Jose M. Tagawa and the Japanese Commercial Sector in Manila, 1898-1920

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As a case study of an ordinary Japanese who went to Southeast Asia in the Meiji period (1868–1912), this article aims to trace the life of Tagawa Moritaro (1814–1920) in the Philippines. It also hopes to shed light on the development of the Japanese commercial sector in Manila, since Tagawa was a pioneer Japanese businessman in Manila during the first half of the twentieth century.

Not much is known about Tagawa Moritaro. This is firstly due to scarcity of data. This was especially true until Yano Toru undertook studies on the involvement of Japan during the Meiji period in the countries to her south. Secondly, research on the human traffic between Japan and the Philippines during the Meiji period tended to focus on contacts between Japanese and Filipino nationalists. Thirdly, there is the impression that Japanese commercial activities in Manila developed from Japanese immigration to the Philippines in 1903. As a result, the period from the end of the Spanish colonization up to the 1920s has been neglected. "Until after 1932 the overwhelming majority of the Japanese in the Philippines were carpenters, agriculturalists, and fishermen rather than merchants. The few who were engaged in retail trade had bazaars or photographic shops in the larger centers of population. Those establishments were essentially 'foreign' and were much more pretentious than the thousands of Chinese sari-sari stores" (Hayden 1972, 712). This is why many studies focus on the Japanese commercial sector in the Philippines in the

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1930s (Guerrero 1966; Provido 1936; Quiason 1968). The fact is, however, that Japanese commercial activities in Manila were already substantially developed by the 1920s (Mendnueto 1934, 7-8). Most probably, the biggest of these was Tagawa's store in Plaza del Padre Moraga in Binondo.3

Tagawa Moritaro

Tagawa Moritaro, born on 10 August 1864 at number 6-7, Todao, Mogi-mura, Nishisonogi-gun, Nagasaki, was the second son of Yasugoro and Yone. His brothers were Mosaburo (born 1859) and Morikichi (born 1871). Aside from the knowledge that the family was engaged in farming, nothing more is known about it. As was often the fate then of a son who was not the first born, Moritaro was adopted on 2 August 1874 at the age of eleven. His foster father was Nakagawa Sanji, a ship carpenter from Tameishi-mura, a fishing village two kilometers South of Todao. Tameishi-mura was, in the beginning of the Meiji period, a rich village abundant with sea resources. As the people at that time would say, "if you want to borrow money, go to Tameishi-mura." At the end of the Meiji period, the prosperity of Tameishi-mura ended and the village was buried in debts (Tameshi-Jinjo-Kotoshogakko 1918). However, this cannot be considered a cause of Tagawa's departure for overseas since this happened long after Tagawa had left Tameishi-mura.

Tagawa was adopted as an apprentice carpenter primarily to supplement the labor force of the adopting family. The adoption assured him of a steady life. A month after Moritaro was adopted, Sanji's first daughter, Momi, was born. Then in 1881 the second daughter, Michi, came. The son, San'ichi, was born only in 1885, the year Moritaro went overseas. It is therefore possible that Sanji had had thoughts of adopting Moritaro as the male inheritor of his household. This did not happen, but certainly, Moritaro was already assured of becoming a ship carpenter in the future.

Two reasons could be considered as to why Moritaro went overseas. The first was economic improvement: According to one story, Moritaro saw the gold watch chain of a crew member of a ship that docked for repairs at the port of Nagasaki. Believing that there was fortune beyond the seas, he ardently requested that he be hired as a crew member, and as such, Moritaro departed (Watanabe 1935, 40). He did not say goodbye to anyone. At this time, he was already an
expert carpenter, and had he seriously pursued this occupation, he
could have had a stable future along this line without having to go
overseas. He was not at all a starving scoundrel. In other words,
Tagawa dreamed of becoming rich and free, a dream that could not
be realized if he remained a carpenter in Japan. On this aspect,
Tagawa could be grouped together with the individualistic romantici-
cists of the Meiji period (Yano 1979, 58–60).

The second probable motivation of Tagawa for going overseas was
to evade the military draft. The military conscription law, passed on
28 November 1872, provided exemptions favorable to sons of rich
families. Therefore, second and third sons of the poor tended to be
drafted. Ordinary Japanese who were generally not imbued with the
samurai spirit resorted to all sorts of tactics to evade the draft. One
of the valid ways of evasion was adoption to become an inheritor of
a household. The adoption of Moritaro in 1874 could not be said to
be unrelated to this possibility. The government, however, repealed
the provision for exemption from the draft in 1882 (Matsushita 1907,
26–34; 1955, 562–63). At this time, Moritaro was eighteen or nine-
teen years old, close to the obligatory draft age of twenty. In fact, it
is said that his mother, Yone, had to pay the penalty for draft eva-
sion in behalf of the missing Moritaro (Mitsumine 1978).

What were the circumstances surrounding Tagawa’s arrival in the
Philippines? It is said that after Tagawa set sail, he drifted in a
schooner until he finally found himself in Panama, then enjoying the
boom brought about by the construction of the Panama Canal. There,
he worked as a helper in a bar. We could assume that he left Japan
in 1882, or the year after, since 72.9 percent of commercial ships
during that time were schooners and clippers. Even up to 1890, 54
percent of commercial ships were schooners and clippers (Sugiura
1979, 183). Therefore, one can believe as true the story that Tagawa
drifting in the Pacific. The construction of the Panama Canal began
in 1881 but was interrupted after eight years due to the outbreak of
yellow fever and financial difficulties (Yamaguchi 1980, 69–105). The
story that Tagawa contracted malaria in Panama (Watanabe 1935, 40)
supports the fact of his presence there. It is said that it was in 1890
that he boarded a Dutch ship in Panama and landed in a place un-
known to him (Nan’yo nen’kan 1918). It was only after he landed that
he found out that he was in Iloilo in the island of Panay. After land-
ing in Iloilo, the first Filipino he met was, by chance, a ship carpen-
ter. With hand gestures, Tagawa demonstrated his skills, and the
Filipino carpenter took him in as a coworker (Watanabe 1935, 42–43).

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It is said that he stayed in Iloilo for around two years, but this is not certain. Being uneducated, it should be stressed that what enabled Tagawa to adjust to Philippine society during this time was not language proficiency nor social status but his skill as a carpenter.

The Japanese in Manila in the 1880s

Philippine-Japan relations in the 1880s can be traced back to the efforts of the Japanese government to promote trade between the two countries. The clearest manifestation of Japan's interest in the Philippines was the opening of the Japanese consulate in Manila on 29 December 1888. The opening of the consulate was an offshoot of two factors: First, through the prodding of the Spanish minister, a Spanish consulate was opened in Yokohama in 1886. Second, Minami Teisuke, the Japanese consul in Hong Kong, was ordered by the Japanese government in 1886 to make a survey of the Philippines. Upon completing the survey in twenty days, he recommended the establishment of a Japanese consulate in Manila. The two efforts were exerted basically for the purpose of expanding commerce and promoting trade, but the Spanish government was also motivated by the prospect of inviting Japanese immigrants into the Philippines (Okuda 1968, 210-15; JMFA 3.8.2.14).

In his report to Foreign Minister Inoue Kaoru (dated 9 July 1886) and his position paper on expanding trade in the South (dated 25 September 1886), Consul Minami strongly urged the opening of a Japanese consulate in Manila. This was because he believed that Japanese presence and activities in the Philippines would not prosper if nothing would be done about "the reasons why Japanese are not employed, and their business activities not encouraging. These reasons are that Spain has only known China—even if Japanese potteries and copperware are bought, they are thought to be of Chinese origin—and many do not know where Japan is" (ibid, 214).

The Japanese consulate, located in Sta. Mesa, Sampaloc, was temporarily closed in 1893, after less than five years of existence. The Japan Commercial and Industrial Building, attached to the consulate, displayed samples of Japanese silk and other products from Japan. It can be assumed that aside from the enthusiasm of the Japanese national and local governments to develop trade with the Philippines, there was also a prevailing positive attitude towards colonial activities and expansion of commercial interests among Japanese
intellectuals and politicians. However, as exemplified by Yatabe Umekichi, the first consul to the Philippines, such interest among the Japanese elite did not include an interest in the Filipino people and their life and culture. Yatabe looked with contempt and prejudice on Filipino culture and in his seventeen-month assignment in the Philippines stayed only in Manila (Yatabe 1890, 5:13-19). In other words, Japanese interest was only on how Japan could economically profit from the vast territory of the Philippines and its natural resources.

