This paper intervenes in orthodox understandings of Aotearoa New Zealand's colonial history to elucidate another history that is not widely recognised. This is a financial history of colonisation which, while implicit in existing accounts, is peripheral and often incidental to the central narrative. Undertaking to reread Aotearoa New Zealand's early colonial history from 1839 to 1850, this paper seeks to render finance, financial instruments, and financial institutions explicit in their capacity as central agents of colonisation. In doing so, it offers a response to the relative inattention paid to finance as compared with the state in material practices of colonisation. The counter-history that this paper begins to elicit contains important lessons for counter-futures. For, beyond its implications for knowledge, the persistent and violent role of finance in the colonisation of Aotearoa has concrete implications for decolonial and anti-capitalist politics today.

How Finance Colonised Aotearoa: A Concise Counter-History

CATHERINE GRACE CUMMING

This paper intervenes in orthodox understandings of Aotearoa New Zealand's colonial history to elucidate another history that is not widely recognised.[1] This is a financial history of colonisation which, while implicit in orthodox accounts, is peripheral to, and often treated as incidental in, the central narrative. Finance and considerations of economy more broadly often have an assumed status in historical narratives of this country's colonisation. In these, finance is a necessary condition for the colonial project that seems to need no detailed inquiry. While financial mechanisms such as debt, taxes, stocks, bonds, and interest are acknowledged to be instrumental to the pursuit of colonial aims, they are, in themselves, viewed as neutral. 'Finance' therefore tends to name a passive technical apparatus operating in the background of historical narratives of Aotearoa's colonisation, while the actions and motives of states and individuals are accorded centrality as key drivers of colonisation and provide the anchoring points of colonial histories.

Undertaking to reread the early colonial history of

---

1 I would like to thank Campbell Jones for his invaluable support and critical insight while I was writing my MA thesis, from which this paper has sprung. I would also like to acknowledge my whakapapa and, in particular, my grandfather, John Cumming, who wrote his own financial history of colonisation in 1963. I offer my paper as a critical inverse of his.

New Zealand from 1839 to 1850, this paper seeks to render financial institutions, instruments, and practices explicit in their capacity as central agents of colonisation. In doing so, it offers a response to the relative inattention paid to finance as compared with the state in material practices of colonisation. This inattention, as will be seen, reflects and reinforces a tendency to ascribe finance neutrality, as a sphere of activity abstracted from politics and history. Against this, this paper brings to light a counter-history of early colonial New Zealand in which financial institutions, instruments, and practices not only aided but actively implemented mass colonial emigration to Aotearoa and an immense appropriation of Māori lands and resources.

The counter-history presented in this paper centres upon the actions of the New Zealand Company, the private enterprise which implemented the organised settler-colonisation of Aotearoa. It spans just over a decade, bookended by the formation of the company in 1839 and its dissolution in 1850, two events which are shown to be equally marked by and expressive of a deep historical and material intertwinement between finance and colonisation that has significantly shaped the social and political development of modern Aotearoa New Zealand. The paper is organised into four sections, the first three of which loosely correspond to three key phases of the New Zealand Company's operation. Each of these sections highlights a particular financial instrument or practice that was central to colonisation: the joint-stock system, speculation, and the public bailout.

The history elucidated in this paper runs counter to that which is normally told. It presents a challenge to orthodox understandings of the colonisation of Aotearoa and, in particular, the centrality accorded to the state as the architect of the colonial project. As will be argued, this challenge not only confronts established terrains of knowledge but has important implications for contemporary politics. In particular, the counter-history that this paper begins to elicit contains crucial lessons for the thinking of counter-futures beyond capitalism and colonialism. This claim is elaborated in the fourth section, where I discuss some of the challenges confronting movements to decolonise contemporary Aotearoa New Zealand when finance continues to actively colonise Māori lands, resources, and value systems, and constrains the ideological and material boundaries within which 'postcolonial' politics play out. I will argue that situating contemporary intersections of finance capital and colonialism in the context of material histories is key to their respective unravelling and overcoming.

The colonisation of Aotearoa: A capitalist collaboration

The colonisation of Aotearoa was initiated by a British joint-stock company formed in London in 1838. This was the New Zealand Company, a venture with several MPs on its board of directors and spearheaded by Edward Gibbon Wakefield: politician, convict, and ardent advocate of the colonisation of the country known as New Zealand.

The formation of the company in August 1838 was the culmination of Wakefield's tenacious but ultimately fruitless campaign to secure parliamentary support for his colonial venture during the 1837 session. Wakefield and many of the company's other founding members were formerly engaged in the New Zealand Association, which spent much of 1837 drafting a bill for the colonisation of Aotearoa and petitioning the House of Commons to adopt it. The bill provided for certain 'Founders of Settlements' to obtain land in Aotearoa and to negotiate with the 'natives' 'for a cession of all sovereign rights to Her Majesty'.[2] It further empowered the Founders to enact laws and form a colonial militia.

The association's bill was opposed by the Colonial Office on the grounds that, 'It proposes the acquisition of a sovereignty in New Zealand which would infallibly issue in the conquest and extermination of the

2 'Abstract of a Bill Sent to Lord Howick, on the Part of the New Zealand Association, in June 1837' (Appendix no. 18), in *Report from the Select Committee of the House of Commons on New Zealand; Together with the Minutes of Evidence, Appendix, and Index,* House of Lords Papers vol. 25, no. 303 (London: House of Lords, 1840), 163.

present inhabitants'.[3] By 1839, Aotearoa had between 1,800–2,000 Pākehā inhabitants, comprised largely of whalers, sealers, traders, and missionaries, and concentrated in the north.[4] Emigration had occurred in only an informal, unorganised manner, and the 'sovereignty' of the tribes of Aotearoa was 'solemnly recognised' by the Colonial Office and Church Missionary Society.[5] This view must be understood in the context of the slavery-abolition movement, as well as the 1837 report of the Parliamentary Select Committee on Aborigines, which raised public awareness of the atrocities suffered by Indigenous peoples in the name of British colonialism.[6]

In June 1838, the bill was defeated in its second reading by 92 votes to 32, with one member calling it 'the most monstrous proposal I ever knew made to the House'.[7] This was a clear signal to the New Zealand Association that parliament was not prepared to back its proposed colonial endeavour. However, rather than dissuade Wakefield and his associates, this rejection only drove them to seek alternative means of raising the capital necessary to launch their project. The joint-stock system provided this means and, on 29 August 1838, the New Zealand Company was formed.

In lieu of parliamentary support, finance was the precondition for the New Zealand Association's project in Aotearoa. To convey the particular significance of finance for the New Zealand Association in 1838, it will be useful to briefly clarify what exactly is meant here by 'finance' and what its place is with respect to the capitalist economy in general. Finance refers to

---

3 James Stephen, under-secretary of the Colonial Office, cited in Patricia Burns, *Fatal Success: A History of the New Zealand Company,* ed. Henry Richardson (Auckland: Heinemann Reed, 1989), 44–45.

4 Peter Adams, *Fatal Necessity: British Intervention in New Zealand, 1830–1847* (Wellington: Bridget Williams Books, 2013).

5 See Marquess Normanby to Captain Hobson, 14 August 1839, in *Historical Records of New Zealand*, volume I, ed. Robert McNab (Wellington: John Mackey, 1908), 729–739.

