

Ferdinand P. F. Victoria

Mentari Intercultural
School Jakarta

Opium and the Philippine Revolution: Disruption and Adaptation in the Midst of Regime Change



Q. In the suppression of the vice, do you believe absolute prohibition, without distinction of races and with severe penalties for the violators, to be practicable?

Senor S. Gonzalez: In the extinction of an evil which is menacing us so greatly, an evil worse than cholera itself, I am of the opinion that the only efficacious remedy is ABSOLUTE PROHIBITION. It matters not that a few hundred may be killed as a result, for in return we shall overcome an evil that threatens to destroy the majority of the Filipino people. Furthermore, every habitue should be prohibited from holding any official office, for two reasons: first, he would not be able to discharge his duty properly, owing to the state of stupefaction in which opium leaves him; and, secondly, because such a prohibition would serve as an incentive for many in trying to abandon the habit and remove their shame.



Main points

- The Philippine Revolution of 1896 to 1902 triggered a series of events that would, to a certain extent, affect the course of the development of the global drug policy in the early 20th century.
- Disrupted five decades of the opium revenue farming system
- American intervention beginning in May 1898 created three rival regimes that vied for control of the opium traffic, adding to the already confusing situation for its ethnic Chinese consumers.
- The Philippine Republic also revived opium revenue farming as a way to fund its regime
- The dynamics of the opium traffic and how the rival regimes negotiated the challenges that confronted them during this chaotic situation were much more complicated.



OPIUM JOINT MAN

Questions

- To what extent did conflict affect the licit drug traffic and how effective were the strategies that regimes in conflict took to cope with this situation?
- In what ways did distributors and retailers of the licit drug traffic attempt to cope with the existing or rival regimes in the midst of the conflict?
- To what extent did regime collapse or regime change contribute to the emergence of drug control solutions?



OPIUM JOINT MAN

Scope and Sources

- Period: August 1896 to 1903
- Previous studies: Wickberg (1965), Bamero (2006), Apilado (2001), Cullinane (2015) Comparative: Cribb (1988) for Indonesia
- Primary Sources:
 - Anfion (National Archives of the Philippines)
 - Philippine Revolutionary Papers (formerly Philippine Insurgent Records)
 - John R.M. Taylor



OPIUM JOINT MAN

Opium revenue farming/ tax farming: Not about planting, but taxing

- A tax collection measure where a regime outsourced the exclusive right to private individuals or groups via auction to import, process and sell opium for smoking at retail within a designated territory for a set term.
- A monopoly



Opium revenue farming: advantages

- Regimes able to reallocate its limited human and logistical resources
- Predictable revenue stream which increased as prospective revenue farmers raised bids at auction.
- Entrepreneur (opium farmer) stood to gain profit, power, enforcement support and prestige that theoretically expanded as opium was an addictive substance.



The Spanish Opium Regime

- Began with Prohibition in 1814 but switched to Regulation in 1843/44
- Chinese-only policy
- From 5,700 in 1847, the Chinese population from Southern China surged to around 90,000 from 1876 to 1886 and by 1894, only 48 percent of the 50,000 Chinese were residing in the Manila area.
- Estimated consumers? 15% of Chinese population (between 10-13k)
- Policy review in 1864 reaffirmed the practice BUT disallowed at-home consumption
- Anfion, Opio, opiococido, opio preparado, Apiyan/Apyan(chandu)



The Spanish Opium Regime

- Estancamiento del Opio (Opium Monopoly), Contrata de Anfion (Opium Contracting or Opium Franchise), Renta de Anfion (Opium Concession) or Servicio de Arriendo de los Fumaderos de Opio (Opium-smoking Establishment Licensing Service)
- Real Asiento de Opio (Royal Opium Concession)
- Operation of Opium dens (Fumaderos de anfion): 3-year franchise
- Three types:
 - Single-bloc
 - Single province
 - Frontier or special



