

THE AMERICAN MINORITY IN THE PHILIPPINES DURING THE PREWAR COMMONWEALTH PERIOD

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A POPULAR IMAGE OF THE AMERICAN MINORITY IN THE Philippines during the prewar Commonwealth Period is easily conjured by using the phrase "Manila Americans." For the reader in the Philippines or one who has been to Manila since World War II, this brings to mind Forbes Park, Makati, San Lorenzo Village, compounds, security guards, and the American School. For the prewar period counterparts: Pasay, Taft Avenue, Ermita, and the American Chamber of Commerce. We call this a popular image, or stereotype, because this is the way many contemporary writers characterized the Americans, and this is the picture we have of them in historical literature. Senator Harry B. Hawes, long associated with Philippine affairs, sponsor of independence legislation, counsel to Manuel Quezon's government, and American lobbyist for the Philippine Sugar Association, helped to create one image of the American community. He did not coin the phrase, but he described the "Manila American" cuttingly in his pro-independence tract, *Philippine Uncertainty*:

'Manila Americans' are unconsciously doing more than any other group to bring independence. Leading the fight against it by their disregard or open contempt for the Filipino's pride of race and by their covert attacks on his character and capacity, they are promoting solidarity among the natives and advertising, by their hostile activities, the very cause they so stubbornly and unfairly oppose.¹

This was 1932. Ten years later, Florence Horn, in her popularly written Philippine travelogue—*Orphans of the Pacific*—opened a chapter on "Americans" with the comment:

Americans in Manila are like Americans in Mexico City and Americans in Maracaibo and Hong Kong and Rio de Janeiro. They build for themselves a barricaded American life wherever they are. They insulate themselves as thoroughly as possible against the life of the country they are in... They grouse continually about petty inconveniences, and berate this miserable native bitterly and endlessly... The American women heartily despise the Filipinos.²

Twenty years after Miss Horn's exegesis on the foibles of the "Manila American," Carlos P. Romulo penned his autobiographical *I Walked with Heroes*. A minor theme that runs through the book is Romulo's, and the Filipino's sensitiveness to the color issue in Filipino-American relations. The Manila Americans are pictured as types that excluded Romulo from their clubs and at a later date would pass up wounded Filipino soldiers on Bataan to give preference to injured white Americans.³

¹ Harry B. Hawes, *Philippine Uncertainty* (New York, 1932), 97.

² Florence Horn, *Orphans of the Pacific, The Philippines* (New York, 1941), 90-91.

³ General Carlos P. Romulo, *I Walked with Heroes* (New York: Avon Books, 1961), 74-76, 88-91, 103-05, 160-61.

Without belaboring the point further, we can generalize that the historical picture of the American minority has been based on casual accounts and a small amount of autobiographical literature by Americans and Filipinos. Not much has been done in depth. The more scholarly books have dealt with such themes as economic legislation, party movements, independence crusades, and the Japanese occupation, but not with this powerful minority within Philippine society. The University of the Philippines textbook by Teodoro Agoncillo and Oscar Alfonso describes, in a most indirect way, the American community in terms of its "Negative Results" on the Filipinos. Because of the Americans, the Filipinos learned dirty politics, developed a taste for "state-side" food and wares, acquired a fondness for gangster movies, rejected the philosophers, became materialistic, and have been saddled ever since with a colonial mentality. This catalogue of criticism in Agoncillo and Alfonso's *A Short History of the Filipino People* (1960) culminates the chapter on the "Results of the American Occupation." It represents a University professor's indictment of the American community. To that observer the Americans of the Commonwealth Period were political-minded, materialistic, anti-intellectual, and economically self-seeking.⁴

Aside from the visceral response that rises naturally in an American from reading the Agoncillo and Alfonso text, this historian must raise another protest. The foregoing descriptions are terribly oversimplified. Eight or nine thousand Americans simply cannot be squeezed into these generalizations. Not even the economic or political elites among them can be so easily typed. Within the limits of this article we cannot possibly draw the "true picture" of the American community; but it may be useful to discuss its diversity.

The census of 1939 revealed that 8,709 Americans, excluding the military forces, were resident in the Philippines. They were distributed from the Cagayan Valley to Sulu, but some 5,149 were concentrated in the City of Manila and neighboring Rizal Province. More than half of all Americans (4,687) were children, dependents, retirees, or individuals otherwise "non-gainfully employed." By census classification, the 4,022 "gainfully employed" American citizens fell into these larger groups:⁵

Agricultural workers or managers	174
Domestic and hotel workers	127
Professionals	764
Clergy, religious workers, professors, teachers	527
Public servants	187
Manufacturing owners, managers, workers	463
Clerical	311
Trade (wholesale or retail) owners, managers, workers ..	691
Mining and quarrying owners, managers, workers	349
Transportation, forestry, and other industries	429

4,022

⁴ Teodoro A. Agoncillo and Oscar M. Alfonso, *A Short History of the Filipino People* (Diliman: University of the Philippines Press, 1960), 445-7.

