



White Settler Colonialism and the Political Economy of Labour Migration

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Essential in explaining the emergence and present state of Maori inequality in capitalist society, are the processes of white settler colonialism and labour migration (see Miles, 1984, 1989 and 1993; Miles and Spoonley, 1985; Pearson, 1984 and 1990; Spoonley, 1993). These are two distinct, though interlocking, processes, the first of which concerns the colonial land grab which dispossessed Maori, the second of which concerns the Maori labour migration, recruitment and settlement, necessary to provide a workforce for an emerging capitalist society.

It is important to place the white settlement of Aotearoa within its historical context as part of a global process of capitalist expansionism based on the destruction of the territorial and cultural integrity of the indigenous populations by the expropriation and commodification of their lands and human resources. As Marx noted in regard to the process of capitalist development, '[i]n actual history, it is a notorious fact that conquest, enslavement, robbery, murder, in short, force, plays the greatest part' (Marx, 1976, p. 874).

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The Age of Revolution

The period between 1789 and 1848 in European history was characterised by tremendous social, economic and political upheaval. The political turbulence created in the wake of the industrial revolution and the French revolution, had enormous implications for the social and economic relations which were to emerge in the European colonies around the world. This period is significant in the study of the political economy of Maori inequality because it corresponds with the transition from the first phase of contact which saw the establishment of commercial relations between European traders and iwi, to the relentless process of land alienation that underpinned the systematic colonisation of Aotearoa.

The colonisation of Aotearoa took place at a time when British capitalism was reeling from prolonged economic depression and declining prosperity. The cyclic bouts of capitalist crises had entrenched serious economic and social inequality which in turn had generated growing working class discontent (Hobsbawm, 1975).

In the wake of the widespread working class rebellion that rocked Europe from the 1830s there was the very real possibility of revolutionary upheaval in Britain itself. Indeed, the widespread working class resentment found its political expression in the Chartist movement which flourished throughout England, Scotland and Wales in the period from 1838 to 1850. For the first time in British history the ruling class came face-to-face with a mass working class movement at a time when there was no known means of reviving economic prosperity.

Throughout the late eighteenth century, imperialist ventures based on the establishment of extractive colonies which supplied Britain with cheap raw materials and export markets were used in order to combat declining economic growth and social discontent (see Chapter 2). However, official British enterprises in South Africa, Australia, Canada, India and the West Indies had proven extremely costly. The British state was under such severe financial constraint it could no longer afford to get embroiled in another official colonial venture which required increased taxation of the British ruling class. This, in

part, explains why the official British policy towards New Zealand until the late 1830s was characterised by a general reluctance to intervene formally (Adams, 1977, p. 52). Indeed, for the British state, it was far more preferable to see British interests advanced through non-official agents, such as traders, missionaries and explorers who moved beyond the empire's frontiers at their own risk and at no expense to the British government (Orange, 1987, p. 8).

The exportation of the working class population which had become 'surplus' to the requirements of British capital gradually emerged as the solution for Britain's economic crisis. However, emigration on the desired scale required some form of subsidy, a subsidy which the British ruling class could not afford (Steven, 1989, p. 23).

The systematic colonisation of Aotearoa however was premised on the discovery that if the British Crown sold land in the colonies to prospective settlers, subsidised emigration would be possible without any cost to the British tax-paying class. This is precisely why the complete control over all Maori land transactions formed such an integral part of the Colonial Office plans to acquire sovereignty over New Zealand. Indeed, the annexation of Aotearoa was only an attractive proposition in so far as a land fund would allow the colonial administration to become financially self-sufficient while any surplus capital would be used to finance further British emigration. The fact that the exclusive right of pre-emption over Maori land was such a major feature of the Treaty of Waitangi is testament to its significance.

In order to entice emigration from Britain in the first place, Aotearoa had to offer the material conditions necessary for the rapid accumulation of capital. The most distinctive economic characteristic was high quality land which required few resources to produce profit. Acquiring this land proved the driving force behind settler society (Steven, 1989, p. 26). This in turn involved the systematic expropriation of Maori land.

