THE STATE AND CAPITALIST DEVELOPMENT IN FIJI

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by
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ABSTRACT

Hitherto, the dynamics of social change in Fiji has been understood primarily in racial terms. This study seeks to provide an alternative interpretation. An historical-materialist analysis of the origins and development of capitalism in Fiji, it advances the argument that the strongest tendential forces which shaped the trajectory of change were class forces and, more importantly, class conflict came to assume a racial form. Because the state is integral to the capital relation, it serves as the thread around which my analysis of the class struggle in Fiji revolves. The theoretical principles which inform the study are derived from the Marxist theory of the state. But there are various strands to that theory, and that which has been most influential in the recent attempts to come to grips with the state in Third World societies is the Poulantzian one. But Poulantzas's theory is flawed, and this study seeks not only to demonstrate this but also to suggest an alternative. Hopefully, therefore, the theoretical arguments developed here will represent a modest contribution to a more adequate understanding of the state and the dynamics of capitalist development not only in Fiji but in capitalist Third World societies generally.
CHAPTER I

INTRODUCTION

The collective legacy of bourgeois historiography and social science with respect to Fiji is a series of accounts of historical and social change which are couched essentially in racial terms. Effectively, therefore, these accounts have served to reinforce the dominantly ideology of race, an ideology which holds that the problems confronting Fiji, both now and in the past, have to do very largely with racial tensions. That racial conflicts in Fiji are real and important cannot be disputed. To argue, however, that they are the root causes of Fiji's problems is fundamentally mistaken. For the central argument of this thesis is that those causes lie in underlying class contradictions, contradictions which are masked by racial conflict. In Fiji, in other words, class conflicts - the strongest tendential forces which determine the country's trajectory of change - predominantly assume a racial form. The purpose of this study is to show how and why that is the case, and that involves explaining the historical origins and the evolution of the structure and contradictions of contemporary Fiji. The study might therefore be seen as a modest contribution towards the urgent need of constituting an alternative and more adequate history of Fiji.

1. AN OVERVIEW

As I show in Part One, the origins of capitalism in
Fiji are to be found in the early years of the twentieth century. Prior to the penetration of capitalist relations, the country was caught up in a process of structural transformation which had its origins in the inherent contradictions of tributary production relations. The inability, however, of the contending class forces at that time to bring the internal struggles to a determinate conclusion, facilitated the penetration of capitalism into the country. Over a period of some sixty years after initial penetration, capitalist relations increasingly took root, but the absence of a capitalist state delayed the transition to capitalist dominance. And only with the establishment of the colonial state in 1874 could that transition be completed. That process of capitalist transformation is the subject of Part One. But it is the subsequent history of capitalist development in Fiji that the study is primarily concerned with, and because it is crucial, the role of the state serves as the thread around which my analysis of the class struggle in Fiji revolves.

Part Two opens with a discussion of the structure and contradictions of the colonial economy, and the central theme there is how the principal axis of conflict, that between capital and labour, came to assume a predominantly racial form. Capital was white; labour black, but more importantly, predominantly Indian. But the system of capitalist relations also aggravated a regional cleavage which historically divided the Fijians. That, however, is discussed later on.

In order to cope with underlying class tensions,
forms of class organisation had to be developed, and in Chapters V and VI the major forms of bourgeois and working class organisation are examined. Although the bourgeois forms of organisation were fairly effective as a means of class containment, when the relative balance of class forces changed, class relations had to be restructured. The two major strands in the process of restructuring are explained in Chapters VII and VIII. The peasant and worker struggles of the early colonial period gave expression to the intensity of capitalist exploitation, but the strike of 1959, which coincided with the completion of the process of restructuring that laid the foundations of the neocolonial economy, was an historic event. Shaking the capitalist system to its very roots, the strike was followed soon afterwards by another one staged by sugar-cane farmers. Those historic struggles, and the state's violent suppression of them, are discussed in Chapter IX. Part Three is concerned with the neocolonial period. The structure and contradictions of the neocolonial economy are explained in Chapter X, and in Chapter XI, I discuss the major dimensions of the class struggle in neocolonial Fiji.

2. METHOD AND EVIDENCE

The broad theoretical principles which guide this study are outlined in the next chapter, but when the need arises in subsequent chapters, various particular theoretical issues are discussed. As the foregoing discussion suggests, however, I follow the Marxist method, and this is evident in
the way that the study is broadly structured. For although I try as much as possible to maintain historical continuity, the study is essentially thematic, and the themes are dictated by the Marxian dialectic: structure-contradiction-organisation-struggle-containment-restructuring and so on.

The single most important weakness of bourgeois writers on Fiji is their inability to get beneath surface appearances and thereby to uncover the underlying structure and process, and basically that is due to their failure to make and maintain the crucial distinction between structural positions (classes) and the agents (people) who occupy them. That is the main reason why these writers have been unable to see how it is that racial conflicts are the form of appearance of underlying class conflicts. Clearly, then, the distinction is particularly important for the purpose of analysing and explaining broad processes of structural transformation. And it is precisely that kind of explanation that this study is concerned with.

The originality of this thesis, then, lies in its scope and interpretation. It offers an historical-materialist analysis of the broad process of structural transformation over a period of more than one hundred and eighty years, and it seeks to provide more adequate explanations of the major causes which have shaped the course of developments in Fiji. The nature of the study, however, requires me to be selective both in terms of my sources and the particular events which I examine.

On the question of evidence, I have relied totally on published sources. Where they have been incomplete, the
necessary acknowledgements and qualifications have been made. On the whole, however, the sources have been adequate for the purposes of the study. Most of the developments which are examined are theses in themselves, and I acknowledge the limitations of the analysis when particular developments are not considered in detail. But detail is not what the study is about. It is concerned primarily to provide an alternative interpretation of the broad trajectory of development in Fiji. Its aim is to offer a new perspective which hopefully will serve as something of a spring-board for more fruitful and adequate research in the future.
CHAPTER II

THE PROBLEM OF THE STATE

The state in 'Third World' capitalist societies has only recently emerged as an object of study, and the short history of the debate which has grown up around it cannot be divorced from another recent but wider debate within marxist theory about the capitalist state. Although I draw on the various strands of the latter debate, and also on the classic Marxist contributions, there is not the space here to consider them in any kind of detail. A very good discussion of those contributions is to be found in Bob Jessop's The Capitalist State.¹

Sparked off initially by the work of Louis Althusser,² then, the recent debate came to centre largely around the work of Nicos Poulantzas, whose theory of the capitalist state appears in its most developed form in Political Power and Social Classes.³ With the growing interest in the capitalist state in Third World societies, many writers looked to Poulantzas for guidance, and the attempts at theorising it continually acquired a decidedly Poulantzian character.

The whole burden of Poulantzas's work was to explicate and theorise the "specificity" of "the political", and in particular that of its form, the state. Although he provides some useful insights, his analysis, like that of his mentor Althusser, is, as Clarke as well as Holloway and Picciotto have argued,⁴ is flawed because it makes the fundamental mistake of separating the 'political' from the 'economic' and
the 'ideological'. By making that separation, Poulantzas was able to advance the concept of the relative autonomy of the state, and it is that concept which has figured so prominently in the debate about the state in capitalist societies in the Third World. For that reason, and also because it occupies central place in Poulantzas's theory, it is necessary to examine that concept in some detail. This will be done presently, but first its influence on the debate about the state in Third World societies will be examined briefly. Simply for the purpose of convenience, the state in Third World societies will be referred to as the "peripheral state".

1. THE STATE IN 'THIRD WORLD' SOCIETIES

Inspired largely by Poulantzas's work, then, there was an upsurge in the early 1970s in the application of marxist state theory to the peripheral state. Of the early attempts, the most influential was Hamza Alavi's article on Pakistan and Bangladesh which appeared in the New Left Review in 1972. Alavi summarised his case in this way:

The central proposition which I wish to emphasise is that the state in the post-colonial society is not the instrument of a single class. It is relatively autonomous and it mediates between the competing interests of the three propertied classes, namely the metropolitan bourgeoisie, the indigenous bourgeoisie and the landed classes, while at the same time acting on behalf of them all to preserve the social order in which their interests are embedded, namely the institution of private property and the capitalist mode as the dominant mode of production.

What distinguished the colonial from the postcolonial state,
he implied, was precisely the 'relative autonomy' of the latter; under colonialism the state essentially served the interests of the metropolitan bourgeoisies, but in the post-colonial period it mediated between the competing classes, and its ability to do that was because it was 'relatively autonomous'.

In 1974, John Saul echoed Alavi's argument in relation to the state in Tanzania, and a lively debate ensued and for which the Review of African Political Economy provided a major forum. The whole burden of the debate was to develop a general theory of the postcolonial state and in that task heavy reliance was placed on Poulantzas's concept of the relative autonomy of the state.

It soon became evident, however, that the exercise was highly problematic because it was based on a concept which divorced the state from its very foundation - the process of accumulation. Moreover, a fundamental reality of Third World societies was their subordination to imperialism. The demands and contradictions of imperialism imposed such serious structural limitations of the peripheral state that the adequacy of the notion of relative autonomy, and also of any theory of the state based on it, was called into question. The concept of the relatively autonomous state simply did not square with certain stark realities about Third World societies. The preponderance of repressive military regimes acting in the interests of transnational capital, for example, highlighted the subordination of peripheral states to imperialism. It was necessary, therefore, to re-situate the state in the process of capital accumulation and to theorise
it in terms of the dynamics of both the internal and external dimensions of that process. The various attempts at doing that, however, have not been altogether satisfactory, and this is particularly true of the world system approach.

What, then, are the weaknesses of Poulantzas's theory of the state? In the section which follows, I address myself to this question by examining the theory on its own terms. I then put forward an alternative.

2. THE QUESTION OF RELATIVE AUTONOMY

Our starting point is Poulantzas's analysis of the social formation and the mode of production, two fundamental concepts of historical materialism. The mode of production is an abstract formal object which does not exist in reality. The only thing which does is the social formation, which is an historically-determined social whole.

The mode of production, Poulantzas argues, is "a specific combination of various structures and practices which appear as so many 'instances' or 'levels - the economic, ideological and political levels". It is a complex unity which is dominated, in the last instance, by the economic level. But relations in this "structure in dominance" are never simple; they are "overdetermined" by relations at the political and ideological levels. As Poulantzas put it:

> the fact that the structure of the whole is determined in the last instance by the economic does not mean that the economic always holds the dominant role in the structure. The unity constituted by the structure in dominance implies that every mode of production has a dominant level or instance; but the economic is in fact determinant only in so far as it
attributes the dominant role to one instance or another, in so far as it regulates the shift of dominance ... 13

And of the capitalist mode of production in particular,

it is specified by a characteristic autonomy of the economic and the political ... 14

But what, essentially, is the political? It is "the juridico-political superstructure of the state".15 Therein lies the origin of the notion of the relative autonomy of the state - the lynchpin of Poulantzas's theory of the state.

The thrust of the criticisms which have been levelled against it is summarised by Holloway and Picciotto:

His view ... that capitalist society is characterised by a relative autonomy of the economic and political 'instances' which allows one to make each instance a separate and specific object of study leads him to neglect the all-important question of the nature of the separation of and relation between these instances ... 16

As a result:

the central problems of the marxist theory of the state, the problems of the development of the state form, of the structural limitations and possibilities of state action ... are necessarily passed over ... 17

By severing his study of the political from the analysis of the contradictions of accumulation, then, Poulantzas has failed to provide an adequate analysis of the relation between the state and its basis - capitalist exploitation of the working class in the process of accumulation. This criticism can be extended by identifying some of the particular ways in which his theory is deficient and also by considering the nature of its connection with his theory of class.
For Poulantzas the political is the superstructure of the state. But, as Clarke correctly pointed out, Poulantzas did not intend that the state should be seen as an institution per se but rather should be understood in terms of its function. In what, then, does that function consist? It has, according to Poulantzas, three dimensions, each of course corresponding to his three "levels". The economic dimension consists of the state's role as "organiser of the labour process". In that capacity, the state provides

the set (ensemble) of rules which organises capitalist exchanges and provides the real framework of cohesion in which commercial encounters can take place.18

But there is also an ideological dimension through which the state's activities in educational institutions, the media, the legal system, penal institutions and so forth, serve to reinforce the ideology of the dominant class and at the same time legitimise and perpetuate its dominance. Finally, there is the political dimension which has to do with the "political class struggle".19 That, however, Poulantzas stresses, needs to be distinguished from the state's "global role". What is the difference?

Whereas the political function has to do with maintaining class dominance "at the level of political relations", in its global role the state serves as "the factor of cohesion in the unity of a formation".20 That is, the state "serves as the regulating factor in the social formation's global equilibrium".21 Very importantly, this global function is ascribed to the state by its place in the structure-in-dominance.22 In other words, the state is determined by
the structure-in-dominance and, in particular, by the structure's need for cohesion and equilibrium. To it, therefore, is ascribed the task of meeting that need. In sum, then, the state's global function necessarily entails a specifically political task of reproducing class division and class domination. 23

Now, "strictly speaking", says Poulantzas, there is no economic, ideological or political function, only a global one of cohesion and equilibrium maintenance. 24 What we have, therefore, are "modalities of the [global function] which are overdetermined by the [specifically] political modality". 25 This overdetermination is actually crucial to Poulantzas's theory. Because the modalities are "overdetermined" by the political one, they are necessarily subordinate to it. But here a major methodological problem arises.

Methodological primacy for the state's global function had already been posited - the state exists in order to maintain global cohesion and equilibrium. Now, however, we are told that the task has various modalities one of which is overdeterminant. There is a tautological sense in which it is true that the global function necessarily entails the reproduction of class domination. By claiming, however, that this specifically political task has an overdetermining effect on the other functions, without at the same time clearly specifying how that bears upon the methodological primacy of the wider global function of which it is a part, the methodological foundations of Poulantzas's theory become less clear. He cannot have it both ways. Either he must
build a theory whose central propositions do not contradict
the theory's methodological premisses, or he must make quite
clear why they do not if, in fact, they appear to do so.
And the argument here is that they actually do. In other
words, the methodological primacy of the state's global
function cannot be sustained if at the same time one of its
constituent modalities (the political one) is said to over-
determine the other modalities (the economic and ideological
ones) because such overdetermination necessarily implies
that the latter are subordinate to the former.

So what does this mean for Poulantzas? Either he
must show that the subordinating effect does not imply a
shift in methodological primacy from the global to the
specifically political function, or, he must establish the
validity of the basis on which the case for overdetermi-
ation is made. He does not do the former, so we must assume
that the global function really is accorded methodological
primacy. But this still leaves open the validity of the
basis upon which he advances the notion of overdetermination.
It derives, in fact, from the supposed autonomy, at the
level of the mode of production, of the political from the
economic. Let us therefore investigate the issue a little
further, taking as our starting point Poulantzas's view of
the state in its "specifically political" role of maintain-
ing class division and domination.

Class domination under the capitalist mode of
production differs from that under non-capitalist modes in
the important respect that it is mediated through commodity
exchange. One of the effects of the emergence of the
commodity form under capitalism is that it produces a series of separations which hide relations of exploitation beneath surface appearances. One of these separations, Marx described thus:

For the transformation of money into capital...
... the owner of money [the capitalist] must find the free worker available on the commodity market; and this worker must be free in the double sense that as a free individual he can dispose of all the objects needed for the realisation of his labour power.²⁶

With nothing else to sell but their labour power, workers appear on the commodity market as apparently free sellers who contract with the capitalist for the sale of their labour power. Bound thus by a contractual obligation which the state will enforce through its legal and repressive apparatuses, the capitalist is now free from having to resort to physical force in order to exploit the worker. Exploitation through the wage relation, therefore, is not mediated through force but through a contract which the worker "freely" enters into. It is this visible separation of relations of force (and in the end class domination rests on the use of force) from the immediate production process and their location in the state (which is separated from individual capitalists) that constitutes the economic and the political as particularised and apparently distinct and separate forms of capitalist domination:

this particularisation of the two forms of domination finds its institutional expression in the state apparatus as an apparently autonomous entity. It also finds expression in the separation of the individual's relation to the state from his immediate relation to capital, in the separation of his struggle into 'economic struggle' and 'political struggle' ...²⁷
Thus lies exposed the illusion of the autonomy of the state. The problem with Poulantzas's theory, then, is that he takes as his starting point this appearance of autonomy. Rather, therefore than investigating the ways in which capitalist production relations assume apparently separate economic and political forms, Poulantzas sets out to argue that they actually are. It is hardly surprising, therefore, that the concept of overdetermination surfaces, for it is that concept which provides the glue with which to bind the various pieces together. Unfortunately, however, it does not serve that purpose well at all. The concept of political overdetermination therefore remains problematic because the foundation on which it rests, the relative autonomy of the political, is an illusion. But there are problems also with Poulantzas's theory of class, and to them I now turn.

Poulantzas's conception of class is technicist and non-Marxist. He makes a distinction between relations of production, on the one hand, and social relations of production, on the other:

relations of production do not denote simply interrelationships between the agents of production, but rather these relations in specific combinations between agents and material-technical conditions of labour. On the other hand, social relations of production are relations among agents of production distributed in social classes, i.e. class relations. In other words, 'social' relations of production, class relations, manifest themselves at the economic level, as an effect of this specific combination: agents of production/material-technical conditions of labour constituted by the relations of production.\(^{28}\) (original emphasis)

In other words:
the relations of production have as their effect ... a distribution of the agents of production into social classes.29 (emphasis added)

Quite clearly, Poulantzas's classes are not constituted by relations of production in the Marxist sense, but rather are distributive categories wherein membership is determined by one's technical function in the immediate production process.30 Again, the problem here is the untenable distinction between the political and the ideological:

in social relations ... we can speak in all strictness of political 'social' relations and ideological 'social' relations. These ... manifest themselves as the effect of the political and ideological structures on social relations.31

So political and ideological "effects" are superimposed on, but are not constitutively integral to, social classes.

Despite this technicist definition of class, however, Poulantzas insists that it is at the "political level" that the struggles between classes are fought. Why? Because at the level of the immediate production process, nothing can be done about unequal power relations, because they are determined by the technical division of labour. And that division of labour is simply taken as given because it is determinant. There is not much, for example, that an unskilled worker on an assembly line can do about the little that he is paid compared with what his more technically-qualified boss receives. In order, therefore, to defend their respective shares of the fixed material output of the immediate production process, classes need to "exist" at the political and ideological levels. Without representation
at those levels, their interests as a class will be at risk. So the political level is identified as the site of struggle and conflict:

to the extent that the political superstructure is the overdetermining level of the levels of the structure ... the political class struggle is the overdetermining level of the field of class struggles. 32

But he goes on:

this is so to the extent that the political superstructure of the state has the function of being the cohesive factor in a formation, and to the extent that the objective of political class struggle is the state. 33

So the political class struggle, while concerned with maintaining class division and domination, is now also concerned with seizing state power. But here too there are problems. Given that the state's foremost function is to ensure the global equilibrium of the structure-in-dominance, even if the working class were to seize state power, the logic of Poulantzas's analysis is that its foremost concern will also be to maintain global equilibrium. The crucial point that Poulantzas misses is that for the working class, state power is not an end in itself. It is a means to an end, for the objective of the workers' struggle is the overthrow of the bourgeoisie. Its aim, in other words, is to negate the structure-in-dominance, not to maintain it. State power is a means to realise a classless society. It does not, of course, automatically guarantee the realisation of that society, and there may well be transitional struggles. But Poulantzas is not advancing a theory of transition. His basic argument is that state power is the object of the
political class struggle, and so the state becomes "neutral". What we are left with, then, is a working class that is concerned not so much with negating its opposite but rather with winning state power. And the exercise of state power, if we are to accept Poulantzas's theory, is concerned fundamentally with maintaining the structure-in-dominance, not with negating it.

Poulantzas is here caught in a bind, but that is hardly surprising. He had, after all, got himself into a trap by setting out to advance a theory of the specificity and relative autonomy of the political, and in particular, its form, the state. He succeeded only in displacing the class struggle from centre stage and replacing it with a state which, teleologically, is concerned with equilibrium. Our task now is to put the class struggle back in its rightful place.

3. CAPITAL ACCUMULATION, CLASS STRUGGLE AND THE STATE

By falling into the bourgeois trap of separating the political from the economic and the ideological, Poulantzas loses sight of the fact that production is a social activity and therefore that production relations are themselves social relations. It is in that sense that Marx understood class. The fixed product of the labour process is not, in the strict meaning of the term, "distributed" because the labourer's share is limited to the value of his labour power. Anything over and above that he gets no part of. The surplus which he produces, therefore, is not "shared" or "distributed" between labour and capital. The latter simply
appropriates it. But before that can be done, the surplus must first be produced, and that can only be done if labour can be controlled and dominated. That is why both production and distribution relations are relations of class domination and, more importantly, why the latter have their origins in the immediate process of production.

For Marx, then, social classes are defined not in terms of relations in the immediate production process, but in terms of the total process of social production. It is the totality of social relations which define them. Relations at the level of production are determinant because it is in production that the laws of motion of the capitalist mode of production are rooted. It is there that the surplus is produced. The worker, having "freely" contracted to sell his labour power, must honour his obligation, and capital, operating under the law of value, will pay him no more than the value of his labour power, and take the rest. That is the essence of the capital relation.

But the requirements of the valorisation of capital are such that even social relations in fields apparently distant from production must come under the domination of the capital relation. In other words, social relations beyond the immediate production process must be organised in such a way as to allow the process of surplus production and appropriation to take place. Individual capitalists may be able to manage class conflicts within their own establishments, and organisations of groupings of capitalists may even be able to contain class pressures at a somewhat wider level. Neither, however, is able to contain all instances
or forms of class conflict, particularly those at the society-wide level. Therein lies the function of the state. Its task, essentially, is to organise social relations, especially those at the society-wide level in such a way as to contain class tensions, and thereby allow capitalist production and exploitation to take place.

Several important features of that function can be identified. First, it consists not only in suppressing open conflicts but also in minimising the possibility of their occurrence. Very importantly, the means by which it seeks to achieve the first of these may not be the same as those by which it seeks to achieve the second. The first may, for example, require mobilising the repressive apparatuses of the state, but the second may not. The state's approach to the second may, for example, take the form of political and/or economic concessions to the dominated classes, concessions which may even appear contradictory to the interests of capital. The state could, for example, acquiesce in the development of a workers' political party, approve increases in wages or welfare payments, improve factory safety regulations, and so on. But whatever the strategy and the specific objective, the state's overall concern is to ensure that class pressures are kept within limits which, depending on the balance of class forces, may be stretched or narrowed, but which in the end allows the process of capitalist accumulation to proceed. Second, integral to the state's function is the enforcement of the contractual obligations behind which are hidden the roots of capitalist exploitation. But that specific task is not confined just to the
particular contracts concluded between bosses and workers. It is much wider than that. At the root of contract enforcement lies the institution of private property, and relations of private ownership pervade the whole society; hence the need for national bourgeois laws, law enforcement agencies, and penal institutions. Third, implicit in the state's function is the need to organise the society ideologically, and in such a way, that both its activities and the wider capital relation of which they are part appear to be legitimate. That involves perpetuating the dominant bourgeois ideology which hides class relations of dominance by emphasising the rights of the "individual" and the "national" interest. Finally, the broad political form which the state's function takes - bourgeois democracy - also needs to be understood as essentially a form of class organisation. A society-wide system of ideological and institutionalised political practices, it is organised around categories of people - individuals and groups of individuals - which do not correspond to classes. In that way, social cleavages other than class difference can be exploited in order to create the impression that the fundamental axes of conflict are anything but class ones.

Clearly, then, and in a constitutively integral way, the state is subsumed under the capital relations. The former appears, however, to be separate from the latter, and it is precisely that appearance which creates the illusion, and the ideology, of state autonomy. That appearance, moreover, is strengthened by state practices which create the impression of neutrality. Sometimes those practices favour
the dominated classes, at other times they favour the dominant class. But this cannot be taken as evidence of the state's "relative autonomy". And the reason is this. Within the outer boundaries beyond which the viability of capitalist accumulation is seriously threatened, the limits of the class struggle are not fixed. And the precise limits at particular historical conjunctures are determined by the balance of class forces at those times. If organised labour, for example, has managed to put itself in a position of relative strength, then the state is likely to be fairly accommodating about worker demands. If, on the other hand, labour is plentiful and divided while capital is strong and united, then the state is much less likely to bow to working class pressure. When, therefore, the state acts in ways which appear contrary to the interests of the dominant class, it is not acting in a 'relatively autonomous' fashion, but rather is simply responding to the underlying balance of class forces.

These, then, are the general theoretical principles which inform and guide this study. Through an analysis of state action as the product of underlying class pressures - pressures which constitute the strongest tendential forces in capitalist society - it seeks to explain the dynamics of the class struggle in one country. The focus, therefore, is on broad structural changes rather than the details of those changes, details which give expression to the many weaker forces operating at the level of concrete reality. Where an examination of those weaker forces is necessary in order to
explain structural changes more clearly, they will be taken into account. On the whole, however, the study focuses on the broad dynamics of the class struggle in Fiji, the racial form which it takes, and the structural changes which it produced.
PART ONE

CAPITALIST TRANSFORMATION OF FIJI c.1800 - 1874
CHAPTER III

STRUCTURAL CHANGE IN PRE-COLONIAL FIJI

This chapter analyses Fiji’s transformation into a capitalist society. It argues that precapitalist Fiji was a class society and that its internal contradictions gave rise to a process of profound social change. The struggles between the agents of the internal class forces were still in motion at the time of capitalist penetration and because those agents could not bring the conflicts to a determinate conclusion, they turned to the agents of capitalism for assistance. As the influence of the latter increased, the ability of the internal class forces to resist the establishment of capitalist relations began to weaken, and over six decades the capitalist mode of production increasingly took root. Capitalist dominance, however was not achieved in that time, the major reason being the absence of a capitalist state. Only with the annexation of Fiji by Britain in 1874 was one constituted, and with that the transition to a capitalist society was completed. Turning, then, to the details of that transformation, we begin by examining the structure and contradictions of precapitalist Fiji.

1. STRUCTURE AND CONTRADICTION IN PRECAPITALIST FIJI

Considerable gaps exist in our knowledge about conditions in Fiji prior to contact with Europeans. Most of the written material is concerned with either the remote past, particularly the original peopling of the islands, or the
post-contact era. Little is known of the intervening period, which Thomson, displaying the ethnocentrism and paternalism typical of many of Fiji's early historians, described as "the centuries which lie between the age of myth and the age of history". It is, as Williams concurred, "necessarily obscure".

One major reason for this is that the early Europeans were overly struck by what was the outstanding feature of Fijian society, the widespread warfare, and it was that which figured most prominently in the early historical writings. Later official accounts, too, were not altogether free of that bias; the inordinate amount of attention which they devoted to warfare is illustrated, for example, by the tribal histories which are preserved in the records of the Native Land Commission. They are full of accounts of turmoil and although peaceful interludes are also recorded the overriding impression of precapitalist Fiji which they project is one of social upheaval. To some extent that was inevitable given that the oral sources on which they were based were replete with tales of hostility and unrest. What is inexcusable, however, as France correctly points out, is the error of supposing that the normal condition of precapitalist Fiji was that described in the tales. And that that was not necessarily the case is suggested, for example, by the extensive genealogies of the "hill tribes" of central Viti Levu which Brewster documented. They tell of times when "fighting was unknown and a profound peace prevailed". And yet the error persists, as the following recent statement bears out:
Questions can therefore be raised about the view that warfare was endemic in Fijian society. On the other hand, it is nonetheless true that by the time the first Europeans settled in Fiji, the country was caught up in a state of violence and unrest. That, above all else, was the country's outstanding feature so that, for the purposes of our discussion, the major significance of the wars is that they gave clear expression to a process of structural transformation. Our task is to provide a materialist explanation of that transformation and why capitalism, upon its entry, was able to influence the course of events and eventually come to predominate.

Precapitalist Fiji was composed of small and relatively autonomous social groupings which have been referred to variously as tribes, chiefdoms, kingdoms and states. The use of labels such as these underlines the way in which the early writers on Fiji were preoccupied with appearances, and in particular the diverse forms of social organisation. They saw the societies in terms of their degree of 'stratification', level of political development and so on. But in addition to the diversity, they also recognised that exploitation of commoners by chiefs was a universal phenomenon. And that was a class relation which they were unable to explain satisfactorily. Hamstrung by their focus on appearances, they could not see that social organisation was in fact the form that class relations took. Not surprisingly, therefore,
chief-commoner relations were explained in a functional way.

'Traditional' Fijian societies, the usual argument ran, were organised along 'communalistic' lines so that the relationship between chief and commoner had to be seen in terms of the unity and cohesion of the total society. Chiefs ruled because they provided protection for their subjects but chiefly power in turn depended on the support of the commoners. To ensure the continuing support of their subjects, therefore, the chiefs had to demonstrate caring and concern, and that took the form of returning to the community a portion of material tribute paid to him by his subjects. By doing that his prestige was enhanced and his subjects reciprocated with respect, deference and loyalty. In that way, the cohesion of the society was maintained.

The problem with this kind of explanation is that it is idealist. It says nothing about the material basis of chiefly power. A chief's concern for his subjects could not sustain him physically. He needed food, clothing and shelter. But those material requirements were produced not by himself but by his subjects - about that there is no disagreement. The critical question, therefore, is how did the chief appropriate material wealth and why was he able to do it? To answer that question requires an understanding of the dynamics and material basis of class relations. To that end we first describe the class structure and the system of social organisation, and then we explain how the former assumed the appearance of the latter.

Precapitalist Fiji was a class society and, very broadly, the class structure was as follows. Below the
chiefly class came the executives (sauturaga) and spokesmen (matanivanua), the priestly class (bete), the warrior class (bati) and then various classes of occupational specialists - carpenters, canoebuilders, artisans, fishermen and so forth. At the bottom was the labouring class which consisted of the commoners and the slaves, the latter being people who had been captured in battle. What, then, of social organisation?

Much confusion about the nature of social organisation has arisen from the work not only of western anthropologists but also of colonial state functionaries, and Rusiate Nacacakalou's writings are an admirable effort at correcting their mistakes. The details and complexities of the subject are well covered in his works so what follows is the barest outline. Apart from the family, which was the basic unit of production, the constituent units of the social structure were as follows. At the village level the "elemental" patrilineal descent groups, tokatoka, were combined to form the primary division of the village, the mataqali. Mataqali which shared a common ancestry to an ancestor god formed yavusa and the various yavusa within particular localities combined to form a wider body politic, vanua. The latter in turn were joined, often by conquest, to form the widest political unit, matanitu ('state' or 'government'). How, then, did social organisation hide class structure? The key to our explanation is the mataqali.

As the primary division at the village level, the mataqali served as the major determinant of a person's place in the wider social structure. One resided in a village but one's place in the broader structure was determined by the
mataqali to which one belonged. Why was that so? The answer lies in the particular function that, historically, came to be associated with particular mataqali. As the first male descendants of the original ancestors (who subsequently became deified) branched out and formed their own families, they assumed responsibility for one of the various chiefly functions that previously had been concentrated in the hands of their forefathers. And as the number of such families grew and formed themselves into mataqali (and in turn yavusa), each one eventually became the traditional custodian of that particular function. In the course of time, therefore, there emerged within a fully developed yavusa five broad categories of mataqali, each one exercising a distinct function. Those Derrick identified as follows: the chiefly (turaga), executive (sauturaga), diplomatic (matanivanua), priestly (bete) and warrior (bati) mataqali.  

Several points about this historical development can be made. First, the functional classification described here corresponds very closely to the class structure outlined earlier. Second, all five mataqali functions had to do with the exercise of power. Necessarily, therefore, the actual custodians of those functions were not the mataqali as such but rather the mataqali chiefs. Finally, functional specialisation among the mataqali did not mean that mataqali were of equal rank - lower ranking mataqali chiefs deferred to higher ranking ones. In addition, therefore, to the fundamental class contradiction between chiefs and commoners (which we discuss in detail presently) there was also a secondary contradiction between chiefs of unequal rank and power.
What emerges from all this is that class relations took on the form of social organisation. With the mataqali occupying central place in the system of organisation, it acted as the basis for individual identification and attachment, and because of that class relations became submerged. Respect and deference were of course accorded the mataqali chief, but his subjects' prime attachment was to the group; one belonged to the mataqali, not the turaga ni mataqali (mataqali chief). And it was that attachment to the group which served to hide class structure. Class relations, therefore, were mediated through, and took the form of, the system social organisation.

It remains now to explain the broad dynamics of class relations. How was the material wealth of the society produced and distributed? How, in other words, was the pre-capitalist mode of production constituted?

The concept mode of production is defined in terms of the forces of production (techniques) and the relations of production (distribution and control of the means of production), and the articulation between the two. Relations of production are determinant. Narayan has described the pre-capitalist mode of production in Fiji as a "subsistence mode of production". A major weakness of his description, however, is that it fails to capture the critical fact that precapitalist Fiji was dominated by chiefs to whom tribute was paid. Samir Amin's concept of the "tribute-paying mode of production", on the other hand, captures better the conditions in Fiji and is therefore adopted here. For the sake of convenience his term is abbreviated to the tributary
mode of production.\textsuperscript{14} This mode, Amin says, is operative in a "village community in which there is a social and political apparatus for the exploitation of the community through the exaction of tribute". Two elements are central to this concept: first, the underlying mechanism of exploitation and second, the social and political forms which it takes.

Knowledge of production relations in precapitalist Fiji is sketchy, but it is possible to reconstruct a picture that contains at least their basic structural characteristics. The productive forces were not highly developed, and working implements and land were the main means of production. The former, on the whole, were the property of the individual but they were also subject to the powerful, socially-sanctioned practice of kerekere. The full significance of kerekere will be discussed later, but essentially it was a form of customary borrowing that carried an obligation to reciprocate sometime in the future when the need arose.

Land was the most important means of production and although there appears to have been a small degree of private 'ownership'\textsuperscript{15}, it is clear that the predominant practice was for it to be held collectively. Land immediately contiguous to a family home was the exclusive preserve of the family members but all land beyond that immediate area was held collectively by the wider social unit to which the family belonged. In general, the landholding unit was the mataqali, (although there were exceptions\textsuperscript{16}) and access to mataqali land was secured through the consent of the mataqali chief. Control over land, therefore, was the material basis of chiefly power.
The family was the basic production unit. Households were responsible for the production of their basic subsistence needs and productive activity was undertaken by all able-bodied members. Superimposed on household production, however, was a society-wide division of labour that in turn determined the various classes of occupational specialists identified earlier. They, together with the labouring class of commoners and slaves were the productive workers. Very importantly, however, the various occupational specialties were also associated with particular mataqali. And because members of the labouring class belonged, and were seen to belong, primarily to a mataqali, it is clear that classes were fragmented and organised along mataqali lines. The critical importance of mataqali as the means by which class structure was hidden behind social organisation is thus demonstrated. The next question that needs to be considered has to do with the distribution of material wealth, but before doing that it is necessary first to say something about exchange.

Although households were responsible for the production of their basic subsistence needs, there were some material requirements for which they were dependent on the labour of others. Considerable time was spent on growing basic root crops like taro and cassava and also on fishing. For other necessities, however, a fair degree of reliance was placed on those who specialised in producing them. Examples include masi (traditional cloth), salt, and various household articles. And it is in that light that practices like kerekere and solevu (intervillage ceremonial exchange) need to be under-
stood. These forms of exchange - occasional borrowing which required reciprocation in the future and organised exchanges between villages - were the means by which households could secure items which they either could not produce or could not produce in sufficient quantity. It is clear, therefore, that the importance of these exchanges lay in the fact that they were central to the satisfaction of material needs. In other words, what was exchanged was use values.

Often, however, the function of exchange has been misunderstood and, as a result, distorted and ideological views of social relations in precapitalist Fiji have been presented. In view of their critical importance, it is not surprising that institutionalised practices like kerekere and solevu occupied such a central place in Fijian society: great importance was attached to "giving", prestige was largely a function of "generosity", and "group-giving" was often highly competitive. By focusing largely on exchange relations, therefore, it is relatively easy to get the impression that Fiji was a fairly egalitarian, "group-orientated" society. But to see the society in that way, i.e., to see exchange as an economic leveller, as Laura Thompson, for example, does, is to confuse exchange with distribution. Struck by the apparent generosity of the exchanges, she cannot see that some actually got more than others. Nor could she understand how and why that was the case. Relations of distribution, in other words, were often masked by relations of exchange, and it is because writers like Thompson focus on appearances that they serve to perpetuate the whole ideology of 'traditional' Fiji as a group-
orientated, accommodative, sharing, caring and co-operative society. Such a view is ideological precisely because it serves to blind us from, or at the very least confuse us about, class relations of distribution. How, then, was wealth distributed? In particular, how was the surplus of the producers appropriated by the non-producers?

Surplus extraction took the form of lala whereby chiefs not only commanded certain types of labour but also were given the best produce. As Williams put it:

> In Fiji, subjects do not pay rent for their land but a kind of tax on all their produce, besides giving their labour occasionally in peace, and their service, when needed, in war ... 18

As has been shown, control of land was the material basis of chiefly power. Land was allocated through the consent of the chief and in return material tribute was paid to him. The payment of chiefly lala, then, was the mechanism through which surplus was appropriated and was, therefore, the visible form of the basic class contradiction between the producers on the one hand and the non-producers on the other. The latter, of course, included not only the chiefs but also his functionaries - the executives, spokesmen, priests and military. Chiefly lala therefore had to be applied to their maintenance also.

That, then, was the fundamental contradiction in pre-capitalist Fiji and it is there that the origins of warfare lie. In order to support themselves and their functionaries, the chiefs appropriated the surplus of the producing classes. And especially with increasing numbers, exploitation increased, and that in turn intensified the underlying class contradic-
tions. In that kind of situation, increased tribute could be secured either by simply making greater demands on the producers or by military conquest - or both. War, however, entailed the additional burden of having to contend with rival chiefs who themselves were faced with precisely the same problem.

So a secondary contradiction was superimposed on the primary one. It is in those terms, therefore, that the 'tribal' wars need to be understood. But how were the chiefs able to get away with all this? How, in other words, was chiefly dominance legitimised? The legitimating mechanisms were ideological and political; that is, chiefly power was mediated through ideological and political forms of dominance and control.¹⁹

The ideological basis of chiefly power was mana, or spiritual authority. A chief's mana derived from a special relationship which he claimed to have with an ancestor-god, and by virtue of the spiritual authority so bestowed upon him, he was tabu, i.e. sacred. Placed above mere mortals, he was accorded the greatest respect, a respect which had as one of its critical dimensions the belief that manual labour was beneath the dignity of his position. Such work was meant for mere men and women, not chiefs. Charged with the divinely-ordained task of ruling over and ensuring the welfare of the society, the chiefs were not meant to engage in the physical drudgery of producing food, clothing and shelter. Those were the tasks of lesser people whose obligations stretched to ensuring that the material requirements of their rulers were met.
The process of surplus extraction, however, need not cause too much stress so long as there was relative abundance and the demands made upon the producers were not intolerable. But that kind of situation could not exist for long and inevitable underlying class contradictions would produce tension and conflict. In order to stave off crises, therefore, some inbuilt mechanism of class containment was necessary. Means had to be found whereby the inherently exploitative nature of the system of social relations could be hidden. A part of the solution to that problem took the form of partial redistribution: a portion of the appropriated surplus was returned by the chiefs to their subjects. Through that mechanism the chiefs were deemed to have demonstrated their 'caring' and 'concern' and, consequently, their prestige and mana were secured and class antagonisms blunted - but only until a crisis threatened otherwise.

Mana, then, was the ideological form through which chiefly power was mediated. It legitimised chiefly appropriation of surplus, but so as to blunt class antagonisms, a portion of the surplus was returned to the producers. That partial redistribution, therefore, served simultaneously as a mechanism of class containment and as a buttress for the ideological basis of chiefly power - mana. That is how such redistribution needs to be understood and not in the idealist way that writers like Thompson do. In Thompson's version, failure to effect such a redistribution meant that chiefs ran the risk of "losing face". But what Thompson cannot see is that loss of face was only the surface appearance of a more serious penalty - the possible loss of power and material
well-being. And that brings us to the political form of chiefly power.

As exploitation of the producers became increasingly problematic for the chiefly class in terms of maintaining both their power and the lifestyle to which they were accustomed, the only other option open to them was the forcible subjugation of other societies. That of course had the disadvantage of having to contend with rival chiefly classes who were themselves confronted with precisely the same sort of internal contradictions. On the other hand, the fruits of victory were usually great - additional land would be secured and the number of tribute-paying subjects increased. But in addition to that, success in battle also enhanced the victorious chief's reputation as a protector, and by exploiting that reputation he could consolidate his power. Military prowess, then, became the political form through which chiefly power was mediated.

Before we take up the question of warfare, there remains one final aspect of social relations in precapitalist Fiji that needs to be considered - their apparent diversity. Most of the early writers believed that Fiji consisted of societies which, although broadly similar, were apparently different in certain fundamental respects; hence the various labels - tribes, chiefdoms, kingdoms, states. Unable to go beyond the level of appearance, those writers could not uncover the underlying class structure. And as for the diversity which they were so struck by, it was, I would argue, the manifestation of the conditions of existence of tributary production relations.
Under any mode of production, relations of production are determinant. However,

determinate relations of production cannot be specified without an explicit or implicit reference to certain effects of other relations and social practices. And those effects which are necessarily implicated in the specification of determinate relations of production can be called the conditions of existence of those relations.\(^{21}\) (original emphasis)

Determinate production relations in precapitalist Fiji, therefore, need to be specified with reference to their conditions of existence, and the argument advanced here is that those conditions were expressed in the diverse forms which tributary production relations took. In other words, that diversity expressed the particular conditions existing in different regions, conditions which in turn specified the particular form that tributary production relations assumed in those places. In what, then, did that diversity consist? Only four dimensions will be considered here: differences in ecological environment, social stratification, political organisation and land tenure practices.

With over three hundred islands of varying size scattered over a large area of ocean space and covering a wide range of ecological environments, it was inevitable that regional differences in social arrangements would emerge. The way in which production was organised would necessarily differ and that would in turn give a particular shape or form to the system of social relations. But the underlying structure remained the same throughout, for all Fijian societies were class societies dominated by chiefs.

Differences in 'social stratification' are illustrated
most clearly by those which existed between the eastern part of the group, on the one hand, and the west and interior of Viti Levu, on the other. Stratification was more highly developed in the east and in large part that was due to the much stronger Polynesian influence there than elsewhere. The eastern region had a much longer history of contact with Polynesia, particularly Tonga, and over the years new goods and skills were introduced. That had the effect of expanding the range of productive activity, raising the level of the productive forces, and aggravating uneven regional development in the country. But the Tongans also brought military skills and technology which often were superior to those existing in Fiji, and in time Tongan chiefs, notably Ma'afu, established themselves in positions of power. With all that, in addition to the introduction of Tongan hierarchical divisions, it is not surprising that eastern Fiji became more highly stratified than other regions. In western Viti Levu, for example, it appears that emphasis on rank was rather less marked and even less so among the hill 'tribes' of the interior. Of the latter, Brewster, for example, argues that "under the old patriarchal system", although members of the clan were expected to die for it and sacrifice themselves, when necessary, for the chieftain, "all men were free and equal, and tyranny and oppression not to be born with". The latter claim is surely exaggerated but it does seem that hierarchical divisions were not as great in the interior as they were in the eastern part of the country. But these were merely differences of degree. Whichever the region, all Fijian societies were class ones. So what was different was...
the form of class relations, not the substance.

Related to this were differences in political organisation. Whereas the lower-level social units, i tokotoka, mataqali and yavusa, existed universally, the wider political groupings, vanua and matanitu, did not. By the time of capitalist penetration, matanitu in particular were peculiar to eastern Fiji, and by way of contrast, the largest stable political unit in Nadroga in western Viti Levu was the vanua, and in the interior hill country it was the yavusa. But these regional differences can be explained in large part by the greater Tongan influence in the east and also by the relative isolation of the west. With the densely-forested Nakauvadra Range running north-south down the middle of Viti Levu, contact between east and west was low. The resulting uneven development, therefore, simply expressed regional differences in the form but not the substance of social relations. Western societies, like eastern ones, were class societies ruled by a chiefly class.

Finally, there is the matter of land tenure. Variations in land tenure practices have been well documented and although the predominant practice was for land to be held by the mataqali, there were exceptions. In some places, for example, it was held by i tokotoka. Moreover, it appears that there were regional differences in the understanding of these notions. During an interchange at the 1878 meeting of the Council of Chiefs (a creation of the colonial state), for example, confusion arose over the precise meaning of the term mataqali, and out of the disagreements, France drew the following conclusion:
it seems to have been generally agreed that the word was known in all parts of the group, and that it denoted a descent group of a greater or lesser order of inclusiveness. But its exact limitations were imprecise...29

But these differences notwithstanding, the fact remains that land was held collectively and, more importantly, that it was controlled by the chiefs. Regional variations in landholding practices, therefore, were simply expressions of the way in which specific regional conditions determined the particular form that the system of class relations took. Everywhere the chiefs controlled the land. So again only the form of social relations was different, not the substance.

The diverse forms that class relations in precapitalist Fiji assumed, then, need to be understood as the conditions of existence of those relations. Beneath the diversity was a class structure whose inherent contradictions set the country on a trajectory of structural change, the visible manifestation of which was warfare. Limited, however, by their inability to distinguish appearance from essence, the early writers saw those conflicts as 'tribal warfare'. Rather, therefore, than identifying class contradictions as the basic causes of the wars, factors such as chiefly ambition, greed, revenge and jealousy were advanced as explanations. But to criticise those writers in this way, is not to suggest that the factors which they identified were unimportant. At a certain level of explanation they clearly were. But our task is to get beneath the details in order to identify underlying causes. Our focus, in other words, has to be the strongest tendential forces that produce structural change and not the
details that surround the particular form that those forces take at the level of concrete reality. At that level of analysis, the wars become the visible manifestation of the underlying antagonisms between opposing class forces - antagonisms which are acted out at the level of concrete reality by the agents of the respective class forces. And so to the wars we now turn.

2. PRECAPITALIST FIJI IN TRANSITION

It is believed that Fijians originally settled in the north of Viti Levu and oral sources tell of two early streams of migration from the northern coast of Viti Levu, one sweeping down towards the south-eastern coast, the other across the strait to the second-largest island, Vanua Levu. Subsequent migrations outwards, together with waves of migration from Tonga, led to the peopling of the smaller islands in the east and south of the group. Considerable intercourse, mainly in the form of exchange of goods, existed between the various communities but there is little evidence of early expansionism, and it was not until the eighteenth century that the very first signs of power concentration on a large scale began to emerge.

Some time in the early years of the eighteenth century, an event "that was destined to have a tremendous influence on the political destiny of the islands" occurred. There appears to have been a "major upheaval" among the inland communities of Viti Levu and although there is no hard evidence, nor even a tradition, which might throw some light on its causes, Thomson does speculate that the need for new
lands might have been the main reason.\textsuperscript{33} With little else to go on apart from that, explanation becomes difficult. But Thomson's speculation is not altogether implausible, especially in view of our earlier discussion of class relations in precapitalist Fiji. It is possible to retroduce back from 'the need for new lands' to underlying class contradictions as the basic causes of the upheaval.\textsuperscript{34}

The upheaval caused an outward migration towards the southern coast of Viti Levu, and among the emigrants were members of the Bau tribe who settled on the south-east coast between the leading societies of that region, Rewa and Verata. The Bauans were renowned for their fierce independence and military prowess and soon they were continually at war with their neighbours. But to explain that conflict in terms of Bauan courage and military skill would be to mistake appearances for underlying causes. Wedged as they were between two established societies, it was inevitable that the Bauans would impinge upon the wealth of their neighbours, particularly their land. They had, after all, to secure the material means of their subsistence and that necessarily entailed taking from others. No doubt their courage and military skill contributed greatly to their success, for by the middle of the nineteenth century Bau had become the political centre of eastern Fiji. But the underlying cause of their military adventures was the need to acquire their material requirements and beyond that to contain class contradictions emanating from both within their own society and from without.

Similar struggles were also being waged in other parts of the country, and for essentially the same sorts of reasons.
They too left their imprint on the changing face of Fiji politics. But in the flux and fluidity of eighteenth century Fiji, the outcome of war was largely indeterminate: "insignificant states waxed to importance; leading states suffered eclipse or waned into obscurity and servitude". And it was not until the following century that large and powerful political groupings appeared. When that happened the more powerful chiefly classes were better able to contain the class contradictions inherent in their own societies and also those arising from their relations with rival chiefs.

Thrown, then, into turmoil by the expansionist designs of rival chiefly classes anxious to contain class contradictions, Fiji at the turn of the century was caught up in a process of profound social change. From a country that previously consisted of many small and relatively autonomous class societies, it was being transformed into one composed of a few but relatively large class societies. With the advent of capitalism, the transitional struggles had not yet come to a determinate conclusion, and in an attempt to bring them to such a conclusion, assistance was sought by various chiefs from the agents of capitalism. At it was precisely through the interventions of those agents, that capitalism was able, upon its entry, to condition the internal contradictions that were still being worked through, and eventually subjugate them to its own.

Very briefly, then, that was the situation in Fiji in opening years of the nineteenth century; but in order to have a better understanding of the impact of capitalist penetration, it is necessary first to show what caused it.
3. THE GROWTH OF CAPITALISM AND THE 'DISCOVERY' OF FIJI

Contrary to what the history books tell us, Abel Tasman did not discover Fiji in 1643; his 'discovery' was simply the first reported sighting of the island group by a white man. But that it was a turning point in Fiji's history is beyond question, for it marked the beginning of a series of events which would transform the country into a capitalist one and at the same time effect its incorporation into the international capitalist system.

At the time that Tasman sailed into Fiji waters, Western Europe was still at the stage of merchant capitalism, and another one hundred and fifty years or so were to elapse before it made the transition to the next stage in its historical development - industrial capitalism. In order successfully to make that transition, however, all sorts of conditions had to be met. Of those, four were critical: the availability of an initial pool of capital; access to cheap sources of raw materials and labour; the availability of markets; and the development of science and technology. Driven largely by requirements such as these, the ruling classes of Western Europe embarked on a journey of international expansionism that led eventually to Fiji's 'discovery' and beyond that to its transformation into a capitalist society. This is the background against which the capitalist penetration into Fiji needs to be understood and which we now examine in a general way.

Around the fifteenth century, the western centre of international mercantile trade shifted from the Mediterranean to the Iberian peninsula, thus marking the beginning of
Europe's ascent to commercial prominence. A hallmark of that development was the so-called 'voyages of discovery', adventures which at first were led by people like Columbus, de Gama and Magellan and which left in their wake a bloody history of robbery, piracy, slavery and conquest. For the Spanish and Portuguese ruling classes, however, the voyages meant immense wealth and so it was that the process of primitive capital accumulation among the European merchant classes was given a major boost.

By the seventeenth century economic dominance had passed to the Dutch and as they sought to consolidate their commercial superiority, they too set out on a course of vigorous expansionism. Intent upon making the kind of vast fortunes which their Spanish and Portuguese predecessors had reaped before them, the Dutch took to the seas and headed towards the East Indies and beyond that to the Pacific. In the course of that imperialist drive the Council of India, which was the Supreme Council of the Dutch East Indies at Batavia, commissioned Abel Tasman to undertake a "voyage of 'discovery and exploration of the unknown and known South Land', the south-eastern coast of New Guinea, and the islands in these seas". That mission led to Tasman's sighting of Fiji. Bad weather and treacherous reefs, however, forced him to leave the island group without making contact with the Fijians. Unable, therefore, to provide the Dutch authorities with concrete evidence of Fiji's potential as a lucrative source of wealth, his 'discovery' was, as Derrick puts it, "coldly regarded [by them]". It is not surprising, therefore, that by 1650 they "had come solidly to the conclusion
that the best way to make money ... was to concentrate on the wealth of India and the East Indies".  

About one hundred and thirty years were to pass before Europeans would encounter Fiji again, and that the next ones were English was not purely coincidental, for by the end of that intervening period two major and related developments had occurred in Europe; first, England had mounted a successful challenge against Dutch economic hegemony and, second, the transition from mercantilism to industrial capitalism had been effected.

In the intense commercial rivalry that developed between England and Holland, measures like the English Navigation Acts of the early 1650s proved critical for English fortunes in that they provided increased protection against Dutch competition. But they also had another effect, one which was to have profound consequences for Fiji and other countries which soon became victims of Perfidious Albion. Shielded by the increased protectionism, the volume of English trade grew and so too did English shipping, the two reacting on each other. And as this growth gathered momentum the tentacles of English mercantile imperialism spread further and further - westwards to the Americas and the Caribbean, southwards to Africa, eastwards to Asia, and beyond that to Oceania and Fiji. That outward push roughly coincided with the centuries during which Western Europe made the transition from mercantilism to industrial capitalism. When the new era set in, the impetus which motivated and sustained the continuing outward thrust increasingly took on a new form as the former search for mercantile profit gave way more and
more to the needs of industrial capitalism. Imperialist expansion in the new epoch in other words, was guided by a new imperative, and with England showing the way, its maritime adventures were put increasingly at the service of English industrial capital.

By the end of the eighteenth century several major developments in Western Europe had laid the foundations for the emergence of industrial capitalism. In Britain, for example, the enclosure movement sparked off a massive exodus from the rural areas which led in turn to the creation of a class of urban unemployed workers. In addition to this ready supply of cheap labour was the availability of a pool of initial capital which had been accumulated by various sections of the European ruling classes, the size of which owed much to plunder which resulted from the earlier voyages of "discovery". Purchasing raw materials, equipment and labour power, the owners of capital put these to work and appropriated the profits; capitalist production relations were thus constituted.

But the growth of capitalism depended critically on finding new and more efficient methods of production. Capital was therefore applied to the development of science and technology and the fruits of that investment are illustrated clearly by the way that the invention of the spinning jenny and the steam engine revolutionised the capitalist production process and made it immensely more profitable.

Capitalism, however, is inherently exploitative because workers are paid less than the value of the commodities which they produce for the capitalist. The underlying
class conflict, therefore, is a matter of concern to the capitalist. At the level of the immediate production process he is generally able to contain that conflict but at the society-wide level he is not. And it is in that light that the capitalist state needs to be understood. It performs the critical function of instituting political and ideological forms of class organisation and containment at the level of the wider society. So that, for example, constraints are placed on political activity and these are justified in terms of the various pillars of bourgeois democracy - respect for private property, freedom of the individual, sanctity of contact, the rule of law and so forth.