6 See *Report of the Parliamentary Select Committee on Aboriginal Tribes, (British Settlements), Reprinted, with Comments, by the 'Aborigines Protection Society'* (London: William Ball, 1837), available at http://apo.org.au/system/files/61306/apo-nid61306-14546.pdf

7 Lord Howick cited in Burns, *Fatal Success*, 64.

a distinct field of capitalist economic activity wherein profits are accrued through financial channels of accumulation such as trading in shares, stocks, and bonds (and, today, an array of complex securities and derivatives). Financial activity, Greta Krippner explains, 'references the provision (or transfer) of capital in the expectation of future interest, dividends, or capital gains'.[8] This is distinct but not detached from the accrual of profits though channels of commodity production and exchange. Finance is grounded in and, in many ways, reflects, elaborates, and intensifies aspects of the 'real' economy, at the same time as it is 'a relatively autonomous field of capitalist profitmaking with its own rules and internal life'.[9]

In 1838, the specific amenability of finance to and utility for the New Zealand Association's colonial project lay in its capacity to *socialise* wealth and, therefore, capitalist enterprise. The claim that finance effects a 'socialisation' of wealth derives from Marx's analysis of banking, credit, and the joint-stock system. With the ascendancy of finance in Britain from the late 18th century, the private sums of wealth 'scattered' across the nation became centralised in the banks.[10] This had the effect of creating a 'social capital', an immense pool of money to which access may be granted in the form of loans, and presided over by the banking class.[11] This, Marx clarifies, is not a true socialisation of wealth, but rather 'the abolition of capital as private property within the confines of the capitalist mode of production itself'.[12] With the rise of finance, capital emerges 'as the common capital of the class'.[13]

8 Greta Krippner, *Capitalizing on Crisis: The Political Origins of the Rise of Finance* (Cambridge, MA: Harvard University Press, 2011), 4.

9 Costas Lapavitsas, 'The Financialization of Capitalism: "Profiting Without Producing,"' *City* 17, no.6 (2013): 799.

10 Karl Marx, *Capital: A Critique of Political Economy*, volume I, trans. Ben Fowkes (London: Penguin Classics, 1990), 778. Also see, Marx, *Capital: A Critique of Political Economy*, volume III, trans. David Fernbach (London: Penguin Classics, 1991), 525–542. For a history of the spread of country banking in Britain and its role in industrialisation, see L. S. Pressnell, *Country Banking in the Industrial Revolution* (London: Oxford University Press, 1956).

11 Marx, *Capital* vol. III, 566–573.

12 Marx, *Capital* vol. III, 567.

13 Marx, *Capital* vol. III, 490.

The joint-stock mode of capitalist organisation embodies and elaborates the 'socialising' powers of finance. With it, Marx explains, capital 'now receives the form of social capital (capital of directly associated individuals) in contrast to private capital, and its enterprises appear as social enterprises as opposed to private ones'.[14] By partitioning out the costs of capitalist enterprise, the joint-stock system enables capitalists to collaborate as a class to pursue ventures that would be unfeasible on the basis of a single capital. Such ventures include large-scale or long-term investments and those entailing a high degree of risk. Alongside railways and telecommunications, the joint-stock system was, then, particularly suited to and enabling of colonial endeavours. The creation of the joint-stock system from the 16th century and the expansion of British imperialism were therefore inseparable and mutually enabling developments.[15] As historian William Robert Scott writes, 'the joint-stock company was the organization which, at each successive step, provided the requisites for the obtaining [of] both sea-power and colonial possessions'.[16]

In 1838, it was precisely the socialising powers of the joint-stock company that made it the logical mode of organisation for the New Zealand Association's colonial project. Wakefield and his associates turned to the joint-stock system as a means of circumventing the state and the barrier it posed to their scheme. As an incorporated company, they could issue shares to raise capital and independently implement the settler-colonisation of Aotearoa. In this, I want to emphasise that the New Zealand Company was not exceptional; it was but one particular expression of the liberating effects of finance for capitalist enterprise. Finance freed Wakefield and his associates from dependency on the British government just as it frees the limits of capitalist accumulation more generally by removing temporal and spatial barriers to the association of capitals.

14 Marx, *Capital* vol. III, 567.

15 For a detailed history of the rise of the joint-stock system in connection with British-imperialist expansion, see William Robert Scott, *The Constitution and Finance of English, Scottish and Irish Joint-Stock Companies to 1720* (Cambridge: Cambridge University Press, 1912).

16 Scott, *Constitution and Finance*, 440.

Thanks to the socialising powers of finance, then, material support for the colonisation of Aotearoa came not (initially) from the British government, but from the British capitalist class. On the basis of the joint-stock system, the New Zealand Association was able to partition out the costs of its proposed colonial endeavour across numerous individual investors. This granted the association access to a much larger pool of capital than that possessed by its immediate members, at the same time dispersing the risk of their venture across a broader social base. The colonisation of Aotearoa was, in the first instance, a capitalist collaboration.

At its first gathering on 29 August 1838, the New Zealand Company moved quickly to elect a committee of subscribers and print a prospectus. Its stated purpose was to employ 'capital in the purchase and resale of lands in New Zealand, and the promotion of emigration to that country'.[17] The paid-up capital would be £25,000 in 50 shares of £500, with the potential to extend this to £500,000.[18] The shares sold slowly, and it was not until December that the 20 subscribers necessary to officially establish the company had enlisted. Nonetheless, this was deemed sufficient to warrant the purchase of the barque *Tory* for £5,250.[19] With this purchase, the British colonisation of Aotearoa was formalised and set in motion.

On 20 March 1839, at a gathering of members of the New Zealand Company, Edward Gibbon Wakefield proposed the immediate dispatch of an expedition to Aotearoa. The urgency of the task was motivated by a sudden revelation from William Hutt, MP and secretary of the New Zealand Company, that the government intended to pass a bill for intervention in Aotearoa. The bill contained a provision that would prevent all other parties from purchasing land directly from Māori, forcing them to go through the government's own agents. This news appalled those present,

17 New Zealand Company, *Capital, £400,000 in 4000 Shares of £100 Each*, 2 May 1839 (London: John W. Parker, 1839), 1.

18 Paid-up capital is the amount of money shareholders pay into the company by purchasing shares at the initial issuance. It is created when a company sells its shares on the primary market directly to investors. It does not include money later advanced by investors to purchase shares on the open market.

19 Burns, *Fatal Success*.

whose enterprise rested on their ability to obtain Māori land cheaply for resale to British buyers at enhanced prices. Thus, Wakefield famously urged those gathered: 'possess yourselves of the Soil & you are secure – but, if from delay you allow others to do it before you – they will succeed & you will fail'.[20]

At these inaugural and decisive stages of its endeavour, Claudia Orange explains, the New Zealand Company took the position that by 'pre-empting' the government's arrival to Aotearoa, the latter would be forced 'to accept its land claims as a *fait accompli*'.[21] It therefore hastened to prepare its preliminary expedition and, within less than two months, outfitted the *Tory* with bunks and supplies. At the command of Edward's brother, Colonel William Wakefield, the expedition departed London on 12 May 1839. It proceeded on the assumption that Colonel Wakefield would be able to obtain millions of acres of Māori land in exchange for the £5,000 worth of goods carried aboard the *Tory*.[22] This was the maiden voyage of the first organised mission to colonise Aotearoa. It occurred, as an 1844 select committee put it, 'not only with out the sanction, but in direct defiance of the authority of the Crown'.[23]

'The New Zealand Land Bubble!'

If the joint-stock company provided the organisational apparatus for the New Zealand Company's colonial endeavour, speculation provided its motor and mode of implementation. On 1 June 1839, the New Zealand Company issued *Terms of Purchase for Lands in the Company's First and*

---

20 Edward Betts Hopper, diary entry, 20 March 1839 (1799?–1840), MS-1033-1034, Alexander Turnbull Library, 18.

21 Claudia Orange, *The Treaty of Waitangi* (Wellington: Bridget Williams Books, 2015), 36.

22 Burns, *Fatal Success*.

23 *Report from the Select Committee on New Zealand: Together with the Minutes of Evidence, Appendix, and Index*, House of Commons Papers vol. 13, no. 556 (London: House of Commons, 1844), iv.

