

FRIARS' LAND QUESTION
IN THE
PHILIPPINES

By

Gladys E. Caughlin, B. S.

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PREFACE

Of the many problems attending the transition from the Spanish to American rule in the Philippine Islands, none were more pressing than those growing out of the controversy relative to the friar ownership of large estates. Filipino insurgents, in explaining the dissension of the natives assigned such great significance to the possession by the friars of these large haciendas that representatives of the American government were led to place an exaggerated emphasis upon the need for an immediate settlement.

No lengthening of perspective can minimize the complexity of negotiations which resulted in the transfer of the friar-owned lands in the Philippine Archipelago to public ownership. For the United States with a tradition of democratic institutions, a colonial legacy of Protestant antipathies, and a national temperament renowned for efficiency in getting things done to be faced with the problem of formulating a colonial policy for governance of a people, accustomed for over three hundred years to a Spanish colonial pattern representing the very antithesis of all these basically American backgrounds, was a task that required more than mediocre statesmanship. That the adjustment was effected with so little friction and so great dispatch is a tribute to the caliber of the men who directed the change.

Research study of the problems relating to the friar lands in the Philippine Islands at the close of the Spanish American War has only recently claimed the attention of students of history. An exhaustive study of the problem must wait upon documents still unavailable. Though no expectation of contributing to the excellent interpretation of the problem made by Dr. Mailliard in his doctoral dissertation is here entertained, it is hoped that some additions of facts may be made to the story of the acquisition and more particularly to the account of the disposal of these lands.

Chief attention has been directed toward the social and economic problems arising from the friars' possession of large landed estates, and to the projected modes of settling these problems together with the many ramifications of new experience into which the American Government was carried in process of effecting the acquisition and disposal of these lands. The study makes no pretensions to being evaluative in character, but professes rather to narrate in greater detail than has heretofore been done the course of events attending the purchase and sale of the friar estates.

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CHAPTER I

The Friars' Lands Under Spain.

The role of the Spanish friars in the history of the Philippine Islands begins with Legaspi's conquest of the islands for Spain in 1565 for among the three hundred and eighty Spaniards who accompanied Legaspi was his kinsman, Urdaneta, an Augustinian friar. When in 1571, Legaspi's conquests had extended to the site of the present city of Manila and plans for a settlement were being made an Augustinian church and monastery figured prominently in the proposed plan.¹

¹ W. Cameron Forbes, The Philippine Islands, I, 30-37.

During the years that followed the conquest all expeditions reaching the Philippines from Spain or Mexico brought some representatives of the friar orders. In 1577 the Franciscans arrived at the islands. In 1581 members of the Jesuit Order came followed by the Dominicans in 1587, the Recoletos in 1606, the Paulists in 1662, the Capuchins in 1686 and the Benedictines in 1695.²

² Report of the Philippine Commission, February 25, 1901, Senate Doc. 190, 56th Cong., 2d sess. (Ser. No. 4040), 52-95.

Since only three of these orders were involved in the controversy over the friars' lands, consideration for purposes of this paper will be limited to the Dominicans,

the Augustinians, and the Recoletos, or unshod Augustinians, a branch of the older order. These were the three orders whose land holdings became an object of envy and roused the enmity of the Filipino insurgents.

Involved in the unpopularity visited upon the friars were the Franciscans, likewise, not because of their estates, for their rule forbade their possessing land for income purposes and their holdings in the islands were limited to the houses actually used by the order together with the churches used for devotional purposes,³ but because they, as

³ Testimony of Father Villegas, Franciscan Provincial, ibid., 68.

well as the Dominicans, Augustinians, and Recoletos were identified with Spanish rule in the islands. This was particularly true of the attitude toward friars serving in the village parishes throughout the islands; since in many villages, they were the only Spaniards and many routine duties of administration were delegated to them. Then, too, the Spanish government, in recognition of the services rendered by the friars, paid them a small annual stipend ranging from \$500 in the small parishes to \$1200 in Mexican money in the larger parishes.⁴ The stipend amounting to

⁴ Testimony of Father Lobo, Augustinian Provincial, ibid., 73.

\$1200 was paid in only ten or twelve parishes in the archipelago.⁵

⁵Testimony of the Archbishop of Manila, *ibid.*, 103.

Hostility of the natives toward Spain found expression in hostility toward the friars, a feeling prevalent among those who led the revolts rather than among the masses of Filipinos.⁶

⁶Testimony of Father Araya, Recoleta Provincial, *ibid.*, 82.

The history of the land holdings of the friars had its roots in the early period of occupation by the white man. The Spaniards found the Filipinos in a state of culture bordering on the nomadic. The population in the islands at the time of the conquest was sparse and the natives were not united under any great chieftain or king, but each individual village was an independent government.⁷ Hence, the conquest

⁷W.C. Forbes, *op. cit.*, 38.

for Spain and the christian church was simplified. Only in Mindanao and the Sulu archipelago did the christian missionaries encounter difficulty, for here the Moros had embraced Mohammedanism.⁸

⁸*Ibid.*, 39.

The Dominican Provincial declared before the Taft Commission: "Land was in the beginning free." Sometimes churches were built on land belonging to the towns. Deeds

for these properties whereon village churches were built were relatively unknown. Under Spanish rule the relationship between church and state were so closely identified that titles for church lands were allowed to rest with the crown. This problem of securing to the church titles for church properties was one of the problems which confronted the Taft Commission,⁹ but because the lands held by the

⁹Instructions of the Secretary of War, Elihu Root, to Governor William Howard Taft in the Matter of the Purchase of the Priars' Lands in the Philippines," Report of the Secretary of War and Bureau Chiefs, 1902, I, Appendix O, 235.

church for religious, educational and charitable institutions were never a burning issue of controversy, except insofar as the confiscation inaugurated by Aglipay in his schism from the church was concerned, plans from the outset of the investigation looked toward placing the titles in the name of the bishop of the diocese as the system most in accord with the practice in the United States and agreeable to the representatives of the church.¹⁰

¹⁰ Philippine Commission, Report, 114.

That the agricultural lands held by the three orders - Dominicans, Augustinians, and Recoletos - from which an income was derived were for the most part purchased was evidenced in the testimony given by representatives of the orders before the Taft Commission,¹¹ and later in the

¹¹ Ibid., 75.

examination of titles carried forward under orders of the Philippine Commission by the law firm of Del Pan Ortigas y Fischer.¹²

¹² Fifth Annual Philippine Commission, Report, in Annual Report of the War Department, 1904, I, 75E.

In some instances the lands had been bequests or endowments as for example, the original grant for the College of San Jose in 1605 was from the estate of Governor Figueron to the Jesuit Fathers,¹³ but for the most part, investigation

¹³ San Jose College case; T. H. Pardo de Tavera et al vs. Rector of St. Thomas, a Dominican; the Holy Apostolic Catholic Church was represented by the Archbishop of Manila and the Apostolic Delegate, the Archbishop of New Orleans. Philippine Commission, Report, 1901, 29-31.

revealed that the friars' lands had been acquired through purchase. Reverend Jose Lobo, Provincial of the Augustinian Order, testified that "very few pieces (of land) have ever been given to the corporation."¹⁴

¹⁴ Ibid., 75.

Reference to the lands held by the friars appears in Philippine history as early as the ecclesiastical administration of Archbishop Cernancho in 1697. At that time the archbishop is said to have conceded the right of the civil authorities to inspect friar land titles. The question of title inspection was not, however, the dominant

issue in the controversy for when a memorial presented by the friars to the King of Spain led to the suspension of ecclesiastical visitation, which was the real issue, the entire matter including inspection of the land titles was dropped.¹⁵

15

Charles Cunningham, "Ecclesiastical Visitation in the Philippines," in H. Morse Stephens and Herbert E. Bolton, The Pacific Ocean in History, 227-229.

Support for a belief that the question of the friars' estates remained a live one for the governing officials of the crown may be had from a statement submitted by Francesco Leandro de Viana who held the post of fiscal in Manila for the nine years prior to his return to Madrid. This statement under date of July 10, 1776, recites the relative incomes of the crown and of the ecclesiastical estate in the Philippines showing an income of 182,629 pesos and 6 tomas for the ecclesiastical estates in excess of the king's receipts and concludes with this pertinent comment:

"Besides that which is for spiritual administration, the religious orders in these islands receive enormous amounts of money every year from the proceeds of houses, mills, ranches, and other properties which they possess here and in Mexico; for they collect some rents that are exorbitant for the cultivated lands, exacting more than the twenty per cent of actual value of said lands."¹⁶

16

This translation from the MS in the Edward E. Ayer collection is quoted in Emma H. Blair and James A. Robertson, eds., The Philippine Islands, 1493-1898, I, 81.

Since the statement relative to the orders is a

generalization in contrast with the figures presented for the ecclesiastical and crown revenues, the report relative to rentals may have been more dramatic than accurate; but the significant fact for this study is the frequent references to the friars' lands in official communications, always with interpretative emphasis directed to such subjects of later controversy as the validity of titles and system of tenure.

In spite of such references to friars' estates, however, none of the many local uprisings¹⁷ against the

¹⁷ W. C. Forbes, op. cit., I, 50.

government during the period of Spanish rule prior to the revolt in 1872 were directed against the friars or their estates. In the revolt of 1872, which was largely localized in the province of Cavite, actual antagonism against the friars rose as a result of the native clergy's being relegated to a position of inferior influence in the parish.¹⁸ The

¹⁸ Ibid., I, 51.

suppression of the revolt by officials of the Spanish government led to the arrest and execution of three native priests.¹⁹ This act of reprisal on the part of the

¹⁹ Ibid.

government offered those Filipinos, who worked for revolt, an opportunity to identify their hostility against Spanish rule with the social and political influence of the

Spanish friars.

Though the revolt of 1872 was easily subdued, many of the forces which caused the disaffection were merely driven below the surface of social unrest, there to gain momentum until 1896 when revolution broke out which was ultimately to spell the doom of Spanish rule in the islands. Of the many factors in this revolution which have received the attention of historians, one of the most significant is that of the role played by secret societies in effecting solidarity among the revolutionary forces. Possessed of secret rituals, societies organized at this time often gained considerable strength before their existence was generally known.²⁰

²⁰
Ibid., I, 56.

Some degree of influence for the genesis of the revolt in Cavite in 1872 may be attached to the fact that a Masonic Lodge of the Philippines was founded in Cavite in 1860.²¹

²¹
Philip M. Finnegan, S.J., "Philippine Islands," Catholic Encyclopedia, XII, 13.

but even the more generous critics of the friars have consistently seen in the geographic concentration of both revolts of 1872 and 1896 in this province, the fact that there the friars were possessed of large and productive tracts of land.²²

²²

Theodore Roosevelt, "The Philippines," 125.

Dr. Jose Rizal, an educated and influential Filipino patriot, organized the secret society known as Liga Filipina at his Manila home in July, 1892.²³ Membership in this

²³

Forbes, op. cit., I, 53.

organization was confined to the wealthy and educated Filipinos, and consequently, though it never had a large membership, it was influential in agitating for reform from within the government.