Of the thirty-five registered Japanese residents in the Philippines in 1888, excluding two were government employees (the consul and vice-consul), four were businessmen, twelve were circus performers, and fifteen were sailors. A majority of them were transients, although there were some who had stayed in Manila for more than ten years (ibid., 3-5).

No Japanese had direct trade with Manila, nor was there a direct shipping route (ibid., 7-15). In December 1890 the Nihon Yusen Kaisha (Japan Mail Steamship Company) opened its first southern route: the Kobe-Nagasaki-Foochow-Amoy-Manila route. The ship Owari Maru made a round trip once a month. The endeavor, however, was not fruitful (Nihon Yusen Kaisha 1935, 86).

Hattori Toru wrote Nan'yo Saku (South Seas Policy) in order to conform with the trade policy of the government of introducing to the Japanese the “Philippine Islands as a frontier of commerce and trade.” “It is only in Hawaii and Luzon, among the islands in the South Seas, with which Imperial Japan has a close relation, where there is a consular official who promotes trade and commerce. In spite of this, there is not even one Japanese who has immigrated there, or does business in the country.” “Why do not our commercial activities here prosper?” he asked. He wanted to see “the display of goods in the Japanese commercial and industrial trading companies and everywhere in the city of Manila” (Hattori 1891, 48-49). He recommended that Japan use a direct Japan-Manila route (ibid., 43) and engage in peaceful colonization activities through commercial expansion with the help of Japanese businessmen trusted by Filipinos (ibid., 120).

In 1892 Sano Tsuneki was instructed by Foreign Minister Enomoto Takeaki, an advocate of colonization, to conduct a study of the Philippines and find out if the country was suited for Japanese immigration. Sano Tsuneki was severely critical of the Spanish regime in the Philippines and the control that the church had over the country. He observed that the Philippines was rich in natural resources,
but neither agriculture nor industry flourished in the country. He concluded that in consideration of this situation, it was urgent, from the political and strategic points of view, that the Japanese immigrate to the Philippines (Sano 1892, 19–32).

In 1893 Suzuki Nariaki, a chief secretary at the consulate, also reported about the oppressive Spanish rule. He was not in favor of Japanese immigration to the Philippines because it would take a great effort to protect the Japanese from the Spanish oppressive rule (Iriye 1943, 113–14).

The smaller number of Japanese in the Philippines in the early 1890s was a reflection of the unstable political conditions in the country. After Consul Yatabe returned to Japan on 31 December 1890, only two Japanese officials were registered at the consulate. The following year, two businessmen and a Japanese in Bulacan were added, making a total of only five (JMFA 7.1.5.4; Toho Kyokai Henshubu 1891, 14–22). The actual number must have been bigger because there were those who, for obvious reasons, did not register at the consulate. For example, the thirty Japanese electricians sent by the Yokohama Trading Company in November 1893 (Sugino 1895, 124) did not register because the consulate had already closed on 26 October as a result of the unstable political conditions as well as the impending Sino-Japanese War. Since an electric power generator was installed for the first time in Manila, and a part of Manila began to have electricity in 1893 (Ellis 1899, 152), it can be assumed that these electricians were hired to set up the electrical wires. The alien registry records of the Philippine National Archives include a number of these Japanese electricians.

The Japanese consulate in Hong Kong was given charge of Manila while the consulate in Manila was closed. As can be seen in Table 1, there were ten names of Japanese businessmen in Manila listed as of 10 September 1896. In the report of Consul Shimizu of Hong Kong in October of the same year, there were only nine. These nine were the employees of Kaigai Boeki Kaisha (Overseas Trading Company) or Nihon Bazaar, Iijima Store or Osaka Bazaar, and Oibokushin (JMFA 5.2.1.9). By recommendation of Consul Shimizu, the Japanese consulate in Manila was reopened on 23 October 1899. However, the number of registered Japanese was small as ever. As of 31 December, there were two officials and five businessmen (JMFA 7.1.5.4).

Inspite of the efforts of the public and private sectors in Japan to encourage trade and immigration to the Philippines, the number of Japanese residents in the Philippines did not increase under the
Spanish regime. In contrast to this, as will be seen later, there was a tremendous influx of Japanese into the Philippines immediately after the country fell under the control of the United States. It can be observed, therefore, that the preconditions for Japanese immigration were economic and employment opportunities and political stability of the recipient country.

Tagawa in Bulacan

Among these residents was Tagawa Moritaro. In 1891 he was listed as a resident of Bulacan. He was also one of the ten Japanese in the 1896 list previously mentioned. His existence is also documented in the 1891–1898 Japanese Record of Alien Certificates of Registration in the Philippine Archives. I was able to cull from the records of incomplete and illegible names only forty-three individual entries, among which thirty-one Japanese names were listed. The earliest record was 4 September 1891, and it was that of Nakagawa Moritaro’s Alien Certificate of Registration, issued by the Office of the Governor-General and stamped as a visa in Bocaue, Bulacan, on 7 September. Tagawa had the most number of entries, totalling seven. Only the oldest record had the surname Nakagawa; the entry of 3 June 1893 and the five entries of 1897 all had the name Jose Moritaro Tagawa. Tagawa’s signature can be seen in the 7 February 1897 request for extension of stay in the Philippines and in the 28 May report of loss of his Alien Certificate of Registration. Perhaps the report of the loss was written by his wife or someone close to him. In the 7 February 1897 record, “Jose Moritaro Tagawa, Japanese, thirty-five years old, Roman Catholic, married, residing in number 8 Plaza del Padre Moraga, Binondo, businessman,” was clearly written. His image is much clearer than the entry of six years ago when he was a mere Japanese in Bulacan.

Sugino Sotaro writes the following: “Some five or six years ago, in a village around twenty-two kilometers from Manila, I met a Japanese farmer married to a native woman.” The farmer was “Nakagawa Moritaro,” formerly a “carpenter from Nagasaki.” He “left Japan twenty years ago, and on a ship, drifted from one place to another. When the construction of the Manila Railroad began, he earned his living by working in the construction. He later became a merchant, got a wife, and now enjoys life.” Tagawa “talked and behaved like a native, and had forgotten the Japanese language. But, when he
Table 1. List of Japanese in Manila, as of October 1896

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>Occupation</th>
<th>Birth</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nakano Makita</td>
<td>114 Ono, Yasumura, Numata-gun, Hiroshima</td>
<td>Manager, Kaigai Boeki Kaisha</td>
<td>11/7/1859</td>
<td>Samurai</td>
</tr>
<tr>
<td>Hiyama Jirou</td>
<td>174 Kajiya-cho, Hiroshima-shi, Hiroshima</td>
<td>Clerk, Kaigai Boeki Kaisha</td>
<td>8/1850</td>
<td>Commoner</td>
</tr>
<tr>
<td>Ishikawa Rintaro</td>
<td>36 Kozuna-cho, Hiroshima-shi, Hiroshima</td>
<td>Clerk, Kaigai Boeki Kaisha</td>
<td>2/11/1865</td>
<td>Samurai</td>
</tr>
<tr>
<td>Tomioka Ushichiro</td>
<td>124 Token-cho Himiji-shi Hyogo-ken</td>
<td>Agent, Oi Bokushin (1)</td>
<td>11/7/1867</td>
<td>Samurai</td>
</tr>
<tr>
<td>Matsushita Keizo</td>
<td>2 Oaza, Higashi Yumizuki, Akebonogawa-mura, Wakaie-gun, Osaka</td>
<td>Employee, Iijima Store, Mla. branch (2)</td>
<td>23/11/1864</td>
<td>Commoner</td>
</tr>
<tr>
<td>Shinohara Koroku</td>
<td>29 Nishi Ichinomachi, Sakai, Osaka</td>
<td>Employee, Iijima Store, Mla. branch</td>
<td>2/5/1876</td>
<td>Samurai</td>
</tr>
<tr>
<td>Nakagawa Moritaro</td>
<td>Todao, Mogi-mura, Nishisonogi-gun, Nagasaki</td>
<td>Employee, Iijima Store, Mla. branch</td>
<td>8/1864(3)</td>
<td>Commoner</td>
</tr>
<tr>
<td>Sugino Sotaro</td>
<td>24 Shimabara-mura, Minami Korai-gun, Nagasaki</td>
<td>Employee, Iijima Store, Mla. branch</td>
<td>4/1868</td>
<td>Samurai</td>
</tr>
<tr>
<td>Sugino Chojuro</td>
<td>24 Shimabara-mura, Minami Korai-gun, Nagasaki</td>
<td>Employee, Iijima Store, Mla. branch</td>
<td>7/1870</td>
<td>Samurai</td>
</tr>
</tbody>
</table>

1) Address of Oi Bokushin was 92, 4-chome, Hirano-cho, Osaka-shi.
2) Address of Iijima Store was 2-chome, Matsushima-cho, Osaka-shi.
3) The correct month was October.