Principal Settlement.[24] These advertised for sale 99,990 acres of land in Aotearoa, at the price of £1 per acre.[25] The acres were allotted into 990 sections 'each section comprising one town-acre and 100 country-acres'.[26] At the time of publishing the *Terms of Purchase*, the New Zealand Company was yet to obtain a single acre of land in Aotearoa; the *Tory* did not reach the country until August. What the company advertised for sale was not, strictly speaking, land. Nor was it even land title, for land title is an asset which designates, and whose value is at least tenuously linked to, a *particular* section of land. Rather, it sold what it called 'land orders', claims to land in the abstract to be actioned at some future date once definite areas of land were secured by Colonel Wakefield.

The highly speculative nature of the New Zealand Company's land orders reflected and supported the 'system' of colonisation espoused by Edward Gibbon Wakefield in his influential 1829 text, *A Letter from Sydney, the Principal Town of Australia: Together with the Outline of a System of Colonization*.[27] Wakefield believed that the costs of expanding the empire should not fall on the English taxpayer, nor on prospective colonists. Rather, colonial emigration should 'be carried on by private speculation, not to the loss but to the advantage of those who should defray its expense'.[28] In practice, this meant that the proceeds from land sales would be used to create an 'emigration fund' to defray the travel costs of those seeking to relocate to the colony.

In accordance with this system, the company promised that capitalists who purchased land in Aotearoa could claim a 75 percent rebate to

---

24 New Zealand Company, *Terms of Purchase for Lands in the Company's First and Principal Settlement*, 1 June 1839 (London: John W. Parker, 1839).

25 This amounts to £101 per acre in today's terms, according to the Bank of England's inflation calculator, available at https://www.bankofengland.co.uk/monetary-policy/inflation/inflation-calculator

26 New Zealand Company, *Terms of Purchase*, 1.

27 Edward Gibbon Wakefield, *A Letter from Sydney, the Principal Town of Australia: Together with the Outline of a System of Colonization*, ed. Robert Gouger (London: Joseph Cross, 1829).

28 Wakefield, *A Letter from Sydney*, vii-viii.

help finance 'their own passage and that of their families and servants'.[29] Eligibility was restricted to 'actual Colonists'—those intending to emigrate to the colony and advance capital in its development, as opposed to land speculators resident in Britain.[30] The remainder of the emigration fund would be laid out 'in providing a free passage for young persons of the labouring class'.[31] In selecting labourers for emigration, the company promised to 'give preference to applicants under engagement to work for capitalists intending to emigrate'.[32] Such precautions were supposed to ensure the establishment of stable capitalist relations in the colony. Wakefield championed the 'self-regulating action' of a system wherein the supply of labour to the colony was indexed to the sale of land, with each section sold providing money for the emigration fund.[33]

These provisions, however, meant that enticing financial speculation was pivotal to the company's colonial project. As Patricia Burns explains, capitalists who bought just one land order and claimed the 75 percent rebate 'were a considerable charge on the company'.[34] The entirety of the purchase money advanced by land speculators resident in Britain, on the other hand, could be put towards the emigration fund. Speculation in Māori lands would provide the primary means of funding the colonisation of Aotearoa. As such, it was actively encouraged by the company, which promised that its first settlement would be 'the commercial Capital of New-Zealand, and, therefore, the situation where Land will soonest acquire the highest value by means of colonization'.[35]

Absentee buyers were lured by the prospect of colonial lands appreciating massively in value as capital and labour were poured into agricultural and

---

29 New Zealand Company, *Terms of Purchase*, 2.

30 New Zealand Company, *Terms of Purchase*, 2.

31 New Zealand Company, *Terms of Purchase*, 3.

32 New Zealand Company, *Terms of Purchase*, 3.

33 Edward Gibbon Wakefield, *England and America: A Comparison of the Social and Political State of Both Nations* (New York: Harper and Brothers, 1834), 297.

34 Burns, *Fatal Success*, 102.

35 New Zealand Company, *Terms of Purchase*, 1.

infrastructural development. Such buyers intended to profit on the basis of the productive efforts of 'actual Colonists'; they could safely assume that, irrespective of any alterations to their own sections, these would multiply in value as surrounding sections were transformed into British-style farms. Indeed, it was thought that the mere presence of British subjects in New Zealand would immediately raise the value of land that was, in Māori hands, 'worth nothing'.[36] By the end of July, all available sections were sold and the 'land orders' were at a premium, prompting the company to issue a further 50,000 acres for sale.[37] As Ben Schrader comments:

> Investors were evidently more than willing to gamble on plots of land that were both unseen and unbought on the basis of potential huge returns from an imaginary city that had still to be built. Conversely, the Company came away with a very tangible £100,000 return.[38]

Despite the highly speculative nature of the scheme, the New Zealand Company declined to guarantee buyers any form of insurance on their investments. The *Terms of Purchase* stated that, 'The land-orders are to be received as sufficient conveyances, and conclusive evidence of the Company's title'.[39] Further, 'the Company are not to be considered as guaranteeing the title, except as against their own acts'.[40] A *Times* article of July 1840, titled 'the New Zealand Land Bubble!', condemned this as 'a system of monstrous plunder'.[41] The article captured the inherent volatility of the scheme, exclaiming that:

> The company will sell and give title to land; but, as they themselves have no

36 New Zealand Company, *Instructions from the New Zealand Land Company to Colonel Wakefield, Principle Agent of the Company* (London: John W. Parker, 1839), 8.

37 *The Spectator*, 3 August 1839, 727.

38 Ben Schrader, *The Big Smoke: New Zealand Cities, 1840–1920* (Wellington: Bridget Williams Books, 2016), 36.

39 New Zealand Company, *Terms of Purchase*, 3.

40 New Zealand Company, *Terms of Purchase*, 3.

41 *The Times*, 27 July 1840, 4.

> indefeasible right to the said land, they decline giving any warranty that the buyer shall not be ousted from his doubtful purchase; in short, they guarantee nothing but their own monstrous assurance, and the consummate folly of their victims.[42]

To purchase land in a country 25,000 kilometres away, land inhabited by another people whose 'sovereignty' was affirmed by the British Colonial Office at the time,[43] and which had not been set foot on by those offering it up for sale, would have appeared an excessively risky investment if it were not for the racist and colonialist cultural logics that had marked European consciousness for centuries. Central here is the assumption that, because Indigenous peoples' lands were not privatised and developed according to the capitalist mode of production, they were *terra nullius*: 'land belonging to no-one'.[44] The supposed absence of Indigenous peoples' land rights—an absence actually constructed through a determined denial of Indigenous systems of land tenure—was used to legitimise Europeans in occupying, privatising, and controlling their lands and resources.

In lieu of any financial or material security, what backed the contracts between the New Zealand Company and its buyers was a shared presupposition of entitlement to Māori land underpinned by this pivotal colonialist logic of *terra nullius* (and, more generally, by white supremacy). The assumption that the lands and resources of Indigenous peoples could be rightfully and spontaneously appropriated by Europeans lent legitimacy to the otherwise flimsy contracts made between those transacting in Māori land. The surety of the logic of *terra nullius*, and its entrenched status in the minds of Europeans, was such that it rendered further security measures unnecessary. *Terra nullius* provided the company's buyers with a firmer guarantee of their right to the soil than any formal insurance policy could have done.

The New Zealand Company's land orders were thus informed equally by financial and colonialist logics whose convergence engendered quite

42 *The Times*, 27 July 1840, 4.

43 See Normanby to Hobson, 730.

44 *The Australian Oxford Dictionary*, 2nd ed., ed. Bruce Moore (Melbourne: Oxford University Press, 2004), 1332.

specific forms of material violence. As I have stressed, when the land orders were issued for sale in June 1839, the precise geographical area to which any one of them referred was yet to be determined. Like stocks, bonds, and other financial assets, the orders abstracted from and obfuscated the materiality and particularity of the actual 'assets' (the lands of hapū and iwi) to which they referred. It is in this abstractive function that a specific logical affinity between speculative finance and colonialism consists. Colonialism necessarily relies on a movement of abstraction which anonymises *in order to* dehumanise Indigenous peoples. It is through a sweeping erasure of the materiality and particularity of Indigenous worlds that colonialism reduces Indigenous peoples, their lands, and their resources to abstract, readily appropriable units of value. In the case of the New Zealand Company, speculative finance both facilitated and augmented the abstractive logic of colonialism which informed its project.

