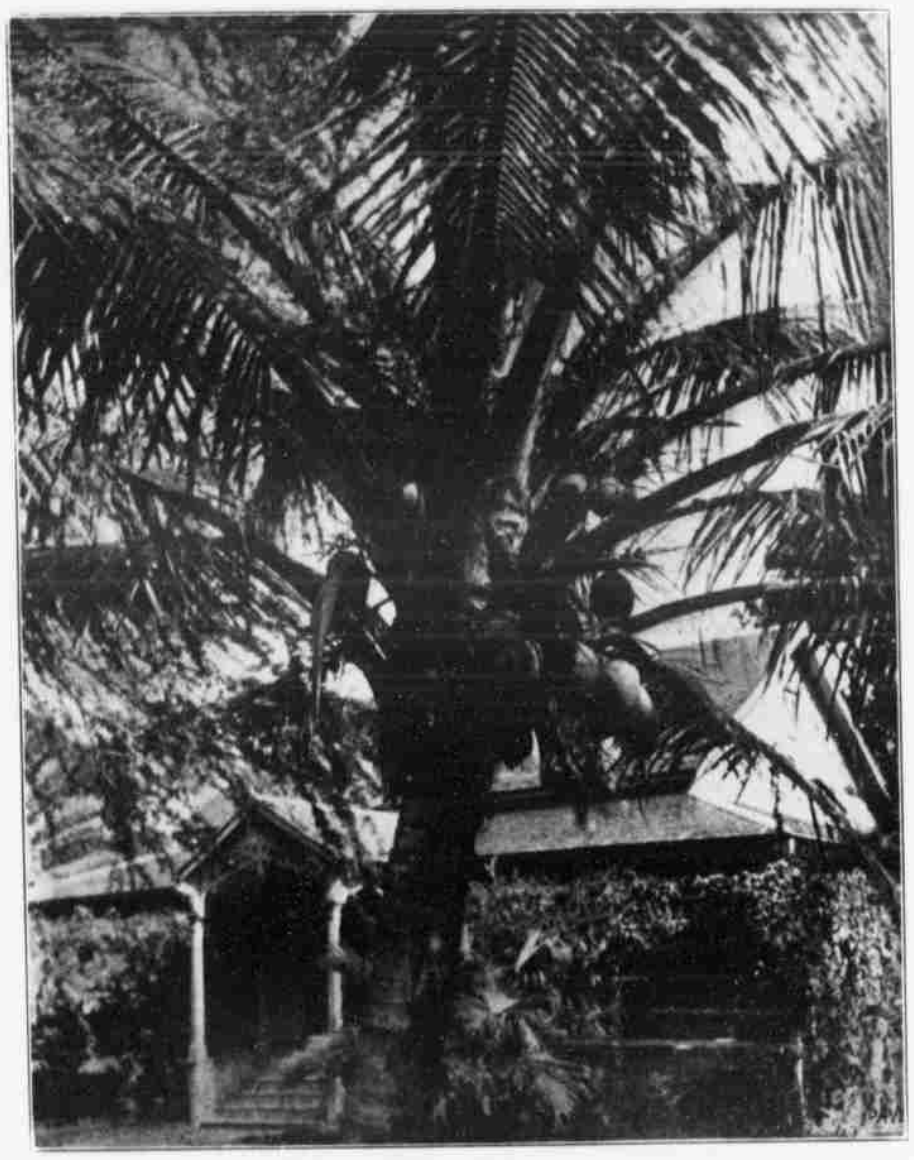
# Money Making in the Philippines



"EVERY COCOANUT TREE BRINGS A DOLLAR A YEAR."

RICE HARVEST—SIZE OF SHEAVES SHOWN PLAINLY.

MAKING SUGAR IN LUZON—NOTICE BASKET WORK TOP OF SMOKESTACK.