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Primitive Accumulation

The capitalist mode of production differs historically from other modes of production in terms of the essential social relations which constitute it. Unlike other forms of society, capitalist society is defined by the unique and antagonistic relationship between the 'owners of money, means of production, means of subsistence' on the one hand, and the 'owners' of labour-power on the other. The critical factor in the establishment of these social relations of production in Aotearoa was the existence of the means of production (including labour-power) in commodity form.

Although the capitalist's monopoly of property and access to the means of production is a necessary precondition for the production of surplus-value because it prevents the working class from producing its own livelihood in an independent way, it is only the labour-power of living labour that actually produces additional value including surplus-value (Mandel, 1976, p.33.). The 'secret' of surplus-value, the essential feature of capitalism, therefore lies in the existence of labour-power as a commodity (Fine, 1975, p.41.; McNally, 1993, p.7.). In Aotearoa the systematic commodification of labour-power required the separation of a growing proportion of the Maori population from the land, which had for centuries provided them with an adequate subsistence, thereby giving them no alternative but to sell their labour-power for a wage. This process was not just a unique feature of capitalist development in Aotearoa. Indeed, the development of capitalism in Europe centrally involved, '...the historical process of divorcing the producer from the means of production' (Marx, 1976, pp. 874-5).

Like the process of capitalist development on a global scale, the emergence of a propertyless class of Maori wage labourers was not gradual or harmonious, rather it involved brutal dispossession, violence and destruction (McNally, 1993, pp. 6-7). However, Aotearoa contained a Maori population that was relatively large and militarily organised

enough to provide powerful resistance to the commodification of Maori land. At this time the British state was unwilling to meet the costs of the military power required to neutralise this resistance. In this context the Treaty of Waitangi provided an inexpensive means of ensuring that Maori would not obstruct this process, at least not until the number of settlers constituted a greater threat to Maori military dominance (Steven, 1989, p. 26).

The discovery of pastoral wealth which yielded greater profits than the moderate incomes earned in the production of foodstuffs was a turning point in the relations between Maori and the settlers. Profitable pastoralism required huge land-holdings and their acquisition at not too great a cost. The insatiable drive for greater profits manifested itself in the rampant expropriation of Maori land that took place in the period 1840 to 1870. The fierce and sustained resistance that characterised the New Zealand Wars revealed that iwi were not passive respondents to this expansion (Walker, 1990; Belich, 1986). The resistance by Maori gave the state the opportunity to confiscate further Maori land to satisfy the requirements of an expanding pastoral industry. On the pretence of pacifying 'rebellion', the colonial state brought about by force the commodification of millions of acres of Maori land that was so central for capitalist development (Bedggood, 1978, p. 287).

State legislation which aimed to decisively 'free up' Maori land such as the Suppression of Rebellion Act 1863, New Zealand Settlement Act 1863, and the Native Reserves Act 1864 resulted in the transfer of millions of acres of fertile farm land into the hands of large landowners. With the removal of British imperial support and the move to self-government more subtle and less expensive measures had to be found to expropriate the remaining Maori land. In particular, the Native Land Act 1865 prepared the way by individualising the ownership titles of communally held Maori land.

In 1875 the provincial system of government was abolished. Maori were disenfranchised politically in the development of a centralised state and a national administrative infrastructure suitable for capitalist expansion. The territorial and regional separation of the Maori population contributed to the maintenance of traditional elements of Maori society and capitalist social relations that remained relatively insulated from the developing settler institutions. Together with the exclusion of the vast majority of Maori from orthodox political processes, this relative isolation allowed state and foreign investment to contribute to the development of a national economic infrastructure without formidable opposition.

The transition from large-scale farming towards relatively small family farm production, the urban processing of the rural product, and the emergence of a manufacturing sector resulted in the erosion of state control by the landed oligarchy (Wilkes, 1993, p. 196). From 1890, the state sought freer land policies and even developed strategies for breaking up the large estates. The Native Land Validation Act 1892, West Coast Settlement Reserves Act 1892, Native Land Purchase and Acquisition Act 1893, Advances to Settlers Act 1894 were among the more overt measures introduced to hasten the process of Maori land alienation. By the turn of the century most Maori were relegated to a precarious existence on the edge of a rapidly expanding capitalist society dominated by a Pakeha ruling class and state (Pearson, 1984, p. 209).