While he was a student in Europe, Rizal had inaugurated his campaign of opposition to the friars with the publication of a novel, Noli Me Tangere, in 1887²⁴ which was a harsh

²⁴

Ibid.

criticism of the existing social and political regime in the Philippines.

It was in response to a letter written by young Rizal to his father that the anti-rent campaign of 1888 was begun. Writing from Madrid Jose Rizal asked his father, the history of whose success on the Dominican's Calamba Estate will be touched upon later, to withhold his annual rent and to urge other tenants to do likewise. Unsuccessful in their attempts to collect rents for their lands, the Dominican friars took their claims to the courts which were ultimately upheld by the Supreme Court in Madrid. The elder Rizal and

certain other tenants refused to abide by the court's decision that they quit the lands for which they refused to pay rent and in consequence they were exiled by the Spanish officials to one of the other islands. Needless to say that this action by Governor-general Weyler furnished additional propaganda fuel for the fires of rebellion which were to be lighted three years later in the rebellion of 1896.²⁵

²⁵

Rev. Ambrose Coleman, O. P., "The Friars' Estates," American Catholic Quarterly Review, XXX, 57.

Late in the same year that Rizal's Liga Filipina was organized, Andres Bonifacio, a self-taught Filipino revolutionary, whose ideas were decidedly radical, organized a secret society known as the Katipunan, which welcomed to its membership Filipinos of all classes and claimed an especially large adherence among the masses.²⁶ The Katipunan

²⁶

W. C. Forbes, op. cit., I, 55-56.

with a membership of from ten to fifty thousand²⁷ was a

²⁷

Philip M. Finnegan, S. J., op. cit., XII, 13.

powerful force in the Revolution of 1896.²⁸

²⁸

W. C. Forbes, loc. cit., 57.

During the course of the revolution, leadership passed from Bonifacio, who lacked ability as a military leader, to Emilio Aguinaldo, one of the most prominent of the insurgent

leaders during the exchange of hostilities. In 1897 Pedro Paterno, an educated and influential Filipino, acting as mediator between the Filipino insurgents, who were discouraged by their losses, and the Spaniards, whose home government required all of its military strength for the suppression of the Cuban revolt, negotiated an agreement which brought organized revolt to an end. One of the purported provisions of this pact of Biac-na-bato provided for the expulsion of the friars.²⁹

²⁹
Ibid., 59.

Since there was a dearth of information concerning the Philippines upon which the Americans could rely, much of their early policy had to be based upon such information as could be gathered from personal contact with the natives. That a degree of character analysis accompanied the fact finding process is shown in the evaluations offered by men whose work brought them into closest contact with the Filipino and his ambitions.

Admiral Dewey's early estimate of the Filipino people declared them to be "far superior in intelligence and more capable of self-government than the Cubans."³⁰ After an

³⁰
George W. Dewey, Autobiography, 312.

acquaintance of several months with representative Filipinos, he modified this early opinion by advocating that they be

treated as "kindly as you would treat children for they are little else." ³¹

³¹

Ibid., 285.

Taft found the Filipinos

"easily influenced by speeches from a small class of educated mestizos who have acquired a good deal of superficial knowledge of the general principles of free government, who are able to mouth sentences supposed to embody constitutional law, and who like to give the impression of profound analytical knowledge of the science of Government." ³²

³²

Henry F. Pringle, The Life and Times of William Howard Taft, I, 173-174.

CHAPTER II
Extent of the Friars' Lands.

Information concerning the friars' land holdings during the early years of the American occupation was based almost wholly upon evidence obtained from native Filipinos. In view of the fact that their veracity was at time questionable, it is indeed surprising to find that so much credence was given to their testimony before the Taft Commission and repeated in the American press. Such statements as "immense agricultural holdings,"¹, "large

¹ Report of the Taft Commission, 32.

property interests,"² and "religious orders became

² Ibid., 184.

possessed of much real estate particularly in the province around Manila and in one province half of the entire acreage is said to be church property"³ are typical

³ Phelps Whitmarsh, "Church Property in the Philippines," The Outlook, 64:443.

of the generalizations describing the extent of the friars' lands.

A more accurate estimate of the friar holdings was that made by James A. LeRoy, an American connected with the Philippine Commission during the period of the establishment of civil government. He gave the Philippines

an area of 75,000,000 acres of which (in 1903) 6,000,000 were being cultivated. He contended that since the most liberal estimates would not allow more than two-thirds of the area to be capable of cultivation and the Orders were at that time the possessors of 410,000 acres, they held one-fifteenth of the land then redeemed for agriculture and one one-hundredth of all that would be cultivated "under the most optimistic views."⁴

⁴

James A. LeRoy, "The Friars in the Philippines," Political Science Quarterly, 18.657.

Stephen Bonsal, a reporter for the New York Herald, challenged the contention that the religious orders possessed the greater portion of the best land with this statement:

Far from comprising the greater portion of the best lands in the islands as has been asserted, the monastic estates amount to less than one one-hundredth of the land under cultivation and less than one five-thousandth of the part that might be cultivated.⁵

⁵

Stephen Bonsal, "The Work of the Friars," North American Review, 175:449.

However, LeRoy's estimate that two-thirds of the total acreage or about 50,000,000 acres would be an optimistic estimate of the potentially cultivable land stands up rather well when confronted with the present-day statistics which give nearly "18,600,000 hectare or 38,076,000 acres in the Philippines as potential agricultural land."⁶

6

Atlas of Philippine Statistics, Joseph Hayden, The Philippines, 7. One hectare equals 2.471 acres.

This fact coupled with his use of the 410,000 acre figure which actually was the one used in the negotiations between the Philippine government and the friars would seem to indicate that LeRoy's appraisal relative to the extent of the friars' lands is the more accurate one. Furthermore, since LeRoy was identified with the Philippine government at the time a settlement was being achieved it is fairly reasonable to assume that his figures were known to the Filipino leaders who already realized their potency as propaganda in the hands of those opposed to the friars.

The representatives of the orders in their testimony before the Taft Commission presented estimates of their holdings in the islands prior to 1893. The Dominicans possessed "about 50,000 hectare."⁷ The Recoletos owned

7

Report of the Taft Commission, 53.

40,000 hectare⁸ and the Augustinians held approximately

8

Ibid., 83.

60,000 hectare throughout the archipelago.⁹

9

Ibid., 74.

These figures given by the friars were admittedly

approximate and tended to underrate the extent of their lands as surveys conducted later during the negotiations revealed a somewhat larger area. Though a few small estates were disposed of privately, the 410,000 acres finally purchased by the Philippine Government constituted the greater share of the friar holdings.¹⁰

¹⁰ Fourth Annual Report of the Philippine Commission, 1903, Annual Report of Secretary of War, 1903, V, 43.

Since the 150,000-hectare estimate of the friars translated into acres would equal 307,000 acres, some correction of the total figures submitted by the friars at the commission hearings was needed.

Lands held by the religious orders were good lands. Father Lobo described the Augustinian's estates as "the best land in the Philippines."¹¹

¹¹ Report of the Taft Commission, 79.

The system of tenure under the friars was as much a subject of controversy as was the extent of their lands. Don Felipe Calderon, an able Filipino lawyer and one of the bitterest critics of the friars, offered this testimony which was typical of the accusations made by the natives against the system of tenure under the friars:

"A certain amount is paid for rent of the land and if on the ground there is a mango tree, the lessee pays three reals a year for the mango tree irrespective of what he pays for the ground. The rental must be paid in products of the soil and

the friars use a cavan holding 26 liter (standard 24 liter) for measuring grain collected as rent." 12

12

Ibid., 137.

Without some standard of comparison understandable to us today this system of itemized rental does seem harsh, but when these rental fees are interpreted in the idiom of our own monetary system, the rental figures appear modest indeed. On the Imus estate of the Recoletos, for example, a tenant paid an annual rental of thirty-two cents for a house extending one hundred and eighty yards. For a mango tree, the fruit of which often brought thirty dollars, the annual rental fee per tree was twelve cents. A clump of bamboo trees rented for six cents and the tenant also had the full right to cut wood on the mountains. The land itself was classified into three categories according to quality and the rent was charged accordingly payable in rice. A tenant having two quinion under cultivation could make an estimated income of \$1700.¹³

13

Rev. Ambrose Coleman, op. cit., 70. A quinion was about twelve acres.

Several factors present themselves for consideration which would probably indicate this income to be a generous one. Though the rental figures do seem absurdly low, it must be remembered that even in the United States the purchasing power of the dollar was high in 1905. It is certainly reasonable to assume that the amounts quoted had

a far greater real value for the Filipino tenant than they would have for a contemporary American. Then, too, abundant evidence was given later which revealed that the Filipino tenant's average holding was eleven acres instead of the two quinion or nearly twenty-four acre plot used by Father Coleman in estimating the possible income of the Filipino. Finally, since the tenantry in general showed little initiative in their labors and since few were disposed to save,¹⁴ it is altogether probable that the

¹⁴

Ibid.

economic status of the average Filipino farmer was not a happy one.

The history of the Rizal family which figured prominently in the rebellion demonstrates the fact that the enterprising settler on friars' lands could rise to a position of influence. Jose Rizal's father was a tenant on the Calamba estate of the Dominicans. The elder Rizal, an energetic, hard-working Chinese, chose to raise sugar cane which was a more profitable crop than the rice cultivated by most tenants. From 1500 acres of land on which he paid an annual rental of \$250, he took a clear profit of many thousands of dollars.¹⁵

¹⁵

Ibid., 73.

Tenants on friar estates passed their holdings from father to son and sometimes the right of occupying and

cultivating the land was sublet to others by the one who possessed tenancy although theoretically the practice was forbidden.¹⁶ Great efforts were made to secure holdings

¹⁶ Testimony of Father Paya, Report of the Taft Commission, 53.

on the friars' lands and sometimes the privilege of tenancy may have been sold to insure desirable tenants.¹⁷ Tenants

¹⁷ Testimony of Father Lobo, ibid., 75.

who cultivated rice were allowed to pay in either money or rice. Those who cultivated sugar always paid in money.¹⁸

¹⁸ Testimony of Father Paya, ibid.

Rents in most cases were collected by laymen but in a few instances collections were made by the parish priest.¹⁹

¹⁹ Testimony of Father Lobo, ibid.

Generally rentals on friars' estates did not amount to more than half that paid to other landlords.²⁰

²⁰ Ibid.

The total rentals on all Augustinian estates in 1891 amounted to \$150,000. Rental profits derived from these lands were never as high as the lands should have yielded in the opinion of Father Lobo. ²¹

²¹ Ibid., 79.