The emergence of the capitalist state was therefore critical for the development of capitalism, and that, together with the various advances in the productive process, meant that the conditions were ripe for a new form of economic activity - large-scale manufacturing. So with the cornerstones in place, the way was clear for the emergence of industrial capitalism and the free and unfettered pursuit of private profit. In the field of international trade the impact of the new order was most clearly evident in the attempt to dismantle trade barriers, and the protectionism characteristic of the mercantilist era was increasingly superceded by both the ideology and the practice of free trade.

In the struggle among capitalists to secure for themselves a greater share of the enormous profits which the new order promised, competition was rampant and fierce. And in the frenzied and cut-throat rivalry, resort was made to all
sorts of methods to cut costs and maximise profits. England dominated the capitalist world but its continued hegemony depended very critically on its ability to find markets for its products, secure cheap raw materials for its factories, and maintain its technological advantage. And it was largely to these ends that its imperialistic adventures were geared.

To be properly understood, Fiji's next encounter with Europeans needs to be seen against this background for it explains, in particular, why it was that the next white men, James Cook and William Bligh, happened to be English. The former's scientific voyages were essentially part of the wider English effort to stay at the forefront of science and technology,1 and it was on one of those expeditions that, after exploring the coast of Aotearoa (New Zealand) and Australia, he sighted Fiji in July 1774. He failed, however, to make contact with the Fijians, but during one of his stays in Tonga he met William Bligh whom he informed about Fiji. Bligh, on returning from an assignment to collect breadfruit in Tahiti, sailed into Fiji waters in May 1798 but hostile Fijians and bad weather prevented him also from making contact. So, as with Tasman and Cook before him, circumstances conspired against Bligh's attempt to explore the islands fully and chart them accurately. Despite their failure to make contact, however, what these men succeeded in doing was to put Fiji on the global map, an achievement that ultimately was the product of capitalist development in Europe. More ships were soon to follow and so too the inevitable contact with Fijians. When that finally occurred around the close of the eighteenth century, Fiji's long isolation from the West
came to an end and immediately ahead lay the beginnings of its transformation into a capitalist society. The immediate causes of the impending transformation, however, are to be found not in the heartland of industrial capitalism but in the emergent colonial capitalism of Australia to which it gave rise.

4. THE ORIGINS OF CAPITALIST TRANSFORMATION

Not long after its emergence in England, industrial capitalism's inherently contradictory and exploitative nature began to surface. It was expressed most graphically in the brutalisation of the human person: inhuman working conditions, abuse of child labour, widespread poverty, disease, illiteracy and so forth. Not unexpectedly, the level of crime increased and a part of the attempt to cope with the problem was the occupation of Australia in 1788 and its use as a penal colony. Although intended primarily as an experiment in convict settlement, the occupation brought with it elements of the emergent capitalist order in England which, in the course of the subsequent "hard-fought struggles and grinding labour", set the basis for "colonial capitalism and an expanding white settler society." The birth of Australian colonial capitalism marked the beginning of a process that was to determine in a most fundamental way the trajectory of development in Fiji.

By the beginning of the nineteenth century merchants had pushed the level of trade between Australia and China to a significant level, and it was that trade which ushered in the first stage of capitalist penetration. Soon after the
turn of the century, the schooner **Argo**, on its return voyage from China with cargo bound for Australia, was wrecked on a reef in Fiji and some of its survivors are believed to have been the first white men to live among Fijians. They were joined soon afterwards by survivors of other wrecks and also "deserters, marooned sailors and derelict scourings of the ports of the Old World". A survivor of the **Argo**, Oliver Slater, had seen sandalwood growing on the coast of Bua Bay in Vanua Levu and later took news of it to Port Jackson, New South Wales, and as the news spread the onrush of fortune-seekers quickly set in. Ships from Port Jackson, Calcutta and the New England ports of America soon arrived in increasing numbers and, because sandalwood was eagerly sought in China, Fiji soon became integrated into the growing triangular trade between China, the Pacific and the north-west coast of America. Sandalwood was an extremely lucrative object of trade: profits averaged 600% but rose much higher in the peak years of 1808 and 1809 and the ruthlessness and unscrupulous practices of the visiting traders have been well documented.

A major consequence of the sandalwood trade was the introduction of firearms, the means of violence and repression without which the successful penetration of capitalist relations would not have been possible. Charles Savage, a survivor of the wrecked sandalwood ship **Eliza**, managed to salvage some of the ship's supply of arms and introduced them to the chiefdom of Bau. The effect that this had on the face of Fiji politics is a matter of some dispute. One school of thought takes the view that it intensified internal warfare,
leading eventually to Bau's rise to prominence. Peter France challenges this and argues instead that rather than radically altering the balance of power between the native chiefdoms it served merely to consolidate the influence of those chiefs who had already established themselves in positions of power. The debate will no doubt continue and whatever the merits of the opposing views it is certainly the case that firearms added a whole new dimension to the process of transformation that was already in motion. For the fact remains that the rival chiefly classes turned to the early Europeans for assistance both in the form of firearms and in the actual conduct of battle.

Although the sandalwood trade lasted for only ten years, it opened the way to the larger trade in beche-de-mer. Demand for the sea-slug among the wealthy classes in China was great and although its existence in Fiji had been known for some time, the more lucrative sandalwood trade meant that its exploitation on a large scale had to await leaner times. As Derrick put it, "sandalwood was too profitable for captains to concern themselves with collecting and curing [the sea-slug]." But with the lull which followed the collapse of the sandalwood trade attention shifted increasingly to it. More and more ships, especially from the New England ports, arrived and by 1829 the trade in beche-de-mer reached new heights. Around that time too whaling in Fiji waters had developed into a sizeable and profitable activity dominated largely by whalers from Port Jackson and New England. By 1840, however, both whaling and the trade in beche-de-mer had gone into a state of decline. But by then Fiji was already
caught up in a process of capitalist transformation.

Working largely through the chiefs, the traders were able to secure their labour requirements. For the sandalwood trade, trees had to be felled, cut to size and transported to the ships, and the procurement and curing of beche-de-mer was a highly organised activity often involving upwards of three hundred people. Engaged thus in a labour process that was motivated by private profit, Fijians were drawn for the first time into the capitalist wage relation. Labouring under the constant supervision of white overseers, they had their first taste of capitalist discipline and because the scale of operations was such that absence from the village stretched into months, it was inevitable that tributary production relations came under stress. Capitalist relations, in other words, were beginning to condition the precapitalist ones.

That influence was not extensive, however, and Narayan's assessment of it is contradictory. First he claims that "the Fijian social structure underwent a drastic and irreversible change" but later he says that "the influence of [the early] trades did not penetrate deep enough to affect the production and organisational behaviour of the major part of the Fijian population". Neither of these positions is correct. Tributary production relations, as has been shown, were indeed affected but not to such a degree that there was a 'drastic and irreversible change'. The argument advanced here, therefore, is that while those relations were significantly affected during the early states of capitalist penetration, nevertheless they clearly remained dominant. The sandalwood trade lasted only about ten years and was confined
to certain parts of the group. And as for the trade in beche-de-mer, after its peak in the forties it went into relatively quick decline and soon only a desultory trade in the sea-slug was continued. Now had those activities produced 'drastic' changes, they should have been evident even after the activities dropped off. But in the period between then and the sixties, the level of export-oriented economic activity fell and Fijian intercourse with Europeans was confined to their dealings with a very small resident white community that consisted primarily of merchants and missionaries. (In 1860 the white population was about "thirty or forty"). In that interval, the tributary mode of production was not headed towards disintegration nor had it become subordinate to the capitalist one. The former, in other words, although clearly affected by the early stresses was able successfully to withstand them. Moreover, the next assault on it resulted not so much from the lingering effects of the early trade but from the attempt at constituting a capitalist agriculture in the sixties. This is not, however, to underrate the importance of the initial stages of capitalist penetration. All that is being argued here is that it was not until the sixties that the capitalist mode of production began to assert itself over the precapitalist one. And only in the colonial period would it come to predominate.

In the period of the sandalwood and beche-de-mer trades, then, capitalist production relations made their entry. But that period of plunder also saw the implantation of the political and ideological forms of capitalist relations and it was in those areas that capitalist penetration
had its greatest visible impact. And by the time tributary production relations were next subjected to attack, this time more systematically, the transformation of their political and ideological forms was well advanced. It is to the origins of that change that we now turn.

Despite the influence of people like Savage, the task of transforming the political and ideological forms of dominance in precapitalist Fiji could not be undertaken solely by the early survivors. Dependent as they were for their very survival on Fijian beneficence they were forced to conform to local custom and practice, and so the first systematic attempt at transformation had to await the arrival of first the traders, then the missionaries and later still the successive waves of white immigrants. Once the process of transformation began, however, the early survivors played a facilitating but nonetheless crucial role because of their command of the Fijian language and their knowledge of indigenous customs. In their capacity as interpreters for and agents of the traders they explained to the Fijians not only the trading methods of the visitors but also the capitalist's system of payment for labour. And in so doing, they expedited the process of exposing the Fijians for the first time to the fundamentals of capitalist production. In the tributary mode of production, items like sandalwood and beche-de-mer had only a use value. Now production relations based on exchange value was being introduced. As France observed:

Traditional economics had been based on public displays of largesse and the open acknowledgment that goods or services had a specific value attached to them was foreign to Fijian ideas.
In respect of labour too a new practice was introduced. In precapitalist Fiji, as has been shown, work was undertaken to meet subsistence needs, communal obligations and tributary dues. Now, however, it was being undertaken as part of an agreement in which compensation was to be made. Initially payment was made in kind; later it would take the form of money.

In order to consolidate capitalist production relations, the foundations of their political and ideological forms were also laid. In that exercise, missionary activity was critical. Upon their arrival at Lakeba on 12 October 1835, Fiji's first missionaries, William Cross and David Cargill, were promised a piece of land and temporary houses by the local chief. After selecting a site outside the village and having the villagers build their homes on it they duly set about erecting fences around it. The importance of that act lies in the fact that it represented a fundamental challenge to the tributary mode of production. It marked the introduction of the bourgeois practice of private ownership. Here before Fijian eyes was the first visible symbol of the new order - private ownership. But more was yet to come.

Believing that the Fijians were locked in a state of spiritual darkness and unredeemed depravity, the missionaries, with great zeal, plunged themselves headlong into the task of rescuing the natives, an exercise that entailed a concerted attack on local religions. This was to have two unintended consequences of fundamental import for the wider process of superstructural transformation. On the one hand it hastened along the secularisation of traditional authority, a process
which was already in motion before the missionaries arrived and which was in large part the result of the introduction of firearms,\textsuperscript{56} and on the other, it led to the first attempt at establishing bourgeois government and law.

Because of their pivotal role in the Fijian politico-religious system, it was against the priestly class that the thrust of the missionary attack was directed. One effect of this was the gradual erosion of the spiritual basis of chiefly power. Traditional chiefly authority, as has been mentioned, rested largely on mana, or spiritual power. And because the priests were the only ones capable of imposing limits on chiefly mana, any successful attempt at discrediting them would effectively dilute the chief's spiritual prestige also. That, precisely, was the effect of the missionaries' attack against the priests. With the chiefs' mana now increasingly threatened by the missionary effort, the ideological basis of chiefly power was increasingly undermined. With that achieved, the possibility of introducing bourgeois government and law was heightened.

In the long term, the success of the missionary effort hinged critically on the establishment of bourgeois law. Christian morals, after all had to be enforced. To that end the missionaries sought to secure for the church a place at the highest levels of the indigenous system of "stratification", an objective which they achieved with some distinction in the eastern areas of the country.\textsuperscript{57} With that success behind them they drew up 'rules for civil government' at Viwa in October 1847, and realising the necessity of chiefly approval, the intention was that the rules be "recommended to Christian
chiefs as soon as it appeared expedient to do so". The whole exercise did not, however, meet with success. Nevertheless, the very existence of the rules did prompt a few initial experiments in bourgeois legal procedures. More importantly, the introduction of bourgeois legal concepts served the critical function of 'legalising' land dealings, and it was in the 1840s that they were applied in that way for the first time - a development that added fuel to the increasing rate of land alienation that reached new heights in the 1860s.

These, then, were the first attempts at constituting the political and ideological forms of capitalist relations. Presently we shall see how the agents of capitalism sought to build upon those early efforts, a task that would become increasingly urgent as they set about constituting a capitalist agriculture.

5. CAPITALIST AGRICULTURE AND CLASS FORMATION

By the end of the 1850s the European community was still small and the major economic activity was merchant trading, although a few were engaged in coconut planting. Capitalist agriculture, therefore, effectively did not exist prior to the sixties and it was not until then that it took root. The American Civil War produced world wide cotton shortages which in turn prompted industrial capital in Britain to search for alternative supplies from other parts of the Empire. Cotton was already being grown in the country but its economic potential was not known. At the request of the Manchester Cotton Growers' Association, therefore, the
Secretary of State for the Colonies commissioned the services of a botanist, Berthold Seeman, to investigate the potential of Fiji cotton. Seeman's favourable report, together with rumours of impending annexation from Britain sparked a sudden influx of white settlers from Australia and New Zealand, an influx that soon developed into a "rush" when a trade depression hit Australia in the late sixties.\(^61\) In addition to aspiring capitalists these waves of immigration also brought fugitives from justice and other undesirables.\(^62\) With their (often limited) capital, then, they came in search of land and labour and in the course of the cotton boom of the sixties, the foundations of a capitalist-dominated export-oriented agricultural economy were firmly cemented.

The boom lasted for only about five years and in that time cotton overtook coconut products as the main export commodity. In 1864, for example, coconut oil and fibre brought in £15,350 as against £3,260 for cotton. Three years later, however, these figures changed dramatically to £3,260 and £34,004 respectively.\(^63\) Proportionately, this represented for coconut a drop from 77.5\% to 8\% of total export earnings compared with an increase from 15.2\% to 85.1\% in respect of cotton.\(^64\) But more than the increased level of income, the sudden massive expansion in economic activity that came with the cotton boom had more far-reaching effects on the social formation. In Legge's words:

The development of planting upon a large scale drew with it the paraphernalia of commerce - the establishment of trading houses, which not only provided the mercantile services of the community but also acted as credit institutions, financing the extension of planting; the growth of a busy harbour; the appearance of a small
professional community, and the rest. This was very different from the commerce in native produce which had been carried on before the planting development began, and represented rather the equipment of a vigorous young society [in which] Levuka ... became the thriving centre of the commercial activities of the group.65

Plantation and commercial capital,66 then, along with a small professional class, had made their entry and it was the activities of these groups that was to shape the course of Fiji history until the colonial period. Capitalist relations thenceforth began to assert themselves and the pressures they put on the tributary mode of production were more than the Fiji chiefly class were equipped to deal with.

The vast increase in land alienation during the sixties had been well documented67 and so too the often unscrupulous practices of plantation capital as it went out in search of labour.68 Fijian labour was secured primarily through deals with the chiefs but the inadequacy of the supply, due in large part to a general reluctance on the part of Fijians to work in the plantations, forced planters to resport to the pernicious labour traffic from other Pacific Islands that came to be known as 'blackbirding'.69

In the jostling for land and labour, the moralism of the agents of capitalism was clearly shown. Intent upon securing the means of production that were necessary for capitalist agricultural production, they resorted to all sorts of practices and "acts of tyranny" that earned for the white community the reputation for being the cause of the growing chaos and lawlessness. Yet that chaos itself heightened the settlers' sense of insecurity for it put serious
stress on the production process. Capitalist production, they realised, depended for its success on political stabil-
ity, the existence of a legal system that was premised on
the principles of private property, contractual obligation
and so forth, and the existence too of law enforcement
agencies. And the struggles over the vital question of land
ownership demonstrates this very clearly. As Peter France
observed:

The planters' fences, armed labour and 'No Tres-
passing' notices gradually forced upon Fijians
the realization that land had an intrinsic value
and could be 'owned'. The man of property who
'saw from his window nothing but his own' had not
evolved in the indigenous cultures of the Pacific
Islands and there was no traditional appreciation
of the inviolability of his boundaries. As
European notions of real property were slow to
take root among Fijians, there was an increasing
demand from the planters for European instit-
utions of government to keep them in absolute
possession.  

If capitalist relations were to become dominant, then
order had to be created and a system of law introduced. A
proposal was therefore made for the establishment of "a
native government aided by the counsels of respectable
Europeans". (emphasis added) There soon followed three
attempts at constituting bourgeois government and law - in
1865, 1869 and 1871. Plagued with suspicion, hostility
and conflicting interests, and based as they were on constitu-
tional principles that were manifestly inappropriate for
Fiji at that time, it was inevitable that all three would
fail - and they did. More important, however, is the fact
that all three experiments were geared towards the exclusive
protection of white settler interests. Plantation capital
figured rather more prominently than commercial capital in
the first two attempts but with the collapse of the cotton industry following the sharp drop in the London cotton price in 1870, commercial capital rose to dominance. As Derrick put it, "the political centre of gravity shifted from the country to the town". But despite this inter-capitalist struggle for dominance, the bonds that held them together remained firm. This is demonstrated very clearly by the response of their 'Cakobau Government' to the difficulties that plantation capital was experiencing in securing cheap labour. The Cakobau Government of 1871, which lasted for two years, was the last of the three capitalist attempts at constituting bourgeois government. It was called the Cakobau Government because Ratu Seru Cakobau, the paramount chief of Bau and the man who 'ceded' Fiji to Britain in the following year, was installed as its figurehead.

Mounting pressure from Britain, then, compelled plantation capital increasingly to abandon its abusive labour practices, which included the use of forced labour and slaves. Confronted, therefore, with the need to find new and more acceptable methods of coercing Fijians into wage employment, the Cakobau Government introduced poll and labour taxes and other sorts of labour arrangements. Although the tax system was a useful means of raising finance, clearly its main objective was to draw Fijians into the capital-labour axis. As Roth put it:

Under the government of Cakobau ... the system of taxation of Fijians had been not so much a revenue measure as a means of providing labour for white planters ...
6. CRISIS AND STATE FORMATION

As each of the successive attempts at forming a government failed, capitalist anxiety and desperation intensified and by the end of the Cakobau Government, the devious and disreputable practices of the settlers had given rise to an intolerable situation and caused the Governor of New South Wales to make the following assessment:

... the present constitution of Fiji is [unsuitable] to the conditions existing in these islands, and it is hopeless to expect that any government established on such principles could ever be able to protect from oppression and spoilation the native population of the country ...

More pointedly:

The white settlers are striving to subvert the King's Government, so as to reduce Fijians to serfdom and a feud has begun by Her Majesty's subjects whose principal object is to kill off the Fijians and acquire by murder, treachery and fraud their lands.

They were, he concluded:

... incapable of exercising the privileges of self-government with justice or with any regard for the welfare of the great bulk of the population.77

By 1873, then, the situation had deteriorated to such a point that annexation by Britain was all but inevitable. Trade was at a standstill, the country verged on bankruptcy and the level of discontent had reached new heights.78 Up to this point the British state had been reluctant to colonise Fiji. An offer to cede a part of Fiji was made by the Tui Levuka in 1855 and was repeated a year later. Cakabou made an offer of the whole group in 1858. But because Fiji did
not promise the kind of economic or strategic advantage that might have merited annexation, all the early offers were declined. 79

At the level of appearance, annexation by the British state in 1874 was a response to the chaos and instability caused by British subjects in Fiji. 80 The zenith of British colonial expansion had passed and there was a reluctance to take on new responsibilities, especially if that entailed incurring costs which would not be greatly outweighed by whatever advantages annexation might bring. 81 On the other hand, however, liberal opinion in Britain forced the British state to act in a way that was consistent with the 'benevolent' image it had created for itself. When, therefore, the chaos wrought upon Fiji by British subjects became more than the ideology of benevolence could withstand, the British state accepted Cakobau's offer of cession in January 1873, and on 10 October 1874 the Deed of Cession was signed.

All this, however, is at the level of appearance. Beneath that level lay the real causes of annexation. Private capital in Fiji was predominantly Australian and as early as the 1860s attempts were made, in defence of those interests, to secure British annexation. 82 And the new influx of Australian capital in the early seventies - the "rush" of 1870-1871 - heightened the need to constitute a capitalist state in Fiji. The failure of the early attempts at doing that threatened the continued viability of capitalist relations in the country. It is no coincidence, therefore, that as when the level of instability increased in the early seventies, the representatives of Australian capital took up
the cause of annexation with renewed vigour. Quite simply, the successful consolidation of capitalist relations in Fiji depended critically on the formation of a capitalist state there. It is in those terms, therefore, that the annexation of Fiji needs to be understood, and it was justified by the ideology of British benevolence.

With the process of state formation complete, the way was open for the completion of the transition to capitalist dominance. Ahead lay ninety-six years of colonial rule and an economy dominated by Australian capital.

Before we take up the colonial period, however, the process of capitalist transformation in Fiji will now be reviewed. Not only will that yield a useful bird's-eye view, it will also bring into sharper focus the way in which the dialectics of capitalist penetration underlined the necessity for a capitalist state.

SUMMARY: CONSERVATION-DISSOLUTION OF MODES OF PRODUCTION

As has been argued, at the time of contact with Europeans, Fiji was gripped in a process of profound structural change. Internal warfare gave violent expression to the internal contradictions that were responsible for the transition from a social formation consisting of small independent units to one composed of large socio-political groupings. Contact, firearms, trade and missionary activity conditioned both the internal contradictions that the tribal wars expressed and the outcome of the wars themselves. And the more
economic activity was organised along capitalist lines, especially with the onset of a capitalist agriculture, the more the indigenous tributary mode of production became subordinated to the capitalist one. It is in this sense that the argument was advanced that capitalism was able upon its entry to condition the internal contradictions of the indigenous society and subsequently to subjugate them to its own. The dynamics of change in this period, in other words, had to do fundamentally with the dialectical struggle between the capitalist and the tributary modes of production. And in Bettelheim's notion of conservation/dissolution of modes of production is to be found a useful tool for understanding the transformations occasioned by the penetration of capitalist relations.

Bettelheim distinguishes social formations in which the capitalist mode of production is predominant from those in which they are not. In the latter formations, although other modes of production predominate, "the main tendency is not to the dissolution of the non-capitalist modes of production but to their conservation-dissolution".\(^8^4\) (original emphasis) By this is meant that non-capitalist forms of production are "'restructured' (partly dissolved) and are thus subordinated to capitalist production relations and so conserved".\(^8^5\) This broad theoretical account of the impact of capitalist penetration into non-capitalist social formations is similar to other (supposedly) marxist ones. Taylor, for example, conceptualizes it in terms "displacement" while others speak in terms of the "articulation" or "combination" of modes of production.\(^8^6\) The superiority of Bettelheim's notion (and
Taylor's), however, stems from the fact that, unlike the others, there is intrinsic in it the idea of struggle, dominance and control. Combination, for example, simply suggests a coming together, and articulation merely connotes interaction. Intrinsic in neither is the idea that with the introduction of the capitalist mode of production into a non-capitalist formation there is, necessarily, a tendency towards supercession and dominance. The notion of conservation-dissolution implies precisely such a tendency and that is critical, for inherent in the capitalist mode of production is an imperative for expanded reproduction, an imperative that entails removing, wherever possible, obstacles that impede or obstruct the pace and course of capitalist production. And in the struggle for supremacy, the capitalist mode of production has everywhere and historically been confronted with internal forces that have, sometimes successfully, sometimes not, resisted it. What emerges at first, therefore, is an initial transitional period in which the contending modes seek to assert themselves through the struggles of their class agents. Out of the transitional struggle, Bettelheim says, eventually emerges a social formation in which the capitalist mode of production predominates. At that stage the predominant tendency becomes the "dissolution of the other modes of production and [the] subsumption of their agents to capitalist production relations". Note that the tendency is only a predominant one for, as Bettelheim says, it is "combined with [the] secondary tendency, that of conservation-dissolution". (original emphasis) In other words, the tendency towards conservation-dissolution that is characteristic of transitional formations
now becomes secondary to the tendency towards dissolution. It persists even though it is no longer predominant.

On the basis of this kind of analysis, the following periodisation can be made. The Pre-Capitalist Period covers the few centuries or so before contact during which Fiji was locked in a process of structural transformation that had its origins in the internal contradictions of the indigenous tributary mode of production. Following this is the Period of Capitalist Penetration. It spans the period from "contact" to about the early 1860s during which the contradictions of the tributary mode of production were conditioned by the introduction of capitalist relations and became increasingly subordinate to them. However, the tributary mode, although 'restructured' to a degree, nonetheless remained predominant and transformation in this period was greater, visibly, at the level of the political and ideological forms of capitalist relations. In Bettleheim's words, the predominant tendency during this period was towards the conservation of the tributary mode. In the Period of Transition (from the mid-1860s to the early 1880s, approximately), however, that tendency began to give way to the predominance of the capitalist mode. By the time of Cession in 1874, the transition to capitalist predominance was not yet complete and it was precisely the failure of the agents of the capitalist mode of production to consummate that transition that paved the way for intervention by the British state. In the next chapter we show how colonial state policies, despite their moderating effect on that transition, nevertheless allowed it to proceed. And with the establishment of the sugar industry in the 1880s.
the transition was completed and the capitalist mode of production became dominant. The fourth period, then, the Period of Capitalist Dominance, runs from about 1880 onwards but before taking up the colonial period it is necessary to concretise further what might appear to be a somewhat laboured and theoreticist analysis. In particular, it needs to be fleshed out by feeding back into it the broad outlines of the dynamics of class relations.

The balance of class forces in Fiji just prior to Cession was delicately poised. Firearms, missionaries, traders and later commercial and plantation capital had all left their mark on the contours and outcomes of indigenous warfare. Eventually a matrix of chiefly power emerged in which Bau, led by Ratu Seru Cakobau, was clearly the dominant power. Its dominance, however, did not extend over the whole country - the west and interior of Viti Levu in particular lay outside its domain. This absence of chiefly hegemony and the concomitant persistence of chiefly rivalries created space for capital. But the latter depended for its survival on the support of chiefs and so alliances of sorts were forged. The relative weakness of these alliances was demonstrated vividly by the failure of the various attempts at forming a 'national' government. And it was on the establishment of a strong central state which it could dominate that capital depended most critically for its survival and success. In a situation, then, where no single class or class alliance was able to predominate, a power vacuum was created and that, together with various conjunctural factors, opened the way for external intervention and ninety-six years of colonial
state power. The Fijian commoners, for their part, remained as they had always been - an exploited class of producers. Increasingly, however, their place in the production process changed; from tribute-paying subjects they become predominantly peasant producers, and to a lesser extent wage labourers. Apart from occasional stirrings that were suppressed by the colonial state, therefore, their history was predominantly one of labouring under indirect forms of exploitation. And it was precisely because their exploitation was not visible, the appearance was created that they were 'protected' by the colonial state. The reality, however, was different, as we shall see in the next chapter where we examine the structure of colonial capitalism in Fiji. To that we now turn.
PART TWO

COLONIAL CAPITALISM IN FIJI 1874 - 1960
In the previous chapter the argument was advanced that by the time of Cession the predominance of the tributary mode of production was beginning to give way to the capitalist one. Had that transition been allowed to follow its course and come to fruition without external intervention by the British imperialist state, the character of the Fiji social formation might have been rather different. In that respect, annexation was important precisely because early colonial state policy exerted a moderating influence over the transition to capitalist dominance.

If the transition were to follow its 'natural' course, the consequences for the Fijian commoners at least might have been disastrous. As the main victims of capitalist agents intent upon consolidating capitalist relations in the country, they might well have been reduced to landless peasants and proletarians. At that particular historical conjuncture, however, the possibility of such an outcome was considered much too inconsistent with the whole ideology of Pax Britannica. It is not surprising, therefore, that the perpetrators of violence and chaos in Fiji were identified as lawless "British subjects" rather than as lawless agents of capitalism. British 'benevolence' thus served as a ready and expedient ideology with which to justify external intervention in order that the Fijians might be 'protected'.

The purpose of this chapter is to outline the structure
of colonial capitalism in Fiji, and the myth of protection provides a useful starting point for our discussion. We begin, therefore, with a treatment of that question as a prelude to our analysis of Fijian productive activity and class formation in the early colonial period. That will be followed by an analysis of the sugar industry and the chapter concludes with a discussion of exploitation in the colonial economy.

1. THE IDEOLOGY OF PROTECTION AND THE MYTH OF FIJIAN MARGINALITY

Arthur Gordon, Fiji's first substantive Governor, instituted what has come to be known as the "separate" system of native administration. In Chapter VII I describe the nature of that system but its relevance for the present discussion has to do with the way in which it has been understood. The myth perpetrated by colonial historiography, that the system of native administration served to protect the Fijians, lies at the heart of the received wisdom, and that it continues to hold sway is demonstrated, for example, by this recent statement from Premdas:

> by virtually establishing a state within a state, the Native Fijian Administration protected ... the Fijian.¹

The argument will be advanced later that rather than being a means of protecting the Fijians, the native administration needs to be understood as the colonial state's response to the question of social control. The natives were 'administered' under a 'separate' system because that was the most effective method of containing potential indigenous
dissent and rebellion against colonial rule. And it is that apparent separateness which lies at the root of the confusion about the place of Fijians in the productive process.

Among liberal social scientists there has emerged the somewhat critical view that, politically and economically, the system of native administration effectively "marginalised" the Fijians - as a race, it needs to be emphasised. So that in MacNaught's works, for example, they were thrust from "the mainstream to the millpond". The pluralist perspective which runs through the various versions of this argument has thoroughly dominated writings on Fiji, and its major effect has been to obscure the dynamics of class relations that lie behind the inequality and exploitation that is so evident. Moreover, in the process of doing so, it has, because of its reliance on racial categories, served to perpetuate the predominance of racialist ideology, that highly effective smoke-screen behind which are hidden the underlying causes of Fiji politics. Writers who are victims of pluralism include Norton, Mamak, Premdas, Ali, Meller and Anthony, Milne, Lal and the leading exponents of the 'dual economy' thesis - Fisk, Burns, Spate, Watters, Belshaw and Desai.

In broad outline, the dualist thesis argues that as a result of the system of native administration, Fijians were largely confined to the 'subsistence sector' where they languished under unprogressive traditional practices and therefore were unable adequately to participate in the 'monetary' or 'commercial' sector. The price of marginality, the argument runs, has been their lack of economic and political success as they were overrun by their more
'competitive' European and Indian counterparts. To be sure, attempts have been made at isolating subgroups within these racial categories, but that is what they have invariably remained - subgroups. The demands of open and critical scholarship have of course yielded the mandatory references to class, but pluralism nevertheless reigns supreme. Little wonder therefore that, in the most fundamental way, Fisk's 'holy trinity' - Fijian land, Indian labour and European capital - still informs and guides a misguided debate.  

The concept of the subsistence economy remains rather vague but essentially it refers to a subsector of the economy which is organised along so-called traditional lines and which is, in some (presumably meaningful but unspecified) sense, separate from the other subsector, the commercial one. The explanatory impotence of this kind of approach derives ultimately from its theoretical inadequacy. Moreover, its various applications to the Fiji case have suffered additionally from an ability to make any empirical or theoretical sense of particular aspects which do not appear to conform to the model. And because this approach has so predominated among writings on Fiji, it needs to be confronted so that its inferiority to an historical materialist approach can be exposed.

The argument has been made that the colonial state, confronted by ideological pressures, was forced to adopt policies which were supposed to provide protection for the Fijians. That, however, meant limiting production and therefore state resources. Compelled, therefore, to find ways of increasing production, efforts were made to attract overseas
investors. As a consequence, the early 1880s saw considerable infusion of Australian capital and a massive growth in sugar production. Until then, however, the colonial state was forced to rely on existing production, and essentially that meant copra, cotton and other minor commodities for the export market.

With the continuation of that pre-Cession pattern of production, the transition to capitalist dominance was allowed to continue. But it was also moderated significantly by state policies which interrupted the flow of labour. Plantation capital's need for labour was severely frustrated by the effect of the 1875 measles epidemic (about 40,000 Fijians died in the early months of that year alone). The situation was compounded further by the system of native administration, and also particular state policies which were designed to restrict the flow of Fijian workers. That the latter were not totally successful is suggested by the fact that up to about 2,300 Fijians were employed by 1882. Clearly, therefore, capitalist pressures remained powerful despite the constraining effects of the colonial state's 'protective' native policies. And the strength of those pressures is further indicated by the enactment of the Native Labour Ordinance of 1883 as a response to capital's growing need for Fijian labour on the copra plantations. Before the passage of the Ordinance, however, the transition to capitalist dominance was already completed.

By 1879 sugar production was already underway in Fiji but by that time too the question of labour had become increasingly problematic. In the tragic aftermath of the
1875 measles epidemic, Fijian numbers had fallen and, also, indigenous resistance to plantation work was mounting. When it became clear, therefore, that an adequate supply of labour for the sugar industry could not be secured from local sources, Gordon, drawing on his experience in Trinidad and Mauritius, effected a solution which in one stroke completed the transition to capitalist dominance and at the same time changed the form (but not the content) of capitalist production relations.

His solution to the labour problem took the form of a massive importation of indentured workers from India which, over the course of 37 years between 1879 and 1916, brought in 60,965 people. That produced the displacement of Fijians by Indians as the major group at the exploited end of the capital-labour axis. Wage labour was now predominantly Indian rather than Fijian; the form, not the content, of the wage relation had changed.

In the subsequent near-total dominance of the sugar industry, Fijian involvement in the wage relation became proportionately less than that of their unfortunate Indian counterparts. And it is that racial displacement, compounded by the supposed marginalising effect of the system of native administration, which seems to be the source of the confusion which plagues the dual economy thesis. What the dualists have failed to see is that the displacement described here did not entail a rupturing, nor even a radical alteration, in the nature of Fijian links with the now predominant capitalist mode of production. Their objective positions as
producers and non-producers remained essentially the same and, as we shall see shortly, as that changed they became even more subordinate to capitalist relations. Fijian ties with the capitalist mode of production, in other words, were not weakened, let alone severed, and yet that is precisely what the notion of the subsistence economy implies. Their greater subordination can be demonstrated in the first place by the fact that Fijians continued to be employed as wage labourers - even if in fewer numbers than Indians. In 1884, for example, about a quarter of all able-bodied adult Fijian males were employed in plantations, and in the years beyond the number of Fijian wage labourers increased further still as they found work outside of the sugar sector.

But there are two additional aspects of Fijian subordination to capital which dualists, and pluralists generally, have failed to grasp and which explain their inability to understand how tributary production relations can actually be subordinate to capitalist ones even though they might appear to be quite separate. The first is this: to the extent that, for the reproduction of their labour power, Fijian wage labourers relied, in addition to their wages, on the fruits of the unpaid labour of the large reserve army of relatives and friends operating under tributary production relations, so that extent the cost of labour to capital was effectively subsidised. With free supplies of food and other items from the village, it was not necessary for capital to pay Fijian workers the full value of their labour power. Moreover, in the absence of any organised labour pressure, capital was not really forced into paying the full cost of labour power.
Wages, therefore, could be and were kept low. But all of this is lost to those who remain captive to pluralism; they cannot see that hidden in the wage relation are mechanisms that allow capital to subordinate apparently separate, and supposedly unrelated, non-capitalist production relations to its needs.

The second aspect further underlines the theoretical bankruptcy of the pluralist paradigm. The dialectical relationship between the capitalist and the tributary modes of production is not confined to the level of production. Fijian links with the capitalist mode were not limited to wage work but were also mediated through relations of distribution and exchange. It is simply not the case that all Fijians relied totally for all their requirements, material and otherwise, on the outputs of the tributary mode. From capital they bought clothes, food, work implements and so forth. Granted, the degree of Fijian involvement at the level of circulation may have been rather limited initially, but it certainly did not remain so for long.

What all this points to are the continued and uninterrupted links between capitalist and tributary production relations. There are no separate sectors, only a continuing dialectical relationship between two modes of production which, with the establishment of the sugar industry, was altered in two major respects, but neither of which has been adequately understood by pluralists and dualists: first, there was a qualitative change whereby the transitional tendency towards the predominance of the capitalist mode of production, which had its origins in the cotton boom of the
sixties, was completed; and second, the racial character of the labour force changed from being predominantly Fijian to become predominantly Indian - this was a change only in the form of capital-labour relations.

Bourgeois social science has been fooled by surface phenomena such as the small number of Fijian farmers, the absence of Fijian businesses and the supposed Fijian lack of 'entrepreneurship' into believing that Fijians have been 'marginalised' from the 'cash economy' and therefore need to be 'drawn back in'. The confusion clearly stems from the failure to distinguish agents (people) from their positions (producer/non-producer/consumer) in a system. Fijians were never 'left out'. They had always been 'involved' in the system of capitalist relations by virtue of the positions which they occupied in the sphere of production or circulation or both. Rather, therefore, than not having been 'integrated', they were not integrated enough - precisely the same sort of argument is made by radical women about the mythical 'exclusion' of women from the development process that male social scientists are so fond of talking about.

Quite clearly, then, the pluralist approach cannot provide an adequate theorised account of the dynamics of capitalist penetration in Fiji. Handicapped severely by the absence of any notion of the dialectic and a pretence at being able 'objectively' to explain developments in Fiji, it has fallen consistently into the trap of supposing that an economy can be meaningfully broken up into separate cocoons. Its inability to make adequate theoretical and empirical
sense of the changes which have been described here thus lies exposed. Blinded by the very 'apparent' system of native administration, Fijian 'marginality' is then explained as an effect of that system rather than the wider process of capitalist penetration. The continuing viability of capitalist relations depends very critically on political stability and therefore adequate social control. It is in that light that the native administration needs to be understood; social relations in Fiji had to be restructured in order to provide an environment conducive to capital accumulation. We develop that theme more fully in a later chapter and turn now to the question of Fijian productive activity and class formation in the early colonial period.

2. FIJIAN PEASANTS AND SEMI-PROLETARIANS

In Chapter VII we discuss the way in which a certain section of the Fijian chiefly class came to constitute itself as a Fijian 'bureaucratic bourgeoisie'. As for the commoners, two broad classes can be identified - the peasants and the semi-proletarians. Peasants are here defined as people engaged primarily in subsistence production. Their integration into the capitalist productive process is mediated through two concrete forms: their status as a reserve army and their role in the reproduction both of labour power and capital. As a reserve army, they constitute a pool of employable people who can be hired and fired as the requirements of capitalists dictate. Even when they are not actually engaged in wage work, however, their subsistence production effectively
serves to reproduce their labour power which is then continually available to capital. And because subsistence activity is unpaid, the cost to capital of reproducing labour power is effectively subsidised. In addition to this, Fijian peasant production also contributed to the reproduction of capital for, as we shall see, they were coerced through tax obligations to produce various types of commodity capital for the colonial state.

Mao identifies various types of peasant but includes them all under one category - the semi-proletariat. Here, however, the latter is retained as a separate category and basically for two reasons: first, to denote the process of proletarianisation and, second, to indicate that that process was incomplete. Fijians were hired as wage labourers from the first decade of the eighteenth century and initially were paid in kind. Most of them, however, were engaged only in part-time or casual work and it was not until the growth of the sugar industry that the trend towards full-time wage employment really began to surface. With the establishment of the mining industry in the 1930s that trend gathered pace.

In the absence of statistical data, it is not possible to establish the size of the two classes of Fijian workers with any degree of accuracy. Some indication of the number involved in plantation work at various times has been provided but beyond that the picture is unclear. A further complicating factor is that it is often difficult in practice to sustain the distinction simply because most, indeed if not all, semi-proletarians reverted to being peasant producers when they were not engaged in wage work. These difficulties
aside, the significance of these classes in terms of their place in the wider process of capitalist production can be readily established.

Fijian worker involvement in capitalist production in the period up to Cession has already been discussed. Following the demise of the sandalwood and beche-de-mer trades, Fijian labour was employed in copra production on European-owned estates. The cotton industry of the 1860s drew many Fijian workers to the cotton plantations but with its collapse they were again concentrated in the copra estates. That was the situation at the time of Cession and it was to persist for many more decades.

As an indication of the importance of Fijian labour in the early years of the colonial economy, figures for export earnings can be cited. In 1878, for example, the combined export earnings for copra and cotton were £142,194 compared with a mere £18,640 for sugar.13 And as Table 4.1 below shows, it was not until 1883 that sugar surpassed copra as the main export commodity.

Until such time as sugar established itself as the backbone of the colonial economy, then, copra and, to a lesser extent from 1877 onwards, bananas, would remain the most important commodities. The problem, however, was that at the time of formal colonisation they were not producing enough to meet the financial requirements of the colonial state. A critical question of the time, therefore, was how to increase production. A method had to be found which was politically acceptable, given the ideological constraints under which the colonial state was forced to operate. The
Table 4.1  Sugar and Copra Exports as Percentages of Total Export Earnings 1871-1885

<table>
<thead>
<tr>
<th>Year</th>
<th>Copra £</th>
<th>%</th>
<th>Sugar £</th>
<th>%</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td>1875</td>
<td>40,058</td>
<td>51.5</td>
<td>3,417</td>
<td>4.4</td>
<td>77,806</td>
</tr>
<tr>
<td>1876</td>
<td>46,226</td>
<td>57.2</td>
<td>10,433</td>
<td>12.9</td>
<td>80,786</td>
</tr>
<tr>
<td>1877</td>
<td>79,865</td>
<td>69.9</td>
<td>16,170</td>
<td>14.2</td>
<td>114,222</td>
</tr>
<tr>
<td>1878</td>
<td>122,764</td>
<td>83.6</td>
<td>18,641</td>
<td>12.7</td>
<td>146,845</td>
</tr>
<tr>
<td>1879</td>
<td>61,967</td>
<td>46.8</td>
<td>26,687</td>
<td>20.1</td>
<td>132,514</td>
</tr>
<tr>
<td>1880</td>
<td>109,758</td>
<td>61.7</td>
<td>20,920</td>
<td>11.8</td>
<td>177,912</td>
</tr>
<tr>
<td>1881</td>
<td>87,084</td>
<td>66.7</td>
<td>23,254</td>
<td>17.3</td>
<td>130,534</td>
</tr>
<tr>
<td>1882</td>
<td>66,672</td>
<td>40.8</td>
<td>58,587</td>
<td>35.8</td>
<td>163,435</td>
</tr>
<tr>
<td>1883</td>
<td>81,772</td>
<td>25.5</td>
<td>175,555</td>
<td>54.8</td>
<td>320,183</td>
</tr>
<tr>
<td>1884</td>
<td>69,642</td>
<td>20.7</td>
<td>218,224</td>
<td>65.0</td>
<td>335,646</td>
</tr>
<tr>
<td>1885</td>
<td>64,390</td>
<td>20.1</td>
<td>211,729</td>
<td>66.1</td>
<td>320,504</td>
</tr>
</tbody>
</table>


The problem of securing labour was worsened by the measles epidemic and increasing Fijian reluctance to work, and yet overtly coercive measures could not be employed to bring more Fijians into the wage relation - they had, after all to be 'protected'. To resolve the dilemma, the colonial state introduced a system of "communal" taxation by which villages were required to pay their taxes in kind, in agricultural produce. That system was preferred over the poll-tax system which was introduced by the Cakobau Government in 1871 because the latter, as Gordon realised, would not yield much, especially with "a population nine-tenths of which possess[ed] no money". 14

The "communal" taxation system proved successful, for not only did it bring much-needed export earnings (£457,776
between 1877 and 1881, for example),\textsuperscript{15} it also boosted tax revenue. Between 1875 and 1879, for example, as the table below shows, it accounted for an average of 30\% of all total state revenue. Up to 70\% of native taxes were paid in copra\textsuperscript{16} and most of the copra and bananas were produced by Fijians.\textsuperscript{17}

Table 4.2 Native Communal Taxes 1875-1879 (£)

<table>
<thead>
<tr>
<th>Year</th>
<th>Native Taxes</th>
<th>Total Revenue</th>
<th>Native Tax as % of Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1875</td>
<td>3,499</td>
<td>16,255</td>
<td>21.5%</td>
</tr>
<tr>
<td>1876</td>
<td>9,343</td>
<td>38,524</td>
<td>24.3%</td>
</tr>
<tr>
<td>1877</td>
<td>15,150</td>
<td>46,688</td>
<td>32.4%</td>
</tr>
<tr>
<td>1878</td>
<td>18,178</td>
<td>61,021</td>
<td>29.8%</td>
</tr>
<tr>
<td>1879</td>
<td>19,885</td>
<td>67,771</td>
<td>29.3%</td>
</tr>
</tbody>
</table>

Source: F.E. Wilkins, Labour Problems in Fiji 1860-1940, p. 85.

Politically and ideologically, the system of communal taxation was the most expedient method of coping with the colonial state's financial needs. The Fijian peasants were not required to work for the planters and could produce their tax obligations as they wished. But for capital too, the system had its advantages. To the extent that the state's financial needs could be partly met through the peasants' taxes, the tax pressure on capital was correspondingly reduced. So in that way too peasant productive activity contributed to the reproduction of capital.

Towards the end of the nineteenth century, then, class transformation among the Fijians was quite advanced.
From a system of class relations based upon peasant production and the appropriation of tribute by the chiefly classes, the class structure was determined primarily by capitalist relations. A semi-proletarian class had emerged, and surplus peasant production was now appropriated increasingly by the colonial state. In Chapter VII we shall see how in the early years of the twentieth century fundamental attacks were made by the state on the payment of chiefly tribute. We will also see how those attacks were linked very closely to the other major dimension of Fijian class transformation - the emergence of the Fijian bureaucratic bourgeoisie. But for now we turn to the very foundation of colonial capitalism in Fiji - the sugar industry.

The sugar industry dominated the colonial economy and, as the following table shows, accounted, an average, of over 60% of total export earnings. Because of that dominance the struggles that were fought in the sugar sector had a fundamental influence on the wider class struggle. Sugar capital's dominance, together with its personal connections with the state apparatus, meant that it was able to deal directly with the colonial state and, therefore, there was no need to secure special representation in it. For the Indian workers, on the other hand, until they formed trade unions in the 1940s, such representation was absolutely vital as there were no other avenues through which they could realistically advance their interest. And it was that struggle for representation that dominated Fiji politics from about 1916
Table 4.3  Sugar Exports as Percentages of Total Export for Selected Years

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1885</td>
<td>66%</td>
</tr>
<tr>
<td>1890</td>
<td>74%</td>
</tr>
<tr>
<td>1913</td>
<td>73%</td>
</tr>
<tr>
<td>1923</td>
<td>75%</td>
</tr>
<tr>
<td>1937</td>
<td>65%</td>
</tr>
<tr>
<td>1948</td>
<td>55%</td>
</tr>
<tr>
<td>1958</td>
<td>64%</td>
</tr>
<tr>
<td>1965</td>
<td>71%</td>
</tr>
<tr>
<td>1970</td>
<td>65%</td>
</tr>
</tbody>
</table>

Sources: See Footnote 18.

to the mid-thirties. The dynamics of that struggle, however, can be fully understood only against a background of the material deprivation and exploitative social relations which spawned it.

3. STATE AND SUGAR CAPITAL: THE EARLY YEARS

With respect to economic policy, Gordon's attitude was shaped by the basic axioms of British colonial policy. One of these was that colonies should at the very least live within their means, the other that rapid economic development of a colony would automatically serve the interests of the empire and hopefully also its inhabitants. Moreover, there was the added belief that "the quickest way of developing a colony's resources was obviously to encourage the investment of European capital and the employment of native labour, subject (of course!) to reasonable safeguards to
protect the natives from exploitation".\textsuperscript{19}

The point has been made that because the level of production in Fiji at the time of Cession was insufficient to meet the colonial state's financial needs, attempts were made to attract foreign capital into Fiji. Gordon's faith in the white settlers in Fiji was clearly not very great. As he put it:

> It will require a new set of men to come in before there is any real properity in the colony. Most of the present holders of land will sell, and as is usual in all new settlements, the first-comers will be ruined and go to the wall.\textsuperscript{30}

Local Europeans would not do, but other Europeans might, and so he turned to New Zealand and, more importantly, to Australia in search of capital. The major result of his approaches was the entry of the Colonial Sugar Refining Company into Fiji.

In the early stages, the company was able to exert considerable leverage on the state. Land and labour would have to be available, so much depended on the state ensuring that would be the case. Resident white settlers had been pressing Gordon to ratify their claims to about 854,000 acres of land which they had alienated before Cession. Tied as he was, however, to his (supposed) commitment to the principle of the inalienability of native land, only 517 of the 1,683 applications were granted. On the other hand, the pressing need to attract foreign investment was growing ever more urgent. In that situation, he

> was determined that his land policy should not prevent the inflow of new capital, and that sufficient freehold land for plantation agri-
And so it was that the colonial state facilitated the acquisition of land for sugar capital. Examples of the early instances of state activity in that respect were the sale of 500 acres to Stanlake Lee & Co. and 1,000 acres to the CSR, both of which, moreover, as Moynagh argued, were clear violations of the principle of native land inalienability. Curiously, after having established that they were violations, Moynagh then rather timidly suggested that "perhaps" the sales reflected state sympathy for big business.

In the years to come more and more land was to be bought by sugar capital, most especially by the CSR, and invariably the supportive hand of the colonial state lurked somewhere in the background. Not always, however, for there were instances of Fijian resistance to the alienation of their land. In October 1905, for example, the CSR sought, with the assistance of the colonial state and one of its Fijian functionaries, Ratu Joni Madraiwiwi, to alienate some 7,000 acres of land at the back of Nausori. The landowners, however, successfully resisted.

The main point to be drawn from all this is that in the early years of colonial rule, the whole thrust of the colonial state's economic policy was to provide the conditions necessary for private foreign investment, most especially in the sugar industry. Land was made available and, as noted in the previous chapter, the state's response to the question of an adequate labour supply was the introduction of the diabolical system of indenture. Gillion's assessment of
the relationship between the colonial state and the CSR during these years is therefore clearly wide of the mark.

The critical importance of that relationship is beyond dispute, and because Gillion's assessment of it holds so much sway, a close examination of his views is necessary. The relationship, he said, was one of "mutual respect and partnership". On what grounds did he advance this argument? I quote him at length:

In these years the role of the C.S.R. Company in the determination of the policy of the Fiji Government was undoubtedly an important one, although it was not as great as it is popularly believed in Fiji today to have been. It is true that the company was directly or indirectly responsible for a considerable proportion of the colonial's revenues; that the government tried, insofar as was consistent with other policies, to meet its wishes in regard to labour, land, communications, and other matters; that on the local level there were many opportunities for the company's officers to influence government officials (intentionally or unintentionally); and that ... the company knew more about emigration from India than the Fiji Government and on occasion even made its own representations to the Indian authorities. Still the extent of the company's power should not be overestimated.

Before considering Gillion's particular reasons as to why the company's power should not be overestimated, it is necessary first to comment on the particular issues which he raises here. The crucial point that seems to have eluded Gillion is that if the CSR was to invest in Fiji, then conditions in the country would have to be attractive. More importantly, no party except the colonial state was in a position to provide those conditions. Granted, the state had certain 'obligations' to the Fijians, but if in meeting those obligations the state created an investment climate which was not very attractive, then it would have been forced into
deciding between discharging its obligations to the Fijians and foregoing potential overseas investment on the one hand, or, on the other, neglecting those responsibilities and drawing in the much-needed capital. As it turned out, however, the need for such a choice did not arise. Political stability had been largely achieved and sufficient land and labour could be provided without having to reverse its native policy. So the central point is that an inflow of new capital was what the colonial state actively sought. It could not afford, therefore, to jeopardise its chances of success by letting its native policy deter potential investors. Not did it. While, therefore, Gillion is correct in saying that the company "was prepared to work within conditions laid down by the government", that is not the crucial point. The point is that those conditions had to be, and were, made attractive enough for the CSR to come in and stay for nearly a century.

Now the basis on which Gillion argued that the power of the company should not be overestimated is the following: firstly, company policy was that managers should not sit in the Legislative Council; and secondly, the company "did not interfere in affairs which did not interest it". The first of these is discussed at length in the next chapter but, to anticipate, company officials were not allowed to sit in the Council simply because special company representation was not necessary. Indeed, as we shall see later, politically, it was against the company's interests to have separate representation. As for the second reason, Gillion elaborated by saying that the company's interest was in making profits and
not in running the colony. That kind of bourgeois thinking explains his apologetics. Running the colony and making profits were both parts of a single process. Rather like Poulantzas, Gillion is here implying that production relations are confined to the immediate production process when in fact they encompass social relations in their totality. For Gillion, wider social relations were not the concern of the company although "of course" there were some aspects of them that "interested it". Of particular importance were those state actions which for Gillion, constituted evidence that the company did not always have things its way. He gives the following examples:

the government refused on several occasions to meet its wishes over proposed land acquisitions, and imposed restrictions in immigration and labour matters once prosperity had returned to the colony [after the economic crisis of the late '80s/early '90s] and there was no danger of economic collapse. 29

Here again the limitations of Gillion's analysis shows through. The dynamics of struggle in Fiji was not confined to the state and the company. There were other forces at work which cannot be ignored - the vagaries of the international market, Fijian jealousy over their land, the growing pressure on the colonial state to get rid of at least the worst forms of labour exploitation, and so forth. So if the state acted against the interests of the company it was because the balance of forces in the wider class struggle allowed or forced it to do so. And that it never at any stage seriously jeopardised the company's operations is demonstrated most clearly by its reaction to the various threats that the company made to withdraw from Fiji. As
Moynagh argued:

Whenever officials felt that CSR might be forced to withdraw they would intervene - however reluctantly - to provide it with support.  

Gillion himself, in his second book, documented very well the reaction of the colonial state and the British imperialist state to the company's 1921 threat to withdraw from Fiji. And yet with all this evidence he still failed to see how it was that, on the whole, the state acted in the interests of the company. Moynagh too falls into the same trap. As a rider to his statement quoted above, he added this qualification: "on the other hand, the government never wanted CSR's interests to be paramount". Victims of empiricism, neither Moynagh nor Gillion were able to go beyond statements of intention nor use the evidence to understand and explain the real dynamics of the relationship between capital and the state, so that the best that they have to offer are empiricist explanations. And the problem is that they pose the wrong question, which is whether or not, observably, the state acted in the interests of capital. The real issue, however, is whether or not the state maintained the general conditions necessary for capital accumulation. And that it did.