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WASHINGTON, April 2.—(Special Correspondence of The Bee.)—Since my return from Asia I have received many requests for special information about the Philippine Islands. Most of them are from young men who wish to try their fortunes and not a few are from small capitalists with money to invest. It seems to me the time is ripe for such men. Until now there has been little chance to go about from place to place without soldiers, but the islands are gradually settling down, and within a year prospectors should be able to travel anywhere. Within the last month a big syndicate has been formed to develop Mindanao. The syndicate is composed of millionaires living at New York and San Francisco, and its plan is to colonize the island and open it up to settlement. It has an authorized capital of $500,000, with the possibility of increasing it indefinitely.

Mindanao is one of the least developed of our islands. It is as big as the state of Ohio, and its soil is as rich as that of Java. It will raise coffee, cinchona and rubber and excellent cattle. I saw fine stock at Zamboanga and about Cottabato. Near Davao, in the eastern end of the island, I visited enormous hemp plantations, and in the west saw bananas and coffee luxuriantly growing. The country is susceptible of great agricultural development. The most of it is covered with forests of the finest hard woods, and it is so watered that the timber can be easily floated down to the coast. After the lands are cleared they will make good sugar plantations. We have a government farm at Zamboanga where sugar is grown, which has at times brought in as much as $20,000 per year to the Spaniards.

**Timber of the Philippines.**

The new syndicate will open up the timber lands. These belong to the government, for it practically controls the forests of the Philippines. It has, it is estimated, about 50,000,000 acres of virgin timber, including trees from 100 to 200 feet high and over four feet in diameter. In Manila I frequently saw tables whose tops were made of a single board of nara or Filipino mahogany which measured four and five feet in diameter. The floors of the principal buildings were of this same wood laid in boards a foot and a half wide and twenty or more feet long. I asked where the lumber yards were and was shown one on the banks of the Pasig river. It was operated by Chinese, the logs being sawed into boards by hand with crosscut saws. I understand that there are but two steam sawmills in all the islands and that so far the forests are practically untouched. Some timber has been cut out by Indians under the superintendence of Germans and English and shipped to Hong Kong and Shanghai, but as a rule the Spanish government objected to such exploitation and levied taxes which prevented it.

One of the troubles the timber merchants complain of is that they cannot get the Indians to work without advancing about a year's wages and this capital is sunk in the business. After the first advance the workmen will labor to pay it out, then expect more, but they always keep from $60 to $100 in debt. One timber man of Manila says that his wood cutters now owe him $11,000 and that he never expects to get it back.

**Money in Mines.**

I should like to see our geological survey send out prospectors to the different parts of the Philippines. Nearly every island has great mineral wealth. There are deposits of iron, coal, lead, copper, silver and gold. In northern Luzon there are copper mines which were worked before Magellan discovered the Philippines and the natives are getting copper out of them today. There are lead deposits in Cebu and silver on the island of Marinduque. I was told of an iron mountain which exists not far from Manila, and one of our army officers, a civil engineer, described to me a gold deposit which he discovered near San Mateo, within ten miles of the city limits. He had been making a topographical survey when he came upon a strip of country filled with lumps of what he thought was pyrites. He filled his bag with two lumps and took them to one of the warships and had them assayed. They ran from twelve to fourteen ounces of gold to the ton. He says the lumps were picked from a strip about three miles wide and ten miles long. He told me that he had staked out claims for himself and friends upon it, and that he eventually expected to raise capital and develop the property. If he is correct, that region may turn out to be a gold camp similar to Mercur, south of Salt Lake.

There are also rich gold mines in Mindanao. I was shown gold grains about the size of wheat during my stay in western Luzon, and there is no doubt of gold existing in the northern mountains. There are a number of Californians and Colorado men who are now prospecting in Mindanao, and some of these claim to have made money.