For the first part of the twentieth century the process of land alienation continued unabated. Maori land holdings were reduced further from 7,137,025 acres in 1911 to 4,787,686 acres in 1920. By the late 1930s, Maori retained less than one-sixth of the land. The fact that most of the remaining land was unsuitable for development, meant that iwi no longer possessed the acreage to feed themselves. Although Maori continued to have only a marginal relationship with the capitalist mode of production, this relationship was becoming increasingly more important for the Maori economy. Indeed, as the pace of land alienation increased, so did the Maori reliance on seasonal labour as a means to supplement their declining resource base. Thus many Maori, increasingly found themselves as a source of cheap and replaceable labour, primarily in the agricultural sector.

The world recession of the early 1930s had an enormous impact on New Zealand's economy which was dominated by agricultural capital. The crisis of profitability characterised amongst other things by low levels of foreign and domestic investment decimated the employment base in the agricultural sector. This had a disproportionate impact on the Maori population which was overwhelmingly rural. As a casual, reserve army of labour, Maori agricultural labourers were among the first to be laid-off. Indeed, it is estimated that Maori made up some 40 per cent of the unemployed, with three-quarters of adult Maori men registered as unemployed by 1933 (King, 1992, p. 293).

Proletarianisation

Whereas the first phase in the establishment of capitalism in Aotearoa involved the destruction of the subsistence economy and the partial exclusion of Maori from the developing capitalist society; the second phase in capitalist development was the systematic incorporation of Maori into an emerging working class. This is because the development of capitalist production in Aotearoa necessitated the geographical concentration of the means of production and hence the process of proletarianisation (Miles and Spoonley, 1985, p. 15).

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The Long Boom

The period 1945 to 1973 was one of sustained economic growth coupled with a gradual rise in the standards of living in most advanced capitalist countries. In Aotearoa, the long boom was a product of historically high levels of profitability and productive investment, accompanied by full employment, low inflation, rising real wages, and the absence of prolonged balance of payment difficulties due to the historically favourable terms of trade (see Chapter 1). From 1945, there was a significant expansion of the manufacturing sector which generated an absolute and relative increase in size of the working class. The prolonged period of economic expansion further accelerated the centralisation of industrial production in the larger cities, particularly the greater region of Auckland.

The compulsion for Maori to sell their labour power for a wage (induced by the destruction of the traditional economy) combined with the demand for labour from the expanding manufacturing sector and led to a massive rural to urban migration of Maori. Acute Maori overpopulation in relation to limited economic and natural resources, and high rural unemployment reinforced this rural exodus (Butterworth, 1967, p. 19). Indeed, the process of proletarianisation was rapid: in 1926, 8 per cent of the total Maori population were located in the 'defined urban areas'. By 1966 the figure had risen to 41.1 per cent. The occupational structure of the Maori population actively engaged in the workforce is also revealing.

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Contemporary Maori nationalism and the Economic Crisis

In the mid-1970s the long boom that had fuelled the rapid labour migration collapsed. The collapse of the long boom was a product of steadily worsening conditions of economic decline and fiscal instability brought on by the inherent tendency in capitalist systems for the general rate of profit to fall which inhibits investment and undermines profitable capital accumulation. This economic crisis generated the politicisation of ethnic and gender inequalities, and an upsurge in class struggle. From the mid-1970s governments struggled to manage the deepening economic and political crisis. In particular, the political turbulence created in the wake of a dramatic upsurge in Maori protest and discontent from the early 1970s forced governments to respond to the overwhelming evidence of racism and Maori inequality which characterised New Zealand society.

Such struggles embraced a considerable variety of political strategies, campaigns, and participants (see Greenland, 1984; Poata-Smith, 1996b; Sharp, 1990). Over-simplifying for the sake of exposition, from the

late 1960s Maori activists tended to reject strategies that placed the sole emphasis on orthodox political processes in order to reform the worst excesses of racism and Maori inequality. However confused such strategies were, the only basis for Maori liberation was through a fundamental transformation of the system, that was both racist and capitalist. This strategy co-existed with the Brown power philosophies of the more militant wing of Nga Tamatoa which urged Maori to unite, to recognise their common history, and build a new sense of solidarity and community.