Source: JMFA 5.2.1.9.
began to interact with me [Sugino], he recalled his native tongue" (Sugino 1895, 117). Sugino’s account gives a vivid picture of Tagawa’s complete adaptation to Philippine culture.

Bocaue, Bulacan, is twenty-two kilometers north of Manila. At that time, it was an hour and ten minutes by train from Tutuban Station. In 1897 Bocaue, with a population of 6,000 or 900 households, was relatively a big town. Because of the economic boom brought about by the construction of the Manila Railroad, it was teeming with workers and overseas Chinese merchants (Quiason 1979, 1828). The 83.3-kilometer-long Manila-Dagupan line, the first rail line of Manila, had twenty-nine stations and crossed sixteen bridges. The construction of the Manila-Dagupan line was begun in 1889. On 14 March 1891 the 43.4-kilometer road from Manila to Malolos via Bocaue was opened. If Tagawa worked at the construction of the railroad, it must have been at this time, but it is not clear whether he worked as a laborer, as an expert carpenter, or as a merchant (Ferro-Carril).

His wife Victoriana was the daughter of the family with whom he boarded. Their marriage was registered in Japan on 20 November 1893, but the actual marriage in the Philippines was earlier. Victoriana was of the de Roxas family of Bocaue, Bulacan, and was the eldest daughter of Jose and Vinet. She was born on 3 November 1853, eleven years ahead of Tagawa. It seems that Victoriana’s parents were rich. They lived in a spacious wooden house, which later on was inherited by Tagawa and Victoriana (Silvestre 1979; Roxas 1979). Due to the objection of Victoriana’s parents to the marriage on account of Tagawa not being a Catholic, Tagawa had himself baptized and got the Christian name Jose (Zamora 1979). The baptism was for convenience’s sake, and moreover, Tagawa had no particular religion to renounce. Even if he were a Buddhist, the polytheistic character of this religion did not conflict with folk Catholicism in the Philippines. Tagawa’s character of not sticking to a established value and culture could be seen here.

In 1893 Tagawa went back to his hometown Todao, Nagasaki, and surprised his mother who had thought that he was already dead. He was only fifteen or sixteen years old when he left, and now he was thirty-one and would have looked very different. During his visit, on 29 June, he removed his name from the family register of Nakagawa Sanji, his adopted family. He returned to the family name Tagawa and enlisted in his brother Mosaburo’s family register. He also had his marriage registered on 20 November. During this homecoming, he invited his cousin to open with him a store in Manila.
Therefore, it was probable that he opened his store in Manila in 1894 (*Nan'yo nen'kan* 1918). His store must have been an agency of the Kaigai Boeki Kaisha (Osaki 1932, 234; Saniel 1963, 197).

The Tagawas, together with their daughter Josefa, born on 30 October 1895, left their house in Bocaue to a caretaker and rented an apartment in number 289 Segundo, Tondo (Zamora 1979). Tagawa commuted on his coach to his store on Plaza del Moraga. In February 1897 the Manila government commandeered this coach to be used for its military operations against the Filipino revolutionary army (Saniel 1963, 154). When it was returned, the horse as well as the coach were in extremely bad shape. Being a businessman, Tagawa demanded compensation, computed by the number of days the coach was requisitioned (ibid., 155). Aside from operating a store, it seemed that Tagawa also engaged in construction work. In January 1898 he was contracted for the construction of housing facilities in the Subic Naval Base using Japanese carpenters (ibid., 322).

It is also important to consider Tagawa Moritaro's role in the Philippine Revolution. Tagawa and Kamiyama Tatsujiro, an employee in the Manila Railway Company, were of help to the Japanese civilian and military information officers who came to Manila to observe and gather information about the revolution. When on 14 June 1899 Hirayama Shu, Hara Tei, and four other *shishi* surreptitiously came to Manila to establish contact with Emilio Aguinaldo, Tagawa extended various services to them, such as finding lodging and interpreting (Goodman 1969, 108). Tagawa's network of Filipino friends and acquaintances, familiarity with the country, and language skill were indispensable in their task of gathering information. However, Tagawa's cooperation was not out of political conviction, or loyalty to Japan, nor a sense of solidarity with his compatriots. At any rate, the likes of Sakamoto Shiroo and Hirayama could not have met Tagawa if the latter lived in Japan, for Tagawa belonged to a different social class than the Samurai class. Even though the military spies and the *shishi* could not have gathered information without Tagawa's help, the superiority complex they felt towards Tagawa remained. As Sakamoto commented once, "I am different from a mere carpenter like you" (Osaki 1932, 322–24).

On the other hand, Tagawa was requested by the leaders and members of the Katipunan to help them in getting support from Japan for the revolution. It is said that on 4 May 1896, when the captain of the Japanese training ship *Kongo* met with the leaders of the Katipunan in a Japanese store, it was Tagawa who acted as interpreter.
He was also asked by Andres Bonifacio to help in his plan to buy Japanese Murata rifles a month before the outbreak of the revolution (Osaki 1932, 208). Such requests to Tagawa from the revolutionary army were made through his friends and relatives in Bocaue.

The Tagawa Store and the Japanese Bazaar in Binondo

In 1897 Japanese stores were forced to close because of the revolution. Many employees had to go back to Japan. Sakamoto Shiroo was able to stay to gather information for the military by assuming the position of head of the Kaigai Boeki Kaisha. The Tagawa Store moved into the house of Sakamoto, who had put up a Japanese flag in front of his house (ibid., 312; Ogawa 1898).

An 1899 Japanese trade report on Manila commerce had in its list two Japanese stores, the Tagawa Store and the Japanese Bazaar (Tsusho Kyoku 1899). It was in January of this year that Aguinaldo proclaimed the establishment of the Philippine Republic. In April of the same year, the United States, represented by the first Philippine Commission, announced its decision to take over the Philippines, entirely neglecting the fact that since February Aguinaldo’s revolutionary forces had been intermittently battling with the American forces in Central and Northern Luzon.

Manila, at this time, was the center of European and American colonial commercial activities. The mestizos and the overseas Chinese were in banking, transportation, and retail, while the Europeans and the Americans dominated international trade and manufacturing. The intersection of Escolta and Plaza del Moraga in the Binondo district outside Intramuros, across the Pasig River, was a first class commercial center. It was hard for a Japanese who had no backing to establish a business in this area.