⁵ Commonwealth of the Philippines, Bureau of the Census, *Census of 1939* (4 vols.; Manila: Bureau of Printing, 1941). For convenience in tabulation, the author has combined several census categories.

As can be seen, more than half (2,253) of all working Americans were connected with business enterprises; but a significant minority (527) was teaching in the country's schools or was in missionary activity. One might assume that the very diversity of their occupations and scattered locations helped to reduce uniformity of viewpoint in these people.

Approached in another way, it may be observed that Americans were present in all but three (Batanes, Marinduque, Romblon) of the Philippine provinces. In many ways they were a much more "visible" minority in a rural province than the 3,191 Americans who were swamped by the 623,492 residents of Manila. Because they were so few in most provinces, and because of the nature of their occupations, Americans did not compete with the Filipinos and did not arouse animosities as easily as their countrymen in Manila. By 1922, ex-Governor General Francis B. Harrison was quite aware that his fellow Americans had trod on many toes in the capital, but he also commented that "In the provinces the relations between the two races are even better than in Manila . . ." ⁶ Perhaps the 340 teachers, clergy, and religious workers outside Manila helped to develop that "image" in the provinces that has come down to us today. It is tempting to conjecture that Filipino loyalty to America, in the provinces during World War II, would never have existed had the "Manila American" stereotype prevailed throughout the archipelago.

When we turn from the realm of census figures to that of ideas, we can observe that on very few subjects of political, economic, social, or military content was there unanimity in the thinking of the American minority of the Commonwealth Period. An examination of a few items can demonstrate this.

From the spring of 1936, until the Japanese broke through the beach defenses of Luzon, six years later, President Quezon's military adviser and his staff argued that the Philippines could repulse a Japanese invasion. In fact, General Douglas MacArthur's 1936 plan for the development of a Philippine Army was built on this premise. ⁷ MacArthur was joined in his optimism by Major General L. R. Holbrook, the Commanding General of U.S. Army forces in the Philippines. ⁸ These views were in direct contradiction to those expressed, three years before, by Brigadier General S. D. Embick who designed the Manila Harbor defense and Major General E. E. Booth who held Holbrook's position. Embick and Booth did not believe the Philippines could be defended against Japan and merely hoped Manila Harbor could be held. ⁹

⁶ Francis Burton Harrison, *The Corner-Stone of Philippine Independence: A Narrative of Seven Years* (New York, 1922), 273-4.

⁷ Office of the Commonwealth President, *Report on National Defense in the Philippines* (Manila: Bureau of Printing, 1936), 52 pp. General MacArthur submitted the *Report* to President Quezon on April 27, 1936; Quezon submitted the *Report* to the National Assembly on June 18, 1936. See also *Manila Daily Bulletin*, August 5, 1936.

⁸ Major General L. R. Holbrook to General Malin Craig, Manila, July 27 and August 6, 1936 in Record Group 94, file AG 660.2 Phil. Dept. (8/6/36), U.S. National Archives, Washington, D.C. (Hereafter cited as RG 94, file AG —, USNA.)

⁹ Mark Skinner Watson, *Chief of Staff: Prewar Plans and Preparations* (Washington, D.C.: Government Printing Office, 1950), 414-15.

While not saying so to the Filipinos, General MacArthur wrote to General Malin Craig, Chief of Staff U. S. Army, that his expectations for defending the Philippines rested on the United States providing "a practically impregnable defense for the Islands."¹⁰ But these provisions were never made; in fact, the area of defense in the Philippines was reduced to holding Manila Bay. MacArthur and Holbrook were informed in October 1937, a year after the Philippine National Defense Act was put into operation, that strengthening of the Philippines would depend on "availability of funds," and there would be no enlargement of material and forces except to meet the Manila Harbor defense needs.¹¹ By January of 1938, the Commander-in-Chief of the Asiatic Fleet, Admiral Harry E. Yarnell, was resigned to the fact that the Islands could not be initially defended against a Japanese assault and therefore the United States Pacific Fleet would not steam to the relief of the Filipinos at the outbreak of war.¹² On the other hand, in October, 1938, Rear Admiral G. J. Meyers, the Commandant of the Sixteenth Naval District (Philippines), urged High Commissioner Paul McNutt to press for expansion of Cavite into a major naval base that would be impregnable to Japanese attack. Such a base, the admiral reasoned, would cause the Japanese to abandon any plans to assault the Philippines.¹³ As must be expected, the indecision on this basic question of Philippine defense became a problem for all in the American community. Those who wanted America to stay in the Philippines believed the country could be defended; those who wanted the United States to abandon its imperial commitments were pessimistic about the Commonwealth's chances of military survival. There was no "American point of view" on the subject.