As financial assets, the company's land orders did not possess value in themselves.[45] Rather, they were *claims to value* to be actioned at a future date, once 'real' capital had been invested in the colony and the values of the sections had, consequently, appreciated. The financial logic of the 'value claim'—essentially an anticipative license to reap unrealised value—was, in the case of the New Zealand Company's land orders, racialised and rendered violent by virtue of its intersection with coloniality. Undergirded by the logic of *terra nullius,* the apparently abstract financial assets which were the company's land orders necessarily implied material violence; they presupposed the dispossession of the original occupants of the lands to which they referred. The anticipated values represented by the land orders would only be realised progressively *with* the movements of colonial invasion, dispossession, and displacement of Māori and their lands.

When Colonel Wakefield arrived in Raukawa Moana on 16 August 1839, the company was under obligation to fill land orders amounting to 110,000 acres of Māori land. The colonel's task was essentially to substantialise the

---

45 In Marx, value derives (only) from labour. To the extent that stocks, bonds, and other financial assets do not extract value from labour directly, but only via the 'real' capital invested in production, they are not 'genuine capital, they do not constitute any component of capital and are also in themselves not values'. See *Capital* vol. III, 590.

value claims held by British speculators and prospective colonists. He had to anchor financial assets circulating at the (nominal) value of £99,999 to determinate plots of land suitable for colonial occupation. And he had to do it quickly, with the company's first fleet of emigrant ships due to arrive in Aotearoa from January 1840.

Within a week of landing at Te Whanganui-a-Tara on 19 September 1839, Colonel Wakefield laid claim to the entire harbour and surrounding ranges of 'Port Nicholson'. In exchange, he gave local hapū an array of goods including guns and ammunition, clothing, cooking utensils, blankets, and soap. He then travelled to Kāpiti Island and procured title to an area so vast that it was expressed in degrees of latitude.[46] He continued to collect signatures on parchments and by early November 1839 laid claim to a total of 20 million acres, in exchange for which he gave goods to the approximate value of £400.[47]

The nation founded on a bail-out

By 1843, the New Zealand Company had three settlements which it called Wellington, Nelson, and New Plymouth, together home to approximately 10,000 British emigrants.[48] The directors lauded the company's success in their seventh annual report to the shareholders, dated 30 May 1843.[49] With a nod to the joint-stock system that made their endeavour possible, the directors proclaimed that the formation of 'three new societies' on a capital of £200,000 was 'a remarkable instance of what may be accomplished in

46 Hilary Mitchell and John Mitchell, 'Colonisation: The New Zealand Land Company, 1839,' in *Te Tau Ihu o Te Waka: A History of Māori of Nelson and Marlborough, Volume I: Te Tangata me Te Whenua: The People and the Land* (Wellington: Huia, 2005), 252–286.

47 Muriel F. Lloyd Prichard, *An Economic History of New Zealand to 1939* (Auckland: Collins, 1970), 26.

48 New Zealand Company, *The Seventh Report of the Directors of the New Zealand Company Presented to The Annual Court of Proprietors*, 31 May 1843 (London: Johnston and Barrett, 1843).

49 Prichard, *An Economic History*.

overcoming formidable difficulties, by the power of association, exercised in such a manner as to secure the public confidence'.[50] The report did not, however, relay details of the true state of the company's finances. The company was insolvent, having 'incurred obligations constituting a Debt which it has no present means of fulfilling'.[51] The cash deficit was £30,645 and a large part of the capital was invested and 'not immediately available'.[52] Adding debts, the cash assets were £30,632.[53]

At root, the cause of the company's financial difficulties was a contradiction between its speculative financial basis and the establishment of capitalist relations in the colony. According to W J Gardner, 'The Company's announced economic objective was to establish "concentrated" agricultural settlements, on the model of the best English corn counties'.[54] However, the professed aims of the New Zealand Company came into conflict with their means of realisation. The company's efforts to encourage speculation in Māori lands were so successful that in the Hutt settlement in Te Whanganui-a-Tara an overwhelming four-fifths of the landowners were absentees.[55] Similarly, just one quarter of the initial purchasers of Nelson land actually emigrated to the settlement.[56] This predominance of absentee buyers relative to 'emigrants of capital' undermined the settlement economies and contributed to the forces impelling the company towards its eventual collapse in 1850.

Firstly, it meant that hundreds of absentee-owned sections, left undeveloped and uninhabited, lay interspersed among the colonists'

---

50 Prichard, *An Economic History*, 3.

51 Report of the Special Committee, 22 May 1843, in *Colonial Office: New Zealand Company Records* (CO 208/186), 311–326. Micro-MS-Coll-13-1443, Alexander Turnbull Library.

52 Report of the Special Committee, 22 May 1843.

53 Report of the Special Committee, 22 May 1843.

54 W. J. Gardner, 'A Colonial Economy,' in *The Oxford History of New Zealand*, 2nd ed., ed. Geoffrey Rice (Auckland: Oxford University Press, 1992), 60.

55 William Swainson, Letter to the Editor, *The New Zealand Gazette*, 17 August 1842, 2.

56 Burns, *Fatal Success*.

sections. This prevented the construction of basic infrastructure such as roads, drains, and fences, which in turn hampered the development of agriculture. Colonists argued that it was 'impossible' for them to pay, on top of their own development costs, 'that of twice or thrice as many absentees also'.[57] 'Absenteeism' was a source of great frustration among the colonists, one of whom wrote in 1842 that it 'cripples all our exertions and bids fair to crush all agricultural undertakings by the renters'.[58] This extent to which the predominance of speculative capital retarded the productive efforts of the colonists is reflected in that, by September 1843, the Wellington settlement had just 380 acres of arable land.[59] The inability of colonists to establish farms and commerce reduced the allure of the company's land orders for both absentees and capitalist emigrants.

Another issue that arose from the New Zealand Company's reliance on speculative capital was that its settlements were seriously lacking in employment opportunities for the thousands of workers who emigrated on the promise of a better life. Not only had relatively few landowners emigrated to Aotearoa, but, of those who did, few were large-scale employers. As Burns explains, 'they had come to New Zealand to make their fortune, while the wealthy had stayed home and taken out a small speculation in company land'.[60] From 1842, unemployment and resulting conditions of hardship were widespread in the company's settlements.[61] The company's own colonists drew a direct link between their situation and what they identified as an 'excess of labour in relation to the amount of private capital available for its agricultural or otherwise productive employment'.[62] This imbalance, they argued, stemmed from the treatment of land as a speculative commodity. Accordingly, they proposed solutions such as 'making the price

57 Swainson, Letter to the Editor, 2.

58 Swainson, Letter to the Editor, 2.

59 Burns, *Fatal Success*.

60 Burns, *Fatal Success*, 163.

61 Burns, *Fatal Success*. These conditions are well-documented in colonial newspapers of 1842–1844.

62 *The Nelson Examiner*, 12 November 1842, 142.

of land too high to make it a profitable investment to purchase largely as a speculation without intention to cultivate'.[63]

Unemployment was a major problem for the New Zealand Company, not least because of its potential to erupt in working class uprisings that threatened the very existence of its settlements, as it did in Nelson in 1843.[64] Beyond this, unemployment caused a direct financial drain on the company owing to a clause in its *Regulations for Labourers Wishing to Emigrate to New Zealand,* published in June 1839. These promised that any labourers unable to find work with colonial capitalists would be employed 'in the service of the Company'.[65] In Nelson alone there were 300 workers employed by the company in 1843, constituting an expense of £1,500 per month.[66] In efforts to cut costs, the company suspended emigration, cut salaries, and laid off hundreds of labourers 'who, with their wives and families, were entirely dependent upon it for subsistence'.[67]

Both the frustrated agricultural development of the settlements and the unemployment that prevailed in them were symptoms of an economy premised upon and driven by speculative, as opposed to productive, capitalist interests. Perhaps the company should have heeded its colonists who recognised that, while the colony 'owed a debt' to the absentees, their utility was finite.[68] Instead, between 1841 and 1843, the company continued founding new settlements in the hopes of generating fresh waves

---

63 *The Nelson Examiner*, 24 December 1842, 166.