This was so in spite of the simple procedures set out for foreigners who wished to open a business in Manila under the American rule. There were no taxes aside from the business tax. Certificates for commercial lots and its residents could be bought for one peso. A license to operate a business could be obtained by simply orally stating in a License Court the proposed business’s location, purpose, and capital and by paying a fee of twenty pesos (Ihara 1909, 275). In the case of export and import businesses, some amount of deposit money was needed to comply with customs importation procedures.
Upon the beginning of the American rule, for some reasons, the address of Tagawa Store (Tagawa Company, or M. Tagawa and Company) was changed to number 26 Plaza del Moraga. From 1 May 1904 to 31 December 1906, the store was under the joint management of Tagawa Moritaro, Mitsumine Otokichi (cousin), and Inoue Naotaro. However, since Tagawa owned the almost 132-square-meter lot, he no doubt was its owner. The capital could not be determined, but the average annual volume of transaction was forty thousand pesos. It employed four Japanese and three Filipinos. It engaged in direct importation of Japanese goods, wholesale, and retail. The goods that it handled were general merchandise, silk, fans, lacquerware, and gift items. It also imported Japanese rice and some vegetables to be sold in bulk to Japanese residents. Importation from Japan of potatoes, onions, and other crops began in 1901, but there was no market for them except the Japanese residents (Ihara 1909, 248). But Tagawa was entrusted with supplying food to the Japanese Navy ships docked in the ports of Manila, and the Mitsui Manila outlet was given charge of supplying the Navy ships with coal (Zamora 1979).

The Japanese Bazaar, located in number 18 Plaza del Moraga, was a joint venture of Kimura Tsurujiro and Fukuchi Shintaro. The exact date of the establishment of the Japanese Bazaar is not known. An advertisement that appeared in the Manila Times on 21 July 1899 claimed that it was a branch of Deo Washington of Yokohama and that it was the only store in Manila that carried accessories and ornaments of Japanese taste. It can be assumed that the American commercial establishment in Yokohama put up a branch in the Philippines in anticipation of America’s colonization of the country. The store’s capital could not be determined, but its annual volume of business was from twenty-five thousand to thirty thousand pesos. It employed three or four Japanese and two Filipinos (JMFA 3.3.7.25). For some time, the Japanese Bazaar was also known as Kimura Grocery Store, but when sole ownership passed on to Fukuchi Shintaro on 1 December 1905, it again came to be called Japanese Bazaar. Thus, the Japanese Bazaar was not established by the Tagawa, Mitsumine, and Inoue partnership, but they must have eventually obtained rights to it. The following reconstruction of the changes in the ownership of the Japanese Bazaar will support this conclusion.

According to an account in the Manila Times, 11 June 1907, Kimura Tsurujiro and Fukuchi Shintaro were, for some reasons, sued by S. K. Walker and J. R. Walker in June 1907 for a claim of P4,750. Ownership
of the bazaar, which engaged in imports, wholesale, and resale, and with an annual volume of transactions already up to fifty thousand pesos, passed on to Mitsumine Otokichi who was a cousin of Tagawa, and Inoue Naotaro on 31 December. Perhaps, Kimura and Fukuchi, indebted to and sued by Walker and Walker, offered to sell to the Tagawa, Mitsumine, and Inoue partnership the Japanese Bazaar. Mitsumine and Inoue became independent and took over its ownership, while Tagawa Moritaro became sole owner of Tagawa Store, with annual sales of ten thousand pesos (IMFA 3.3.7.25). Meanwhile, the Tagawa Store moved to Calle Rosario. There, it specialized in the export-import and wholesale business after its retail section was sold to Namikawa Tokuo, owner of Namikawa Store (Kanegae 1968, 64).

Two advertisements of Tagawa Store that appeared in the Manila Times support the above supposition. The advertisement that came out on 14 November 1907 featured the usual Christmas sale, while the advertisement on 28 February 1908 announced a “closing sale.” As I will explore later, the failure of his contract for the construction of housing in the American military base in Subic partly explains the sale of the retail section of the Tagawa Store, but it was not the immediate cause. In any case, it is safe to assume that in 1907 the Japanese Bazaar became a part of the Tagawa Store chain.

As has been mentioned, Binondo was the commercial center of Manila, where, in early 1900, there were a number of other stores owned by Japanese. The Manila outlet of the Mitsui Bussan of Hong Kong was in number 32 Plaza del Moraga. It imported coal, cotton cloth, cement, and wax from Japan and exported sugar, abaca, copra, and tobacco leaves from the Philippines. But its main concern was to supply the American civil government in the Philippines with coal from Miike in Kyushu, Japan for the use of the American Navy (Mitsui Archives 1971, 2:170; Manila Times 1902, 10 May).

The Mitsui records mention the establishment of the Mitsui Bussan Manila outlet in 1901, but I could not ascertain the exact date as to when it was established. The first years of the outlet were not encouraging, but it gradually improved (IMFA 6.1.6.59). Perhaps, it was opened in June 1900 or 1901, for it was recorded that on 25 June 1901 the outlet in Manila of the Mitsui Bussan of Hong Kong proposed a purchase of a small steamship “in anticipation of business expansion” (Mitsui Archives 1971, 2:170).

The heads of the Manila outlet were Inoue Yasuzo, former chief of the coal division of the main Mitsui, ItoMinoru, and Iizuka Takasada. None of them stayed in their posts for more than a year.
There were seven Japanese and three Filipino regular employees, but they decreased in number during the Russo-Japanese War (1904-05). The Mitsui employees lived in a completely exclusive world distinguished from the rest of Japanese community in Manila.

The Manila Bazaar (or Hiramoto Store), located in number 34-36 Plaza del Moraga, was a variety store owned by Hiramoto Onotaro. It engaged in importation and retail, and its annual business volume was from ten thousand to twenty thousand pesos. It employed one or two Japanese and two Filipinos. Hiramoto Onotaro sold the Manila Bazaar when he joined in the establishment of Ota Kogyo Kabushiki Kaisha (Ota Development Company) and became its vice president and accountant.

In 1903 Ogawa Shuji opened the Ogawa Watch Store in number 12 Escolta, at the Western end of Plaza del Moraga. Eventually, it earned the distinction of being one of the oldest Japanese stores in the Philippines up to the Second World War.

The Manila outlet of the Ito Chubei Store was established in January 1910 in Escolta. This was the first overseas venture of Ito Chubei. In order to surmount the stiff trade competition that prevailed after the end of the Russo-Japanese War, it stopped transactions through trading firms and began to trade directly through its own outlet. It sold Japanese cotton, vegetables, and other commodities to Tagawa Store, Japanese Bazaar, Namikawa Store, and other Japanese and Chinese stores. It began exporting Manila hemp to Japan in 1912, and in the same year, moved its office to number 451 Juan Luna, Binondo (Marubeni Iida Kabushiki Kaisha Shashi Hensan Shitsu n.d., 3).

The Japanese in Manila organized a tanomoshiko, a kind of mutual financing organization, but for a time, there were two Japanese private banks. One was the Kansai Bank, located in number 96 Dulumbayan, Sta.Cruz, and opened in 1905 by Hisatomi Shosuke. Small remittances to Japan of the Japanese migrant workers were sent through the Kansai Bank, while remittances higher than one hundred yen were handled by the Mitsui Bussan (JMFA 6.1.6.59). The other bank was the Misaka, owned by Misaka Shikajiro originally from Nagasaki. Established on 31 December 1905, the Misaka Bank's annual volume of transactions was forty thousand pesos (JMFA 3.3.7.25). Based on its location in Gastambide, San Miguel, it could be assumed that its clients were prostitutes. The Kansai Bank was different; it was even listed in Rosenstock's City Directory. It may also be inferred that while the Kansai Bank was properly registered, the Misaka Bank was not, for it was reported that there were only two banks during this
time that were liquidated—a Japanese bank and an American bank (U.S. Department of Commerce 1927, 31).

More and more Japanese stores were established from the second half of the Meiji period to the beginning of the Taisho period, not only in Binondo and Sampaloc but also in Sta.Cruz and Quiapo. However, these commercial enterprises remained small in scale. Thus, the impression that the Japanese were best fitted as migrant agricultural workers persisted. The Japanese Ministry of Agriculture and Commerce sent Hatano Genji in 1901, Kato Kazue in 1902, and Ihara Iekichi in 1906 to the Philippines (Iriye 1943, 280-82) in order to observe industrial and commercial practices in the country and encourage the Japanese to participate in the country’s business and commerce. Ihara observed that the reason Philippine trade was monopolized by Europeans and Americans, inspite of the geographic and ethnic closeness of the Japanese and Filipinos, was the insufficient contact between the latter two peoples. He gave the following recommendations: The Japanese should familiarize themselves with Philippine customs and traditions, learn Spanish and local languages, study the local conditions, and collect samples of Philippine products (Ihara 1909, 277-78).