In the vital area of economic relationships between the United States and the Philippine Commonwealth, there were stronger differences of viewpoint among the High Commissioners and their staffs than existed in the American community. Both the American Chamber of Commerce and the Chamber of Commerce of the Philippines advocated a continuing preferential relationship, on a free-trade basis if possible.¹⁴ Except for a few theoretical-

¹⁰ General Douglas MacArthur to General Malin Craig, Manila, July 9, 1936, RG 94, file AG 093.5 Phil. Isl. (7/9/36), USNA.

¹¹ Memoranda between U.S. Army Chief of Staff and His Assistant, Washington, D.C., September 17, 1937, October 19, 1937, RG 94, file 660.2 Phil. Dept., USNA.

¹² Admiral Harry E. Yarnell to Admiral C. C. Bloch, Shanghai, January 21, 1938, Harry E. Yarnell MSS, U.S. Library of Congress, Washington, D.C. (Hereafter cited as Yarnell MSS, USLC.)

¹³ Rear Admiral G. J. Meyers to High Commissioner Paul V. McNutt, Cavite, October 3, 1938, Yarnell MSS, USLC.

¹⁴ The Economic Adviser, Department of State, wrote a memorandum in February, 1935, in which he noted: "The Philippine-American Trade Association was recently formed primarily for the purpose of securing continued trade preferences between the Philippines and the United States, no matter what the political solution of their relationship might be." Memorandum of the Economic Adviser, February 9, 1935 in RG 57, Department of State, file 811b.01/24½, USNA. (Hereafter cited as D/S file —, USNA.) See also *The Tribune* (Manila), May 26, 1940: "Indefinite continuation of free trade relations between the United States and the Philippines... was unanimously urged in a resolution adopted by businessmen at the closing luncheon yesterday of the National For-

mind Americans and the militantly nationalistic "Young Philippines" movement, led by Wenceslao Q. Vinzons, there was little dissent from this point of view in 1935.¹⁵ As early as August, 1934, a steering committee of Filipino and American businessmen was headed by Horace B. Pond, of the Pacific Commercial Company of the Philippines, to "sell" the United States on the advantages of continuing free-trade between it and the Commonwealth.¹⁶ High Commissioner Frank Murphy pressed these views during his 1936 visit to Washington and quickly came into conflict with the Interdepartmental Committee on the Philippines.¹⁷ This government Committee studied American economic foreign policy as it related to Philippine planning, and it had arrived at the position "that the United States should not continue a preferential commercial relationship with the Philippines after independence."¹⁸ The Committee's reasons were rooted in a policy decision arrived at in February, 1936:

The United States Government has made the principle of equality of commercial opportunity and treatment the cornerstone of its commercial policy. The United States is not only repeatedly proclaiming the wisdom of this principle but it is actively endeavoring to extend its application by persuading other nations to adhere to it.¹⁹

Obviously, preferences to an independent Philippines would make it difficult to convince the British that they should abandon their empire preferences system.

When Murphy was succeeded by Paul V. McNutt in July, 1937, the High Commissioner's Office continued its support for a long term preferential relationship.²⁰ It is quite possible that McNutt's sympathy here, along with his poker playing acumen, helped to close the breach that had opened between him and President Quezon during his first months in Manila. But McNutt's support was soon replaced by High Commissioner Francis B. Sayre's coolness toward continued preferences. As an Assistant Secretary of State, and Chairman of the Interdepartmental Committee on the Philippines, Sayre became convinced that the extension of preferences to the Philippines would be

eign Trade Week celebration under the auspices of the American Chamber of Commerce and the Chamber of Commerce of the Philippines."

¹⁵ "Memorial to the United States Congressional Mission, . . . by W. Q. Vinzons, December 26, 1934," (leaflet) Manuel L. Quezon MSS, National Library, Ermita, Manila. (Hereafter cited as Quezon MSS.)

¹⁶ Memorandum by the Economic Adviser, September 7, 1934, D/S file 611-11b3/23, USNA.

¹⁷ Minutes of the Interdepartmental Committee on the Philippines, July 23, 1936, D/S file 611.11b3/203, USNA. See also *The Mindanao Herald* (Zamboanga), September 26, 1936.