CHAPTER III

The Schurman and Taft Commission Reports

With the signing of the formal articles of capitulation of the city of Manila on August 14, 1898 by representatives of the American land and naval forces and representatives of the Spanish captain-general, the United States automatically became heir to one of the knottiest problems that Spain had faced during the closing years of her rule - the problem of guaranteeing protection to private property, particularly the property of the religious orders. Article seven of the protocol declared:

this city, its inhabitants, its churches and religious worship, its educational establishments, and its private property of all description are placed under the special safeguard of the faith and honor of the American army.¹

¹

W. Cameron Forbes, op. cit., II, 428.

For Americans who were brought up under the constitutional guarantee of protection to private property rights, the concept was too deeply rooted in traditional principle to admit of an alternative. Further emphasis was given to the United States government's responsibility for guaranteeing property rights by an article in the Treaty of Paris providing that "relinquishment or cession by the government of Spain" did not impair in any way the peaceful

possession of property of all kinds comprehensively enumerated including that of ecclesiastical bodies.²

²

Treaty of Paris, December 10, 1898, Art. VIII. W. Cameron Forbes, op. cit., II, 443.

In response to a cabled suggestion from Rear-Admiral George Dewey on January 7, 1899 that a small "civilian commission composed of men skilled in diplomacy and statesmanship should be sent to adjust difference",³ the

³

George Dewey, Autobiography, 284-285.

President acted promptly and announced within a week the appointment of an investigating commission. It comprised five members. The chairman was Jacob Gould Schurman, President of Cornell University. As colleagues he had, representing the navy, Rear-Admiral George Dewey; representing the army, Major-General Elwell S. Otis; and from civil life, Colonel Charles Denby and Dean C. Worcester of the faculty of the University of Michigan.⁴

⁴

Report of the Philippine Commission (Schurman), January 31, 1900, I, 1.

Before the arrival of the Schurman Commission the insurrectionary armies of the Filipinos under Aguinaldo and the American forces had taken to the field in open hostilities.⁵ Aguinaldo's so-called Philippine Republic,

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George Dewey, op. cit., 119.

with headquarters in Malolos, from which city the constitution took its name, had placed on record a policy of confiscating properties of religious corporations in an additional article to its constitution.⁷

⁷ The Constitution of the So-Called Philippine Republic (Otherwise Known as the Malolos Constitution) of January 21, 1899, Report of the Philippine Commission (Schurman), I, 201.

In the summary of findings reported by the Schurman Commission, recognition was given to the popular agitation for confiscation among the Filipinos, but the commission recommended purchase of the land by the government and resale to natives at reasonable prices.⁸

⁸ Philippine Commission Report (Schurman), February 2, 1900, Senate Doc. 138 (pt. 1), 56th Cong., 1st sess., (3885), 131.

A second commission headed by William Howard Taft reached Manila in June, 1900. To this commission was entrusted the difficult task of making the transition from a military to a civil government.

McKinley's instructions to the Taft Commission regarding the friars' lands directed

a thorough investigation into the titles of large tracts of land held or claimed by individuals or religious orders; into the justice of complaints made against such land holders by the people of the Islands, or any part of the people, and to seek by wise and peaceable measures, a just settlement of the controversies and redress of the wrongs which have caused strife and bloodshed in the past.⁹

⁹ W. Cameron Forbes, op. cit., II, 443.

The Commission was asked to observe the provision of the Treaty of Paris, pledging the United States to the protection of all rights of property in the Islands and the principle of the United States government which prohibits the taking of private property without due process of law. The Commission was commanded to make the welfare of the people of the Islands a paramount consideration. If the public interests require the extinguishment of property rights lawfully acquired and held, due compensation shall be made out of the public treasury therefor.¹⁰

¹⁰
Ibid., II, 444.

Armed with these instructions, the Taft Commission embarked upon its duties. Besides Dean C. Worcester, a member of the earlier Schurman Commission, the personnel of the Commission included Henry Clay Ide and Luke E. Wright, lawyers, and Bernard Moses, a writer of note on the history of the Spanish colonies in America.¹¹

¹¹
Ibid., I, 125.

Though the settlement of the friars' land question was not the only major problem confronting the Commission, it was considered of sufficient importance that hearings were begun on July 31¹² and continued through November 22,

¹²
Report of Taft Commission, January 25, 1901, Senate Dec. 112, 56th Cong., 2d sess., (4040), 47.

1900.¹³ In all the testimony of thirty-eight witnesses

¹³
Ibid., 283.

was taken and a report was submitted to the President of the United States. It comprised 236 printed pages. Only two of the nineteen questions asked by the Commission were directly concerned with the friars' lands.¹⁴ The sixth

¹⁴
Ibid., 201.

question asked for an estimate of friar holdings and the nineteenth asked what the attitude of the Filipinos would be toward confiscation of these lands by the government. The first of these was asked of all the witnesses, the last was omitted in interviews with the churchmen.

The Archbishop of Manila and the Bishops of Jaro and Viyan together with representatives of nine religious orders in the Islands were interviewed. In view of the fact that the testimony offered by witnesses other than the churchmen was overwhelmingly critical, some attention is required for the method of investigation that was used. Father Coleman, whose investigation of the situation in behalf of the friars was conducted at a time contemporaneous with the closing of the purchase negotiations, declared that the investigation conducted by the Taft Commission was not an impartial one because Taft had no means of hearing the sentiments of the masses of Filipinos at first hand. He declared further that

Taft was surrounded by a clique whose object was to prejudice his mind against the friars by representing the people as wholly hostile to them; that no evidence was taken from any native in favor of the friars, and finally, that the findings should not have been published at all, or if published, the friars should have been allowed to answer to specific charges.¹⁵

15

Rev. Ambrose Coleman, O. P., "Do the Filipinos Really Hate the Friars?" American Catholic Quarterly Review, XXX, 450-451.

Charges as to the validity of friar land titles by the Filipino witnesses were almost uniformly hostile. One witness who appeared uncertain of the validity of his own testimony remarked

. . .but I deduce from the way in which these parcels were acquired (referring to the two parcels with which he professed familiarity) that the great haciendas possessed in other provinces by other orders were not acquired in a proper way.¹⁶

16

Report of the Taft Commission. 192.

Somewhat less naive in its revelation of prejudice was the testimony of Senor Calderon who charged that the friars had managed to acquire lands by putting up dams for water, charging for the use of the water, and afterwards claiming ownership of the lands.¹⁷

17

Ibid., 135-136.

Whether or not the members of the Taft Commission credited as valid this testimony of Filipino witnesses relative to the way in which the friars supposedly secured title to the lands, the conclusion reached in the summary of the report supported the claims of the friars to title. The inquiry conducted by the Commission revealed that, with the exception of the Augustinian property in Cagayan which was given to the order by the Spanish governor-general in 1880 and the Recoleta order's Mindoro property, a gift from the Spanish government in 1894, all friar lands had been "held for more than a generation and in some instances for one or two centuries." The report further quoted Senor Don Felipe Calderon's opinion that, since prescription would supply any defect in the original title, few cases of ownership could be successfully attacked in law. The report finally stated that, save for a small claim on the Calamba estate which could be settled in a Philippine court, no claimants to title of friar properties had come forward.¹⁸

¹⁸

Ibid., 27

A further significant revelation turned up in the examination of witnesses was the fact that ownership of the land had been conveyed by each of these religious orders to three separate corporations. Though some degree of clarification of these transactions was revealed in later reports, no complete description of the business relations between the corporations and the orders they represented

was ever given. The Recoletos had sold their land, with the exception of the Mindoro estate, to the British-Manila Estates Company, Ltd., represented by Marcus McGregor.¹⁹

¹⁹ Fourth Annual Report of the Philippine Commission, 1903, Annual Report of Secretary of War, 1903, V, 203.

Holdings of the Augustinians had been transferred to La Sociedad Agricola de Ultramar, a Spanish company.²⁰ The

²⁰ Ibid., 210-212.

Dominican lands were held by the Philippine Sugar Estates Development Company, Ltd., a corporation organized under Philippine law.²¹ In all three instances the religious

²¹ Ibid., 206.

orders kept a controlling interest in the stock of the corporation which held the lands formerly possessed by them, but recorded testimony as to actual placement of possession remains vague throughout the history of the undertaking.

Two findings which were important in later purchase negotiations were established by the Taft Commission according to the summary of the report. In the first place, the friars in fulfilling the administrative tasks assigned to them by the Spanish government in areas where they were the sole representatives of the Spaniards, had become so identified with the natives' hatred of Spain that it was

not deemed advisable that they be returned to their former parishes, and secondly, "troublesome agrarian disturbances" could be avoided through purchase by the Insular Government of the friar estates and resale in small holdings to the tenants.²²

²² Report of the Taft Commission, 32.

The testimony further pointed out that the provincials representing the orders had intimated a willingness to sell their lands providing a satisfactory price were offered. All had admitted sufficient control in the new corporations to effect a sale should terms prove satisfactory. On being questioned, the Dominican provincial had replied that it would be necessary to consult the Holy See in order to complete the sale of the friar lands.²³

²³ Land Held for Ecclesiastical Purposes in the Philippines, Also Acts of the Commission, Senate Doc. 190, February 25, 1901. (4040), 61.

CHAPTER IV

A Challenge for Statesmanship

First on the agenda of the new functions of government requiring consideration by the McKinley administration after the Treaty of Paris had set the course of empire for the American republic was the task of laying the framework of colonial government.

As commander-in-chief of the army and navy, it was the duty of the President to direct the governing policy in the newly acquired possessions during the period of military occupation. Actually the work of formulating a colonial policy fell to Elihu Root, then Secretary of War.

The document usually accorded the position of greatest significance¹ in pointing the course of colonial policy is

¹ Speech of President Taft before the Brooklyn Institute of Arts and Sciences, November 19, 1913. Text in W. Cameron Forbes, op. cit., II, 500

that entitled "The President's Instructions to the Commission," April 7, 1900.² This document, drafted by

² Text in W. Cameron Forbes, op. cit., II, 439-445.

Root and accepted essentially as presented, embodied within it the framework of civil government for the Philippines. Its ideas received in the passage of the Civil Government Act of July 1, 1902, a "congressional endorsement given to but few documents in the whole history of our country."³

³ Ibid., II, 500.

The authority to exercise legislative functions of government, subject to presidential approval through the Secretary of War was transferred to the Philippine Commission on September 1, 1900.⁴ However, as Root

⁴ Ibid., II, 440.

indicated in his annual report for 1901, in which he urged passage of the Spooner Amendment, such military power included only limited powers of legislation.⁵

⁵ Annual Report of Secretary of War, 1901, 18.

Taft was of the opinion, and it was substantially upheld by the Supreme Court of the United States in 1904,⁶

⁶ Dorr v. United States, 196 U. S. 138 (1904)

that the "constitution did not automatically follow the flag but an Act of Congress was required to extend to the islands specific provisions of our domestic law."⁷

⁷ Philip C. Jessup, Elihu Root, I, 348.

Though the constitutional guarantee that "no person shall be deprived of life, liberty, or property without due process of law" was specifically mentioned in the President's instructions to the Commission,⁸ no power rested with this

⁸ W. Cameron Forbes, op. cit., II, 443.

newly organized governing body which would permit the raising of funds for the purchase of the friar lands. Committed, then, by Article VIII of the Treaty of Paris and the fundamental principles of American government to protecting the friar land holdings, the Commission, after going on record as recommending purchase of the land by the Insular Government,⁹ awaited congressional action which would

⁹
Report of the Taft Commission, 32.

authorize the purchase and provide a method of financing the transaction.

