

In the 1860s and 1870s the Native Lands Acts facilitated the colonial appropriation of huge amounts of Māori land. The acts, as is commonly known, were explicitly implemented to destroy the 'communism' identified as foundational to Māori society, and sought to achieve this by 'individualising' Māori land title. However, in addition to this movement of individualisation, the acts fundamentally enacted and relied upon the financialisation of Māori lands, their transformation into securities against debts. This paper examines the colonial weaponisation of credit as a means of division and seizure and contrasts this with the anticolonial deployment of credit by Māori in the form of Te Peeke o Aotearoa. Founded in 1885, and situated within a broader politics of unification and the defence of land, Te Peeke o Aotearoa was an exclusively Māori alternative to prevailing colonial financial institutions that not only reasserted Māori economic autonomy but threatened to weaken the fabric of the colonial project.

Colonial and Anticolonial Credit: The Native Lands Acts and Te Peeke o Aotearoa

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The Native Lands Acts of the 1860s are emblematic of a new phase in the financial colonisation of Aotearoa. The acts helped drive the establishment of credit networks that entrapped Māori in cycles of debt, the resolution of which was possible only through the alienation of land. The effect of these acts upon Māori land tenure is typically understood as one of ‘individualisation’; this article, however, demonstrates that the acts must also be grasped as a means of enacting a thoroughgoing financialisation of Māori land that prefigured and enabled their division and privatisation. The Native Lands Acts of 1862 and 1865 stipulated that Māori land rights be ‘ascertained, defined and declared’ and provided for the establishment of a court, presided over by Europeans, for this purpose.¹ The Native Land Court opened in 1865, and Māori ‘landowners’² were required to apply to the court to have their interests recognised and certified, becoming ‘claimants’ with respect to that which they already owned. No more than 10 individuals could be named on a certificate

1 New Zealand Government, *Native Lands Act 1862* (Wellington: Government Printer, 1862), 196-197.

2 The concept of owning whenua did not exist in tikanga Māori. Here, a ‘Māori landowner’ is an individual recognised by the Crown (but not necessarily by Māori) as proprietor of a particular area of land.

of ownership.³ The acts were expressly intended to assimilate Māori customary title into the British system of property law. As one member of parliament said before the house in 1870:

The object of the Native Lands Act was two-fold: to bring the great bulk of the lands of the Northern Island which belonged to the Natives, and which, before the passing of that Act, were *extra commercium* . . . within the reach of colonization. The other great object was, the detribalization of the Natives,—to destroy, if it were possible, the principle of communism which ran through the whole of their institutions, upon which their social system was based, and which stood as a barrier in the way of all attempts to amalgamate the Native race into our own social and political system.⁴

The acts were intended to ‘individualise’ land title formerly vested in the collective mana of the iwi or hapū. Instead of land being managed by a community, each ‘owner’ was granted a particular share of land that they could individually decide to hold, lease, or alienate. This operation was carried out on a massive scale. For example, an 1872 government land commission found that, in Hawke’s Bay, ownership title was granted to 558 individuals for 569,200 acres of land that properly belonged to 3,773 people.⁵ Each one of those 558 individuals was empowered to alienate land that, according to the protocols of tikanga Māori that had prevailed in Aotearoa for centuries, belonged to the iwi or hapū. Across Aotearoa, the individualisation of title enabled the alienation of almost 10 million acres of Māori land within the first 30 years of the Native Land Court’s operation.⁶ While 66 million acres of land were under Māori ownership in

3 New Zealand Government, *Native Lands Act 1865* (Wellington: Government Printer, 1865), 266.

4 Mr. Sewell, cited in New Zealand House of Representatives, *New Zealand Parliamentary Debates: Fifth Session of the Fourth Parliament, 1870*, vol. 9 (Wellington: Government Printer, 1870), 361.

5 Hawke’s Bay Native Lands Alienation Commission, ‘Report of the Hawke’s Bay Native Lands Alienation Commission’, AJHR, 1873, session 1, vol. 3, G-07, 7.