¹⁸ The Interdepartmental Committee on the Philippines had a membership which included representatives from the State Department, War Department, Navy Department, Commerce Department, Treasury Department, Agriculture Department, and the U.S. Tariff Commission. Minutes of the Interdepartmental Committee on the Philippines, February 24, 1936, D/S file 611.11b3/160, USNA.

¹⁹ *Ibid.*

²⁰ Assistant Secretary of State Francis B. Sayre to President F. D. Roosevelt, Washington, October 28, 1938, D/S file 611.11b3/238B, USNA. In this letter Sayre noted that High Commissioner McNutt proposed a broadening of Philippine preferences in the American market and a lengthening past 1946 of this relationship.

harmful to it. He felt that such a policy would cause Filipinos to delay badly needed diversification of their economy. He realized that no Filipino would close down an industry as long as he had a guaranteed profitable market in America. Upon arrival in Manila, as High Commissioner, in August, 1939, Sayre wasted no time in stating his belief that the Filipinos must diversify their industries and markets in order to survive the imposition of American duties applied on a non-preferential basis.²¹ While many Filipino entrepreneurs were disturbed by these views, the American business community in Manila was outraged. The new High Commissioner was reversing all that Murphy and McNutt had stood for.

The differences among the High Commissioners on the subject of American economic policy toward the Philippines were matched by equally strong differences concerning the exercise of their powers. Most accounts of High Commissioner Murphy stress the point that he was *simpatico* when it came to Filipinos. Socially, he was gregarious and entertained Filipinos with ease and sincerity. He left the impression of governing so lightly that he had almost abandoned his responsibilities.²² His relationship with Manuel Quezon was so cordial that the Philippine President-Elect felt free to write a memorandum for him outlining the powers which he believed the High Commissioner should be given. To Quezon, the High Commissioner was to be a ceremonial figure that observed, reported, but did not interfere.²³ Apparently, Murphy performed to the satisfaction of most Filipinos.

Paul V. McNutt saw things differently and this was to be even truer of Francis B. Sayre. The handsome Indianan determined quite early that he would be no figurehead. Recognizing this after a brief meeting with McNutt in Washington in early 1937, President Quezon drafted a memorandum to President Roosevelt (which he did not send) in which he asked that the High Commissioner's powers be severely curtailed—by act of Congress if necessary.²⁴ Once in Manila, McNutt worked hard to establish the primacy of his position and in the process titillated the foreign community and upset Quezon's staff enormously. But in the end, even though he stressed the powers he possessed rather than his limits, the High Commissioner established a friendly working relationship with Quezon.²⁵ In contrast, "Frank" Sayre

²¹ Sayre's speech to the American Chamber of Commerce was reported in *The Tribune* (Manila), November 16, 1939. Also: "Two mouths—McNutt and Sayre," (ed.) *Philippines Magazine* (November, 1939), 443-4.

²² Manuel Luis Quezon, *The Good Fight* (New York, 1946), 149-50. For a view hostile to Murphy's performance, see William H. Anderson, *The Philippine Problem* (New York, 1939), 162-5. The most recent political biography of Murphy notes that he was more concerned about the prerogatives of his office and the sovereignty of the United States than appeared in the newspapers. See Richard D. Lunt, *The High Ministry of Government: The Political Career of Frank Murphy* (Detroit: Wayne State University Press, 1965), 83-122.

²³ M. L. Quezon to Frank Murphy, Manila, November 2, 1935, in U.S. Department of the Interior, Division of Territories and Island Possessions, Miscellaneous Records Box 11, U. S. National Archives. (Hereafter cited as D/I: Box 11.)

²⁴ (Proposed) Letter to President Franklin D. Roosevelt from President Quezon, New York City, March 15, 1937, Quezon MSS.

²⁵ Anderson, *loc. cit.*; Theodore Friend, *Between Two Empires: The Ordeal of the Philippines, 1929-1946* (New Haven and London: Yale University Press, 1965), 186-188. For Quezon's staff's comments on McNutt, see marginalia and

neither accepted nor was he accepted by the Philippine President. As Assistant Secretary of State and Chairman of the Interdepartmental Committee on the Philippines, Sayre had become almost too knowledgeable about Quezon and his government.²⁶ The evidence suggests that he had come to the personal conclusion that his job would be to tame the Philippine President; it was inevitable that relations between the men would be badly strained. The breaking point came in late 1940 when Sayre insisted, over Quezon's heated protests, that President Roosevelt could veto the Philippine constitutional amendments of 1939 if he chose to do so. Quezon believed, incorrectly, that the Higher Commissioner was attempting indirectly to exercise his own veto.²⁷ By mid-1941 the fiery Filipino was working assiduously to have Sayre replaced by Frank Murphy.²⁸ Again, the conclusion is perfectly obvious, there was no standard interpretation of the High Commissioner's role; each American approached the position quite differently.