The most powerful ally of the Commission in Washington was the Secretary of War, Elihu Root. Deeply aware of the needs of the colonial government, but determined that the administration present a definite and positive program, Root made a careful study of European colonial systems and laid plans slowly for the needed legislation. Writing to Henry Cabot Lodge, his legislative spokesman in the Senate, on July 1, 1901, the War Secretary confided his impression that Congress would not be ready for a general organic act at the next session.¹⁰

¹⁰
Philip C. Jessup, op. cit., 361.

Meanwhile the friar land question with its accompanying fanfare had become a lively subject for the American press. Though some evidence of emotionalism

manifested itself in declarations for confiscation, a degree of balance was shown by the most influential papers. However, the caution shown by the McKinley administration, and to a lesser extent by Roosevelt's, was derived in part from the need for preparing public opinion for the purchase transaction in the Philippines.

The Outlook had declared editorially, shortly after the Schurman Commission Report had been made public, that land courts should be established to determine the validity of the land titles in the archipelago and that land held without lawful title should by proper legal procedure be escheated to the state and those held lawfully be purchased by the state at an appraised valuation.¹¹

¹¹ "The Way Out," Outlook, 63:668-68.

Attempting to present both sides of the controversy, Public Opinion quoted Dr. B. T. Nealy, a prominent Methodist clergyman, as supporting a stand for confiscation of the friar lands, while Archbishop Ireland, when interviewed on the subject, expressed the opinion that the "government would not lend itself to such wholesale robbery."¹²

¹² "Church Property in the Philippines," editorial, Public Opinion, 25:785.

In an editorial favoring the purchase of the lands,
The Independent took a positive stand when it stated

"But one solution of the difficulty seems possible. It is not confiscation of the ecclesiastical lands which are lawfully held. Confiscation would be the Filipino way ... Our nation is not only under treaty obligations to respect the ecclesiastical rights of property, but our sense of justice prevents forcible alienation.¹⁴

¹⁴ "The Philippine Islands," The Independent, 53:3029.

Adding to the complexity of this already involved question was the need for direct negotiation with the Vatican. The McKinley administration keenly realized that any official contact between Washington and Rome would be charged with political dynamite. Archbishop Ireland of St. Paul early figured in an advisory capacity in planning for negotiations between the Vatican and the War Department. He referred to an hour long talk with Root about the situation in the Philippines in one of his letters as early as May, 1901.¹⁴ As clearly aware as was the

¹⁴ Maria L. Storer, In Memoriam Bellamy Storer, 56.

administration of the explosiveness of questions touching on relations with the Vatican in the public press, the Archbishop avoided calling on Secretary Root at the War Department, but met him at his Washington or his Southampton home.¹⁵

¹⁵ Philip C. Jessup, op. cit., 366.

By the close of 1901, Theodore Roosevelt, equally conscious of the need for caution in pressing negotiations, but less timid than his predecessor had been, directed from the White House a planned effort to enlist the support of the press for a mission to Rome.

Archbishop Ireland, writing from Washington to Bellamy Storer, then representing the United States in Madrid, declared with respect to the projected mission:

"I am going to New York for a few days where, at the President's suggestion, I shall sound out Abbott of the Outlook and Ward of the Independent. I feel rather sure of both and feel that rightly understood, they will uphold the project."¹⁶

¹⁶ Maria L. Storer, op. cit., 61.

The fact that the Archbishop's mission met with some success may be drawn from the tone of moderation in the following editorial:

"Sensible and intelligent Protestants and Catholics will be in sympathy with the purpose of this mission to Rome as it is a business way of settling difficulties and compromises nobody. It is no step to establishing a legation at Rome."¹⁷

¹⁷ "Mr. Taft at Rome," editorial, The Independent, 54:1315-16.

Exceeding in importance and coinciding in point of time with the problem of shaping public opinion favorable to negotiations was that of choosing representatives to carry forward transactions with the Vatican. By December, 1901,

Archbishop Ireland and Bishop O'Gorman, who was to be a member of the mission, were in Washington, where Judge James F. Smith, also an appointee to the mission, impressed the Archbishop as a man worthy of his responsibility.¹⁸

¹⁸

Maria L. Storer, op. cit., 58-59.

Taft was chosen late in February 1902 to head the mission¹⁹

¹⁹

Henry F. Pringle, The Life and Times of William Howard Taft, 225.

and in May he joined his colleagues in Rome.²⁰

²⁰

Ibid., 228.

Taft's letter of instructions from the Secretary of War expressly stated that the errand

would not in any sense or degree be diplomatic in nature, but will be purely a business matter of negotiations by you as Governor of the Philippines for the purchase of property from the owners thereof.²¹

²¹

Annual Report of Secretary of War, 1902, 235.

On June 5, 1902 the Taft Mission had its first audience with Pope Leo XIII at which Taft read a lengthy paper. He expressed the hope that upon the passage of an act then pending in Congress, which would authorize the purchase of the friar lands by the Insular Government, some basis for settlement might be reached. He also touched upon the

desirability of the withdrawal of the Spanish Friars from the Philippines.²² At the end of the audience with the

²²
Ibid., 238.

Holy Father, Taft left a copy of his instructions from Secretary Root with Cardinal Rampolla, Papal Secretary of State.²³

²³
Ibid., 240.

Under date of June 22, Taft received a reply from Cardinal Rampolla expressing the concurrence of the Holy See with the position of the American government relative to the expediency of the sale of the friar lands. The Holy See declared itself disposed to furnish the new Apostolic Delegate with powers broad enough to carry forward the negotiations at Manila considering that precipitate action was prevented by the need for a special study to determine the value of the lands.²⁴

²⁴
Ibid., 242.

Disappointed in his hopes for a near settlement at Rome, Taft replied to the communication with a letter pointing out the fact that in the referral of the matter to the Apostolic Delegate in Manila, much of the benefit of direct understanding between the Vatican and the Philippine Government would be lost. He proposed that a definite

agreement between the parties be drawn up leaving as little as possible to the uncertainties of future negotiations.²⁵

25

Ibid., 243-249

Taft submitted with this memorandum a proposal which, in so far as the friar lands were concerned, called for the submission of the questions of fair value to a five-member arbitration tribunal. Two members of the tribunal were to be appointed by the Pope, two by the Philippine government, and a fifth by a disinterested party. The expenses of the tribunal were to be borne by the Philippine government. It was to be empowered to hear evidence, view lands, and award a purchase price determined by a majority vote of the tribunal. The valuation was to be fixed in Mexican dollars and the terms of purchase suggested were one-third in cash thirty days after a report of the award to be made and delivery of satisfactory title, another third nine months after the first installment, and the final payment at the end of eighteen months. Interest on delayed payments were to be paid at the rate of four per cent per annum from the date of the first payment.

A necessary condition for the purchase of the lands by the Insular Government, according to Root's instructions, was a papal agreement for the withdrawal of all Spanish friars representing the Dominican, Recoleta, Franciscan and Augustinian orders from the Islands. The delayed payment

plan was tied up with the withdrawal plan.²⁶

²⁶
Ibid., 250-251

The answer to Taft's communication and proposal was submitted by Cardinal Rampolla on July 9. On the economic side, complete accord was registered with the exception of the suggestion that the fifth member of the arbitration tribunal be chosen by the other four or the appointment be determined by agreement between the Pope and the President of the United States. However, as to the conditions proposed relative to the removal of the Spanish friars, the Holy See could not concur. For the Vatican such concurrence would be not only a violation of the provisions of the Treaty of Paris, but a condemnation of the Spanish friars before the eyes of the Catholic world and would seem to confirm the false and exaggerated charges brought against them. The Vatican's plan of introducing religious of other nationalities, particularly American, into the Islands was here made known as also was the fact that all religious orders were to be instructed to confine their work strictly to the spiritual sphere in order to facilitate the American objective of complete separation of church and state.²⁷

²⁷
Ibid., 254-256.

Taft submitted the counter-proposals to Root who, after conferring with President Roosevelt at Oyster Bay,²⁸

²⁸ Philip C. Jessup, op. cit., 367.

directed Taft to accede to the earlier plan advanced by Cardinal Rampolla for more protracted negotiations in Manila between Taft and the Apostolic Delegate. Taft was also instructed to request full and definite details of the property which the orders were willing to sell, the precise interests held by the orders in the corporations and the total stock of the land-holding corporations.²⁹

²⁹ Annual Report of Secretary of War, 1902, 257-59

Cortesi has assigned the break-down of the negotiations to the influence exercised by the monastic orders in the Convention of Cardinals which had been appointed to consider the original Taft Mission proposals.³⁰

³⁰ Salvatore Cortesi, "The Vatican and the Philippines," The Independent, 54:436-439.

Taft thought that the "Pope himself was anxious to accede to the American demands but the influence of the monastic orders was all-powerful."³¹

³¹ Henry F. Pringle, op. cit., 230.

CHAPTER V

Legislation Prepares the Way for the Acquisition
of the Friars' Lands.

Before Taft left Rome for Manila, Congress had passed an act confirming the creation of the Philippine Commission and authorizing it to exercise the powers of government as set forth in the President's letter of instructions. The act also made provisions for the administration of the affairs of civil government in the Islands.¹

¹ United States Statutes-at-Large, XXXII, pt. 1, 691-707.

In so far as the friars' land purchase is concerned, the significant sections of the act are the sixty-third, sixty-fourth and sixty-fifth. Section sixty-three authorized the Philippine government "to acquire, receive, hold, maintain and convey title to real and personal property and to provide for the acquisition of real estate by exercise of the right of eminent domain." Section sixty-four provided that the powers set forth in section sixty-three might be exercised in respect to lands which "on August 18, 1898 were owned or held by a group or individual, including religious orders, in such large quantities as, in the opinion of the Commission, endanger the peace and welfare of the Filipino people." This section further provided for the raising of funds for

purchase by empowering the Philippine government to incur indebtedness through the issuance of bonds payable in not less than five nor more than thirty years for an amount large enough to cover the purchase price of the land. Section sixty-five empowered the Philippine government to dispose of the land purchased from the friars on terms determined by the government with the proviso that all money realized from sale or lease of these lands was to go into the sinking fund for payment of the bonds at maturity.²

²
Ibid., 706-707.

Though the way for the acquisition of the lands was cleared by the enactment of the Civil Government Act on July 1, 1902 actual negotiations were to continue for another two years before the last of the transactions were completed.

The new Apostolic Delegate, Monsignor Jean Baptiste Guidi, Archbishop of Staurpoli, reached the Philippines in the fall of 1902. Taft's request for the valuation of property and the exact interests maintained by the orders in the newly organized corporations went unanswered, although Taft was told informally by the Apostolic Delegate that the orders had so disposed of their holdings that they were unable to make a report of what their interests were, if any.³

³
Report of the Philippine Commission, 1903, 40.