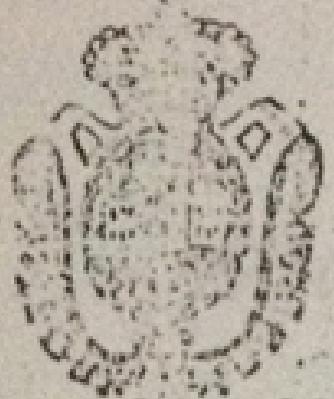
The Spanish Opium Regime

- Colony not dependent (4.4% of revenue) but kept it solvent as Spain lost her American empire. Provided predictable revenue.
- Cochinchina (22%), Singapore (70%), Siam (18.8%), NEI (18%), Burma (8.5% average)
 -



N.^o

REAL ASIENTO DE OPIO.



CERTIFICO: que el Chino Tan-Zo-co
ha comprado, para el surtido de la provincia
~~Pampanga~~, de los sumaderos de Binondo, tres
taeles de opio. Para que canste lo firmo. Manila
83 de Abril de 1868

Vale para cinco dias solamente.

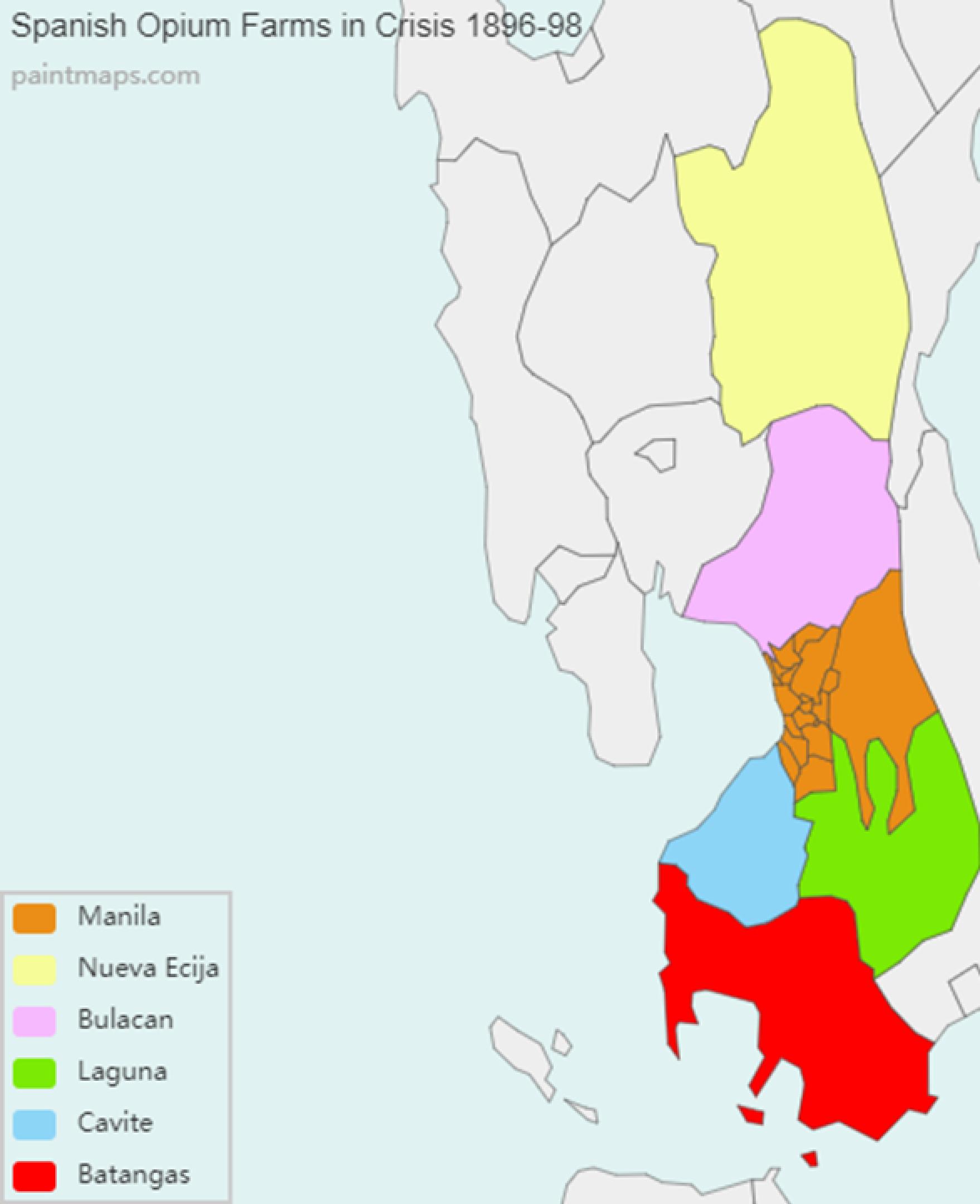
El Absentista.