When we turn to the subject of American investments in the Philippines, two points are worth noting: American and Filipino interests were often the same; and American interests often stood in conflict with those of their fellow countrymen. The sugar industry provides some interesting examples in this area. Americans participated in the sugar refining industry through ownership of *centrales*, though probably not more than 24 per cent of the refining production was in their control during the years 1935-41. Because of this participation, Americans, of necessity, were interested in sugar import quotas that were being established by the American Congress and, therefore, contributed heavily to the leadership and founding of the Philippine Sugar Association's lobby in Washington. And, with the other *centralistas*, they suffered—not always in silence—as Quezon played politics with the independence movement.²⁹ Americans also owned cane fields, belonged to

attached memoranda to the carbon copy of "Quarterly Report of the U.S. High Commissioner, Covering the Period April 1—June 30, 1937," Quezon MSS.

²⁶ *The Tribune* paid Sayre a backhanded compliment when it predicted that he would not be appointed High Commissioner. "It is almost traditional that in choosing a governor general or a high commissioner for the Philippines America has seldom if ever given the post to the man who appeared to be the most logical choice. Mr. Sayre is the most logical choice today." *The Tribune* (Manila), July 13, 1939.

²⁷ Memorandum of a conversation by Sayre with President Quezon, Manila, September 12, 1940, D/I: Box 3, USNA. Quezon stated his objections to High Commissioners meddling in Philippine government affairs in a letter to an old friend. He was referring to McNutt, but his attitude was the same toward Sayre. "As a matter of principle, there is no more reason for the Federal Government to intervene in purely domestic affairs in the Philippines as there is for them to interfere in [affairs of the American states]... The choice of the High Commissioner is affected by American politics and experience both in the past and the present shows that the person chosen may not be equal to the responsibilities placed upon him. It is simply an outrage to assume that any green American can come to the Philippines and know more as to how the Philippines should be governed than the man chosen by our own people... ." M. L. Quezon to Roy Howard, San Francisco, California, July 23, 1937, Quezon MSS.

²⁸ J. M. Elizalde to M. L. Quezon (radiogram), Washington, June 13, 1941; M. L. Quezon to J. M. Elizalde, Manila, June 16, 1941, Quezon MSS.

²⁹ The best coverage of this topic is in Theodore Friend, "The Philippine Sugar Industry and the Politics of Independence, 1929-1935," *Journal of Asian Studies*, XXII:2 (February, 1963), 179-92. See also Grayson L. Kirk, *Philippine*

the Confederacion de Asociaciones y Plantadores de Caña Dulce, and fought the *centralistas* for a larger share of the milling profits. Americans possessed both milling and planting interests when they lent money. Unfortunately for Americans and Filipinos alike, who earned heavily from the *centrales*, President Quezon leaned to the side of the planters—they controlled more votes than the *centralistas*.³⁰

Finally, at the political level, Americans in the Philippines normally followed the lead of their political parties at home when it came to Philippine affairs. In 1936, Democrats and Republicans called for improvements to the Tydings-McDuffie Act. The Republican Party convention in Manila passed resolutions that displayed regrets that the independence bill had ever been passed; the Democrats were silent in this area.³¹ In 1940, the Republicans supported "re-examination" of the independence question; the Democrats said the re-examination issue should not be raised by the national party.³² Generally speaking, the Republican Party adherents among the Americans in the Philippines were regretful and resentful that the Philippine Commonwealth was moving down the road to final independence; the Democrats, when speaking as party members, kept their mouths closed on this sensitive issue.

If we now shift our attention to another area, and examine a few of the problems that troubled the American minority in these years of transition, we can get another measure of this alien community. We can start with the broad generalization that these were tension-filled years for many Americans and the inevitable result of them was a deepening rift between American and Filipino. One might almost picture the American community as being akin to Mathew Arnold's traveller who found himself

Wandering between two worlds, one dead,
The other powerless to be born,
With nowhere yet to rest my head,
Like these, on earth I wait forlorn.

The Filipinos were not exactly the Carthusian monks simply waiting out their time till inevitable death; yet, many Americans and Filipinos were sure economic disaster would ultimately end the Commonwealth experience.³³

Independence (New York, 1936), 63-7. Florence Horn discusses some of the personalities in the industry in her *Orphans of the Pacific*, 239-256.