6 Ranginui Walker, *Ka Whawhai Tonu Mātou: Struggle Without End* (Auckland: Penguin Books, 1990), 135-136.

1840, by the end of the 19th century a mere 7 million acres remained in Māori hands.⁷

The efficacy of the Native Lands Acts as a means of expropriation cannot solely be understood in terms of the legislation itself. It was also achieved by the fostering of debt relations between Māori landowners and Pakehā creditors. To be heard before the Native Land Court, claimants were obliged to meet the costs of employing a government-appointed surveyor.⁸ At this time, Māori were overwhelmingly based in rural areas and did not have access to cash.⁹ Lacking means of payment, in the words of the Crown inspector of surveys in 1867, ‘The Native land owner is already placed at a very great disadvantage’.¹⁰ The claimant ‘is obliged to find some one to survey his land on credit, and so often pays double what it cost a European’.¹¹ For the vast majority of Māori ‘claimants’, then, indebtedness was a precondition for even commencing the process of obtaining land title.

What made these debt relations such a violent force of expropriation was that they were effectively secured by Māori land. Once title was ascertained through the courts, claimants were forced to sell off portions of the land in order to extinguish the debts owed to surveyors. According to one report, the average proportion of sales revenue taken up by survey costs in the central North Island was 21 percent.¹² In some cases, the expense of surveys consumed almost the entirety of the sale’s proceeds.¹³ With land being ‘the

7 M. P. K. Sorrenson, ‘Colonial Rule and Local Response: Maori Responses to European Domination in New Zealand Since 1860’, *Journal of Imperial and Commonwealth History* 4, no. 2 (1976): 127-137.

8 *Native Lands Act 1865*, 267.

9 Angela Ballara, ‘The Pursuit of Mana? A Re-evaluation of the Process of Land Alienation by Maoris, 1840–1890’, *Journal of the Polynesian Society* 91, no. 4 (1982): 532.

10 Theophilus Heale, ‘Report on the Subject of Surveys under the Native Lands Act’, AJHR, 1867, session 1, A-10B, 5.

11 Heale, ‘Report on the Subject of Surveys’, 5.

12 Michael Macky, ‘Crown Purchasing in the Central North Island Inquiry District, 1870–1890’, report commissioned by Crown Legal Office, 2004, 64, cited in Wai1200v2III, 511.

13 Waitangi Tribunal, ‘He Maunga Rongo: Report on Central North Island Claims’, stage 1, vol. 2, pt. 3, Wai1200v2III, 510.

Māori means of (re)payment',¹⁴ claimants surrendered large areas of land, and sometimes entire blocks, to liquidate surveyors' charges. To take the Tahorakuri block near Taupō as an example, 36,362 acres out of 50,000 (73 percent) were 'cut off to defray survey costs'.¹⁵ Ngāti Tūwharetoa sold 25 blocks, including the mountain peaks of Tongariro, Ngāuruhoe, and Ruapehu, to meet survey costs on others.¹⁶ The Native Lands Act 1865 simplified things by providing for the direct transfer of title to surveyors whose services were conducted on credit, giving them a lien on the land until the charges were paid.¹⁷ Under further land acts in the 1880s and 1890s, debts owing to surveyors were subject to a 5 percent interest rate.¹⁸ Compounding interest and administration fees increased the total debt burden for claimants—sometimes by as much as 30 percent in five years.¹⁹

The Native Land Court hearings were designed in such a way as to further entrap claimants in cycles of debt. Any member of an iwi could apply for investigation of title, but evidence could only be presented at the appointed hearing, notice of which was posted in the national newspaper. This meant that entire communities had to attend court hearings, often in Pākehā towns located at great distances from their lands.²⁰ Fees paid to lawyers and interpreters (in addition to surveyors) were incumbent upon the claimants. And with some hearings lasting several months, large expenses were incurred on accommodation, transport, and rations, not to mention the cost of the longer-term food shortages arising from the

14 This builds upon Ballara's claim that 'Land rather than money became the Māori means of exchange': 'The Pursuit of Mana?', 532.

15 Wai1200v2III, 511.

16 Wai1200v2III, 511.

17 *Native Lands Act 1865*, 273.

18 See Native Land Court Act 1886; Native Land Court Act 1886 Amendment Act 1888; Native Land Court Act 1894; Native Land Laws Amendment Act 1895.

19 See Kathryn Rose, 'The Fenton Agreement and Land Alienation in the Rotorua District in the Nineteenth Century', report commissioned by Crown Forestry Rental Trust, 2004, 271.

20 In 1883, for instance, Taupō claimants protested against travelling 100 miles to Cambridge for the hearing on the Tatua blocks; see Wai1200v2III, 513.

neglect of crop cultivation in claimants' absence.²¹ These additional costs meant that, upon receipt of title, grantees often sold off portions of their land to discharge debts owed to a network of creditors comprising lawyers, interpreters, surveyors, hoteliers, and publicans.