It is quite clear, therefore, even on the basis of the evidence that people like Gillion and Moynagh provide, that the colonial state acted in the interests of the company. The whole burden of the foregoing discussion has been to show that this was the case from, and especially at, the beginning of the CSR's operations in Fiji. As Wadan Narsey put it, in what is by far the most penetrating and incisive analysis of
CSR from the beginning had the most powerful leverage on the Colony that it could possibly have - power over its survival.\textsuperscript{32}

And it had that power because of its sheer size in relation to total social output.

The onus of attracting foreign capital into Fiji, then, fell almost totally on the colonial state and, because that was the case, it was not necessary for sugar capital in the early years to rely on the support of local capital. A sufficiently attractive environment had been created and sugar capital was set to get on with the business of making profits.

The dominant faction of sugar capital, the CSR, knew well from its Australian experience that costs were usually greatest at the level of production. From the outset, then, the company was concerned to concentrate its activities as much as possible in the branch of the production process which not only was the most profitable but also which it had the greatest expertise in, i.e. milling. The dynamics of class struggle in the colonial sugar economy can therefore be understood through an analysis of how the company pursued that strategy.

4. THE PLANTATION SYSTEM

Initially the company had hoped to be able to rely for its supply of cane on planters already living in the vicinity of its mills. As it transpired, however, they were unable to meet all of the company's requirements, and so it was forced
to develop its own plantations on a much larger scale than it had originally intended and would have preferred. Nevertheless, an early start was made on the process of shifting the burden of cane production on to others. As early as 1890, it began leasing parts of its estates to some of its former plantation managers and "others possessed of some little capital", i.e. local Europeans, who in turn employed Indian labour.³³ Although initially slow, this process soon gathered pace and by the early 1900s the size of these non-company plantations ranged from 600 to 1,000 acres.³⁴ Other local Europeans soon joined these planters as cane suppliers but, unlike the latter, they produced on a subcontracting basis, and the land which they farmed was either owned by themselves or leased from other local European landowners. By about 1914, the plantation system was fairly well developed and although it was a success in terms of the company's broad strategy, it was also inherently contradictory.

Central to this strategy was the perceived advantage of spreading costs and risks. Economically it was beneficial in that it shifted the burden of labour control and minimising production cost from the company to the white planters. Politically, also, it seemed to hold some advantage, for by engaging local Europeans (who were well represented in the Legislative Council) in the industry, the company just might secure an additional line of defence in the colonial state. But in that, it was, to a very large extent, to be disappointed. What is more, it could hardly have been otherwise. Ranged as they were against each other as rival factions of the capitalist class, but with the company being much more
powerful than the planters, it was inevitable that the latter would resort to political means in an attempt to redress the balance. By the turn of the century, for example, the planters had become increasingly concerned about the kind of control which the company was exerting over their economic activities, and when planter pressure increased, the company threatened to withhold advances if the planters publicly criticised it. One of the planters' responses to that threat was to elect as their representative in the Legislative Council one J.B. Turner, a longstanding critic of the CSR.³⁵

But what, precisely, was the nature of the company control over the planters? For the company, the overriding consideration was the procurement of cane at minimum cost, as there was little that it could do about the price of sugar in the international market. To maximise its profits, then, it had to minimise the cost of cane, and its refining.

Over its own estates, it maintained a virtual stranglehold, the most unfortunate victims of which were, of course, the indentured Indian workers. Such direct exploitation of the planters, however, was not possible. Alternative and more subtle forms of control were therefore necessary, and the bluntest of these was the company's ability to determine the price of cane that it would pay. But it also had recourse to other methods which took the form of control over cultivation methods, tenancy agreements, rent charges and credit facilities. Through methods such as these, the company was able to ensure minimum costs and maximum profits. Its control over the planters was not absolute, however, and the planters' political clout was something it had constantly
to heed. But that notwithstanding, company control was sufficient to "realise the aim of getting cheaper supplies than had it grown the cane itself".  

So long as the company could maintain a high degree of control over the planters, then, the plantation system would be maintained, provided, of course, that ample cheap labour was available. In the end, that was the critical issue, so that when it became evident around the mid-1910s that the system of indenture was likely to end, the company was forced to change tack. The plantation was about to give way to the small farm.

5. THE SMALL FARM SYSTEM

As knowledge of the brutality of plantation life spread, international pressure against the indenture system intensified and in 1916 the last shipload of workers left India. The response by the CSR on the one hand, and the planters on the other, to the potentially serious labour shortage that would follow the end of indenture took different forms. Because the planters were much more dependent on it than the company, they openly agitated for the retention of indenture. But their importance as producers was rapidly decreasing, and eventually they lost. The company, on the other hand, responded by accelerating the restructuring of the production process. Forced by the threat of a labour shortage it decided upon the large scale settlement of Indians as tenant farmers. The company was now moving to expand, not establish, the small farm system for its origins lay way back in the mid-1890s.
From 1894, the company began leasing some of its land in relatively small lots - typically between 100 and 200 acres - to Indians who had completed their indenture. As the number of Indian tenant farmers began to grow, planter concern increased, for the Indian canegrowers were now direct competitors and threatened to do them out of business. As Gillion put it:

This rise of the Indian cane farmer was a pointer to the future of Fiji ... To the planters, the unindentured Indian was a potential competitor, who picked the eyes out of the land available for leasing and, with his frugality and industry, was a threat to cane prices.

It is not surprising, therefore that as early as 1903 there was unrest among planters who believed that the C.S.R. Company intended to replace the European planter with the small Indian farmer who could accept a lower price for cane, and some wanted a law passed to forbid Indians to produce except as paid labour.

History was to vindicate that view, for while the small farm system was, up to 1912, seen primarily as a means of augmenting the supply of labour in the plantations, from that year onwards it came increasingly to displace the plantation as the backbone of the industry. And with the cessation of indenture, the demise of the white planters was hastened along. The CSR would have preferred to continue buying its cane from the white planters because it doubted the capacity and reliability of Indians when working without supervision. Settlement of disindentured Indians, on the other hand, meant that the company would no longer be dependent on labour from India.

By 1912, then, as the threat of a labour shortage...
loomed large, the CSR turned its attention increasingly to the settlement of Indians as tenant farmers. The General Manager of the company wrote:

The only means by which the position could be rendered really secure would be to make the industry independent of immigration by permanently attaching to it the people introduced for plantation work.42

One of the early problems in settling the Indians had to do with their lack of security. Both in terms of assets and land ownership, it was so hopelessly inadequate that a state proposal for a scheme to provide financial assistance to allow them to establish themselves as farmers was held in abeyance pending the outcome of another suggestion, the leasing of Fijian land. Attempts to secure more Fijian land failed, however, and by 1918 the need for it no longer existed, for by then indenture had ended and the problem now confronting sugar capital was how to cope with the threat of an ever-growing labour shortage. About 3,000 indentures were expiring each year and if new land were to be made available to these newly 'freed' workers, there would not be enough to work in the plantation. To overcome that problem, the company accelerated the transition to the small farm system, and the restructuring of the production process went through three stages.

Between 1912 and 1916, the company instituted the 'settlement area system' whereby individual Indian tenant farmers were allocated company plots of between four and eight acres. The smallness of size meant, however, that family members were forced to take off-farm employment. Moreover, the productivity of these farms was generally lower
than that of the large plantations. From 1916, therefore, a new system was adopted. Here a larger area of land was leased jointly to a group of farmers and it was divided into equal strips each of which became the responsibility of one member of the group. But this too failed. The company had hoped to benefit both from a sense of group responsibility for the whole farm and a sense of individual identification with respect to individual strips. On both counts, however, its hopes were not realised. For although farmers tended to gang together and work the whole farm on a co-operative basis, differences in land quality produced varying yields which in turn produced different incomes. Moreover, there were disputes between growers and labourers, and in the end the experiment was abandoned. Now at the same time as this system of production was operating, another experiment was also being conducted. Under the latter, whereby large farms, ranging in size from 50 to 70 acres, were leased to individual farmers. Many of those farmers, however, subdivided their land and sublet plots at a profit. Legal disputes were common and with the growing squabbling and dissatisfaction, this experiment was abandoned in 1923.

The failure of these experiments resulted in a major re-think and in 1925 it was decided that while settlement of Indians as tenant farmers was still central to corporate production strategy, the size of the farms had to fall somewhere between the two extremes that had been experimented with. Rather, therefore, than "leasing farms of only four acres, or of between forty and fifty acres, it was decided to lease them in sizes of eight to twelve acres". That was
the optimum farm size, and by the early 1930s settlement on that basis was effectively completed, and so was formed the small farm system of the Fiji sugar industry.

6. EXPLOITATION IN THE SUGAR SECTOR

During the indenture period, the extraction of surplus value hinged on long working hours - 50 hours per week - and the task system whereby set pieces of work had to be completed within specified periods of time. At first, administration of the indenture system was not rigorous but the economic crisis of the mid-1880s soon changed that. Just a few years after the CSR commenced operations in Fiji, the sugar price on the London market fell from 19 shillings per hundredweight to 13s.3d in 1883 and 11s.9d in 1884. To complicate matters, the company was unable at that time to secure enough labour because it was in short supply in India. In February 1883, the company threatened to withdraw and "transfer all its interests to some more favourable quarter". With the drop in sugar prices, the situation became even more desperate and the colonial state, whose "solvency was dependent on the company's survival", knew it. As the Acting Colonial Secretary wrote: "were the affairs of the Colonial Sugar Company to be crooked, the colony would utterly collapse". Sugar capital's costs clearly had to be reduced and, for its part, the colonial state, as Gillion put it, "anxious to prevent the colony from becoming insolvent, was reluctant to put difficulties in their way". Cost reduction essentially means heightened exploitation of labour and, as the table below shows, it took fully 32 years for the
abysmally low wages of the indentured workers even to double.

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>1887</td>
<td>7.28</td>
<td>4.43</td>
</tr>
<tr>
<td>1890</td>
<td>9.64</td>
<td>5.39</td>
</tr>
<tr>
<td>1901</td>
<td>11.17</td>
<td>6.05</td>
</tr>
<tr>
<td>1908</td>
<td>12.05</td>
<td>6.13</td>
</tr>
<tr>
<td>1915</td>
<td>12.52</td>
<td>6.54</td>
</tr>
<tr>
<td>1919</td>
<td>15.62</td>
<td>8.79</td>
</tr>
</tbody>
</table>


That workers in Fiji were being exploited much more intensely than the company's white field workers in Australia is suggested by the fact that the wage differential between them was of the order of one to seven.\(^5^0\)

The hand of the colonial state in the heightened exploitation of labour is shown most clearly in its failure to ensure adequate conditions of employment and also in the bias of its legal apparatus. Before they were accepted, indentured workers were passed by health inspectors, but the effect of the appalling conditions of plantation life was tragic. This is reflected in the large number of suicides and the "frightful" mortality rate. From 1902 to 1912, for example, there were 926 suicides and between 1909 and 1914 an average of 8% of all adult Indian immigrants died within five years of their arrival.\(^5^1\) The significance of the latter figure is further underlined by the fact that 70% of all the immigrants were between the ages of 20 and 30 years -
precisely the age group when the mortality rate, theoretically, should be low.\textsuperscript{52}

In the face of a harsh work pace, physical brutality, sickness, and a general air of misery and low morale, it was inevitable that the level of work performance would fall below that which sugar capital would have preferred. And it did. But in addition to its own methods of dealing with the problem, sugar capital also relied on the state's legal machinery to exact further punishment upon the workers, and for that purpose, the centre-piece of colonial labour law was the insidious and highly repressive Master and Servants Ordinance of 1888.\textsuperscript{53} An indication of the effect of the law on Indian workers is shown in the tables below. As Table 4.5 shows, not only was the overall conviction rate among Indians very high but also their conviction rate for labour offences was even higher. The incidence of the major types of labour 'offences' - unlawful absence, failure to complete tasks, refusal to work, and want of ordinary diligence - are shown in Table 4.6.

<table>
<thead>
<tr>
<th>Year</th>
<th>Overall Rate (a)</th>
<th>Rate for Labour Offences (b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1889</td>
<td>60%</td>
<td>73.4%</td>
</tr>
<tr>
<td>1894</td>
<td>81%</td>
<td>82.5%</td>
</tr>
<tr>
<td>1901</td>
<td>62%</td>
<td>91.8%</td>
</tr>
<tr>
<td>1907</td>
<td>59%</td>
<td>91.3%</td>
</tr>
<tr>
<td>1910</td>
<td>64%</td>
<td>89.9%</td>
</tr>
</tbody>
</table>

Sources: (a) W. Narsey, "Monopoly Capital, White Racism and Superprofits in Fiji", p. 90.

(b) V. Naidu, The Violence of Indenture, p. 53.
### Table 4.6 Categories of Labour Offences Among Indian Immigrants

<table>
<thead>
<tr>
<th>Year</th>
<th>Unlawful Absence</th>
<th>Failure to Complete Tasks or Refusal to Work</th>
<th>Want or Ordinary Diligence</th>
</tr>
</thead>
<tbody>
<tr>
<td>1887</td>
<td>1,814 52%</td>
<td>357 10%</td>
<td>1,308 38%</td>
</tr>
<tr>
<td>1894</td>
<td>1,295 72%</td>
<td>504 28%</td>
<td>-</td>
</tr>
<tr>
<td>1904</td>
<td>947 49%</td>
<td>820 42%</td>
<td>171 9%</td>
</tr>
<tr>
<td>1909</td>
<td>379 34%</td>
<td>732 66%</td>
<td>-</td>
</tr>
</tbody>
</table>


So when profits were threatened by the behaviour of the workers, the legal apparatus of the colonial state was put into action to ensure that they were punished. The legal system, as Narsey put it

> was quite amenable to trumping up criminal categories and treating large parts of the population as 'criminals' if the interests of capital so demanded. In the era concerned, could this also have been done to whites in the British Empire? 54

So much for British justice.

With the end of indenture and the onset of the small farm system, sugar production relations underwent a change in form but not in substance. Sugar capital's major concern remained the same - to keep the cost of cane as low as possible. But as the table below shows, although the small farm system was fast becoming the backbone of the industry, company plantations remained an important source of supply until the early thirties.

The period between 1914 and the late twenties, then, was the period of transition from the plantation to the small farm system. With two systems existing side by side, it was
Table 4.7 Areas of Cane Cultivated 1925 - 1944 (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Table Area Cultivated</th>
<th>Company Estates</th>
<th>European Planters</th>
<th>Tenant Farms</th>
<th>Contractors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1925</td>
<td>64,396</td>
<td>52</td>
<td>7</td>
<td>10</td>
<td>31</td>
</tr>
<tr>
<td>1926</td>
<td>67,494</td>
<td>45</td>
<td>6</td>
<td>13</td>
<td>36</td>
</tr>
<tr>
<td>1927</td>
<td>70,526</td>
<td>41</td>
<td>5</td>
<td>16</td>
<td>38</td>
</tr>
<tr>
<td>1928</td>
<td>75,007</td>
<td>32</td>
<td>3</td>
<td>28</td>
<td>37</td>
</tr>
<tr>
<td>1929</td>
<td>77,645</td>
<td>26</td>
<td>3</td>
<td>33</td>
<td>38</td>
</tr>
<tr>
<td>1930</td>
<td>78,250</td>
<td>22</td>
<td>2</td>
<td>36</td>
<td>40</td>
</tr>
<tr>
<td>1931</td>
<td>78,373</td>
<td>16</td>
<td>1</td>
<td>44</td>
<td>39</td>
</tr>
<tr>
<td>1932</td>
<td>80,939</td>
<td>11</td>
<td>1</td>
<td>49</td>
<td>39</td>
</tr>
<tr>
<td>1933</td>
<td>83,692</td>
<td>9</td>
<td>1</td>
<td>51</td>
<td>39</td>
</tr>
<tr>
<td>1934</td>
<td>84,497</td>
<td>6</td>
<td>1</td>
<td>53</td>
<td>40</td>
</tr>
<tr>
<td>1935</td>
<td>87,738</td>
<td>5</td>
<td>1</td>
<td>52</td>
<td>42</td>
</tr>
<tr>
<td>1936</td>
<td>89,924</td>
<td>5</td>
<td>1</td>
<td>52</td>
<td>43</td>
</tr>
<tr>
<td>1937</td>
<td>91,197</td>
<td>5</td>
<td>1</td>
<td>50</td>
<td>44</td>
</tr>
<tr>
<td>1938</td>
<td>91,474</td>
<td>4</td>
<td>-</td>
<td>52</td>
<td>44</td>
</tr>
<tr>
<td>1939</td>
<td>91,812</td>
<td>3</td>
<td>-</td>
<td>52</td>
<td>45</td>
</tr>
<tr>
<td>1940</td>
<td>91,624</td>
<td>3</td>
<td>-</td>
<td>52</td>
<td>45</td>
</tr>
<tr>
<td>1941</td>
<td>92,628</td>
<td>3</td>
<td>-</td>
<td>50</td>
<td>47</td>
</tr>
<tr>
<td>1942</td>
<td>94,046</td>
<td>3</td>
<td>-</td>
<td>50</td>
<td>47</td>
</tr>
<tr>
<td>1943</td>
<td>90,913</td>
<td>3</td>
<td>-</td>
<td>50</td>
<td>47</td>
</tr>
<tr>
<td>1944</td>
<td>89,059</td>
<td>3</td>
<td>-</td>
<td>51</td>
<td>46</td>
</tr>
</tbody>
</table>

Source: C.Y. Shephard, The Sugar Industry of Fiji, p. 38

inevitable that the major form of surplus appropriation would be different in each. In the plantation sector it involved keeping wages to a minimum and in the small farm sector it involved control over both the price of cane paid to the farmers and also production methods.

Taking the plantation sector first, for 1921, for example, when the daily wage was 2s.6d, Ali estimated that the annual income for a family of four was a deficit of £11.11.3½. His general conclusion, therefore, was that
a cane labourer with a wife and two children at the best could eke out an existence and at the worst live under deprivation. This of course assumes that each man had only two children, and ignores the tendency of Indians to have large families; those with more than the average accepted here would have had considerable difficulty.\(^{56}\)

It is instructive to note here that while most of the estimates put forward at the time were similar to Ali's,\(^ {57}\) the one advanced by H.V. Tarte, plantation capital's leading spokesman in the Legislative Council and the largest copra plantation owner in the colony, purported to show that the average Indian couple could save over £39 per year!\(^ {58}\) Such a ridiculous claim served only to expose his class interests, for it is clear that not only were Indian wages totally inadequate for a decent standard of living, but also that black workers were paid far less than white workers. Table 4.8 below shows the wage differential in 1921, and it demonstrates very clearly that racism was absolutely central to capitalist profit.

Table 4.8 Pay Levels for Black and White Employees

(£ per year)

<table>
<thead>
<tr>
<th></th>
<th>White - Artisans</th>
<th>£156 - 185</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Clerks</td>
<td>£144 - 300</td>
</tr>
<tr>
<td></td>
<td>- Overseers</td>
<td>£200 - 256 (plus house - £500)</td>
</tr>
<tr>
<td></td>
<td>- Managers</td>
<td>£300 - 400 (plus house - £500)</td>
</tr>
</tbody>
</table>

Black labour, whether of Indians or Fijians, including food.

£40

In the small farm sector, exploitation of labour took two forms. The first of these was the company's control over the price that it paid for cane. By the mid-twenties, as Table 4.7 above shows, white planters were quickly being squeezed out by the CSR. The low cane prices that it paid to the Indian farmers were insufficient to maintain white living standards and the company simply was not prepared to forgo profits by paying white planters high prices. Implicit in this strategy, of course, and as Narsey correctly pointed out, was a thorough-going, deep-rooted racism. The assumption was that "white planters could not be forced to accept, or could not be expected to accept, low prices for cane but that Indian farmers would". What is more, precisely the same attitude was taken by the colonial state, as the following statement from an official publication shows:

> the price offered by the company (CSR) though not sufficient to enable European planters to produce sugar cane at a profit is sufficiently high to enable Indian farmers to extract a good livelihood from the cultivation of cane and the company has thus been able to maintain its normal level of output of manufactured sugar.

The second form of exploitation of Indian labour under the small farm system had to do with various types of control that the company was able to exert over the production of sugar: regulation of cultivation practices; surveillance by company overseers; legally binding agreements with stipulations on the tending and harvesting of cane and also the varieties of cane to be grown; control over fertilisers and other means of production through the use of hiring arrangements; and finally control over tenancy agreements and the provision of credit. Of these, the last two were
particularly important. Tenancies could always be terminated and although one year's notice was required, the CSR, as a clear warning to the colonial state, inserted a clause into its tenancy agreements that they could be terminated without notice "in the event of legislation being passed limiting its freedom of action in the manner of buying crops ... or otherwise affecting the conditions under which it carries on its operations". With regard to the provision of credit, the company understood well its importance as a method of control. Having limited resources with which to finance their consumption and production expenses, especially in the eighteen-month period between planting and harvesting, farmers found it extremely difficult to escape this instrument of control. All the more so, moreover, as company interest rates were well below the exorbitant rates that were charged by Indian storekeepers and money-lenders.

With these forms of control over the farmers and the low wages of the plantation labourers, it is not surprising that the company was able to reap a massive amount of profit. Some idea of the size of that profit is provided by Narsey. On the basis of conservative estimates of production costs and a generous definition of a reasonable rate of return, he estimated that over the ten-year period between 1914 and 1923, the CSR made "superprofits" of about thirteen million pounds. Compared with a mere £3.7 million profit for its Australian operations for the same period, the results of the Fiji operation clearly show just how important the country was for the CSR. Little wonder, then, that the company's historians were able to make this observation: "in
Fiji during the 1914 - 1924 period, CSR enjoyed the most spectacular monetary success in its history".\textsuperscript{66} Moreover, the vastness of the profits enabled the company to sell Fiji sugar very cheaply to its New Zealand branch. Consequently, as those historians added, "New Zealand consumers received the benefit and the company was thanked by the New Zealand Government".\textsuperscript{67}

The thirties was a period of relative calm in the sugar industry, but the outbreak of the second world war soon plunged it into crisis again. The main allied bases in Fiji were located in north-west Viti Levu and stationed there were about 70,000 Allied troops.\textsuperscript{68} It is not surprising that the economic effects of the war were felt most keenly in that sugar-dominated region. As prices and the costs of sugar cane production soared, the burden on the farmers weighed progressively heavier. In 1937 the first farmers' association, the Kisan Sangh, was formed and in March 1943 it pressed the CSR to increase the price of cane. But sugar wage workers too were feeling the pinch of rising costs and in the following June 600 mill workers in Ba and Lautoka went on strike in support of demands for higher wages. In July, the farmers followed suit.

Like the first farmers' strike of 1921 (which is discussed in the next chapter), the farmers' strike of 1943 lasted about six months. The company, with its vast resources, was well-placed to sit out the strike and so refused to bow to the farmers' demands.\textsuperscript{69} Mill workers were given a wage increase\textsuperscript{70} but as for raising the price of cane, that was another matter altogether. What is more, the company
benefitted from the support of the colonial state, acting as it did "on the assumption that the existing basis of the industry - the ownership of the mills by a private company - should be maintained". This is illustrated, for example, by its attitude towards farmer representatives who approached it towards the end of the year. The farmers, it said, were not prepared to sell cane to the company at the existing price but were willing to sell to the state at a "fair price". That, however, the state would not sanction, as it "would imply that its intervention had put an end to the existing cane purchase agreement" between the company and the farmers. Any resolution of the dispute would therefore have to be on terms that would allow the CSR to continue in Fiji. Adequate returns to the company and the international price of sugar were given in the company-farmer equation and the income of the farmers simply had to be adjusted to these.

The state appointed the Jenkins Commission to investigate the dispute and as to be expected it recommended against raising the price of cane. The farmers of course rejected all the findings of the Jenkins Commission and it was only the combined influence of two developments that caused the strike to end. One was the address by Ratu Sukuna to farmers in Nadi in January 1944. To the farmers he took a message from the governor advising them to return to work. Upon delivering the message he added a contribution of his own which took the form of a threat to farmers who were leasing Fijian land. Failure to return to work, he threatened, meant that they might have difficulty renewing their leases. That of course broke the back of the strike and
the farmers returned to their fields. However critical Sukuna's intervention was, the strike had already begun to crumble well beforehand because of (and this is the second major reason for the failure of the strike) the bitter rivalry between the two cane-growers' associations - the Kisan Sangh and the Maha Sangh. The details of that rivalry will be taken up later when we consider the growth of organised labour. Suffice to note at this point that it put the striking farmers at a distinct disadvantage and also that behind it lay the machinations of Indian commercial capital. Against the united front of sugar capital and the colonial state, therefore, the farmers were deeply divided, so it is not altogether surprising that they were defeated. Behind that division were personal, religious, and cultural differences, but its major cause lay in the threat which the Kisan Sangh's proposed co-operative store posed for Indian traders. As part of its counter-offensive, Indian commercial capital encouraged the formation of the rival Maha Sangh and in the subsequent bitterness and rancour, it was the farmers who lost out. Yet again were they victims of bourgeois Indians.

Defeated, the farmers could only hope that the 1944 Shepard Investigation into the economics of the sugar industry, which had been proposed late in the previous year, might recommend more favourably than the Jenkins Commission. But again they were to be disappointed. Farmers' real incomes had clearly declined, but the Shepard Report recommended that the cane price remain unchanged.76 There was no question at all of the report jeopardising the company's operations, designed as it was simply to reconcile the
growers to the continued presence of the CSR in Fiji. And that it did so very well is shown by the high profits that the company was able to continue to make. Now Shepard, despite acknowledging that the company had claimed excessive depreciation allowances by revaluing their assets, nevertheless accepted the company's profit figure for the period 1930 to 1942 of £625 million. Narsey, however, taking excess depreciation into account, estimated the true profit figure to be around £2,994 million. Now the price of sugar rose in the late forties so that would have accounted in part for the company's continued high profit levels and, as Moynagh pointed out, the CSR was able, in the late forties, to increase its profits by more than twice the 1942-43 level. But Moynagh was working largely on the company's reported profits. If excess depreciation and transfer pricing were to be taken into account, the true figures would in all likelihood have been much greater.

The strike of 1943, then, was the most significant expression since 1921 of the fundamental contradiction between sugar capital and the cane producers. On both occasions capital not surprisingly won, given its vast resources and the helping hand of the colonial state. For the next twenty years it would continue to reap high profits, and farmer agitation for a better cane price in 1960 would fail yet again. Not until 1970, when the company could no longer count on a compliant state, would the farmers record their first significant victory. But that would only be after nearly a century of blood, sweat and tears. Caught as they were in a vice-like grip of sugar and plantation
capital, receiving little support from the colonial state, and subjected to the worst forms of white racism, there was little option but to labour on, relatively powerless to alleviate to any significant degree their poverty and misery. Here, however, an important qualification needs to be made. It was not the case that all farmers were equally powerless, and the varying degrees to which they were able to cope with the exploitation by sugar capital was a function of class differentiation among the farmers themselves. So it is to that question that we now turn.

Reference is occasionally made in the writings to large, wealthy Indian farmers and small, poor ones. Never, however, has the question of class differentiation within the Indian farming community been fully investigated. Such a detailed analysis, however, lies outside the scope of this study, so what follows is only a brief sketch.

The point has been made that by the early 1930s the small farm system had effectively been established as the backbone of the sugar industry. Now justification for the use of the term small farm system derives from the smallness of the farms under this system compared with those under the plantation system. Typically, farms in the plantation sector were well in excess of 100 acres but if that figure is taken as the basis for comparison, then by far the majority of the farms in the non-plantation sector were very small. As Table 4.9 below shows, in 1944 82.2% of the tenant farmers and 75.5% of the contractors had farms of 13.9 acres or less. The fact that by 1944 97% of the total sugar acreage was cultivated by 'small farmers', together with the
Table 4.9  Size of Farms in 1944

<table>
<thead>
<tr>
<th>Acres</th>
<th>Tenant (Nos.)</th>
<th>%</th>
<th>Contractor (Nos.)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Small Farms</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Up to 1.9</td>
<td></td>
<td></td>
<td>141</td>
<td></td>
</tr>
<tr>
<td>2 - 3.9</td>
<td>22</td>
<td>640</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 - 5.9</td>
<td>105</td>
<td>711</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 - 7.9</td>
<td>114</td>
<td>440</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 - 9.9</td>
<td>595</td>
<td>373</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 - 11.9</td>
<td>1,502</td>
<td>378</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 - 13.9</td>
<td>960</td>
<td>238</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,298</td>
<td>82.2</td>
<td>2,921</td>
<td>75.5</td>
</tr>
<tr>
<td><strong>Medium Farms</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14 - 15.9</td>
<td>440</td>
<td>214</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16 - 17.9</td>
<td>189</td>
<td>132</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18 - 19.9</td>
<td>41</td>
<td>82</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20 - 21.9</td>
<td>24</td>
<td>101</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22 - 23.9</td>
<td>6</td>
<td>67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24 - 25.9</td>
<td>2</td>
<td>70</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>702</td>
<td>17.5</td>
<td>666</td>
<td>17.2</td>
</tr>
<tr>
<td><strong>Large Farms</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26 - 27.9</td>
<td>2</td>
<td>51</td>
<td></td>
<td></td>
</tr>
<tr>
<td>28 - 29.9</td>
<td>1</td>
<td>39</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 - 39.9</td>
<td>3</td>
<td>99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>40 - 49.9</td>
<td>4</td>
<td>48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50 - 59.9</td>
<td>2</td>
<td>19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60 - 69.9</td>
<td></td>
<td>11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>70 - 79.9</td>
<td></td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>80 - 89.9</td>
<td></td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>90 or over</td>
<td></td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12</td>
<td>0.3</td>
<td>280</td>
<td>7.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,012</td>
<td>100.0%</td>
<td>3,867</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: C.Y. Shepard, the Sugar Industry in Fiji, p. 39.
fact that the range in farm size within the small farm sector was quite wide, makes it important to inquire into the significance of variation in farm size. The argument advanced here is that it was precisely because of that kind of variation that there were significant differences in the farmers' ability both to withstand the exploitative pressures of sugar capital and also to accumulate wealth. In both these respects, those with large farms were much better placed than those with small ones. In Table 4.9, therefore, the distribution of farms according to size has been classified into three broad groupings - small, medium and large. That classification is based on Mao's analysis of the peasantry in China.80

As the table shows, the vast majority of farmers had small plots. Also, the proportion of tenant farmers with medium-sized farms was similar to that for contractors - about 17% in each case. Out of a total of 292 large farms, however, only twelve were held by tenant farmers while the remaining 280 were held by contractors. In proportionate terms, only 0.3% of tenant farmers compared with 7.3% of contractors were large farmers. What is significant, moreover, is that the acreage of the latter was much greater than that of the former. As Table 4.10 below shows, while the few large tenant farmers accounted for only 1% of the total tenant farm acreage, the large contractors accounted for 25.7% of the total contractor acreage. The total tenant farm acreage was 45,332 acres; the total contractor acreage, 41,105 acres.
Two important features emerge from this body of evidence. The first is the existence of a class of large farmers who, more importantly, were almost certainly capitalist farmers. That they were capitalist is based on the argument that they depended on wage labour. Statistics on wage employment on these farms are not available but a strong case can be made that such employment was considerable. In the first place, with the large size of these farms it is unlikely that family labour would have been sufficient. Also, as Moynagh pointed out, with the changing demographic structure of the Indian farming community, by the mid-1940s the responsibilities of farm management was passing increasingly to a new generation of young farmers who "were less willing than their fathers to undertake the very unpleasant job of harvesting cane, preferring to pay for substitutes instead". Finally, it has been estimated that in 1943 approximately 50% of the cane cutters in Viti Levu were

<table>
<thead>
<tr>
<th>Tenant Sector</th>
<th>Contractor Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acres</td>
<td>Tenants</td>
</tr>
<tr>
<td>Small Farms</td>
<td>75.2</td>
</tr>
<tr>
<td>Medium Farms</td>
<td>23.8</td>
</tr>
<tr>
<td>Large Farms</td>
<td>1.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Actual Total Acreage: 45,332 acres, 4,687 acres

hired. Now in terms of our understanding of the nature of exploitation in the sugar industry, the existence of this class of capitalist farmers had important implications. On the one hand, they were exploited by sugar capital but, on the other, they exploited Indian workers. What this means is that while they had an objective interest in the struggle against sugar capital, they also had a contradictory interest to keep their involvement in that struggle to a minimum because they had the most to lose.

The second important feature about class differentiation within the Indian farming community is that most of the large farmers were contractors. This is highly significant for it strongly suggests that the comparative inability of tenant farmers to expand their activities and accumulate wealth had much to do with the highly restrictive conditions of their tenancy agreements. It also reinforces the point made earlier that those conditions served as forms of company control and exploitation of tenant farmers. But another aspect of that exploitation is also important. Although most of those farmers were tenanted to the CSR, many landlords were Indian and that the latter were not averse to exploiting their tenants is confirmed by the fact that quite often the security of their leases was less than that of CSR tenant farmers. What is also very important is that included in the Indian landlord class were leading Indian political figures. A.D. Patel, for example, a champion of the farmers' cause and one of the main Indian political leaders, was himself a landlord and he too exploited his tenants. In 1947, for example, the gross rental from one of his leases
was four times as high as that of similar CSR leases.\textsuperscript{85}

In addition to the dimensions of class differentiation discussed so far, there is one other. Indentured workers who, upon completion of their contracts, decided to remain in the country, tended either to take up sugar farming on their own account (and many of them prospered\textsuperscript{86}) or to branch out into other sectors of the economy. Of the latter, some took up wage employment while others set up small businesses,\textsuperscript{87} principally in the wholesale and retail trade and public transport. Often those businesses were family concerns but increasingly they hired wage labourers. Of the Indians who came to the colony as free immigrants, especially those who arrived in the early twenties, many soon made an impression on the economy as agriculturalists, shopkeepers, artisans, and professionals, notably as lawyers.

As a result of these developments, there appeared within the Indian community small capitalists, a petty bourgeoisie, and a professional class. And because these bourgeois classes conducted business primarily within their own racial community, the Indian working classes, particularly the poorer farmers and the wage earners, were subjected to further exploitation from members of their own race. Furthermore, as we shall see in the next chapter, because the Indian political leadership was drawn primarily from the Indian bourgeois classes, the interests of the small farmers as a class, and similarly those of the wage labourers, were seriously compromised in the course of the struggle for Indian political representation. But before we take up that question, it is necessary first to consider the nature of
exploitation in the non-sugar sectors.

7. EXPLOITATION IN THE NON-SUGAR SECTORS

Although the sugar industry continued to be the most important through the inter-war years, the 1930s also saw the emergence of the gold-mining industry. Employment statistics for the period are not available but it has been estimated that the number of wage workers probably never exceeded 10,000. It is reasonable, on two grounds, to expect that most of those workers were concentrated in the sugar and gold-mining industries: first, in 1946, for example, only one third of all working males were wage or salary earners; and secondly, sugar and mining capital were by far the largest employers. What this suggests, therefore, is that exploitation through the wage relation was concentrated in the sugar and mining sectors, at least up to the end of World War II. After the war, there was a dramatic increase in wage employment (see Table 4.11 below). Sparked off initially by the reconstruction effort, it was later sustained by the impact of the world-wide post-war economic boom. As a result, the level of exploitation of wage labour outside the sugar and mining sectors increased. And it is not coincidental that the immediate origins of the organised labour movement as it exists today lie in the immediate post-war period.

In a later chapter that development will be taken up in some detail, but here the point should be made that for the greater part of the colonial period the exploitation of labour outside the sugar and mining sectors was mediated
predominantly through mechanisms other than the wage relation. The argument advanced here is that those forms of exploitation had to do essentially with confining labour (which, as we shall see, was predominantly Fijian) to two types of unprofitable activity: production of export commodities or subsistence production. The former yielded little return, and the latter had the important effect of keeping the cost of labour power to a minimum.

Since aggregate economic statistics for Fiji were compiled for the first time in the early 1950s, the most reliable set of figures to show the relative importance of the various sectors of the colonial economy before that time relates to exports. These are presented in Table 4.12. Taking broad historical averages, sugar accounted for 60%, coconut products 20%, and bananas 2% of total export earnings. It is instructive to compare the productivity of these sectors by comparing these export figures with the total acreage for each sector. Table 4.13 below shows
estimated acreages for the period 1949 to 1958.

Table 4.12 Major Exports for Selected Years (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sugar</th>
<th>Coconut Products</th>
<th>Gold</th>
<th>Bananas</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>1917-21 (a)</td>
<td>69</td>
<td>21</td>
<td>-</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>1937</td>
<td>66</td>
<td>19</td>
<td>4</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>1938</td>
<td>55</td>
<td>11</td>
<td>29</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>1939</td>
<td>54</td>
<td>8</td>
<td>35</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1948</td>
<td>58</td>
<td>25</td>
<td>14</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1953</td>
<td>65</td>
<td>21</td>
<td>8</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>1958</td>
<td>64</td>
<td>23</td>
<td>9</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>1968 (b)</td>
<td>82</td>
<td>17</td>
<td>-</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

Sources: (a) Colony of Fiji, 1921, pp. 71, 75.
(b) The Role of Investment in ... Fiji, p. 123.
For other years, S. Ali, Economics and Economic Development in Fiji, p. 305.

Table 4.13 Estimated Acreages for Major Crops
1949 - 1958 (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sugar-Cane</th>
<th>Coconuts</th>
<th>Bananas</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>1949</td>
<td>31</td>
<td>42</td>
<td>0.8</td>
<td>26.6</td>
</tr>
<tr>
<td>1950</td>
<td>28</td>
<td>48</td>
<td>0.9</td>
<td>23.1</td>
</tr>
<tr>
<td>1951</td>
<td>28</td>
<td>48</td>
<td>1.1</td>
<td>22.9</td>
</tr>
<tr>
<td>1952</td>
<td>29</td>
<td>47</td>
<td>1.3</td>
<td>22.7</td>
</tr>
<tr>
<td>1953</td>
<td>29</td>
<td>47</td>
<td>1.4</td>
<td>22.6</td>
</tr>
<tr>
<td>1954</td>
<td>30</td>
<td>46</td>
<td>1.4</td>
<td>22.6</td>
</tr>
<tr>
<td>1955</td>
<td>32</td>
<td>47</td>
<td>1.4</td>
<td>19.6</td>
</tr>
<tr>
<td>1956</td>
<td>31</td>
<td>45</td>
<td>1.4</td>
<td>22.6</td>
</tr>
<tr>
<td>1957</td>
<td>33</td>
<td>45</td>
<td>1.6</td>
<td>20.4</td>
</tr>
<tr>
<td>1958</td>
<td>34</td>
<td>44</td>
<td>1.3</td>
<td>20.7</td>
</tr>
</tbody>
</table>

Again taking broad historical averages, sugar accounted for 30%, coconuts 46% and bananas 2% of total cultivated acreage. The two sets of averages are set out in the table below and so too, as a rough index of productivity, the percentage ratio of export earnings for each acre of cultivated land.

Table 4.14  A Broad Historical Comparison of the Productivity of the Major Agricultural Exports

<table>
<thead>
<tr>
<th></th>
<th>A % of Total Export Earnings</th>
<th>B % of Total Cultivated Acreage</th>
<th>C Productivity A/B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sugar</td>
<td>60</td>
<td>30</td>
<td>200%</td>
</tr>
<tr>
<td>Coconut Products</td>
<td>20</td>
<td>46</td>
<td>43%</td>
</tr>
<tr>
<td>Bananas</td>
<td>2</td>
<td>1.3</td>
<td>154%</td>
</tr>
</tbody>
</table>

The two most important points to emerge from this set of data is the comparatively low productivity of the coconut industry and the marginal importance of the banana industry. The major significance of these points is that it was precisely in these two industries that Fijian workers were most heavily concentrated. Carleen O'Loughlin, who compiled the country's first set of national statistics, classified 70% of gainfully employed Fijians under the heading "Agriculture and Villages" but she also noted that the vast majority of these were either part-time or casual workers. Less than 5% were hired on a full-time basis. So not only was Fijian labour concentrated in export sectors that were either relatively unproductive or of marginal importance in the wider context of the national economy, but also very little of it was
hired on a full-time basis. The general conclusion to be drawn from this is that for the majority of Fijian workers, cash income was insufficient to reproduce their labour power. And the other side of this is, of course, the heavy involvement of Fijians in subsistence production.

Table 4.15 Acreages Under Crops in 1958 (%)

<table>
<thead>
<tr>
<th>Crop</th>
<th>Fijians</th>
<th>Indians</th>
<th>Europeans and Part-Europeans</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Root Crops</td>
<td>88.2</td>
<td>8.0</td>
<td>-</td>
<td>3.8</td>
<td>100</td>
</tr>
<tr>
<td>Bananas</td>
<td>92.0</td>
<td>0.2</td>
<td>0.4</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>Coconuts</td>
<td>50.0</td>
<td>3.1</td>
<td>45.2</td>
<td>1.8</td>
<td>100</td>
</tr>
<tr>
<td>Sugar-Cane</td>
<td>6.6</td>
<td>91.7</td>
<td>1.7</td>
<td>-</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Burns Report, p. 35.

As Table 4.15 above shows, root crops, which form a major part of the diet of the greater part of the total population, were produced primarily by Fijians. Table 4.16 below reinforces that point but it also reveals another important feature which is that cash income from the sale in local markets of root crops and other subsistence commodities like fish and vegetables accounted for a very small percentage of total Fijian income. Fijian agricultural cash income accounted for an average of about 25% of total income. The sources of agricultural cash income are shown in Table 4.17. Copra earnings and agricultural rents account for the greater proportion of the total agricultural cash income. Included in the 'Other' category are earnings from banana exports and the sale of forest products. If we assume,
conservately, that those two sources account for one half of all 'other' agricultural cash sources, then proceeds from the sale of subsistence goods in domestic markets would account for about 3% or 4% of total Fijian income.

Table 4.16  Fijian Income 1950 - 1953 (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Income</th>
<th>Agri. Income as % of Total Income</th>
<th>Agri. Cash Income as % of Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cash Non-Cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1950</td>
<td>45 55</td>
<td>75</td>
<td>21</td>
</tr>
<tr>
<td>1951</td>
<td>49 51</td>
<td>76</td>
<td>25</td>
</tr>
<tr>
<td>1952</td>
<td>49 51</td>
<td>77</td>
<td>27</td>
</tr>
<tr>
<td>1953</td>
<td>51 49</td>
<td>75</td>
<td>26</td>
</tr>
</tbody>
</table>


Table 4.17  Fijian Agricultural Cash Income as % of Total Fijian Income 1950 - 1953

<table>
<thead>
<tr>
<th>Year</th>
<th>Copra</th>
<th>Agri. Rent</th>
<th>Other</th>
<th>Agri. Cash Income as % of Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>12.2</td>
<td>1.5</td>
<td>7.3</td>
<td>21</td>
</tr>
<tr>
<td>1951</td>
<td>16.1</td>
<td>1.2</td>
<td>7.7</td>
<td>25</td>
</tr>
<tr>
<td>1952</td>
<td>18.4</td>
<td>1.1</td>
<td>7.5</td>
<td>27</td>
</tr>
<tr>
<td>1953</td>
<td>16.7</td>
<td>1.0</td>
<td>8.3</td>
<td>26</td>
</tr>
</tbody>
</table>


The very low level of Fijian cash earnings from the sale of subsistence goods in domestic markets holds the key to our understanding of the other major mechanisms of
exploitation in the non-sugar agricultural sector. How is that low level to be explained? In the absence of hard data, no firm explanations can be given but reasonable inferences can be drawn. With a large area of the total agricultural acreage under Fijian subsistence cultivation (about 12% in 1958) there was clearly an ample supply of subsistence commodities for sale locally. Because earnings from that source were so low, however, it is likely that prices were also low. Another possible explanation for the low prices is that supply was probably greater than demand, for was less, then prices would have been higher. And so too earnings. The strong suggestion, therefore, is that Fijian subsistence production served the very useful purpose, as far as capital was concerned, of supplying cheap subsistence goods to the local market. The effect of that was to keep the cost of labour power low. Fijian subsistence production, in other words, subsidised the cost of reproducing labour power and thereby enabled capital to minimise wages. That, then, was the second major mechanism by which Fijian labour was exploited.

Most bourgeois writers, however, have been unable to grasp this because they have concentrated on surface appearances. The foremost example of this is Fisk, who writing in 1970, saw in the Fijian condition a "leisurely way of life" which he described as "subsistence affluence." Hence the notion of a Fijian subsistence sector which is "marginal" to the "economic mainstream". Such is the stuff of which myths are made. What Fisk and his dualist colleagues fail to see is that the so-called subsistence sector was actually
integral to the wider process of capitalist production. The standard explanations of Fijian economic backwardness that these writers advance are therefore couched in terms of Fijian lack of motivation and entrepreneurship and the constraining influence of the communal social system. Although these sorts of factors might have some importance, they beg the prior question as to why it is that Fijians are lacking in these respects?

Shunted as they were into export sectors that offered little hope of economic success, and confined to a very limited range of occupations, it is not surprising that they did not develop the kind of confidence, skill or entrepreneurship that is considered so vital for economic advancement. Subsistence production too held out little hope of success in that respect. The point, therefore, is that the Fijian labouring class suffered from a structural disadvantage that simply got progressively worse as "entrepreneurs" in other racial groups built upon their historically-evolved competitiveness. One of the major aims of the post-colonial state, as we shall see, was precisely to redress that balance. The whole thrust of its strategy in that respect was to develop the weak indigenous bourgeoisie. A major reason for its failure, however, is that its policies to not take as their point of departure the immense structural disadvantage identified here. How can an indigenous bourgeoisie be expected to develop when the scale and extensiveness of established capitalist competitors are so large and state assistance to prospective indigenous capitalists is so small? We take up that question in greater detail later, but it
does have some relevance for the present discussion.

Fiji is an agricultural country and the state has always emphasised the need to develop agriculture. It has also stressed its commitment to indigenous welfare and the need to secure Fijian economic advancement. The evidence suggests, however, that this is little more than lip-service. Between 1950 and 1953, for example, the non-sugar agricultural sectors, precisely where Fijians were concentrated, accounted for slightly more than one third of the net domestic product.\(^{94}\) State expenditure on agriculture over the same period, however, was a mere 4% (see Table 4.18 below). With such meagre assistance from the state, little wonder that the Fijian labouring classes were kept economically backward.

<table>
<thead>
<tr>
<th></th>
<th>1938</th>
<th>1950</th>
<th>1951</th>
<th>1952</th>
<th>1953</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>32</td>
<td>25</td>
<td>26</td>
<td>26</td>
<td>27</td>
</tr>
<tr>
<td>Law and Order</td>
<td>6</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Social Services</td>
<td>20</td>
<td>30</td>
<td>32</td>
<td>33</td>
<td>31</td>
</tr>
<tr>
<td>Agriculture</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>16</td>
<td>14</td>
<td>15</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>Defence</td>
<td>1</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Public Debt</td>
<td>16</td>
<td>6</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Pensions</td>
<td>6</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Subsidies</td>
<td>-</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: C. O'Loughlin, The Pattern of the Fiji Economy, p. 49.
With that kind of disadvantage, moreover, there was always the potential for class tension. Various means had to be found, therefore, of containing that tension; hence the average of 30% of state expenditure spent on social services. Furthermore, lest Fijian labour or another section of the exploited classes decide to wage open struggle, it was necessary that the repressive apparatuses of the state be adequately equipped to cope with such action. The average of 12% of state expenditure spend on order and defence, therefore, needs to be understood in that light.

8. SUMMARY

Such, then, was the nature of exploitation in the colonial economy, an economy which was dominated by Australian sugar capital. The way is now clear for the next chapter where the question of bourgeois class organisation will be examined. A central theme of that chapter will be the way in which the class struggle took the form of the struggle for Indian political rights. And the argument will be advanced that the historically-evolved, society-wide forms of bourgeois organisation were largely responses to the increasingly assertive Indian working classes. In the course of the struggle for Indian political rights, however, the interests of the Indian labouring classes were seriously compromised by an Indian political leadership which was dominated by the emergent Indian bourgeoisie.

Before taking up these issues, however, and by way of a general background, something needs to be said at this point about that section of the ruling class which was to play a pivotal role in the struggles - local commercial
capital.

Although the whole of the capitalist class benefitted from the expansion in economic activity generated by the growth of the sugar industry, all was not always well between its various factions, and those of rivalries, that between sugar and commercial capital was the most significant by far. In the early years, for example, the CSR, as a means to keep costs down, imported some of its supplies. That, of course, hurt commercial capital, especially two of its leading members, Henry Marks and Maynard Hedstrom, who incidentally were members of the Legislative Council.95 In western Viti Levu, moreover, the company established several of its own retail outlets and drew much business from shopkeepers there.

Competitors though they were, when labour threatened their profits, sugar and commercial capital closed ranks and one of the major effects of the crises of the early twenties was the increased collaboration between them:

> from at least the First World War, the company had patronised local traders where possible and had directed its custom specially to those with political influence. It purchased farm implements, for example, not from Burns Philp but from Morris Hedstroms because J.M. Hedstrom, who had a large stake in the firm, was a prominent European and sat on the Executive Council (as also did H.M. Scott, CSR's legal advisor in Fiji).96

With those sorts of linkages, the chances of the working classes securing representation in the colonial state as a means by which to advance their interests were greatly reduced. And for the Indian working classes in particular, those chances were reduced even further by the bourgeois
nature of the Indian political leadership. Above all, however, the formidable power of white capital, and in particular local white commercial capital, was the decisive factor. This will become evident as the names of its leading mouthpieces, names like Hedstrom, Scott, Marks, Crompton, Barker and Ragg, recur again and again. And it was precisely people like these that the governor had in mind when he wrote in 1937:

Fiji is a peculiar colony - sui generis indeed. The presence of a resident European population, their long isolation from the world and the limitation even of recent contacts to Australia and New Zealand has bred a particular insularity of its own. A few big men have obtained a stranglehold on the place - they have won their way to the top and mean to stay there. The underdog is underpaid and powerless. A few men control everything behind the scenes and even Government has been run with a strong bias.\(^97\)

The Colonial Secretary, J. Barton, was rather more specific about who he thought were the powerful in Fiji. As he commented in 1942:

a main factor in the government of Fiji was the influence wielded by a small oligarchy of local commercial interests.\(^98\)

We turn now to the question of bourgeois class organisation and the struggle for political representation.
CHAPTER V

FORMS OF ORGANISATION I: BOURGEOIS ORGANISATION

Of the entire population just before Cession, local white capitalists were by far the most familiar with bourgeois government. They also had the most to gain from such a system of government, and if they could not dominate such a government, then, at the very least, they could still benefit from having a direct part in it. Little wonder, therefore, that they sought, successfully, to carve out a niche for themselves in the capitalist colonial state. Later their participation in the state would take other forms, but initially it consisted of membership in the Legislative Council.

The early system of representation in the Legislative Council formed the basis of the electoral system as it is known today. But how, theoretically, is the electoral system to be understood?

As has been argued, the function of the capitalist state, essentially, is to provide a society-wide system of organisation within which the process of capitalist production and accumulation can be conducted. In order to manage class conflict, capital, for its part, is able to institute various forms of bourgeois organisation - employer organisations, political parties, and social clubs within the firm, for example. In terms of managing the totality of the class struggle, however, the effectiveness of these forms of bourgeois organisation is limited. What is needed, therefore,
is a society-wide system of organisation the purpose of which is to manage class contradictions at that wider level. There is a need, for example, for bourgeois law and a national legal system, penal institutions, a police force, and so on. Furthermore, bourgeois democracy has as one of its cornerstones, the ideology of "fair representation", and in the electoral system that ideology supposedly finds concrete expression. Theoretically, then, state organisations and practices need to be understood as constituent parts of a society-wide system of bourgeois organisation designed to manage underlying class tensions. And the electoral system is simply one (but nevertheless an important) dimension of that wider system.

In the previous chapter, the underlying class contradictions in colonial Fiji were identified. The task here is to explain how the organisations and practices of the bourgeois colonial state served to contain those contradictions. The chapter begins with a brief outline of the early state apparatuses and then examines the evolution of the electoral system. The latter will be the major concern of the chapter simply because it was around the struggle for representation in the Legislative Council that the underlying class struggle came to revolve. The central argument which I advance is that precisely because class relations assumed a racial form, the colonial ruling class (the composition of which will be described) was able to evolve an electoral system based on racial and not class representation. As a society-wide, bourgeois form of organisation, then, the electoral system served as a highly effective means by which to contain class
conflict. Inevitably, therefore, the way in which electoral politics came to be organised effectively meant that the representation and defence of the exploited and oppressed classes was severely compromised. And the failure of the electoral system to provide that kind of class representation within the organs of the state made it necessary for the labouring classes to evolve organisations of their own. But that is the subject of the next chapter.

In colonial Fiji, then, labour was predominantly Indian, and capital predominantly European. And in the field of electoral politics, the contradiction between those opposing classes took the form of a struggle between Indians, on the one hand, and white capital and the Fijian chiefly class, on the other. After providing a brief outline of the early origins of that conflict, I examine its subsequent development in detail. The chapter concludes with a close analysis of an historic debate in the Legislative Council in July 1946. The justification for that analysis is that the debate brought into sharp focus the way in which the ruling class, in response to intensifying class contradictions, was forced into reaffirming its racial definition of the class struggle.

1. ORIGINS OF BOURGEOIS ORGANISATION: STATE APPARATUSES AND ELECTORAL REPRESENTATION

Immediately after Cession on 10 October 1874, the interim governor, Sir Hercules Robinson, established an Executive Council. With a complement of seven and composed entirely of Europeans, the Council was intended primarily as
a temporary device until such time as more permanent arrangements could be instituted. Its function, essentially, was to install and legitimise the new British regime, and in that task, it concerned itself more with the preservation of order and the day-to-day affairs of government than with matters of policy. The year-long temporary arrangement came to an end on 1 September 1875 when Fiji's first substantive governor, Sir Arthur Gordon, proclaimed the Charter of the Colony.