³⁰ Quezon's deference to the planters, in opposition to the *centralistas*, was clearly displayed in a series of cables to Vice President Osmeña during 1939 when Osmeña was in Washington pressing for passage of the Tydings-Kocalkowski Act. M. L. Quezon to S. Osmeña, Manila, January 18, 1939; S. Osmeña to M. L. Quezon, Washington, June 16, 1939, Quezon MSS. For an insight into the conflict between Quezon and the Philippine Sugar Association, see George H. Fairchild to M. L. Quezon, Manila, June 13, 1940, Quezon MSS.

³¹ "Republican and Democratic Unanimity" (ed.), *Philippines Magazine* (April, 1936), 178.

³² "Philippine Republicans and Re-Examination," *Philippines Magazine* (May, 1940), 174. See also the May 1940 report of the Foreign Service Officer attached to the High Commissioner's staff: D/S file 811b.00 Gen Conditis/14, Manila, June 12, 1940, USNA.

³³ The Philippine periodicals were fairly consistent in their forecasts of economic troubles for an independent Philippines. A. V. H. Hartendorp early complained about the Tydings-McDuffie Act: "American and Filipino officials both had had to put the best face on the matter they could while carrying out

It takes no great amount of historical imagination to recognize the mass insecurity that beset many Americans as they lived through the Commonwealth Period. The Philippine Constitution and the Tydings-McDuffie Act protected their economic interests during the transition period, but the Constitution could easily be amended once the republic was established in 1946.³⁴ In 1939, two constitutional amendments passed the National Assembly. They abandoned the unicameral experiment and changed the presidential tenure from one six-year term to a maximum of two consecutive four-year terms. Some feared that nationalization of alien industries could just as easily be authorized by further amending the Philippine Constitution. During the years 1936 to 1941, President Quezon turned often to the theme of reducing alien control over Philippine economic life. He was probably never more popular with the masses than when he spoke against alien retailers on the fourth anniversary of the Commonwealth:

I do not wish to stop foreign merchants from engaging in the wholesale trade; but it is now high time that *sari-sari* stores are placed in the hands of Filipinos. . . . Do you know that under the present circumstances we, as a people, could be starved to death by operators of the *sari-sari* stores? . . . No people would ever consent to having their daily life's necessities remain in the hand of foreigners.

I am determined to remedy, by proper and legal procedure, such a flaw in our economic situation. I will exert my best efforts to put the country's retail business in Filipino hands. . . .³⁵

While Quezon's most direct charges and recommendations were aimed at the Chinese and Japanese minorities engaged in the retail trade industry, all foreigners—Americans included—recognized that such ideas, expanded to include wholesale merchants or other types of economic endeavor, could be used against them as well.

the law. . . even if it is a bad law." "They know that if the terms of this brutal law are literally carried out that the country will collapse economically and politically long before the ten-year period of slow strangulation is ended." "The Inauguration of the Commonwealth" (ed), *Philippines Magazine* (November, 1935), 539. The Commonwealth Association's monthly magazine was equally gloomy in its predictions: "The economic provisions of the Tydings-McDuffie Law hang like the sword of Damocles over the heads of the Filipino people. . . ." *The Commonwealth Advocate* (September, 1935), 7-10. The *American Chamber of Commerce Journal* was similarly pessimistic, but a bit more discreet in saying so.

³⁴ At the beginning of the Commonwealth Period, Americans and Filipinos alike tended to trust Quezon when it came to protecting their economic interests. Gradually this trust weakened. *New York Times* reporter Robert Aura Smith noted this in several articles: *New York Times*, November 10, 1935; May 17, 1936. Full confidence was shown by the Filipino-oriented *Philippine Journal of Commerce*, see editorial "Facing the Future with Confidence" (March, 1934), 16. Some Americans put more faith in their high commissioners: *New York Times*, March 8, 1936.

³⁵ In 1939 President Quezon was most active in pressing for legislation that would nationalize the retail trade industry in the Philippines. National Assembly Bill 943 of 1939 was designed to accomplish this end, but it would have violated most of America's commercial treaties. "Memorandum written for Mr. Richard Ely, Manila, May 2, 1939," carbon in Quezon MSS. A rousing speech, supporting a retail trade act, was delivered by Quezon in November, 1939. "Accomplishments of the Commonwealth and Government Aid to Philippine Industries and Business, November 15, 1939," *Messages of the President*, V, 211-16.