The transformation of land into security for debts was pivotal to the financialisation of Māori land that, in turn, enabled its commodification. As M. P. K. Sorrenson emphasises, 'sooner or later [it] coerced even strong opponents of sale into disposing of land'.²² Once the land was registered in the names of 10 or fewer individuals, it was easy for government land agents to pick off the often-indebted grantees and coerce them into selling their shares. They did so, Sorrenson explains, with assistance from local storekeepers and publicans, 'who often acted as "Native land agents" and who offered the Maoris liberal supplies of goods and liquor on credit'.²³ According to Ballara, individual grantees were offered unlimited credit by Pākehā storekeepers. This would continue 'until their debts had mounted to such proportions that they could only be settled by mortgaging or selling the land that was theirs, at least on paper'.²⁴

The 1872 commission found that storekeepers engaged in many duplicitous practices, including withholding from Māori customers the true extent of their indebtedness and falsifying their accounts.²⁵ The commission, which looked into 301 disputes from Māori landowners concerning purchases in the Hawke's Bay area, found that 'Nearly all the sales which we investigated were made to dealers. The land was in fact taken in discharge of a previous debit balance'.²⁶ The debts accrued by Māori vendors were so significant that, upon selling the land, the balance

21 The Waitangi Tribunal records that 'Rations (food) for 200 people for six weeks cost about £300, the equivalent of five years' wages for a single agricultural worker': Wai1200v2III, 516.

22 M. P. K. Sorrenson, 'Land Purchase Methods and Their Effect on Maori Population, 1865–1901', *Journal of the Polynesian Society* 65, no. 3 (1956): 186.

23 Sorrenson, 'Land Purchase Methods', 186.

24 Ballara, 'The Pursuit of Mana?', 536.

25 Hawke's Bay Commission, 'Report', 2.

26 Hawke's Bay Commission, 'Report', 2.

owing to them often came to nothing. In the few cases where a credit did favour the vendor, purchasers (chief among them government agents) consistently refused to pay in cash and insisted Māori take payment in goods, chiefly alcohol.²⁷ Putting such outcomes down to the ‘careless and extravagant expenditure’ of the ‘natives’, the chairman of the commission did not recommend a return of land to the claimants. Indeed, the idea of any ‘remuneration’ to Māori was advised against, on the grounds that this would ‘weaken and confuse their still feeble sense of legal and moral obligation’.²⁸ He continued, ‘No worse lesson could be given to people who have yet to learn that they must themselves bear the burden of their own follies and misdeeds, and not hope to shift it on to other shoulders’.²⁹

Under the Native Lands Acts, immense amounts of land passed out of Māori hands in merely servicing debt. This was a feature of the system, not a bug; as the Waitangi Tribunal noted in a 2008 report, ‘From the outset there was a legislative expectation that survey costs would be paid in land’.³⁰ A creditor–debtor relation that mapped on to, qualified, and entrenched the relation of coloniser and colonised was thus foundational to the legislation used by the Crown to progressively deplete Māori of their material wealth. Māori entered the courts in a position of indebtedness that predetermined their outcomes and foreclosed possibilities of the future.

From the 1860s, credit was the linchpin of the colonial legislative project to expropriate Māori land and destroy the ‘communism’ identified as foundational to Māori society. This was a regime of financial exploitation premised upon the lack of access Māori had to cash, and which, in Ballara’s terms, ‘inveigled them into an inflationary spiral of trading, debt-incurrence, land-alienation, further purchasing, further debts and further land sales or leases’.³¹ This cycle of debt, mediated by purchase

27 A table at the start of the report lists all 301 complaints. ‘Grog’ appears in many of the cases. See Hawke’s Bay Commission, ‘Report’, 2-17.

28 Hawke’s Bay Commission, ‘Report’, 3.

29 Hawke’s Bay Commission, ‘Report’, 3.

30 Wai1200v2III, 509.

31 Ballara, ‘The Pursuit of Mana?’, 532.

agents, storekeepers, publicans, and the courts, was only resolved with the alienation of the only asset Māori had: the whenua. The Native Lands Acts, commonly understood to have facilitated the ‘individualisation’ of Māori land tenure, also enacted its financialisation. This process partitioned Māori lands into exclusively held, alienable, and transferable assets, and dispossessed the vast majority of Māori of the most fundamental element of economy and life itself. It was colonial credit relations that crippled Māori economically, wresting the base from them piece by piece, repayment by repayment. While legislation was a powerful instrument of colonisation in Aotearoa, finance was its fulcrum.