Hearings relative to the valuation of the lands were held at Malacan Palace. Findings of a Filipino surveyor, Juan Villegas, who had been commissioned to survey the friars' lands between 1901 and 1903, became the basis for the negotiations. During the hearings the Holy See was represented by the Archbishop of Stauropli; the Philippine Government by William Howard Taft, and the Philippine Sugar Estates Company, which held the lands formerly held by the Dominicans, by Francisco Guiterrez, the managing director and a stockholder of the company. La Sociedad Agricola de Ultramar, the corporation which held the former Augustinian estates, was represented by Padre Juan M. Yanez, an Augustinian friar, who was the attorney for the company. The former Recoleta holdings in the hands of the British-Manila Estates Company were represented by Marcus McGregor, an Englishman, and the Mindoro estate, still retained by the Recoletos, was represented by the procurator of the order in the Philippines.

As the Archbishop summarized them, the objections throughout were that Villegas did not attach sufficient importance to the fact that the value of the friars' lands was conditioned by the improvements on them. Villegas had divided the land into three quality classifications and set a similar valuation on all first class land on each hacienda irrespective of improvements.⁴

⁴ Ibid., 158.

However, since Taft and other members of the Commission supported Villegas's position relative to valuation based on actual quality of the soil, the ultimate basis used in determining valuations was the one set by Villegas.⁵

⁵

Ibid.

The following table is based on the Villegas survey.

Valuation of the Friars' Estates

By Senor Villegas³

	Area of land			Value in Mexican Currency
	Hectare	Acre	Centare	
<u>ESTATES OF THE DOMINICANS</u>				
Binan, Laguna Province	3,739.10.15			\$ 497,865.22
Calamba, " "	16,424.14.00			1,102,046.24
Lolomboy " "				
Malanday, Polo, Bulacan	106.53.00			15,979.50
Pasolo, Polo, Bulacan	65.19.50			9,779.28
Bocaue, Bulacan Province	4,158.09.66			733,985.48
Naic, Cavite Province	7,922.29.00			770,996.76
Orion, Bataan Province	2,109.57.24			109,342.00
Santa Cruz de Malabon, Cavite Province	8,902.37.50			682,456.87
Santa Maria de Pandi, Bulacan Province	12,069.57.02			824,289.00
Santa Rosa, Laguna Province	4,750.14.24			700,024.90
San Juan del Monte, Rizal Province	156.49.35			18,299.00
Toro, Bulacan Province	58.23.30			8,734.95
TOTAL	60,461.73.96			\$5,473,799.12
<u>ESTATES OF THE AUGUSTINIANS</u>				
Banidad or Talamba, Province of Cebu	1,538.43.00			195,756.48
Dampol, Quinicua, Bulacan Province	962.00.00			142,911.69
Mandoloya, Rizal Province	4,033.00.00			375,075.00
Muntinlupa, " "	5,397.84.00			174,485.00
Malinta, Bulacan Province	3,432.00.00			401,100.00
Tala, Rizal Province	5,197.00.00			204,100.00
Piedad, " "	3,604.00.00			300,850.00

	Area of Land		Value in Mexican Currency
	Hectare	Centare	
<u>ESTATES OF THE AUGUSTINIANS</u>			
San Francisco de Malaban, Cavite	13,000.00.00	\$1,117,250.00	
Bingabag, Bulacan Province	294.00.00	32,670.00	
Talisay and Manganilla, Cebu	7,362.90.00	1,008,882.50	
Calumpet, Bulacan Province	74.82.00	11,224.42	
Baracoain, " "	54.29.57	8,144.35	
Santa Isabel:			
Daguila, Bulacan	38.83.49	5,825.23	
Anibon, Bulacan	65.33.52	9,800.28	
Guaguinto:			
Along-ilang, Bulacan	241.42.94	48,285.88	
Malapat, Bulacan	7.20.08	1,080.12	
Recoleta, Bulacan	456.95.16	68,542.74	
Estate in Province of Isabela	23,000.00.00	300,000.00	
TOTAL	68,770.26.04	\$4,407,335.65	
<u>ESTATES OF RECOLETOS</u>			
San Juan and San Nicolas, Cavite	18,419.56.12	\$1,605,303.33	
San Juan, Mindoro Province	23,266.00.00	600,000.00	
TOTAL	41,685.56.12	\$2,205,303.33	
<u>GRAND TOTAL</u>			
Estates of the Dominicans	60,461.73.96	\$5,473,799.13	
Estates of the Augustinians	68,770.26.04	4,407,335.65	
Estates of the Recoletos	41,685.56.12	2,205,303.33	
TOTAL	\$170,917.56.12	\$12,086,438.11	

³ Ibid., 202-203. One hectare equals 2.471 acres

After the submission of these figures by Villegas, Taft, with the approval of President Roosevelt and Secretary Root, offered to the Apostolic Delegate and the representatives of the respective estates the following valuation in gold, based upon the then prevalent exchange rate of two Mexican to one American dollar:

For the Dominican lands	\$2,736,899.57
For the Augustinian lands	2,203,667.83
For the Recoleta lands	<u>1,102,651.67</u>
Total	6,043,219.07 ⁷

⁷ Ibid., 42-43.

In making the offer Taft expressed the hope to the Apostolic Delegate that he would find it consistent with his view of the situation to advise acceptance of the offer. However, he received a negative answer to his proposal from all the representatives of the orders.⁸

⁸ Ibid., 43.

The Apostolic Delegate thought that a sale could be arranged for the sum of \$10,500,000 in gold which figure was considerably higher than the Philippine Commission was willing to go. Some months later McGregor told Taft that an offer of \$8,500,000 might be acceptable. Whereupon Taft advised the Apostolic Delegate that he would recommend an

increase of \$1,500,000 over the original price offered by the Philippine government. However, a controversy over the division of the additional sum among the orders led to new demands. Taft refused to change his offer of \$7,543,000 and negotiations against broke down for a time.⁹

⁹
Ibid.

Finally the Augustinian estate of Mandoloya was sold to the town of Pasig and an additional strip to a railroad company. Omission of these lands and a twenty-five hundred acre parcel retained by the Philippine Estates Company, with the consequent deductions, resulted in the purchase by the Philippine Government of the remaining 410,000 acres for the sum of \$7,239,000.¹⁰

¹⁰
Ibid.

Contracts were drawn up at Manila on December 22, 1903 with each of the three corporations representing the orders and a separate one with the Recoleta Order to cover the purchase of the estate still held by that order. These contracts fixed the purchase prices, called for delivery of title, provided for examination of titles and resurvey of the lands and stipulated that the transaction was to be completed within six months.¹¹

¹¹
Ibid., 204-212.

By the Friars' Land Act, the Philippine Commission authorized surveys and examinations of titles, provided for terms of leases to the then occupants and approved the appointment of the law firm of Den Pan Ortigas Y Fischer engaged by the Philippine Commission to determine the legality of titles.¹²

¹² Acts of the Philippine Commission in Annual Report of Secretary of War, 1904, XIV, 234.

The new survey disclosed shortages in a number of the estates.¹³ However, the examination of titles showed

¹³ Report of the Philippine Commission, 1904, Annual Report of Secretary of War, 1904, XI, pt. 1, 17

all to be in good order except three belonging to the Philippine Sugar Estates Company. Titles to these three parcels formerly held by the Dominicans actually rested with Santo-Tomas University,¹⁴ although the administration

¹⁴ Ibid., 18.

of the estates was in the hands of the Dominican Order.¹⁵

¹⁵ Ibid.

By the time the Annual Report of the Secretary of War for the fiscal year ended June 30, 1905, was released, all difficulties had been solved and the lands had been purchased by the government. Payments in the currency of the United States had been made as follows:¹⁶

Date of Payment	To Whom Paid	Amount
October 5, 1904	Recoleta Order (for Mindoro Estate)	\$ 298,782.07
October 24, 1904	La Sociedad Agricola de Ultramar (18 estates formerly owned by the Augustinian Order)	2,077,332.56
February 7, 1904	British-Manila Estate Co. "Imus Estate" in Cavite formerly held by the Recoletos	1,036,655.73
October 20, 1905	Philippine Sugar Estates Development Co. Ltd. (8 estates formerly held by the Dominicans)	3,521,657.00

16

Report of the Philippine Commission, 1905, Annual Report of Secretary of War, 1905, X, 26.

CHAPTER VI

Disposal of the Friars' Lands

Though the Civil Government Act of July 1, 1902 empowered the Philippine Government to inaugurate legislation for the acquisition and disposal of the friars' lands, it was not until January, 1904, that the power was used. When negotiations for the purchase of the lands had progressed satisfactorily, the Philippine Commission authorized the Secretary of War to issue bonds on behalf of the government of the Philippine Islands to the amount of \$7,237,000 in United States money. The bonds were to be dated February 1, 1904 and were to be redeemable not less than five nor more than thirty years after that date. As provided in the Organic Act, the Friars' Land Bonds, as they were to be called, were tax free and were to bear interest at the rate of four per cent.

Moneys received from the sale or lease of the lands were to be kept in a sinking fund for payment of the principal at maturity. This authorization of the Philippine Commission was dated January 6, 1904.¹

¹

Act No. 1034. Acts of the Philippine Commission, 1904
Annual Report of the Secretary of War, 1904, XIV, 80-83.

The bonds were sold on February 1, 1904, to the amount of \$7,000,000 and realized a premium of \$530,390

from the sale price of \$107.557. At the close of the fiscal year, June 30, 1904 no payment had been made from these funds and the money remained on deposit with the official depositories of the Insular Treasury.²

²

Report of the Secretary of Finance and Justice in the Philippine Islands, Report of the Philippine Commission, 1904, Annual Report of the Secretary of War, 1904, 393-394.

The interest amounted to \$280,000 annually.

In April, 1904, the Philippine Commission passed the Friars' Land Act which placed the lands under the control of the Bureau of Public Lands. Bona fide settlers were given preference in the sale and leasing of these lands. The lands were to be sold on easy terms at their cost to the government.³

³

Acts of the Philippine Commission, 1904, loc. cit., XIV, 234-240.

Theoretically, then, the stage was set for the disposal of the land in small tracts to the Filipino tenants who had so long desired it. Few among the devisors of the plan were optimistic enough to predict that the land sales would pay for the bonds at maturity. In the summary of the report of the closing of negotiations, this statement appeared:

Whether any ultimate loss will be incurred, by these transactions can only be a matter of conjecture, but however this may be, it must be a subject of real

congratulations that what had threatened to become a cancerous sore on the body politic has been extirpated.⁵

⁵ Report of the Philippine Commission, 1904, loc. cit., XIV, 18.

The surveyor's work of parcelling out the lands presented difficulties as tenants had become accustomed to cultivating certain irregular tracts and further difficulties were encountered when attempts were made to persuade them to take tracts already laid out on a rectangular plan. Some of tenants, accustomed to non-payment of rents throughout the years of the controversy, contended that the lands should be theirs without payment.⁶

⁶ W. Cameron Forbes, op. cit., II, 58.

Laws passed while the Philippine Commission exercised legislative functions and later by the Philippine legislature tell a revealing story of the difficulties encountered by the Philippine government in the disposal of the friar lands.