It was Tagawa who had been practicing all these recommendations. His legitimate stores, the Tagawa Store and the Japanese Bazaar, stood out amidst the seamy Japanese establishments. The Tagawa Store did not contribute to the disappointments of the Japanese consuls who had to report about illegitimate Japanese business activities in Manila. The customers of the Japanese Bazaar were the American governor-general and his wife, the American high officials, Manuel Quezon, Sergio Osmeña, Emilio Aguinaldo, and Mr. and Mrs. Mariano Ponce (Kanegae 1968, 52-53). It was a Japanese store with no equal. The good reputation that these stores enjoyed can be gleaned in the following report:

There are a few Japanese in Escolta who are different from other Japanese businessmen in Sampaloc. Their store in Escolta is patronized by Filipinos and foreigners. Their business should be the model for Japan's commercial activities abroad. They are exemplary among the Japanese businessmen in Manila. They are competitive with the Chinese, and they have expanded their business concerns to other islands [of the Philippines]. The proprietors of these stores have been in the Philippines for a long time, have learned several crafts and arts, and can speak English and Spanish. They are also knowledgeable of
the conditions in the country. . . . Tagawa and Inoue, indeed, are inspiring, and are different from the Japanese who operate houses of ill repute. (JMFA 6.1.6.59)

Meanwhile, in Japan, in order to encourage the Japanese to go overseas and find their fortune there, many guidelines on how to succeed overseas were published.17 In one of these publications, Tagawa Moritaro, "who married a native and had planned to stay in the Philippines for good," was mentioned as a model immigrant (Seibun-sha 1911, 214).

It was in this way that the Tagawa Store, the Japanese Bazaar, and their managers were presented by the elite bureaucrats and businessmen and by ordinary Japanese who were dreaming of greener pastures abroad. A model immigrant was one who was (1) engaged in legitimate business, (2) respected by the foreigners and "natives" around him and adaptable to an international environment, and (3) willing to live in the country throughout his life. However, most of the Japanese residents during that time were wanting in these characteristics.

Tagawa and the Japanese in Sampaloc

There were less than 1,000 Japanese in Manila in 1901 and they were not organized. Most of them drifted from Singapore, Hong Kong, and Australia,18 and very few paid their ship fare from Japan.19 They were attracted to the construction activities in colonial Philippines, but most of them did not have legal travel papers. The United States military in the Philippines, suspicious that Japanese spies and supporters of the Philippine Revolution might be among these illegal entrants, conducted searches on Japanese stores. On 27 December 1910, nine Japanese stores in Manila, including the Japanese Bazaar, were searched out of suspicion that explosives to be used in a plot to assassinate General William P. Duvall were being hidden there (JMFA 4.2.5.250).20

Most of the Japanese residents in the Philippines were from the lowest social class of Japan. As of June 1903 the occupations of these Japanese in Manila were distributed as follows: 36 (4 percent) merchants, traders, and store employees; 265 (27 percent) carpenters; 280 (28 percent) prostitutes; 50 (5 percent) fishermen; and 36 (4 percent) cooks, maids, or houseboys. Manila newspapers carried news about
Japanese refreshment vendors, houseboys, prostitutes, and illegal entrants who figured in such misdemeanors as streetfights, estafa, and gambling (Manila Times 1901, 12 December; 1904, 22 and 30 April). These Japanese lived on a street in Sampaloc where in any one house, as much as ten people lived in crowded conditions.

A majority of the Japanese commercial establishments in Sampaloc were dry goods stores that catered to the Japanese, especially the prostitutes. Under the guise of licensed low class bars, there were actually some thirty-three prostitution houses on Balic-Balic, Lardizabal, and Guipit. The number of Japanese bars given licenses in Manila was 124 in 1904 and 99 in 1905 (Municipal Board of Manila 1905, 245–46).

The Japanese consuls refused to register and give protection to Japanese nationals who did not possess proper travel documents. For instance, in 1907 the consul cooperated with the Manila police in taking action against those in undesirable and fraudulent businesses—the gamblers, drunkards, outlaws, and others who gave the Japanese community a bad reputation. The consul sought the help of the police to banish them from Manila (JMFA 4.2.6.11).

However, the city authorities did not succeed in banishing them. After all, the Japanese were not as many as the overseas Chinese to warrant caution. Even in 1912 there were only 3,654 Japanese throughout the country and 1,318 in Manila. Moreover, there were not as many Japanese criminals as there were among Americans, Filipinos, and Chinese (Municipal Board of Manila 1905, 191–95; Department of Finance 1909, 70–74).

Nevertheless, for the Japanese consul, the troublesome Japanese were a source of serious concern. These Japanese, insensitive to the fact that they were in a foreign country, were too preoccupied with competing against their fellow Japanese. They caused intrigue among themselves in their desperate attempt to put down each other. “A tense factional fighting” among them was obvious (JMFA 6.1.6.59). Moreover, most of the businesses in Sampaloc were not successful. As one Japanese consul observed, since these Japanese “were selling only general merchandise to other Japanese and the natives,” progress of the Japanese immigrants, with the exception of a few stores on Escolta, was lamentably slow.

Tagawa Moritaro was one of the few Japanese the consul could count on for cooperation. In 1901 the Japanese Mutual Aid Association was organized, with the majority of the members comprising prostitutes and brothel operators. A certain Kimura was elected presi-
dent, and Tagawa, vice-president. Early in January 1904 Vice-Consul Iwatani took the Russo-Japanese War as an opportunity to transform the association into a legitimate one. On 6 March, the fall of Port Arthur, the first general meeting of the Japanese community was held in Libertad Theater. The purpose of the meeting was to persuade members to join the Japanese army and to solicit donations from them for the cause of the war. Speeches were delivered by Worringfare Eastlake, the acting British consul; Kato Kazue, temporarily assigned to the Philippines to represent the Japanese Ministry of Agriculture and Commerce; Inoue Taizo, head of Mitsui Bussan; Vice-Consul Iwatani Jokichi; and "the famous businessman in Manila, Tagawa" (Manila Times 1904, 7 March). On 3 November, on the occasion of the anniversary celebration of the emperor's reign, the reserve soldiers were urged to go back to Japan. The following day many Japanese tendered their resignation from their jobs (Manila Times 1904, 7 November). No doubt, Tagawa, now forty years old, must have been perplexed if indeed he left Japan to avoid the military draft.

Tagawa's leadership extended beyond the Japanese community in Manila. Influential in the government of the city of Manila, he negotiated with the city government and other agencies on behalf of the Japanese in Davao when in 1909 the governor of Davao ordered the prohibition of their commercial activities in interior Davao (Kamohara 1938, 89). He exercised more political influence than the Japanese consul. However, Tagawa, who stood out in the early Japanese community as a leader and a businessman, gradually receded from the scene after the end of the First World War, when big Japanese establishments began to enter the Philippines.

A Bridge between Japan and the Philippines

Tagawa earned his good reputation from his pioneering role in bringing in Japanese goods and laborers to the international community in Manila. Aside from export-import, his main concern, he also engaged in recruitment of migrant workers, undertook construction projects, fishing, and other various businesses. However, he did not stay long in any one of these endeavors. Nevertheless, his role in Japanese colonizing activities in the Philippines under the first years of American rule could not be easily dismissed as minimal.

During this time, it was more convenient for recruitment agencies in Japan to have a Japanese resident agent in the Philippines than to send a transient representative. In 1904 Tagawa was the resident
agent of Kokoku Shokumin Gaisha (Kokoku Colonization Agency); Inoue Naotaro, of Toyo Imin Limited, a partnership; and Mitsumine, of Nihon Shokumin Limited, also a partnership. These three agencies actually belonged to the same group (JMFA 3.8.2.184). From 1904 to 1907 most of the job seekers, which included glassmakers, makers of wood containers, carpenters, fishermen, loggers, and other laborers, filed their applications using the same agencies at number 26 Plaza del Moraga (JMFA 3.8.2.187, Vol. 2). Even after Inoue and Mitsumine had taken over the management of the Japanese Bazaar, and even after Inoue had joined the Ota Development Company, they continued handling recruitment (JMFA 3.8.2.184). Tagawa, however, withdrew from this undertaking.