Anticolonial credit: Te Kīngitanga and Te Peeke o Aotearoa

For central North Island Māori, credit functioned as a key driver in the ruthless colonial appropriation of land in the 1860s and 1870s—what was, in effect, an immense transfer of wealth from Māori to Pākehā. But just as credit was central to the colonial project, so too was it identified and mobilised by Māori as a potential means of securing autonomy within a broader anticolonial movement. Te Peeke o Aotearoa was established in 1885 by Tāwhiao, leader of the Kīngitanga, a pan-tribal Māori movement aimed at protecting the land and recovering economic and political autonomy, or *mana motuhake*. Kīngitanga secretary, T. T. Rāwhiti of Ngāti Hauā, played a major role in the bank and ‘was probably its organiser and manager’.³² The bank provided retail functions including deposits, chequing, and note issue. According to a December 1885 report in the *Waikato Times*, it also had lending facilities, offering loans at the ‘very easy’ interest rate of ‘a penny a day per £1, 6d a week for the same amount, 2s for four weeks, and 4s for eight weeks’.³³ The provisions allegedly forbade loans from being

32 Stuart Park, ‘T. T. Rāwhiti’, in *Te Kīngitanga: The People of the Māori King Movement—Essays from the Dictionary of New Zealand Biography*, ed. Angela Ballara (Auckland: Auckland University Press, 1996), 97.

33 ‘A Maori Bank at Maungatautari’, *Waikato Times*, 12 December 1885.

made to outsiders, especially Pākehā, who were ‘not to be trusted’.³⁴ It is likely that te peeke suffered a major fire in 1886; dated cheques, however, suggest that the bank survived the fire and was functioning in 1894 and as late as 1905, indicating a lifespan of almost 20 years.³⁵

The bank’s emergence was shaped by, and must be understood in relation to, the development of the Kīngitanga. Founded in 1858, the Kīngitanga sought to unify iwi in the creation of a polity that represented and embodied Māori sovereignty.³⁶ It was also, in effect, a ‘land league’, as ‘all chiefs who owed allegiance to the King accepted his veto over their sale of land’.³⁷ The Kīngitanga intended to govern in parallel with the British Crown, the latter presiding over the Pākehā population. The colonial government, however, refused to recognise any entity other than the Crown as sovereign and did its utmost to quash the Kīngitanga in the Waikato Wars. In 1863, Tāwhiao and his followers were declared rebels under the New Zealand Settlements Act and the Crown proceeded to confiscate 1.2 million acres of their fertile lands. Devastating as this was, according to Matthew Wynyard, it ‘paled in comparison’ to the amount of land lost through the Native Land Court.³⁸

After the raupatu of the 1860s, Tāwhiao and his people retreated into Ngāti Maniapoto lands and he was itinerant for the next 20 years. In 1884, he travelled to London, where he failed to gain an audience with Queen

34 ‘A Maori Bank at Maungatautari’.

35 Andrew Clifford, ‘Unofficial Issuers: Ko Te Peeke o Aotearoa’, in *New Zealand Trading Banks and Early Paper Currency* (Auckland: New Zealand Banknote Guild, 2017), 287-291.

36 Tui Adams, Ngahinaturae Te Uira, and Ann Parsonson, “Behold, A Kite Flies Towards You”: The Kīngitanga and the “Opening” of the King Country’, *New Zealand Journal of History* 31, no. 1 (1997): 99-116.

37 M. P. K. Sorrenson, ‘A History of Maori Representation in Parliament’ (Appendix B), in *Report of the Royal Commission on the Electoral System: Towards a Better Democracy* (Wellington: Government Printer, 1986), 15.

38 Matthew Wynyard, “Not One More Bloody Acre”: Land Restitution and the Treaty of Waitangi Settlement Process in Aotearoa New Zealand’, *Land* 8, no. 162 (2019): 4; see also, Adams et al., ‘Behold, A Kite’, 106.