The influence of such nationalist strategies attenuated as more conservative middle class elements came to dominate the movement and this development was reflected in the proliferation of strategies which emphasised constitutional change through electoral politics and the systematic reform of existing institutions. Such strategies rested on the expectation that the state would make significant concessions to Maori. However, the failure of the third Labour government (1972-1975) to stem the tide of land alienation and secure Maori rights led frustrated activists to look at more direct tactics that represented a fundamental challenge to the state.

From 1975 to 1984 the third National Government had to respond to a dual crisis of economic decline and a crisis of political legitimation created in the wake of the Maori land rights movement. National fumbled through the 1975 land march on parliament, the occupations of Bastion point and Raglan and the regular protests at Waitangi, with a mixture of coercive state force and legal measures.

The restructuring of New Zealand economy since the mid-1970s saw the financial fraction of capital grow dramatically relative to the industrial and commercial fractions of capital (Roper, 1991b). This had dramatic implications for the employment prospects of working class Maori who were over-represented in the manufacturing sector. It forced the third National Government attempted to respond to the economic crisis which had such a disproportionate impact on employment prospects in Maori communities with an inconsistent set of policies based on Keynesian forms of economic management which inturn generated a fiscal crisis of the state (see Chapter 14).

Amidst a deepening economic and political crisis, the fourth Labour Government (1984-1990) embarked on an economic restructuring programme to restore levels of profitability in the New Zealand economy in order to encourage investment and growth by promoting those conditions most conducive to profitable capital accumulation. Labour's restructuring was underpinned by a theoretical agenda based almost exclusively on the analytical assumptions, ideological values and policy prescriptions of the schools of economic thought associated with the New Right.

Since 1984, Labour had attempted to appease the rising level of Maori protest in two major ways. The first involved extending the jurisdiction of the Waitangi Tribunal retrospective to 1840 and the second involved adopting the policy of 'biculturalism' which was based on the selective incorporation of Maori cultural symbolism within the institutions of the state (Barber 1989). As Maori demands became more strident, a contradiction emerged between the Labour's economic programme and the treaty settlement policy (Kelsey, 1990; 1993).

The fourth Labour Government's attempt to appease Maori discontent was made easier by a qualitative change in the direction of the Maori protest movement itself with the proliferation of 'identity politics'. In the absence of mass struggles against oppression with the decline of the working class movement internationally and the rise of the New Right, many of the assumptions of identity politics were reflected in the New Zealand context with an emphasis on cultural identity as *the* determining factor in Maori oppression. The inherent traits of Pakeha were seen as the basic causes of an oppressive and unequal society, while the traditional and egalitarian virtues of the Maori community were critical for their resolution. Such a 'cultural' explanation for Maori inequality was easily accommodated by the State because unlike the demands of the earlier movement, cultural nationalism did not represent a fundamental threat to the underlying social relations of

While the policies of biculturalism represented an advance for middle class Maori professionals with the expansion of employment opportunities in the state apparatus, the emphasis on identity alone as the determining factor in Maori oppression has been counter-productive for working class Maori whanau with successive governments shifting the costs of the economic crisis on to the weakest sections of the community. The restructuring of the economy has been a disaster for working class Maori, Pakeha and women, welfare beneficiaries and users of public health and education who have had to face the prospects of increased poverty, falling real incomes, mass unemployment, deteriorating employment conditions and job security, social welfare cuts and user-charges for education and health services. The position of the majority of Maori whanau within the working class has meant that Maori have borne the brunt of the economic restructuring (Te Puni Kokiri, 1992). Indeed, in the two years between March 1987 to March 1989, one-fifth of the Maori working-age population was made redundant (Te Puni Kokiri, 1993, p. 41).

The upsurge in Maori protest and anger in the wake of the fourth National Government's attempt to evoke a full and final settlement of treaty grievances following secret negotiations with tribal executive and corporate warriors has generated intense anger and resentment at the lack of real options available to ordinary Maori within the system.

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