64 See J. S. Marais, *The Colonisation of New Zealand* (London: Dawsons of Pall Mall, 1968), 138–140.

65 New Zealand Company, Regulations for Labourers Wishing to Emigrate to New Zealand, 29 June 1839, in *Colonial Office: New Zealand Company Records* (CO 208/291). Micro-MS-Coll-13, Alexander Turnbull Library.

66 Marais, *The Colonisation of New Zealand*.

67 'Report of the Committee on the New Zealand Company's Debt,' in *Votes and Proceedings of the House of Representatives, 1854 Session I–II* (Auckland: William and Wilson for the New Zealand Government, 1854), 4, available at https://paperspast.natlib.govt.nz/parliamentary/votes-and-proceedings-of-the-house-of-representatives/1854/I-II

68 *New Zealand Colonist*, 23 September 1842, 2.

of speculative capital.[69] At this time, parliamentary avenues of support were not viable; the British government had 'never recognized the New Zealand Land Company as a legally constituted body, nor acknowledged the validity of [its] titles'.[70] The company occupied a paradoxical position definitive of financial bubbles in general, wherein the only thing keeping its venture afloat, reckless speculation in Māori land, was simultaneously driving it towards collapse.

The company 'founded' the settlements of 'Nelson' in early 1841 and 'New Edinburgh' in July 1843. Each time, it offered up for sale hundreds of thousands of acres of Māori land to which it had no rights. Ultimately, the outcome of this strategy was that the company's land claims were widely contested throughout the 1840s, with colonists unable to take up occupation of their sections.[71] Under immense pressure to fill orders before settlers arrived, and largely ignorant of Māori land tenure, the company's agents failed to make purchases 'that would stand up in any court'.[72] In 1841, Chief Protector of Aborigines George Clarke found that from Waitara to Whanganui, Kāpiti, and Porirua, Māori everywhere 'declared they had never sold their pas and cultivations'.[73]

This was corroborated in 1842–1844, when the British government appointed a land claims commissioner, William Spain, to inquire into

69 Land orders were issued for sale in 'Nelson' in early 1841 and 'New Edinburgh' in July 1843.

70 'Report of Mr. Commissioner Spain', 12 September 1843 (Appendix no. 9), in *Report from the Select Committee on New Zealand: Together with the Minutes of Evidence, Appendix, and Index*, House of Commons Papers vol. 13, no. 556 (London: House of Commons, 1844), 293.

71 Some colonists wrote to the Company demanding compensation. See, for instance, New Zealand Company, Mr W. A. Wansey to Colonel Wakefield, 20 April 1842 (Appendix H. no. 5), in *Contents of the Appendices to the Twelfth Report of the Directors of the New Zealand Company* (London: Palmer and Clayton, 1844), 960.

72 Burns, *Fatal Success*, 212.

73 George Clarke, 'The Chief Protector's Report of a Visit to Port Nicholson,' enclosed in a letter from Governor Hobson to the Principal Secretary of State for the Colonies, 13 November 1841, in *Papers and Despatches Relative to New Zealand; Return of Land in Colony Sold by Government*, House of Commons Papers, vol. 28 no. 569 (London: House of Commons, 1842), 172.

land purchases made by the company prior to 1840. Spain found that the immense 'Port Nicholson' claim and almost all of the company's other claims were invalid. He observed that 'all the Company's purchases were made in a very loose and careless manner'.[74] The company described immense parcels of land on the deeds, totalling one-third of the surface area of Aotearoa, and 'afterwards selected the most available districts within their imaginary boundaries'.[75] Colonel William Wakefield did not bother to ascertain 'whether the thousands of aboriginal inhabitants occupying the surface of these vast tracts of country had been consenting parties to the sale'.[76]

Evidence taken before Spain's court shows that the New Zealand Company's interpreter, Richard Barrett, did not understand the vague, pseudo-legalistic terms of the 'Port Nicholson' deed himself, let alone render it interpretable to Māori.[77] What more critically invalidated this and other 'sales', though, was the fact that those who signed the deeds often had no authority to alienate lands on behalf of their iwi. The people of Te Aro, for instance, firmly denied the authority of Te Ātiawa chiefs Te Puni and Te Wharepouri to 'sell' the vast surrounds of the Port Nicholson harbour.[78] For them to do so was not possible within the framework of tikanga Māori, which predominated in Aotearoa at this time, according to which the concept of exclusive ownership vested in the individual did not exist.[79]

The illegitimacy of the company's land claims was not so much

74 'Report of Mr. Commissioner Spain,' 305.

75 'Report of Mr. Commissioner Spain,' 301.

76 'Report of Mr. Commissioner Spain,' 305.

77 For the English version of the Port Nicholson deed as well as Barrett's translation (as recalled as evidence for Commissioner Spain) see Appendix no. 3 in Rosemarie V. Tonk, *The First New Zealand Land Commissions, 1840–1845* (MA thesis, University of Canterbury, 1986), 334–337. Also see Waitangi Tribunal, 'The New Zealand Company Deed of Purchase,' in *Te Whanganui a Tara me ona Takiwa*: *Report on the Wellington District*, WAI 145 (Wellington: Legislation Direct, 2003), 45–69.

78 Burns, *Fatal Success*.

79 Waitangi Tribunal, 'The New Zealand Company Deed of Purchase,' 45–69. On tikanga Māori prior to 1840 see Ani Mikaere, *Colonising Myths – Māori Realities: He Rukuruku Whakaaro* (Wellington: Huia, 2011).

unknown to Colonel Wakefield as it was deemed immaterial to his project.[80] He was determined to force the claims into being by any means necessary. This would not, however, be met without resistance. In Te Whanganui-a-Tara, the people of Te Aro, Pipitea, Kumutoto, and Tiakiwai obstructed company surveyors by pulling up survey pegs and eradicating markings.[81] The surveyors were only able to complete their work by force of arms.[82] Colonel Wakefield's approach fatally backfired in June 1843, when Nelson colonists attempted to force the survey of lands in the Wairau Valley.[83] Ngāti Toa, who had ahi kā and take raupatu rights in the area, had not alienated the land and sent clear warnings against its colonial occupation. The confrontation resulted in the deaths of 22 of the company's colonists and four Ngāti Toa warriors.[84] The events at Wairau shocked Colonel Wakefield into realising that the immense claims he had accumulated in a speculative-colonial frenzy would not hold, unless he acted quickly to secure them.[85]

The collapse of the 'New Zealand Land Bubble' and with it, the New Zealand Company, was driven by a series of compounding factors with a common root: the speculative, profiteering logic that dominated the company's project. Either in ignorance or refusal of this, the company attributed its decline to the failure of successive governments to recognise and secure its land claims. In February 1844, the New Zealand Company made a plea to the British government for 'immediate pecuniary assistance in order to preserve from ruin the Capitalists in the Colony, and from starvation the Emigrant Labourers, till such time as the restoration of

---

80 Wakefield was informed on multiple occassions that the land 'sales' were disputed by Māori. See Burns, *Fatal Success,* 119–120.