Victoria before resolving ‘to look for Maori solutions to Maori problems through Maori institutions, and to attempt to do so on a national basis’.³⁹ His vision, according to R. T. Mahuta, was ‘the rebirth of a self-sufficient base, supported by the strength and stability of the people’.⁴⁰ Te Peeke o Aotearoa would provide support for a range of social institutions intended to promote mana motuhake and kotahitanga. As Stuart Park writes, in the 1880s and 1890s, Tāwhiao’s ‘drive for Maori autonomy led him to establish a separate government, with parliament, treasury, licences, courts, justices and constables, with power to levy fines for the treasury, and a bank to house the treasury’.⁴¹ As storehouse for the Kīngitanga treasury, Te Peeke o Aotearoa was inseparable from the development of Te Kauhanganui, the Kīngitanga parliament that opened in May 1891 and raised revenue by collecting taxes.⁴² Financial autonomy was essential to a project that aimed to restore the self-determination of Māori in all aspects of social and political life. In practical terms, as Andrew Clifford writes of Te Peeke o Aotearoa, ‘A functional state within a state would require this type of institution’.⁴³ The harakeke pictured on the lower left of Te Peeke o Aotearoa’s banknotes is particularly apposite. Harakeke is not only a symbol of whānau, but also of industry and exchange. The motif also has associations with self-sufficiency and sustainability, with tikanga being to harvest only the outer (‘tupuna’) leaves of the bush and allow the inner, younger shoots to develop.

39 Michael King, *Te Puea: A Biography* (Auckland: Hodder and Stoughton, 1977), 29-30.

40 R. T. Mahuta, ‘Tāwhiao’, in *Te Kīngitanga*, 60.

41 Stuart Park, ‘Te Peeke o Aotearoa: The Bank of King Tawhiao’, *New Zealand Journal of History* 26, no. 2 (1992): 179.

42 Park, ‘Te Peeke o Aotearoa’, 176.

43 Clifford, ‘Unofficial Issuers’, 290.

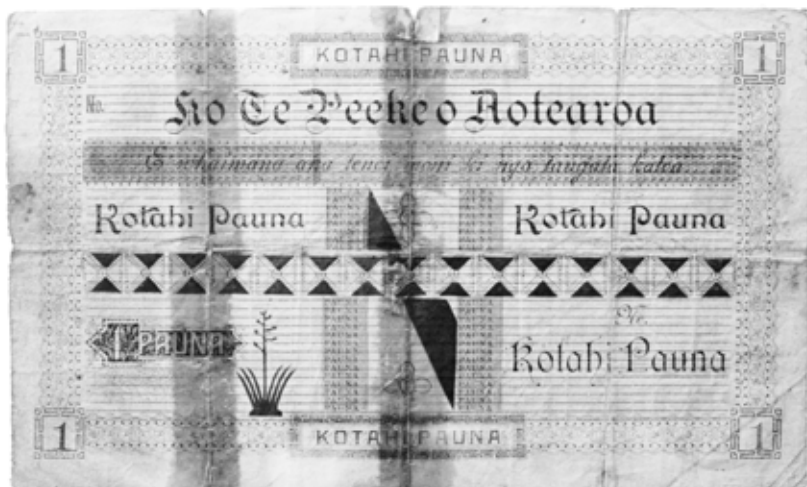


Figure 1. Te Peeke o Aotearoa kotahi pāuna (one pound) bank note, 1886–1905. Reserve Bank of New Zealand.

As noted earlier, many Māori landowners were not paid in cash for lands alienated as a result of the Native Lands Acts but in credit. However, iwi that did receive cash needed, by the 1870s and 1880s, a secure location for their money. To some extent, then, the establishment of Te Peeke o Aotearoa might be understood as a practical response to an inflow of cash into previously cashless communities.⁴⁴ In addition to needing to consolidate and protect the sums acquired through land sales, the Kīngitanga leaders were likely to have seen financial opportunities in acting to provide deposit and lending services for communities in Te Rohe Pōtae, which would otherwise be provided by the Pākehā banks. Notwithstanding the patronising tone of his 1891 article, there is some truth in J. F. Edgar's

⁴⁴ Indeed, this has been the predominant understanding among historians and journalists. It can, however, be overstated; for instance, J. F. Edgar claims that 'Almost every native one met was the proud possessor of a pocketful of notes . . . or of a deposit receipt for a substantial amount. Being unable to spend it as fast as they received it—the generous assistance of the publicans notwithstanding—the money was generally deposited in the banks': 'The Maungatautari Bank', *Hawke's Bay Herald*, 11 April 1891.