Chico Belisario

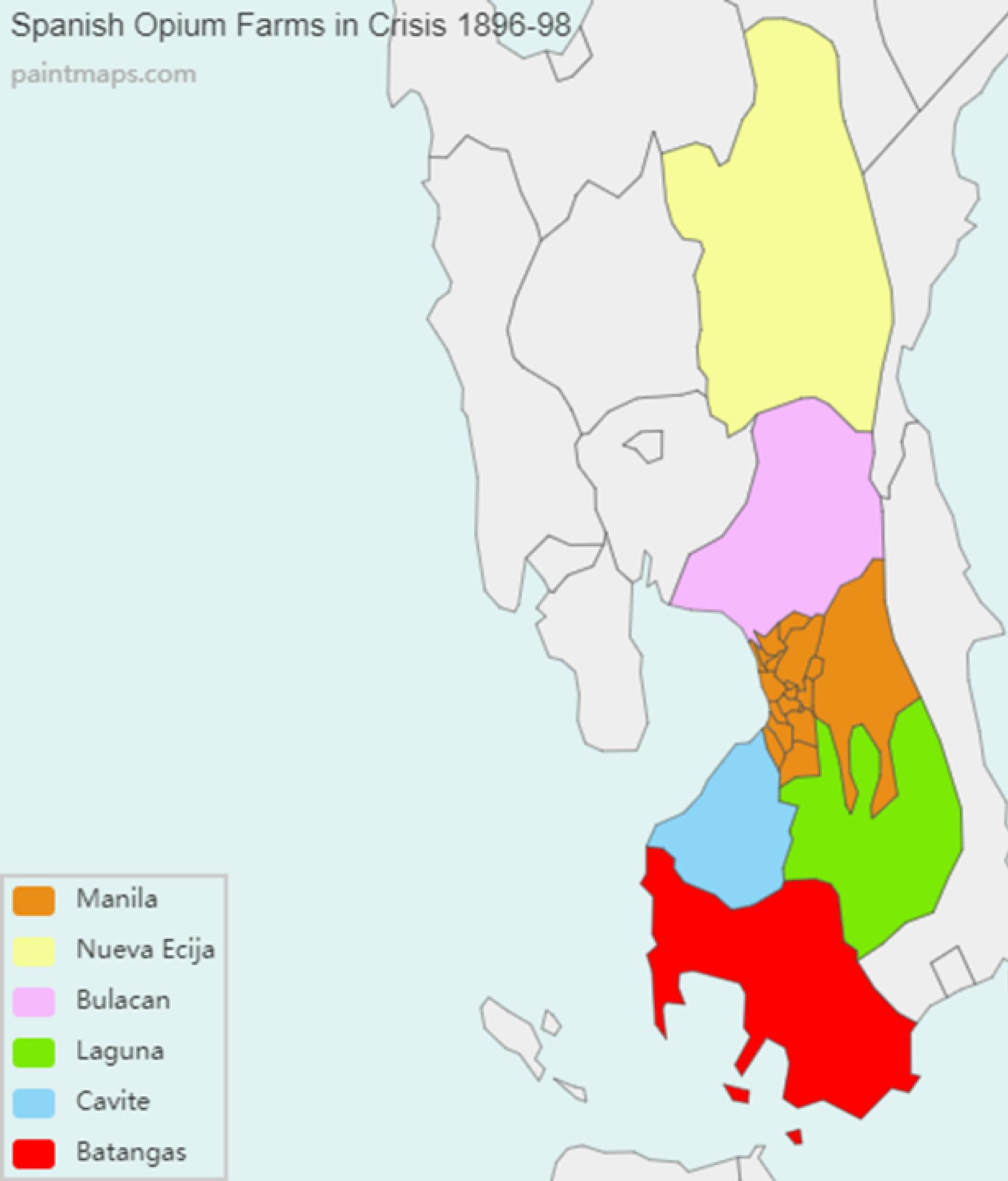


133

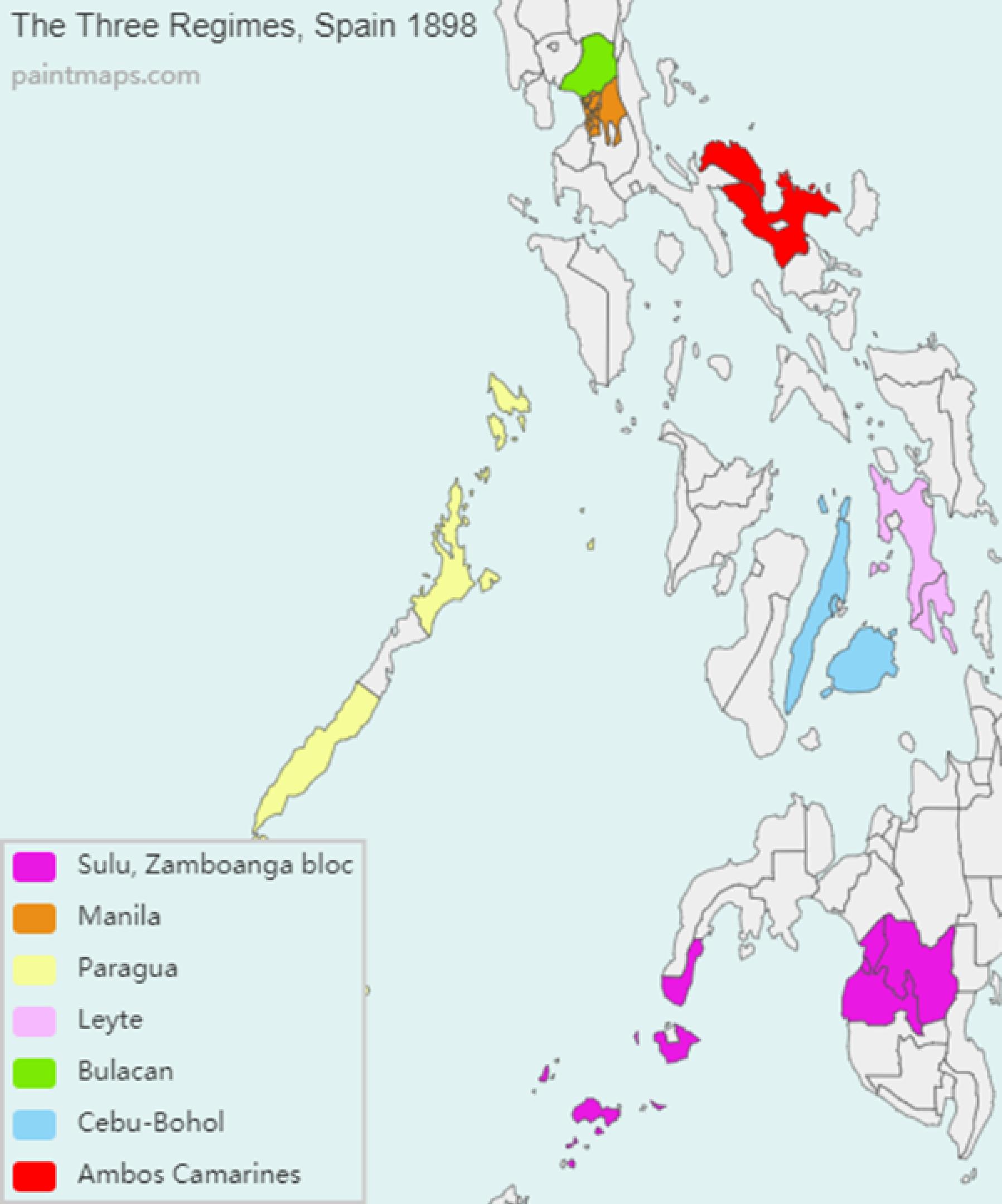
Year opened/earliest existence	Province or territory
1843	Manila (Alcaiceria de San Fernando)
1851 (single bloc)	Bataan, Batangas, Bulacan, Laguna, Pampanga Cities of Manila, Cavite and Zamboanga
1860-69	Ilocos Norte and Ilocos Sur “Islas Visayas” (Cebu, Iloilo and Antique) Nueva Ecija Basilan, Pollok (Cotabato) and Rio Grande Settlements (attached to the reformed Zamboanga franchise) Tayabas Cagayan and Isabela
1870-79	Albay, Camarines Norte and Camarines Sur Cebu and Bohol La Union Misamis, Surigao and Camiguin Samar and Leyte
1880-89	Capiz at Romblon Davao Iloilo and Antique Masbate and Ticao Mindoro Pangasinan and Zambales Paragua (Balabac, Calamianes and Puerto Princesa) Sulu Tarlac
1890-98	Abra and Lepanto Burias Iligan Marianas Islands (Guam) Negros Occidental and Negros Oriental Nueva Vizcaya