Since everybody respected Tagawa Moritaro, he was the best guarantor for a contractual laborer. For example, on 3 June 1904 Frank S. Burns, proprietor of a furniture shop and store, asked the Kokoku Shokumin Gaisha to recruit sixty carpenters. Tagawa guaranteed that he would himself "be fully responsible for any violation of article three of the contract and any problems of the laborers." Vice-Consul Iwatani Jokichi also wrote the Ministry of Foreign Affairs that "in this city [Manila], the Tagawa Store, relatively respected by Japanese and non-Japanese, would take responsibility for any consequence that might arise from termination of contract and other difficulties imposed on migrant laborers" (JMFA 3.8.2.187, Vol. 1).

The recruitment agencies also acted as employment brokers. In order to provide employment to the jobless Japanese in Manila, Ota Sakutaro, the official president of the Ota Corporation, put up a billboard in front of the Tagawa Store that said "Contractor and Employment Agency for Japanese" and put out newspaper advertisements for laborers who where "industrious and willing to accept low pay" (Manila Times 1905, 6 November). There were many other contractors and employment agencies, but the Tagawa Store was the center of labor recruitment from 1903.

As an agent for migrant workers, Tagawa undertook the construction of barracks at Fort McKinley in Malapad na Bato in 1904. The official contractor was an American company, the Green and Brown Company, which since the beginning had had transactions with Tagawa Store. At first, ninety Japanese who were already living in Manila were recruited. Then, in the beginning of June, one hundred were recruited from Japan; in the middle of December, five-hundred more workers were brought in through the request of J. A. Poll. All of them were recruited through Kokoku Shokumin Gaisha (JMFA 3.8.2.187, Vol. 1).
The barracks were not completed on the date stipulated in the contract due to a typhoon. The United States Army, on grounds that Tagawa did not fulfill the terms of the contract, suspended payment. Tagawa, who was the guarantor of the laborers, could not pay their wages. In November 1905 subcontractor F. Hayashi filed a suit to demand payment from George Green, W. W. Brown, Rosario Legoria, Charles Cohn, and Tagawa Moritaro. The court decided in favor of Tagawa and opined that the balance of P2,500, out of the contracted P3,675, should be paid by the subcontractor. Even though Tagawa won the case, he was not extricated from his debts (Manila Times 1905, 1 November). The Manila Times reported: "Famous Japanese Contractor Tagawa Moritaro Missing or Dead?" Two or three weeks later, Tagawa returned from Hong Kong only to find his family and other Japanese residents grieving for him. With a big laugh, he explained that he had gone to Hong Kong to purchase cement (Manila Times 1905, 9 and 14 February). During these hard times, it was a certain Chinese friend who helped Tagawa pay his debts and rebuild the Tagawa Store.

Tagawa was also involved with the Japanese fishermen who used utase-ami, a big fish net. There were around fifty Japanese fishermen in Tondo in 1903. Thirty of them formed a fishermen's cooperative under the leadership of Kasai Kyozo from Fukuoka-ken. The cooperative could catch P25,000 worth of fish annually (JMFA 3.3.7.25). Subsequently, with the growing fishing industry, the Philippine Coast Trading Company was established. Its board of directors included Ota Sakutaro as director-general, Tagawa Moritaro and Nakakura Kudansaburo as members, and Himura Kentaro and Inoue Naotaro as auditors. It was not clear, however, whether this company—with a capital of P50,000, a yearly catch worth P180,000, and forty fishing boats—was in any manner connected with the Kasai Cooperative and the Tondo fishermen or was a new rival group.

The objectives and the date of the establishment of this company cannot be ascertained, but it can be deduced from the 31 December 1906 record of the Japanese consulate that its establishment was motivated by the desire to preempt the consequences of the termination of the Philippine's temporary tax law (JMFA 3.2.2.5). The law postponed up to 30 June 1906 the application in the Philippines of the American Coastal Trade Law. Therefore, up to this date, foreign vessels in Philippine coasts were afforded the same rights enjoyed by American and Philippine vessels. Thereafter, a majority of the stocks of a company for coastline shipping and fishing had to be held
by either a Filipino or an American citizen. Upon the termination of the temporary tax law, Thomas Hartigan, an American businessman and lawyer, assumed the directorship of the Philippine Coast Trading Company under the Corporation Law of the Philippines. Ota Sakutaro was deputy director and Inoue Naotaro was vice-president. Tagawa, for unknown reasons, was not one of the officers. Certainly, his close associate Hartigan was a dummy and the real proprietor was Ota Kyosaburo, acting through his elder brother, Ota Sakutaro. The extent of Tagawa’s participation in the company was not clear.

The number of Japanese fishermen in Tondo increased from 50 in 1903 to 120 in 1908. Although the Philippine Coast Trading Company seemed to have a short existence, its establishment heralded Japanese monopoly of the fishing industry in the Philippines in the 1930s.

The Americans mentioned earlier were the early leaders of the American community in Manila. Brown, Cohn, and Hartigan were influential members of the Elks Club, an American business club. William Walter Brown, called “Mayor Brown,” was a retired army man. Six months after the establishment of the American military government, Brown established the American Commercial Company, which sold different brands of liquor and wine in Escolta. He was a patriotic Bohemian (Gleek 1975; 1977, 10-11). Charles C. Cohn was a well-known lawyer who worked in the Manila branch of Courdet Brothers of New York (Gleek 1977, 29). Hartigan, a former major in the army, was trusted by the American governor-general. He worked as a legal adviser for the Japanese consulate and was a leader among Catholic Americans in Manila.

In Plaza del Moraga the Tagawa Store stood side by side with European and American business firms, insurance companies, shipping companies, law offices, embassies, and many more. Tagawa associated not only with his fellow Japanese but also with European, American, and Chinese merchants whose confidence he enjoyed. Indeed, his world was more multicultural and international than that of the Japanese consuls and most other Japanese residents. In the midst of these multicultural contacts, his raison d’etre was to be a bridge between Japan and the Philippines.

Japanese Commercial Activities in Manila after World War I

The volume of Philippine-Japan trade grew rapidly with the boom brought about by the First World War. In 1917 it totaled sixteen million pesos, an increase of 74.07 percent over the previous year.
The amount doubled in three years, reaching thirty million pesos in 1920. In 1919 Japan, which ranked only fifth in 1899, became the third biggest trading partner of the Philippines, the United States being the first and Great Britain the second.

There was a considerable decrease of imports from Europe and the United States, and the postwar inflation created a relatively favorable condition for Japanese products in the Philippines. But this did not mean that Japanese products really acquired competitive strength in the international market. The favorable condition was only due to the fact that Filipinos had to make do with cheaper but poorer-quality Japanese goods, for they could no longer afford the American products, which had become more expensive because of the increase in cargo charges, wholesale margins, and interest rates. This, in spite of the unlimited, duty-free entry of American goods to the Philippines under the Payne-Aldrich Tariff Act of 1909.

The Japanese store owners and importers, well aware of the actual state of affairs, did not rest assured. They warned the manufacturers in Japan that the Filipinos would not continue patronizing the cheap but inferior Japanese products. Once Europe and the United States were able to recover from the war, their products would drive away the Japanese products (Motoyoshi 1919, 31). Naturally, the Japanese in the Philippines could more objectively judge the quality of Japanese goods in the Philippines than could the Japanese in Japan.

As warned, in 1921, when Germany and Great Britain recovered from the war, the cheap but good-quality German products began to drive away American and Japanese goods from the Philippine market (Kurusu Soryoji 1921). The Japanese merchants realized they were facing a crisis and felt that "unless they improved the quality of their products, their future would be doomed" (JMFA 3.4.6.8). It should be pointed out that this was also the prevailing mood in the 1930s (Watanabe 1935, 319–38).

