker.”⁴²

Wages for laborers also rose significantly, by all accounts doubling or even tripling between 1894 and 1903. While Butt might argue that wages, although higher than under the Spanish regime, were still “very low,” others were not convinced. Maj.-Gen. George W. Davis complained vehemently in November 1902 that the U.S. military policy of fixing wages in U.S. currency, rather than allowing the market to regulate pay in Philippine or Mexican pesos, “was about as bad as can be” and had resulted in the cost of labor rising two or threefold. Such a situation, he contended, was unsustainable in the long run for those “without a national treasury behind.” Davis’s claims seem to be borne out by the data wherever direct comparisons can be made, albeit these are only for Manila between 1898 and 1902 and in subsequent years. More telling than the actual increase in wages is their comparison to the cost of basic food staples. Rosenberg cited a Filipino chief engineer as complaining about “the very much increased cost of living” and “the present high prices for rice and other necessaries of life.”⁴³ However, an *arroba* of rice appears to have risen only by slightly less than 17 percent, from three to three and a half pesos, over the same period in Manila. The cost of food for an average working family of five in Manila was estimated at between 33¢ and 49¢ a day, or over \$100 a year for food

42. Aleshire to Taft, Nov. 4, 1902, Kaemmerling to the Commandant, Dec. 3, 1903, French to Aleshire, Oct. 28, 1902, and Butt to Taft, Oct. 24, 1902, all in *ibid.*, 971, 975, 978–980, 991.

43. Clark, “Labor Conditions,” 754. Victor Clark also provided an appendix that compares wages prior to 1898 with those in 1902 by profession and by area. *Ibid.*, 900–905. Butt to Chief Quartermaster, June 30, 1901, in *Eighth Annual Report*, 983; Maj.-Gen. Geo[rge] W. Davis to His Excellency the Governor, Nov. 5, 1902, in *ibid.*, 985; “Labor and Wages Tables,” 1000–1001; *First Annual Report of the Bureau of Labor*, 41 ff.; Rosenberg, “Filipinos as Workmen,” 1024.

and rent. There was evidently little money to spare on an average wage of about 40¢ a day, but neither was it a starvation wage.⁴⁴

Governor Taft believed it necessary to inspire in young people not only a sense of the dignity of labor—that the man who earned his living by his hands was the social equal to the professional man—but also that manual labor was the best “means of advancing in the world.” The higher wages paid by government agencies became the means to ensure that workers received a proper return for their labor and were inspired to strive harder to improve themselves and, in the process, develop the country. Unfortunately, what might have worked in Manila simply did not apply to the rest of the country. The idea that increasing the reward for labor improves productivity presupposes a monetary economy. This belief simply did not reflect the realities of life for most people in the archipelago, where subsistence farming was still the norm and coinage was in only limited circulation. Continuing hostilities in the provinces further complicated the situation. While some recognized that conditions beyond Manila were less favorable, the circumstances connected with labor issues on the Benguet Road were mentioned more than once. Taft and his colonial bureaucrats were misled by their own cultural bias if they thought the answer to the labor shortage in rural areas was to be found in simply paying people higher wages.⁴⁵

Victor Clark was one of the few observers to realize the connection between the more widespread circulation of money and the creation of a wage labor market. “The fact needs to be repeated many times,” he wrote, “in order that its importance in connection with labor supply be appreciated—money has no value, or at least but trifling value, for a majority of the rural workers.” Why compensate people for their labor in money when they had little need for it and nothing to buy with it? In many places, such as on Mindoro,

44. Beardsley, “Labor Conditions,” 1015. However, the price of rice rose 50 percent between 1897 and 1898 and that of a pound of fish from 12¢ to 50¢ before falling again to 25¢ in 1905. “Labor and Wages Tables,” 1016. One *arroba* is the equivalent of about 11.5 kilos or 25.0 pounds. Rosenberg, “Filipinos as Workmen,” 1025.

45. Clark, “Labor Conditions,” 798, 846–847; Glenn May, *Battle for Batangas: A Philippine Province at War* (New Haven, Conn., 1991), 177, 255–256, 264–265; Beardsley, “Labor Conditions,” 1018; Butt to Taft, Oct. 24, 1902, in *Eighth Annual Report*, 981; “Labor Question,” 986; on labor conditions to do with the Benguet Road, see Greg Bankoff, “‘These Brothers of Ours’: Poblete’s Obreros and the Road to Baguio, 1903/1905,” *Journal of Social History*, 39 (forthcoming 2005).