claim that the bank's founders reasoned that, 'as the Europeans were making a profit by keeping the Maoris money, there was no reason why the Maoris should not be their own bankers, and enjoy the profit themselves'.⁴⁵ Similarly, as the *Waikato Times* reported in 1885 (the year of the bank's opening), Māori witnessed Pākehā bankers benefitting from their deposits and concluded that they 'might very well keep these advantages among themselves by opening a bank of their own'.⁴⁶ But beneath the flippancy in these reports, an anxiety around the potential threat Te Peeke o Aotearoa posed to the colonial economy is discernible within them. Edgar claimed, for instance, that news of the bank's opening precipitated 'an immediate run on the European banks', which could have caused widespread failures.⁴⁷ Given the centrality of finance to the colonial project, Māori refusal of the terms of credit proffered and the development of their own banking facilities—their disengagement from the creditor–debtor power relation that drove the seizure of land—both reasserted economic autonomy and threatened to weaken the fabric of the colonial project.

Beyond the immediate and practical motives for its establishment, though, Te Peeke o Aotearoa signified broader possibilities for Māori in terms of the anticolonial futures with whose imaginings it was entwined, and for which it could provide economic support. The colonial administration employed credit as an instrument of division specifically intended to fracture and disperse the communal economic base of Māori society; it was a key weapon mobilised in a broader strategy of 'divide and conquer'. However, while in the hands of the coloniser credit signified and enacted a logic of division, the Kīngitanga sought to mobilise it as an instrument of integration and consolidation within a political project founded on pan-iwi solidarity. For the Kīngitanga, banking represented a means of reorganising the existing material resources of iwi that was concomitant with, and facilitated, the building of a united front against colonisation. Thus, while te peeke is likely to be viewed by some as an indicator of Māori

45 Edgar, 'The Maungatautari Bank', 6.

46 'A Maori Bank at Maungatautari'.

47 Edgar, 'The Maungatautari Bank', 6.

capitulation to the financial–colonial regime, and as a sign of the successful interpellation of Māori as financial–colonial subjects, such a reading misses the potential utility of the bank in the construction of a new nationalism, the founding imperatives of which challenged those of colonial capitalism.

It is not ultimately known what, if any, grand ventures were envisaged for the bank by its directors, or by King Tāwhiao, although it is worth noting that the bank's prospectus reportedly allowed for money to be advanced for 'important tribal purposes' as decided upon by its committee.⁴⁸ Yet it is somewhat immaterial whether or not te peeke was able to engage the financial resources it gathered to pursue concrete anticolonial aims in its short lifetime.⁴⁹ What is clear is that for the Kīngitanga to establish its own, exclusively Māori, banking institution at this moment in history was not simply a practical response to newly obtained cash reserves. A bank is not merely a storehouse for the monetary resources of a particular society; it is also a means of centralising, redistributing (via credit), augmenting (via interest), and multiplying monetary resources. The productive power of money centralised in a bank is more than the sum of its parts; transformed into interest-bearing capital it can support financial projects of a scope and scale unachievable when resources are scattered across a disparate population.⁵⁰ In the context of the brutal colonialist undermining of the economic base of iwi and hapū, Te Peeke o Aotearoa was a means of centralising iwi wealth and rendering it available for (re)distribution. Further, when it is considered as a component of the Kīngitanga more broadly, it is clear that the bank was conceived as a means of pooling and strengthening not only the financial resources but also the mana of iwi

48 'A Maori Bank at Maungatautari'.

49 J. F. Edgar's 1891 report alleges that the bank's directors appropriated clients' deposits to fund a trip to England to petition the Queen. According to Edgar, this sparked a backlash that resulted in the razing of the bank by depositors in 1886. There is no evidence to support this claim, but it is interesting in its suggestion of the possibility of the Kīngitanga employing the amassed wealth of its communities to further political causes.

50 See Karl Marx, *Capital: A Critique of Political Economy*, vol. 3, trans. David Fernbach (London: Penguin Classics, 1991), 525–542.

across the central North Island and beyond.

In these respects, the formation of Te Peeke o Aotearoa was a political decision that aimed to regain financial independence for Māori by establishing credit systems outside the legal–financial infrastructure of the coloniser. It was, moreover, a powerful symbolic assertion of rangatiratanga that reminded Pākehā of the right of Māori—as tangata whenua and as guaranteed by the Treaty of Waitangi—to self-determination. For Māori to conduct their financial transactions with te peeke, to make deposits and draw loans in a space that excluded predatory Pākehā lenders, was a symbolic way of claiming and demonstrating fidelity to another authority outside colonial rule.