In addition to an Executive Council, the Charter also provided for a Legislative Council. Initially, the latter consisted entirely of nominated members, four official - the Governor, the Colonial Secretary, the Chief Justice, and the Attorney General - and four unofficial. Of the latter, two were representatives of plantation capital, R. Ryder and G. Hennings, and one a representative of the commercial capital, J.C. Smith.¹ From the very outset, then, the system of electoral representation - a major form of society-wide bourgeois organisation - was heavily biased in favour of capital. As for the other major forms of bourgeois organisation, the organisations of the state, more were added to the existing ones. To the Colonial Secretary and Receiver-General's Office which had been set up by his predecessor, Gordon added the Departments of Audit, Survey, Post, Lands, Immigration, Medical Services, Judicial Services, and Police and Goals, and these were all dominated by expatriate personnel.²

Two aspects of Gordon's administration proved particularly irksome to local capital, one being the preservation of Fijian ownership rights in land, and the other, the
unavailability of native labour to work European plantations. Moved largely by their resentment of Gordon's position with respect to these two crucial issues, they resorted to agitation for constitutional reform. Central to their cause was the demand for an enlarged Legislative Council which should include both nominated and elected members. And by their own admission, they saw this as a means by which to "enlarge the powers and constitutional rights of the white population". The upshot of this sustained pressure was the Letters Patent of 21 March 1904, which provided for an expanded legislature consisting of ten official members, six elected Europeans, and two nominated Fijians. With this greater representation in the colonial state, local capital sought to influence state policy in ways that would accommodate its needs. By and large, however, its hankerings had little effect as most of its needs entailed impositions on indigenous welfare, and that the state would apparently not sanction. The (predominantly working class) Indians, for their part, were totally excluded from the state, but their struggles over the next twelve years would finally bear fruit - of sorts.

Further constitutional reform in 1916 increased the size of the Legislative Council from eighteen to twenty-one. Of that number, Fijian membership increased to seven, and the nominated members increased to twelve. Indian representation was restricted to one of the twelve nominated seats. This was, at best, token representation and it obviously failed to satisfy Indian aspirations. Understandably, therefore, their campaign to secure elected representation
was intensified and this they finally achieved in 1929.

In May of that year, new Letters Patent took effect and in the reconstituted legislature there were fourteen official members, three nominated Fijians, three elected Indians, and six elected Europeans. That Indians were granted elected representation so late after their arrival in the country - fifty years in fact - is not difficult to explain. Quite simply they lacked political clout, having been locked into a regimented and highly brutal and repressive plantation environment to which (political) rights did not extend. From 1920 onwards, however, their situation began to change markedly, and by 1929, it had altered sufficiently to force a significant change in the balance of class forces. The uneven racial representation in the 1929 Legislative Council described above suggests something about the new class alignments that were about to materialise. Before examining how the changed circumstances of the Indian working class provoked the realignment, however, it is necessary to return briefly to the first decades of colonial rule.

Required by London to make Fiji largely self-financing, the colonial state in Fiji was concerned to ensure that conditions were sufficiently attractive to keep private capital in the country and even, hopefully, to attract more. In view of its apparently substantial contribution to state revenue, capital had to be kept reasonably happy. Sugar capital commanded the dominant position in the economy, and was by far, the largest contributor to the treasury's coffers. That was the source of its strength and it was sufficient to ensure that state policy would not impinge too much on its
profit levels. Direct representation in the state, therefore, was not vital to the interests of sugar capital, and the only time that such representation was afforded, was when the Nausori manager of the CSR, Mr R. Robertson, was nominated to the Legislative Council by the governor in 1884. But indeed, when the idea that the company be given separate representation in the assembly was mooted in 1903, "... the opposition from CSR was so great that the idea was dropped". Knox, the general manager, feared that such a move might create the impression that the CSR member was a delegate of the company rather than a representative of a public constituency and therefore lead people to assume that the interests of the company and the country were not "interdependent". It was patently obvious to the company that separate representation in the colonial state was contrary to its interests, as it would undermine the myth that anything which was good for the CSR was also good for the country. Quite simply, its dominant position in the economy allowed it to deal directly with the state. Moynagh described the company's attitude very well:

CSR preferred to exert influence by dealing with officials direct. After all, it was they who made the final decisions [and with] its automatic majority in the Legislative Council, government could enact any measures it had decided upon. To try and alter policies after they had been agreed and placed before the Council was much less effective than lobbying quietly while they were still in preparation. And CSR could lobby with great effect.

Local plantation capital was in a much weaker position than sugar capital during this early period and therefore had to rely rather more heavily on direct representation in
the colonial state in order to press its demands. Foremost among those, of course, was the demand for more native land and labour but that the state was able successfully to resist. It had, after all, to protect the natives. As a consequence, the influence of the white planters became progressively weaker. Their demise in fact started with the collapse of the cotton boom of the 1860s and was hastened along by the failure of their subsequent attempts at coffee production. Many went bankrupt but those who switched over to sugar enjoyed a brief respite. However, as the transition to the small farm system gathered momentum, they were squeezed out in increasing numbers and by the late 1920s they effectively ceased to be a significant faction of capital. Those who took up coconut planting, on the other hand, remained something of a force because coconut products were, for most of the colonial period, the second most important export after sugar (see Table 4.5, page 104). The more Fijians came to figure in the coconut industry, however, the less the influence of white planters became. By 1958, for example, Fijians accounted for fully one half of the total coconut acreage.7

For commercial capital, prospects were much brighter. Its continuing importance was guaranteed by its vital function in the sphere of circulation and distribution, and also by its ample supply of willing and articulate spokesmen. And in the Legislative Council, they saw a forum of strategic importance for the furtherance of their interests, which is why they sought constantly to dominate it.

For their part, and apart from occasional agitation,
the Fijian labouring classes exerted very little influence. Hamstrung by persistent precapitalist social arrangements that served to keep them servile and subservient, and locked into a system of administration that was seriously disadvantaged by its subordinate status within the wider state structure, their impact on state policy was negligible. Only the chiefly class was able to have any kind of influence, but even that was limited largely to matters directly affecting the "sheltered" existence of the indigenous community. To say, however, that chiefly influence on state policy was limited in this way is not to suggest that their role was insignificant. Quite the contrary for the initial viability of the colonial administration depended very critically on chiefly co-operation, and their co-optation into the colonial state is the clearest evidence of this. And it was precisely that co-optation which served as the chief's initial mode of class representation. Class origin, in other words, was the initial basis for the chiefs' factional presence in the colonial state, and the major forms which that presence took were jobs as subordinate state functionaries and nominated membership of the Legislative Council. Other forms of representation followed later - elected membership in the Legislative Council, nominated membership of the Executive Council and representation in various official committees. By then, however, the chiefs' representatives had developed a high degree of contact with expatriate state functionaries, working with them, observing them, learning from them, and imbibing their ideology. Furthermore, as they took increasing advantage of their privileged access to state resources, their sense of
loyalty and obligation to white capital and the colonial state correspondingly increased.

The importance of chiefly representation in the colonial state lies in the fact that it provided the major means through which the chiefly class sought to defend its interests when the system of native administration came under increasing attack from the colonial state from 1913 onwards. (This is discussed in Chapter VII.) There was, however, another respect in which their representation in the colonial state was critically important. The virtual exclusion of the Indian labouring classes from representation in the state ended in the late 1920s, and the consequences for capital were highly problematic. With their new-found access to the colonial state, there was now the possibility of that access being used to counter the pressures from capital. Thanks, however, to the Fijian chiefly class's acquired political and ideological proclivities, capital found in the natives, whom it had previously held in so much contempt, valuable, indeed indispensable, allies. Heightened awareness and assertiveness on the part of the Indian working classes, in other words, led to demands for political representation, demands which, in the eyes of capital threatened to undermine profit levels. Those demands led, therefore, to the realignment of class forces referred to earlier, i.e. the coming together of capital and chief. And it is to the dynamics of that process that we now turn.

2. CRISIS AND CLASS REALIGNMENT

Indian success at achieving elected representation in
1929 was the outcome of a whole series of developments which had their origins in the early years of the century. Back in India, the indentured labour system was coming under increasing attack and the efforts in India of people like G.K. Gokhale and M.M. Maliviya echoed Gandhi's heroic struggles on behalf of the Indians in South Africa. Moreover, humanitarian opinion in Britain lent added weight to the battle that was being waged by Fiji Indians against a system which, in their eyes, was not far removed from slavery. And as the international community became more and more aware of the inhuman treatment which Indian workers in Fiji were suffering at the hands of sugar capital, so did international sympathy for their predicament grow. A central figure in the unfolding drama was C.F. Andrews, whose untiring efforts in Fiji, and elsewhere, served to focus the spotlight on the intransigence of the Colonial Sugar Refining Company, and in particular, its aging and obstinate general manager, E.W. Knox. But in terms of local leadership, it was Manilal Maganlal Doctor who more than anyone else was responsible for harnessing the welling resentment of the Indian labouring class and give it political direction. An Indian from Mauritius, Manilal arrived in the country in 1912 with something of a record of concern for Indian rights. A lawyer by profession, he spent his first five years in Fiji providing legal assistance to Indians and occasionally wrote against the indenture system. From 1916 onwards, however, he threw himself much more vigorously into the cause, although most of his activity was concentrated in the south-eastern corner of Viti Levu. His contribution to the political organisation of the Indians
began with his leading role in the formation of the Indian Imperial Association of Fiji. This was followed by the convening of numerous meetings during which Indian grievances were discussed and action planned. The culmination of all this activity was the December 1919 meeting in Suva, where a whole set of demands were drawn up for presentation to the colonial state. Included in it were calls for an end to indenture and also for an equal political franchise for all, Indians included. So by the time Indian labourers in the Public Works Department in Suva struck on 15 January the following year, political awareness among Indians in and around Suva had reached new heights. The strike had to do essentially, with "economic" issues - low wages, the twelve-hour working day, rising prices, and so forth. Capital and the colonial state, however, saw it as a political and racial conflict. Ali is correct in his view that the state saw it in that light "... because the labourers were Indians and the employers Europeans". By limiting his explanation simply to that, however, he was unable explicitly to make the class connections between the state and capital. The general drift of his analysis seems to suggest collaboration between the state and capital, but he does not develop that point explicitly. And that state and capital did collaborate is suggested, for example, by the fact that as it set about suppressing the strike, the state enlisted the legal aid of two of capital's leading spokesmen, Robert Crompton and Henry M. Scott. The latter became the CSR's legal adviser in Fiji a few years later.

Ali is correct in that for the Indian strikers, racial
animosity was not the dominant or guiding force. On the other hand, it is equally true that the strike did acquire a "political" character and it was that, coupled with its racial character, which provided the ruling class with the kind of excuses it needed to suppress it. For the Indians, the strike served to heighten political awareness, not only among the workers but throughout the community generally. That was a crucial development because it was to give added strength to their subsequent efforts to secure political rights. Their increased political awareness, moreover, could not have been bolstered by the manner in which the strike was put down. Prosecution, the use of Fijian and European policemen and reinforcements from Australia and New Zealand, and the way that the state exploited the betrayal of the workers' cause by "loyal" Indians hammered home to the strikers that the task ahead would be a daunting one. This was further underlined by the treatment that was meted out to the leading "political agitator", Manilal. Invoking one of the earliest pieces of repressive legislation, the Good Order Ordinance of 1875, the colonial state banished Manilal from the country in 1920.

The 1920 strike did not spread to the sugar areas. Poor communication facilities meant that co-operation between Suva workers and their counterparts in the cane-fields was difficult to achieve. Consequently, the kind of political consciousness and political organisation that developed in the Suva area did not emerge in the sugar plantations. Trouble, nevertheless, was brewing there. Retrenchment by the CSR following the 1920 drop in the international sugar
price, together with increasing restiveness among the Indian workers about their low wages, led to a six-month strike in 1921. Led by Sadhu Bashishth Muni, the strikers presented to the CSR a list of sixteen demands, most of which had to do with work and living conditions but a call was also made for "... the release of those innocent strikers (of 1920) who are rotting in Suva Gaol". Of course, the company "branded" the strike as "political" (as if they never are!!). The state's first response to the strike was to appoint a commission to investigate the workers' grievances. The membership of the commission is suggestive of the state's class bias: the Chief Justice of Tonga, an Indian merchant, and H.H. Ragg, a Ba shopkeeper. Initially, the third member was to have been a Mr Harricks, a planter, but when he refused, Ragg was called in. The strikers' refusal to recognise or co-operate with the commission eventually led to its withdrawal by the state. But their victory was more apparent than real.

By this time, as has been shown, the company was reaping huge profits and at no stage did it deny its ability to pay higher wages. Yet, it refused to budge and persisted with its claim that the strike was purely political and racial. The other important aspect about the whole event has to do with the fact that the company was at this stage making the transition to the small farm system. If the strike was prolonged then the planters, who were in a much more vulnerable position than the company, might be squeezed out and leave room for more Indian small farmers. And this, as Ali argued, the state realised. On the other hand, it was not prepared to bow to pressure from the planters and the press
to act firmly and end the strike. The main reason was, as Ali put it, that the state "... could not afford to fight the Company which held the economic well-being [sic] of Fiji in its hands". It believed that the company was the culprit and also that it was quite capable of meeting the strikers' economic demands. What is more, it was even impressed with the peaceful and orderly manner with which the strikers conducted themselves. Yet, despite all that, it refused to intervene and resolve the strike one way or another:

Direct Government intervention might have tipped the scales in favour of the Indians but Government refused to so so.

It was that kind of non-action that eventually led to the defeat of the strikers. With the company adopting delaying tactics by shifting the burden of decision-making to its headquarters in Sydney, it put the ball firmly in the strikers' court. To make matters worse, three Australian Methodist "reverends", Amos, Jarvis and Long, collaborated with the company and secured Fijian scab labour, and even went to the extent of dissuading Fijians from supporting the Indian strikers. And for their efforts, they were amply rewarded by the company. In the end, the ability of the strikers to maintain pressure weakened. Without sufficient resources to sustain the struggle any longer, and with no prospect of a favourable settlement, dejection set in and in August, six months after it began, the strike ended. In terms of their particular demands, then, the strikers failed and, as one writer put it, it may even have been merely the "spontaneous action of a large number of men who had
despaired of attaining redress". On the other hand, however, it allowed the workers to see more clearly the nature of the connections between their material deprivation and their lack of political clout.

The major significance of the strikes of the early twenties, then, is that they brought to the fore for the first time the fundamental contradictions of the capitalist-dominated colonial economy. The 1920 strike in particular did so with such force that capital and the state had to resort to their means of violence in order to suppress the workers. But in another major respect, too, the strikes stand out as important events, for never before had the country witnessed the direct use of Fijians against Indians on such a large scale. State and capital, the dominant factions of the ruling class, feared that Fijian sympathy for the Indian workers might turn the upheavals into a more generalised conflict against them. By dissuading them from offering support to the strikers, and by ranging Fijian policemen and special constables against them, therefore, the antagonistic relationship between capital and labour (which was the root cause of the conflicts) was manipulated so as to appear racial. It was at this time, after all, as Gillion noted that "... the argument began to be heard that European dominance was necessary to protect the Fijians against the Indians [and that] the Deed of Cession was ... a request for protection, not just by Britain, but by the European settlers [as well]."

An historic process of class realignment had begun. Labour's challenge and capital's inability to cope with it
independently forced upon capital the realisation that henceforth its dominance could no longer be guaranteed by the support only of its expatriate allies on the colonial state as had been the case in the past. Henceforth, Fijian support would be vital and as it set about striking an accord with them, its major weapon was an ideological one. To coax the Fijians into an alliance with it, the carrot (or stick, depending on how one sees it) was the argument that they too were being threatened by the advancing Indians. Persuaded, the Fijian chiefly class entered into a partnership which was to be capital's salvation.

From the strife of the early twenties, Indian workers were able to secure some economic improvement but they were also harshly reminded of their status as the exploited and disadvantaged. Forty years of white racism and a brutal plantation existence had left deep scars on them and their suppression in 1920 and 1921 came close to opening those scars again. As far as their struggle for political equality was concerned, therefore, the tortuous road that they were treading stretched way into the future.

3. COMMON ROLL, BOURGEOIS INDIANS, AND THE EXCLUSION OF LABOUR

Although it was first promised in 1920, the delegation from India to investigate the plight of Fiji Indians did not arrive until 1922. Its commendable efforts to secure, among other things, an equal political franchise for the Indians were, however, frustrated by the machinations of capital and the state. Early in 1922, for example, the acting governor
reported to London that the idea of an equal franchise for all races was firmly opposed by both Fijian and European opinion. Later that year, J.J. Ragg, a "European agitator" connected with a prominent hotelling family, sought to ensure that Fijian opposition stood firm, or better still, intensified. He wrote to a chief and suggested that he

... endeavour to permeate the whole of the Fijian race with the fixed idea that the granting of the franchise and equal status to the Indians in Fiji, would mean the ultimate loss of all their land and rights, and later their final extinction from the face of the earth.

The threat of Fijian extinction, which the representatives of capital played upon, was born of both Indian demands for political equality and rising Indian numbers.

As the table below shows, in 1911, Fijians accounted for 62% of the total population and Indians 29%. By the time of the 1921 census, those figures had changed to 54% and 39% respectively, and in 1936 they stood at 50% and 43%. The gap between the two races was narrowing rapidly, and by 1946 Indians had outnumbered Fijians, a numerical superiority which has persisted to the present day. Fijian concern about demographic trends was therefore understandable but for capital it provided the perfect cover behind which to cope with the task of class containment. Labour's representation in the colonial state had to be resisted as much as possible, and it was to capital's great advantage that labour happened to be predominantly Indian.

Therein lies the key to our understanding of the politics of class containment. Sets of objectively antagonistic class positions (classes) were occupied by agents
<table>
<thead>
<tr>
<th>Year</th>
<th>Fijian</th>
<th>Indian</th>
<th>European</th>
<th>Part-European</th>
<th>Chinese</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>1881</td>
<td>115</td>
<td>90%</td>
<td>1</td>
<td>1%</td>
<td>3</td>
<td>2%</td>
<td>1</td>
</tr>
<tr>
<td>1891</td>
<td>106</td>
<td>88%</td>
<td>7</td>
<td>6%</td>
<td>2</td>
<td>2%</td>
<td>1</td>
</tr>
<tr>
<td>1901</td>
<td>94</td>
<td>78%</td>
<td>17</td>
<td>14%</td>
<td>2</td>
<td>2%</td>
<td>-</td>
</tr>
<tr>
<td>1911</td>
<td>87</td>
<td>62%</td>
<td>40</td>
<td>29%</td>
<td>4</td>
<td>3%</td>
<td>2</td>
</tr>
<tr>
<td>1921</td>
<td>84</td>
<td>54%</td>
<td>61</td>
<td>39%</td>
<td>4</td>
<td>2%</td>
<td>3</td>
</tr>
<tr>
<td>1936</td>
<td>98</td>
<td>50%</td>
<td>85</td>
<td>43%</td>
<td>5</td>
<td>2%</td>
<td>2</td>
</tr>
<tr>
<td>1946</td>
<td>118</td>
<td>45%</td>
<td>120</td>
<td>46%</td>
<td>6</td>
<td>2%</td>
<td>3</td>
</tr>
<tr>
<td>1956</td>
<td>148</td>
<td>43%</td>
<td>169</td>
<td>49%</td>
<td>6</td>
<td>2%</td>
<td>8</td>
</tr>
</tbody>
</table>

(people) drawn predominantly from different racial groups. Capital was predominantly European, labour predominantly Indian, and that broad convergence of class and racial cleavages opened up the possibility of managing class pressures by subsuming them under racial tensions, and it was by following precisely that course of action, that capital was able effectively to obstruct any form of direct representation in the state apparatus for labour. But labour's failure in that regard was the product of other factors also, factors which had to do with the political and organisational weakness of the working class, the changing class structure within the Indian community, and the bourgeois character of the Indian leadership. Before examining these in some detail, however, it is necessary first to consider the way in which the Indian demand for a common roll bore upon the question of labour representation.

As had been argued, the whole debate about political representation provided for capital a convenient cover for its more fundamental concern, that of class containment. For the colonial state, on the other hand, it was much more a "political" problem. Pressure, both international and internal, had forced upon it the need to accommodate Indian political aspirations, at least in some degree. Some kind of political franchise had to be given but the burning question concerned the particular form that it might take. And the controversy which surrounded that issue was eventually to lead to the exclusion of labour representation from the legislative and executive organs of the colonial
Before the constitutional reform of 1929, commitment to the principle of a common roll had strengthened considerably among the Indian leadership. Inspired by a similar position adopted by their counterparts in India and Kenya, and also by the sterling efforts of the leading lobbyist in London for Indians abroad, H.S. Polak, the local Indian leaders pressed their demands even harder. But a common roll had such threatening consequences for the ruling class that it resolved never to introduce it. Some kind of political franchise for Indians it was prepared to entertain, a common roll not. As Gillion observed:

It was obvious ... that with the Indian population increasing in numbers, education and wealth, and in Fiji's plural society, where people were likely, for the foreseeable future, to vote along racial lines, a common roll without reservation of seats for each race would have led eventually to an Indian majority in the Legislative Council, and that, of course, is why it was unacceptable to the other communities.28

And so it was that Indians were given just three seats in the Legislative Council. That is why the constitutional reform of 1929 stands out as a major event in Fiji's history; it represented the response of the ruling class to mounting political pressure from the Indian community and in particular the singularly threatening demand for a common roll. To contain that pressure, some elected representation had to be given but the idea of a common and equal franchise for all was out of the question. It is not surprising, therefore, that in the campaign leading up to the September 1929 elections, the contest for the Indian seats was "uneventful
and unexceptionable from the standpoint of race relations but ... not for the European seats". J.R. Pearson, the Secretary for Indian Affairs, had listened to campaign speeches made by Henry Scott and Henry Marks in which they launched bitter attacks against the Indian community. In his words:

I ... was amazed at the way racial prejudices were worked upon and cheers raised from the audience at successive jibes against the Indians. The general attitude was that Indians were not wanted except as labourers and small farmers and must be kept in their place. If they did not like it they could clear out and make room for a more docile set of plantation workers.

But the fight for a common electoral roll was not quite over. Using their newly-won representation in the Council, the Indian leadership sought to force the issue. On 5 November 1929, Vishnu Deo moved in the council that Indians be granted a common franchise with the other members of the community. On hand, of course, were the mouthpieces of capital, in particular, J.M. Hedstrom and H.M. Scott, to unleash the usual dose of white racism. And not unexpectedly, the motion was rejected overwhelmingly; thereupon the three Indian members resigned their seats in protest. A similar attempt was repeated three years later, but it too ended in similar fashion. On that occasion, however, the colonial state had the additional advantage of having at its disposal a new rift within the Indian community which could be used to turn the tide against the fight for a common roll. Following the trend in India, political separatism had emerged within the Indian community and Muslims were demanding separate representation. Although their demand was unsuccessful,
Governor Fletcher was able very effectively, to exploit it in order to break the back of the common roll struggle. And in that he soon succeeded, for in 1932 the battle for a common roll effectively died.

With hopes for a common roll now well and truly dashed, labour's chances of securing direct representation in the state were lost. With a common electoral roll, there was at least the possibility of forming electoral alliances of workers from all racial groups. And in the future the number of non-Indian workers would increase. But with racial representation now firmly established as the basis of the electoral system, labour would, henceforth, have to seek alternative forms of representation. The 1940s would see the birth of labour organisations, and soon thereafter, would follow, for the first time, labour representation in the state. Initially, it would take the form of membership in various official committees and inquiries. But as far as legislative representation, as a means of defending class interests, was concerned, by 1929 the dialectics of race and class had effectively ensured that, for labour, it ceased to be an option. The reason of course, as the argument presented here has sought to establish, was that the fundamental contradiction facing the country, that between capital and labour, had effectively become a conflict between Indians and non-Indians. Moreover, as has been argued, credit for that highly successful exercise in ideological mystification goes primarily to the indenture system set up by the colonial state to meet the needs of sugar capital. But the machinations of the dominant factions of the ruling class do not
by themselves fully explain labour's exclusion from representation in the state. As has already been intimated, within the Indian community itself, other explanatory factors are to be found.

The first of these is that Indian workers were not organised. Yet, this was hardly surprising given the highly oppressive environment in which they laboured, and also their deplorable lack of educational facilities, their meagre economic resources, and the failure of an able and committed leadership to emerge from within their own ranks. Moreover, although most of them were agricultural labourers, some were employed as clerks, domestics, mill-workers, engine-drivers, and sirdars (overseers). With this range of occupations, the possibility of any organised activity was greatly reduced, and one factor of particular importance in that regard was the role of the sirdar. To him was delegated a significant measure of responsibility for discharging capital's function of surveillance and control. So not only did this entail relieving capital of some of its more repressive tasks, it also had the added advantage of splitting Indian solidarity. Together, then, lack of organisation, strict control by functionaries of capital, absence of leadership, underdeveloped political consciousness, and the lack of the material wherewithal necessary for successful struggle all contributed to the Indian working class's political powerlessness, which in turn, partly explains their failure to secure representation as a class within the colonial state.

A second reason behind labour's exclusion from representation in the colonial state has to do with the fact
that by 1929 the class composition of the Indian community was becoming increasingly differentiated. Typically, disindented Indian workers who remained in Fiji either took up sugar-cane farming (and many of these prospered) or branched out as wage workers or petty capitalists into other sectors of the economy, principally into the wholesale and retail trade and public transportation. Furthermore, Indians who later arrived as free immigrants, particularly those who came in the early twenties, also made an impact on the changing pattern of class relations. As has been noted in the previous chapter, many were agriculturalists, artisans, shopkeepers, and professionals, notably lawyers.

As a result of these developments, the Indian class structure underwent a process of transformation. Now appearing within the Indian community were small capitalists, a petty bourgeoisie, and a professional class. The most important effects of this development for the purposes of this discussion are two-fold. The first is that white capitalists, particularly in the commercial sector, were now faced with increasing competition from newly-emergent Indian rivals. Any political development which might give an edge to the latter had therefore to be resisted, and all the more so as it was from their ranks that those who led the fight for a common roll were largely drawn. The failure of the common roll struggle, therefore, was tied intimately to the increased inter-capitalist rivalry that came with the changing Indian class structure. Capital's opposition to a common roll derived ultimately from its desire to control labour, and the threat of growing competition from the
emerging Indian bourgeoisie made it more resolute.

The second effect of the changing Indian class structure was that because the dealings of the nascent Indian bourgeois class tended mainly to be with their fellow Indians, it inevitably imposed its class interests on Indian workers. Not only, therefore, was the Indian working class now held in bondage to white capital, it was also fast becoming victim to the embryonic Indian bourgeoisie, and the clearest expression of this was the growing indebtedness of Indian workers to often unscrupulous Indian money-lenders. It was common, for example, for Indian shopkeepers and money-lenders to charge up to 60% interest on loans. For the Indian working class, then, the process of class transformation described here meant that they were now tied in an ambivalent way to antagonistic class interests within their own community. The rising Indian bourgeois class spearheaded the struggle for Indian political rights but at the same time exploited Indian farmers and workers. On the one hand, therefore, the Indian working classes shared a common political interest with bourgeois Indians but, on the other, were, in their daily lives, exploited by them. What energy Indian workers might have had to defend their interests by fighting for representation as a class in the colonial state, therefore, became increasingly dissipated by the need to cope with objective class enemies on two broad fronts.

Force of circumstance, however, required them to join forces with bourgeois Indians for, divided, neither would achieve very much. Unorganised, leaderless, and lacking in material resources, Indian workers nevertheless had the
numbers, which is what the Indian bourgeoisie lacked. Thus it was that their common political interest, coupled with the advantages which each had to offer the other, was sufficient to override the antagonisms between them. Utter subordination in the cane plantations had weakened the Indian workers, and the defeats of the early twenties sapped their strength even more. So if better political representation was to be secured, then the only realistic option open to the Indian community was to close ranks. That forced alliance, however, was to be labour's undoing as far as its class representation in the colonial state was concerned. The rising Indian bourgeoisie was economically stronger, better educated, and more articulate. It was no accident, therefore, that they came to monopolise the leading positions in the wider struggle for Indian representation. And in those positions, they, like the ruling capital-chief alliance, defined the struggle as a racial one. The fundamental contradiction between capital and labour had already assumed a racial form; the bourgeois Indian leadership made it even more so.

In large part, and especially because anti-Indian sentiment was so intense, the Indian leaders' racial definition of the struggle was understandable. To concede that, however, is not to exonerate them entirely. The fact is that they were simply not prepared to organise the workers and wage a labour-versus-capital struggle. To do so would have meant risking their own positions, and their roots, after all, was not in the working class but in an emerging Indian bourgeoisie. An examination of the occupation of some of the leading Indian figures bears this out: A.D. and S.B.
Patel, lawyers; B.L. Hiralal Seth, cane-grower; Tandhir Singh, a "rich" cane-grower; Vishnu Deo, and accountant and commission agent, who drew much of his business from the Gujarati community which was heavily involved in commerce; M.N. Naidu, V.M. Pillay and Sadhu Kuppuswami, merchants; and C.M. Gopalan and A.D. Sagayam, doctors. Without wishing, necessarily, to question the commitment of people such as these, the fact is that they saw the struggle as essentially a racial one. And as members of an emerging bourgeoisie, they could not afford to redefine it as a class one. Armed, therefore, with bourgeois principles about fair representation and an ability legitimately to accuse the ruling class of racial discrimination, they fought the battle in a way which did not undermine their class positions. To have advanced the cause of the Indian working class, in other words, would have required them to commit "class suicide", but that they were unwilling, perhaps unable, to do. In the end, therefore, the interests of the workers as a class were seriously undermined.

In summary, then, Indian political agitation stemmed ultimately from the contradiction between capital and labour. The strikes of 1920 and 1921 were essentially expressions of that fundamental contradiction, and on both occasions labour lost. By the end of the twenties, worker agitation had subsided somewhat, and by that time too, the Indian political struggle had come to centre around the demand for a common electoral roll. Very importantly, the preoccupation with that demand was the result of an Indian leadership which was bourgeois in character. As Gillion noted, although they were
willing to give tacit support to a cause that was concerned with Indian interests and honour, "the majority of the Indians knew and cared little about common roll". They were, after all, workers whose daily lives were consumed with the task of simply surviving. It is not surprising, therefore, that their passive role in the fight for a common roll contrasted sharply with the greater depth and commitment which characterised their involvement in struggles which had to do with improving the material condition of their daily existence. All the more so, what is more, because the Indian leadership did not spell out the nature of the connections between the political struggle and the deep-rooted contradictions of which the workers were the worst victims. Worse still, they refused to build the struggle around those contradictions; contradictions which the ruling class had already cast in racial terms, and which they were unwilling to redefine in class terms. Intense white racism may have forced upon them a racial definition of class conflict, but because they were bourgeois, it was in their interests also to adopt such a definition. In the struggle for representation, then, the Indian labouring classes were compromised by the bourgeois Indian leadership. As a class, labour was thus excluded from representation in the colonial state, while the emerging Indian bourgeoisie was not. As will be shown later, however, it was not until about the late sixties that the Indian bourgeoisie was able to use its representation significantly. The alliance between capital, the state, and the (primarily eastern) chiefs which was forged in the late twenties would continue to lump them, as Indians,
with their labouring kin. As far as the ruling class was concerned, they were Indians first and bourgeois second, and it was only when the country approached Independence, and the ideology of multiracialism emerged in the course of the struggle for state power, that the Indian bourgeoisie began to reap the benefits of its class representation. But that was some years away, and until then, what mattered most in the eyes of the ruling class was that they were Indians.

4. WAR AND THE STRIKE OF '43: FARMERS AND RELUCTANT SOLDIERS

To recapitulate, then, elected Indian representation to the Legislative Council was introduced on 1929, but by 1932 the struggle for a common electoral roll had effectively ended. Indian members of the council did, of course, continue to advocate it but, as Meller and Anthony put it:

... in the minds of European and Fijian members it was synonymous with an attempt at political domination by Indians, and each proposal was voted down.39

In 1936 an attempt was made "to turn back the clock" by reverting to a wholly nominated system of representation and the outcome of that struggle was the compromise of 1937, whereby parity of racial representation in the council was introduced for the first time.40 Each of the three major races were to have five members. For Europeans and Indians, three members were to be elected from separate electoral rolls and two were to be appointed by the colonial state as unofficial members. The five Fijian members were all appointed by the governor from a list of ten names submitted by the Council of Chiefs. Against these fifteen members were
sixteen expatriate state functionaries - the "official members". The latter, therefore, held the balance of power.

From 1937 until 1963 the composition of the Council remained unchanged, and although the question of constitutional development was debated periodically over that period, in the main those debates were variations on old themes:

... an unofficial majority, extension of the franchise, the Muslim demand for a separate elected seat, the combined opposition of the Europeans and Fijians to changes leading to a common roll, and their desire to maintain the communal roll system. 41

The relative political quiet which characterised this period was jolted by a momentous debate in the Legislative Council in July 1946. The country was poised at an historical crossroads. The pressure of the wartime economy was barely beginning to lift and recent changes in metropolitan colonial policy forced policy changes upon the state of Fiji. But more importantly, the balance of class forces had changed significantly. This will be taken up in detail later. To anticipate, however, sugar capital was still dominant, but the chiefly class was now in a rather stronger position and, also, labour was organised. Local white capital, however, was in a shaky position, and in Chapter VIII I show how it sought to influence state policy in its favour. But that task would be easier if it could mount an ideological offensive which might help to consolidate its position. What was its strategy? The ruling class had been troubled by labour, and labour was predominantly Indian. It was time, therefore, to reaffirm the capitalist path, consolidate the hegemony of the ruling class - and local capital's place in it, and to
put Indians in their place - yet again. It is in those terms that the historic debate of July 1946 needs to be understood.

The immediate causes of the debate can be traced to the 1943 cane-farmers' strike which later was labelled "a stab in the back". When the call went out for men to enlist for military service, the Indians were not very forthcoming. Their reluctance, however, was perfectly understandable, consumed as they were with the daily struggle to maintain a decent standard of living, especially in the face of high wartime inflation. Why should they want to fight for the British ruling class when it was partly responsible for their material hardships. Similarly, it was perfectly reasonable that they should expect to be paid the same as Europeans if they did choose to enlist. But the ruling alliance saw things differently. Not only were the Indians criticised for their "disloyalty" but also their activities during the 1943 strike were seen as positively selfish and unhelpful. So against the patriotism of the Fijians, the Indian contribution to the war effort came under much criticism, and not least from the Fijian leaders. When, for example, the strike was debated in the Legislative Council at the end of the year, two leading chiefs, Ratu Sukuna and Ratu E. Cakobau, criticised the Indians, accused them of trying to hold the country to ransom, and they offered Fijian scab labour to cut the cane if the state would undertake to buy it. However reasonable Indian objections to military service might have been, then, as far as the Europeans and
the Fijians were concerned, the fact remained that they were not prepared to fight. Not only did that mean that their patriotism and courage were suspect, but more importantly, their case for equal political rights was seriously undermined. In terms of the political realities, Mayer is quite correct in arguing that "equal citizenship ... called for equal sacrifice". What he failed to consider, however, was that that kind of belief, which was indeed widespread, was part of a ruling ideology which was totally blind to the sacrifices which Indians had made since 1879 and what is more, were expected to continue to make. It was perfectly all right that they were thoroughly exploited in the cane fields, but political obligation really had nothing to do with that. That was a totally different matter altogether because politics and economics are quite separate. Bourgeois ideology, like bourgeois social science, depends very critically on this wholly untenable distinction.

The legacy of mistrust and hostility left by the Indians' wartime policy was something which they could not help. Had they been more forthcoming, their struggle for political equality might have been more successful, but it is difficult to see how, after years of intense anti-Indian feeling, matters could have suddenly improved. Also, had they fought, it would probably have been the lives of Indian workers rather than Indian capitalists that would have been sacrificed. And when the survivors returned, they would probably have simply gone back to the cane-fields and expected, as usual, to make more sacrifices there. Although this is speculation, the lessons of history do lend it a great
deal of support. In any event, racist feelings against the Indian community were given a major boost during the war, and soon they would be openly flaunted in the Legislative Council.

That, then, is the immediate background to the historic debate of July 1946, an event which saw the representatives of the ruling class give open and vehement expression to their racist feelings against the Indian community. More importantly in terms of the argument being developed here, the debate served as an occasion not only to reaffirm the virtues of capitalism but also to consolidate the position of the ruling class, especially local capital.

5. CATHARSIS IN THE CHAMBER: THE ENTRENCHMENT OF RACIAL POLITICS

In the chambers of the Legislative Council on 16 July 1946 the European member for the Southern Division, A.A. Ragg, tabled a motion which touched off a debate of historic importance but about which little is known. Quite apart from it being the major instance of racial catharsis in the Council up until then, the importance of the debate had to do with the fact that Fiji was at a crucial historical juncture. The confluence of recent developments of major importance had fundamental consequences which the ruling class was intent upon addressing itself to. Those developments were the war, changes in British colonial policy, the 1943 strike, and the rise of the indigenous bureaucratic bourgeoisie and organised labour. And all this against some three decades of struggle the intensity of which the
country had never before experienced. It is necessary, therefore, to examine the debate in some detail for not only did it foreshadow the shape of things to come but also captured in a most graphic way the essentials of the struggles that preceded it. Ragg's motion read:

That in the opinion of this Council the time has arrived - in view of the great increase in the non-Fijian inhabitants and its consequential political development - to emphasise the terms of the Deed of Cession to assure that the interests of the Fijian race are safeguarded and a guarantee given that Fiji is to be preserved and kept as a Fijian country for all time.46

As he spoke to the motion, the underlying racist motives became evident for the whole thrust of his delivery was directed against the Indian community. Highly provocative and inflammatory, his speech was nonetheless a success, for the Honourable European Member was able, very effectively, to play upon justifiable Fijian concern about their political and economic position. Lest he be branded a racist, however, Ragg was quick to point out that his representations were not due to any desire to belittle the Indians,47 and in any case, as he went on to say, he did not have an axe to grind.48 But the attempt to soften the impact of his attack was unconvincing; he had, in fact anticipated that the Indian members of the Council would take strong exception to his views,49 which is precisely what happened. Vishnu Deo, in particular, responded very strongly and his suspicions about the real motive of the motion was not wide of the mark, as we shall see.

Ragg's broadside against the Indian community represented nothing less than a frontal assault that was motivated by a desire to consolidate the historically-forged alliance
between white capital, the colonial state and the Fijian chiefly class. Before examining the immediate causes of Ragg's offensive, it is necessary to consider the manner in which he set about his task. First came the justification and this took the form of, one, invoking the commitment of the Deed of Cession to the paramountcy of Fijian interests, and two, reiterating the point that the Fijian race was still locked in a political, social and economic backwater.50 These arguments provided for him a point of departure which was unchallengeable and they set the stage for an anti-Indian offensive and a glorification of the alliance of which he was a part.

The Indians, he argued, were introduced to assist in the commercial development of the colony but "mostly at the expense of the Europeans".51 No mention was made of the profits that European capital derived from Indian labour. Moreover, he contended, the "aliens" had "been granted equality in the political field with the Europeans" and they enjoyed "complete freedom of action and enterprise throughout the colony".52 (sic) But in spite of that, they displayed singular ingratitude and audacity: "their contribution to the war effort was lamentable" and they had even attempted to use the war as a bargaining instrument to further their (political) demands.53 Most important of all, however, the Indians had "no responsibility under the Deed of Cession".54 In the end that was the crucial argument for, after all, what the debate was all about was the need to implement both the spirit and the letter of that hallowed document, a task, moreover, in which the Europeans had a major part but the
Indians none at all. And it was on the basis of that obligation that Europeans could claim a legitimate right to remain in the country. They were, as Ragg put it:

co-trustees with the Imperial Government in the Deed of Cession and the care that should be given to the native race. 55

To ensure that the point would not be missed, he reiterated:

the duty of trusteeship devolves upon Europeans and in this duty the Indians have no part. 56

And what of the Fijians? The original owners of the land, Ragg noted, "had placed their fate fully and freely (sic) in the hands of the British Crown" 57 and they had always displayed unstinting loyalty to it. It was necessary therefore to take steps to protect them from the Indian threat and beyond that to secure their overall advancement. But there were obstacles within Fijian society itself: the Fijian communal system, its institutionalised form, the Fijian administration, and, of course, the Fijian's lack of "character". On the last matter, Ragg's words speak for themselves:

... character is just what the natives have not. We who work for and among them, know, too painfully, how deficient in all manly qualities they are. Courage, honour, firmness, pure ambition, truthfulness, unselfishness - these and kindred qualities are all too rare ... they mean well, but being deficient in character they are weak and the victims of circumstances. 58

That such open affrontery was allowed to pass unchallenged testifies to the hegemony of white capital within the ruling class. Ragg had, on the one hand, slighted both the Fijian "communal" system and its institutionalised form within the colonial state, the Fijian Administration, and on
the other, heaped scorn on the Fijians for their supposed "lack of character". That such a frontal attack could be mounted against the Fijians without incurring their wrath, especially as they had so recently displayed selfless courage in the field of battle, is clear evidence of the subordinate status of the Fijian faction of the ruling class. Not a single Fijian member of the council rose to defend his people against the disparaging remarks that had been meted out with such arrogance and impudence.

As for Ragg, it was a measure of his Machiavellian artistry that he cleverly sought to soften the impact of his blows by likening the Fijian "communal" system to "socialism and communism"; (for him socialism and communism were one and the same thing). That was truly a master stroke, for it allowed him to exploit to great advantage the deep ideological bias against communism which permeated Fijian society. His comparison therefore served, simultaneously, as a rationalisation for his attack upon indigenous society and also as a springboard from which to launch his case about the superiority of capitalism. His strategy with respect to the latter is interesting because it illustrates the man's grasp of the particularities of Fiji politics and also his dexterity at manipulating them for political gain. Political consciousness among the Indian labouring classes, he realised, was on the increase, so he could not afford to appear too blatantly as a spokesman for white capital. His case for the superiority and desirability of capitalism, therefore, could not take the form of open praise. A cover was needed and the perfect one was provided by the church. He
therefore set about applauding the policy of the Wesleyan Mission in Fiji which, he said, had been "to promote individualism among the natives". 60 His target audience, of course, was the Fijians and knowing full well that they were predominantly Methodist, the message he sent out to them was that if the church was promoting individualism, then surely it must be a good thing.

So having lambasted the Indians for their greed, ingratitude and political precociousness, criticised the Fijians for their personal deficiencies and backward form of social organisation, and castigated the colonial state for persisting with policies which obstructed the development of individualism among the Fijians, the stage was now set to present the European as the saviour. The pace of indigenous development had been hindered by the sorts of factors that he had just outlined and because Fijians were not yet able to stand on their own feet, the continued support and guidance of the white man, Ragg intimated, was clearly essential. Moreover, that it was only the white man who could provide the necessary support, he had little doubt for Europeans, after all, had made the greatest contribution to the country over the last one hundred and fifty years. So here in the Council, credit for Fiji's development was being claimed for the white community, and to catalogue its "achievements" was one of its favourite sons:

They colonised and transformed Fiji from a barbarous country into a civilised one: they instituted a stable government: they are responsible for the economic development of the Colony. They gave their best in the two wars: they have been the mainstay of Government during times of internal trouble... 61
Ragg's strategy worked perfectly. With the enticement of Fijian support as his major objective, he juxtaposed Fijian deficiency and Indian evil with European benevolence and virtue. At root, he argued, the problem was an Indian one and Fijian salvation depended critically on European support. On other words, the fundamental contradiction confronting Fiji was a racial and not a class one. That, of course, was an accurate account of the real appearances of Fiji society; and that it was well received is demonstrated by the statements of support and were to come from various European members of the Council and, more importantly, from the Fijian representatives. To be sure, the argument which Ragg advanced had been prevalent in Fiji for a long time but what was significant about his delivery was the fact that he was able successfully to reinforce it at an important historical conjuncture.

The country was at something of a turning point: the balance of class forces had changed significantly, and mainly to local white capital's disadvantage. And as the ruling class set about making the transition to a peacetime economy, there was much discussion about the best way forward, and because self-government for the colonies had recently been proclaimed as policy by the newly-elected Labour Government in Britain, the country's constitutional status was now an item on the political agenda. The confluence of these events, set against an historical background of political agitation by the Indians and, more importantly, the struggles that had been waged against capital by the Indian labouring classes, had opened up a threat, however slight, to the
ruling class, but in particular local white capital's position within it. As we shall see, local white capital's concern stemmed basically from its fear of being electorally swamped by the greater number of both Indian and part-European voters. Ragg, we should recall, had stated that his motion was being put before the council "in view of the great increase in the non-Fijian inhabitants and its consequential political development".\(^{62}\) (emphasis added) The adjective non-Fijian was clearly intended as a camouflage. Fortunately, however, in the ensuing debate, the smokescreen was penetrated and the underlying motives exposed.

This, then, is the kind of background against which Ragg's adventure in the Legislative Council needs to be understood, for essentially it represented a marshalling of forces, an attempt to consolidate and further entrench the interests he represented. Various developments had occurred which threw some doubt on the continued hegemony of capital. More particularly, local white capital no longer appeared as secure as it had been in the past, so it was now necessary to rise up in its defence. And the obvious way to accomplish that objective was simply to exploit racial antagonisms. The costs of such an approach were likely to be minimal and given the existing balance of forces within the ruling class, it was probable that capital's ally, the chiefly class, would rally to the cause, and as we shall see, this is precisely what happened.

Ragg's defence of capital was a shining example of ideological manipulation. By posing the issue in terms of racial domination he was able to capitalise on, and at the
same time reinforce the whole ideology of racialism, which equated things European, and to a lesser extent Fijian, with good and things Indian with evil. Here was the politics of race at work and the only question that had yet to be settled was the tactical one about how the supposed Indian threat should be dealt with. Concrete measures had to be adopted to contain the Indian ogre but who was to lead the way in that highly sensitive task? And the way that Ragg tackled that question showed him up as the shrewd political calculator that he was.

Ragg was of course concerned that Europeans avoid as much as possible situations where they might lay themselves open to charges of racism. For them to take the initiative, therefore, was politically risky, and so he sought to shift the burden onto other shoulders. The groundwork for this had already been laid: he had projected the image of the European as the guardian of native interests and therefore duty-bound to raise the alarm about Indian domination. All that now remained was to plant the idea that responsibility for taking the initiative rested in other quarters. Once taken of course, the Europeans would follow. Fijian initiative was clearly what he was seeking, but if similar action was to be adopted by the colonial state, then so much the better. And so it was that he appealed to the Fijian leaders to "go out among their people and awaken them to the reality of the situation". After that, he turned to the Governor and urged him to rise up against the common foe:

Take up the cudgels for the Fijian people who have so loyally done their duty to the King and Empire and you will erect in the minds of a
grateful and increasing Fijian people a monument more lasting than brass and, you, Sir, they will remember always as their saviour and their friend.\textsuperscript{64}

Stirring stuff indeed and, although his original motion was eventually amended so as not to appear quite so innocuous, there can be no doubting that the spokesman for white capital had scored a major victory.

To second his motion was the First Native Member, Ratu G. Tuisawau, and hot on his heels came the Third Native Member, Ratu T. Vuiyasawa, whose support is best expressed in his own words:

This motion as it stands concerns the future well-being of my people, who are likely to be overwhelmed or swamped by this Colossus of Indian domination in this Colony. This problem ... must be solved before it is too late, ... I support the motion.\textsuperscript{65}

For his part, the Fourth Native Member, Ratu G. Tonganivalu, began his speech by saying that he would be failing in his duty if he did not support the motion.\textsuperscript{66} Ratu E. Mataitini echoed the sentiments of his Fijian colleagues but, in addition, he also lavished Ragg with praise:

I support this motion because to my knowledge it is the first time for many years that someone has had the courage to table and speak on a motion of this kind.\textsuperscript{67}

With such solid backing from the Fijian members, together with the strong support provided by European members like W.G. Johnson and H.B. Gibson, victory could hardly have eluded Ragg. The following statement by W.G. Johnson, a European Nominated Member, for example, captured the essential thrust of the kind of argument which came from the
representatives of local white capital:

... the European people and the Fijian people see today fairly clearly that within the space of a few years it is inevitable that the Indian people will have a vast numerical superiority and that the time may come when they will try to take power unto themselves in this Colony, and then we will be faced with the unhappy state of affairs that is occurring in Palestine today.\(^6\)

Twenty-eight years on, history has yet to bear him out. But he went on:

Their [the Europeans'] association with the Fijians in the past is one which has been almost completely acceptable to the Fijians and the Fijians have never regretted that association created in 1874 [sic]; and if they could turn back time and have the opportunity of re-considering their position they would not do otherwise than follow in the same steps that their forefathers took them.\(^6\)

The real basis of the ideology of racialism, then, was the "ever-present fear" of "eventual Indian domination" that came with their rising numbers. During the debate, Ragg had put the Fijian and Indian populations at 119,000 and 130,000 respectively - a difference of 14,000. But according to the latest estimates (see Table 5.2 below), which had in fact been tabled before the council only a week before the debate, the figures as at December 1945 were 115,724 and 117,256 respectively - a difference of only 1,500.

Despite the fact that Ragg had clearly exaggerated the difference in numbers, the fact remained that Indians had outstripped the Fijians. But what was even more threatening was that not only was the Fijians' birth rate lower than that of the Indians, but also their death rate was higher.\(^7\) Consequently, the population growth rate was much lower for the Fijians than the Indians. (See Table 5.3.)
Table 5.2  Estimated Population as at 31 December 1945

<table>
<thead>
<tr>
<th>Race</th>
<th>Population</th>
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<tbody>
<tr>
<td>Fijians</td>
<td>115,724</td>
</tr>
<tr>
<td>Indians</td>
<td>117,256</td>
</tr>
<tr>
<td>Part-Europeans</td>
<td>5,909</td>
</tr>
<tr>
<td>Europeans</td>
<td>5,277</td>
</tr>
<tr>
<td>Pacific Islanders</td>
<td>3,146</td>
</tr>
<tr>
<td>Rotumans</td>
<td>3,432</td>
</tr>
<tr>
<td>Chinese</td>
<td>2,490</td>
</tr>
<tr>
<td>Others</td>
<td>1,442</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>254,676</strong></td>
</tr>
</tbody>
</table>


Table 5.3  Population Growth Rates by Race, 1939 - 1945 (per 1000)

<table>
<thead>
<tr>
<th>Year</th>
<th>Fijians</th>
<th>Indians</th>
<th>Part-Europeans</th>
<th>Europeans</th>
<th>Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1939</td>
<td>14.26</td>
<td>26.28</td>
<td>17.91</td>
<td>12.21</td>
<td>19.57</td>
</tr>
<tr>
<td>1940</td>
<td>19.28</td>
<td>32.82</td>
<td>27.22</td>
<td>16.09</td>
<td>26.06</td>
</tr>
<tr>
<td>1941</td>
<td>20.84</td>
<td>37.15</td>
<td>23.33</td>
<td>22.35</td>
<td>28.38</td>
</tr>
<tr>
<td>1942</td>
<td>19.38</td>
<td>35.48</td>
<td>33.64</td>
<td>5.70</td>
<td>26.53</td>
</tr>
<tr>
<td>1943</td>
<td>19.09</td>
<td>35.88</td>
<td>34.61</td>
<td>9.53</td>
<td>26.95</td>
</tr>
<tr>
<td>1944</td>
<td>16.61</td>
<td>32.44</td>
<td>30.79</td>
<td>11.80</td>
<td>24.48</td>
</tr>
<tr>
<td>1945</td>
<td>21.09</td>
<td>35.53</td>
<td>30.63</td>
<td>15.35</td>
<td>28.16</td>
</tr>
</tbody>
</table>

With those sorts of figures, Ragg was well-placed to mount his attack. So what was the nature of the counter-offensive? The blatantly racist character of the assault did provoke a defence of sorts from a few of the European members but it is significant those who spoke out were all expatriate European members and not local Europeans. Of the Indians, then, the Commissioner of Labour, for example, had this to say:

[they] are a frugal, thrifty, industrious people who can be called the very sinews of our economy. The Fijians owe much of their advancement and security to the material wealth that is derived from the efforts of other races of the colony. 71

The Acting Secretary for Fijian Affairs concurred:

... it is a self evident fact that the progress which the colony has made since Cession would not have been possible if the Indians had not been brought in to satisfy the cry of the plantation owners for more and more labour, and if the present Indian population were suddenly to vanish ... our prosperity would burst like a pricked bubble and we should leave the Fijians in no better state than that in which we found them. 72

And as for Ragg's basic argument that the major problem confronting the country was the increasing Indian population, the Acting Director of Medical Services thought this quite mistaken. For him the problem was not the racial aspect of the population increase but simply the increase in overall numbers:

the major problem facing Fiji at the present time is not a different composition of one component in numbers as opposed to the other racial components of the population. It is not that at all. It is the absolute increase of population, whatever its racial composition... 73
That this argument seems to have carried some weight is suggested by the fact that the original motion was eventually amended and, in particular, the offending reference to the political consequences of the increase in the non-Fijian population was deleted. In its amended form, the motion read:

That in the opinion of this Council the time has arrived to emphasise the terms of the Deed of Cession to ensure that the interests of the Fijian race are safeguarded.  

But what of the response from the Indian members? K.B. Singh described Ragg's motion as "mischievous" and asked why the state did not care to take action against Ragg under the Sedition Ordinance for "setting one section of the community against another". The Indians, he went on to say, had not in the past interfered with the rights of the Fijian people and he claimed that it was not the Indian but the European community who had "kept the Fijian down". In support of this he referred to European monopoly of freehold land and white racism in the colonial civil service. Similar sorts of arguments were later made by the other Indian members - B.M. Gyneshwar, A.R. Sahu Khan, A.D. Patel, and Vishnu Deo. Without exception, they all employed racial categories: K.B. Singh, for example, spoke of European capital, Indian labour and Fijian land; A.D. Patel made reference to Fijians spending their money in European or Chinese concerns; and Vishnu Deo spoke of European vested interests. So here were representatives of a people who were being exploited first and foremost by capital and yet they persisted with racialist perceptions. A major reason
for that, as has been argued, is that they were themselves bourgeois and, therefore, could not jeopardise their own positions by adopting a class definition.

For the Indian representatives, then, Ragg's attack was just another instance of racial prejudice but not much more. The pervasiveness of racialist thinking was here given its finest expression. Not once during the entire debate was reference made to the activities of the CSR, Burns Philp, Morris Hedstrom, Emperor Gold Mines or any other capitalist enterprise. The only reference to capital specifically was when K.B. Singh charged that Europeans were fearful of "Indians who have come to a state where they are competing with European merchants". Now that statement is most telling.