I believe that greater fortunes can be made out of lands and especially sugar lands. During my stay in the Sandwich Islands and Java I visited some of the big sugar estates. They are operated with enormous capital and have mills costing hundreds of thousands of dollars. The land is fertilized and thoroughly tilled, and with these methods the plantations are profitable. The sugar lands of the Philippines are also profitable, but they are managed in the most wasteful manner. I visited one mill near Porac, the motive power of which was a great water wheel thirty feet in diameter. The cane was hauled in from the fields in rude carts with water buffaloes and water ground it. The juice was boiled in great iron kettles which rested on a furnace or flue dug out of the ground. The molasses was then drained off and the sugar allowed to granulate in clay jars. There was waste everywhere, and notwithstanding this the profits were great. With modern machinery they should be increased at least four-fold.

I met a planter near Angeles who is making $25,000 worth of sugar every year. He made $8,000 out of his rice crop, and all his farming is done on the shares, the laborers receiving half. He told me that he found this was the best way to get good work, and that although, he could hire men for $25 per year it paid him better to let them work on the shares.

It was on that estate that I saw them planting sugar. Two men were plowing with carabaos, and behind them came a crowd of women and girls dropping the cane. The soil was a little sandy, but it was as black as your boots and very rich. The cane was cut into pieces about six inches long and laid in the furrows, so that it made pipes of cane from one end of the field to the other. The women are paid for their work according to the amount they drop, the girls receiving about 10 cents a day.

There are many plantations in the valley from Manila to Dagupan. The crop grows well in other parts of Luzon and in all the northern islands, and there is no doubt but that plantations would thrive in Mindanao and Sulu archipelago.

**Valuable Rice Lands.**

Rice is the wheat of the Philippines. It is the food of the people, and I saw rice plantations everywhere. Nevertheless the islands are often short of rice, and import it to the amount of hundreds of thousands of dollars.

In Java the mountains are terraced and rice grows far up their slopes, the water being led from one field to another by irrigation works. In the Philippines the most of the rice lands are in the valleys, and they are worked after rude methods. The farming is largely done on the shares, and for this reason you see hundreds in the fields at planting time all working together. Men, women and children come out from the villages to tend the little rice fields they have engaged to work. No one lives on his fields, and the farmers, as a rule, have their homes in the villages. At reaping time you will see the same gangs at work, and at the close of the day the roads are filled with women and men, each carrying home his share of the harvest. The man usually has the larger load, and if he is thrifty he may have a half dozen sheaves or bundles of unthreshed rice, each about a foot in diameter.

The harvest scenes are interesting. The rice grows just like wheat, but it is not cut with a reaper and mower, or even with a cradle or a sickle. It is clipped off, stalk by stalk, with a little knife, which is held in the palm of the hand. The harvester takes a stalk of rice between his fingers and presses it against the knife, thus cutting it off. He then cuts another stalk the same way, and thus goes on until his sheaf is of the right size. The rice grows to about the height of our wheat, but it is cut off half way up in order that the sheaves may be shorter, and so that it may be the more easily stored and threshed. The threshing is done by pulling the heads of the rice through saw-toothed knives and by treading it out with the feet. I saw some threshing grounds where men were jumping up and down upon the straw to thresh out the grain and others where they were driving water buffaloes about over it. In Panay there are threshing platforms high above the ground, upon which the men and women tread out the rice, and where the strong winds enable them the more easily to get rid of the chaff.

There are few grains which require so much labor as rice. Every stalk has to be grown in a seed bed and then set out separately in the muddy fields. The fields are flooded again and again. The stalks are harvested as I have described and the rice threshed. After this the hulls have to be pounded from the stalks in mortars, so that altogether every grain costs much work.

In raising rice on the share, the first crop goes to the tenant. In the second the tenant gets half and in the third only one-fourth. The crop is always divided in the sheaf, the hulling and threshing being extra. The hulling is done by women in mortars, and the threshing is at home instead of at the mills. The poor often have to borrow to put in their crops. They pay an interest rate in kind of as much as 100 per cent. A man will loan his money on consideration of so many arobas of rice to be delivered at harvest time. He can go to the fields and get his interest; this is so much that it takes the profit and the rice usurers thus keep the country poor.