81 Rosemarie Tonk, '"A Difficult and Complicated Question": The New Zealand Company's Wellington, Port Nicholson, Claim,' in *The Making of Wellington, 1800–1914*, ed. David Allan Hamer and Roberta Nicholls (Wellington: Victoria University Press, 1990), 36–37.

82 Tonk, '"A Difficult and Complicated Question."'

83 See Lowther Broad, *The Jubilee History of Nelson: From 1842 to 1892* (Nelson: Bond, Finney and Co., 1892), 48–52.

84 Burns, *Fatal Success*.

85 See Tonk, 'New Zealand Land Commissions,' 215–221.

Public Confidence shall have produced its anticipated effect'.[86] The request was declined due to the extent of the company's debts. The then colonial secretary, Lord Stanley, had little sympathy for the company, arguing that its scheme 'has been from the first a great bubble, the bursting of which but for the immediate consequences to their Settlers I should rejoice at, and consider eminently advantageous to New Zealand'.[87]

In June 1846, a change in government meant that the company's prospects for the future became more optimistic. Earl Grey, who was highly sympathetic towards the company's endeavour, was appointed colonial secretary in the new government of Lord John Russell. Grey's new under-secretary, Benjamin Hawes, was one of the company's directors. Grey proposed an 'experiment' wherein the company would, for three years, have 'the entire and exclusive disposal of all Crown lands' in Aotearoa.[88] It would also have the sole right of pre-emption over 'lands belonging to the natives in the southern Government' of the country.[89] Grey advanced the sum of £236,000 'for the purpose of enabling the company to meet its present liabilities and the outlay necessary for the vigorous prosecution of its operations'.[90]

The agreement stated that if, after three years, the company had regained a position of financial self-sufficiency, it would be required to repay the principal. If, on the other hand, the company was unable to continue operations without further assistance, the Crown would assume ownership of all the company's land claims and other assets. For this, the Crown would pay out the company at the rate of five shillings per acre, the value to be fixed

---

86 New Zealand Company, Minutes of the Court of Directors, 17 February 1844, in *Colonial Office: New Zealand Company Records* (CO 208/182), Micro-MS-Coll-13-1443, Alexander Turnbull Library.

87 Burns, *Fatal Success*, citing Lord Stanley, 257.

88 'Mr. Hawes to the Secretary of the Company, 10 May 1847,' *New Zealand Spectator*, 20 October 1847, 3–4.

89 'Mr. Hawes to the Secretary,' 4. The 'Southern Government', distinct from Hobson's Government at Auckland, included the whole of the South Island, Stewart Island, as well as the Southern part of the North Island.

90 'Mr. Hawes to the Secretary,' 4.

at £268,000.[91] It was later found that the company was able to obtain such a favourable arrangement only 'by carefully concealing from his Lordship the amount of its liabilities'.[92] Further, Grey was unaware of the spuriousness of the company's land claims, believing that it 'had completely and equitably extinguished the native title'.[93]

The company failed to recover itself within the agreed-upon period and, on 2 July 1850, the directors unanimously resolved to cease operations.[94] Land sales had dwindled, generating just £6,266 in revenue for the year ended April 1849.[95] A later inquiry into the company's finances revealed that the funds advanced to them in 1847 were misappropriated. Rather than investing the money productively by, for instance, creating employment in the settlements, the directors lent a substantial amount to their own shareholders (which was lost), and also pocketed for themselves 'sums of considerable magnitude'.[96]

In accordance with Earl Grey's 1847 agreement, the Crown bought out the New Zealand Company and assumed ownership of its land claims, which were assessed at 1,092,000 acres.[97] It was agreed that the £268,000 owing to the company be reduced to £200,000, the paid-up capital of the company.[98] In 1852, the *New Zealand Constitution Act* granted self-government to the colony of 'New Zealand' and thus formalised its status as an independent nation. The first general assembly of parliament, which opened on 24 May 1854, resolved to settle the £200,000 owing to the New Zealand Company with a loan guaranteed by the British government.[99]

---

91 J. P. Cumming, *The Compact and Financial Settlement of 1856* (MA thesis, University of Auckland, 1963).

92 'Report of the Committee on the New Zealand Company's Debt,' 8.

93 Cumming, *Financial Settlement*, 14.

94 'The Dissolution of the New Zealand Company,' *The Nelson Examiner*, 9 November 1850, 147.

95 Burns, *Fatal Success*.

96 'Report of the Committee on the New Zealand Company's Debt,' 9.

97 Marais, *The Colonisation of New Zealand*.

98 Burns, *Fatal Success*.

99 Marais, *The Colonisation of New Zealand*.

The *New Zealand Loan Act 1856* provided for a £500,000 loan to be raised in Britain 'by bonds debentures or otherwise', for the purpose of liquidating the charge to the New Zealand Company and meeting other liabilities of the colony.[100] The principal and interest would be 'a first charge upon the general revenue of the Colony of New Zealand'.[101] The loan received the royal assent in August 1857 and, in May 1858, the directors of the New Zealand Company were finally able to 'congratulate the Shareholders on the repayment in full of the Company's entire paid-up capital'.[102]

Ultimately, the burden of the company's debt was shouldered by its own colonists. It was imposed as the first charge on the land revenue, the fund accrued by the colonial administration through the appropriation and sale of Māori land. Each time a colonist purchased land, one-quarter of the purchase money went towards servicing the colony's debt to the New Zealand Company.[103] To the company, this system was perfectly justified; as an 1854 parliamentary committee explained, 'the debt fixed on the Colony was considered money due for what in commercial language is termed value received'.[104]

One of the first orders of business for the newly established New Zealand parliament was, then, authorising a public bailout of the company that independently implemented the colonisation of Aotearoa in 1839. It was thus that the founding of the modern nation of 'New Zealand' quite aptly coincided with the settling of its colonial debts.

---

100 New Zealand Government, *New Zealand Loan Act, 1856* (New Zealand Legal Information Institute [19 and 20 VICT 1856 No 17]), 55, available at http://www.nzlii.org/nz/legis/hist_act/nzla185619a20v1856n17290/

101 New Zealand Government, *New Zealand Loan Act,* 55.

102 New Zealand Company, *Thirty-Fifth Report of the Court of Directors of the New Zealand Company*, 27 May 1858 (London, 1858), 1.

103 Cumming, *Financial Settlement*.

104 'Report of the Committee on the New Zealand Company's Debt,' 6.

Finance colonises

What this paper is able to bring to light by rereading the historical record is that the colonisation of Aotearoa was in large part effected by finance capital, its institutions, instruments, and practices. From its conditions of possibility, mode of implementation, and consolidation, finance was indispensable to every stage of the colonial project enacted in Aotearoa between 1839 and 1850, and moreover shaped the course of its development for decades to come.

The organised settler-colonisation of Aotearoa from 1839 began as the illegal project of a British corporate enterprise. Edward Gibbon Wakefield and his peers recognised the 'powers of association' inherent in the joint-stock system and exploited these as a way to quickly raise the capital necessary to launch their colonial expedition. Speculation was the fulcrum of the company's entire operation; so long as it continued to stoke up 'the New Zealand Land Bubble', it could continue to export settler-emigrants to Aotearoa. The company's reliance on speculative capital, however, ultimately undermined its entire operation. Insolvent in 1843, financial assistance from the British government propped up the company until 1850, when it finally collapsed and relinquished its assets to the Crown.