Of all the factions of capital to attack, white commercial capital was the only one to be singled out. Why? Precisely because it was with commercial capital that the emerging Indian bourgeoisie was in greatest competition, and the connections between the latter and the Indian Council members were close. Patel was a lawyer with strong ties with the Gujerati commercial community. Vishnu Deo was an accountant, K.B. Singh belonged to the Arya Samaj, and Sahu Khan was an Ahmadiyya. The Arya Samaj and the Ahmadiyya are the unorthodox sects of the Hindu and Muslim communities respectively, and prominent in the leadership of each were people who were wealthy. With those sorts of connections, therefore, it was never likely that the Indian members would pursue the matter of capitalist exploitation of Indian workers and farmers too far. To do so would have meant
running the risk of compromising the interests of Indian capitalists to whom they were connected. It was perfectly acceptable to point to the racial character of inter-capitalist rivalry, but to expose the exploitative side of capitalists generally would be highly detrimental. It is not surprising, therefore, that the whole thrust of the Indian counter-offensive was that Ragg's attack was basically an assault on Indians as a race. Ragg had adopted a racialist approach. They responded in like manner. It is now clearly evident that all the factions of capital, European and Indian, shared a common interest in maintaining a racial definition of politics.

There is one final but crucial aspect of the Indian counter-offensive that needs to be considered. Vishnu Deo, who largely spearheaded the Indian response, argued that the real reason behind Ragg's motion was to settle the question of the electoral system. Now there was an issue on which the Indian members could speak with some authority. They had, after all, fought a bitter battle over it two decades earlier. More importantly, however, it was an issue that did not pose a fundamental threat to bourgeois Indian interests.

In 1943 Alport Barker proposed that municipal corporations be constituted through an elective system and in August of that year a select committee consisting of four Europeans (including Barker as Chairman) and Vishnu Deo was formed to investigate the proposal. The committee's report was submitted to the governor in the following October but was not tabled before the Council until the following year.
The major recommendation was that there should be a common electoral roll for municipal elections, and in May 1946 the European Electors' Association issued a memorandum which was headed "Common Roll Principle adopted in Municipal Bill". When, however, the governor opened the July 1946 session of the Council, he made this statement:

In the light of comments received and after further careful consideration of the matter, it has been decided not to proceed with the Bill as published in draft, for ... it is not proposed to have a common roll, but instead, the communal roll system.84

For the Indian members, this smacked of collusion between the state and the white community. But why the change of heart? The immediate reason, as Deo pointed out, was that on the basis of the franchise qualifications set out in the Majority Report of the Select Committee,85 Europeans would probably dominate the Suva Municipal Council but not the Lautoka one, and that they wished to avoid. That of course had a lot to do with the fact that Lautoka was in the major sugar region. But there was a larger and more important reason.

The day before the debate, the Fiji Times and Herald carried a report on the colonial debate in the House of Commons at which the Secretary of State for the Colonies, Mr George Hall, outlined the newly-elected Labour Government's colonial policy. It quoted Mr Hall:

... it is our policy to develop the colonies and all their resources in such a way as to enable their people speedily and substantially to improve their economic and social conditions and as soon as may be practicable to attain responsible self-government.86
So with self-government for the colonies now on the political agenda, the question of the electoral system took on renewed urgency. Pressure could now be applied from London to adopt the British electoral system, which was based on a common roll, and the prospect of such pressure being exerted was heightened by the fact that the Labour Government openly professed its socialist leanings. The governor's reaffirmation of the system of communal rolls on 12 July was therefore very welcome, but there was still a degree of uncertainty. Not surprisingly, Ragg called upon the Labour Government to make an "unequivocal statement" of its intentions, and the urgency of his call is underlined by the fact that elections were to be held in the following year. The numerically superior Indians had to be kept at bay and support from London for the communal system of representation would have helped. But here came the crunch. According to Vishnu Deo, even with a communal electoral system, there was no guarantee of European electoral success and, what is more, the Europeans realised it. Why? Because they could no longer count on the unquestioning loyalty of part-Europeans:

... the European members ... fear the part-Europeans. The part-Europeans are organising themselves ... They know what benefits or advantages they have received from the members they have so far been electing. They know also that the members so far elected ... seek to enfranchise civil servants. Why? Because they fear that the part-Europeans will not have that confidence in them and they will not be returned unless they counterbalance the half-caste votes with the European votes in the Civil Service.

Deo's claim that the electoral salvation of the European community now depended on the enfranchisement of expatriate state functionaries was not in fact well-founded;
the population census on October of that year put the European and part-European populations at 4,594 and 6,129 respectively. Figures aside, however, Deo's essential point was that even with the communal electoral system European political power was now under serious threat. The whole purpose of Ragg's motion, therefore, was to whip up anti-Indian sentiment and to project the image of the European as the defender of both the Fijian and the national interest. In that way, continued part-European electoral support might be secured, for after all, part-Europeans had blood ties with the Fijians.

The significance of the debate on this particular issue is that it showed how, despite the defeat of the common roll struggle in the early thirties, the representatives of capital were willing to test it out. When, however, it became evident that their interests would clearly suffer through such a system they retreated and, very importantly, sought immediately to justify and entrench its opposite, the system of communal rolls. That was a crucial intervention for it meant that any future attempts at resurrecting the call for a common roll, and they did occur, would not have much chance of success.

The debate of July 1946, then, was a cathartic response by the ruling class to underlying capitalist contradictions. Subterranean class tensions, greatly aggravated by demographic trends and the Second World War threatened to intensify even more with the changes in metropolitan colonial policy. Alarmed, the ruling class, particularly local white capital, searched for an appropriate method with which to
contain the welling pressure, and the legislative debate orchestrated by its leading representatives proved highly effective for the task at hand. The debate needs to be seen, therefore, as the culmination of mounting class tension, and its outcome was clearly a major victory for the ruling class. It reaffirmed the capitalist development path, reinforced the ideology and politics of racialism, and served to bolster local white capital's shaky position.

6. SUMMARY

This chapter has sought to explain how forms of bourgeois organisation serve to contain class conflict. The argument has been advanced that the general function of the capitalist state is to provide a society-wide system of organisation which is capable of managing class contradictions to a degree which allows capitalist production and accumulation to proceed relatively smoothly. So it is in that light that state institutions and practices, and in particular the electoral system, need to be understood.

The main focus of the chapter has been the way in which the electoral system functioned as a form of bourgeois organisation, and the reason for that focus is that it was in the field of electoral politics that the underlying class struggle manifested itself most clearly. The central thrust of my argument is that because class conflict assumed a racial form, the most obvious and expeditious way for the ruling class to manage that conflict was to evolve an electoral system along racial lines, which is precisely what it did. The effectiveness of that system, moreover, was greatly enhanced by the fact that the Indian political leaders simply accepted
the bourgeois electoral system. Yet they can hardly be expected to have done otherwise. By accepting the racist rules of the electoral game, they of course played right into the hands of the ruling class. At the same time, however, they also effectively safeguarded their own class positions and those of other bourgeois Indians.

In the end, the ultimate losers were, of course, the Indian labouring class. Severely compromised by an electoral system which identified them as Indians rather than as workers, and seriously disadvantaged by a bourgeois leadership which was incapable and unwilling to represent them as a class, they were forced to evolve organisations of their own. The chapter which follows, then, continues, with class organisation as the major theme, and there the subject will be working class organisation.
CHAPTER VI

FORMS OF ORGANISATION II: WORKING CLASS ORGANISATION

1. ORGANISED LABOUR: EARLY ORIGINS

The history of the organised labour movement in Fiji dates back to the latter part of the last century and, as to be expected, worker unrest occurred most frequently in the sugar industry. Gillion, for example, described strike action on CSR estates at Navuso in February 1886, at Koronivia in May 1886 and February 1888, and at Labasa in April 1907.\(^1\) He also referred to a march by 130 Indian labourers from Nausori to Suva in April 1887 "to complain of being overworked and underpaid"\(^2\) and described an earlier period (to 1903) when "Labasa was the worst centre ... [and] there was almost a state of civil war".\(^3\) Important though these episodes were, they were largely spontaneous reactions against the worst effects of a harsh plantation life, rather than instances of organised struggle. In Hince's words, they lacked "the notion of 'union' or 'unionism'".\(^4\)

The first real attempt at organising a trade union appears to have occurred in 1916 when a Fiji-born European, Edmund Sanday, with the assistance of a Fijian called Setareki Nasoki, tried to organise Fijian labourers employed by the CSR and the Union Steamship Company at the Lautoka wharf into the Fiji Wharf Labourers' Union.\(^5\) As Hince's analysis clearly shows, however, the attempt was doomed to failure, for the fledgling organisation was no match for the combined might of capital and the colonial state. Sanday and
Nasoki were victimised, scab native labour was organised for labouring duties on the wharf, and police reinforcements were taken to Lautoka to "maintain law and order". Capital and the state clearly saw the whole incident as a totally new dimension in labour relations - workers were trying to organise and they appeared to be doing that quite successfully. A strong response was therefore necessary and in the end the nascent organisation was suppressed through the use of the state's repressive forces. That the state did not expect a strong challenge from organised labour is suggested not only by the speed with which it called upon its repressive forces (such action is usually taken as a last resort), but also by weaknesses in the existing legislative controls. Ordinance 1 of 1875 and the Masters and Servants Ordinance of 1890 were two pieces of legislation that were considered but neither were deemed applicable. Not suprisingly, then, the desirability of introducing new legislation "to deal with persons agitating the coloured labour and thereby causing strikes" was clearly recognised. That point was agreed upon at a meeting between the Governor, the Attorney-General, J.M. Hedstrom and H.M. Scott in November 1916, but nothing actually materialised, and it was not until workers rebelled again - during the 1920 strike - that the colonial state was prompted into enacting new legislative controls. The Public Safety Ordinance was passed in February 1920 and was used to convict and imprison the "ringleaders". No doubt the violence of the 1920 strike prompted drastic action.

Sanday's attempt at organising labour, then, is significant in two respects. Firstly, it bore the marks of a
trade union - leadership, organisation, the payment of subscriptions, withdrawal of labour, submission of a log of claims and so on. Secondly, it alerted the colonial state to weaknesses in its system of social control which it would have to rectify if class pressure was to be contained in the future. Some twenty years would elapse between the demise of Sanday's organisation and the birth of the trade union movement as we know it today, but in the interim state and capital would learn from the early lessons and prepare for the task of class containment that lay ahead.

Various initiatives to form trade unions were made in the 1920s and early 1930s by leading Indians like Manilal, Mitter and Muni but, largely because of the defeats suffered by labour and tighter social control by the state, no lasting organisations emerged. The only unions to emerge before the 1940s were an association of European teachers at Methodist Mission Schools and the Suva Teachers Association. The former was formed in 1924 while the latter followed four years later. In 1931 they amalgamated and formed the Fiji Teachers' Union but a few years later native Fijian teachers broke away and formed their own Fijian Teachers' Association. That break has persisted to the present and is the only instance of ethnic exclusivity that remains within the trade union movement today. Similar ethnic splits were subsequently to afflict the movement at various times, but they all proved temporary. Their impact on the evolution of the organised labour movement was significant, but that will be discussed later.
2. FARMER ORGANISATIONS

The turning point in the early history of organised labour came in late 1937 when Ayodhya Prasad, a school-teacher who arrived in the colony in 1926, founded the Kisan Sangh ("Farmers' Union"). Securing company recognition of the union, however, turned out to be a much more difficult task than Prasad had anticipated, and all the more so inspite of his misguided belief that the most effective way forward was to collaborate with the company. At first the CSR ignored the union, hoping that it would somehow go away. Soon, however, the company decided that it might be better to try to defeat the union while still in its infancy. From the company's point of view, such an approach made a great deal of sense - better to annihilate the fledgling enemy than to let it develop strength. As far as the colonial state was concerned, however, such a strategy was pregnant with disruptive potential, and the lifeblood of the economy could not be allowed to be subjected to that kind of risk. The company, therefore, had to be prodded into adopting a more conciliatory posture.

Beyond its concern about the potentially serious consequences of company antagonism towards the union, the colonial state was also coming under mounting pressure from Britain to introduce "enlightened" labour legislation. For the previous ten years the company had successfully staved off such legislation but "informed opinion in Britain would no longer allow it do [so] for much longer". So, as membership of the Kisan Sangh grew and the demand for recognition increased, so did state pressure on the company
intensify. Eventually, on 30 May 1941 the union was recognised.

Prasad's strategy of collaboration was based on his conviction that only by co-operating with the company would the farmers secure concessions that would raise their real incomes. After the battle for recognition had been won, therefore, co-operation increased, but so too did anxiety among certain farmers who remained distrustful of the CSR. Long-term reconciliation of grower and company interests, they felt, was impossible and the Kisan Sangh's collaborative approach was inherently contradictory, and in the end farmer interests would be compromised. In that kind of atmosphere of distrust and apprehension, the situation was ripe for the emergence of a rival canegrowers' organisation.

Prominent among the Kisan Sangh's concerns was the matter of farmer indebtedness, and in an attempt to solve that problem it established a co-operative store through which members could purchase goods fairly cheaply. That development had important consequences for the two factions of capital that had the greatest and most direct impact on canefarmers and labourers - the CSR and the Indian merchant traders. For the former it meant that with the Kisan Sangh concentrating on providing cheap supplies as a means of alleviating indebtedness, its attention would be diverted from trying to increase the price of cane as a means of raising real incomes. By following such a strategy, the Kisan Sangh effectively relieved the CSR of a great deal of pressure and it is not surprising that the company saw fit to give both moral and financial support to the co-operative
venture. For the Indian merchant traders, on the other hand, the co-operative represented a fundamental threat to their profits. Most of the traders' dealings were with cane-farmers and labourers, and their high prices and interest rates were precisely the profit-extracting devices that the Kisan Sangh was concerned to attack. The traders' business practices were considered unscrupulous, and it was to rescue rural Indian workers from the clutches of the rapacious Indian traders that the Sangh set up the co-operative.

A proper understanding of the effect of the Sangh's intervention as a stimulus to the growth of the organised labour movement is possible only against a background of changes that were taking place at the time in both the class structure and the circuit of capital. At the level of the immediate production process, the Indian labouring classes were being exploited by sugar capital, and past history had shown very clearly that the possibility of raising real incomes by struggling for a higher cane price was minimal. At the level of exchange, however, the source of their exploitation (high shop prices) had shifted increasingly from local white merchants to an emerging Indian bourgeoisie whose strength was still something of an unknown. Never before had Indian farmers and labourers waged a battle against the latter, and the Kisan Sangh's co-operative venture represented the first attempt. The changing class structure had thus apparently opened the way to an alternative means by which the lot of the Indian labouring classes could be improved. As the object of attack, the Indian merchants were a rather easier target than their local white counterparts had been.
Not only were their practices more intensely exploitative (higher prices and interest rates), but there was also the added psychological advantage that came with the racial character of the enemy. It was somehow easier, psychologically, to deal with other Indians than with Europeans, and because there were intracommunal cleavages that could be exploited, the task of dealing with the Indian traders as capitalist exploiters was that much easier. But the nascent Indian bourgeoisie was intent on resisting.

By this time a major cleavage had developed within the Indian community between those of North Indian and those of South Indian origin, and its real basis was differences in wealth. North Indians had been in the country longer than South Indians and therefore tended not only to be more prosperous but also to have a greater stake in the existing order. Their substantial support for the Kisan Sangh, and in particular the strategy of collaboration advocated by its leader, Ayodhya Prasad (himself a North Indian), is therefore easy to explain. As Moynagh put it:

They had more to lose than South Indians from a strategy of confrontation that [in the past] failed, and yet they stood to gain from concessions won through co-operation. 14

South Indians, by way of contrast, were generally less well-off, and that disadvantage the Indian merchants sought to exploit as they set about defending themselves against the threat posed by the Kisan Sangh's co-operative. So in alliance with South Indians, and through the leadership of the Gujarati lawyer A.D. Patel, the Indian commercial bourgeoisie set about undermining support for the Kisan Sangh,
and on 5 June 1941 a rival organisation, the Akhil Fiji Krishak Maha Sangh, was formed. Its leader, Swami Rudrananda, was a South Indian.

In terms of class organisation, then, the farmers were now deeply divided, a division which has persisted to the present day. The dynamics of capitalist exploitation, coupled with the realities of bourgeois forms of organisation, forced the farmers to evolve an organisation of their own. Having done so, they subsequently set about trying to improve the material conditions of their existence. That, however, fundamentally threatened the profits of Indian commercial capital, and it is there that the real basis of the split which followed lies. Exploiting intracommunal cleavages based ultimately on differences in wealth, Indian commercial capital led the way in the formation of a rival farmer organisation.

Class and intracommunal differences thus found institutional expression in the rival organisations, and henceforth farmers would have to contend with class enemies on two broad fronts. To the awesome power of sugar capital to which the farmers had always been subjected, was now added the burden of having a leadership which was not only divided but also whose class interests were often antithetical to their own. Ahead, then, lay a history of struggle against even more formidable odds.

It is not surprising that the immediate origins of the organised labour movement are to be found in the farmer organisations. Neither too is it surprising that the first
trade union was formed in the sugar industry, and it is to
the growth of trade unions in Fiji that attention now turns.

3. TRADE UNIONS: THE FORMATIVE YEARS

At Lautoka on 3 April 1938, the Mazdur Sangh (Workers' Union) was formed, but it was first registered on 9 December 1944, at which time its name was changed to the Chini Mazdur Sangh (Sugar Workers' Union). Lacking both the numbers and the influential leadership of the farmers' associations, the Chini Mazdur Sangh remained a minor force for a long time, but as the first organisation of industrial workers, it served as something of a model for the later unions.

In terms of its growth, the early 1940s were a lean period for the newly-born trade union movement. In part that was due to the war but the major reason had to do with the antagonism between the movement, on the one hand, and Australian capital and the colonial state, on the other.

Growing concern in Britain about the "welfare" and "aspirations" of its colonial subjects led in 1930 to the appointment in London of a committee to consider the whole question of labour policy in the colonies. Despatches were sent out in that year by the Secretary of State for the Colonies urging all colonies to introduce legislation that would give legal rights to trade unions. In Fiji, that call bore no fruit for twelve years thereafter. By the mid-1930s, Australian dominance in the colonial economy had extended beyond the sugar sector to take in the gold-mining industry also. With that kind of control, Australian capital was in a powerful position to resist the introduction of
"enlightened" labour laws. About that resistance, Gillion says that as late as 1940, Australian capital was still opposed in principle to "all labour legislation". Surely, has claim is exaggerated. Capital always welcomes legislation which controls workers. In reality, therefore, what Australian capital feared was the introduction of legislation which might increase the strength of the workers. In any case, in the face of strong opposition from Australian capital and similar, though less visible, opposition from the colonial state, it is not surprising that by 1944 there were only three trade unions in the country. By 1949, however, the number had risen to fifteen. How is that to be explained?

Pressure had been mounting in Britain for the enactment of "enlightened" labour laws, and the passage of the Colonial Welfare and Development Act of 1940 proved to be a major turning point. The Act, as we shall see in Chapter VIII, represented a major shift in metropolitan colonial policy and its impact on trade unionism in the colonies derived from the provision that support for development projects was conditional upon the existence of trade union legislation. By then the need for enlightened legislation was firmly impressed upon the colonial state, and something of a test of its position occurred during a dispute between the CSR and the Kisan Sangh in the same year, i.e. 1940. As usual, the company was uncompromising, and largely because of that the colonial state's newly-appointed industrial relations officer, Stuart Reay, proposed the introduction of compulsory arbitration legislation. Soon afterwards, on
26 March, the Executive Council resolved to do just that. The severity of the state's proposal, i.e. to proceed directly to compulsory arbitration without instituting a system of free collective bargaining, did not, however, square with the pressure from London that industrial laws should be enlightened. The state was therefore caught in a dilemma. So when the dispute was settled soon afterwards, on 6 April, it was let off the hook. The Kisan Sangh did not win recognition (another year would pass before it did) but as a result of the settlement the company was deemed to have "in effect ... recognised the principle of collective bargaining". Upon the decision to introduce compulsory arbitration was revoked in favour of something on "less severe lines". The result was the Industrial Associations Ordinance and the Industrial Disputes (Conciliation and Arbitration) Ordinance of 1942. The way was now clear for more unions to emerge, and hence the five-fold increase in five years.

Enactment of the ordinances did not mean, however, that the colonial state's underlying antagonism towards labour had changed fundamentally. Legislation had now been passed which had the appearance of being liberal but that did not guarantee that the general antagonism which the colonial state had previously displayed had changed radically. As Reddy put it, the colonial state "did not always share the Colonial Office policy of encouraging trade unionism". So against the liberal appearance of the new legislation (a point we take up further a little later), new and less obvious forms of labour control had to be found. Reddy's account of these gives a fairly good idea of the new approach.
The state encouraged the formation of some unions merely "as a matter of administrative convenience", others it repressed by victimising unionists and refusing to recognise their legal status, and to others still it "displayed an attitude of indifference".

Handicapped thus by the restricting effects of the state's new approach, it is not surprising that the growth of the trade union movement over the next few years was slow. But there were other problems confronting the nascent movement - inadequate resources, organisational deficiencies, and a relative scarcity of effective and experienced leaders. Inevitably, therefore, many of the early unions were short-lived. Yet in spite of all that, the unions which did survive were generally able to consolidate themselves sufficiently to provide the essential substructure for the establishment of a continuous link between workers and their organisations, and initially unions were strongest in the sugar-milling, mining, stevedoring, seafaring and public works sectors. And as numbers grew, the movement gained in strength. On the whole, however, it was still quite vulnerable. Mohammed Ramzan described the problems and fragility of the early years in this way;

Joining unions meant inviting trouble, intimidation and victimisation ... Employers could not tolerate trade unions as they were construed as a challenge to their authority - something which was unbearable to them. In those early days leadership too was scarce and difficult to come by and unions had very little resources to work with. Those who accepted any positions of responsibility in unions were invariably ostracised to the extent of dismissal. Their prospect of future employment was doomed and their names were whispered around to employers for black listing ... Those were the early days of the struggle - a struggle for self respect and
recognition. It was a struggle for workers' dignity... This battle for survival was by no means an easy one and to make matters even more difficult even the Government of the day was against trade unionism. 24

In that kind of hostile environment the possibility of a national workers' organisation emerging increased. 25 And soon one did.

In 1951, the Minister of State for the Colonies, Mr Dugdale, visited Fiji, and an invitation was sent to union representatives to hold discussions with him. Led by Pandit Ami Chandra, delegates from five unions met Mr Dugdale on August 14 of that year.

It is significant that the meeting was held in Lautoka. Of the five unions represented at the discussions, four were based predominantly in north-western Viti Levu - the Chini Mazdur Sangh, Fijian Mineworkers Union, Fiji Airport Employees Union, and the Fiji Public Works Department Employees Union. 26 The industrial working class was concentrated in that region and it is not coincidental that worker organisation was most highly developed there. In Suva, for example, a union of employees of the Public Works Department was formed in 1946 but it was quite ineffectual, and was deregistered in 1950. 27 In 1947, by way of contrast, the North-Western Public Works Employees Union was formed in Lautoka and subsequently expanded throughout the country. With the deregistration of the Suva-based organisation, the Lautoka-based one received official recognition and in June 1950 became the Fiji Public Works Department Employees Union. It is to the early efforts of the workers in the west, therefore, that the trade union movement owes a great deal. That they
provided the early lead, however, is largely to be expected, for it was in that region that capitalist production was concentrated most heavily. The workers of the 'burning west' were, indeed, the most badly burnt, and out of their longer history of pain and struggle was born a determination to redress the balance, a determination which led to the formation of a national organisation of workers.

After their meeting with Mr Dugdale, the representatives of the five unions signed a document which included this statement:

We, the representatives of various unions assembled here today agree to form a Federation of Unions with the object of promoting and safeguarding the interests of the working class generally.28

The document was subsequently ratified by the respective unions and on 29 September 1951 the Fiji Industrial Workers Congress, the movement's first umbrella organisation, came into being. A milestone in the history of the movement had been reached. Another union, the Fiji Timber Industrial Workers' Union, Nadarivatu, joined the original five and the affiliated membership of the national organisation represented about one third of the existing unions. Modelled on its British counterpart, the organisation changed its name in 1954 to the Fiji Trades Union Congress.

The decade or so up to the mid-50s, then, were the formative years of the trade union movement in Fiji. It was beginning to leave its imprint on the industrial scene but its effectiveness was still severely constrained by the limiting effects not only of its infancy but also of the
ruling class's deep-rooted antagonism against workers, and one which was demonstrated by the generally hostile posture which capital and the state adopted in their practical dealings with trade unions. Industrial legislation did not give clear expression to that antagonism; it had, after all, to appear liberal. There was, however, a very important but indirect way in which the bourgeois nature of the labour laws was evident - the absence of any legal requirement for the compulsory recognition of trade unions. A little later, the consequences of that serious omission will be discussed but first the system of industrial relations will be examined. In Reddy's work is to be found the only attempt so far at dealing with this issue but his analysis is fundamentally flawed.

4. COLLECTIVE BARGAINING: PRINCIPLE AND PRACTICE

What, then, was the system of industrial relations which the 1942 ordinances created? In principle, they established a system of free collective bargaining and not, as Reddy suggested, a system of compulsory arbitration. This can be supported on several grounds. In the first place, employers and employees were free to settle their disputes by themselves. Secondly, state intervention in industrial disputes was possible only where settlement was not reached and where both parties consented to referral of the dispute to a third party. Third, in the event of state intervention, the dispute was to be referred in the first instance to conciliation and only if settlement was not reached at that level could arbitration proceedings be commenced. Fourth, the 1942
Industrial Disputes Ordinance also provided for both a conciliation and arbitration machinery. Finally, and very importantly, the relative freedom of employers and unions was further underlined by the absence of any legal requirement to provide advance notice of intention to declare a lockout or a strike. From all this, then, it is clear that the colonial state was responding mainly to pressure from the metropolitan state and enlightened opinion in Britain generally. Australian capital especially had for a long time resisted the introduction of labour legislation but if the colonial state was to benefit from assistance which the Colonial Welfare and Development Act of 1940 provided for, then enlightened labour legislation would have to be enacted. Seen from that perspective, the only viable option open to it was to institute a system which at least would give the appearance of being liberal, so it was virtually inevitable that the new legislative machinery would establish a system of free collective bargaining.

Such, then, was the kind of system which the law allowed. Whether or not the actual practice of industrial relations conformed to it is another matter altogether, and here Reddy makes two valid points: that the actual development of free collective bargaining in Fiji was slow, and that "an important requirement for collective bargaining is that employers must not only grant unions recognition but ... they must also be willing to bargain in good faith". These points are closely related for the fact that free collective bargaining was not actually the predominant practice for such a long time is to be explained largely in terms of the
extended absence of any legal compulsion on the part of employers to recognise trade unions. Recognition of unions was not required by law until the passage of the Trade Union (Recognition) Act of 1976. If, therefore, Reddy is arguing that in practice industrial relations in Fiji did not, on the whole, conform to the principles of free collective bargaining, then his case is valid. And evidence that this is so will be provided later. But whether or not that is in fact his position is unclear. A system of compulsory arbitration, he claims, existed until 1954. By itself, this is clearly incorrect. That the reality of industrial relations fell short of free collective bargaining can be demonstrated, and it is tempting to conclude from this that a system of compulsory arbitration was in effect operating. And it appears that Reddy has fallen to that temptation. The fact that conciliation was available as an intermediate step before arbitration and that the law provided for both a conciliation and an arbitration machinery clearly shows that industrial practice in Fiji did not rest solely on compulsory arbitration. Reddy seems to suggest that it did and he is clearly mistaken.

What of his other argument, that compulsory arbitration gave way to collective bargaining in 1954? This too does not stand up to scrutiny. The only significant piece of industrial legislation enacted in that year did not affect the existing legislation. The Essential Services (Arbitration) Ordinance of 1954 provided for compulsory arbitration in disputes affecting essential services, and under section 13(1), twenty-one days' notice had to be given of intention
to strike or to effect a lockout. Not until 1958 was there any significant departure from the provisions of the 1942 ordinances. What is more, the effect of the 1958 changes was not, if Reddy is to be believed, to herald an era of free collective bargaining - something approaching such a system already existed. Nor was it even to strengthen the principle of free collective bargaining already enshrined in the existing laws. Quite the contrary, for as we shall see, the major legislative change in 1958 - the deletion of the 1942 clause which provided for a state-instituted conciliation machinery - actually had the effect of strengthening the hand of the colonial state in dealing with the task of containing working class struggles. By 1958 that task had become more urgent, so the need to seek out methods of dampening the increasing assertiveness and confidence of organised labour became more imperative. It is not the case, therefore, as Reddy contends, that the system of collective bargaining began in 1954.

Industrial relations in Fiji, then, were based on the principle of free collective bargaining, even if actual practice did not always conform that that principle. The importance of the legislative changes of 1958 lies in the fact that they served to blunt, but not negate, that principle. Why the colonial state resorted to such action can only be understood against the short history of industrial strife that preceded it, and to that I now turn.

5. CLASS CONTRADICTIONS, ORGANISATION, STRUGGLE

Taking strikes as an indicator, it is clear from the
table below that the level of open struggle by organised labour during the first decade after the war was generally low. But that can be explained relatively easily. The trade union movement was still very much in its infancy and had not yet developed the kind of confidence and strength that was necessary to overcome the difficulties that were born of its unequal relationship to capital. Also, the country was still recovering from the effects of war.

Table 7.1 Strike Activity 1949 - 1960

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Strikes</th>
<th>Workers Involved</th>
<th>Workdays Lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1949</td>
<td>1</td>
<td>55</td>
<td>110</td>
</tr>
<tr>
<td>1950</td>
<td>3</td>
<td>544</td>
<td>1,651</td>
</tr>
<tr>
<td>1951</td>
<td>1</td>
<td>275</td>
<td>425</td>
</tr>
<tr>
<td>1952</td>
<td>2</td>
<td>797</td>
<td>1,825</td>
</tr>
<tr>
<td>1953</td>
<td>3</td>
<td>262</td>
<td>594</td>
</tr>
<tr>
<td>1954</td>
<td>2</td>
<td>55</td>
<td>100</td>
</tr>
<tr>
<td>1955</td>
<td>7</td>
<td>1,488</td>
<td>10,457</td>
</tr>
<tr>
<td>1956</td>
<td>2</td>
<td>542</td>
<td>142</td>
</tr>
<tr>
<td>1957</td>
<td>3</td>
<td>4,922</td>
<td>20,825</td>
</tr>
<tr>
<td>1958</td>
<td>1</td>
<td>294</td>
<td>388</td>
</tr>
<tr>
<td>1959</td>
<td>6</td>
<td>1,738</td>
<td>5,529</td>
</tr>
<tr>
<td>1960</td>
<td>15</td>
<td>4,692</td>
<td>12,017</td>
</tr>
</tbody>
</table>


Against that general trend described above, the years 1955 and 1957 stand out as major exceptions. By then union strength had increased and the movement had become sufficiently assertive to stake a claim for a greater share of the economic cake. The major strikes by gold-miners at Vatakoula
in 1955 and by the Sugar Employees Union (the Chini Mazdur Sangh) in north-western Viti Levu in 1957 were so disruptive that capital and the state recognised the necessity for legislative changes. Never before had strike activity reached such major proportions and a reoccurrence in the future had to be prevented. It is against that background that the enactment of the 1958 Industrial Disputes (Arbitration and Inquiry) Ordinance needs to be understood.

The Fiji Mineworkers Union had been in existence since 1948 but had not won recognition from the company Emperor Gold Mines. A major complicating factor for the predominantly-Fijian workforce was the existence of a provincial committee of traditional leaders who continued to exert their authority among the workers. Although it did not act as a bargaining agent, the committee did serve as a "tenuous link between management and workers", and it was largely because of that "dual authority" among the workers that the company's position was always considerably greater than that of the union. The colonial state for its part had always supported the company because of what it perceived as the company's vulnerability to industrial disturbances, and as late as 1953 it still continued to shrug its shoulders in relation to the union. A wage dispute in August 1952, however, resulted in the setting up of a conciliation board and one of its major recommendations was that the union should be recognised as the sole representative of the workers. That proposal was not taken up by the company but when, during the strike of 1955, the power of the union emerged very clearly, recognition was duly given. With respect to both the terms of the
settlement and recognition of the union, the workers had scored a significant victory. But the magnitude of the loss resulting from the stoppage—some 10,000 workdays—was more than sufficient to signal the need for more restraining legislation. This was the first time that mine production involved such a major loss, and that it occurred at a time when the price of gold had fallen meant that the loss in revenue to both mining capital and the colonial state was magnified. The writing was on the wall—labour had to be restrained.

Two years later the writing became clearer. Three strikes by sugar workers in the latter part of 1957 produced a total loss of some 21,000 workdays, more than twice the loss resulting from the Vatukoula stoppage. State and capital had learned important lessons from the earlier strike and now that sugar production was at risk, appropriate measures would have to be instituted. Industrial legislation based on sugar's special position in the economy did not materialise until the enactment of the Sugar Ordinance of 1961 (this will be discussed later) but in the meantime the 1958 Industrial Disputes Ordinance would serve as the regulator.

The purpose of that ordinance was summarised as follows:

- to provide for the establishment of an arbitration tribunal and a board of inquiry in connection with industrial disputes, and to make provision for the settlement of such disputes, and for the purpose of inquiring into economic and industrial conditions in the Colony.

This statement of intent captures the two major features of
the ordinance: the shorter route to compulsory arbitration, and the new restraining effect resulting from the provisions which made it possible to consider workers' demands in terms of their consequences for the broader "economic and industrial conditions" of the country.

Conspicuous by its absence from the 1958 Ordinance was any provision for a legally-required, state-instituted conciliation machinery. Such provision had been a hallmark of the 1942 Industrial Disputes Ordinance but now it did not exist. Under the new legislation, recourse could still be had to conciliation proceedings but only if such proceedings were provided for in a previously-concluded agreement between employer and employees. Given, however, that unions were seriously handicapped by the absence of any statutory requirement for the compulsory recognition of unions, the likelihood of there being any such agreement was usually quite small. And that only a few such agreements actually existed is suggested by this statement by the Department of Labour three years after the passage of the new ordinance:

> It is evident from the number of collective agreements signed over the years that there is a lack of provision for a full disputes procedure. Although employers and trade union officers in some industries have accepted the need to insert in agreements, provision for permanent arrangements dealing with disputes ... in other industries the agreements do not specify full procedural methods ...

It does appear, then, that the inclusion of a dispute settlement procedure in employer-union agreements was more the exception than the rule and the colonial state's explanation for that is interesting:
... it could be presumed that there is a reliance on the Industrial Disputes (Arbitration and Inquiry) Ordinance of 1958 as the only means of settling dispute differences, and to resort to the Ordinance before full machinery for the peaceful settlement of disputes in industry is exhausted. 

Not only is this statement contradictory, it is also a clear example of ideological mystification. I have already demonstrated how it was that recourse to the disputes ordinance was usually necessary precisely because more often than not a formal dispute settlement machinery between employers and unions did not exist. Moreover, that state of affairs was largely the result of the highly unequal relationship between bosses and workers - if one did not recognise the other, how could a mutually-acceptable arrangement be concluded? Very often the "full machinery" that was supposed to have been "exhausted" was illusory; it is in that sense that the above statement is contradictory. But it is more than that. It gives the impression that the whole intention of the 1958 ordinance was to shift the burden of conflict resolution from the state to the employers and workers. At the latter level, however, the machinery necessary for such resolution either did not exist or was inadequate. It is quite clear, then, that the real import of the 1958 ordinance was rather different from what the colonial state would have us believe. Its real effect was to allow the state to intervene in disputes more quickly, and the empowering provision was section 3(2). Conciliation, as an intermediate step in the settlement of disputes, was no longer available, and the governor was now able under section 3(2) to refer disputes to arbitration. Overall, then, the ordinance greatly reduced
the time between the emergence and the settlement of a dispute. Clearly, the lessons of 1955 and 1957 were not lost to capital and the colonial state. The push was now on to minimise the effects of industrial action. Related to this, of course, was the other important feature of the new ordinance - the provision for boards of inquiry to investigate the consequences for the wider economy of worker demands.

That was a major intervention, for it now meant that worker demands could be considered not only on their own merits but also in terms of the wider 'national interest'. Unions would henceforth have to contend with arguments about what the economy was capable of withstanding and union 'militancy' would begin to figure increasingly as an ogre that had to be contained. Deleterious in its demonstration effects, such militancy would increasingly be blamed for inflation, unemployment, loss of revenue and so forth. Couched, then, in terms of the 'national good', these sorts of arguments would be made to appear as if they were imbued with a certain moral force, a kind of unchallengeable morality which, if the arguments were to be believed, workers were either largely impervious to or were not prepared to abide by. Either way, workers would appear to be the villains. But in addition to that kind of ideological underpinning, these sorts of arguments also had the added advantage of being buttressed by legal sanction - the law, after all, insisted that the wider economic conditions of the country should not be put at risk.

The legislative changes of 1958, then, were necessitated by the stress resulting from the organised attempt by
workers to improve their conditions. By the second half of
the 1950s, the trade union movement had become better organised
and more assertive, and the strikes of 1955 and 1957 bore that out. In
response, the state passed restraining legislation in 1958, but just one
year later it would become clear that, although significant, the state's
action was not broad enough. A major strike in 1959 and another in 1960
would jolt the ruling class with a force it had never before experienced.
And only an invocation of the repressive Public Safety Ordinance of 1920
would end them. The very roots of colonial capitalism in Fiji were about
to be violently shaken.

The strikes of '59 and '60 were major events in Fiji's history and are therefore discussed in a separate chapter
(see Chapter IX), but for the moment, one further feature of the early years of the labour movement needs to be considered - the ubiquitous problem of racialism.

6. RACIALISM AND ORGANISED LABOUR

Racialism had for a long time militated against the unity and strength of the labour movement. The historical
dialectic between race and class in the wider social formation found expression within the movement and produced
scars and divisions which did not begin to heal until the late sixties. Struggles within the movement during its infant
stages mirrored and in turn accentuated the racial character of wider social tensions.

The history of racial fragmentation within the trade union movement dates back to the formation of the Fijian
Teachers Association in 1934. But racial splits only began
to afflict the nascent movement in a significant way in the immediate post-war years. Various reasons have been given as explanations for that development. One factor was the existence of skill differences, and these took the visible form of race. The Seamen's Union, registered in 1946, contained a specific racial exclusivity clause which was designed to exclude Europeans and part-Europeans who typically held higher rankings than Fijians. Those excluded responded by forming their own Masters, Mates and Engineers' Union but it was shortlived. Skill differences were also instrumental in the formation of the Fiji Sugar Skilled Workers' Union (later reorganised as the Fiji Sugar Tradesmen's Union).

Part-Europeans especially were heavily represented in it and their continuing influence there is suggested by the fact that as late as 1981 they still commanded the three top positions - president, vice-president and general secretary.

A second explanation for the racial splits has to do with employment patterns. Since Indians were concentrated most heavily in the sugar sector, they would inevitably dominate both the membership and the leadership of unions such as the Chini Mazdur Sangh. The same was also true of the North-Western Public Works Employees' Union (registered in 1947), the forerunner of the Fiji Public Works Department Employees' Union. Fijians, for their part, predominated in the Fiji Goldminers' Union and the Fiji Stevedores' Union.

In view of this early pattern of racial concentration, elements of racial competitiveness and exclusiveness increasingly crept into the movement in the 1950s and early '60s. This was the case with the Fijian Commercial Workers' Union.
(formed in 1948), Public Works Fijian Workers' Union (1953), Fijian Domestic Restaurant and Allied Workers' Union (1960), Suva and Lautoka Municipal Council (Fijian) Workers' Union (1960), Fijian Engineering Workers' Union (1962), and the South Pacific Sugar Workers' Union (1962). As this list clearly shows, most of the racially exclusive unions were formed by Fijians. Many of the stronger and more established unions were dominated by Indians, a situation which "led in some cases to a certain disenchantment of the Fijian minority based in part on language barriers, accusations of favouritism and a feeling of inability to achieve primary Fijian goals." Related to that sense of marginality was, according to Reddy, a third explanation of racial exclusivity. Fijians, he argues, were "unwilling to accept non-Fijian leadership that lacked the authority and respect of the traditional chief". His argument is a powerful one if the early experience of the Fiji Miners' Union is anything to go by. As Hince argued, traditional authority continued for a long time to play a decisive role in that union and the evidence suggests that management exploited that state of affairs in order to undercut the growth and the influence of the union. And it was not until after the 1955 strike that the union came into its own. While Reddy's point is therefore not without substance, the more important factor was perhaps not so much the absence of Fijian chiefly authority and leadership as the absence simply of Fijian as opposed to non-Fijian leadership.

As a fourth and final explanation, Reddy indentified
the "considerable pressure from the Fijian chiefs, colonial administrators and politicians to organise along racial lines". Chiefs feared a weakening of their authority, administrators "saw weak unionism as the corollary of racial divisions", and with a racially fragmented trade union movement, strikes would be less common, more easily broken and politically less dangerous.

Each of the explanations identified here has some validity, but there are two basic weaknesses in the way in which all of them have been presented by the various writers. The first is that no attempt has been made to understand them in the context of broader historical processes. Related to that is the absence of any systematic account of the kind of position which capital, in all its organisational forms, adopted with respect to the whole question of racial exclusiveness in the labour movement.

Racial fragmentation during the early years of the labour movement needs to be understood first and foremost as a product of the particular form that capitalist penetration took. Until the establishment of the sugar industry, the need for wage labour arose mainly in the copra and cotton plantations. There labour was predominantly Fijian but it was hired primarily on a casual or part-time basis. With the onset of sugar production the working class took on a racial character that subsequently served to keep it divided. The needs of capital - sugar, plantation and mining capital - together with the changing pattern of labour availability at particular historical conjunctures, combined to produce occupational and geographical concentrations of labour on
broad racial lines. It is hardly surprising, therefore, that labour organisations followed similar lines and although racial exclusivity decreased greatly from about the mid-60s, the broad racial characteristics of the early period have persisted. As a result, organised labour is still afflicted with racial undercurrents. And what of capital's attitude?

Typically, the analyses of racial fragmentation in the labour movement have treated this issue as if capital were not an element in the equation. Part of the reason for this, it appears, is that there was not much evidence of capital openly espousing a view or acting in ways from which clues about its position might be drawn. Further research is clearly necessary but at least the following general point can be made. It was simply not in capital's interest to take a position because it stood a lot to gain from a factionated labour movement. The process by which capital had come to insert itself into the colonial economy had produced a pattern of racial concentrations of labour that was highly advantageous to it. Moreover, it had the enormous advantage of not being legally required to recognise unions and if there were now other forces at work to prevent a unified movement, then so much the better. Internal fighting within the unions was their business, the possible erosion of traditional authority that might result from the growth of trade unions was primarily the concern of the Fijian chiefs, and if industrial strife threatened to cause political instability, that was a matter for the colonial state to deal with. Non-action by capital with regard to racial splits within the movement was therefore the most sensible strategy
to follow. It could afford to distance itself from the problem precisely because it had little to lose and a great deal to gain by doing so. When, therefore, the colonial state, guided largely by political considerations which had to do with guiding the colony to independence, mounted a campaign against "racial unionism" in the early '60s, it might have appeared that capital had lost a major advantage, but by then it was much better organised anyway. In response to the major strikes of '59 and '60, capital marshalled its forces and formed the Fiji Employers' Consultative Association. Very significantly, however, and to anticipate the discussion in Chapter IX, in the immediate aftermath of the 1959 strike, racial differences were exploited to undermine the unity of organised labour. And only several years later did the colonial state urge workers to avoid racial splits within the union movement.

For a long period, then, racialism proved to be a major problem for the trade unions, and the profound way in which the latter were so afflicted indicates just how extensively the racial form of class relations had permeated Fiji society.

7. SUMMARY

Continuing with the theme of class organisation, then, this chapter has sought to explain the development of worker organisations. Capitalist exploitation of the labouring classes, coupled with the latter's virtual exclusion from bourgeois forms of organisation, forced workers to evolve
organisations of their own. Indian cane farmers led the way by forming a cane-farmers' association, and soon afterwards they established a co-operative store. The latter move, however, threatened the profits of Indian commercial capital, who then responded by engineering the formation of a rival farmer organisation. Virtually from the beginning, then, cane-farmer organisation has been plagued by a deep split.

The trade union movement too had its share of problems. In the formative years it had to contend with the consistently hostile posture adopted by capital and the state. Later, pressure from the metropolitan state forced them to be rather more conciliatory, but the appearance of accommodation which subsequently followed was actually belied by less obvious forms of control. Moreover, these structural disadvantages were compounded by organisational ones that typically characterise a young movement. By the latter half of the 1950s, however, organised labour had gained sufficient strength and confidence to wage open struggles, two of which in particular (in 1955 and 1957) were of such a scale that the ruling class responded by introducing restraining legislative measures. But it soon became clear that the provisions of the 1958 Industrial Disputes Ordinance were not sufficient to contain the working class.

Better organised and more assertive, workers were more willing to struggle in defence of their interests. And in December 1959, they demonstrated that willingness very clearly. The strike of '59, therefore, needs to be understood as the culmination of intensifying contradictions.
With capitalist exploitation increasing and labour becoming better organised, a major conflict was all but inevitable.

But the 1959 strike is also indicative of another major development - a process of restructuring which by the late '50s was nearing completion, and which had two broad phases. The later phase dates to the immediate post-World War II years when local capital sought to restructure the colonial economy in a way which would allow the development of tourism. And it is significant that the 1959 strike involved oil workers; a tourist industry, after all, could hardly be viable if fuel supplies were threatened. The earlier phase of the restructuring was concerned with Fijian class relations and its culmination was the formation of the Fijian Administration in 1944.

The strike of 1959, then, and the way in which it was resolved, was the product both of intensifying class contradictions and the class organisations which they spawned, and at the same time, of an historical process of restructuring which at first focussed on class relations among the Fijians, and later was concerned largely with a structural reorientation of the economy towards the tourist industry.

That process of restructuring is the subject of the two chapters which follow. The earlier stage of that process, the reordering of Fijian class relations, is examined in Chapter VII, and in Chapter VIII, the reorientation of the economy towards tourism will be considered. With that done, the stage will be set for a better understanding of the historic events of '59 and '60, and beyond that, for an analysis of neocolonialism in Fiji.
The formation of the Fijian Administration in 1944 represented a significant victory for the Fijian chiefly class. Here was a state institution which, although ultimately subject to the authority of the Governor, nevertheless enjoyed a high degree of autonomy. Managed and dominated by the chiefly class, the Fijian Administration bore witness to the rise of the indigenous bureaucratic bourgeoisie. That, however, was achieved only after a long and sustained struggle between the chiefs and the colonial state. So, the view that the chiefs collaborated with the colonial masters, although not without a great deal of substance, is not wholly correct.

The basis of their collaboration had to do with the vital question of social control. The main function of the colonial state was to create and maintain an environment conducive to capitalist production and accumulation. And central to that task was the need to ensure political stability. To the extent, therefore, that the chiefs could be useful in carrying out that task, the state would seek their support. Once, however, that support became less important, then the state could seek to dispense with the chiefs as much as possible - which is precisely what happened. But the chiefs fought back, and in the course of the ensuing struggle, the embryonic indigenous bureaucratic bourgeoisie asserted itself more and more, and with the formation of the
Fijian Administration, effectively constituted itself as an autonomous power.

In large part, the chief's victory was due to the fact that, despite their reduced importance, they were not totally dispensable. And their continued importance was underlined when the colonial state had to contend with another major struggle - that waged by Fijian peasants through the Viti Kabani movement. That struggle was related to similar ones before it. Very importantly, it was also, in part, the product of an earlier attempt by the colonial state at restructuring Fijian class relations - im Thurn's (failed) attempt at proletarianising the Fijian peasantry. The Viti Kabani movement can be seen, therefore, as a major link between two separate attempts by the colonial state to restructure Fijian class relations - a product, in part, of the first; and a significant factor in the second.

The aim of this chapter is to explain that broad process of restructuring, a process which ultimately had to do with social control. After having first described the system of control established by Gordon, therefore, the state's responses to the earliest instances of indigenous rebellion against colonial rule will be discussed. Those rebellions and im Thurn's intervention form the immediate background to the discussion of the Viti Kabani. The chapter concludes with an analysis of the chiefs' struggle against the colonial state and the rise of the indigenous bureaucratic bourgeoisie.
The immediate and most urgent task confronting Gordon upon his arrival in Fiji in 1875 was the need to establish an effective system of social control. The political chaos before Cession, the fact that the Maori-Pakeha wars in Aotearoa (New Zealand) were fresh in Gordon's mind, the absence of regular British troops in Fiji, and the fact that Fijians greatly outnumbered the white population forced upon Gordon the realisation that in order to govern effectively, indigenous support would be vital. His immediate problem, therefore, was to find a way to command the loyalty of the Fijians and also to control them. On the matter of loyalty, he was aided greatly by the apparent commitment of the colonial state to the paramountcy of Fijian interests. After all, the Deed of Cession, signed the year before, was seen to be based on the principle that Fijian interests would be safeguarded. How, then, did Gordon reconcile that principle with the need to control the Fijians? The short answer to that is that he instituted a system of "indirect rule", but before taking up the details, it is necessary, first to explain how he justified it.

Much has been made of the influence of the major anthropological theories of the time on Gordon's approach to native affairs. That he subscribed to unilinear evolutionary theories of historical development, and that he also believed that Fiji was just emerging out of the state of savage barbarism, is generally agreed. As a consequence of views such as these, Gordon's basic operating principle was that
traditional institutions would have to be preserved until such time as Fijians were capable of coping with the rigours of modern civilisation. As he himself put it:

'\text{the more the native policy is retained, native agency employed, and changes avoided until naturally and spontaneously called for}, \text{ the less likely is 'the Fijian to perish from off the face of the earth'}.{^2}

Bourgeois historians have sought to explain Gordon's approach to native affairs in terms of this principle. Legge, for example, argued that it was:

\begin{quote}
an expression of a developed view of native society and of the probably effects to too sharp a contact between a primitive and a more advanced culture.\footnote{3}
\end{quote}

Lest too much emphasis be given to Gordon's concern for native welfare, however, it should be noted that his feelings for kith and kin were rather stronger. As he once remarked: "My sympathy for the coloured races is strong; but my sympathy for my own race is stronger".\footnote{4}

But that aside, to explain his native policies solely, or even primarily, in terms of his belief in the need to protect Fijians from the demands of modern society would be idealist. Such an explanation, moreover, is based on the fundamental error of identifying the agent (Gordon) with the position which he occupied (functionary of the colonial state). His beliefs, therefore, were simply examples of the wider ideology of which served to justify British imperialism. The aristocrat from Scotland was a seasoned and experienced practitioner of colonial rule (before coming to Fiji he had served in Trinidad and Mauritius), and he was clearly well-imbued with imperialist ideology. And a major element of
that ideology was that colonised peoples were incapable of governing themselves, and therefore needed the benevolent and guiding hand of their imperialist masters. The argument advanced here, therefore, is that the dominant anthropological theories of the time were themselves part of the wider imperialist ideology. The solution to the question of social control, therefore, was already implicit in the ideology and all that the anthropological theories did was to underline it. Fijians were seen to be backward and incapable of withstanding the rigours of modern life, and therefore had to be protected. And what better way to protect them than to let others manage their country's transition to 'modernity'. So excluded, they could be more easily controlled.

Gordon knew well what he was up against and it did not require much ingenuity to realise that in order to rule "most peaceably, cheaply and easily" it would be necessary to work through the chiefs:

So long as the native population outnumbers the Europeans by an hundred to one, it is through these chiefs that the country will be most peaceably, cheaply and easily governed - and the Governor has already observed that in those districts where ... the chiefs have lost their hold on the people, the administration of affairs is attended with a difficulty and confusion unknown elsewhere. If deprived of position and employment they [i.e. the chiefs] would, not improbably, from being docile and useful instruments, become a constant source of trouble if not even of danger.

The system of rule would, of course, have to be modelled on the "traditional" social structure which had to be preserved. It was necessary therefore to establish just what that structure was. Anthropological theory had suggested its broad outlines by specifying the general characteristics
typically associated with societies which had progressed to Fiji's stage of development. Armed with those preconceptions, then, Gordon set about the task of reconstructing the 'traditional' social structure.

But here he was faced with a major difficulty. Neither he nor anyone else saw precapitalist Fiji in class terms, so the question of an underlying class structure did not arise. Because of that, he was confused by the apparent variety of social structures. But that variety, as has been argued in Chapter III, represented the particular forms which social organisation took in the various regions, and more importantly, social organisation was itself the form which the underlying class structure took. For Gordon, however, reality was what was visible, and out of the "chaos" of apparently disparate social structures (which he became increasingly exasperated about), he sought to derive the universal 'traditional' social structure. And the model which he came up with formed the basis of an orthodoxy which has persisted to this day.

For Gordon's critics, this was an historic exercise in historic misrepresentation. The overwhelming evidence, they argued, clearly showed that 'precontact' Fijian societies were different in certain fundamental respects, and a 'traditional' social structure of the type which Gordon sought to create simply did not exist. But the critics were themselves concerned only with appearances. They too saw only the visible forms of the underlying structure, so in a very real way their criticism of Gordon amounted to very little. Neither they nor Gordon could resolve the question
of the underlying structure of precapitalist Fiji precisely because they all focussed their attention solely on the visible forms of that structure.

All this aside, the central problem for Gordon was to set up a state machinery which could deal effectively with the question of social control. The observable variations in social organisation not only flew in the face of his expectations about Fiji's "imperial traditions", they also threatened to complicate seriously the task with which he was confronted. Upon the "chaos", therefore, "order" had to be imposed, and the model of the "traditional" social structure which he created formed the basis of his system of control. And thus was founded an orthodoxy and a colonial state apparatus the background to and the effect of which France accurately summarised in this way:

It was, of course, necessary to introduce uniformity into the system of administration, and the indigenous 'institutions of government', such as they were, would have been too varied and despotic to have been incorporated into a colonial administration. The Fijian administration very soon established itself as the new mode of social control which supplemented and, in some respects, incorporated, that of the chiefs.\(^8\)

"Indirect rule" through a system of native administration is usually associated with the name Lugard but, as Legge points out, Gordon was the pioneer: "before Lugard laid the foundation of his system in Nigeria, Gordon had established a native authority system in Fiji ...".\(^9\)

Gordon's system of native administration, then, was a political response to conditions in Fiji generally, and to the question of control in particular. If capitalist
production was to proceed relatively smoothly, then the numerically superior Fijians would have to be controlled. In Gordon's design, that control would be mediated largely through a state institution in which Fijian chiefs would occupy subordinate but nonetheless critical positions. What, then, was the nature of the system of native administration?