**Cocoanut Plantations.**

There is one investment in the Philippines that requires but little hard work. This is raising cocoanuts. The cocoa palm grows on all the islands, but some places better than others. On the island of Jolo there are magnificent cocoanuts, and on Mindanao there are millions of fine trees. The trees are planted in regular order and after seven years each yields about a score of large nuts every month. The nuts are allowed to drop of themselves. They are then picked up, husked and the meat taken out and dried. After drying the cocoanut meat is known as copra, and is ready for shipment to Europe or the United States. About 50,000 tons of this stuff were sent abroad in 1897, and the probability is that the shipments will shortly be many times this amount. The planters figure that every cocoanut tree should yield a net profit of $1 a year, and as you can put a large number of trees on a small area a good cocoanut plantation means a fortune. I know of some men who have plantations of 20,000 trees or more, and who are rich from cocoanuts.

I have already spoken of the money in hemp. This is the most wonderful crop of the Philippines. It brings to the islands about $18,000,000 every year, and it forms the money crops of some of the largest of the Philippine states. There is an enormous profit in the business; but, nevertheless, there are undeveloped hemp lands, and crops could easily be quadrupled. The lands which are under cultivation sell for high prices, but near them are other lands which can be gotten for a song, which need only a little work to make them available. This is especially so of Mindanao.

I believe that the methods of cultivation and cleaning the hemp might be much improved. At present a large proportion of the crop goes to waste, everything connected with it being done by hand. The plant is much like the banana, and the hemp comes from the fiber of the leaves and stalks. It is dried on the ground and shipped in bales to Manila. A good hemp crop is just as salable as so much wheat or rice. There is a regular demand for it and it has its fixed prices in the markets of Europe and the United States. Some of the estates are now paying 35 per cent.

**Railroads and Electricity.**

There will be many railroads built in the Philippines within the next few years. Lines are already planned to open up the greater part of Luzon, and one especially profitable road will be along the Laguna de Bay and down into the southeastern provinces. This will bring the hemp to Manila and give a thickly populated and rich section railroad access to the capital.

There are also many opportunities for electrical development. The whole country is one of mountains and valleys, and at some future time the streams will be made to furnish the electric power for the sugar and other mills. Electric roads will be built and a few of the cities will have electric lights and car lines.

These roads will throw open new lands to settlement and here will be a chance for speculation. The Filipino is as smart as the American as far as his experience goes but he has no idea of the increasing values which come from railroads, and even after the railroads are planned one will be able to buy lands at low prices. There is certain to be an increase in real estate values almost everywhere, and if one could get properties with good titles he is almost sure to make money. The trouble, however, is that titles are often in doubt. Many of them are disputed by the priests and consequently have to be bought at much risk.

**Little Chance for Poor Man.**

There is one thing, however, that should be remembered by all who think of going to the Philippines. The country is no place for those who have only brains and muscle to offer. The Filipinos make excellent bookkeepers and clerks, and they will work for half the wages of an American. Ordinary labor is poorly paid, and between the Chinese and Filipinos there are few chances for Americans who work only with their hands.

The same is so with retail merchants. The trade is almost altogether in the hands of Chinese, who can live more cheaply and sell closer than we can. There are limited openings for American lawyers, doctors and dentists, and in fact for almost any of our professional men who will go to the islands expecting to stay there and grow up with the country.

There is plenty of room for syndicate investments. Corporations and individuals with large capital can easily place money where it will pay a big interest on long-time investments. Young men who have some money and business brains can find plenty of chances to make fortunes, but they must go out and look over the ground for themselves, and expect to make the Philippines their home for eight or ten years at least.

Indeed, it seems to me that our new possessions offer a most attractive field for such men. The Philippines are an empire of undeveloped resources which as soon as matters become quiet will go forward on the seven league boots of modern progress. The most of the country is healthful, and in many parts the climate is better than that of the southern United States. In the future every island will be spotted with the homes of rich and well-to-do Americans, and I venture that the society there will be equal to that of any part of the United States. The American population will be rich, it will have good schools at home and will also educate its children abroad. It will, in short, be somewhat like the best society of the south in the days before the war.

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