If some Americans believed they would be protected by a *laissez-faire* spirit among the Filipinos, they were disabused of this idea early in the Commonwealth Period. At the inauguration of the National Economic Council on March 30, 1936, Quezon concluded his talk with this comment:

Every member of the Council is free to express his opinion honestly and frankly. . . . There is only one limitation to your freedom of opinion. Anyone who believes in good faith, as a matter of principle in the economic philosophy of *laissez-faire*, or in the inherent unfitness of a government to own and operate an industry or any business enterprise has no place in a council created by law and under a constitution that professes an entirely opposite theory.³⁶

It was obvious to all that the Commonwealth would not be a replica of the *laissez-faire* American state of the 1920's; and the steady increase in the number of government corporations in the following years made this point abundantly clear.³⁷ By the end of 1940, with the passage of the Emergency Powers Act, which implied the power to seize private businesses for emergency purposes, Americans in Manila and in Washington began to suspect Quezon of harboring dictatorship ambitions.³⁸

Turning to another group, considerably lower on the socio-economic scale, we discover that during the years 1935 to 1937, American pensioners of the Philippine government began to worry about their financial security. The pension structure that dated from 1922 had proved to be actuarially unsound and the government planned to terminate pensions by lump-sum redemptions.³⁹ The concept of pensions was still essentially alien to Filipinos of the 1930's, and the discarding of an uneconomical system by Commonwealth Act 187 in 1937 seemed eminently sound. Protests from those affected were met by Quezon's counter-charges that the Americans were ingrates. When several American officials in Washington pressured Quezon in the name of the pensioners, he assured them that were any American truly impoverished, he could seek relief from the Philippine National Assembly.⁴⁰ Pensions were not considered necessary for Filipinos; by tradition, the elderly were absorbed by their families.

³⁶ "Speech of the President of the Philippines Delivered at the First Meeting of the National Economic Council, Manila, March 30, 1936," (typescript) Quezon MSS. See also Manuel L. Quezon, "Government Leadership in Production," *Philippine Journal of Commerce* (May, 1936), 5, 32.

³⁷ In his first message to the National Assembly, President Quezon promised that the government would enter business fields where private capital was slow to press ahead. Commonwealth of the Philippines, *Message of His Excellency Manuel L. Quezon to the National Assembly, December 18, 1935* (Manila: Bureau of Printing, 1935), 9-10.

³⁸ Suspicions of Quezon by High Commissioner Sayre and government officials in Washington can be found in D/S file 811b.001 Quezon/146, August 15, 1940, USNA. Quezon understood the nature of Sayre's suspicions and deeply resented them. See his letter: M. L. Quezon to F. B. Sayre, Baguio, April 7, 1941, Quezon MSS.

³⁹ J. Weldon Jones (Insular Auditor) to M. L. Quezon, Manila, November 5, 1935, Quezon MSS; "Press Conference, Manila, September 4, 1936" (typescript), Quezon MSS.

⁴⁰ Senator Millard Tydings to M. L. Quezon, Washington, March 11, 1937; Brigadier General Charles Burnett to M. L. Quezon, Washington, July 22, 1937; (draft) M. L. Quezon to Charles Burnett, [July 22-28, 1937]; M. L. Quezon to Charles Burnett, At Sea, July 28, 1937; Col. James S.V. Ord. to M. L. Quezon, Pittsburgh, Pa., August 17, 1937, Quezon MSS.

Quezon's attitude toward pensions was symptomatic of a deeper cause for the development of distrust of him by the American community. He was, as Dr. Theodore Friend has so admirably stated recently, a charismatic leader. He had the sense of subject, timing, and control that made his leadership, at all times, real and exciting to the Filipinos.⁴¹ But excitement for his countrymen often meant deepest anxiety for the Americans. For example, take the spring of 1937. While junketing in America, President Quezon electrified the Filipinos by calling for independence in 1939 or 1940, if Congress would not improve the Tydings-McDuffie Act. This was a political gambit. First reactions were found in the plummeting stock prices on the big board in Manila. The morale of the American business community in Manila plunged with the stocks. Soon, the political nature of the move was recognized, but many Americans and Filipinos had been badly shaken. The movement, in the Philippines, to re-examine the independence decision dates from these months.⁴²

More disturbing than Quezon's impetuosity to many of the American minority was his championing of policies decidedly at variance with traditional American views. Peacetime conscription for Filipinos was vigorously defended by the Philippine President during his 1937 trip abroad. A good many Americans in the Islands recognized the menace of Japan and the need to build national defenses, but many more saw the call for conscription as a means of building a private army to back a dictatorship.⁴³ In 1940, a more centralized control of public education was instituted by the National Assembly at the call of Quezon; again, this was a move that contrasted strongly with the American traditions of local control of education, and suspicion of any central government move to control the minds of the young.⁴⁴ In 1937, and again in 1940, President Quezon spoke in favor of stricter curbs on individual liberty as a means of better serving the state. More conservative Americans and Filipinos must have shuddered when they read Quezon's address to a University of the Philippines convocation in July, 1940:

⁴¹ Theodore Friend, "Manuel Quezon: Charismatic Conservative," *Paper No. 34* (mimeographed) of *Proceedings of the International Conference on Asian History*, Hong Kong, August 30-September 5, 1964; see also Friend's *Between Two Empires*, 50-53.