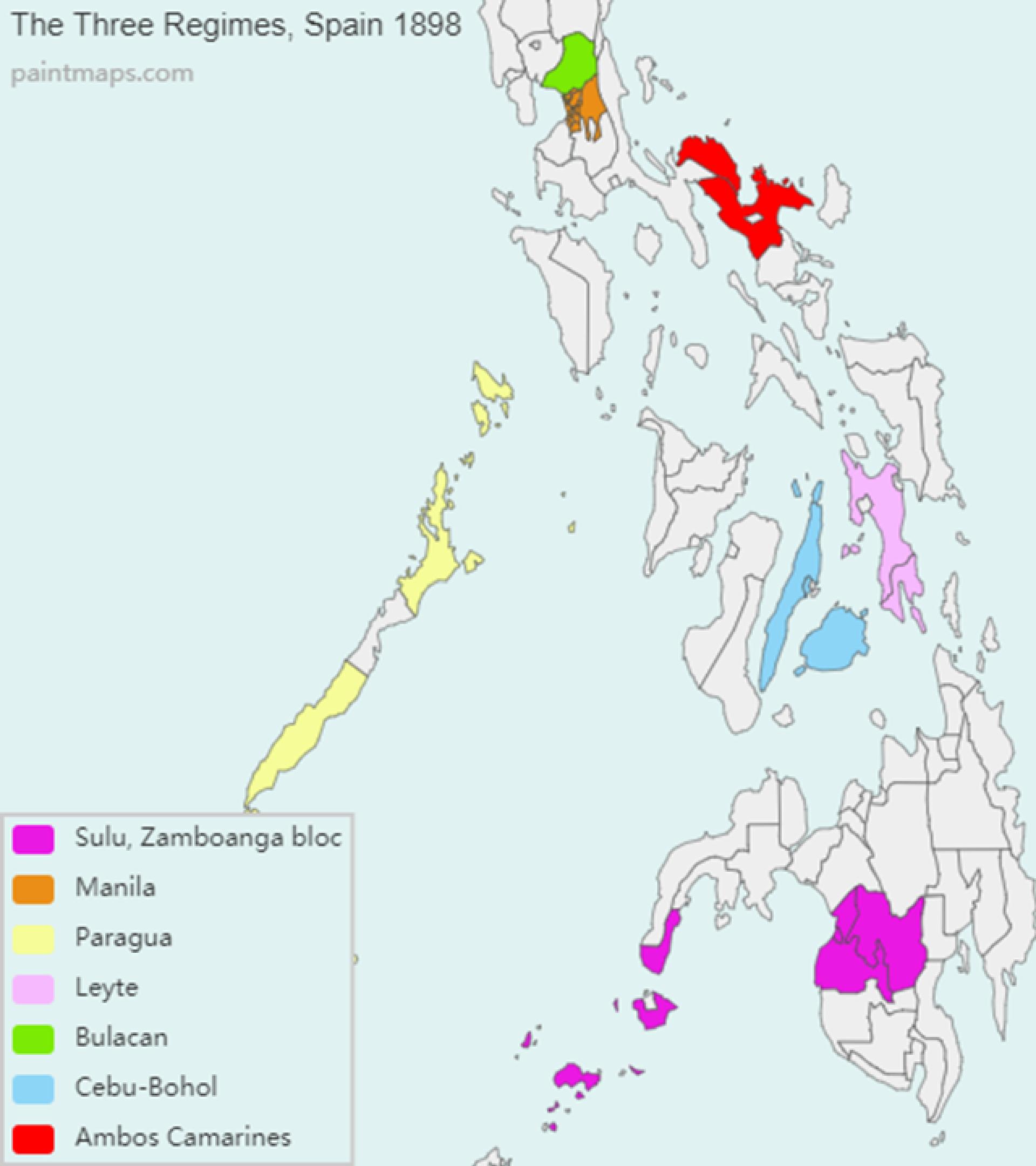
- Rebellion was not simultaneous
- Chinese residents fled or relocated
- Few Chinese left were caretakers
- Rebel Towns to be burned
- Contractors ask to rescind the contract due to lack of consumers
- Was rebellion considered a 'fortuitous case'? (*fortuitos casos*)
- Consejo de Administracion supported the position that this was not within the contract's meaning of force majeure to enforce compensation (drought, earthquake, famine, pestilence, flood, fire)
- Recommended rescission of contract to be refunded from the date of the request for the cancellation



