

LETTER OF CONSUL WILLIAM FARREN TO LORD JOHN RUSSELL

On early sugar trade between
Iloilo, Philippines and Australia

Manila, August 31, 1861

My Lord,

I have the honor to lay before Your Lordship, in duplicate, a Report by Mr. (Nicholas) Loney, Her Majesty's Vice Consul at Iloilo, on the trade there. It is accompanied by Returns Nos. 3 and 14 inclusive.

The Report is detailed and instructive throughout, as to the commercial and industrial state and prospects of that part of these Possessions, which was opened in 1855 to foreign commercial enterprise by the Spanish Government after ages of seclusion in which opening the British Govern-

ment took a cooperative interest to give effect to its international policy. Mr. Loney opened the first British Consular Establishment at Iloilo as Her Majesty's Vice Consul there, and with leave to trade, as I recommended under the circumstances for the purpose of practically carrying out the British commercial object of the appointment. He reports that in 1859 there sailed from Iloilo for the British Colony of Australia the first British vessel, and first cargo outwards to a foreign port, from Iloilo and that the export trade has continued increasing as follows:

British and Foreign Vessels

In 1859 - 2 - vessels - 584 tons sugar value \$8473.50
1860 - 3 - vessels - 1555 tons sugar value 19025.00
1st 6 mos. 1861 - 7 vessels 3722 tons sugar value 47350.11
all to Australia direct.

Previous to these operations and the opening of the Port to foreign trade the sugar from Iloilo sent to Manila for export, and transhipped almost exclusively to England and Australia was as follows:

In 1856 - 850 tons
1857 - 1800 tons
1858 - 1290 tons

and after 1858 when the influence of Mr. Loney's appointment, and commercial relations at Iloilo began to take effect, the quantity of sugar culti-

vated there and shipped to Manila for England and Australia was:

In 1859 - 5427 tons
1860 - 7048 tons
1861 - 3904 tons in six months.

Thus while the whole of the sugar cultivated at Iloilo, and shipped to British ports through Manila was in 1856, 850 it became in 1860, 7040 tons, independent of 1555 tons sent direct to British Australia.

Mr. Loney's report states that when he reported on the commercial state of Iloilo, there was not a single iron mill

in the islands, and that now there are three iron cattle mills and another worked by steam, and that 7 iron mills for cattle are now on their way there chiefly purchased by natives and all of British manufacture. And that at the adjacent island of Negros whose sugar is all sent to the Iloilo market, there was in 1857 but one iron mill, and that thirteen iron mills are now introduced, and all obtained through Mr. Loney at Iloilo and all of British manufacture.

By the end of the year he states that in Negros and Iloilo, there will be more than 30 such iron mills in operation, and that improved carts and iron sugar pans, and improved ploughs and centrifugals for sugar-making, to be worked by steam, have been ordered from England. And as Mr. Vice Consul Loney explains in his report, this introduction of machinery and this increase of sugar cultivation are exclusively attributable to the opening of that part of the Philippines to foreign trade, and to his official and commercial residence there, and relations at Manila by possessing the confidence of the British merchants here and acting intermediately between them and the planters and traders at Iloilo and its adjacent islands.

In regards to imports Mr. Vice Consul Loney reports that already assortments of imports for Iloilo have been sent out from England through Manila, and that one of the objects of his present visit to England is to induce the shipment of such articles which he thinks the market of Iloilo can receive. He designates the present imports through Manila as important and increasing and considers that the total value of those to the island of Panay (or of Iloilo as it is generally called) may be between 2 and 2 1/2 millions of dollars or about \$500,000 annually of which about 1 to 1 1/2 million or \$300,000 are exclusively through the

Port of Iloilo itself.

Your Lordship may peruse these statements with satisfaction as establishing the rise and increase of British trade with that new port of the Philippines, and the beneficial influence of that trade, in cultivating the native industry and productions of these possessions and proving the soundness of the policy which induced the Spanish Government to open, and Her Majesty's Government to cooperate in that opening of new ports to British and foreign commercial enterprise.

For years I perseveringly cultivated every means I could influence for promoting that object, as my despatches from time to time reported, and when in 1854 and 1855 the crises of the struggle arrived, it was only carried after an obstinate conflict I had to direct and manage against local prejudices and interests as my despatch of May 1st 1855 fully reported. Since then the self-acting force of a new public principle, carried into action, and illustrating itself by its result, and the liberal commercial views of the Government at Madrid, in regard to those possessions, and those of the Captains General here, are of themselves extending its application, and lately a new port was opened to foreign commerce at Zebu-an island of the Philippines to the South - and which, with other islands adjacent, has been united into a new general Government of Bisayas (depending on the Captain General here) for supervising the existing local governments and authorities and stimulating the development of the resources of these parts.

I have the honor to be Your Lordship's most obedient humble servant,

(Sgd.) JOHN WILLIAM FARREN

Note: This letter is found in the Public Records Office, London FO 72/1917.