On the other hand, the Japanese community in the Philippines, as a whole, experienced a steady improvement of their economic life. Many agricultural workers and wage laborers became proprietors of abaca plantations, and many carpenters advanced into master carpenters. "They gradually accumulated capital and assured themselves of a stable and better future" (JMFA 3.4.6.8; JMFA 3.8.2.184). There was also an increase in the number of immigrants. As can be seen in Table 2, there were about 9,800 Japanese in the Philippines in 1919, and of these, around 2,068 were in Manila. The Japanese in the Philippines constituted 42 percent of the total 22,852 Japanese in Southeast Asia.
Table 2. Japanese Population in the Philippines, 1888–1940

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* Figure enclosed in parenthesis is from the Philippine Census.
** Approximate number

Sources: JMFA 7:15, 4; Filipin Nen'kan (1936–39).
The number of Japanese commercial establishments in Manila in 1919 increased to 41 bazaars, 21 trading companies, 73 businessmen and bank clerks, and 104 store employees. This growth had two remarkable features.

Firstly, small shops under individual ownerships appeared. Not a few of these owners rose up from being carpenters and peddlers. However, only a few of them were able to surmount the ups and downs of business. Also, except for most prostitutes who had moved into more decent ways of living, a great part of the Japanese community had remained carpenters, fishermen, and refreshment parlor operators (JMFA 7.1.5.4). In 1914 the first Japanese Chamber of Commerce and Industry was established through the initiative of master carpenters. Within four years its membership increased to 950 and it could afford to publish circulars for members.

The second remarkable feature of the growth of Japanese commercial activities in the Philippines was the expansion of Japanese trading companies into the country. The Mitsubishi Trading Company established a Manila outlet in 1916. The Toyo Steamship Company established its outlet the following year. These were followed by the Yokohama Specie Bank in 1918, Menma Trading in 1919, and Daido Trading, which had become independent of the Ito-Chubei Store, in 1920. In addition, the Manila outlet of the Mitsui Bussan was elevated to a branch office. It was also during this time that Ogura Trading and the Narasaki Store were established. Between 1900 and 1918 there were eleven branches of Japanese companies (whose main offices were in Tokyo) registered in the Philippines with a total investment of 124 million yen. In 1920 the number went up to sixteen and the total investment up to 151.5 million yen (Department of Commerce 1920). However, unlike the Europeans and Americans, Japanese investments were limited to commerce. There were twenty Japanese trademarks registered in 1917, and in 1918, twenty-seven (idem. 1921, 1923, 1925).

The elevation of the Japanese consulate in Manila into a consulate-general (May 1919), the opening of a consulate in Davao, and the establishment of the Yokohama Specie Bank in Manila symbolized the development of the Japanese community in the Philippines following the end of the First World War. The establishment of the Yokohama Shokin Ginko was a result of the joint efforts of the Japanese government (which wanted to encourage Philippine-Japan trade and promote export-oriented industrial growth), Japanese businessmen (who were interested in investing in Southeast Asia), and the
Philippine government (Yokohama Specie Bank 1976). The Tagawa Store and the Japanese Bazaar patronized the Yokohama Specie Bank in Manila. Tagawa also recommended it to the local Chinese merchants (Kanegae 1968, 201; Motoyoshi 1919, 3).

The Yokohama Specie Bank was a foreign exchange bank that made available to big businessmen and traders financial assistance. It did not benefit the numerous small Japanese store owners who needed a “simple financial agency or commercial bank” that could give loans with low interest rate. “Even the Japanese businessmen who were not in the export-import business wished to be benefited by the Yokohama Specie Bank” and desperately voiced out the need for a financial agency that, similar to what the Chinese had, could provide long term loans with low interest rates. As ever, the small store owners were still dependent on tanornoshiko that imposed high interest rates. It was a fact that small stores with little financing “were too many to even list here” (JMFA 3.4.6.8).

The Tagawa Store-Nan'yo Corporation Merger

Tagawa Store was already incorporated with the Manila branch of the Nan’yo Corporation as of the 1920 survey. The transactions of the latter of P1.2 million and capital of ¥2 million were not much different from the ¥1.2 million to ¥1.5 million transactions before the incorporation, as reported on 1 June 1917. According to this report, there were eleven Japanese companies whose transactions exceeded ¥100,000. Mitsui Bussan had ¥5 million, Ito-Chu had 3 million, Ota Development Company had 2.5 million, followed by the Tagawa Store. Among the leading bazaars were the Taiga Store, with ¥501,000, and the Japanese Bazaar and the Mitsui Company, with ¥160,000 each (Kaneda 1922, 72).

After World War I, the Tagawa Store moved from Rosario Street to Barraca, San Nicolas. Tagawa bought a building from a former warehouse company and used its first floor as warehouse and the second floor as office. He employed eight Japanese, five Filipinos, and thirty regular laborers (Nan’yo nen’kan 1918, 293). The manager of the Manila main office was Shioji Shin’ichi. The Kobe branch was established in 1917 (located at 58, 1-chome, Minomiya-machi, Kobe City), and its manager was Akiyama Iwao. The principal employees were Nakajima Shigeru, Hasegawa Hisashi, and Nishino Masao.27 Nan’yo Corporation in Manila imported from Japan more varied
items than before, chief among them were cotton, cloth, braided Manila hemp, pulp paper, cotton underwear, cement, fertilizer, and grain. It exported from Manila to Japan Manila hemp, copra, copra oil, sugar, shells, and tobacco from Manila.

In anticipation of his retirement, Tagawa looked for a company that could incorporate his store. He also separated his family register in Nagasaki from that of his brother Mosaburo. On 15 March 1918 he transferred his personal address to the Kobe branch and set up residence in Sannomiya, Kobe. This is why Tagawa's name appears in the list of who's who of Hyogo Prefecture. He also tried, without success, to marry off his beloved daughter Josefa to a Japanese employee.

It is not clear how the negotiations for the incorporation were done, but in January 1919 the Tagawa Store was absorbed by the Nan'yo Corporation and became the corporation's branch in Manila. Abe Konosuke was named president, while Tagawa became one of the directors. The Nan'yo Corporation, therefore, had local branches in Kobe and Yokohama. The way the Tagawa Store in Manila was managed did not change even after the incorporation (Nan'yo nen'kan 1920, 176). Even the logos of the Tagawa Store and Nan'yo Corporation looked alike (Manila Daily Bulletin 1919, 19 September).

No doubt, the merger of Tagawa Store with the Nan'yo Corporation was done under favorable terms as the business performance of Tagawa Store remained excellent and there was no chance that it would get bankrupt. However, after the death of Tagawa in 1920, the situation changed. The cotton products from Japan could not compete with the imports from the United States. Because of recession, exports to Japan consisted only of abaca (JMFA 3.4.6.8).

Since Tagawa was thinking of retirement, he also became inactive in the Japanese community in the Philippines. With the increase in the number of large Japanese companies came the end of the social role of the uneducated Tagawa. In 1915, using the opportunity presented by the establishment of the Japanese School in Manila, the Manila Japanese Club was reorganized, but Tagawa was uninvolved. In 1918 the establishment of the Miitanao Club was epoch-making for Japanese business in Manila, but although Tagawa's name was the ta in the acronym Miitanao, he did not actively participate in it. Much more enigmatic was that it seems he did not send any wreath or message of condolence on the death of Ota Kyosaburo in November 1917 in Japan. Neither did he attend the necrological services in Nanteji (Temple) in Manila. It was only Akiyama, manager of the Kobe branch of the Nan'yo Corporation, who attended the services.
in Kobe (Inoue 1927, 312-47). The consulate records in the Japanese Archives show that Tagawa applied for a reentry visa at the Japanese consulate in Manila on 26 November 1917. Therefore, he was in Manila when the necrological service of Ota Kyozuhuro was held, but his name is not in the list of people who attended the service on 4 November (ibid.).

Certainly, he was no longer an indispensable leader in the Japanese community.

Conclusion

On 8 October 1920 Tagawa, uneducated and poor but self-made in Manila, lived as an ordinary Filipino, eating Filipino food and speaking Tagalog, died in his house in Kobe. His wife and daughter in Manila were informed of his sudden death through an overseas call. Funeral services were held in Kobe and Manila. A large sum of money was spent on his tomb in Manila, which was modeled after a church. His wife, being an ordinary housewife, disposed of all his stocks in the Nan’yo Corporation and gave their house in Todao to Mosaburo, Moritaro’s brother. But through his daughter, all Tagawa’s descendants live in the Philippines even today.