- State unable to protect farmer so farmer cannot be penalized
- The Intendant General Counsel disagreed but eventually this became the policy.
- Contractors bid for short-term contracts
- REASON 1: Chinese who remained there and needed their opium.
- REASON 2: Better for the government to collect that money rather than have them secure it illegally.
- REASON 3: Providing Spain a “service” by continuing to supply opium
- REASON 4: Chinese demonstrated loyalty vs. the ‘ungrateful’ Filipino rebels that disrupted the service.



- Impacts on Cavite, Laguna, Nueva Ecija
- Don Enrique Roces proposes to commence poppy cultivation 1897
- Cebu (April 1898)
- May 1898 Aguinaldo resumes hostilities
- American naval blockade made it difficult to transport opium
- Ambos Camarines, Leyte, Zamboanga, Jolo
- Despite this the Spanish regime continued to auction off contracts, even triennial contract for Albay-Sorsogon



- US blockade from May 1898
- Contractors also default or renegotiate terms because of the lack of communication or business paralysis
- Other short-term contracts offered
- The relocation of the Spanish government outside of Manila also disrupted communication and decision making



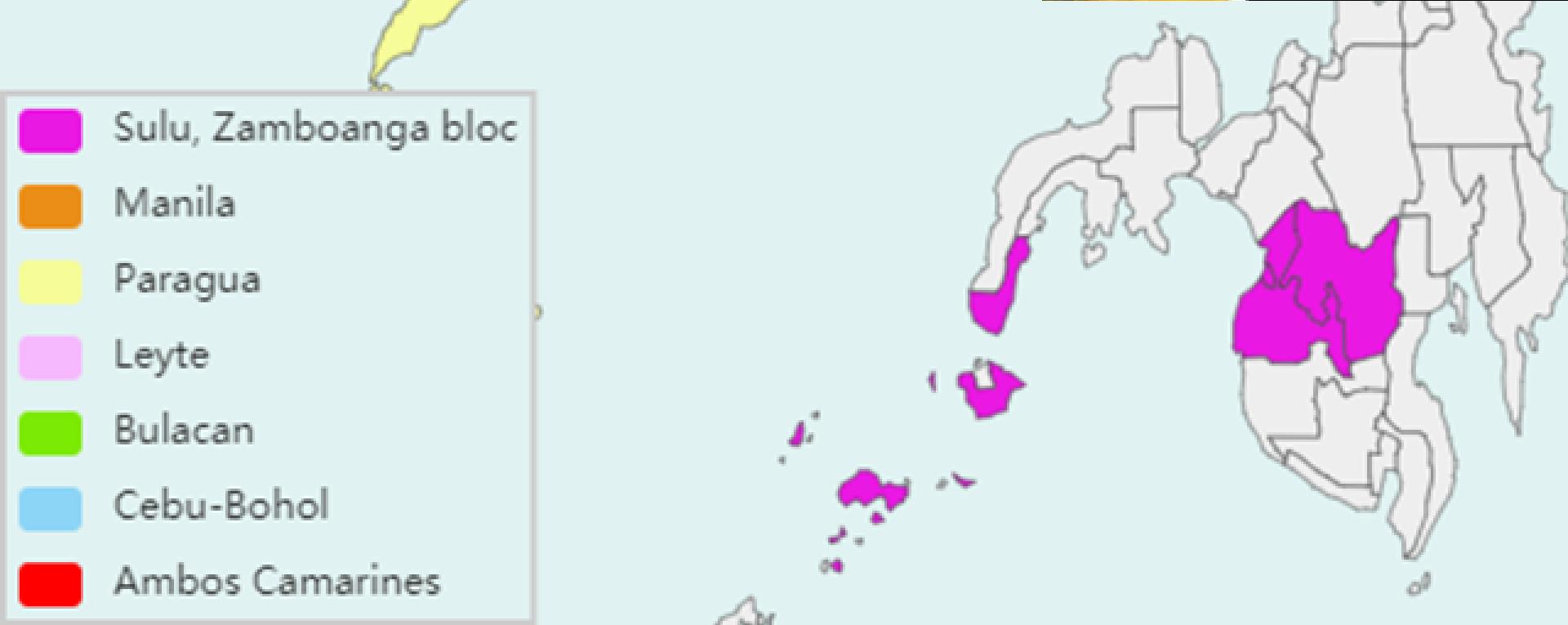
Ambos Camarines
Batangas
Bataan
Batanes
Benguet
Bulacan
Cavite
Cagayan
Catanduanes
Infanta
Isabela de Luzon
Ilocos Norte
Ilocos Sur
Laguna

Lepanto
Manila
Masbate
Mindoro
Morong
Nueva Ecija
Nueva Vizcaya
Pampanga
Sorsogon
Tarlac
Tayabas
Ticao
Union
Zambales

Abra
Ambos Camarines
Batangas
Bataan
Bulacan
Cavite
Cagayan
Infanta
Isabela de Luzon
Ilocos Sur
Laguna
Lepanto
Masbate
Mindoro
Morong
Nueva Vizcaya
Pampanga
Tarlac
Tayabas
Union