Detailed descriptions of the system can be found in other works, so only a brief outline will be presented here. With the enactment of the 1876 Native Affairs Regulations Ordinance, the system of native administration came into being. Covering virtually every aspect of Fijian life, it provided for a tiered structure of administrative units. At the bottom level were the villages (koro) which were headed by a village headman (turaga-ni-koro). Groupings of villages into districts (tikina) formed the next rung of the hierarchy and placed in charge of these were a buli to whom all the turaga-ni-koro in the district were responsible. Contiguous districts were grouped in turn into provinces. Often these corresponded to traditional divisions and initially most were headed by Roko Tuis who were responsible directly to the Governor. Notable among the exceptions were provinces in inland Viti Levu which fell under the authority of European state functionaries called commissioners.

In addition to these administrative units, there were also District and Provincial Councils and the Council of Chiefs. District Councils (Bose ni Tikina) were concerned strictly with local matters of welfare and good order while the jurisdiction of the Provincial Council (Bose ni Yasana) was much wider. Presiding over the former were the bulis
and over the latter the Roko Tuis. The Council of Chiefs (Bose vaka Turaga), as the name suggests, was composed primarily of chiefs and these were drawn from all the provinces. The background to the formation of this "new creation" offers useful insights into the way that the most senior functionary of the colonial state operated. Rokos had gathered in Bau for Gordon's formal installation as supreme chief of the territory. He used the occasion to consult the Rokos and thenceforth the council became an annual event, and the regulation which provided for its establishment stated: "The Governor is the originator of the Council and he alone can open its proceedings". Subject to Gordon's authority, then, this subordinate apparatus of the colonial state acted purely in an advisory capacity. Largely through chiefly efforts, however, it soon came to be regarded as the very embodiment of the Fijian body politic and was always consulted (and still is) by the state on matters affecting Fijian interests. This, of course, greatly facilitated the whole exercise of colonial rule but the Council of Chiefs, like the other councils, were alien institutions. As France argued:

Although it had been a Fijian habit to discuss matters in council at a village level, or even at the level of a local group of villages in time of war, there is no evidence that the councils set up by Gordon were 'purely native and of spontaneous growth'. Assemblies of people had traditionally gathered for the interchange of gifts but social intercourse was limited on these occasions. The high chiefs rarely met in council until the imported institutions of government required them to do so.

And of the system generally:
Whatever outward semblance of a traditional or indigenous system Gordon's native administration possessed for European observers, Fijians clearly regarded it as an imported institution directly under the control of the Governor.  

Such, then, was the nature of the system of native administration. But it was not long before its effectiveness as a system of control was tested. There had always been some Fijian resentment of colonial rule, particularly among the people of the west. Annexation had been concluded largely with the eastern chiefs whose political control did not extend over the western region. And so it was that all but one of the high chiefs who signed the Deed of Cession were from the east. It was clear from the very beginning, therefore, that support for British colonisation was less than total, and it is not surprising that the roots of the anticolonial struggles in Fiji are to be found in the western region. To those struggles we now turn.

2. FIJIAN PEASANT STRUGGLES

The hill tribes of the interior were renowned for their fierce independence and when local white capital, using Cakobau as a figurehead, sought in 1871 to create a central authority, they resisted. The armed forces of the "Cakobau Government" were able to subdue them only to a degree, and their spirit of independence lived on to resurface in 1876 when they resisted colonial rule. That time, however, and only after a costly military campaign, they were finally subjugated by the colonial state.  

Of all the early instances of rebellion against
colonial rule which have so far been documented, this was the bloodiest and most brutal. The viability of the colonial administration was clearly threatened by the hill tribes, and as Legge put it, "Severity in dealing with the leaders of the rebellion was considered essential for long-term peace".\textsuperscript{16} Very important about this exercise in state repression was the "deliberate effort" by the colonial state to prevent the campaign from appearing as "a punitive campaign against natives by a 'white' Government".\textsuperscript{17} Apart from its "general direction", therefore, the details of strategy and the execution of the assault "were left largely to natives".\textsuperscript{18} By pitting Fijians against Fijians, the state was able to conquer the hill tribes, and in that way a section of the indigenous population was able to win for the state the "Little War in Fiji". Legge's summary of the whole affair is telling:

\begin{quote}
[Gordon's] desire for native assistance in the war was to secure their support for the new Government's system of law and order, and at the same time to prevent the growth of a continuing hostility on the part of the defeated tribes. So successful was he from that point of view that it was possible at the close of hostilities to leave a small force of merely 150 native constables in the district.\textsuperscript{19}
\end{quote}

With the suppression of the hill tribes, the execution of their leading figures, and the pacification of the district, Fijian resistance to colonial rule subsided. The violence of this episode in Fiji's history issued warning to potential agitators that they would incur the wrath and repressive might of the colonial state at their peril. And so it was that when indigenous resistance to colonial rule
surfaced again in a period that coincided with the depression of the late '80s/early '90s, the level of physical violence was far below that which was meted out to the brave of the interior.

The next instances of anti-colonial struggle took the form of the Luve ni wai and the Tuka movements. The few writings on these movements have emphasised their cultic or millenarian aspects, but it is quite clear that at root they were reactions against colonial authority. Behind all the ritual and religious paraphernalia lay the hallmarks of an anti-colonial struggle.

A youth movement, the Luve ni wai (Children of the Water) originated in the Colo area in inland Viti Levu. In one district, members resolved to emancipate themselves from British rule and even adopted an authority structure that mimicked the colonial one. But quite apart from this particular example of open challenge, the unmistakeable anti-authority precepts of the wider movement caused the colonial state much concern. Many members were incarcerated for insubordination, and the piece of legislation that was invoked, Ordinance No. 3 of 1887, was specially enacted to cope with the disturbances emanating not just from the Luve ni wai but also from a larger and potentially more threatening movement - the Tuka.

Existing over the same period as the Luve ni wai, the Tuka movement originated in Ra but soon spread over a wider area. It was formed in 1885 by a Ra commoner and self-styled prophet Dugumoi, who later took the name Navosavakudua. The name Tuka means "immortality" or "the promise of
immortality" and with its inspiration drawn from Fijian legend, it is not surprising that many have seen it primarily as a reviverist religious movement. But even as the recognised authority on the Tuka, the Rev. W. Sutherland, himself said in 1910 in his address to the Fijian society: "Apparently harmless and simple at first ... it was of a distinctly political nature and hostile to the Government ...".  

He went on:

The advent of the missionaries, followed by settled Government, took away all that the native had to live and struggle and fight for in earlier times ... It was inevitable therefore - we of course see it more clearly now than then - that spasmodic efforts should be made to revive old customs and possibly regain power.

The order of the world, Navosavakudua prophesied, would soon be overturned so that the whites would serve the natives and the chiefs would serve the commoners. And to prepare for the "millenium" when commoners would reign supreme, he set up a quasi-military organisation consisting of soldiers, sergeants, rokos, bulis, scribes and, at the senior level, officials who were known as "destroying angels". The biblical overtone no doubt reinforced the movement's religious character, but the adoption of official titles used in the colonial administration, together with the overtly military nature of the organisation and the hint of a power struggle, all point very clearly to the anti-colonial and anti-chief nature of the movement. Here was a movement of Fijian peasants rebelling against those whom they saw as their oppressors - the white functionaries of the colonial state and their subordinate chiefly agents. The latter were doubly
oppressive because they not only continued to exact material tribute from their traditional subjects but they had also joined forces with the white rulers.

Once the date of the millenium was fixed and preparations got underway in earnest for the overthrow of the white men and the collaborators, however, the movement was stopped by the colonial state with the assistance of a chief from Bau. Navosavakadua's lieutenants were imprisoned while he was sentenced to hard labour, and later banished to the island of Rotuma three hundred miles away. He died in exile but after his death enthusiasm for the movement continued, and there was a resurgence of activity in 1892 which was suppressed by the burning of Navosavakadua's village, the banishment of the members of his tribe to the island of Kadavu for ten years, and the stationing at Nadarivatu of a force of armed constabulary which was, in Sutherland's words: sufficiently strong to impress the inhabitants that the forces of the gods of the Nakauvadra were less powerful than the authority of the King. Although there was another revival later, the decline of the movement was well in train and by the end of World War I it had died. The demise of the Tuka was followed, however, by a larger movement, and the activities of its leader, Apolosi Ranawai, himself a Tuka disciple, opened another chapter in the history of indigenous peasant struggle against colonial rule. Of all the early instances of early indigenous struggle, this was the most important in the sense that it was the first clear expression of organised struggle by the Fijian peasantry against not only colonial rule but also the
underlying system of exploitation which it served - capitalism.

A more complete understanding of Apolosi's movement is possible only against the background of the major changes brought by Governor Everard im Thurn. His predecessors had to contend with the Luve ni wai and the Tuka movements; he facilitated the emergence of the Viti Kabani. Of all the early governors, im Thurn stands out as the only one to have departed significantly from the pattern of colonial administration that had been set by Gordon. His native policies, as will be shown, heightened the possibility of further indigenous reaction against colonial rule.26

3. A FAILED ATTEMPT AT PROLETARIANISING THE FIJIAN PEASANTRY

The situation in Fiji at the time of his arrival, im Thurn recognised, was rather different from that which existed in the early years of Gordonian rule. With the Fijian population in a state of rapid decline, the threat of extinction of the race loomed large. Moreover, Gordon's protective and paternalistic administration seemed to im Thurn to have done little to prepare Fijians for the rigours of modern society. Above all else, it discouraged the development of individualism. Not Fijians in general was im Thurn concerned about, but rather, the commoners, whom he felt had to be rescued from chiefly oppression. As he said:

... the term 'Fijian' includes two distinct classes, whose interests are to a greater or lesser extent opposed, viz: the chiefs and the commoners - what is the gain to one is often
the loss to the other. To me their interests seem to be as distinct as those of patrician and plebeian, or of noble and serf ... if [commoners] try to accumulate property, it is taken from them. 27

It appears that im Thurn may have been conversant with Marx. In chiefly lala (tribute) he recognised the source of the oppression of commoners by chiefs. Commoners, he said, were burdened by a "double series of demands". The first was the chief's personal lala (tribute exacted by virtue of traditional chiefly privilege) and official lala (tribute exacted by virtue of status as a state official). Official lala, he argued, should be retained because it was payment for services rendered by state functionaries. For personal lala, on the other hand, there was no longer any justification for it and the practice should therefore cease:

I do not overlook the fact that the chiefs were probably the heads of the commune and therefore, as being then responsible for the administration of the affairs of the commune, entitled to payment or lala. But the British Government in instituting its 'Native System' substituted this for the system of rule by 'the chiefs', so that the administrative function of these 'chiefs' is, or ought to be, gone, and with it the chiefs' right to lala is, or ought to be, cancelled. 28

A major implication of this position was that chiefs who were not employed by the colonial state would effectively lose all lala. But that was precisely what im Thurn was seeking to achieve. The effect of his attack on personal lala, as he himself anticipated, would be

the creation in the ordinary Fijian of that individuality which would, I believe, be the only thing to save him and his race from extinction. 29

Steps were therefore taken to repeal existing legislation,
especially Ordinance No. 3 of 1877, so that refusal to pay personal lala would no longer be an offence. This was a significant development in chief-commoner relations for it represented a considerable attack on the (traditional) material basis of chiefly power. True, subsequent legislation was not able fully to achieve im Thurn's goals, and in any case, not only had there always been differing interpretations of the regulations but also the line between personal and official was never firm or clear. Possibilities therefore existed for chiefs to circumvent the law in order to exact tribute. On the other hand, there can be no question that the material basis of chiefly rule under the tributary system of social relations was under threat.

But why was im Thurn able to mount this attack against the chiefs? It is reasonable to argue that a major reason had to do with the fact that in terms of social control, the need for chiefly support had become rather less important. Thirty years after annexation, the colonial state was well-established, and some thirteen years had elapsed since the last peasant struggle. These factors, together with the decline in Fijian numbers, probably suggested to im Thurn that control was no longer such the major problem it had once been, and perhaps, therefore, the time was now opportune to draw the Fijians from their "sheltered existence" and prepare them for modern life. But in the modern way of life, people were individuals. Reward and gain were therefore the result of individual effort; they were not a birthright. For the Fijians, then, this meant that the traditional privileges of the chiefs had no place. Chiefs and commoners
therefore had to become "equals", and if differences subsequently emerged among them, that would be the legitimate result of individual merit and hard work. But here comes the rub, for im Thurn was concerned not so much with hard work as such, but hard work of a particular kind - hard wage work. Under precapitalist social relations, he sympathised, Fijian commoners had laboured but had little to show for their efforts. Under capitalist social relations, however, he intimated, they would. So the push was on to proletarianise the Fijians, and the strategy which im Thurn employed consisted essentially in propogating the whole bourgeois ideology of individualism. How did he go about doing that?

Enactment of the new legislation which im Thurn had proposed was delayed because of the lengthy time involved in re-drafting the regulations, and rather than wait he pushed ahead with his campaign by confronting the chiefs directly. In his opening address to the Bose Vakaturaga on 10 April 1905, he prefaced his remarks with statements about patriotism and then proceeded to castigate the chiefs in this way:

... I know also that some of you think only, or chiefly, of yourselves, of your lala, and your sevu, your [kerekere] and your other exactions from your people. These of you are unpatriotic, and it is these of you who are killing your people... 

Now that the concepts of patriotism and selflessness were introduced the governor developed his main theme - individualism.

The subsequent response from both chiefs and commoners to im Thurn's attack seems by and large to have been positive to the degree that he was able to sketch the outline of a
wholly new approach to native affairs. As he did so, however, the implications for Fijian labour and land became more evident. Individualism required freedom of choice and action, and so he stated his intention to make legislative changes which would allow greater freedom of movement for Fijians who wished to take up paid employment. But it was on the question of land that im Thurn's major change in direction had the greatest impact. Fijian advancement could never be secured if Fijians were hamstrung by a system of land tenure that was not based on individual ownership. Four ordinances were therefore enacted to correct the situation. With the benefit of historical hindsight it is possible now to judge that white capital rather than the Fijians benefitted most from those ordinances, for between 1905 and 1909 "some 20,000 acres of Fijian land was sold to white settlers, in addition to a larger area leased". The principle of the alienability of native lands which formed the basis of Gordon's land policy was given a major jolt. Gordon had by this time become Lord Stanmore, and from London he launched a stinging attack on im Thurn's major detour. Fijian retention of their land was central to the appearance of benevolence that surrounded the system of native administration. That appearance had to be maintained, and now im Thurn threatened it. And in the end, Gordon won the day. In 1909 the Ordinance which permitted the sale of Fijian land was repealed, and with that the system of native administration swung back to its former Gordonian pattern.

Assessments of im Thurn's experiment differ but there
are basically two opposing schools of thought. At one extreme is the view that the experiment was largely a response to the "plaudits of the European community" and that its real function was to advance the total demise of the Fijians. At the other extreme is the view that it was concerned both to avert the threat of extinction which faced the Fijians and also to advance their economic development. There is not the space here to probe these respective positions in any detail save to make the following point. Whatever light they may throw, they are essentially idealist explanations because they are couched in terms of im Thurn's supposed beliefs about the best way forward for the Fijians. The crucial point which they miss is that im Thurn's intervention would not have been possible if the balance of class forces did not allow it. His experiment took the form of an attack against the chiefly class, but that attack in turn was possible only because the wider (and crucial) task of social control no longer depended critically on the support of the chiefs. And in that kind of situation, the way was open for class relations to be restructured in a way which would make more wage labour available to capital. Im Thurn's propagation of the ideology of individualism was simply a means by which to achieve the restructuring. And by following that strategy, the appearance was created that his beliefs lay at the root of his experiment. The reality, however, was that the balance of class forces allowed the state to try to proletarianise the Fijians, which is precisely what it did. And it was only when wider imperialist forces, in an attempt to keep up the appearance of imperial
benevolence, asserted themselves that the experiment was ended.

Despite its failure, im Thurn's experiment did have important consequences. His attack on the chiefs, and his apparent pro-commoner sympathies in particular could not but heighten the possibility of another open struggle by the Fijian peasantry. Apolosi Ranawai, whose association with the Tuka movement had strengthened his opposition to colonial rule, must have been encouraged by what im Thurn had said and apparently sought to do. But Apolosi was not a peasant, he was a worker. So it is not altogether surprising that when he organised the Viti Kabani movement, his aim was to free his predominantly peasant followers not only from colonial rule but also from capitalist exploitation.

4. CHALLENGING COLONIAL CAPITALISM: THE VITI KABANI MOVEMENT

In 1913, with the collaboration of some European businessmen in Suva, Apolosi Ranawai, a thirty-six year old carpenter, formed the Viti Kabani (Fiji Company). Like its predecessors, Apolosi's movement also had a religious character and the promise was made of a New Era "when the burdens of taxation, enforced communal labour, and dominance by chiefs and whites would be eliminated". It is clear that Apolosi's foremost concerns were the political oppression of the Fijian labouring class, their economic underdevelopment and, relatedly, the alienation of Fijian land (the last major spurt of land alienation having been halted a mere four years earlier).
A major vehicle for the liberation of the oppressed Fijians was to be the company, which was to be of and for Fijians only. The basic idea, then, was to buy and sell Fijian agricultural produce so that control of Fijian economic activity would remain in the hands of the producers. As a memorandum from the company stated:

The cause [or the beginning] of this thing is through the Europeans here in Fiji swindling us, the price of all our things are different ... Their swindling us will never cease...\(^{36}\)

By 1914 the movement had spread west to the Yasawa Islands and in the opposite direction to eastern Viti Levu and beyond to Lau and Vanua Levu. In Rewa the movement was particularly strong and at a meeting in Draubuta village in January 1915 between 3,000 and 4,000 people attended. Resolutions were passed which give an idea of the movement's ambitions. Fijians were to enter into contracts with the company "with the idea of keeping our lands in our own hands and all the produce therefrom". Company stores would be built in every locality and for those stores there would be no dealings with Europeans. And, further, there was to be a native shipbuilding yard in each province and the company would have its own police and church.\(^{37}\)

Although there is a general agreement that the movement was not a commercial success, it did pose a serious threat to the established order. Europeans (and the few Chinese) who acted as middlemen in the marketing of Fijian agricultural produce were threatened with a big drop in business. The authority of the colonial state was increasingly undermined as Apolosi's followers were ordered not to
comply with any of the dictates of the system of native administration. The movement had its own village officials and it was they rather than the rokos and bulis whom the faithful were urged to obey. And as for the chiefly class, this movement of "young upstarts" was considered an affront to their authority and status. That feeling, however, was significantly greater in the east than in the west, for although the movement spread to most parts of the group, it was in west Viti Levu that support was strongest. It is significant also that the colonial state recognised a marked tendency among the people there to develop to an increasing degree along "individualistic lines". Im Thurn's influence was showing through.

The regional character of the movement underlines the way in which capitalism exacerbated uneven development in Fiji, and in the broad regional cleavage, the west lay at the bottom end. More importantly, the movement was essentially a peasant one, although some chiefs were involved, especially in areas where it established strong roots. And it was the peasant origins of the movement which provided useful ammunition for the colonial state's response to it. The regional cleavage which divided the Fijians expressed itself in the way that Fijian opposition to the movement was strongest among the eastern Fijian chiefly class. And not surprisingly, that opposition was to play a critical part in the wider task of suppressing the movement. So it was that a central figure in that wider exercise was Ratu Sukuna, the Oxford-educated high chief who was later to become the most senior Fijian state functionary and "the statesman of Fiji".
It was he who articulated Fijian opposition to the *Viti Kabini* most clearly.

The anti-chief character of the movement was not lost to Sukuna and it is only to be expected that his assessment of Apolosi's followers should reflect his chiefly background and his belief the commoners were little more than imbeciles, quite incapable of deciding what was in their best interests: "speaking generally, the more backward the people the more pronounced is the hold of the Viti Company ...". And of the activities of the movement's leader ("the man of Ra"), he wrote to the Secretary of Native Affairs on 12 March 1917, they confront the Government with facts and tendencies alarming in regard both to native life and Native Administration and create grave responsibilities which must be faced. In character those activities are undoubtedly corrupt and degrading, assuming a political character for the purposes of low gain.

Elaborating, he charged that Apolosi was "belittling and interfering with constituted authority", "trafficking with racial reelings for position of gain", and perpetrating "a crime of the worst kind". His "sordid and unpatriotic doings", he went on, "deserve the last punishment ... [and] the remedy is at hand by striking at the root of the evil, that is, by deporting Apolosi under Ordinance 111 of 1887".

And he was duly exiled to Rotuma. The colonial state could hardly have done otherwise, as strong pressure was being exerted not only by the eastern chiefly class but also by capital. The anti-white theme of Apolosi's propaganda had intensified, and Europeans were rebuking the governor for not taking action against him.
On his return from exile in 1924, Apolosi again took up the cause, and the wider his influence grew the more concerned capital, the chiefly class and the colonial state became. And the method of suppression took similar forms to those which had been adopted earlier: restriction of native gatherings, imprisonment and deportation. In 1940 Apolosi returned from a second exile in Rotuma but was sent back again. After consultations between the Governor and the east-dominated Council of Chiefs (90% of the council were eastern chiefs45), however, he was subsequently banished to New Zealand "lest security to be endangered in the event of a Japanese invasion." With the absence of its leader, the movement went into decline, but even after his death in 1946, veneration of him continued for a long time.

Couper offers the following broad explanation of the Viti Kabani:

the movement was, historically, part of a general reaction by villagers to those largely unforeseen and external forces of the market which ... controlled their day to day activities.47

Although largely correct, this explanation is not totally adequate. In the first place, the "general reaction" was not one of villagers as such but of Fijian peasant producers. Secondly, important though external forces were, at least equal importance needs to be attached to the critical internal class relations through which the impact of those forces was mediated. Those class relations had an importance and a specificity of their own, and the danger of supposing that they were merely epiphenomena of external market forces should be avoided. True, export prices bore directly on their level of material well-being, but as exploited
producers, the immediate enemy was the class of middlemen to whom they sold their produce.

The importance of the Viti Kabani movement, then, is that it was a peasant struggle not only against colonial rule but also capitalist exploitation. The colonial state had sought, during im Thurn's governorship, to proletarianise the Fijians, but it failed. But that attempt at restructuring Fijian class relations also had the contradictory effect of hastening the onset of Fiji's most significant peasant struggle. Furthermore, the whole exercise of suppressing that struggle was itself intimately tied to another attempt by the colonial state at restructuring Fijian class relations. That too failed, and the task now is to see why.

5. THE INDIGENOUS BUREAUCRATIC BOURGEOISIE AND ITS STRUGGLE FOR SURVIVAL

As has been argued, the importance of the chiefs in the total capitalist production process lay in their role as agents of social control. Having taken up subordinate positions within the colonial state, they were able to benefit from both traditional tribute and official salaries. With im Thurn's attack on personal lala, however, they became increasingly dependent on salaries as their major source of income. As state officials, then, the chiefs were part of the bourgeois class, and the more dependent they became on the state for their material well-being, the more they were entrenched as members of the bourgeoisie. It is in that sense that chiefly state functionaries are here understood as the indigenous bureaucratic bourgeoisie. The
term is used, therefore, primarily to denote the particular historical function of the chiefly class and the way in which, as a result of that, it came to constitute itself as a relatively autonomous faction of the ruling class. Having done that, it would gradually consolidate its position and eventually assume state power - after independence. The road to state power, however, was not an easy one.

The colonial state's first attempt at restructuring Fijian class relations, as has been argued, was an exercise in extending capitalist relations in Fiji, and it was possible only because the conditions of the class struggle at that historical conjuncture allowed it to do so. In particular, the function of social control was no longer critically dependent on chiefly support. By 1913 that still appeared to be the case. So when, because of wider imperialist pressures, the colonial state decided upon decentralising authority within the system of native administration, the chiefly class again came under attack. A second attempt at restructuring Fijian class relations was underway. But whereas the first attempt was aimed ultimately at all Fijians, the second was focussed specifically on the chiefly class. Increased dispensability of chiefs as agents of social control, pressure from London to cut administrative costs, and arguments about the need to make a cumbersome native administration more efficient cleared the way for changes which the embryonic indigenous bureaucratic bourgeoisie correctly saw as a threat. And they would not let those changes pass without a fight. Their very survival, after all, was at stake. Samy's blanket statement that the
chiefs were the "main class of collaborators" needs, therefore, to be qualified because it suggests that their relationship with the colonial state was always a "parasitic" and collaborative one. That was patently not the case, for in the three decades or so between 1914 and the mid-1940s, they waged a battle against the colonial state the intensity of which grew with each successive year and the culmination of which was victory in 1944 when they assumed control of the newly-formed Fijian Administration. And so we turn to the details of the struggle.

The system of native administration which Gordon had instituted remained largely unchanged during the governorship of his immediate successors William des Voeux, Charles Mitchell and John Thurston. The economic recession which coincided with Thurston's term of office (1888 - 1897), however, caused the British imperialist state to urge the colonies to cut costs. But that was not the only reason. By the time of Thurston's death in 1897, native policy in Fiji had come under considerable criticism from the Colonial Office. As Gillion noted, "there was a feeling that the communal system had outlived its usefulness". The system of native administration, it was obviously felt, could be dismantled, or at the very least pruned back. Gordon's system, as has been shown, came under severe attack from im Thurn, and although from England Gordon (now Lord Stanmore) was able to mount a successful counter-attack, it is clear that doubts about the system of native administration persisted. And so it was that in September 1913 the Secretary of State for the Colonies questioned the necessity
for, and even the desirability of, continuing the Native Department. He therefore asked that consideration be given to its abolition or reduction and that its responsibilities be devolved to state functionaries in the field. The committee that was appointed to consider the matter concurred with the view that there should be decentralisation of authority, but it recommended that the department be allowed to continue for a while. Despite that recommendation, however, the pressure for abolition was strong. Local white opinion had always figured prominently in Fiji bourgeois politics and on this particular occasion its views were reflected in a statement by one of its leading members, H. Scott, a prominent lawyer and whose son would later rise to become Speaker of the Legislative Council. Following the line from London, he had this to say:

The continued separate existence of the Native Office is no longer necessary nor desirable ... [it] has had a fair trial and I do not think that even the adherents to the system of that department can suggest its administration has been a success. To my mind efficiency and control is sadly wanting - more effective local administration in the provinces is what is required. It would lead to expedition of work instead of as at present the constant reference to the Native Department in Suva of minute detail. To perpetuate the present Native Department and its method of administration would in my opinion be a grave mistake.50 (emphasis added)

For the chiefly class, then, especially those employed as state officials, the writing was on the wall, and couching their argument in terms of the interests of Fijians generally, the Roko Tuis of Tailevu, Cakaudrove and Bau (Eastern provinces all) communicated their concern to the governor:
We Fijians are the most numerous class in the country and own the greater part of the land ... We do not think it at all reasonable that we should be considered as of no account or that our department should be belittled ... We feel sure that were the Department to be abolished we should not receive the same consideration as we now do ... We beg that our Department be maintained.¹¹

To no avail, however. That year the process of decentralisation began and a resolution was passed in the Legislative Council which agreed in principle to the abolition of the Native Department.⁵² Two years later it was abolished.

Fijian ill-feeling increased and the picture painted by the racist W.A. Chapple in 1921 is clearly wide of the mark:

> these people ... are more than contented. They are happy. [sic] ... over and around these simple-minded and grown-up children are the sheltering wings of Britain administration and British justice ... The fragrance of British management pervades the village life.⁵³

And thanks to Whitehall:

> [i]t is a matter for general surprise that a savage so recently cannibalistic, treacherous, and non-moral, should be today, after little more than a generation, so docile, and courteous, and manageable.⁵⁴

The commoners may have been "manageable" but not so the chiefs who became increasingly agitated by the ever-increasing dilution of their power. Further reorganisation of the system of native administration was conducted in 1923, 1925 and 1937 and with that power shifted progressively from Fijian to European officials. Sahu Khan described the situation in 1938 well:

> the Fijian leaders were not at all happy ... There was a feeling of unrest and anxiety ... Fijian chiefs, as Rokos, were [previously] treated as senior officers of the Government
However ... [now] the same Rokos became junior officers of the Government. They were controlled by District Commissioners and District Officers. The District Officers were invariably young and inexperienced with little knowledge of local customs and conditions. 

Dissatisfaction with the system mounted, but attempts by the chiefs at regaining their former power were continually frustrated by the state. The more they were displaced, the more they couched their case in terms of the deterioration in native welfare which resulted from the neglect of European officers under whose "care" Fijians were put. To the chiefs, that neglect did violence to the colonial state's duty to protect the Fijians. What they seemed not to have realised, however, was that the whole process of transferring power to European officials was tied not only to the need for economy but also to the reduced need for a chiefly role in the exercise of social control. The original letter of instruction from London in September 1913 which set the whole process in motion was clearly motivated, in part, by the hope that it would effect savings. Moreover, the initial years of reorganisation coincided with the first imperialist world war - both developments having occurred between 1914 and 1917. Once reorganisation was under way, it would be difficult to undo, especially with the onset of the Great Depression of the early 1930s.

On the other hand, however, the dispensability of the chiefs was not total. The period over which the chiefs fought their battle against the colonial state coincided with the state's battle against the Viti Kabani movement. True, the state's repressive apparatuses were well-developed but it is equally true that had the colonial state
attempted to suppress the movement without the support of the chiefs, then the whole myth of imperial benevolence might well have exploded. Such a risk it could not afford to take. The support of the eastern chiefs, therefore, clearly underlined the fact that despite its reduced importance, chiefly support was still necessary for the exercise of social control. But another major development was occurring among the Fijians which had consequences for that task:

during the 1920s and 1930s and the Second World War many Fijians had been dislodged from their homes and introduced to the individualistic live style, and paid employment they soon regarded as being more worthwhile and dignified than cultivating the soil and building a community in the villages.58

That being the case, surely it was preferable to have chiefs whose authority would help control Fijians living outside the villages.

Had the chiefs been totally unnecessary, then, the colonial state would simply have dispensed with them. But clearly they were not, and they intensified their struggle against the colonial state. Victory finally came when the Fijian Affairs Ordinance was enacted, and the Fijian Administration created, in 1944. Changes in the administration were subsequently made in 1949 and 1966 but they were "changes in scope rather than the nature of the organisation's functions".59 So the second attempt by the colonial state at restructuring Fijian class relations also failed. The chiefs refused to be shunted out of the bourgeois class even though their status in it was very much a junior one. And in Ratu Sukuna they had a high-ranking chief, an able and articulate leader, a product of the most elitist
bourgeois education that the metropolitan state could offer, a soldier with a distinguished military record, and a man whose image as a statesman was growing rapidly. So with him leading the chiefs' fight, the colonial state was faced with a formidable opponent. The point here is not that individuals make history but simply that Sukuna played a major role in the failure of the colonial state's second attempt at restructuring Fijian class relations. Beyond that, he would also take centre stage in the affairs of the indigenous bureaucratic bourgeoisie.

6. THE RISE OF THE INDIGENOUS BUREAUCRATIC BOURGEOISIE

With the formation of the Fijian Administration and the domination of it by chiefs, the indigenous bureaucratic bourgeoisie came into its own. At the apex of the administration was the Council of Chiefs but its operating arm was the Fijian Affairs Board. The conservatism of the board "reflected its domination by a political elite of chiefs linked as a multiplex group by kin or affinal ties, and by associations in the Council of Chiefs and Legislative Council". Fijian members of the Legislative Council served as senior bureaucrats in the Fijian Administration and often also held office in other state apparatuses. Furthermore, they "gained other positions of authority as Economic Development Officers or as directors of the Fijian Development Fund Board".

The Development Fund Board was the brain-child of Ratu Sukuna. Lagging Fijian economic development concerned him greatly, and the co-operative principles of the nascent
co-operative movement (which began in 1942) inspired him to set up a fund to which Fijians would contribute and which would be used in various ways to improve the Fijian economic condition. Established finally in 1951, the Fund was built up by deductions from the proceeds of Fijian-produced copra, and to administer it the Development Fund Board was created as an integral part of the Fijian Affairs Board. Further attempts at accelerating Fijian economic development would follow later and in each case the role of the Fijian Affairs Board would be central - the Fijian Banana Venture, the Lomaivuna Resettlement Scheme and the Vunamoli Association are a few examples.

As the lynchpin of Fijian economic development, the Fijian Administration was by most accounts decisively unsuccessful, and that chiefly dominance had much to do with its lack of success is clearly borne out by the report of the man who was commissioned to investigate the economic problems and prospects of the Fijians. The message of the Spate Report was clear:

[any system which bases itself primarily on the maintenance of the traditional structure must ... reconcile itself to seeing much of its economic effort stranded on the reefs of hierarchy and particularism...]

And of the architect of the Fijian Administration, Ratu Sukuna, he added:

By far the ablest defence of the old order, in deeds as well as in words, was of course Ratu Sir Lala Sukuna ... but ... his authority must be checked against the lessons of history and the observed facts of change in Fijian life. Not indeed that Ratu Sukuna was unobservant of change ... but his interpretation and his solution were biased by his half-conscious vested
interest in a society in which chiefs were chiefs and common men obeyed without question ... The core of [his] position ... was a firm belief in hereditary authority and a corresponding distrust in the capacity of ordinary men to run their own affairs. \( ^{66} \) (emphasis added)

The following year, the Burns Report was much more forthright in its condemnation:

the Fijian Administration is ... an unnecessary expense which Fiji cannot afford. In a colony of this size a double administration is wasteful of man-power and money ... We ... are definitely of the opinion that the Fijian Administration should not continue for longer than is absolutely necessary ... \(^{67}\)

The first public attempt at explaining in some detail the failure of the Administration as an agent of Fijian economic development was made by Cyril Belshaw in his book Under the Ivi Tree. And with the benefit of having had access to officials and documents of the administration, his analysis and conclusions have come to be respected. His general conclusion was this:

the effects of the Fijian Administration of the economic growth of the Fijian people have been little short of disastrous, and the source of much of the difficulty lies within the structure and philosophy of the Administration as a political unit. \(^{68}\) (emphasis added)

Of the three particular factors which he isolated, two had to do specifically with chiefly domination of the organisation. The first of these was that in appointing its officers, the Administration "leaned heavily on the side of family position and benign paternal, even aristocratic, authority". \(^{69}\) The second was the tendency "to lean on autocratic authority and to exercise it arbitrarily and sometimes capriciously". \(^{70}\) Without wishing to underrate the doubtless
importance of such factors as the relative lack of funds, organisational weaknesses and so forth, the strong suggestion which comes through from Belshaw's assessment is that the failure of the administration as an agent of Fijian economic development had to do essentially with the domination of organisation by an indigenous bureaucratic bourgeoisie. The clear implication, therefore, is that it was the interests of that class rather than Fijians as a whole which benefitted most.

The very open attack by the Burns Commission on the Fijian Administration provoked a prompt and defensive response from those who wielded ultimate control over it, the Council of Chiefs. As the report on its August 1960 meeting put it:

Council was opposed to the abolition of the Fijian Administration on the grounds that, whatever the future might be, there would still be a need for a department to look after specifically Fijian interests.  

With the chiefly class now a much more potent force than it had been in the first four decades of the century, the continuation of the Fijian Administration was all but assured. In the years ahead the indigenous bureaucratic bourgeoisie would consolidate its position and would be joined increasingly by educated commoners. And a strong bid for state power in the 1960s resulted in its dominance in the post-colonial state. Its near monopoly of state power from 1970 onwards was to serve as the major means by which to advance Fijian economic development, a task which was all the more difficult because in the interim capital and the colonial state had effected a restructuring of the
economy in a way which effectively reinforced Fijian economic disadvantage. Another process of restructuring was initiated in the years immediately after World War II and it laid the foundations of a neocolonial economy, the hallmark of which was a large tourist industry dominated by whites and foreign capital. That restructuring is the subject of the next chapter.

7. SUMMARY

The maintenance of social control is vital for the success of capitalist production and accumulation, and the role of the colonial state needs to be seen in that light. This chapter has argued that when the system of social control in colonial Fiji became rather less dependent on chiefly support, a situation was created which allowed the colonial state to try to restructure class relations in a way which would extend capitalist relations in the country. Two such attempts were made and they both had to do with Fijian class relations. The first was aimed at proletarianising the Fijians, the second at dispensing with Fijian chiefs as agents of social control. Both failed and each had contradictory effects. The first hastened the onset of Fiji's most significant peasant struggle, the second ended with the rise of the indigenous bureaucratic bourgeoisie to a position within the ruling class where it was no longer quite the subordinate partner it previously was.

The upshot of these developments was that by the end of the Second World War, the balance of class forces was such that local white capital was no longer quite as strong
as it had been. In the next chapter I show how it sought to shore up its shaky position by working through the newly-emergent practice of state planning in order to restructure the colonial economy to suit its purposes. In tourism it saw its salvation, but because the existing tourist industry was so small, the colonial economy had to be restructured to make way for a much bigger one. The economic reorganisation which was about to take place would lay the foundations of the neocolonial economy.
By the end of the Second World War, the class struggle in Fiji had produced a new balance of class forces. Sugar capital's continuing dominance of the colonial economy was underlined by its victory in the 1943 cane-farmers' strike, but the relative positions of the other classes had changed. Despite the split which divided them, the cane farmers were at least organised and were no longer quite as powerless as they had been. Wage workers too were in a somewhat stronger position. They too had organised themselves and the trade union movement was some five years old. The Fijian peasantry remained weak and unorganised, but the chiefs now enjoyed a rather stronger position within the ruling class. But what of local white capital? It alone was in a worse situation than it had been in previously. At the very least, its position had become uncertain. Although still engaged in a range of activities - commerce, farming, hotelling, professional services, and so on - it had not expanded greatly. The scope for expansion was limited, and the war made things worse.

Faced with that situation, something had to be done to shore up its increasingly uncertain position. One dimension of its strategy was to engineer the historic debate of July 1946. The other major dimension consisted of exploiting the newly-emergent practice of state planning. Tourism, it
figured, was the area in which it had the greatest potential for growth. Two things, however, were necessary: the country's infrastructure had to be upgraded; and appropriate fiscal incentives had to be secured from the colonial state. These it set out to achieve, and in doing so, the colonial economy was restructured. The aim of this chapter is to explain that process of restructuring, a process which marked the transition to the neocolonial economy.

1. STATE PLANNING AND THE CAPITALIST FUTURE

In February 1940 the British colonial state published its Statement of Policy on Colonial Development and Welfare\(^1\) in which it announced that thenceforth it would assume a more direct responsibility for colonial development, and to give substance to this major shift in policy the Colonial Development and Welfare Act of 1940 was passed. This was the first departure from the imperialist principle that colonies should be financially self-sufficient:

> For the first time the British Government officially acknowledged that the colonies could not be expected to develop unaided and that, accordingly, imperial funds would be made available on a much more extensive scale than hitherto, to facilitate development projects.\(^2\)

In order to qualify for assistance under the act, however, colonies were required to submit development plans. That requirement set the scene for the emergence of state planning in Fiji.

In May 1944 the governor appointed the Postwar Planning and Development Committee whose task it was to make recommendations about the future direction of the colony.
In addition to four expatriate state functionaries, it included the Secretary for Fijian Affairs, Ratu Sukuna, Vishnu Deo, two local European members of the Legislative Council, H.H. Ragg and W.G. Johnson, both of whom had commercial interests, and A. Barker, chairman of the Suva Town Board and a director of the national newspaper, the Fiji Times. The committee's report was submitted to the governor in August 1945 and to the Secretary of State for the Colonies in the following October. Two basic objections were raised by the Secretary of State and they had to do with, firstly, the questionable ability of the country to finance the proposed £4½ million budget, especially with a war debt of about £3 million hanging over its head; and secondly, what was seen to be an excessive emphasis on social services - 59% of the planned budget having been set aside for them.

The report was fully debated in the Legislative Council and even after it was subjected to further critical analysis, it was rejected by London in February 1948. An order was then issued that a new plan be submitted and that it should be based on the following considerations:

(a) That greater emphasis be placed on projects of "definite economic value";

(b) that it would be unwise to anticipate raising a large development loan in the London money market in view of the "difficult conditions" there; and

(c) that the country's war debt be taken into account."

It is clear from this direction that the concern of the metropolitan state stemmed basically from what appeared
to it to be an overly ambitious plan, particularly in view of the difficult post-war circumstances. Because of austerity in the United Kingdom at this time, the metropolitan state was clearly anxious to keep to a minimum the amount of assistance that would inevitably be sought under the Colonial Development and Welfare Act. Furthermore, the budgeted allocation of 59% for social services appeared to Whitehall to be wildly excessive, and a luxury which the colony could ill-afford, even in spite of the justification for it which was made by the governor. Rejection of the country's first development plan, therefore, was largely the result of the difficult economic conditions prevailing at that time.

As a result of the direction from London, the Development Revision Committee was formed. Compared with its predecessor, its composition was significantly different in several respects. Firstly, it was bigger. Membership was increased from nine to sixteen, and it seems that the intention was to tap a wider range of opinion. Secondly, the number of expatriate state officials increased from four to seven and, significantly, both the governor and the Financial Secretary were now included. With an expanded official representation which included the two most senior functionaries of the colonial state, it was more likely that the guidelines which had been laid down by London would be adhered to. Thirdly, while the number of both the Fijian and Indian representatives increased from one to two, local European representation increased from three to five. In terms of what local white capital was seeking to achieve, this increased European participation, as we shall see, was
to prove important.

The Development Revision Committee's report was submitted in November 1949, and as the table below shows, it conformed closely to the guidelines. Much greater emphasis was placed on "productive projects" (their allocation having increased three-fold from 12% to 36%) and less on social services which took a cut from 59% to 25%. Also, only about a quarter of the reduced budget of £4½ million was to be raised externally, and finally, by the time the report was submitted, the matter of the country's war debt had been settled, with Britain having written off the £2 million owing to it and a "satisfactory solution" having been reached with New Zealand for the remainder.

Table 8.1  Development Plan Percentage Allocations: 1945 and 1949

<table>
<thead>
<tr>
<th></th>
<th>1945</th>
<th>1949</th>
</tr>
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<tbody>
<tr>
<td>Production and Development of Natural Resources (economic schemes)</td>
<td>12%</td>
<td>36.05%</td>
</tr>
<tr>
<td>Social Services</td>
<td>59</td>
<td>25.35</td>
</tr>
<tr>
<td>Communications and General</td>
<td>29</td>
<td>34.25</td>
</tr>
<tr>
<td>Reserve</td>
<td>-</td>
<td>4.35</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>


On the productive projects, the authors of the report reiterated the point that Fiji's wealth lay in agriculture. By their own admission, however, little attention was paid in the plan to the country's two major export crops, sugar
and copra, the justification being that both were doing well and therefore did not require any assistance. At that time, of course, sugar and copra prices were high, but those who benefitted most from those high prices were the CSR and the few Europeans who owned large coconut plantations. The plight of the Indian cane farmers and the Fijian producers clearly mattered little to the committee. So rather than setting funds aside to improve the lot of those who actually produced the wealth of the country, the committee chose instead to divert state resources to other schemes. What were they?

An examination of the projects which came under the category 'Production and Development of Natural Resources' reveals that the two largest allocations were for the proposed Navua hydro-electric scheme (£566,000) and feeder roads (£455,000). These are clearly infrastructural expenditures and should properly be included with other similar expenditures classified under 'Communications and General'. If, therefore, those two items are reclassified, the allocations shown in Table 8.1 above would look quite different. A comparison of the two sets of figures is presented in the table below.

What emerges very clearly from the reclassification is that the committee's statements about the primary importance of the agricultural sector amounted to little more than lip-service to an idea which, although strictly speaking was correct, had little meaning in terms of improving the material circumstances of the vast majority of the population. No, the real thinking which lay behind the report had to do
Table 8.2 Comparison of the Original and the Reclassified 1949 Planned Allocations

<table>
<thead>
<tr>
<th></th>
<th>Original</th>
<th></th>
<th>Reclassified</th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>%</td>
<td>£</td>
<td>%</td>
</tr>
<tr>
<td>Production and Development of Natural Resources</td>
<td>1,531,942</td>
<td>36.05</td>
<td>510,942</td>
<td>12.02</td>
</tr>
<tr>
<td>Communications and General</td>
<td>1,455,490</td>
<td>34.25</td>
<td>2,476,490</td>
<td>58.28</td>
</tr>
<tr>
<td>Social Services</td>
<td>1,077,507</td>
<td>25.35</td>
<td>1,077,507</td>
<td>25.35</td>
</tr>
<tr>
<td>Reserve</td>
<td>185,061</td>
<td>4.35</td>
<td>185,061</td>
<td>4.35</td>
</tr>
<tr>
<td>Total</td>
<td>£4,250,000</td>
<td>100.00%</td>
<td>£4,250,000</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

with something quite different and the clue to it is provided by the following statement: "many private enterprises in the colony had ambitious plans for expansion".10

With that pronouncement, both the influence of the representatives of local capital - H.E. Snell, W. Gatward, A.A. Ragg and P. Costello - and the bourgeois character of the colonial state began to surface. Without an adequate infrastructure, local capital's "ambitious plans" would be frustrated, a prospect which the architects of the plan were not prepared to entertain. Little wonder, therefore, that fully 58% of the planned allocations were set aside for infrastructural projects which included a hydro-electric scheme, an international airport, roading, port facilities and the upgrading of the country's main telephone exchange. What essentially was happening here was that capital was pushing to secure the infrastructural requirements for the future
expansion it was planning to undertake and, as will become apparent in the section which follows, the intended area of investment was tourism.

The significance of this whole development, then, has to do with, first, the nature of capital's intervention and, second, the way in which the class character of the state was exposed. Development planning was here to stay and, sensing this local capital made sure that it would have a major part in it. In so doing, it was able to influence the allocation of state resources in ways which were consistent with its material interests. But its intervention was also concerned with ideological ends. Increased state involvement, although necessary and desirable, should not be at the expense of private capital, and it was important that the message be made loud and clear. The state was there to assist capital, not compete with it: "it is not desirable that Government should compete on a large scale with private enterprise". More specifically, the state should refrain from drawing business from the private sector in times of economic buoyancy, and its role should be limited to "taking up the slack caused by a recession in private activity". And to tie this whole philosophy to the particular projects which were being planned, the authors of the 1949 report had this to say:

\[ \text{[they] are essential prerequisites to that expansion of private activity which we desire to see and upon which we believe the future development of this Colony must largely depend.}^{13} \] (emphasis added)

So that was where the future of the country lay. To ensure that the point would not be missed, A.A. Ragg, during
the debate on the report, had this to say:

[the report] is based on sound commonsense and experience, and it will be as well for those who control the scheme to adjust the works that we have in mind to those envisaged by private enterprise.14

Capital's interventions in the planning process were a major success. The 1949 report of the Development Revision Committee was implemented, and it is instructive that the governor's only substantive comments on it had to do with the relative absence of racial dissension in its formulation:

the fact which I wish to emphasise stands clear and unassailable; when the leaders of the three racial elements in the Colony get together ... to produce a master plan for directing the Colony's developmental activities during the next ten years, they find it possible to forget that they are Europeans, Indians or Fijians and they see eye to eye, in the interests of the Colony as a whole on all essential points.15

This statement is illustrative of the way in which the colonial state, like the other factions of the ruling class, saw conflict predominantly in racial terms. The absence of racial dissension is not at all surprising. All the "leaders of the three racial elements" who sat on the committee had strong connections with the bourgeois class, even if they were not all capitalists themselves. It was a bourgeois plan, conceived and formulated by representatives of bourgeois interests, particularly those of local white capital. The governor's comments served essentially to buttress those interests.

In October 1952 the Economic Review Committee was formed to review the progress of the 1949 ten-year development plan and to consider ways in which the latter might be
modified "in order to increase economic productivity in Fiji".\textsuperscript{16} The Committee's report was submitted in 1953. About one half of it was taken up with fairly detailed analyses of agricultural projects. That so much attention was paid to agriculture is to be expected, given that a central plank of the dominant ideology was that agriculture was the very lifeblood of the economy and therefore had to be supported as much as possible. The authors of the report, not surprisingly, took that view and argued that "the quickest and surest way of increasing the national income [was] to be found through the development of agriculture".\textsuperscript{17} For all their words, however, very little in the way of financial resources was actually allocated to productive agricultural activities. The committee bemoaned the fact that by October 1952 expenditure on various schemes which were planned in 1949 was out of line with the original allocations. In particular, expenditure on social services had "crept up" to 38.7\% of the total while expenditure on 'Production and Development of Natural Resources' fell to 13\%.\textsuperscript{18} To correct the imbalance and, very importantly of course, to give priority to agriculture, the committee recommended that only some of the original projects under the latter category should be continued, that others be dropped, and that new ones be introduced. Those to be dropped would effect a saving of £54,883, which represented a mere 1.1\% of the total budget, and the projects to be introduced would require an additional expenditure of £269,300, an increase of only 5.6\% over the existing total.\textsuperscript{19} Not only is it difficult to see how such a small proportionate increase would make a great
deal of difference to the agricultural sector but also, at most, only 42.6% of that increase was to be spent directly on productive agricultural projects. The remaining 57.4% was set aside for various surveys and investigations and for increased agricultural staff costs. So much, then, for "expanding" and "diversifying" the non-sugar agricultural sector. The sugar industry, for its part, did not require any assistance:

we feel that the industry is in capable hands from the managerial and technical standpoints. Indeed the organisation of the sugar industry in Fiji has frequently been quoted overseas as an example of efficiency[1]. The abandonment of plantation farming in the nineteen twenties and the institution of the tenant farming system has gone far to secure contentment.20

Whose contentment precisely, the authors do not specify. Since the formulation of the 1949 plan, the Navua hydro-electric scheme was judged "impracticable"; it was therefore dropped. The Economic Review Committee's reaction to that is telling:

it meant that the likelihood of obtaining abundant and cheap power had faded and the chances of establishing secondary industries in and around Suva and the south-eastern corner of Viti Levu had been much reduced.21

The significance of this statement lies in its implication that state resources should be applied to developing primarily those regions with the best prospects for industrialisation. South-eastern Viti Levu was in many respects the most suitable region for industrial expansion, and that the authors of the report should consider the allocation of state resources in that light is understandable. The other side of that kind of thinking, however, and which of course
passed unmentioned, is that it would only exaggerate the already-established pattern of uneven development. Rather than proposing schemes which might spread the benefits of development more evenly throughout the country, attention was concentrated on regions where capital was most likely to maximise profits.

It is significant that the authors of the report were "not in a position to make specific recommendations for the establishment of secondary industries" outside of the few which already existed. New industries, they argued, would "naturally follow the production in sufficient volume of any new or existing crop". The thinking here was clearly that industrial expansion in Fiji was generally a function of agricultural growth. But agricultural development in Fiji was still at a stage where there were little or no opportunities for further profitable expansion. When, however, that stage was reached, the report emphasised, "it is to be expected that private enterprise would take advantage of the circumstances". But why private enterprise? Because "Government, by the nature of its organisation, is not fitted to take direct part in industrial undertakings". Industry, in other words, was the domain of capital. On the other hand, the report smartly pointed out, "private capital cannot be driven" into industry, "it can only be attracted". Then came this statement:

[a]s we see it therefore our duty is to advise how the conditions can be created which will attract private capital.25

At this point the report launches into its detailed analyses of "new schemes and measures for increasing
productivity". All of those, with one notable exception, were concerned with the agricultural sector and the import of the recommendations have already been considered. The exception, not surprisingly, was tourism. The report had already admitted to being unable to make recommendations for further industrial expansion but now special mention was made of tourism:

The tourist industry is one which can be of considerable economic value to the Colony ... The Fiji Visitors Bureau has been established to develop this industry which we consider needs greater encouragement than it has received in the past. We understand that the Visitors Bureau has been asked to place before Government specific proposals for increasing this industry, and we consider that Government should consider ways and means of assisting the industry (without necessarily taking part) particularly in questions of finance.\(^{26}\) (emphasis added)

The future of the country, it was now being argued, rested to a large extent on the development of a tourist industry which should be controlled by capital. The significance of the above statement is that it shows how, as a mode of class representation in the colonial state, through its membership in state committees and its involvement in the state planning process, local capital sought to influence state policy towards the development of private enterprise and in particular the development of tourism. The class character of the state is demonstrated by the way it accommodated that pressure.

By 1953, then, the push by local tourist capital was beginning to gather momentum and in the years ahead it would intensify greatly so that by the start of the sixties, the way would be clear for the dramatic growth in tourism. To
understand that development better, it is necessary, first to trace, very briefly, the historical development of tourism in Fiji.

2. TOURISM: IN THE BEGINNING

By the early 1920s, various white residents had moved into the hotel business and activity centred around Suva hotels like the Pier, Club, Melbourne, and McDonald's, and in May 1914 the country's largest hotel, the Grand Pacific Hotel, was opened. Built as a "staging point for New Zealand and Canadian shipping services in the [Pacific] region", the Grand Pacific was widely regarded as one of the finest hotels in the South Pacific. With the relatively small but steady growth in tourist traffic came the belief among local Europeans that there was a need to inject a degree of co-ordination and planning into the nascent tourist industry. So in May 1923, the White Settlement League, an organisation dominated by Suva businessmen, formed the Suva Tourist Board. That was the first organised attempt at constituting a tourist industry in Fiji and, although foreign capital had a significant interest in it, the burden of ensuring its early survival fell largely on local tourist capital.

Not long after its creation, the Suva Tourist Board realised that the continued viability of the infant industry would depend very largely on state financial support. Approaches for assistance were therefore made to the colonial state and in February 1924, the governor appointed a committee to investigate ways of developing the industry. As it turned out, however, the state's response to the
committee's report was at best lukewarm and its grant to the Tourism Board was a mere £170.29 Despite its failure to elicit a more favourable response from the state, the report was significant in that it showed very clearly the kind of vision which local capital had for the future development of tourism. Among the requirements it outlined was the need for a major publicity campaign overseas, organised tours and entertainment, a system of rest-houses and, very significantly, circuminsular and intersecting roads in the main islands.30 The last of these especially would in the years ahead be urged persistently on the state.