⁴² See the author's "The Movement to Reverse Philippine Independence," *Pacific Historical Review*, XXXIII:2 (May, 1964), 172-6.

⁴³ President Quezon was badly upset by James S. Allen's article, "Manuel Quezon—Philippine Dictator," *The Nation* (March 20, 1937), 320-22. In his speech to the Foreign Policy Association, Quezon answered criticisms of Philippine military conscription: "I can understand an American protest against conscription. With all due respect to you, let me tell you, I am afraid that your conception of liberty is not altogether right. A proper conception of liberty is the performance of duty to nation. It is because you are giving too much importance to the freedom of the individual to do as he pleases as against the interests of the state that you are suffering from the evils that you are suffering today in this country... In our constitution [which] we gave our people, the first duty of the citizen is to serve the state." "Proceedings of the Foreign Policy Association Luncheon, Hotel Astor, New York City, April 3, 1937," (typescript), Quezon MSS. See also *New York Times*, April 4, 1937.

⁴⁴ "Message to the National Assembly, Manila, July 5, 1940" (typescript) Quezon MSS. As early as February, 1935, Quezon spoke of the government's responsibility to supervise and regulate education in order to instill "moral character" and develop nationalism in the country's youth. "Address before the University of the Philippines, Manila, February 12, 1935" (typescript) Quezon MSS.

The second slogan that must be thrown overboard is the theory that in a democracy individual liberty must not be restricted. Liberty is, of course, one of the most precious natural rights of man. But civilization has made progress only at the expense of individual liberty. . . .

While later explanations developed that he was thinking of self-restraints and constitutional restrictions, Americans were uneasy.⁴⁵ And in 1939 and 1940, the Philippine President directly challenged the value or utility of competing political parties.⁴⁶ From the viewpoint of the American, deeply devoted to the two-party system and ignorant of Philippine history, Don Manuel was paving a broad road to political dictatorship. The uneasiness of an American minority, which had never understood Philippine culture, is understandable; the lack of concern among the Filipinos was equally understandable.

In summation, three points seem to be worth re-statement:

(1) The American minority in the Philippines during the Commonwealth Period was not a simple monolithic society. The "Proconsuls" and their aides had largely departed when government under the Jones Act was terminated on November 15, 1935. The remaining Americans were deeply involved in a large number of Phil-American enterprises as well as in some purely American ventures. This forced the Americans to be as diverse as their Filipino associates.

(2) The American community was uneasy and insecure in this traditional period; at times, their behavior showed it. The years of imperial control had not turned the Filipino into a "Brown American"; and those Americans who stayed in the Islands were constantly reacting to the "un-American" economic and political ideas expounded by the Filipinos.

(3) It cannot be denied that there were many insufferably "Ugly Americans" in the Commonwealth Period; but this same group also included, among it, Otley Beyer, Luther Bewley, A. V. H. Hartendorp, and the fabulous Sam Gaches and many more quiet Americans who left their impress on Rizal's "Perla del mar de oriente."

⁴⁵ "Proceedings of the Foreign Policy Association Luncheon, Hotel Astor, New York City, April 3, 1937" (typescript) Quezon MSS. In the spring of 1936, in a speech at the Philippine Military Academy in Baguio, Quezon noted: "The Constitution of the Philippines entirely reverses this political philosophy. Under our Constitution what is paramount is not 'individuals'; it is the good of the State, not the good of the individual that must prevail." Quoted in E. D. Hester, "Outline of Our Recent Political and Trade Relations with the Philippine Commonwealth," *Annals* (March, 1943), 81.

⁴⁶ In his 1939 birthday broadcast from Malacañan, Quezon commented: "The theory that there can be no true democracy without political parties and that the existence of such parties is essential in popular government, is groundless and finds no justification in sound principles of government." "Birthday Speech of President Quezon, Manila, August 19, 1939" (typescript) Quezon MSS. At the University of the Philippines in July, 1940, Quezon was even blunter: "The first fetish we must discard is the discredited theory that democracy cannot exist without political parties. In the very nature of things, the struggle for power between contending political parties creates partisan spirit, and partisan spirit is incompatible with good government." "Speech at University of the Philippines, Manila, July 16, 1940" (typescript) Quezon MSS.