workers preferred payment in rice and other supplies; money had little value in the absence of shops and stores. In the most extreme case, an officer in a remote post on Mindanao resorted to licensing two gambling houses in order to create artificially a constant demand for money; as a result, he “had an ample supply of excellent laborers who worked regularly without persuasion.” A worker in these circumstances limited his labor to that “absolutely needed for his support,” for he knew nothing of saving and gave no heed for the future but “lives for the day alone.” The Spanish had known this a century earlier, noting that the times when money was abundant were the worst for undertaking new business ventures in the Philippines: “for then the natives secure enough to satisfy their wants with ease, and they make no provision for the future; so they are even more indolent than at other times, as less work is required to obtain their daily food.” Worse still, raising wages as a means of encouraging people to work harder and increasing the supply of labor often had the opposite effect than the one intended: “he works fewer days in the week, because with the earning of these fewer days he can live more days in idleness.” According to Clark, the employer who did not realize that the indigenous worker did not necessarily interpret the value of labor in money terms “betrayed an ignorance of social and psychological laws as dense as that of the laborer with whom he is dealing.”⁴⁶

Conclusion

Clark’s remarks seem paternalistic and racist and are unpalatable to today’s sensitivities, but he was nevertheless articulating an important connection not fully understood by the majority of U.S. colonial administrators a century ago: There was not so much a shortage of workers in the Philippines as a lack of a monetary economy to support a labor market. While the U.S. policy of paying higher wages met with considerable success in creating such a market in Manila, its effects were far more ambiguous in rural areas where subsistence and barter still largely prevailed. Just as U.S. administrators were forced to accept that their attempts at establishing a mass-based local democracy had failed, so in 1906 the Philippine Commission reintroduced a modified version of the hated Spanish

46. Clark, “Labor Conditions,” 768, 769, 777, 864, 865, 867, 868.

corvée labor system for public works, requiring able-bodied men in rural areas to render five days of work a year on road construction and maintenance or pay the equivalent of five days' wages in cash.⁴⁷ Reversals of policy such as this belatedly recognized that the Philippines were not America and that Filipinos could not be "boomed" into an equivalent state of "civilization" overnight. Instead, it would take several generations to turn a "peon" into "a more effective producer, and its necessary converse, consumer."⁴⁸ Yet, cumulatively, the processes that were already beginning to affect society before the Americans arrived and that were undoubtedly accelerated as a consequence of their occupation were having their effects on countless ordinary Filipinos. People's life expectations began to expand beyond the confines of the *barrio* and their ethnic group to the national and even international arena. Nowhere was this more apparent than in the subsequent migration of Filipinos to work on the sugarcane plantations of Hawai'i beginning in 1906. Just how deep the notion of a further mental horizon had sunk into the psyche of ordinary people, especially the young, comes through in four complaints filed at the Bureau of Labor in 1910 by parents requesting to have their underage sons, who were working in Hawai'i without their consent, returned home.⁴⁹

In the long run, Americans were to deem their experience in the Philippines a great success, and the policies pursued there even came to serve as a "model" for subsequent ventures in Southeast Asia, most notably in Vietnam in the 1950s.⁵⁰ This indicates just how distinct the U.S. colonial regime was from the one it replaced and from those of its regional neighbors. In a sense, the Philippines was

47. *Seventh Annual Report of the Philippine Commission, 1906* (Washington, D.C., 1907) Part 2, 208. Michael Cullinane has argued that the changes initiated in municipal government in 1903 marked the end of U.S. efforts to institute local autonomy and encouraged the entrenchment of the Filipino elite at the apex of an increasingly centralized state structure. Michael Cullinane, "Implementing the 'New Order': The Structure and Supervision of Local Government during the Taft Era," in Norman G. Owen, ed., *Compadre Colonialism: Studies on the Philippines under American Rule* (Ann Arbor, Mich., 1971), 21.

48. Clark, "Labor Conditions," 778.

49. Forbes, *The Philippine Islands*, 236. On Filipinos in Hawai'i, see Rubén Alcántara, *Sakada: Filipino Adaptation in Hawaii* (Washington, D.C., 1981); Ronald Takaki, *Pau Hana: Plantation Life and Labor in Hawaii, 1835–1920* (Honolulu, 1983); and Edward D. Beechert, *Working in Hawaii: A Labor History* (Honolulu, 1985). The number of Filipinos had risen to 26,283 by 1926 and represented 70 percent of all field hands. *First Annual Report of the Bureau of Labor*, 15–16.

50. Michael Hunt, *Ideology and U.S. Foreign Policy* (New Haven, Conn., 1988).

the first truly modern state in Southeast Asia, infused by the logic of capitalism and informed by market mechanisms. Of course, at the same time, it was still very much a colonial state, erected upon the denial of a people's sovereignty and the exploitation of their resources, but it was also the precursor of things to come, of post-colonial forms of domination. The attempt to create wants by paying higher wages in order to increase the number of workers was a very novel solution to the age-old problem of lack of colonial manpower. It unquestionably distances the U.S. period from that of the Spanish. If the policies the United States chose to pursue produced a conundrum that was difficult to resolve, it was a problem for which today's economic planners would have some sympathy: Workers need to be integrated into a market economy before they voluntarily become wage laborers, yet wage laborers are required to create such a market economy. Money by itself is simply not an incentive if there is nothing to buy with it, and paying people more money under such circumstances only encourages them to work less. As the Americans saw it, the solution to wanting more workers was to make workers want more.