In all, the company established settlements in Wellington, Whanganui, New Plymouth, Nelson, and, indirectly, in Dunedin and Christchurch, and was directly responsible for importing about 15,500 of Aotearoa's founding colonists.[105] With the bailout of 1850, the Crown not only inherited the assets but also the colonial legacy of the company whose intentions to colonise Aotearoa it had adamantly opposed just ten years earlier. The Crown had the legal structures and military might to enforce and secure the Company's extensive, widely contested land claims. Moreover, it had the resources to elaborate the company's colonial project on an exponentially greater scale. The system of raupatu practiced by the Crown for decades to

105 Michael King, *The Penguin History of New Zealand* (Auckland: Penguin Books, 2003), 173. Edward Gibbon Wakefield was involved in two offshoots of the New Zealand Company—the Otago Association and the Canterbury Association, which established settlements in Dunedin in 1848 and Christchurch in 1850 respectively.

come, wherein Māori lands were appropriated for a few pence per acre and resold for upwards of ten times that, was directly influenced by Edward Gibbon Wakefield's theories on colonisation.[106]

To think colonisation in and through its relation with finance and, equally, to think finance in and through its relation with colonisation, elicits quite different conclusions from those reached when each is treated as a discrete category of analysis. On an epistemological level, the extensive and determining role of finance in the colonisation of Aotearoa presents a challenge to commonly held understandings of this country's history. In particular, it calls into question the assumption that the locus of colonial power is the state.

Orthodox historical accounts overwhelmingly accord centrality to the Crown as the agent impelling the colonisation of Aotearoa. In this, the signing of the Treaty of Waitangi is widely regarded as the foundational 'moment' of colonisation. The Treaty, and in particular the pre-emption clause that established a Crown monopoly over land purchases, heralded decades of colonial occupation and dispossession of Māori lands by the state. What is not typically acknowledged, however, is that an association of private capitalist interests implemented the organised settler-colonisation of Aotearoa against the authority of the British government and prior to its formal intervention in the country.

While the government debated various, more limited, forms of intervention in the years preceding the *Tory*'s departure, it was this event that prompted the drastic decision 'to treat with the aborigines of New Zealand for the recognition of Her Majesty's sovereign authority'.[107] As Peter Adams writes, 'the sudden action of the New Zealand Company in despatching emigrants for the first systematic colony in mid-1839 forced the Colonial Office to accept that perhaps the whole country should be annexed and

106 Adams, *Fatal Necessity*.

107 Normanby to Hobson, 731. In his instructions to Hobson, Lord Normanby cites the actions of the Company in purchasing land and conveying colonists to New Zealand as justification for the need to elicit a treaty.

that the Government itself should undertake colonizing measures'.[108] The Treaty, then, must be understood, at least in part, as a *reactive* move. Like the bailout of 1850, the Treaty was a state response to, and attempt to rein in, a colonial project driven by finance.

In emphasising the role of finance in the colonisation of Aotearoa, however, this paper does not intend to detract from the Crown's role in that colonisation, nor to diminish the violence of the colonial state in any way. Rather, it hopes that by decentring the state, by situating state agency in and through its relationship with finance, a more comprehensive understanding of the colonisation of Aotearoa will be discerned. The intention is to elucidate another, lesser-known history that does not invalidate but rather supplements, contextualises, and complicates the dominant, state-centred history of Aotearoa's colonisation.

Beyond its implications for historical knowledge, the counter-history that this paper begins to elicit contains important lessons for contemporary politics in Aotearoa New Zealand and, in particular, for the thinking of counter-futures beyond colonialism and capitalism. The fact that, in Aotearoa New Zealand's history, finance was not incidental to state-implemented practices of colonisation, but rather conditioned, enabled, and at times necessitated these, suggests that the state should not be the only, nor perhaps even the primary, site of struggle in decolonial politics today. It is not only the state but also finance capital that must be held to account for its colonial legacy in this land.

Since its establishment in 1975, the Waitangi Tribunal has become the primary site through which Māori can seek compensation for the extensive confiscation and misappropriation of land and resources that colonisation has enacted. This system pertains to breaches of the Treaty of Waitangi by the Crown, and does not allow for finance, its institutions, and its representatives

108 Adams, *Fatal Necessity*, x.

to be directly held to account as agents of colonisation.[109] This is particularly troubling, not only in light of the colonising role of finance historically, but in light of the continued centrality of finance in maintaining and extending colonial structures in contemporary Aotearoa New Zealand.

Indeed, financial capital, with its particular metrics and logics, significantly constrains the Treaty settlements process itself and the forms of redress and recognition it affords to iwi. The financialisation of the Treaty settlements' framework is part of an overwhelming financialisation of public services, including welfare, housing, health, law, and education, which has occurred with the ascendancy of finance in mature capitalist economies from the 1970s.[110] Beyond an economic shift wherein profits are accrued increasingly through financial channels rather than productive ones,[111] financialisation has engendered what Max Haiven describes as a 'deep penetration of financial ideas, tropes, logics and processes into the fabric of everyday life'.[112] Increasingly, daily routines of work, domesticity, consumption, and study demand an engagement with financial services and

---

109 The Waitangi Tribunal does, however, report on financial interests and institutions when they are relevant to breaches of the Treaty by the Crown. In this way, finance can sometimes be indirectly held to account through the Crown. For instance, a recent Waitangi Tribunal inquiry found that the New Zealand Company's Port Nicholson purchase was invalid, and that the Crown failed to protect Māori Treaty rights in connection with this. Accordingly, the tribunal recommended substantial compensation, including the return of land, to several Te Whanganui-a-Tara iwi by the Crown. See Waitangi Tribunal, *Te Whanganui a Tara me ona Takiwa*, WAI 145, 45–69, 479–493.

110 Krippner, *Capitalizing on Crisis*; Costas Lapavitsas, *Profiting Without Producing: How Finance Exploits Us All* (London: Verso, 2013). On the financialisation of the New Zealand economy see Jane Kelsey, *The FIRE Economy: New Zealand's Reckoning* (Wellington: Bridget Williams Books, 2015). There is also a large literature on the social, cultural, and political effects of financialisation. See, for instance, Max Haiven, *Crises of Imagination, Crises of Power: Capitalism, Creativity and the Commons* (London: Zed Books, 2014); Randy Martin, *Financialization of Daily Life* (Philadelphia: Temple University Press, 2002).

111 Krippner, *Capitalizing on Crisis*.

112 Max Haiven, *Cultures of Financialization: Fictitious Capital in Popular Culture and Everyday Life* (London: Palgrave Macmillan, 2014), 18.

an adoption of financialised sensibilities.[113] The financialisation of public services and everyday life is not only the result of financialised capital ascendant, but serves to reproduce it by inviting a particular kind of subject who is amenable to the untrammelled flows of financial capital.

In the case of Aotearoa New Zealand's Treaty settlements system, financialisation is seen in the way that iwi are required to restructure along corporate lines in order to access settlement resources.[114] It is seen in the way that mechanisms such as annual 'Iwi Investment Reports' then measure iwi success in terms of risk-management, diversification of assets, and profitability.[115] It is further seen in arrangements such as the 'Sealord deal' of 1992, which converted Māori customary fishing rights into quota, transferable financial assets that entitle their holders to make a claim on the resources of Tangaroa. Lacking the capital to make use of their quota, iwi often lease them to large corporations, in the process transforming hapū into minor shareholders with respect to their own ancestral rights.[116] Financialisation here dovetails with assimilationist coloniality to deprive whānau of continuing ancestral fishing practices and to extend a logic of division and privatisation over Tangaroa.

The financialisation of Treaty settlements, of course, is not simply an inevitable outcome of the broader encroachment of financial metrics into every aspect of social life; it is also a highly effective means by which

---

113 On the 'financialisation of the senses' that has accompanied the economic ascendancy of finance in recent decades see Campbell Jones, 'Finance, University, Revolt,' *Argos Aotearoa* 1 (2014): 46; 'The Embers of Truth in the Ashes of Finance,' in *The Global Financial Crisis and Educational Restructuring*, ed. Michael A. Peters, Joao M. Paraskeva, and Tina Besley (New York: Peter Lang, 2014), 123.