- During this interview I had occasion to confirm that P[alanca] was really corrupt and a very able corrupter, for he told me: “That Aguinaldo no person, is angel; I speak to him of a business wherein we can make much money. I provide the brains, the labor and the money; he alone put up saliva, but he does not like. That man, him no person, that angel.” The business [he referred to] was the monopoly of opium within the territory of the Republic. (Alejandrino 1949, 227)





- Problems of management
 - Opium spreading to natives
 - The case of Federico Tansioco: What exactly was contraband?
 - Tansioco's 1,000 tahil opium cargo was confiscated by officials for suspicion of contraband
 - No documentation did not mean it was illicit

- Noted that some US soldiers were addicted to the opium habit estimated by George Zeller as 3 US soldiers to the company
- W.E. Johnson, Commissioner of *The New Voice in the Philippines*, writes as follows (Manila, June 23, 1900): ‘‘Since the American occupation 130,534 pounds of opium have passed through the United States custom house here for use in these [opium] dives- rather, those are the figures up to October 31, 1899, or for practically the first year of American rule. On this opium the government collects a tariff of \$2.80 per kilo (2.20 pounds).’’
- July 8, 1903- preparations to discuss Opium Bill that would create a government monopoly, several groups protested



Singapore Opium Exports to the Philippines and Sulu, 1898-1903

YEAR	DESTINATION	Benares Opium		Prepared <i>Chandu</i>	
		Chests	Dollars	Tahils	Dollars
1898					
	Philippines	29	20,272		
	Sulu	32	22,468		
<i>Total</i>		61	42,740		
1899					
	Philippines	56	45,111		
	Sulu	30	24,136		
<i>Total</i>		86	69,247		
1900					
	Philippines	76	69,568		
	Sulu	54	49,569		
<i>Total</i>		130	119,137		
1901					

	Philippines	96	86,634		
	Sulu	10	8,879		
<i>Total</i>		106	95,513		
1902					
	Philippines	30	27,800		
	Sulu	30	27,250		
<i>Total</i>		60	55,050		
1903 ^a					
	Philippines	34	33,796	78,600	94,320
	Sulu	17	16,889		
<i>Total</i>		51	50,685		

a. First to third quarter only. A chest of opium had 40 raw opium balls and weighed around 133 lbs. or 60 kgs.

Source: *POR*, p. 170. Trocki 1999, 185.

Opium Commission: Shanghai, China, vol.2, p. 26:

YEAR	POUNDS	VALUE IN USD	DUTY IN USD	% of DUTY over VALUE	INTERNAL REVENUE TAX	TOTAL REVENUE
1899	91,823	255,310	64,586	25.2		
1900	155,672	477,027	132,392	27.8		
1901	221,683	619,338	187,020	30.2		
1902	285,443	819,625	263,406	32.1		
1903	259,473	721,551	357,575	49.6		
1904	268,128	770,596	338,422	43.9		
1905	265,128	850,381	366,893	43.1		
1906	150,292	440,464	272,955	61.96	47,144.82	320,099.82
1907	169,933	513,287	308,277	60.0	292,140.85	600,417.85*
1908	50,776	143,670	92,126	64.1	152,208.25	244,334.25

CONCLUSIONS

- The Disruption that the Revolution caused was a fiscal and political disaster for Spain
- Opium farmers who were caught in the conflict justified their cancellation on the basis of the State being unable to protect them
- Prospective farmers stepped in to make money, provide service and display of loyalty. However it was not a guarantee
- When the US began figuring out the contours of its opium policy, Filipino elites thought that being anti-opium meant ‘not-Chinese’ and a way of proving one’s competency as a colonial subject
- The ‘effectiveness’ of the Philippine prohibition experiment gave the US its solid evidence that prohibition could work and now it was time for the rest of the world to follow. So was born the Shanghai Initiative