In 1925, the Suva Tourist Board changed its name to Fiji Publicity Board and Tourist Bureau, and was headed by the colonial state's representative, Mr W. Wise. Secretary to the board was Mr J. Herrick, a leading spokesman for local tourist capital who previously served as manager of the Suva Tourist Bureau. Ably supporting him were Mr G.F. Grahame, a leading lawyer and mayor of Suva, and Mr T. Horne, the Chamber of Commerce's representative. With the formation of the board

the stage was set for a battle which was to last for nearly forty years between the advocates of increased activity to attract tourists to Fiji and the Colonial Government.31

In the prolonged struggle which ensued, the state continually resisted the pleas by local capital for increased assistance and by the end of 1941 the tussle came to a "dismal stalemate" which lasted the duration of the Second World War. With the cessation of hostilities, the stalemate also ended and the representatives of local tourist capital
immediately resumed their battle with the colonial state. Added thrust was given to their crusade by the likes of Henry Marks, a man with well-established commercial interests, but despite the renewed pressure, state financial assistance remained at a low level. Resentment of the state's attitude, not surprisingly, took an upturn.

The unwillingness, indeed inability, of the colonial state up until the immediate post-war years to provide the kind of direct financial assistance which tourist capital sought can be explained largely in terms of three factors. First, the size of the state's resources, quite simply, had always been limited, and in the face of more "deserving" projects or more urgent expenditures, tourism was simply accorded a low priority. Second, until the 1940s the central principle of colonial management was that colonies should be financially self-sufficient. Tourism simply did not contribute substantially to the treasury's coffers and it never appeared to have the potential to do so. And thirdly, throughout the duration of the Second World War, all sectors of the economy suffered, and in the period of reconstruction greater importance was attached to the non-tourist projects. Largely for these reasons, then, state financial assistance to the tourist industry did not reach the levels which local tourist capital sought.

Tourist capital's fortunes were soon to change for the better, however, as the colonial state's former unsympathetic attitude turned into a rather warmer disposition. The turning point came with the change in metropolitan colonial policy in 1940. Self-sufficiency was no longer the central
principle of colonial financial management, and there was now the prospect of increased financial assistance from London.

Whitehall's new policy effectively opened the way for a more sympathetic response on the part of the colonial state to the needs of the tourist sector. Although direct state assistance was not increased significantly in the short-term, a climate more conducive to the demands of local tourist capital had been created. It was now possible to press even harder the argument about the economic potential of tourism and also to expect greater state investment in the kinds of projects which were vital for the tourist industry. Substantially increased financial aid to the Publicity Board might not be forthcoming, but the state could at least be expected now to provide the requisite infrastructure. Such an expectation, capital felt was not unreasonable, and it was common knowledge in business circles that the Colonial Welfare and Development Act 1940, was intended "primarily to provide assistance towards capital schemes". So the task now facing tourist capital was to ensure that a substantial portion of state resources would be invested in projects which would contribute to the development of tourism.

3. THE PUSH BY TOURIST CAPITAL

Development planning in Fiji, as has been noted, was in large part a consequence of the Colonial Welfare and Development Act. To qualify for grants and loans under the Act, colonies were required to submit acceptable development plans. Obviously, then, tourist capital's objectives had a greater chance of being realised if appropriate interventions
could be made in the newly-emergent system of state economic planning. That is, it would be highly advantageous for tourist capital if its interests were to be incorporated into the country's development plans. Outside this formal machinery pressure could still be exerted of course, but to orient that machinery towards the needs of tourist capital was clearly desirable.

As already mentioned, the country's first development plan, the 1945 Report of the Post-War Planning and Development Committee, was rejected by London. The second, however, submitted in 1949, was accepted and in it 58% of the allocations were set aside for precisely those sorts of projects on which the tourist industry would depend for its success - an international airport, roading, port facilities, energy and telephone systems. And it is not coincidental that included in the committee which drew up the 1949 plan were two members who were involved with the hotel industry - Mr P. Costello and Mr A.A. Ragg. Although there was no specific mention in the plan about the future of tourism, there can be no doubting that tourist capital had scored a significant victory. The plan, as has been shown, was biased towards the development of private enterprise and it is not a coincidence that its major emphasis was on infrastructural projects which were essential prerequisites for the development of that industry which had the most promise for expansion by local capital - tourism. The task now was to build on that major breakthrough.

A.A. Ragg, as has been stated, defended the report when it was debated in the Legislative Council on 6 December
1949. Five days later, during the debate on the Appropriation Bill, H.M. Scott, the prominent Suva lawyer, urged the colonial state to increase its financial assistance to the Tourist Board, arguing that the time was ripe to attract more tourists to the country "especially those from the dollar area". This was a useful start and the push from tourist capital would henceforth intensify. In the following year state financial aid to the Tourist Bureau was increased but clearly not by as much as tourist capital would have liked. During the Appropriation Bill debate in December 1950, Alport Baker, who by that time was a member of the Fiji Publicity Bureau and Tourist Board, thanked the state for the increased funding but added that the grant was a mere "drop in the ocean". Fiji, he announced, had natural attractions far ahead of anything in Hawaii but in order to draw tourists here an extensive publicity campaign would have to be mounted, and that could be done only if more funds were made available - from the state of course. The plea for "sympathetic consideration" duly followed.

Persistent pressure from tourist capital finally began to yield dividends. State support for the tourist industry was officially pronounced in the 1953 Report of the Economic Review Committee. The relevant passage from that report has already been quoted. Belief in the "great future" of tourism in Fiji was growing, but the industry suffered a major set-back as a result of extensive damage to tourist establishments caused by a hurricane in 1952 and an earthquake in 1953. The need for hotel expansion had long been a concern of tourist capital; the natural disasters
created a new urgency. The need for more accommodation facilities was stressed by A. Barker when the 1953 report was debated in May 1953. Finance, however, was the major problem. The state's public statements of support for the tourist industry were greatly appreciated, but whether it would put money where its mouth was was another matter. That it would not was Barker's major concern:

Is the Government to provide the money or private enterprise? I cannot see it coming from private enterprise and personally have faint hopes of going to the Government for the £200,000 or £300,000 for the purpose of building hotels, but the money will have to be furnished sooner or later. 37

Barker's fears were well-founded. Three years on the question of hotel accommodation was still not resolved to capital's satisfaction. So the issue was taken up again in the Legislative Council this time by W.G. Johnson, the chairman of the Fiji Visitors Bureau (which was the new name given to the Fiji Publicity Bureau and Tourist Board as from 1 January 1953).

Over the last few years, the state had shown itself to be rather inflexible on the question of finance for hotel expansion, and to make matters worse, the infusion of foreign private capital which had been hoped for, had not in fact occurred. Alternative sources, therefore, had to be found, and Johnson used the Legislative Council to convey the message to the colonial state. It had come to his knowledge, he informed the chamber, that a high official of the Colonial Development Corporation might be visiting the country to look into the possibilities for hotel development, but because he had not recently heard any more about it, he was concerned
that the whole matter might have been "overlooked". Two
days later his fears were allayed by Mr H.W. Davidson, the
Financial Secretary, who assured Johnson that he would
personally take up the issue on his forthcoming trip to
London in January 1957. By the end of 1957, however, the
financial assistance sought from the corporation had not
materialised. Worse still, concerted attempts by the Fiji
Visitors Bureau during 1957 to attract foreign investment
had come to nothing. It was now clear to both tourist
capital and the colonial state that conditions in Fiji were
simply not sufficiently attractive to draw the much-needed
capital into the tourist sector. In relation to that state
of affairs, the Governor made this statement to the
Legislative Council in November 1957:

Government is satisfied - after full consider-
atation - that there is a need for some positive
stimulus to investment ... It is proposed,
therefore, ... to put forward proposals which
should render such investment more attractive
than they seem to be at present.  

Heartened by this, the Fiji Visitors Bureau made submissions
to the state about the kinds of incentives it preferred and
in December 1958 the Legislative Council debated the Hotels
Aid Bill.

The major concessions provided for in the bill had to
do with accelerated depreciation allowances and capital
grants. For local tourist capital, however, the bill was
unacceptable because the minimum levels of expenditure which
were set in order to qualify for the concession were too
high. Why were they set so high? The Financial Secretary
provided the answer:
What we need urgently is something really big, a major step forward in hotel accommodation ... and we believe that the figures we have put into the Bill will be required. 42

The state seemed intent upon a scale of expansion which only foreign capital was capable of undertaking. Why? Local funds, were in short supply so foreign capital was necessary. But more importantly, if a profitable tourist industry was to emerge, then surely British capital should have a share of it. Furthermore, British capital was more likely to be enticed if competition from local capital was kept to a minimum. And an obvious way to do that was to structure the qualifying conditions for state concessions in favour of foreign capital. Resistance from local capital, however, was instant.

The bill clearly discriminated against local entrepreneurs, and caution was issued about the danger of the tourist industry being monopolised "by just a few". 43 Pressure from local representatives, especially H.B. Gibson, led to reductions in the proposed minimum expenditure levels, although not by as much as Gibson would have liked. The battle to reduce the levels even further, therefore, did not end with the enactment of the amended bill as the Hotels Aid Ordinance of 1958. Subsequent attempts to lower the levels even further were made, but it was not until September 1960 that they were so lowered. The year before that the Burns Commission arrived in the country, and in February 1960, it submitted its report. Local tourist capital ensured that its views were represented to the Commission, and the strong support which it gave to the development of tourism is therefore highly significant.
Concerned as it was with the whole question of Fiji's economic future, great importance was attached to the Burns Report, and it served as a blueprint for the country's next development plan. How was it occasioned?

A major problem besetting the state's planning mechanism was the dearth of information about the economy, and as early as 1948 the need to rectify the problem was recognised. The Financial Secretary was asked to carry out an economic survey of the colony, but by November 1948 his findings had not yet been published. A.D. Patel raised the matter in the Legislative Council during the debate on the Appropriation Bill and A.A. Ragg took it further:

[the] problem that we have today [is that] we do not know where we stand. It is all pure guesswork, and until we do get a true economic survey of this Colony based on proper statistical records then we are not going to get much further than we are today ...

By 1952 the situation was not much better and the Council resolved to appoint a Commission of Enquiry to investigate and advise as to how the development of the colony and its resources should proceed. The result was the Burns Report of 1960. The first set of national economic statistics was, however, produced in 1956 by C. O'Loughlin "in response to a suggestion that the Australian National University should second a research worker to make a national income survey".

The Burns Report was extensive in its coverage and far-reaching in its recommendations. Its recommendation with respect to the other sectors of the economy will be taken up later. For the present, we confine ourselves to its views on tourism. Its position on that question was
Tourism ... is one of the few industries in which Fiji can really compete effectively with other areas, and we consider that every effort should be made to develop it as quickly as possible. But, it went on, "there are certain problems regarding the Government's role in tourist development which require looking into". What were those problems and what were the commission's recommendations with respect to resolving them?

The first had to do with the minimum expenditure levels which had to be met in order to qualify for state concessions under the Hotels Aid Ordinance of 1958:

it has been represented to us that while the Hotels Aid Ordinance ... is a big step forward, it does not go far enough. In the first place, it only benefits the large hotels ... In the second place, it only benefits those companies in a position to finance themselves or are able to find a loan finance without difficulty.

Those criticisms of the ordinance, the report said, had "some justification". There was no reason, it argued, why the ordinance should be biased towards large hotels, for surely it was "for the business interests concerned to decide what size of hotel will pay". It therefore recommended that the minimum capital expenditure levels be reduced, and very soon afterwards they were.

State concessions applied to three categories of hotel expansion: new hotels in the Suva and Lautoka areas, new hotels outside those areas, and additions to existing hotels. Under the 1958 Hotels Aid Ordinance, the minimum capital expenditure levels for each of these were set at £75,000, £60,000 and £20,000 respectively. In September 1960,
just seven months after the Burns Report was submitted, the Hotels Aid Ordinance, 1958 (Amendment) Bill was debated in the Legislative Council. The bill proposed that the levels be reduced to £50,000, £30,000 and £10,000 respectively, but those reductions, the local representatives decided, were not enough. Significantly, it was a local Indian building contractor, S. Narain, who made the counter-proposal that the figures should be reduced even further to £40,000, £20,000 and £5,000 respectively - roughly a 50% drop from the 1958 levels.52

The ensuing debate is significant for its shortness and also for the relative ease with which Narain's proposed amendment was accepted. H.B. Gibson, who in 1958 had argued very strongly that the original levels had been set too high, of course supported Narain, and it is instructive that he was able to congratulate himself in this way:

It is wonderful the number of suggestions I made to the Burns Commission which ... were finally accepted ... and they did accept this one.53

Apart from Gibson, all the local representatives who spoke on the bill - and they all supported Narain's amendments - were either Fijian or Indian. They were Vijay R. Singh, A.I. Deoki and Ratu Mara. Throughout the British Empire at this time, the colonial ruling class was being forced to heed the voice of the colonised peoples and, on this particular occasion, the colonial state in Fiji could hardly afford to reject the views of the local non-European members, especially as they were strong ones. And so it was that the Hotels Aid (Amendment) Ordinance of 1960 was passed and the
minimum expenditure levels reduced to the figures Narain had suggested.

The intervention of the Burns Commission, then, quite clearly was an important factor in the struggle by local tourist capital to change state policy to its advantage. Beyond the question of the minimum expenditure levels, the Commission also made other important recommendations. On the matter of finance for hotel expansion, it did not see that a case for preferential treatment for local capital could be made. On the other hand, it said:

We see no reason why applications could not be made to the Agricultural and Industrial Loan Board which would judge the merits of any individual proposal for loan finance for hotels against proposals from other industries.54

Later it will be shown that in the sixties and early seventies, a great deal of the board's funds were in fact diverted to tourist projects and, very significantly, they were given to a very few people.

The commission's recommendations on other facets of the tourist industry were also important, and they formed the basis of subsequent state policy. These had to do with upgrading and tar-sealing the Suva-Nadi road, liberalising licensing laws, declaring Nadi and Suva as duty-free ports, improving passenger facilities in and around Nadi airport and the Suva wharf, and raising state subsidy to the Fiji Visitors Bureau.55 On the last of these, the report recommended raising the state's grant from the existing £9,000 to £25,000.56

Although local tourist capital welcomed both the 1960 ordinance and the recommendations of the Burns Commission,
those developments did not guarantee its dominance in the tourist sector. International tourism was already on the increase and the attractiveness of the Fiji tourist industry had already come to the attention of international capital.

The Fiji Visitors Bureau had been a member of the Pacific Area Travel Association (PATA) since 1951 and in 1958, in conjunction with the United States Department of Commerce, PATA commissioned the services of an American firm, Checchi and Company, to undertake a survey of the tourism potential in the Pacific and Far East regions. Concluding that tourism in those regions was far below its potential, the Checchi Report called for a quadrupling of tourism between 1958 and 1968. For international capital, that was a vital signal and, pertinently, the report painted a glowing picture of Fiji's tourist potential and specifically recommended that "money [be] pumped into the Fijian economy from outside". The report's prognosis about tourism in Fiji was correct but it could have been more accurate - the industry's subsequent performance was to exceed by far the expectations of the report. What is more, as will be shown in Chapter X, the tourist industry which local capital had striven so hard to develop, and hopefully dominate, would soon come under the control of foreign capital.

4. SUMMARY

Local capital's attempt to develop the tourist industry was a direct response to the need to bolster its position which, in the post-war balance of class forces, had become increasingly uncertain. The relative absence of
profitable investment opportunities had limited its scope for expansion, and only tourism apparently held out some potential for growth. The tourist industry, however, was not growing. It sought, therefore, to reorient state policy towards the development of the tourist industry. Exploiting the state's planning process it succeeded in diverting state resources towards the kinds of infrastructural development necessary for the growth of tourism, and in doing so effectively restructured the colonial economy. By the early 1960s, that process of restructuring was complete, thus concluding the transition to neocolonialism.

Over the fifteen or so years during which the restructuring took place, other major developments had also occurred. Of particular importance was the increasing strength and assertiveness of organised labour. Two major strikes in 1955 and 1957 demonstrated labour's growing willingness to defend its position through organised struggle, but they also alerted capital and the state to the need for greater control. If, in particular, foreign capital was to be enticed into the tourist industry, then labour would have to be contained. When, therefore, the 1959 oil-workers' strike shook the capitalist-dominated colonial economy to its roots, the task of class containment took on a new urgency.

The 1959 strike, then, was a turning point in Fiji's history. Coming at the end of a restructuring process which laid the foundations of the neocolonial economy, it represented a fundamental threat. The trajectory of neocolonialism had just been mapped out and was not to be jeopardised by labour. The struggle of 1959, and that which followed it in
1960 (the cane-farmers' strike), are the subject of the next chapter.
CHAPTER IX

STRUGGLE AND CONTAINMENT

The process of restructuring which local capital orchestrated paved the way for a neocolonial economy in which tourism would increasingly challenge sugar production as the country's major industry. And therein lies the historic importance of the 1959 oil-workers' strike. Because the strike occurred at such a critical time, the strong response from the colonial state is only to be expected. What began, therefore, as a legitimate wage demand soon flared into open confrontation, the nature and scale of which was largely the result of state provocation. A whole array of repressive state apparatuses was mobilised, and the experience gained from that exercise was to be useful when the cane farmers struck in 1960. Because that strike came so soon after the 1959 confrontation, it added fuel to the deep anxiety which ran through the ruling class. So the cane farmers too were victims of state provocation and violence.

Similar struggles by organised labour in the future would put the neocolonial design at risk, and what better way to minimise that risk than to mete out a solid dosage of what can be expected if that were to happen. In view of their central place in the history of the class struggle in Fiji, therefore, the strikes of 1959 and 1960 are examined in detail in this chapter.
Despite percentage increases in the cost of living between 1955 and 1959, oil workers in Fiji had not received any wage increase over the entire four-year period. In August 1959, the General Secretary of the Wholesale and Retail Workers' Union wrote to the oil companies - the Shell Oil Company and the Vacuum Oil Company - in an attempt to commence wage negotiations. Delaying tactics were employed by the latter, and on 10 October the union submitted a log of claims which sought, in addition to improvements in other conditions of work, an increase in the minimum wage for oil workers from £3.0.6 to £6 per week. As a counter-offer, the companies proposed an increase to only £3.10.0 per week and that further negotiations be deferred until February of the following year. Both of these proposals were immediately rejected by the union and when further efforts by the latter to keep negotiations going were met with further company intransigence, worker frustration and resentment intensified. By the beginning of December it had become clear to the union that no headway would be made with the oil companies, and on 5 December it gave notice that a nation-wide strike would take effect two days later.

The strike lasted from 7 - 12 December and the capital, Suva, became the main theatre for the drama that was about to unfold. Early on the first day of the strike, an angry crowd of between 100 and 150 people tried to prevent the delivery of oil to the Electricity Power House, but because union leaders were under the misapprehension that such action would contravene the Essential Services (Arbitration)
Ordinance of 1954, they allowed the delivery to proceed. Considerable tension, however, had been created by the incident, and by the end of the day the proclamation of emergency regulations under the Public Safety Ordinance of 1920 was considered a possible step.

Two major developments occurred on the following day. At 9 a.m. a meeting of a number of senior state personnel was convened: the Governor, Acting Attorney-General, Commander of the Fiji Military Forces, Commissioners of Police and Labour, Assistant Colonial Secretary and the Public Relations Officer. That an official statement on the strike was both desirable and necessary the meeting appeared to be in agreement. Whether, however, the purpose of such a statement should be "to put the people in the picture" or "to give some lead to the people" was not altogether clear. Disagreement over that in the end, did not make a great deal of difference. The state felt that it had a duty to "the public" to do something about the strike; some kind of lead was therefore deemed necessary. The official statement was broadcast by the state-controlled radio station, the Fiji Broadcasting Commission, in the afternoon of the same day, by which time tension had increased even further largely as a result of a confrontation at the Shell Company depot several hours earlier between picketers and a police riot squad. The state was already provoking the strikers, but more was yet to come.

The official statement was clearly hostile towards the strikers. Totally ignoring the fact that the unions had for so long unsuccessfully sought to bring about
negotiations, it accused the union secretary, James Anthony, of flouting "recognised industrial practices" and claimed that the union was behaving irresponsibly. It counted for little that union leaders had gone to great lengths to abide by the law and to ensure that the supply of fuel to essential services was not disrupted. The state simply turned immediately to its ultimate fall-back position, its responsibility to protect "the life of the whole people". The strike was only into its second day but already the state was prepared to act in the strongest possible way. A certain amount of inconvenience had been caused and it was inevitable that it would, but to suggest, especially at such an early stage of the strike, that the life of the people was at risk was rash and provocative. Up to that point no inquiry had been made into the grievances of the workers, and yet the state was prepared to embark on hasty and drastic action. As the union's response to the official statement put it:

The general public (with the exception of a privileged minority) have suffered for much too long in this country. A little more suffering, a little longer, will we are certain, hurt only a little.

It then went on to assure the state that:

We shall continue to see that essential services are served as provided for under the Essential Services (Arbitration) Ordinance ...

That the official statement expressed the state's antagonism towards the strikers is further underlined by its conclusion:

Finally the Government of this Colony wishes to give a clear and unequivocal statement of its views of the strike:
1. The strike should not have taken place.
2. Workers should resume work and enter into negotiations immediately afterwards.
3. If the negotiations are not successful the assistance of the Labour Department should be sought.¹⁴

A.G. Lowe, the sole member of the Commission of Inquiry which investigated the "disturbances in Suva", correctly argued that this statement of opinion served only to aggravate the whole situation. "The government", he said, "was, very properly, concerned to do nothing which gave any indication that it was attempting to break the strike".¹⁵ Proper that concern may have been but whether it was genuine is another matter. The Acting Colonial Secretary, J.A.C. Hill, maintained that the official statement was a sound one. After all, he was an advocate of the view that the statement should show that the government was "giving a lead".¹⁶ He was also one of those who approved the issue of the statement. Those who felt that the government's role at the time should have been limited to "putting the people in the picture", therefore lost out to the more hawkish faction which won the day. Even the Commissioner of Inquiry questioned the soundness of the official statement. The weight of the evidence clearly suggests therefore that the state was taking sides and it was precisely in that way that the union interpreted its intervention:

There remains no doubt in the union's mind that Government has deliberately decided to side with the employers ... The Government has no right whatsoever to say whether the strike should or should not have taken place without making a thorough, impartial and objective investigation.¹⁷
The day after the official statement was broadcast, a statement of protest from the union was taken to the Fiji Broadcasting Commission and permission was sought to have it broadcast also. That was refused on the grounds that "some portions of the statement were not factual and that others, if broadcast, would be likely to increase tension rather than reduce it".  

Not surprisingly, on December 9, the strike became violent. A meeting at 9a.m. between the Acting Colonial Secretary, oil company representatives and the Commissioner of Police decided upon alternative arrangements for the supply of fuel. The companies were to be responsible for distribution while the duty of government was to afford the necessary protection. That morning too, attempts by the Labour Office and the union's legal adviser, A.I. Deoki, to establish a basis for settlement of the dispute failed. When, therefore, the companies commenced fuel distribution, the already-heightened tension got progressively worse. A confrontation at Niranjan's petrol station in Walu Bay at 10a.m. was followed by more serious ones at Burns Philp's and Morris Hedstrom's stations. By then the crowd had swelled to about 400 and with police reinforcements arriving, the crowd had become "sullen and hostile". From 1p.m. to 2p.m., as buses queued for petrol, unrest became more evident and by now expressions of anti-European feeling were becoming more frequent. Bus drivers were being urged by the crowd to go on strike and at the central bus station placards emerged in support of the strikers. Mounting tension and growing numbers greatly increased the likelihood of violence.
"Sometime in the afternoon", the union secretary sent a telegram to the oil companies complaining of unfair tactics "to crush the workers' right to strike". The companies, he felt, were using scab labour and were supplying petrol for general use rather than just for essential services. By 3p.m. the crowd at the bus station became agitated; the position of the bus drivers with respect to the strike was unclear, and it appears that the lack of transport was a factor in the increasing hostility. Around this time two events occurred: a section of the crowd crossed Rodwell Road and invaded Burns Philip's store, and at the opposite end of the bus station, on Harris Street, Mr Patton of British Petroleum (South West) Pacific Limited, was stopped, abused in anti-European language, seized by the collar and compelled to get out of his car. Attention then turned to bus passengers and when a police party arrived, Mr Patton was able to get away and the crowd dispersed.

By then events had acquired a momentum which would be difficult to stop. By 4p.m. the bus transport system had broken down completely, James Anthony had been refused permission to address a public meeting, European and police vehicles were being stoned, the Fiji Broadcasting Commission had refused to broadcast the union's statement of protest, and instructions had been issued for the preparation of public safety regulations. A crowd of between 3,000 and 4,000 people had gathered in an area opposite the Phoenix Theatre which was known as the "hard standing", expecting to hear James Anthony speak. The arrival of a police riot squad added to the tension and in response to a police call
to disperse, the crowd chanted "we want a meeting". Tear smoke grenades were then thrown into the crowd; thereupon people scattered "in all directions" and retaliated with stones. A baton charge proved of little value because by then most of the crowd had moved down Rodwell Road. The city was now gripped by a two-day period of destruction of property on a scale that had no parallel in its previous history. Leave for all regular members of the Fiji Military Forces was cancelled, the reservists in the Second Territorial Force Battalion were called to active duty, and a curfew was imposed.

Day four of the strike, 10 December, saw more destruction of property, including damage to a store owned by the mayor of Suva, Charles Stinson. At noon the governor issued emergency regulations under the Public Safety Ordinance. That did not prevent the strike leaders from calling a meeting of about 3,000 people "consisting almost entirely of Fijians and Indians" at Albert Park two hours later. Two aspects of that meeting are significant: first, that it had the approval of the Commissioner of Police, and second, that it was addressed by two of Fiji's leading chiefs - Ratu Edward Cakobau and Ratu George Cakobau. That chiefly intervention was described in this way:

The Fijian Chiefs spoke first to the people making it clear that they had no intention of endeavouring to stop the strike but appealed for calm and sensibility. (emphasis added)

The significance of this intervention, the disclaimer notwithstanding, lies in the way in which a degree of reliance was placed on the use of traditional authority to influence
the course of events.

A similar meeting the following day, again at Albert Park, saw further calls for calm from James Anthongy, Mohammed Tora, B.D. Lakshman and A. Deoki. More importantly, the strikers were asked to return to work and await the result of attempts which by then were being made to resume negotiations. Anthony had written to the Fiji Industrial Workers' Congress asking it to mediate in the dispute. At 1p.m. on the following day, he learned not only that the congress had agreed to mediate but also that terms had already been worked out for a return to work. Physical exhaustion had compelled him to rest, so he was not present at the negotiations. The "successful" mediation of the dispute was brought about largely through the efforts of Ratu Mara and Ratu Meli Gonewai, the president of the union. This collaboration between two traditional chiefs is significant and should be borne in mind for the later discussion of the Fijian-led breakaway unions which followed in the wake of the strike.

The terms of the interim agreement between the union, the Fiji Industrial Workers' Congress and Ratu Mara were strongly rejected by Anthony, but because they had the unanimous support of the union executive, he was eventually forced to accept them. The dispute was subsequently referred to arbitration. Said Hassan appeared for the union, D.M.N. MacFarlane for the oil companies and Ratu Mara acted as umpire. James Anthony made representations on behalf of the union while Maurice Scott and John Falvey presented the case for the Shell Company and the Vacuum Oil Company.
respectively. In terms of the outcome of the arbitration, Scott's representations are of particular significance in that he clearly invoked the sentiment of the 1958 Industrial Disputes Ordinance about the need to consider the implications of wage demands for the wider economy.

Due regard, he informed the arbitration tribunal, must be given to the overall economy. The oil companies, he said, had not pleaded inability to pay but they had to be careful to keep in line with economic progress and the ability of the other commercial enterprises in Fiji to pay.27 The effect of the union's wage demand, he argued, would be as follows:

it would mean the complete collapse of industry in Fiji, and therefore the ruination of the country and its people.28

Being more specific, he went on to claim that companies would either go out of business, cut down staff or resort to mechanisation and thus reduce employment. No more veiled could a threat be, and it is hardly surprising that the union demand was not met. It had asked for a minimum wage of £6 per week, the companies were prepared to pay £3.10.0 and the umpire awarded £4.11.6.29 The fact that the award fell roughly halfway between the two positions made it appear fair, but that fairness was more apparent than real. The companies, after all, had implicitly conceded that it could actually pay more.

The strike of 1959, then, clearly marked a watershed in Fiji's history. The early years of the trade union movement had been plagued by a whole set of difficulties, which ranged from a pervasive bourgeois antagonism towards
labour, racial splits within the movement (which I discuss later) and power struggles which centred around personalities. The clash between Nand Kishore and B.D. Lakshman for control of the Chini Mazdur Sangh, for example, almost led to the destruction of that union. By the mid-50s, however, especially after the formation of the Fiji Trade Union Congress, the fledgling movement had gained in strength and cohesion, and the strikes by gold-miners in 1955 and sugar workers in 1957 gave expression to that new found strength and cohesion. Although extensive in terms of workdays lost, those stoppages were, however, of a different order from the strike of '59 in several crucial respects. All three had been caused by grievances about low wages and inadequate working conditions but whereas each of the first two involved, predominantly, workers of a particular racial group - Fijians in the case of the 1955 strike and Indians in the 1957 one - the oil-workers' strike did not have that racial character. For the first time in the country's history, Fijian and Indian workers came together to fight a common cause. The leaders of the union acknowledged that there were differences separating Fijian from Indian workers, but decided that because their members shared common "economic interests" their differences should be "put into cold storage". Working class solidarity had for the first time transcended racial boundaries, and the ruling class was unable to play upon racial sentiment in order to deal with the strike. Moreover, that solidarity also expressed a fairly high degree of class consciousness for it was clear that capital was the main enemy. As the union's newsletter which announced the
strike said:

Our claim is for a living wage - you all know how impossible it is to feed, clothe and house a family on the miserable wages that we are getting at the present time. These Companies are making big profits - we feel that the time has now come when we must get a fair share of the wealth that we are making. In fact we are entitled to a fair share ... 32

The newsletter concluded:

The workers must stand together. Today you must show the people of Fiji and the world that we, the workers, stand together - that we are one! 33

United they clearly were and when the colonial state sought to "protect the life of the whole people", the tactics which it adopted confirmed in the minds of the strikers that it too, and not just capital, was the enemy. On the pretext of defending the "whole people" it mobilised its ideological and repressive machinery to break the strike - the Fiji Broadcasting Commission was used, repressive legislation was passed, the army and police were called to duty and traditional chiefly authority was exploited.

The strike was branded as "anti-European":

There was a very pronounced anti-European feeling throughout the disturbances ... This manifested itself by anti-European abuse hurled at Europeans and by the stoning of European driven cars ... Both Fijians and Indians were responsible ... When rioting broke out the damage which was caused to premises was confined entirely to European premises and to offices such as the Labour Office and the District Government Offices, both of which were then in [the] charge of Europeans. 34

Furthermore:

The fact that the Police were Europeans also had an influence on the minds of those who were
responsible for the show of anti-European feeling and it is important to remember that the Oil Companies are European-owned and were ... deliberately chosen for strike action.\textsuperscript{35}

Giving evidence before the Commission of Inquiry, Suva's mayor, Charles Stinson, whose store was also damaged, gave this assessment:

I looked closely ... at the pattern of destruction because I was naturally interested ... It did not take long to form a definite opinion ... To my mind it was centred near all European businesses.\textsuperscript{36}

He then went on to mention the names of various European establishments - Carpenters, Burns Philp, Mouat's Pharmacy, Corbetts' Butchery, Boots the Chemist, Steeles, the British Council, Fiji Trading Company and Morris Hedstrom. Total damage caused by the strike was estimated at £14,304, 86% of which was inflicted on European-owned property.\textsuperscript{37}

The Commission of Inquiry concurred with Stinson's assessment of the pattern of destruction and offered the following explanation:

The evidence suggests that the anti-European feeling was probably engendered by the fact that the Europeans own the largest shops and have, at least, an appearance of wealth and that the lower paid workers felt that such large shops were indicative of considerable profits whereas many workers' wages were low.\textsuperscript{38}

(emphasis added)

The tentative and qualified nature of this explanation is understandable - the commissioner, after all, could not be expected to make a definitive statement to the effect that capitalist exploitation lay at the root of the strike. He was, however, prepared to concede that the damage wrought on European property had something to do with the workers'
anger about disparities in wealth. Although, therefore, the commission was not prepared to say so directly, it is clear that European property was the major object of destruction simply because it was the very embodiment of unequal wealth - the product of capitalist exploitation. The real target, in other words, was not Europeans as such but capital, and capital, because of the origins of imperialism, was predominantly European. Indian and Chinese business property, after all, were also objects of attack.\(^{39}\)

Important too is the fact that various establishments of the colonial state also suffered physical damage. The strikers were not fools; it was apparent to them just whose side the colonial state was on, so it is not surprising that it too was subjected to the wrath and anger which the workers unleashed. The activities of certain "splinter groups" and "criminal elements" notwithstanding, it is clear that the workers had identified their main enemy and its allies very clearly.

In sum, then, the strike of 1959 sparked off a major convulsion in the colony. Never before had workers ignored their racial differences and come together on such a scale to shake the capitalist system to its very roots. Here was organised working class pressure in its most developed form, and the nature of the ruling class's response amounted essentially to an acknowledgement of that fact. More importantly, it demonstrated a willingness on the part of the colonial state to defend - violently, if necessary - the newly-laid foundations of the neocolonial economy. Success for the strikers might encourage similar struggles in the future
and that would seriously undermine the development of that industry which was to be the hallmark of the neocolonial economy - tourism. The state's antagonism towards the strikers, therefore, is not surprising. But that antagonism provoked the strikers into a more militant posture, and that in turn enabled the state to resort to violence.

Having suppressed the strike, the ruling class's next task was to ensure that a similar upheaval would not occur. Before examining how it set about doing that, however, it is necessary first to consider the next episode in labour turmoil - the sugar-cane farmers' strike of 1960.

2. CRISIS IN THE CANE FIELDS: THE 1960 FARMERS' STRIKE

Throughout the 1950s the sugar industry expanded greatly. In the decade up to 1956, for example, the area under sugar cultivation increased by 27.3% from 90,816 acres to 115,654 acres and between 1950 and 1959 the number of cane growers almost doubled, increasing from 7,742 to 14,200. Exceptionally good weather in 1958 produced a bumper crop of 283,000 tons which exceeded the country's export quotas by some 14,000 tons. By the time the new ten-year cane agreement came up for negotiation, therefore, the CSR was concerned about over-production and sought to restrict output. Two possibilities were suggested: either a tonnage quota could be imposed on each farm (this had the advantage of shifting total responsibility to the farmer who would have to ensure that production did not exceed the agreed amount) or quotas could be introduced on an acreage basis whereby the company would buy cane that was grown only on a specified
area. Both of these were of course firmly rejected by the farmers who argued that the CSR had a moral obligation to buy all the cane harvested in 1960 "since in 1957 and 1958 it had urged farmers to increase the area planted".\(^4\) In addition to limiting output, the CSR also advanced cost-cutting proposals: higher penalties for burnt or inferior cane and the deduction of certain expenses, e.g. storage costs, from sugar proceeds before calculating the cane price to be paid to the farmers. Furthermore, it also suggested that the growers' share of proceeds be reduced when the sugar price was high.\(^3\) These proposals too, needless to say, were rejected by the farmers. By March 1960, after protracted negotiations, no progress had been achieved and at that point the state and capital collaborated to end the dispute. Witness, for example, this remark from the company's head office:

> It is gratifying that our views on the situation and method of handling it seem to be finding acceptance by Government.\(^4\)

For their part, the farmers remained resolute and united in their opposition to the company's proposals. Well before negotiations got under way they had taken steps to present a united front. Since the early forties deep rifts had afflicted the Indian cane-farming community and an attempt at forging a unity was made way back in January 1949 when the Kisan Sangh, Maha Sangh, Vishal Krishak Sangh (a predominantly Punjabi union), Rewa Planters' Association, and the Farmers' Union of the Southern Districts formed themselves into a loose federation.\(^5\) Shortly thereafter, however, the Kisan Sangh withdrew and the organisation effectively went into decline. Ten years later, again when the
cane contract was up for renegotiation, the need for unity resurfaced and in March 1959 the organisation was revived under the name Federation of Canegrowers. Prominent in it were the leading figures of the two largest associations - A.D. Patel, S.M. Koya and J. Madhavan for the Maha Sangh and A. Prasad, J.P. Bayly and V.R. Singh for the Kisan Sangh. But the unity displayed in the federation was fragile and proved to be short-lived. Old rivalries stretching back to the early years of the farmer associations persisted as undercurrents and only a major act of political will and class suicide on the part of the leaders could transcend it. But that was not to be. Always more moderate than its major rival, the Kisan Sangh was more amenable to compromise than the Maha Sangh. A repetition during the 1960 strike of the Kisan Sangh's earlier break was therefore all but inevitable, and the farmer unity that many were so keen to achieve again proved elusive. The catalyst for the break occurred in May 1960.

In that month the Governor, Sir Kenneth Maddocks, proposed an economic investigation into the sugar industry, but the proposal was rejected by the farmers. Such a commission, they feared, would not be able "to get at the facts". A crucial set of "facts" of course were those relating to the company's performance and the farmers fears were vindicated when the CSR was subsequently criticised by the Commission of Inquiry (led by Malcolm Eve) for failing to produce financial accounts at any stage of the dispute. Up to May the Federation of Canegrowers was still united in its opposition to the company's original proposals and it remained
firm on the following demands: that the company take all of
the 1960 cane harvest; that a new pricing formula be derived
which would split the net proceeds from the sale of sugar
between the farmers and the company on a 70%-30% basis; and
that the pricing formula be included in a renegotiated, long-
term contract. The federation refused to countenance any
interim agreement which fell short of these demands, especi-
ally if such an agreement was disadvantageous to the
farmers.48

When, therefore, the governor proposed a commission
of inquiry, Patel had grave misgivings. Such a move would
only delay matters and would in all likelihood weaken the
farmers' bargaining position. Precisely the same sort of
situation had arisen during the 1943 strike, and one of the
major effects of which was to fuel disunity among the far-
mers. Patel was concerned to avoid a repetition of that
situation.49 Not unexpectedly, therefore, suspicions grew
about the impartiality of the governor's intervention. The
colonial state, it now seemed, was biased against the far-
mers. Then on 27 June, three local members of the Executive
Council, Ratu Mara, A. Deoki and J.N. Falvey, all of whom
were influential political figures, had a meeting with the
governor who advised them to encourage the growers' repres-
ettatives to accept a Commission of Inquiry.50 To Patel,
this smacked of political meddling rather than industrial
mediation, for it threatened to turn local opinion against
the federation and its case. A Commission of Inquiry would
be presented to the public as a reasonable course of action
and if the farmers rejected it, they would be seen to be
A month after the June meeting, the Kisan Sangh broke away from the federation and together with the three Fijian cane-growers' associations - the Nadroga Fijian Canegrowers' Association, Ra Fijian Canegrowers' Association and the Ba Fijian Canegrowers' Association - accepted an interim agreement with the CSR. Significantly, J.N. Falvey had acted as adviser to the Fijian associations.

The interim contract required the company to take 199,000 tons of the 1960 crop and stipulated that crushing would stop once that figure had been reached. A deduction of 18 pence per ton of burnt cane was also provided for with the intention that the funds be used to reimburse farmers worst affected by the strike action to date. For those remaining in the federation, the interim agreement represented a complete betrayal. They would have no part of it and thenceforth would fight alone. The ensuing strike action lasted until late September but it was clearly doomed to failure. Yet again, the farmers were deeply divided and quite apart from the supportive hand which the colonial state held out to the CSR, the latter was in a strong position anyway. By the end of the 1959 season it had accumulated stocks of 89,000 (52,000 tons more than permitted under the International Sugar Agreement) and was therefore well-placed to withstand the stoppage.

Sir Malcolm Trustam Eve was appointed to head the Commission of Inquiry and he was to be assisted by J.S. Wheatley from the Colonial Office and J.M. Bennett, an accountant. Eve, Moynagh wrote, belonged to "the English
'establishment'"," and as for Bennet, the firm of accountants for which he worked was known to have connections with the CSR. However impartial they might therefore have tried to be, their "natural inclination ... would be to favour the CSR", and that they did.55

The Eve Report was a major victory for capital. It established a method of production control which was acceptable to the CSR; it provided for the establishment of an administrative machinery to oversee the industry - the Independent Chairman, the Sugar Board and the Sugar Advisory Council - and it decided upon a sugar proceeds-sharing formula which "gave CSR some protection against rising costs [but] provided no such protection for the growers".56 All in all, the inquiry was an astute political exercise: "Under the guise of impartiality, a report which was distinctly favourable to the CSR was produced".57 Such was the power of the company.

The single most important difference between the farmers' strike and that of the oil workers the year before was that the former occurred in the country's most important industry. The very life-blood of the economy was at risk and fears about its consequences were serious. As the Fiji Times put it:

It is just not possible to take £8,000,000 worth of production out of Fiji's economy without the direst results.58

Evidence that the effect of the strike was felt very quickly surfaced at the end of June when shop sales began to take a downturn. A survey of Suva merchants showed that some
stores were already "going through a lean period". But it was in the cane fields that the fullest effects of the stoppage were concentrated. The turning point in the strike, of course, was when the Kisan Sangh and the three Fijian cane-growers' associations signed the interim agreement with the CSR on July 24. Farmer unity was split, and the militancy of the Canegrowers' Federation became the object of attack from not only the rival farmer associations but also the CSR, the colonial state and the Fiji Times.

By early August the lines of battle had been clearly marked out. On 4 August four cane farms in Ba were burned, and with rumours of intimidation gaining currency, the repressive forces of the state were mobilised. The Public Safety Regulations which were passed during the 1959 strike were still in operation and on 9 August a proclamation calling out the whole of the Territorial Force was signed by the Governor. Police reinforcements were sent to the sugar growing areas, including Labasa where cane crushing was due to commence on August 11. By that time too the strike was exacting a heavier economic toll. Business in Lautoka was "suffering heavily" and in Labasa where "trade slumped", a growing incidence of petty theft of food and other items was reported.

By the last week of August reports of cane burning and threats of violence had increased considerably. Through the pages of the Fiji Times the state was urged by the representatives of the ruling class to take stronger action against the "disruptive forces" to end the strike. Soon afterwards an official statement was released in which the
gravity of the situation and the deterioration in race relations were noted. An expansion of the Special Constabulary was also announced. All that, however, was not enough, according to the national newspaper. What was needed was firm and decisive action and when the Fijian ex-servicemen announced their readiness to prove their loyalty to help preserve law and order, the Fiji Times loudly hailed their stand.

On 4 September some 900 farmers gathered in Ba and were addressed by, among others, A.D. Patel, S.M. Koya, Mohammed Tora and James Anthony. A resolution was passed giving the governor three days in which to review two proposals for the harvesting of cane which had previously been submitted to him. The two proposals were as follows: first, that the cane farmers who had not agreed to the July 24 agreement would sell their cane to the government, and second, that the governor should decide on the percentage of cane to be harvested by these farmers on an area basis. The second proposal also carried the proviso that the allocation for each farm should be determined on an equitable basis between farmers but bearing in mind also that no farmer's allotted area of cane should be left unharvested. Both of these proposals had already been rejected by the colonial state, the first for "legal and other reasons" and the second simply because it was unacceptable.

The "ultimatum", as the Fiji Times put it, given to the governor by the Ba meeting, also carried the rider that if the governor did not respond to the request the farmers would burn their cane. The governor's first reaction to
this was to amend the Public Safety Regulations, giving the Commissioner of Police extended powers in relation to public meetings and processions.\textsuperscript{71} He also drew the public's attention to the law relating to setting fire to land - the Prevention of Fires Ordinance and section 348 of the Penal Code\textsuperscript{72} - and on the national radio network he appealed to farmers to stop burning cane. At about this time, it was later reported, the governor had "apparently" signalled the British Far East Army Headquarters in Singapore saying that he would probably need troops to deal with the strike.\textsuperscript{73} The official response to that claim was as follows:

There has never been any question of seeking outside assistance until all local resources were fully utilised, but as a precautionary measure it had to be considered whether any additional assistance could conceivably become necessary.\textsuperscript{74}

It would seem that the Fiji Times's claim was not without foundation.

By the end of the first week of September some 21,733 tons of cane had been burnt, a little more than one half being on CSR estates.\textsuperscript{75} A week later another 1,631 tons were burned.\textsuperscript{76} Tension was by then increasing rapidly and parallels were being drawn between this strike and the one in 1943 which had been described as a "stab in the back".\textsuperscript{77} When, therefore, B.D. Lakshman moved in the Legislative Council that a sugar board be established to control the sale and purchase of cane and also that there be an inquiry into the sugar industry, the representatives of the coalition that stood opposed to the strike gave vent to their feelings, and A.D. Patel was singled out as the prime target
for their attack. J.N. Falvey, who had acted as adviser to the Fijian cane farmers, praised them for their patience and castigated Patel:

> Fundamentally, the problem Mr A.D. Patel has brought to the Colony comes from his outrageous personal vanity. ⁷⁸

He went on:

> I believe it would be totally wrong to deny that a very serious rift between the Fijian and Indian communities has arisen from this sugar crisis. ⁷⁹

The significance of these statements is that they were an attempt to personalise the whole dispute and at the same time make it appear as essentially a racial conflict. The pattern of the past was repeating itself and to reinforce the wholly myth other members of the Council also condemned the strike's racial character. Vijay Singh, a representative of the moderate Kisan Sangh, announced that the Indian community was now "bitterly divided as never before" and that the author of that division was A.D. Patel. He went on:

> Mr Patel has ... successfully undone a lot of hard, painstaking work in bringing Indians, Fijians and Europeans together ... they were beginning to understand and trust one another. ⁸⁰

As for Fijian opinion, Ratu Penaia Ganilau (the present Governor-General) made this statement on the basis of his knowledge of events and also of resolutions passed at Provincial Council meetings in July and the Council of Chiefs in August:

> At the three provincial councils I attended it was quite clear that members were very concerned about the effect of the dispute on the economy of the Colony. As a result they passed resolutions offering their services to the Government.
Fijians have since come out in hundreds. About 1,000 are now harvesting cane in the Western District. Members of the RSSA, [Returned Servicemen's Association] in response to a call to attend a normal reunion, came out in thousands. When I was in the Western District this week I was told that one of the non-cane-cutting leaders had said that for every thousand the RSSA put up he could put up 5,000 cane farmers. That, I thought, was fighting talk.81

Here was a marshalling of forces which Patel's group was unable to deal with, and given the CSR's position of strength, it was virtually inevitable that the strikers would succumb.

The turning point as far as ending the strike was concerned came with the arrival of the Secretary of State for the Colonies, Julian Amery, who visited Fiji as part of a world tour. On 14 October, Patel and his associates presented Mr Amery with a memorandum and at a meeting the following morning he told the delegation that a Commission of Inquiry was to be appointed and that their case should be presented to the commission. He also urged, "for the good of the Colony", that harvesting be resumed.82 Later that day, a meeting of between 3,000 and 4,000 farmers agreed to accede to Amery's request.

It had been alleged that Patel's attitude to the strike derived from his eagerness, as a Gujerati, to prolong the dispute so as to increase farmers' indebtedness to Gujerati shopkeepers. It was also suggested that by adopting a militant posture he expected to increase his popular support and thereby aid his political career. Both of these suggestions, Moynagh argues, lack credibility,83 and he may well be right. Nevertheless, it is difficult to believe that pressures from the Indian bourgeoisie (of which he was a
member), coupled with his unquestionable political ambition, never at any stage informed his calculations. Be that as it may, it does appear that the determining factor behind the decision to accept Amery's request was probably the realisation that the balance of forces were simply stacked against him and his followers. It is clear from developments which transpired that to have prolonged the strike even more would probably have meant more hardship for the striking farmers whose chances of success were minimal. In that sense the decision to resume harvesting was a sensible one. But there was a second reason. It is clear that the farmers themselves had by then suffered enough to want a settlement of the dispute. In Amery they saw the possibility of a breakthrough, so it is likely that they were disposed to accepting his views. Evidence for this provided by the prominent display at the meeting of 15 October of signs, in both English and Hindi, which said "Welcome Amery", "Save Us Mr Amery", and "Do Not Forsake Us". It was clear to the farmers that they were compelled by a force mightier than they to return to work. Six months of struggle against awesome odds was more than they could cope with, so when their leaders urged them to harvest, they responded. The Fiji Times, true to form, could only describe their leaders' decision as little more than a "face-saving measure".

Such, then, in broad outline were the events surrounding the strikes of 1959 and 1960. Turning now to the responses by the ruling class in the aftermath of those upheavals, those relating to the cane-farmers' strike will be considered first.
3. CONTAINING THE FARMERS

As has been argued, the report of the Eve Commission was a major setback for the cane farmers, but when it was released the Fiji Times praised its "dispassionate impartiality" and pointed to "its value as an important contribution to the wellbeing of the Colony". Later it applauded the state's intention to implement the recommendations of the report. This was the "time for action", the editorial stressed, for the country had too long been held to ransom by a handful of individuals:

Personal ambition, private enmity, undue secrecy and suspicion, ill-will and violence have been allowed too long to destroy the peace of mind and prosperity of those engaged in the industry, and to endanger the economic future of Fiji.

Here in a single statement was both an attack on certain "disruptive elements" and also a veiled but nonetheless eloquent defence of sugar capital. The strike, the editorial said, had caused an estimated £1½ million (an insignificant amount compared with the vast profits which the company made) and "those who caused the trouble" had much to answer for. With great anticipation, therefore, the national daily announced:

The sugar industry, and the whole Colony, is waiting for the Government to create the machinery of administration and control which the Commission has recommended as a basis for peace and progress ... A repetition of the selfish, irresponsible, destructive antics shown in the past will bring disaster. (emphasis added)

In November 1961 the CSR announced that it was prepared to accept the recommendations of the Eve Report. The Fiji Times offered praise, but it also urged the colonial
state to introduce sugar legislation as early as possible in the forthcoming December session of the Legislative Council, which is precisely what happened.

The Development Commissioner, E.R. Bevington, told the Legislative Council that the Sugar Industry Bill was virtually a codification of the Eve Report, and after much heated debate, it was passed as the Sugar Industry Ordinance of 1961. The Ordinance provided for a Sugar Board comprised of an "Independent" Chairman, "Independent" Vice-Chairman and an "Independent" Accountant. All three were also members of the Sugar Advisory Council together with representatives of government, the millers and the growers. At the apex of this machinery of control was the Independent Chairman whose powers were clearly set out in the ordinance. Under section 12(1), for example, a dispute would not officially exist until he deemed it so. It was his responsibility to try to bring about a settlement, but if he should fail the machinery of the colonial state was to be activated. Upon informing the Chief Justice of the dispute, and after consulting with the Governor, further steps would then be taken to effect a settlement. Whether a settlement was to be achieved under the "ordinary machinery available in the Colony" or through the particular procedures set out in the ordinance was a matter for the Governor to decide at his own discretion. Quite clearly, then, the growers were now seriously hamstrung as far as dispute settlements were concerned. The Independent Chairman alone decided if a dispute existed, and he had first responsibility for settling it. If he could not effect a settlement, then the dispute was to be referred to
compulsory arbitration. But there were other forms of control. No time limit was placed on the Independent Chairman for the settlement of a dispute, and when B.D. Lakshman sought to introduce such a limit, the Legislative Council refused. Then there was the thorny question of the growers' representatives. The ordinance provided for a system of elections by panels of sirdars. J. Madhavan objected to that system in the following way:

Sirdars were elected for a specific purpose - to organise and supervise cane harvesting. They knew nothing about cane contracts or sugar agreements and some did not know how to read and write. The overseers had a great influence over the sirdars and never in the history of the industry had the sirdars gone against the wishes of their masters - the section overseers.

Both A.R. Sahu Khan and B.D. Lakshman spoke in support of Madhavan's position, but again the Legislative Council refused to change the system of election. In Chapter IV the point was made that sugar capital had delegated some of its functions of surveillance and control to the sirdars. To the extent that they performed those functions, they acted in the interests of capital and thus, in part at least, stood against the farmers. For that reason, and the Indian members of the Legislative Council realised it, they could not be fully trusted to represent farmers.

If the spokesmen of the ruling class were adamant about the system of electing the farmers' representatives, they were equally firm about excluding those deemed to have been responsible for the 1960 strike. The Sugar Ordinance placed a ban on lawyers and politicians from the Advisory Council, and that immediately precluded leading figures like
A.D. Patel and S.M. Koya. Indeed the ordinance went even further for even a professed candidate for the Legislative Council was also barred. The test case here involved Mohammed Tora who, after being elected to the Advisory Council, was subsequently called upon by the Colonial Secretary to resign as he had made known his intention to contest the 1963 Legislative Council elections.96

These, then, were the major forms of control which emerged out of the Eve Report and which were subsequently embodied in the law. But who might be liable for prosecution under the provisions of the ordinance, and on what grounds?

If a repetition of the 1960 strike was to be avoided, then it was imperative that the legislative net be cast as wide as possible so that the range of potential offences and offenders could be maximised. The result was section 13(1) of the ordinance:

any person who, before the Independent Chairman has given notice of the issue of a Certificate regarding a dispute, does any act or makes an omission the doing or omission of which hinders or is calculated to hinder orderly planting or growing or harvesting of cane, transport of cane to a mill, crushing the cane, making sugar at a mill, or transport or storing of sugar, shall be guilty of an offence and shall be liable to imprisonment for a term not exceeding two years.97

The outstanding feature of this provision is its scope. Highly elastic the range of people and acts or omissions which might fall within its purview is clearly enormous. Its effectiveness is suggested by the fact that it was not seriously tested until 1977 when it was invoked in a court case against Mohammed (then Apisai) Tora.98

Another measure of the ordinance's success is that throughout the 1960s the sugar industry managed to escape
even those strikes which approached the scale of the one at the beginning of the decade. The machinery of control which was established certainly lived up to expectations, and not until about the mid-seventies did grumblings begin to be heard about the need for a reorganisation of the industry. A restructuring was proposed and investigations into an alternative administrative arrangement were commenced. The significance of this development lies in its timing. Independence came to the country in 1970 and three years later control of the industry passed to the Fijian-dominated postcolonial state. Having thus assumed the mantle previously occupied by Australian sugar capital, the state now had direct access to the surplus created in the sugar sector. Control over the industry had always been a vital issue, but it was now rather more problematic. True, state power rested mainly with Fijians and the repressive apparatuses of the state were largely under their control. It is also true that the Fijian seizure of state power occurred relatively peacefully. But there can be no doubting that there was also a fair degree of latent racial hostility in the course of events leading up to the state's takeover of the industry, and also beyond. If, therefore, that tension was not to explode into open violence, and thereby bring the legitimacy of the state into question, then excessive control over those who produced the greater part of the country's wealth had to be avoided - and the majority of those were Indians. The legitimacy of the state hinged very critically on "multiracial harmony", and electoral considerations were also important. Largely for these reason, then, the post-colonial
state proved rather more responsive to the cane farmers than its predecessor had been. But all this is the subject for separate discussion later. For the moment, the central point is that throughout the 1960s the cane farmers would continue to be exploited by sugar capital, the major difference being that they were now further hamstrung by legislation and a machinery of control which did not exist previously. Such was the effect of the state's subsequent response to the strike of 1960. What, then, of the 1959 strike? How did the ruling class subsequently respond to that event?