114 On the effects of corporatisation in creating distinct economic divisions among Māori see E S.Te Ahu Poata-Smith, 'The Changing Contours of Maori Identity and the Treaty Settlement Process,' in *Waitangi Tribunal: Te Roopu Whakamana i te Tiriti o Waitangi*, ed. Janine Hayward and Nicola Wheen (Wellington: Bridget Williams Books, 2004), 168–183.

115 See TDB Advisory Limited, Iwi Investment Report 2016, 8 December 2016, available at http://www.tdb.co.nz/wp-content/uploads/2016/05/TDB-Iwi-Investment-Report-2016-WEB.pdf

116 See Fiona McCormack, 'Fish is My Daily Bread: Owning and Transacting in Maori Fisheries,' *Anthropological Forum* 20, no.1 (2010): 19–39.

the Crown maintains control over the terms by which Māori and their claims may be recognised and, in turn, maintains its hold on sovereignty. Fundamentally, it serves the colonial state by persistently working to reduce tino rangatiratanga to (some degree of) economic self-determination, in an attempt to ward off threats of Māori political autonomy. This (re)articulation of Māori redress claims in financial terms enables the Crown to protect its monopoly hold on sovereignty in this country. In contemporary Aotearoa New Zealand, the twin authorities of finance capital and the colonial state powerfully shape, co-opt, and delimit the 'postcolonial' political landscape and the possibilities of moving beyond it.

The hypocrisy and cynicism of the Crown's refusal to afford any substantive 'redress' to Māori is readily grasped when viewed in the context of the financial history of colonisation. The Crown repeatedly claims that it cannot service the debts it owes to Māori communities for the decades of colonial violence it has waged against them. In 2011, for instance, Far North iwi Ngāti Kahu assessed the debt owed to it by the Crown at $260 million in land and other assets.[117] The Crown, however, rejected Ngāti Kahu's assessment as 'wholly unrealistic' and urged the iwi to accept its settlement offer of $23.4 million.[118] Similar arguments were expressed in 2003, when Treaty Negotiations Minister Margaret Wilson stated that 'New Zealand cannot afford to fully compensate each iwi for their historic losses'.[119]

Yet, in 1850, the Crown was able and willing to mobilise £200,000—approximately £730.7 million in today's terms, measured as a percentage of the output of the UK economy—to bail out the company that illegally

117 'Waitangi Tribunal Puts Settlement Cost at $42m,' *New Zealand Herald*, 4 February 2013, https://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=10863319

118 'Far North Iwi Treaty Demands Unrealistic – Crown,' *Radio New Zealand*, 20 September 2012, http://www.radionz.co.nz/news/regional/116264/far-north-iwi-treaty-demands-unrealistic-crown

119 Margaret Wilson, 'Ngaa Rauru Kiitahi: Third Taranaki Settlement Signed,' 28 November 2003, available at https://www.beehive.govt.nz/release/ngaa-rauru-kiitahi-third-taranaki-settlement-signed

initiated the settler-colonisation of Aotearoa.[120] When the New Zealand Company's colonial project eventually collapsed, the Crown responded by assuming ownership of the company's land claims, burdening taxpayers with the cost of this immense transfer of wealth. If, instead, the Crown had returned the company's assets to their rightful 'owners', the Indigenous peoples of Aotearoa, it would not now be in the position of owing such substantial and, in many ways, unpayable debts to iwi and hapū today.[121]

The intricate ways in which financial-capitalist and colonial-state power intersect to negate and undermine the exercise of tino rangatiratanga are a key aspect of the struggle confronting decolonisation efforts in Aotearoa New Zealand today. They provoke the question of how decolonisation might be effected outside of state-sanctioned, financialised avenues such as the Treaty-settlements framework. The bringing to light of historical and material intertwinements of finance and colonisation offers a starting point. What it suggests is that struggles to overcome finance capital and colonisation must be likewise intertwined.

Considering the historical and ongoing centrality of finance to the colonisation of Aotearoa, contemporary efforts to dismantle or move beyond colonialism will likely be found lacking if they do not simultaneously advance a critique of finance capital. Financial institutions, instruments, and practices must be held to account for their active role in the appropriation of Māori land, labour, and resources, and in the imposition of colonial-capitalist ideologies on Māori subjects. I will not here attempt to elaborate a broader argument for the necessity of an anti-capitalist approach to

---

120 This figure was reached using the economic cost measure on the online MeasuringWorth calculator. This measure is appropriate for assessing the relative worth of a project—for instance, an investment or government expenditure. It was chosen because it helps to indicate the importance of the expenditure to society as a whole. This and alternative measures are available here: 'Five Ways to Compute the Relative Value of a UK Pound Amount, 1270 to Present,' *MeasuringWorth*, https://www.measuringworth.com/calculators/ukcompare/

121 As Max Haiven points out, 'The compound debt owed to Indigenous people is, essentially, immeasurable'. See Haiven, 'The Uses of Financial Literacy: Financialization, the Radical Imagination, and the Unpayable Debts of Settler Colonialism,' *Cultural Politics* 13, no.3 (2017): 363.

decolonisation; rather, I simply wish to state that, insofar as finance was and remains an integral driver of coloniality, it presents itself as a key target for decolonial struggles in contemporary Aotearoa New Zealand. To destabilise the financial institutions, instruments, and practices that so often support, if not drive, colonial practices is to fundamentally destabilise the material reproduction of coloniality as such.

To hold finance to account for its role in colonising Aotearoa involves an unravelling of its apparent neutrality. Finance is masterfully presented as 'pure technique' to the extent that it is widely ascribed the status of an apolitical or even 'post-political' sphere of activity.[122] The stripping out of politics from financial practices such as rent, interest, taxation, and debt is, of course, a reactive strategy of a capitalist economics which, as Campbell Jones maintains, 'neutralises or seeks to defuse the explosive social and political potential that is contained in such practices'.[123] The capacity of finance to masquerade as an opaque realm of specialised activity, bracketed off from the everyday lives of workers and households, serves to insulate it from scrutiny and critique. This apparent immunity of finance from politics, together with its apparent abstraction from 'real-world' affairs, undoubtedly contributes to the omission or side-lining of finance in orthodox histories of the colonisation of Aotearoa. The claim that finance colonises advanced here forces finance from the domain of economists and into the domain of politics.

Conclusion

The knowledge that, in past and present Aotearoa New Zealand, finance capital and colonisation significantly intersect and impel one another's reproduction, proves informative not only for decolonial politics but also for contemporary anti-capitalist politics. The colonisation of Māori lands, resources, and value systems was and remains a central means to the

122 Campbell Jones, 'The Embers of Truth,' 135.

123 Campbell Jones, 'Rent, Interest, Profit,' *Counterfutures* 6 (2018): 72.

expansion and reproduction of financial capital in Aotearoa New Zealand. This is seen in the case of the New Zealand Company, where what began as a colonial operation dependent on finance soon became a financial-speculative operation dependent on perpetual colonisation.

Today, the accumulation of finance capital demands the ongoing colonisation of 'new' sources of value extraction and speculation which, in Aotearoa New Zealand, are often sought in Māori lands and resources. Such mutually supportive relationships between finance capital and colonisation suggest that it is strategic (if not essential) for anti-capitalist movements to confront coloniality as a key site of struggle. To contest the regime of financialised capital that has come to predominate in Aotearoa New Zealand without contesting the structures of coloniality on which it rests and thrives is insufficient, to say the least.

The counter-history that this paper weaves both performs and provokes shifts in the thinking of Aotearoa New Zealand's history and, in particular, of the relation between finance and colonisation. This history also elicits the concrete political implication that the contestation of one is incomplete without the contestation of the other. This should not be taken to suggest that decolonial and anti-capitalist struggles in Aotearoa New Zealand are the same struggle, but rather that the entangled histories of finance and colonisation render them (already) necessarily aligned. It will, however, take recognition and assertion of this alignment by those engaged in these respective struggles to mount an effective challenge to finance capitalism and colonialism today.