By an act of the Philippine Commission on October 2, 1907, provision was made for a loan fund from which could be made mortgage loans on crops, improvements or personal property in order to encourage the extension of cultivation.⁷

⁷ Acts of the Philippine Commission, 1907, Annual Report of Secretary of War, 1907, X, 403.

Terms for installment payments were liberalized for actual bona fide tenants by the act of the first Philippine Legislature in 1908.⁸ A later act further liberalized

⁸ Acts of the First Philippine Legislature, First Session, 1908, Annual Report of Secretary of War, 1908, IX, 53.

rentals and installments by providing for suspension of payments in the event of calamities which resulted in a harvest having a market value less than half of the average annual harvest. The payment withheld was to be apportioned among the remaining installments.⁹

⁹ Acts of the Second Philippine Legislature, First Session, 1910, House Doc. 116, 62d Cong., 2d Sess. (6200), 60.

American interest in the friar land question waned after the purchase of the lands by the Philippine Government. But attention was revived in 1910 when Representative John Martin of Colorado in a speech on the floor of the House of Representatives attacked the sale of a large tract of former friars' land to E. L. Poole, the former Tala estate near Manila to Frank W. Carpenter, Executive Secretary to the Insular Government and the lease of a large tract of these lands to E. L. Worcester, the nephew of the Secretary of the Interior in the Philippines.¹⁰

¹⁰ Dean C. Worcester, The Philippines Past and Present, 41-42.

Wide public interest was immediately focused on both the sale and rental transactions since Poole acted as an agent for Horace Havemeyer, a director and stockholder in the "Sugar Trust;" Charles Seneff, former vice-president of a sugar concern, and Charles J. Welch, also interested in sugar production. Both Frank W. Carpenter, Executive Secretary of the Insular Government and E. L. Worcester, a nephew of Secretary of the Interior, Dean C. Worcester, were charged with being implicated in the deals with the Philippine Government. Congressman Martin declared that Poole had purchased the former San Jose Estate of the Recoletos, a Mindoro property consisting of 56,000 acres, for the sum of \$367,000, an increase of about \$70,000¹¹ over the purchase price from the friars.

¹¹

For the text of John A. Martin's speech see the Congressional Record, 61st Cong., 2d Sess., XLV, 7975-8007. Mr. Martin had also spoken on the sale of the friar lands on March 15, Ibid., 3844-3849.

As a result of Martin's allegations, the House of Representatives passed a resolution authorizing the House Committee on Insular Affairs to conduct "a complete and thorough investigation of the Interior Department of the Philippine Government touching the administration of Philippine lands and all matters of fact pertaining thereto."¹²

¹² House Resolution 795, June 25, 1910. Congressional Record, 61st Cong., 2d Sess., 9114-9115.

In the investigation conducted over a period of three months more than thirteen hundred printed pages of testimony was taken from such witnesses as Dean C. Worcester, Secretary of the Interior in the Philippine Government; Captain C. H. Sleeper, Director of the Bureau of Lands; Frank Carpenter, Executive Secretary of the Insular Government, and Horace Havemeyer, Charles Welch, and E. L. Poole representing the sugar interests.¹³

¹³

Report by the Committee on Insular Affairs of the House of Representatives of Its Investigation of the Interior Department of the Philippine Government Touching the Administration of Philippine Lands and All Matters of Fact and Laws Pertaining Thereto, House Report No. 2289, 61st 3rd Sess.

A file was produced by the officials of the Interior Department of the Philippines which proved conclusively that the sale to Poole had been preceded by a careful scrutiny as to its legality and that it had only been concluded after the attorney for the Bureau of Lands and the United States Attorney-General had concurred in the opinion that there was no legal limit to the amount of the friars' land that an individual might purchase.¹⁴

¹⁴

House Doc. 1071, 61st Cong., 3d Sess. (6069), 35-43.

The case turned on whether or not homestead provisions of section fifteen of the Civil Government Act of July 1,

1902, which limited the sale of public lands to sixteen hectares or forty acres to an individual and one thousand and twenty-four hectares or twenty-five hundred acres to a corporation applied likewise to the friar lands.¹⁵

¹⁵ United States Statutes-at-Large, XXXII, 696.

The committee conducting the hearings concluded that these provisions "do not and were not intended to apply to the friars' land," and that the act "fixes no limit to the quantity of friars' land that might be sold."¹⁶ The

¹⁶ Congressional Record, 61st Cong., 3d Sess., XLVI, pt. 5, 4160.

committee further concluded that the power to limit the amount sold rested with the Philippine Legislature."¹⁷

¹⁷ Ibid.

In the summary of the investigation, the majority report recommended "the advisability of legislation placing reasonable limits on sales be considered by Congress,"¹⁸

¹⁸ Ibid., 4169

while the minority report in a more positive declaration suggested that "a policy of protecting land from exploitation should be made plain to officials in the Islands by placing reasonable limitations on the amount acquired by an

individual."¹⁹

¹⁹

Ibid., 4169.

Provisions for limiting the quantity of friars' land sales were finally made by act of the Philippine Legislature on February 28, 1914 which imposed upon these lands the same limitations placed upon public lands by Congress in the Act of July 1, 1902 - sixteen hectares or forty acres to an individual and one thousand and twenty-four hectares or twenty-five hundred acres to a corporation.²⁰

²⁰

Acts of the Philippine Islands Enacted by the Third Philippine Legislature, regular and special sessions, Senate Doc. 568, 63d Cong., 2d Sess., 247.

The Jones Act of 1916 placed both the public and the unsold friar lands under the control of the Philippine Government which was authorized, subject to the approval of the President of the United States, to legislate concerning this land as it saw fit.²¹ On December 4, 1926 the Philippine

²¹

United States Statutes-at-Large, XXXIX, 545 ff.

Legislature passed an act which increased the area of the friar land that might be sold to an individual to 365.8 acres.²²

²²

Act No. 3326. Dean C. Worcester, op. cit., 585n.

By 1932 the loan fund originally authorized by act of the Philippine Commission on October 2, 1907 amounted to 439,624.15 pesos. Of the originally purchased 170,329 hectares, 56 acres and 12 centares, the people had purchased 153,329 hectares, 38 acres and 21 centares, although only 62,833 hectares, 36 acres and 69 centares were fully owned by Filipinos.²³

²³

Annual Report of the Governor-General of the Philippine Islands, 1932, House Doc. 233, 72d Cong., 2d Sess.,

One final point of significance is the retirement of the Friars' Land bonds at the end of the designated thirty-year period. In Moody's Manual of Investments for 1936 concerning the Insular Government Bonds, a footnote calls attention to the exclusion of \$7,000,000 in land purchase bonds which had been carried in previous records as the first item of bonded liability with the statement "Land purchase bonds which matured, February 1, 1934."²⁴

²⁴

Moody's Manual of Investments, Vol. IV, Government Securities, 1936, 87n

APPENDIX I

Diplomatic correspondence which introduced the Taft Mission to the Vatican.

White House
Washington, May 9, 1902

In felicitating you upon entry into twenty-fifth year of your Pontificate, I beg your acceptance of volumes which Governor Taft will present to you from me.

Thank you for repeated expressions of good will to this country. I wish that you may have happy and prosperous years of life.

Theodore Roosevelt

To His Holiness, Pope Leo XIII

Department of State
Washington, May 10, 1902

Most Eminent Sir:

I take pleasure in presenting to Your Eminence the Honorable W. H. Taft, one of our most distinguished citizens, who is at present, and has been for several years, Civil Governor of the Philippine Islands, which important office he has filled with great intelligence and success. He is now returning to the islands after a brief stay in this country. On his way he will visit Rome for the purpose of reaching, if possible, a basis for the just settlement of pending questions relating to religious and civil property held in the Philippine Islands for religious and charitable uses.

I beg to commend him to your confidence and kind consideration with the sincere hope for attainment of results which shall promote both civil and religious welfare of the people of the islands.

I profit by this occasion, Most Eminent Sir, to tender you the assurance of my profound esteem and highest consideration.

Your obedient servant,

John Hay

To his Eminence, Cardinal M. Rampolla
De Tindoro, Sec'y. of State to His Holiness,
Pope Leo XIII

"Excellency,"

I have the gratification to signify to your Excellency that you will be received by His Holiness in private audience, together with the members of the honorable mission in your party, tomorrow, Thursday, the fifth instant, at the hour of half past twelve.

M. Cardinal Rampolla

Rome, June 4, 1902

To W. H. Taft - Governor Philippine Islands

Report of the Secretary of War and Bureau Chiefs.
Vol. I, Annual Report of the War Department, 1902, 236.
(4443)

APPENDIX II

Instructions of the Secretary of War to William H. Taft in the Matter of the Purchase of the Friars Lands in the Philippines.

War Department
Washington, May 9, 1902

Sir: It is now apparent that Congress will not have acted upon the Philippine Commission's recommendation regarding purchase of friars' lands before time for your departure for Manila, which can no longer be delayed. You can not, therefore, as we had hoped, now receive definite instructions, and proceed to take such steps in the execution of specific authority from Congress as should be taken before you return to Manila. The committees of both Houses have, however, reported favorably upon Commission recommendations, and it appears probable that Congress will confirm their action. In view, therefore, of the critical situation of this subject in the Philippines, and of the apparent impossibility of disposing of the matter there by negotiations with the friars themselves, the President does not feel at liberty to lose the opportunity for effective action afforded by your presence in the west. He wishes you to take the subject up with the ecclesiastical superiors who must ultimately determine the friars' course of conduct, and endeavor to reach at least a basis of negotiations along lines which will be satisfactory to them and to the Philippine Government, accompanied by a full understanding of negotiations on both sides, so that when Congress shall have acted, the business may proceed to a conclusion without delay.

You are accordingly authorized in the course of your return journey to Manila, to visit Rome and there to ascertain what authorities have the power to negotiate for and determine upon a sale of the lands of the religious orders in the Philippine Islands, and if you find, as we are informed, that the officers of the Church at Rome have such power and authority, you will endeavor to attain the results above indicated. Any negotiations which you may enter upon are always subject to granting of power by Congress to follow the negotiations with binding action. In any

conference and negotiations, you will bear in mind the following propositions which are deemed to be fundamental, and which should be fully and frankly stated to the other side in the negotiations.

- (1) One of the controlling principles of our government is the complete separation of church and state, with the entire freedom of each from any control or interference by the other. This principle is imperative wherever American jurisdiction extends and no modification or shading thereof can be the object of discussions.
- (2) It is necessary now to deal with the results of establishing a government controlled by this principle in the Philippine Islands, which have for centuries been governed under an entirely different system with church and state closely united, and having the functions of one exercised by agents of the other; where the church has long controlled and acted virtually as the agent of the state in the field of public instructions and public charities, and has from time to time acquired large properties held by it or by subordinate corporations or officers for these public causes. A novel situation has been created under which adjustment of means to ends appropriate to the former system entirely fails to produce the intended results under the new system, and the separation of church and state requires to be followed by a readjustment and rearrangement in the interests of both church and state and for the attainment of the great ends of civil government, of education, of charity and of religion.
- (3) By reason of the separation the religious orders can no longer perform in behalf of the state the duties in relation to public instruction and public charities formerly resting upon them, and the power which they formerly exercised through their relations to the civil government, being now withdrawn, they

find themselves the object of such hostility on the part of their tenantry against them as landlords, and on the part of the people of the parishes against them as representatives of the former government, that they are no longer capable of serving any useful purpose for the church. No rents can be collected from the populace communities occupying their lands unless it be by the intercession of the American government with the armed forces. Speaking generally, for several years past the friars, formerly installed over the parishes, have been unable to remain at their posts, and are collected in Manila with the vain hope of returning. They will not be voluntarily accepted by the people, and can not be restored to their positions except by forcible intervention on the part of the civil government, which the principles of our government forbid.