Not much was heard of the Nan’yo Corporation after Tagawa’s death. On the other hand, in 1922 the Japanese Bazaar, which had incurred a large amount of debts, passed from the hands of Mitsumine Otokichi to Kanegae Seitaro, a distant relative. Through the management of blood relatives of Tagawa, the pioneer Japanese Bazaar prospered up to the Second World War (Kanegae 1968). No doubt, Tagawa Moritaro, Mitsumine Otokichi, and Kanegae Seitaro were the principal Japanese personalities in the commercial community of Manila in the first half of the American rule.

Notes

1. The concept of involvement in the south, and of southward advance, as used here is borrowed from Yano (1975, 1979).
2. The advancement of carpenters, saps vendors, refreshment vendors, houseboys, and other migrant laborers into proprietors of variety stores, retail stores, and other small enterprises that needed some amount of capital was the common pattern (Iriye 1943, 234–49; Provido 1936, 57).
3. According to the Division of Retail Stores, Bureau of Commerce, Philippine Islands, the first Japanese stores in the Philippines were established on Echague Street and Calle Real, Tondo, during the American period. However, it does not identify the stores (Luz 1934, 7).
4. _Owari Maru_ was commandeered in the Sino-Japanese War. Its route to Southeast Asia was terminated in September 1897.

5. See Yoshikawa (1991, 107-9) on the whereabouts of the Japanese Consulate. The date given here is based on Saniel (1963, 137). The _Filipin nen'kan_ (1936-39) cites 13 September 1896 as the date of the closure and 26 October 1899 as the reopening. Tsunoyama Sakae (1986, 494) gives November 1899 [sic] as the closing and 16 September 1899 as the reopening. Since Miura Kojiro was designated to the consulate as vice-consul on 16 September 1899, it is highly probable that the consulate reopened in the last week of October 1899.

6. On 21 January 1887, in accordance with the ordinance of the Spanish Royal Family, the governor-general ordered the Manila Railway Company, financed by London-based railway, to construct the 1,730-kilometer railway that was to run through Luzon. The first part of the construction was the Manila-Dagupan line. The Manila-Bicol and Manila-Batangas lines were next.

7. The name Tagawa Moritaro is not mentioned in Ferro-Carril (1890-98), a fifty-eight-volume history of the Manila Railway Company deposited in the Philippine Archives.

8. The _Libro de Casamiento_ (Marriage Registry) and _Libro de Bautismo_ (Baptism Registry) of the parish of Bocae from the Spanish period to the present are deposited in Bocae Church. I did not see records of Tagawa’s baptism and marriage in the 1890 to 1897 records. On the other hand, the office of the Municipality of Bocae has preserved only the marriage registries from 1919.

9. In the marriage registry in Japan, Victoriana’s birthdate was registered as May 1865 and the day unknown. It can be assumed that Tagawa did not know the exact age of Victoriana.

10. According to Saniel, the Tagawa Store was opened sometime after the Sino-Japanese War (Saniel 1963, 225).

11. Le Roy does not believe that the Katipunan leaders requested for Japanese aid. According to him, the Katipuneros only made a courtesy call (Le Roy 1970, 84).

12. The plan was to export to Japan hemp, sugar, tobacco, and other products through the trading company of Tagawa. In order to avoid transacting through the bank, the money from the sale, which would amount to around 100,000 yen, would be used to buy guns in Japan.

13. In 1897 the major enterprises in Manila were the forty-five Spanish, nineteen German, seventeen British, six Swiss, and two French companies.

14. For the renewal of an export-import business license, both wholesale and retail, the fee was two pesos. The tax rate was 3.3 percent of total sales to be paid quarterly.

15. Inoue Naotaro was from Tsunodabayashi, Fukuoka. In October 1897, after graduating from Queens University of Hong Kong, he went to the Philippines, worked first at the Tagawa Store, and then became the head of the Manila branch of the Ota Corporation.

16. In one source it was 1899 (Department of Commerce 1924, 42). However, as of May 1900 and November 1901, the Hong Kong branch of Mitsui Bussan had no outlet in Manila (Mitsui Archives 1971, 1:410, 2:60-61). In 1905 it moved to General Solano, San Miguel.

17. Murakami (1911), Watanabe (1908), Seibunsha (1908), _Seiko_ (1902-15), and others.

18. In August 1899 the Japan Mail Steamship Company bound for Australia began to make stop overs in Manila in order to ease its financial deficiency.
19. Ship fare was twenty-five yen, entry tax was eight yen, disinfection fee in Hong Kong was two yen, and cash to show was sixty yen (JMFA 6.1.6.59).

20. According to people who happened to be at the site when the Japanese Bazaar was searched, the authorities actually did nothing but while away their time (Kanegae 1968, 55). Other places searched were Mitsui Bussan, Sonoda Store, Matsu Store, Suzuki Seisho and Egawa Kyunosuke's hospital, the two boarding houses of Munefuji Ryokichi and Kano Kumajiro, and the Nanteji Temple of Endo Ryugan.

21. He often said that one should not stick long in a business in the wrong belief that it was still profitable (Watanabe 1980).

22. The procedure was as follows: The request for immigrant labor would be received by the recruiter, who would then fill up the necessary documents, such as contracts, at the Japanese Consulate in Manila. With the approval of the Japanese government, each agency would recruit throughout Japan through the local government.

23. The cost of living in 1918 was 56 percent higher than in 1910. In 1920 it was 104 percent higher. The gap between the average wage and the cost of living had greatly widened (Department of Commerce 1929, 95-96).

24. Aside from the Tagawa Company, the other companies that did direct trading were Mitsui Bussan, Ito-Chu Store, Ota Corporation, Osaka Bazaar, Japanese Bazaar, Mori Bicycle, Yamamoto Tsurujirō Photo Studio, Ihara Kakichi Store, and the Kobayashi Genzo Store (or Kobe Bazaar) (Motoyoshi 1919, 9-17).

25. As of 30 June 1919, of the 2,068 Japanese in Manila, 391 were carpenters, 253 were fishermen, 125 were restaurant and refreshment parlor operators, 125 were househelp, and 51 were cooks.

26. The number of trademarks registered by Japanese in the Philippines were as follows: eleven in 1903, five in 1909, one in 1910, three in 1911, three in 1912, ten in 1913, four in 1914, two in 1915, six in 1916, twenty in 1917, twenty-seven in 1918, two in 1919, one in 1920, nine in 1922, seventeen in 1923, and seven in 1924.

27. The manager of the Manila branch of Nan'yo Corporation, Shioji Shin'ichi, established the Shioji and Asano Corporation. Akiyama Iwao was the post office employee. Nakajima Shigeru established the Nakajima Shigeru Store. Nishino Masao became manager of the Philippine Lumber Exporters Corporation. All of them were doing business in Manila up to the Second World War.

28. Aside from personal data, it is also mentioned here that he was a director of the Tagawa Company and that he had paid a direct tax of ¥650 (Jinji Koshin-sho 1918, TA-5).

29. The mark of the Tagawa Company was a double diamond with the initials JMT inside the inner diamond, while that of Nan'yo Corporation had NSK inside.

30. Preparations for the establishment of the Miitanao Club were begun in 1917, on the occasion of the overseas ceremony for the crowning of Hirohito as the crown prince. Construction was completed on 23 April 1919 at 1532 Pennsylvania, Malate. The lot was donated by Ota Kyosaburo. The old name Mindanao was changed to Miitanao, which stood for Mitsui Bussan, Ito-Chu, Tagawa Store, Narasaki Store, Ota Corporation, and Ogura Trading (Filipin nenkan 1936, 327-29).

31. Tagawa could not write his name in Chinese ideographs, but he could have written it in Roman letters (Watanabe 1980).

32. The grave of Tagawa and Victoria (died 26 September 1945) is in the North Cemetery in Manila. The old and somber grave is sandwiched between the graves of Presidents Roxas and Quezon. There is also a grave for him in Todao. His two surviving grandchildren are in Manila and are in good socioeconomic standing.
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