It is manifest that under these conditions it is for the interests of the church as well as the state, that the landlord proprietorship of the religious orders in the Philippine Islands should cease, and that if the church wishes, as of course it does wish, to continue its ministrations among the people of the islands and to conduct in its own behalf a system of instruction, with which we have no desire to interfere, it should seek other agents therefore.

- (4) It is the wish of our government in case Congress shall grant authority, that the titles of the religious orders to large tracts of agricultural lands which they now hold shall be extinguished, but that full and fair compensation shall be made therefore.

- (5) It is not, however, deemed to be for the interests of the people of the Philippine Islands that, in the transforming of wholly unproductive tracts of land into money capable of investments, a fund should thereby be created to be used for the attempted restoration of the friars to the parishes from which they are now separated, with the consequent disturbance of law and order.
- (6) The titles of the great amount of church lands and buildings in the islands, other than those of the religious orders and now apparently owned by the state, should be settled fairly.
- (7) Provision should be made for ascertainment what rentals, if any, ought to be paid for conventos and other church buildings which have been occupied by United States troops during the insurrection, this being, of course, subject to further specific action by Congress.
- (8) The rights and obligations remaining under various specific trusts for education and charity, which are now in doubt and controversy ought to be settled by agreement if possible rather than by slow and frequently disastrous process of litigation, so that the beneficent purposes of these foundations may not fail.
- (9) Your errand will not be in any sense or degree diplomatic in its nature, but will be purely a business matter of negotiation by you as Governor of the Philippines for the purchase of property from owners thereof, and the settlement of land titles in such manner as to contribute to the best interests of the people of the islands.

Any assistance which you may desire, whether on the part of officers of the civil government or military officers, to enable you to perform the duties above described in a manner satisfactory to yourself, will be afforded; but the business is left entirely in your hands, subject to such action as may be taken pursuant to law upon your report.

Very respectfully,

Elihu Root

Sec'y. of War

To Hon. W. H. Taft
Civil Governor of the Philippines
Washington, D. C.

Annual Report of the War Department, Vol. I, 1902
Appendix C:233-235

APPENDIX III

FORM OF AGREEMENT

This agreement between Cardinal Rampolla, Secretary of State to His Holiness, Leo XIII, representing His Holiness, and William Howard Taft, Civil Governor of the Philippine Islands, representing the President of the United States and the Philippine Government witnesseth that -

First The Philippine government agrees to buy all agricultural lands, buildings, irrigation plants and other improvements thereon situated in the Philippine Archipelago of the Dominican, Augustinian and Recoleta Orders and to pay therefore a reasonable and fair price fixed in Mexican dollars by a tribunal of arbitration to be composed of five members, two to be appointed by the Pope, two by the Philippine government and a fifth by the governor-general of India. The tribunal shall begin its session January 1, 1903, shall receive evidence on the question of value of land to be adduced by the two parties to the controversy, shall view such lands as tribunal deems necessary and certify award of value of such lands to the civil governor of the Philippines and the Archbishop of Manila or the Apostolic Delegate of His Holiness.

A majority of tribunal may make award. Lands to be appraised and purchased shall include all lands owned by the three orders on the first of May in 1898 in which said orders or associations, subject to the control of the head of the Catholic Church shall retain a majority interest by virtue of ownership of stock in the company or companies, or by contracts with the individuals in whom now rests the legal title.

- Second The Philippine Government agrees to release by legislative act to the representatives of the Roman Catholic Church designated by His Holiness, the Pope, all lands or enclosures upon which Roman Catholic Churches and conventos now stand, which were never by deed or formal grant conveyed by Spain to the Roman Catholic Church, the same to be held by such representative for the use of Roman Catholics of the parishes in which such churches or conventos now stand without prejudice, however, to the title, if any, of the municipality in which such churches or conventos may stand, titles to such land to be asserted in ordinary courts of law.
- Third The Philippine Government and the Holy See will by compromise, if possible, reach an agreement with respect to the charitable, educational, and other trusts concerning which there is now dispute as to the proper trustees, by determining which of the trusts, if any, shall be administered by the civil government and which of the trusts, if any, by the Roman Catholic Church, or by its agents, and on failure to reach an agreement, said principals will abide by the findings of the tribunal of arbitration mentioned in the first paragraph to whom all such questions shall be submitted as a court of final jurisdiction, and shall include the issue arising in respect to the San Jose foundation now pending in the Supreme Court Islands.
- Fourth The reasonable rentals, if any, which ought to be paid for the conventos and other church buildings which have been occupied by the United States troops during the insurrection, shall be ascertained, for the information of both parties, by the persons who constitute the above mentioned tribunal of arbitration. In each case they shall take into consideration the question whether or not

the church or conventos was enemy's property and was properly occupied in time of war without incurring obligation to pay rent. It is understood that the rental to be ascertained may include allowance for injury done, or alterations made in course of occupation, to the buildings occupied when expressly or impliedly authorized by commanding officer of occupying troops, but should not include injury arising from the torts or unauthorized acts of soldiers, and should not include damages, the result or train of actual war. The Secretary of War undertakes to present to the Congress of the United States the results of the inquiry herein provided for, with request for authority and means to pay the rentals so ascertained to be due.

The foregoing stipulations are made on the following conditions-

- (a) That titles of the three orders to the agricultural lands mentioned in paragraph one and of any subsequent granties thereof, shall be duly conveyed by deeds of usual and proper form to the Philippine Government, and no part of the purchase price shall be paid until this provision is complied with.
- (b) That all members of four religious orders of Dominicans, Augustinians, Recoletos and Franciscans now in the Philippines shall withdraw, one-half within nine months from date of first payment and one-half within eighteen months thereafter, and meantime they shall not teach, preach or do parish work, or work of inspection in the parishes of the archipelago; except that for a period of two years after the first payment a sufficient number of such members may remain to conduct schools, universities, and conventual churches now conducted by them, withdrawing from the island at the close of such period; and except further, that any such members shall have continuously discharged their duties as parish priests in any parish outside of Manila, from August 1898, to the

date hereof, may continue as such and not withdraw from the islands; and that no Spanish members of said four orders shall hereafter be sent to the islands.

- (c) Except as provided in (b) and in missionary parishes now conducted by the Jesuits, only secular priests or non-Spanish members of religious orders whose presence in the parishes will not disturb the peace and order thereof shall be appointed as parish priests. The term "secular priests" as used in this paragraph shall not include secularized Spanish members of religious orders.

His Holiness on his part hereby agrees to the stipulations and conditions hereinbefore set forth and contracts that the four religious orders herein named and their members shall comply with the stipulations and conditions on their part to be performed.

Appendix C:250-252, Annual Report of the War Department, 1902.

APPENDIX IVCOUNTER PROPOSAL OF CONVENTION

- Article I The Philippine Government buys and the religious Orders - Dominicans, Augustinians, and Recoletos owners - sell by the intervention and authority of the Holy See, the lands to them belonging in the Philippine Archipelago.
- Article II This contract comprehends all agricultural lands in Spanish haciendas with houses, irrigation works, machinery for various industries thereon owned by the three above mentioned orders, but does not comprehend houses and churches, parochial or conventual, with or without garden, nor country houses with or without annexed property, which these orders may own outside of towns for their personal use.
- Article III If the ownership of those haciendas has been transferred by shares to industrial corporations constituted for the exploitation thereof, then the object of this contract shall be all the shares retained by the three orders; and therefore such shares shall be passed over to the Philippine government.
- Article IV The equitable price for these lands shall be fixed by a tribunal of arbitration composed of five members, of which two shall be named by the Holy See, two by the Philippine Government, and the fifth by these four or by agreement between His Holiness, the Pope, and the President of the United States.
- Article V The tribunal of arbitration shall begin its sessions on January 1, 1903; shall gather information as to value of the lands; shall even if it judges proper, inspect personally the lands, and afterward shall remit to the civil government of the Philippines and to the Apostolic Delegate a documented catalogue of the lands with their respective prices. The price shall be fixed by a majority of the tribunal, and such decision shall be without appeal.

Article VI The shares or the title deeds of the lands which are the objects of this contract shall duly be transferred according to forms used in American jurisprudence to the Philippine Government before any payment therefore shall be made.

Article VII The price shall be paid by the Philippine Government in Mexican dollars in three payments, one-third thirty days after notification of price and delivery of shares or title deeds, one-third nine months after first payment and the final payment eighteen months after the first. The two last payments shall bear interest at the rate of four per cent from the date of the first payment. The payment shall be made to representatives of the church designated by His Holiness and receipt of same shall be to said Philippine Government a receipt of sum paid.

Article VIII The Philippine Government by legislative act shall transfer to person designated by His Holiness as representative of church, full ownership of lands or enclosures on which are churches, cemeteries or conventos, which were never so transferred by Spain formally or by written deed. Remain, however, safeguarded the rights of municipalities in the premises, which shall be duly proved in ordinary courts of law.

Article IX The Philippine Government and the Holy See shall come to an amicable accord as to existing trusts of charity or education which are in dispute, and shall determine which shall hereafter be administered by civil government and which by the church or its agents. If such accord cannot be reached in any given case, the tribunal of arbitration shall be competent, especially in the questions relative to the San Jose Trust now pending in the supreme court of the islands.

Article X The Same tribunal shall fix the equitable rent for conventos and other religious buildings that were occupied by the American troops during the insurrection. It is understood that such rent shall comprehend a just compensation for the deterioration caused to such buildings by the American troops. In doubtful cases, the tribunal shall decide whether the rent and compensation are due. The Secretary of War will present to the Congress the conclusions of this investigation and ask authorization and the funds to pay the sum fixed by the tribunal.

Article XI An equitable salary to the members of the tribunal of arbitration, as well as all expenses of the same in the execution of the above articles, shall be paid by the Philippine Government.

Article XII The Holy See in that sphere of action which is its competence shall use all of its influence in the pacification of the archipelago and in favor of adhesion to the established government and shall prevent all political opposition on the part of the clergy regular and secular.

Annual Report of the War Department, Vol. I, 1902
Appendix O. 254-256.

APPENDIX V

(Act 1034)

An Act providing for the issue of bonds for the Government of the Philippine Islands to the amount of \$7,237,000 in the gold coin of the United States of present standard of value, for the purpose of acquiring funds for the payment of the purchase price of certain large tracts of land in the Philippine Islands, commonly known as the Friar Lands, pursuant to the provisions of Sections 63, 64, and 65 of the Act of Congress entitled "An Act temporarily to provide for the Administration of Affairs of civil government in the Philippine Islands, and for other purposes," approved July 1, 1902.

Whereas the Government of the Philippine Islands finds it necessary to issue and sell bonds in order to raise the sum required for said (Friars') lands in pursuance of said contracts: Now therefore By the Authority of the United States, be it enacted by the Philippine Commission that:

Section 1 - The Secretary of War is hereby authorized to issue, in the name of and on behalf of the Government of the Philippine Islands, its bonds to the amount of \$7,237,000, in the money of the United States. The bonds thus authorized to be issued shall be dated from February 1, 1904, shall bear interest at the rate of 4 per centum per annum, payable quarterly; shall be redeemable at the pleasure of the Government of the Philippine Islands after ten years, and payable in thirty years after date in gold coin of the United States of the present standard of value.

Both principal and interest shall be payable at the treasury of the United States. The said bonds shall be in registered form, in proportions to suit purchasers thereof, and shall be registered and transferrable at the office of the Register of the Treasury Department of the United States, Washington, D. C. The said bonds are declared by Section 64 of said Act of Congress to be

exempt from the payment of all taxes or duties of the Government of the Philippine Islands, as well as from taxation in any form by or under state, municipal or local authority in the United States or the Philippine Islands, pursuant to which Act of Congress and this Act these bonds are issued, which facts shall be stated on their face.

Section 2 - The Secretary of War is further authorized to sell said bonds on such terms as are most favorable to the Government of the Philippine Islands: Provided, that no bond or bonds shall be sold at less than their par or face value, and shall deposit the proceeds of such sale with the Guaranty Trust Co. of New York, the authorized depository for the Government of the Philippine Islands, to the credit of the Treasurer of the Philippine Islands.

Section 3 - The Secretary of War shall report to the Auditor and Treasurer of the Philippine Islands the amount of said bonds issued and sold by him together with their number and denomination and the amount realized from such sale or sales thereof, and the same shall be made a matter of record in the offices of the Auditor and Treasurer of the Philippine Islands.

Section 4 - In the event of the lease, sale or other disposition, by the Government of the Philippine Islands of any part or all of said lands contracted to be purchased, above set forth, all moneys received from such leasing, selling or other disposition shall constitute a trust fund to secure the payment of the principal and interest of said bonds and shall also constitute a sinking fund for the payment of said bonds at maturity and shall be devoted to no other purpose. When and as rents are collected from any lands so leased and when and as proceeds of sale or other dispositions of any said lands, when sold or disposed of, are received by the Governor of the Philippine

Islands, the same shall be deposited in the Treasury of the Philippine Islands and shall be there held as a separate trust fund and shall be invested and reinvested as a sinking fund for the payment of the principal and interest of said bonds as they mature in such manner as the Philippine Commission shall provide

Section 5 - The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with Section 2 of "An Act prescribing the order and procedure by the Commission in the enactment of laws passed September 26, 1900.

Section 6 - This Act shall take effect on its passage. Enacted January 6, 1904.

APPENDIX VI

Correspondence submitted at the investigation as proof that the question of the legality of the sale of the land in the size of tract purchased by Poole had been thoroughly canvassed prior to the transaction.

Manila, Philippine Islands
October 12, 1909

"I am of the opinion that the director of lands may sell and an individual purchaser may acquire vacant and unoccupied friar lands without any restriction as to area."

Louis G. Knight
Attorney, Bureau of Lands

Manila, Philippine Islands
October 18, 1909

"In view of all the provisions of law affecting matter of your inquiry, I am of the opinion that there is no provision of law limiting the area of the friar lands which may be sold to an individual, or which an individual may acquire from the Government and that there are no restrictions as to the amount of such lands which may be sold to or be acquired by a corporation except provisions of said section seventy-five of the Philippine bill and paragraph five, section thirteen of corporation law above."

Signed: Geo. R. Harvey
Solicitor General

Approved: Ignacio Villamor
Attorney General

Manila, Philippine Islands
October 22, 1909

(Cable) To Secretary of War

Prentiss and Poole desire to purchase unoccupied sugar lands on San Jose Friar Estate. Hammond infers through Bureau of Insular Affairs that an individual cannot purchase more than forty acres. Acts 1847 and 1933 give government right to sell without restriction. Attorney General concurs.

Forbes.

War Department
Washington, D. C.
October 22, 1909

Forbes,

Thoroughly understood here unoccupied friar land may be sold to individual without limitation as to area.

Edwards
(Acting Sec'y. of War)

U. S. Dept. of Justice
Washington, Dec. 18, 1909

"I am of opinion that limitations in section fifteen do not apply to estates purchased from religious orders under sections 63, 64 and 65 of Philippine Act.

Geo. W. Wickersham
Attorney General

⁶Report by the Committee on Insular Affairs of the House of Representatives of Its Investigation of the Interior

Department of the Philippine Government Touching the
Administration of Philippine Islands and all Matters
of Fact and Laws Pertaining Thereto, House Report 2289,
61st Cong., 3d Sess., 35-43.

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It contains the act authorizing the bond issue for the purchase of the friars' lands and the Friars' Land Act which provided the procedure for the acquisition and disposal of the lands.

Acts of the Philippine Commission, 1907, Annual Report of Secretary of War, 1907. Vol. X

It contains the act concerning the loan fund to encourage extension of cultivation of friars' land.

Acts of the First Philippine Legislature, First Session, 1908, Annual Report of Secretary of War, 1908. Vol. IX.

This volume contains the act liberalizing installments to aid tenants in acquiring land.

Acts of the Second Philippine Legislature, First Session, 1910, House Doc. 116, 62d Cong., 2d Sess. (6200)

This volume contains the act providing for suspension of installment payments in the event of a national calamity destroying crops.

Annual Report of the Governor-General of the Philippine Islands, House Doc. No. 233, 73d Cong., 2d Sess., 1932.

The report contains data relative to the disposal of the friars' lands.

Blair, Emma H., and Robertson, James A., eds., The Philippine Islands, 1493-1898; Explorations by Early Navigators, Descriptions of the Islands and Their Peoples, Their History and Records of the Catholic

Missions as Related in Contemporaneous Books and Manuscripts Showing Political, Economic, Commercial, and Religious Conditions in the Islands from their Earliest Relations with European Countries to the Beginning of the Nineteenth Century. Translated from the original, edited and annotated by Emma H. Blair and James A. Robertson with historical introduction and additional notes by Edward G. Bourne, Cleveland, Arthur H. Clark, 1903-1909. 55 vols.

These volumes of great value for studies concerned with conditions prior to the American occupation.

Congressional Record, 61st Cong., 2d Sess., and 61st Cong., 2d Sess.

Laws of Philippine Islands, Message from the President of the United States Transmitting Laws Enacted by the Third Philippine Legislature, regular and special sessions, October 16, 1913- February 28, 1914. Senate Doc. 568, 63d Cong., 2d Sess. (6588).

It contains the act limiting the quantity of land to be sold to an individual or to a corporation .

Report of the Philippine Commission (Schurman) to the President of the United States. January 31, 1900; 4 vols.

This, the Schurman Commission Report, contains the Preliminary Report of the Commission, dated November 2, 1899, the instructions of the President to the Commission, dated January 20, 1899 and the Constitution of the So-Called Philippine Republic (otherwise known as the Malolos Constitution) of January 21, 1899. The Schurman Commission was appointed by President McKinley in January, 1899 to examine into the conditions existing in the Philippines.

Report of the Philippine Commission (Taft) to the President of the United States, January 28, 1901. Senate Doc. 112, 56th Cong., 2d Sess., (4040)

Report of the Philippine Commission, February 2, 1900,
Senate Doc. 138, 56th Cong., 1st Sess. (3886).

These are among the important documents used as they afford information relative to lands and title, and some interpretation of the land controversy. It was necessary to use these documents with caution, however, as a definite degree of bias is evidenced in the testimony and even the manner of questioning.

Report of the Philippine Commission, 1903, Annual Report
of Secretary of War, 1903. Vol. 5.

Exhibits F, G, and H in this report offer valuable and complete documentary evidence concerning the valuation of friars' property and the contractual agreements drawn up at the conclusion of the negotiations. The hearings which preceded the actual purchase of these lands can be found in this volume.

Report of the Philippine Commission, 1904, Annual Report
of Secretary of War, 1904. Vol. XI, Pt. 1.

This report gives the results of the surveys provided for in the contractual agreements and of the title examinations and indicates progress made as negotiations progressed toward completion.

Report of the Philippine Commission, 1905, Annual Report
of the Secretary of War, 1905. Vol. X.

The report gives the final details of negotiations together with tables summarizing the final transactions.

Report by the Committee on Insular Affairs of the House
of Representatives of its Investigation of the Interior
Department of the Philippine Government Touching the
Administration of Philippine Islands and All Matters
of Fact and Laws Pertaining Thereto, House Report 2289,
61st Cong., 3d Sess.

Reports of the Secretary of War and Bureau Chiefs, 1901,
Annual Report of Secretary of War, 1901. Vol. I.

This report summarizes the findings and recommendations of the Taft and Schurman Commission reports and points the need for early action. It raises the legal obstacles to be cleared before a transaction could take place.

Reports of the Secretary of War and Bureau Chiefs, 1902,
Annual Report of Secretary of War, 1902. Vol. I.

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This volume contains the case Dorr v. United States.

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"Church Property in the Philippines," editorial, Public Opinion, December, 1898, 25:785.

The writer recommends the purchase of the lands. The article reveals the early interest in the problem as shown in the press.

Coleman, Rev. Ambrose, O. P., "Do the Filipinos Really Hate Friars?" American Catholic Quarterly Review, July, 1906, 30: 450-451.

Coleman, Rev. Ambrose, O. P., "The Friars' Estates," American Catholic Quarterly Review, January, 1905, 30:57-73.

These articles written by Father Coleman, an Irish Dominican, after a trip to the Philippines, constitute the only presentation of the friars'

position relative to the revolution of 1896 that I have been able to find other than such sketchy accounts given by the representatives of the orders during the Taft Commission hearings.

Cortesi, Salvatore, "The Vatican and the Philippines," "The Independent", February 20, 1902, 54:436.

This is a first hand account of the Taft Mission by a newsman in Rome. It includes the list of Cardinals participating and explains the collapse of negotiations in terms of the Orders' influence in the convention.

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The correspondence presents an intimate picture of the many obstacles and great delicacy of the early negotiations. The release of the correspondence in 1908 caused President Roosevelt some political embarrassment, although in so far as the subject of this paper is concerned the contents of the letters need not have been a matter of anxiety.

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The writer was correspondent for the New York Herald and appeared as a witness before the Taft Commission. Information is biased and based on hearsay interviews with Filipinos.

Worcester, Dean C., The Philippines, Past and Present, New York, Macmillan, 1930.

The author presents a detailed account of the Congressional investigation of the Philippine Department of the Interior. The book must be used with caution since it is defensive in character, Worcester having been Secretary of the Interior in the Philippines at the time of the investigation.