4. IN THE AFTERMATH OF '59: LABOUR UNITY UNDERMINED

The early months of 1960 saw a series of developments that served to reinforce the ruling class's resolve to find ways of countering the increasing militancy of organised labour. The oil-workers' strike had shown what workers were capable of and the continued dominance of the ruling class called for appropriate responses. A marshalling of forces was about to occur.

In February 1960 the Burns Commission submitted its report on the economy. The full significance of that report will be discussed later but for the purposes of the present discussion some of its pronouncements are directly pertinent. Although it accepted that there was a need for the condition of wage-earners to be "substantially improved", the report claimed to have found no evidence that that could be achieved through a redistribution of income! It also stated that there was "little evidence that deliberate exploitation by employers [was] the order of the day". For the workers,
then, the way forward lay in the development of "responsible" trade unionism. But then came this caution:

unions might do better for their membership if they developed their bargaining skill with due regard to the economic conditions of Fiji rather than those in Australia.

This caveat is significant because it echoed the broad sentiment of the 1958 Industrial Disputes Ordinance, i.e., that worker demands should be considered in the light of their possible effect on the wider economy. Alternatively put, trade unions would "do better" not to demand Australasian wages because the domestic economy could not withstand them.

The other important feature of the Burns Commission's recommendations on labour relations is, quite simply, that they came from a document which was to serve as the blueprint for the country's next development plan. This point will be developed more fully later, but coming as it did so soon after the 1959 strike meant that the report served the very useful purpose of conferring upon the colonial state a certain legitimacy as far as its task of containing an increasingly assertive working class was concerned. And more in the way of this kind of external intervention was yet to come.

In May 1960, the Deputy Labour Advisor to the Secretary of State for the Colonies visited the country and gave his blessing to the recommendations of the Burns Commission. He also recommended that an Industrial Relations Adviser be appointed, and in the following November one duly took office. Well before then, however, other major developments had transpired in the industrial arena.
From the available evidence it appears that soon after the 1959 strike forces were at work to undermine worker unity. The first public sign of this occurred on 16 March when the Fiji Times reported that about a week earlier some members of the Fiji Municipal Workers' Union had broken away and formed the Municipal Native Workers' Union under the presidency of George Suguturaga. Membership of the breakaway union was to be confined to Fijians, part-Fijians and Pacific Islanders. The president explained the whole development thus:

The reason for the breakaway ... is that after the disturbances at Suva last December, Fijian employees of the Suva City Council decided to form a union of their own, managed and controlled solely by Fijians.

It is significant that in the course of preparing for the breakaway, the organisers of the new union made representations to the Fijian Affairs Board, Ravuama Vunivalu, the District Officer, Suva, the Labour Department and the Registrar of Industrial Associations. From this it is clear that both the colonial state and the chiefly class were at least aware of the whole affair and while there is no evidence that they sanctioned the breakaway, they certainly did not condemn it, at least not in public. It was only much later, when pressure from the trade union movement began to intensify, that the colonial state began to re-think its position.

Barely a month after the public announcement of the breakaway union, the Building Workers' Union struck against the construction firm of Christiani-Neilsen & Gammon Limited at Lautoka when the company refused to recognise a union
official as a legitimate representative. It claimed that the representative already held an executive position in another union. That strike "gave birth to another breakaway union, the Fijian Docks Construction Union". George Suguturagi, president of the earlier breakaway union, was involved in that development and, ironically, he was also president of the second breakaway union.

Furthermore, by March the most significant union split had occurred. Ratu Meli Gonewai, former president of the Wholesale and Retail Workers' Union and the man who had co-operated with Ratu Mara in concluding the interim agreement during the oil-workers' strike, broke away and, with himself as president, formed the Fiji Oil Workers' Union. By this time concern within the trade union movement about the growing breakaway movement was mounting but the mavericks were quite willing to defend their actions and in the correspondence column of the Fiji Times a war of words was waged. Positions hardened even more after the north-west branch of the Wholesale and Retail Workers' General Union seceded in the following April and joined Ratu Meli's union.

By March 1960, then, secessionist tendencies had begun to undermine not only the trade union movement generally but also, and very significantly, the Wholesale and Retail Workers' General Union in particular. Three other developments of significance occurred in the following April. Early in that month the first local Commissioner of Labour was appointed, one John Amputch, a Fiji-born, Catholic, Indian. His background is interesting. Beginning his career as an apprentice with the CSR in 1927, he subsequently joined...
Morris Hedstrom Limited. Working his way up the firm, he acted as Vacuum Oil Company's representative in north-west Viti Levu and later became Morris Hedstrom's branch manager for Nadi and Tavua. He became a state functionary in 1944 when he joined the Labour Department as a Labour Officer. In 1952 he was seconded to the Labour Department in Trinidad for six months and in the following year he went to England to undertake the Colonial Office training course for labour officers. In the period up to his appointment as Commissioner, he twice acted in that capacity. With that kind of official grooming, on top of his managerial background in a large company, it could hardly be expected that his position with respect to the workers would be very much more than a moderate one. The main elements of his position found clear expression in his first Annual Report but clues about it were available well before then. But we defer fuller discussion of this until later.

The second major development during April was a meeting of about 300 people at Albert Park where B.D. Laksman, president of the Fiji Sugar Workers' Union, James Anthony and Mohammed Tora, assailed the formation of breakaway unions. Employers were accused of having "fostered and encouraged" the breakaways and workers were urged to refrain from becoming "tools of the employers". The central message from the union leaders to the gathered workers was conveyed by Anthony:

By joining breakaway unions you are only weakening the bargaining strength of your union.

The third development was the first public statement
of the colonial state's policy on breakaway unions. On the same day of the meeting at Albert Part, the three union leaders who addressed it, together with Brij Nand, secretary of the Posts and Telegraph and Hospital Employees' Unions, met the Governor, Sir Kenneth Maddocks, who was accompanied by the Colonial Secretary, P.D. MacDonald, and J. Amputch, the newly-appointed Commissioner of Labour.

The single most important feature of the governor's statement after the meeting was the total absence of any condemnation of union splits. His whole purpose seemed to be to impress upon the union delegation that such splits could and would occur if union leaders did not behave "responsibly". Here was the most senior representative of the colonial state having an interface with those who had led the most significant strike in the country's history, a strike which the state has successfully sought to break. His whole attitude towards the delegation, therefore, could hardly have been different. Secessionism was clearly undermining the influence of the 1959 strike leaders and it seems that he was not about to put an end to it - not immediately, at least.

Such, then, was the colonial state's attitude towards breakaway unions and it was not until August 1962 when, in the wake of mounting concern about assistance given by the Labour Department to the Public Works Department breakaway unions, that official policy changed:

The formation of breakaway unions is, in principle, undesirable because, in general, the setting up of breakaway unions can only weaken existing organisations and the trade union movement in general...
This change in state policy is important but did it mean that the colonial state had become rather more sympathetic towards trade unions than it had been previously? The argument advanced here is that the reason had less to do with increasing state sympathy than with the fact that the colonial state had by that time evolved an industrial relations policy through which labour could be contained. "Joint consultation" had by then established itself as the basis of state policy. Significantly, a period of two years had elapsed between the breakaway movement of the early sixties and the change in the state's attitude to union splits. In the intervening two-year period the state was able to consolidate its new approach. The architect of that approach was the first local Labour Commissioner, John Amputch. In order to throw some light on that development, it is necessary to return again to the breakaway movement of the early sixties.

Events up to March 1960, as has been shown, had demonstrated the colonial state's unwillingness to stem the tide of union secessions. Amputch had just taken office and he seems to have been inclined more towards following than taking the lead in dealing with union splits. That he had only recently taken office may well have been one reason for this but there was, I would argue, a much more important reason.

During the May 1960 session of the Legislative Council, A. Deoki raised the whole matter of breakaway unions. Deoki, recall, had acted as legal adviser to the Wholesale and Retail Workers' General Union during the 1959 strike and, although he could hardly be labelled a radical, his speech to
the Council is instructive. He accused the colonial state of encouraging the union splits, and to that the Colonial Secretary made this reply:

The Government has made its position quite clear. It has issued a press release on this matter, and it has never stated in any context that I know of, that it encourages breakaway unions. 120

To that Deoki in turn responded by referring to the approaches made by the organisers of the Municipal Native Workers' Union to various government departments and he drew this conclusion:

It would seem that this breakaway union was formed with the blessing of Government. 121

He then went on to suggest that the colonial state was still pursuing the policy of "divide and rule" and alleged that it was "not assisting the worker but assisting big business". 122

Deoki was of course rebuked for his "wild and mischievous allegations". Ratu Mara described his speech as "rather provocative" and a generally antagonistic posture was adopted by Ravuama Vunivalu and Semesa Sikivou. But the whole matter had been brought out into the open and Deoki's intervention is important in several respects. The first is that he recognised union splits for what they were - a weakening of the power of organised labour and a corresponding increase in the power of capital. Secondly, he pointed to state collusion, even if only in an indirect way, in the whole affair. But it is the third feature which, in the context of this discussion, is the most significant. Deoki's analysis was that of an Indian, a Christian, a lawyer and a respected member of the community. This was not a trade
unionist talking and even less a communist. Quite the contrary, here was a respectable and professional person speaking in deference of the workers and the issue about which he was concerned was a development the prime purpose of which was not only to divide the trade union movement but more importantly to divide it along racial lines.

It is difficult to imagine how Deoki's condemnation of the exclusion of Indians from breakaway unions could not have had any impact on the newly-appointed Commissioner of Labour who was himself, like Deoki, and Indian and a Christian. Could Amputch afford to be seen to associate himself with a development which, on the one hand, so openly discriminated against workers of his own race but which, on the other, served the interests of capital very nicely? This, then, was the dilemma which Amputch appears to have been caught up in. To have espoused a view that might be interpreted as favouring one side would have left him open to attack from the other. Rather therefore than risking such an attack, the more sensible approach was to seek out a middle path and also to refrain from decisive action until conditions were more propitious. By June those conditions were beginning to emerge, for in that month the visiting Deputy Labour Adviser from London, Mr E. Parry was openly critical of union splits. In a speech to the British Council Youth Club and the Viti Club, he noted, very pointedly, that he had seen more breakaway unions in Fiji than in any other place but, more significantly, he also extolled the virtues of closer relations between labour and capital as a basis for sound industrial relations in the colony.
It is of course highly probable that Amputch may have already been thinking along those lines. The important point, however, is that a senior functionary of the British imperialist state was publicly making a case for it and by doing so he effectively presented Amputch with a possible solution to the dilemma with which he was confronted. If an institutional arrangement could be devised whereby the representatives of capital and labour could be brought closer together, then perhaps the anti-Indian tendency that had recently resurfaced within the trade union movement could be contained, or at the very least blunted. Such an arrangement, moreover, would not pose any fundamental threat to the task of defending the interests of capital, even though compromises might be necessary.

This, then, was the most attractive option open to the Commissioner of Labour. To realise it, however, two conditions would have to be met: first, a demonstrable willingness on the part of both capital and labour not only to be party to such an arrangement but more importantly to make it work; and second, the existence of umbrella organisations on each side from which representatives could be drawn. As for the first condition, the colonial state was now faced with the task of persuading capital and labour about the desirability of such a system and, as we shall see, that would take about two years to achieve. With respect to the second condition, the Fiji Trade Union Congress was already in existence but no equivalent organisation for capital had yet emerged, not, that is, until June 1960 when the Fiji Employers Consultative Association was formed.
Significantly, this occurred only six months after the 1959 strike. It is necessary, therefore, to examine the birth of the FECA before considering later developments in the colonial state's labour policy.

5. A MARSHALLING OF FORCES: CAPITAL UNITES

Dubbed by the Labour Department as "the year of strikes", 1960 saw fourteen industrial stoppages. In total 4,692 workers were involved and 12,017 workdays were lost and as the table below shows the latter figure was not surpassed until 1971.

Table 9.1 Strike Activity 1960 - 1971

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Strikes</th>
<th>Workers Involved</th>
<th>Workdays Lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>14</td>
<td>4,692</td>
<td>12,017</td>
</tr>
<tr>
<td>1961</td>
<td>8</td>
<td>1,319</td>
<td>4,711</td>
</tr>
<tr>
<td>1962</td>
<td>not available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1963</td>
<td>5</td>
<td>263</td>
<td>343</td>
</tr>
<tr>
<td>1964</td>
<td>4</td>
<td>1,531</td>
<td>3,516</td>
</tr>
<tr>
<td>1965</td>
<td>4</td>
<td>194</td>
<td>331</td>
</tr>
<tr>
<td>1966</td>
<td>2</td>
<td>35</td>
<td>101</td>
</tr>
<tr>
<td>1967</td>
<td>12</td>
<td>1,421</td>
<td>7,308</td>
</tr>
<tr>
<td>1968</td>
<td>17</td>
<td>2,438</td>
<td>4,110</td>
</tr>
<tr>
<td>1969</td>
<td>27</td>
<td>1,521</td>
<td>4,526</td>
</tr>
<tr>
<td>1970</td>
<td>8</td>
<td>887</td>
<td>752</td>
</tr>
<tr>
<td>1971</td>
<td>28</td>
<td>4,063</td>
<td>70,920</td>
</tr>
</tbody>
</table>


The intensification of working class pressure during 1960, it is reasonable to suppose, owed a great deal
to the oil-workers' strike the year before. The latter had demonstrated in dramatic fashion the kind of pressure which organised labour was capable of exerting, so it is not altogether surprising that workers subsequently displayed a much greater willingness to wage battle against capital. For its part, capital did not idly stand by. A close watch was kept on developments and the fact that about half of the strikes had occurred by the end of May is significant. Labour pressure, especially from the sugar-cane farmers, had by then showed little sign of letting up so the need for capital to take appropriate defensive measures became ever more imperative. Furthermore, the opportune moment for decisive action had arrived: splits were reappearing among the farmer organisations and the unity of the trade union movement was now under serious threat. With organised labour now in relative disarray, the time was ripe for a marshalling of forces. Divided labour was about to witness the birth of a united capital, for on 14 June 1960 the FECA was formed. One Labour Officer has described the formation of the FECA in this way:

leading employers ... rightly realised the need to organise themselves against the might of the trade unions in Fiji. A year before Fiji had experienced the chaos and disorder caused by the 1959 strike ... trade unions were on the rampage and the employers saw the need to organise themselves in order to present a collective and effective voice to the Government of the day. 125

Capital had grouped together in defence of its interests, and against a labour movement which was plagued with division it stood united and confident. A list of the Association's foundation members is presented below and it is clear that
the association was dominated by foreign-owned companies, one of which, significantly, was Fiji Times and Herald Limited, publisher of the only national daily and owned by Australian capital.

<table>
<thead>
<tr>
<th>List 1</th>
<th>Foundation Members of the Fiji Employers Consultative Associations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fiji Times and Herald Limited</td>
</tr>
<tr>
<td></td>
<td>Colonial Sugar Refining Company Limited</td>
</tr>
<tr>
<td></td>
<td>Emperor Gold Mining Company Limited</td>
</tr>
<tr>
<td></td>
<td>W.R. Carpenter and Company Limited</td>
</tr>
<tr>
<td></td>
<td>Burns Philp (South Seas) Company Limited</td>
</tr>
<tr>
<td></td>
<td>Morris Hedstroms Limited</td>
</tr>
<tr>
<td></td>
<td>Carlton Brewery (Fiji) Limited</td>
</tr>
<tr>
<td></td>
<td>Millers Limited</td>
</tr>
<tr>
<td></td>
<td>Qantas Airways Limited</td>
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<tr>
<td></td>
<td>Carreras Limited</td>
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<tr>
<td></td>
<td>Union Soaps Pty. Limited</td>
</tr>
<tr>
<td></td>
<td>The Pacific Biscuit Company</td>
</tr>
<tr>
<td></td>
<td>Suva Motors Limited</td>
</tr>
<tr>
<td></td>
<td>Island Industries Limited</td>
</tr>
<tr>
<td></td>
<td>Pacific Shipowners Limited</td>
</tr>
<tr>
<td></td>
<td>Fiji Airways Limited</td>
</tr>
<tr>
<td></td>
<td>Fiji Pastoral Company Limited</td>
</tr>
<tr>
<td></td>
<td>Fiji Tobacco Company Limited</td>
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<tr>
<td></td>
<td>G.B. Hari and Company Limited</td>
</tr>
<tr>
<td></td>
<td>Joong Hing Loong Company Limited</td>
</tr>
<tr>
<td></td>
<td>Roadbuilder Limited</td>
</tr>
</tbody>
</table>


The formation of the FECA was a major development in bourgeois organisation. The ideology of "joint consultation" was another, and in the task of propagating it, the colonial state took the initiative. In October 1960, the Commissioner...
of Labour, in an address to the Suva Rotary Club, proclaimed: "Joint consultation between management and staff is essential in industry". 126 And then followed this illuminating statement:

In all fields of life, it is necessary for people to understand each other. This applies to racial well-being as well as to industry. 127

Understanding and co-operation, the commissioner was clearly intimating, was necessary for both racial and industrial harmony, but he also realised that industrial relations in the country was suffering from racial disharmony within the trade union movement particularly. There were, after all, only "some very responsible trade union leaders in Fiji". 128 Not only, therefore, was the commissioner trying to sell a new approach to industrial relations, he also sought to heal the racial rifts which had plagued the trade union movement, rifts which involved discrimination against workers of his race. As for the recently-formed FECA, he welcomed it as a development which would help in the growth of good industrial relations in Fiji. 129

With the ideology of joint consultation now broached with the public, capital moved to reinforce it. In December, J. Grundy, director of the FECA, informed the Suva Rotary Club of capital's obligations:

Failure of the employers to form and join employers associations, particularly in a territory such as Fiji where there is a developing political consciousness, is obstructive and selfish. If they do not do so the Government is hindered in the framing of its labour legislation, industrial relations are impaired, and in the long run a state of imbalance will be created. This would be detrimental not only to the employers, but to the workers and the general economy of the country. 130
In the years ahead capital and the state would strive to make joint consultation a reality. Attempts would be made to draw organised labour into an institutional arrangement where it could be more effectively controlled. The 1970s, moreover, as will be shown in Chapter X, would see an intensification of class tensions, thus heightening the need for even tighter control. In 1973, therefore, the highly repressive Trade Disputes Act was passed and in 1978 the Tripartite Forum was formed - two more forms of bourgeois organisation to contain class contradictions. But that will be taken up in Chapter XI.

6. SUMMARY

This chapter has examined in some detail the crises of 1959 and 1960, crises which were the product of the post-war struggle. In the post-war balance of class forces, local white capital's position was rather less secure than it had previously been. It therefore orchestrated a process of restructuring which by the end of the 1950s had firmly laid the foundations of a neocolonial economy. The hallmark of the new economic structure was to be a large tourist industry which local white capital had hoped to dominate. When, therefore, the oil workers struck in 1959, the neocolonial design was threatened. Capitalist intransigence forced organised labour into taking strike action, and the bourgeois state provoked the strikers into greater militancy. The stage was then set for highly repressive state action. Similar action was taken against striking cane farmers in the following year. Sugar capital's profits (or the "very
"lifeblood" of the economy, as the ruling class would say), after all, had to be protected.

If bourgeois plans for neocolonial Fiji were to be realised, then organised labour would have to be controlled. The strikes of '59 and '60 threatened those plans, so labour had to be taught a lesson. Never before had the country witnessed conflicts like those of 1959 and 1960, and it has not since. Organised labour would of course continue to struggle, but the state would ensure that the crises of 59/60 would not be repeated. In Chapter XI, I show in a general way how it set about that task, but first the structure and contradictions of the neocolonial economy will be examined.
PART THREE

NEOCOLONIALISM IN FIJI 1960 - 1980
CHAPTER X

STRUCTURE AND CONTRADICTION IN THE NEOCOLONIAL ECONOMY

The culmination of the process of restructuring which began in the immediate post-war years was the emergence of the neocolonial economy in the early 1960s and the single most important feature of the new order was the growth of the tourist industry. Capital's successful attempt first in the late 40s at persuading the colonial state to divert resources towards infrastructural development, and later in the following decade at securing appropriate fiscal incentives, opened the way for the dramatic growth in tourism. But the fifties also witnessed the increasing assertiveness of organised labour, so that when the colonial economy was jolted by the crises of '59 and '60, the resulting instability proved to be a problem for those who sought to entice overseas capital to hasten the development of the emergent tourist industry. The tourist boom was therefore delayed until the middle of the 1960s but by then the structure of the neocolonial economy was already well established. The beginning of the neocolonial period, therefore, dates back to about 1960 and not 1970 as many maintain. The regaining of political independence in the latter year did of course have significant consequences for the neocolonial economy but it did not significantly alter its basic structure.

The purpose of this chapter is to explain the structure and underlying contradictions of neocolonial capitalism in Fiji. With that done, the way will be clear for an
examination in the next chapter of the role of the state in the dynamics of class relations in the first twenty years of neocolonialism. Four major structural characteristics lie behind Fiji's development path over those two decades: first, the dramatic change in 1974 when, in the aftermath of domestic and international capitalist crises in the preceding year, the country plunged into an economic recession which lasted until the end of the decade; second, the country's increasing external dependence; third, the continuing high level of foreign control in the domestic economy; and fourth, the growth of the tourist industry. After each of these have been examined, attention will turn to changes in the employment structure. The chapter concludes with an analysis of the class structure and the high degree to which class and racial cleavages coincide.

1. GROWTH, CRISIS AND RECESSION

Benefitting largely from the worldwide capitalist boom, Fiji enjoyed a period of relative prosperity in the 1960s. In 1963, for example, Gross Domestic Produce (GDP) stood at $93.9 million, having increased by 4.1% since the previous year. With the provision of additional fiscal incentives under the 1964 Hotels Aid Ordinance, the stage was set for the advent of the impending tourist boom. And when it set in, the level of economic activity increased in leaps and bounds so that by 1973 the country's GDP, standing at $191.6 million, was more than double the figure only ten years earlier. See Table 10.1
The high growth rates of the sixties were not, however, to continue very far into the following decade. By 1973 the contradictions of capitalism had intensified greatly, and at the international level, the most dramatic expression of those contradictions was the oil crisis. Even before then, however, the tendency towards crisis in Fiji was already clearly evident and a major indicator was that tendency was the increasing level of inflation.

A sudden price hike in 1964/65 caused widespread alarm and the colonial state commissioned H.A. Turner to investigate the problem. The main recommendations of the Turner Report was that a prices and incomes policy should be
formulated and implemented. Believing, however, that the 1966 fall in prices was a sign that the upward trend might have stopped, the state did not act on Turner's recommenda-
tion. But the inflationary spiral soon picked up again. In 1967 the consumer price index rose by 1.4%, the following year it rose by 3.8%, and in 1970, the increase was 4.1%. Realising that without intervention the trend would not be arrested, the state introduced price controls over a limited range of goods in April 1971.

That, however, soon provoked stinging attacks from capital. Through its representatives in the Chambers of Commerce, the state's action was subject to severe criticism and, not surprisingly, the price curbs were eased in the middle of the following June. But that in turn forced prices up even further. By the end of the year the consumer price index had risen by 6.5% and in the following year it rose by another 9.1%. Class tensions mounted and the situation became progressively worse, and in April 1973 the state reacted by passing the Counter-Inflation Act and the highly repressive Trade Disputes Act. With that, the stage was set for a series of bitter struggles as capital and labour sought to defend their respective interests. The crisis of '73 was underway and as it intensified, the country was pushed further and further towards an economic recession. And the oil crisis in October of that year provided the extra jolt which pushed the economy over the edge.

By 1974, then, Fiji, like the rest of the capitalist world, was firmly gripped by a deep economic crisis. In that year, the country's GDP increased by a mere $5 million
and in the year after by a paltry $0.2 million. Thereafter it increased only marginally and it was not until 1979 that the annual growth rate reached its former peak of 12%. That, however, was only a temporary hiccup, for in the following year the level of economic activity actually fell; GDP fell by 1.7% since the previous year.

During the first twenty years of neocolonialism, then, the general economic trend was one of growth in the sixties, crisis in the early seventies, and followed thereafter by a prolonged recession. But being a small, externally-oriented economy, it is only to be expected that the country's developmental trajectory would be determined to a large extent by external forces. And it is to the question of Fiji's increasing external dependence that we now turn.

2. INCREASING EXTERNAL DEPENDENCE

Fiji's external trade balances for the period under review are shown in the table below.

With the exception of 1963, the country incurred a trade deficit which increased yearly and, very significantly, the deficit increased five-fold in 1965, just when the tourist industry began its rapid growth. From that point on, the upward trend continued. In 1973, the year of crisis, the deficit grew to $115 million and by the end of the decade it had increased by another 50%.

In addition to the growing trade deficit, the changing character of Fiji's external dependence took on a new geographical character. Whereas, for example, Britain
Table 10.2  Balance of Trade 1960 - 1980  
($ Million)  

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>-1.77</td>
</tr>
<tr>
<td>1962</td>
<td>-3.28</td>
</tr>
<tr>
<td>1963</td>
<td>+3.92</td>
</tr>
<tr>
<td>1964</td>
<td>-3.02</td>
</tr>
<tr>
<td>1965</td>
<td>-15.66</td>
</tr>
<tr>
<td>1968</td>
<td>-19.28</td>
</tr>
<tr>
<td>1970</td>
<td>-28.19</td>
</tr>
<tr>
<td>1971</td>
<td>-49.84</td>
</tr>
<tr>
<td>1973</td>
<td>-100.22</td>
</tr>
<tr>
<td>1976</td>
<td>-115.52</td>
</tr>
<tr>
<td>1978</td>
<td>-133.50</td>
</tr>
<tr>
<td>1980</td>
<td>-153.19</td>
</tr>
</tbody>
</table>


accounted for 43.2% of Fiji's exports in 1962 (see Table 10.3), by 1980 its share had dropped by over one half to 20.2%. Despite the fall, however, Britain remained the major buyer of Fiji's exports in 1980, largely because of sugar agreements between the two countries. As for the other export destinations, both Australia and Canada became progressively less important over the twenty-year period, the former's share having fallen from 11.9% in 1961 to 6.8% in 1980, and the latter's from 12.9% to 6.8%. New Zealand's relative importance as an export market remained fairly constant, fluctuating between 6% and 10%.

With the decreasing importance of these traditional markets, attempts were made to find new ones, and of those the most important were Japan and the United States. Japan's share of Fiji's exports increased three-fold from 3.4% to
10.3% while the United States's share increased from a mere 0.7% to 10.1%.

Table 10.3  Direction of Trade: Exports (f.o.b.)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>U.K.</th>
<th>Australia</th>
<th>N.Z.</th>
<th>Japan</th>
<th>U.S.A.</th>
<th>Canada</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ Million</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1961</td>
<td>26.3</td>
<td>43.2</td>
<td>11.9</td>
<td>9.8</td>
<td>3.4</td>
<td>0.7</td>
<td>12.9</td>
<td>18.1</td>
</tr>
<tr>
<td>1965</td>
<td>42.5</td>
<td>41.5</td>
<td>9.7</td>
<td>6.3</td>
<td>2.6</td>
<td>12.1</td>
<td>8.7</td>
<td>19.1</td>
</tr>
<tr>
<td>1970</td>
<td>62.3</td>
<td>31.4</td>
<td>8.8</td>
<td>7.1</td>
<td>4.2</td>
<td>15.7</td>
<td>11.6</td>
<td>21.2</td>
</tr>
<tr>
<td>1975</td>
<td>142.3</td>
<td>55.9</td>
<td>9.2</td>
<td>8.3</td>
<td>0.3</td>
<td>1.9</td>
<td>0.4</td>
<td>24.0</td>
</tr>
<tr>
<td>1980</td>
<td>305.6</td>
<td>20.2</td>
<td>6.8</td>
<td>10.2</td>
<td>10.3</td>
<td>10.1</td>
<td>6.8</td>
<td>35.6</td>
</tr>
</tbody>
</table>


The changes in the direction of exports is indicative of the loosening of Fiji's colonial ties with Britain and the emergence of a neocolonial order in which Australian capital reinforced its economic dominance in Fiji. Having, on the one hand, become less and less important as an export market, on the other hand, Australia became Fiji's main source of imports. Its share of Fiji's total imports had always been high - in 1961, for example, the figure stood at 26.9% (see Table 10.4 below) - but by 1980 it had firmly established itself as the top ranking supplier. Its share in that year was slightly over 30%, more than double that of any other country. For its part, Britain's importance as a supplier decreased greatly, its share having fallen four-fold from 28% to 7%. New Zealand's share almost doubled while that of the United States increased from 2.8% to 6.5%. But it is the emergence of Asian countries as important suppliers which stands out as a significant, but hardly
surprising, development. Japan's share of Fiji's imports doubled from 7% to 14%, while Malaysia and Singapore's combined share increased from a mere 1.7% to slightly over 11%. This shift in direction towards Asia is in large part the consequence of that region's ability to supply cheap goods. That ability, in turn, is largely the result of Japanese capital's technological prowess and its exploitation of cheap and abundant labour in the other countries of that region.

Table 10.4 Direction of Trade: Imports (c.i.f.)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>U.K.</th>
<th>Australia</th>
<th>N.Z.</th>
<th>Japan</th>
<th>U.S.A.</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ Million</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1961</td>
<td>34.5</td>
<td>28.2</td>
<td>26.9</td>
<td>7.6</td>
<td>7.7</td>
<td>2.8</td>
<td>1.7</td>
</tr>
<tr>
<td>1965</td>
<td>58.2</td>
<td>22.7</td>
<td>28.5</td>
<td>7.8</td>
<td>12.4</td>
<td>3.8</td>
<td>2.1</td>
</tr>
<tr>
<td>1970</td>
<td>90.5</td>
<td>17.3</td>
<td>23.7</td>
<td>12.0</td>
<td>15.1</td>
<td>4.4</td>
<td>4.1</td>
</tr>
<tr>
<td>1975</td>
<td>220.9</td>
<td>13.4</td>
<td>28.8</td>
<td>12.1</td>
<td>15.7</td>
<td>4.0</td>
<td>8.6</td>
</tr>
<tr>
<td>1980</td>
<td>485.8</td>
<td>7.3</td>
<td>30.6</td>
<td>14.7</td>
<td>14.2</td>
<td>6.5</td>
<td>11.2</td>
</tr>
</tbody>
</table>

Sources: Trade Report 1971, p. iii, Trade Report 1980, p. iii.

Another dimension of the changing character of Fiji's external dependence is indicated by changes in the composition of its imports, and here three broad trends can be identified. The first is the increasing dependence on imported fuel. In the period between 1962 and 1980, the country's fuel bill doubled and its proportion of total import costs leapt from 12.9% to 23%. See Table 10.5 below. The second important change is the increased importation of machinery and transport equipment. Although these items
have always accounted for a sizeable proportion of total imports, their share has actually increased. From 20.2% in 1962, it rose to 22.6% in 1980. In contrast to these increases, and this is the third major change, manufactured goods and food items decreased in relative importance. In 1962, manufactured goods accounted for 22.4% of total imports but by 1980 that figure had fallen to 18.7%. The corresponding decrease for food items was from 20.9% to 14.2%.

Table 10.5  Composition of Imports (%)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>20.9%</td>
<td>21.0%</td>
<td>18.7%</td>
<td>17.4%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Beverages and Tobacco</td>
<td>2.6</td>
<td>2.3</td>
<td>1.9</td>
<td>1.4</td>
<td>0.8</td>
</tr>
<tr>
<td>Crude Materials</td>
<td>1.9</td>
<td>2.3</td>
<td>1.4</td>
<td>0.9</td>
<td>0.7</td>
</tr>
<tr>
<td>Fuels, Lubricants etc.</td>
<td>12.9</td>
<td>9.8</td>
<td>11.0</td>
<td>17.4</td>
<td>23.0</td>
</tr>
<tr>
<td>Animal and Vegetable Oil</td>
<td>1.3</td>
<td>1.5</td>
<td>1.5</td>
<td>1.6</td>
<td>1.1</td>
</tr>
<tr>
<td>Chemicals</td>
<td>7.4</td>
<td>7.9</td>
<td>6.5</td>
<td>7.5</td>
<td>6.7</td>
</tr>
<tr>
<td>Manufactured Goods</td>
<td>22.4</td>
<td>21.1</td>
<td>19.5</td>
<td>17.9</td>
<td>18.7</td>
</tr>
<tr>
<td>Manchinery and Transport Equipment</td>
<td>20.2</td>
<td>22.4</td>
<td>20.8</td>
<td>20.2</td>
<td>22.6</td>
</tr>
<tr>
<td>Miscellaneous Manufacturers</td>
<td>8.9</td>
<td>10.5</td>
<td>15.0</td>
<td>12.9</td>
<td>8.8</td>
</tr>
<tr>
<td>Others</td>
<td>1.5</td>
<td>1.2</td>
<td>3.7</td>
<td>2.8</td>
<td>3.6</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>


The changes in the composition of imports reflect the structural changes which occurred in the neocolonial economy. The growth of the tourist industry occasioned a large increase in building and construction and that, together with the increase in the level of industrialisation, in large part accounted for the increase in fuel consumption.
The fall in the importation of food items reflects the increase in local food production and the state's (failed) attempts to make Fiji self-sufficient in food. More will be said later on about internal economic changes but the central point to note at this juncture is how external dependence was aggravated by the structural orientation of the neocolonial economy. Worsening trade deficits and the increasing dependence on Australia, New Zealand, the United States and Japan provide clear evidence of that. But it is not only in the area of commodity trade that Fiji's increasing external dependence is evident. It is also obvious in the area of foreign borrowing.

The country's external debt from 1973 to 1978 is shown in Table 10.6 below. Between 1973 and 1977, Fiji's external debt increased from $128.7 million to $152.5 million, and a mere three years later, it doubled, reaching a staggering $303.6 million. Unfortunately, external debt figures for the period up to 1973 are not available, but that most external borrowing during that period was undertaken by the private sector is suggested by the trend shown in Table 10.6 below. Private sector borrowing accounted for most of the total up until 1975 and it was not until 1977 that its proportion was significantly less than that of the public sector.

The level of state borrowing increased vastly towards the latter part of the decade, increasing from $143.7 million in 1978 to nearly $240 million in 1980. Much of the state's external loans were devoted to infrastructural development, but a significant proportion also went to
Table 10.6  
**External Debt 1973 - 1978 ($ Million)**

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Sector</td>
<td>77.7</td>
<td>82.2</td>
<td>65.8</td>
<td>81.5</td>
<td>58.6</td>
<td>57.7</td>
<td>59.5</td>
<td>64.3</td>
</tr>
<tr>
<td>Public Sector</td>
<td>51.0</td>
<td>55.5</td>
<td>66.1</td>
<td>81.2</td>
<td>93.9</td>
<td>143.7</td>
<td>183.8</td>
<td>239.3</td>
</tr>
<tr>
<td>Total</td>
<td>128.7</td>
<td>137.7</td>
<td>131.9</td>
<td>162.7</td>
<td>152.5</td>
<td>201.4</td>
<td>243.3</td>
<td>303.6</td>
</tr>
</tbody>
</table>

Sources: Central Monetary Authority Quarterly Review (Dec 1977), p. 12; (Dec 1979), p. 40; and (Sept 1983), p. 120.

Table 10.7  
**External Debt Service 1974 - 1978 ($ Million)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Debt</td>
<td>5.2</td>
<td>9.0</td>
<td>12.1</td>
<td>13.4</td>
<td>15.2</td>
<td>8.1</td>
<td>10.5</td>
</tr>
<tr>
<td>Public Debt</td>
<td>2.8</td>
<td>7.3</td>
<td>5.0</td>
<td>6.7</td>
<td>14.2</td>
<td>10.9</td>
<td>25.6</td>
</tr>
<tr>
<td>Total</td>
<td>8.0</td>
<td>16.3</td>
<td>17.1</td>
<td>20.1</td>
<td>29.4</td>
<td>19.0</td>
<td>36.1</td>
</tr>
</tbody>
</table>

Sources: Central Monetary Authority Quarterly Review (Dec 1979), p. 45; and (Sept 1983), p. 121.
productive projects, the most significant of which was the development of the Seagaqa sugar plantation in Vanua Levu.

The question of state borrowing will be taken up again later when the origins of the loans are examined. The central issue at this point is that private sector loans dominated the country's external borrowing for the greater part of the neocolonial period and the financial burden which that imposed on the national economy is shown in Table 10.7 above. As late as 1978, the greater proportion of the country's external debt service payments were made by the private sector, and it was not until 1979, when more and more state loans began to mature, that public sector debt servicing accounted for most of the total.

Significantly, most of the external borrowing undertaken by the private sector was concentrated in precisely those sectors where foreign capital was most heavily concentrated. Private borrowers in the tourist sector accounted for about one half of the total between 1976 and 1978 while those in commerce increased their share from 14.9% to 17.8% over the same period. The largest increase, however, was achieved by those in transport and communication - an increase from 5.4% to 13.7%. See Table 10.8 below.

The stress imposed on the economy by external borrowing is suggested by the figures in Table 10.9 below. As a proportion of exports, Fiji's external debt rose from 59.4% in 1974 to 64.4% in 1978, and as a proportion of the country's international reserves, it increased from 175% to 183%. Quite clearly, then, Fiji's international liquidity got progressively worse during the neocolonial period and
Table 10.8: Sectoral Composition of Private Sector
External Debt 1976 - 1978

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism</td>
<td>50.4</td>
<td>31.0</td>
<td>26.6</td>
<td>62.1</td>
<td>54.1</td>
<td>47.4</td>
</tr>
<tr>
<td>Commerce</td>
<td>12.1</td>
<td>13.4</td>
<td>10.0</td>
<td>14.9</td>
<td>23.4</td>
<td>17.8</td>
</tr>
<tr>
<td>Transport and</td>
<td>4.4</td>
<td>3.9</td>
<td>7.7</td>
<td>5.4</td>
<td>6.8</td>
<td>13.7</td>
</tr>
<tr>
<td>Communication</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>4.3</td>
<td>3.8</td>
<td>3.8</td>
<td>5.3</td>
<td>6.6</td>
<td>6.8</td>
</tr>
<tr>
<td>Real Estate and Land</td>
<td>6.4</td>
<td>2.6</td>
<td>2.2</td>
<td>7.9</td>
<td>4.5</td>
<td>3.9</td>
</tr>
<tr>
<td>Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture, Forestry</td>
<td>0.0</td>
<td>2.2</td>
<td>3.6</td>
<td>0.0</td>
<td>3.8</td>
<td>6.4</td>
</tr>
<tr>
<td>Fishing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>1.6</td>
<td>0.2</td>
<td>1.2</td>
<td>2.0</td>
<td>0.4</td>
<td>2.1</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>0.5</td>
<td>0.0</td>
<td>0.3</td>
<td>0.6</td>
<td>0.0</td>
<td>0.6</td>
</tr>
<tr>
<td>Other</td>
<td>1.5</td>
<td>0.2</td>
<td>0.7</td>
<td>1.8</td>
<td>0.4</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>81.2</strong></td>
<td><strong>57.3</strong></td>
<td><strong>56.1</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>


Table 10.9: Selected Indicators of External Debt
Burden 1975 - 1978

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP</td>
<td>34.4</td>
<td>26.2</td>
<td>29.2</td>
<td>24.0</td>
<td>29.3</td>
</tr>
<tr>
<td>Exports</td>
<td>59.4</td>
<td>51.8</td>
<td>68.4</td>
<td>51.1</td>
<td>64.4</td>
</tr>
<tr>
<td>International Reserves</td>
<td>175.1</td>
<td>102.2</td>
<td>147.4</td>
<td>119.0</td>
<td>183.3</td>
</tr>
</tbody>
</table>

Sources: Central Monetary Authority of Fiji Quarterly Review (Dec 1977), p. 27, and (Dec 1979), p. 46.
that trend, at least up until the mid-70s, was due more to private than state borrowing.

Another feature of Fiji's external indebtedness is significant. If the currency in which loans were denominated is taken as an indicator of source, then it is clear that Fiji has become increasingly indebted to United States capital. In 1973, for example, American lenders accounted for only 28.5% of the private sector's external debt. By 1978, however, that figure had leapt to 63.2%. Not surprisingly, the trend with respect to British sources was quite the opposite. Lending from those sources to private borrowers fell from 56.9% of the total in 1973 to 13.9% five years later. See Table 10.10.

Table 10.10  Currency Composition of Private Sector External Debt 1973 - 1978 (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>US $</td>
<td>28.5</td>
<td>44.0</td>
<td>62.6</td>
<td>75.4</td>
<td>68.7</td>
<td>63.2</td>
</tr>
<tr>
<td>UK £</td>
<td>56.9</td>
<td>47.5</td>
<td>21.0</td>
<td>11.8</td>
<td>14.8</td>
<td>13.9</td>
</tr>
<tr>
<td>A $</td>
<td>10.1</td>
<td>5.4</td>
<td>11.9</td>
<td>9.7</td>
<td>10.6</td>
<td>13.7</td>
</tr>
<tr>
<td>NZ $</td>
<td>4.4</td>
<td>2.6</td>
<td>4.4</td>
<td>2.4</td>
<td>4.3</td>
<td>4.8</td>
</tr>
<tr>
<td>Others</td>
<td>0.1</td>
<td>0.5</td>
<td>0.1</td>
<td>0.7</td>
<td>1.6</td>
<td>4.4</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Central Monetary Authority Quarterly Review (Dec 1979), p. 42.

The trend in state borrowing is similar. As a proportion of total public sector borrowing, loans denominated in US dollars increased from 36.5% to 53% between 1973 and 1980, while loans in sterling decreased from 30.3% to 24.5%
over the same period. See Table 10.11 below.

### Table 10.11 Currency Composition of Public Sector External Debt 1973 - 1980 (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>US $</td>
<td>36.5</td>
<td>35.9</td>
<td>35.0</td>
<td>48.3</td>
<td>52.8</td>
<td>53.4</td>
<td>50.8</td>
<td>53.0</td>
</tr>
<tr>
<td>UK £</td>
<td>30.3</td>
<td>30.4</td>
<td>38.5</td>
<td>27.6</td>
<td>26.8</td>
<td>25.1</td>
<td>31.4</td>
<td>24.5</td>
</tr>
<tr>
<td>A $</td>
<td>33.2</td>
<td>32.4</td>
<td>25.6</td>
<td>20.7</td>
<td>17.1</td>
<td>10.0</td>
<td>14.5</td>
<td>12.9</td>
</tr>
<tr>
<td>NZ $</td>
<td>0.0</td>
<td>1.3</td>
<td>0.9</td>
<td>2.6</td>
<td>2.3</td>
<td>1.4</td>
<td>0.4</td>
<td>0.2</td>
</tr>
<tr>
<td>Others</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.8</td>
<td>1.0</td>
<td>10.1</td>
<td>2.9</td>
<td>9.4</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Sources: Central Monetary Authority Quarterly Review (Dec 1979), p. 43, and (Sept 1983), p. 126.

Official sources point out that the loans denominated in US dollars include those from multilateral agencies such as the World Bank and the International Monetary Fund, but these organisations are dominated by the United States. The increasing ties between Fiji and the United States are therefore unmistakeable and the significance of those ties lies partly in the fact that they reinforce the increasingly common view that American interest in Fiji has grown considerably. Arguably, that is due in part to Fiji's strong pro-West bias and, relatedly, to the special place which Fiji occupies in the geopolitics of the South Pacific.

In sum, then, several important trends about external dependency in neocolonial Fiji can be identified. Trade deficits have continued to rise, external indebtedness has worsened, Britain has given way to Australia as the major
economic power in Fiji, Asian influence has increased significantly, and there is evidence of growing American interest. In order to underline the extent of this dependence, the analysis now turns to the question of private foreign investment.

3. FOREIGN CONTROL

The impact of private foreign investment in Fiji is suggested by the fact that in the decade up to 1980, almost $120 million left the country in the form of investment income. See the table below.

Table 10.12 Private Capital Inflow and Private Investment Income Outflow 1971 - 1980 ($ Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment Income Outflow</th>
<th>Capital Inflow</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971</td>
<td>11.5</td>
<td>10.8</td>
</tr>
<tr>
<td>1972</td>
<td>11.1</td>
<td>22.0</td>
</tr>
<tr>
<td>1973</td>
<td>7.1</td>
<td>20.9</td>
</tr>
<tr>
<td>1974</td>
<td>8.2</td>
<td>31.9</td>
</tr>
<tr>
<td>1975</td>
<td>10.5</td>
<td>12.6</td>
</tr>
<tr>
<td>1976</td>
<td>11.7</td>
<td>5.0</td>
</tr>
<tr>
<td>1977</td>
<td>8.0</td>
<td>8.0</td>
</tr>
<tr>
<td>1978</td>
<td>9.8</td>
<td>10.0</td>
</tr>
<tr>
<td>1979</td>
<td>16.4</td>
<td>9.5</td>
</tr>
<tr>
<td>1980</td>
<td>25.2</td>
<td>14.6</td>
</tr>
<tr>
<td></td>
<td><strong>119.8</strong></td>
<td><strong>145.3</strong></td>
</tr>
</tbody>
</table>

As Table 10.12 also shows, after reaching a peak in 1973, private capital inflow quickly dropped off. Presently, the implications of that fall in terms of the level of foreign control will be considered. First, however, further evidence of historical trends in foreign involvement will be given.

Between 1956 and 1981, the number of foreign companies registered in Fiji increased from a mere 64 to 286. Again reflecting the neocolonial order described above, British companies accounted for a decreasing proportion of the total, falling from 39% to 14%, while Australian companies increased their share of the total from 34% to 43%. See Table 10.13 below. The number of New Zealand companies also increased, and so too that of American ones, but they are included in the 'Other Countries' category.

<table>
<thead>
<tr>
<th>Year</th>
<th>U.K.</th>
<th>Australia</th>
<th>Other Countries</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>1956</td>
<td>25</td>
<td>39.0</td>
<td>22</td>
<td>34.4</td>
</tr>
<tr>
<td>1961</td>
<td>27</td>
<td>35.1</td>
<td>28</td>
<td>36.4</td>
</tr>
<tr>
<td>1966</td>
<td>30</td>
<td>30.3</td>
<td>37</td>
<td>37.4</td>
</tr>
<tr>
<td>1971</td>
<td>38</td>
<td>23.0</td>
<td>67</td>
<td>40.6</td>
</tr>
<tr>
<td>1976</td>
<td>40</td>
<td>16.6</td>
<td>104</td>
<td>43.2</td>
</tr>
<tr>
<td>1981</td>
<td>40</td>
<td>14.0</td>
<td>123</td>
<td>43.0</td>
</tr>
</tbody>
</table>

Sources: Statistical Summary, Government Statistician, 1962, Table 17; and M.J. Taylor, Foreign Capital in the Fiji Economy, 1983, Table 2.
The figures given in Table 10.13 refer, however, only to companies whose foreign ownership could be determined directly by their registration. They do not include companies in which foreign equity was held indirectly, and one recent study which identifies such companies is that conducted by Carstairs and Prasad of the Centre for Applied Studies in Development at the University of the South Pacific. For more than any other reason, the study is important because it is the only work which claims that the level of foreign control in Fiji has decreased. For that reason alone, a close scrutiny of the study is necessary.

Taking into account affiliates, associates and branches of foreign companies, the study identified 736 companies in Fiji in 1979 as having foreign equity. Of those, 660 were more than 50% foreign-owned, 45 had between 20% and 50% foreign ownership, and the remaining 31 had less than 20% foreign equity. As Table 10.14 below shows, Australian companies were the most numerous (247), followed by New Zealand (136), American (61) and British companies (48).

As a measure of their influence in the economy, foreign companies generated 54.1% of total company turnover, and 54.3% of company GDP at factor cost, in 1980. They also accounted for 65.3% of company tax assessments, 18.3% of the total workforce, and 19.6% of wages, salaries and supplements. Their impact on the various economic sectors, however, was uneven. Taking just those companies which were more than 50% foreign-owned (these represented about 90% of the total), it is evident from Table 10.15 below that they were well represented in all the major economic sectors
Table 10.14 Country of Origin of Foreign Companies, 1979 - Degree of Foreign Ownership

<table>
<thead>
<tr>
<th></th>
<th>Less Than 20%</th>
<th>20% - 50%</th>
<th>20%</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>247</td>
<td>10</td>
<td>2</td>
<td>259</td>
</tr>
<tr>
<td>New Zealand</td>
<td>136</td>
<td>18</td>
<td>8</td>
<td>162</td>
</tr>
<tr>
<td>U.S.A.</td>
<td>61</td>
<td></td>
<td></td>
<td>61</td>
</tr>
<tr>
<td>U.K.</td>
<td>48</td>
<td>2</td>
<td>2</td>
<td>52</td>
</tr>
<tr>
<td>Japan</td>
<td>10</td>
<td>1</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>Joint Foreign</td>
<td>48</td>
<td>8</td>
<td>3</td>
<td>59</td>
</tr>
<tr>
<td>Participation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Countries</td>
<td>98</td>
<td>6</td>
<td>15</td>
<td>119</td>
</tr>
<tr>
<td>Not Detailed</td>
<td>12</td>
<td></td>
<td></td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>660</td>
<td>45</td>
<td>31</td>
<td>736</td>
</tr>
</tbody>
</table>


except for agriculture. More importantly, their dominance in several sectors was very substantial: their share of total company turnover in electricity, gas and water supply was 100%; in the mining sector it was 99.6%; almost 75% in tourism; 63% in the wholesale and retail trade; and 90% in the financial sector. Their shares in the manufacturing and transport and communications sectors, although somewhat smaller - 30% and 42% respectively - were nonetheless significant. It is quite clear, therefore, that foreign private capital exerted a great deal of control over most of the key economic sectors.

The central thrust of Carstairs and Prasad's argument is that despite the high degree of foreign control, "during the 1970s ... that control has slipped noticeably in
<table>
<thead>
<tr>
<th>Sector</th>
<th>No.</th>
<th>%</th>
<th>$ Million</th>
<th>% Share of Total Company Turnover in this Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry and Fishing</td>
<td>7</td>
<td>1.0</td>
<td>1.1</td>
<td>15.0</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>38</td>
<td>5.8</td>
<td>11.0</td>
<td>99.6</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>61</td>
<td>9.2</td>
<td>81.0</td>
<td>30.3</td>
</tr>
<tr>
<td>Electricity, Gas and Water</td>
<td>5</td>
<td>1.0</td>
<td>3.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Construction</td>
<td>44</td>
<td>6.6</td>
<td>3.0</td>
<td>16.6</td>
</tr>
<tr>
<td>Wholesale and Retail Hotels, etc.</td>
<td>138</td>
<td>20.9</td>
<td>(249.2)</td>
<td>(63.4)</td>
</tr>
<tr>
<td>Transport, Communications and Storage</td>
<td>106</td>
<td>16.0</td>
<td>(22.6)</td>
<td>(74.5)</td>
</tr>
<tr>
<td>Financial Institutions</td>
<td>179</td>
<td>27.1</td>
<td>(49.3)</td>
<td>(90.4)</td>
</tr>
<tr>
<td>Real Estate and Business Services</td>
<td>179</td>
<td>27.1</td>
<td>(4.2)</td>
<td>(22.0)</td>
</tr>
<tr>
<td>Community, Social and Personal Services</td>
<td>8</td>
<td>1.2</td>
<td>1.8</td>
<td>27.4</td>
</tr>
<tr>
<td>Not Classified</td>
<td>74</td>
<td>11.2</td>
<td>13.2</td>
<td>86.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>660</td>
<td>100.0%</td>
<td>468.0</td>
<td></td>
</tr>
</tbody>
</table>

contradiction to some earlier findings". In his preface to the book, Benjamin Higgins welcomed the work as "an objective, well documented, and balanced case study" whose findings challenge some of the "sweeping generalisations" which he associates with "the currently popular 'dependency theory', Radical Political Economy and neo-Marxism in general". Higgins's assessment clearly exposes his own position, so it is not surprising that he failed to detect the obvious and fundamental flaws in his colleagues' analysis.

The case which Carstairs and Prasad make for the decline in the level of foreign control rests essentially on three arguments. The first is that foreign companies' share of total company turnover fell from 80% in 1970 to 54.1% in 1980. Unfortunately, however, the authors do not provide figures for the intervening years of the decade to substantiate the general historical decline which they claim. But even that aside, the fact remains the figure of 54.1% is in fact a high one. Their second argument is that there are signs that 'local' companies have gained control in construction, manufacturing and transport - three areas heavily dominated by 'foreign' companies at the commencement of the decade.

In support of this they provide figures which show that "local" companies' share of company turnover in the three sectors which they identify were 71.6%, 68% and 54% respectively. Two objections, however, can be raised here. In the first place, included in their "local companies" category are "foreign companies with less than 20% foreign equity" and their inclusion is justified on the grounds that they are "normally regarded as falling outside the ambit of foreign
direct investment". Precisely by whom such companies are so regarded, and on which specific grounds they can, legitimately, be so regarded, they do not say. In any case, level of direct investment is not, by itself, an adequate indicator of degree of control. It is obvious, therefore, that the authors have twisted their definition to suit their ends, and their ability to do that stems from their manifest failure to make, and maintain, a distinction between legal and real economic ownership. And that distinctions is crucial. As Taylor put it, "equity holding is a very inadequate measure of foreign participation in an economy", which means that "foreign control can be exercised even in circumstances of zero equity holdings". If, therefore, the less-than-20% foreign owned companies which Carstairs and Prasad include in their "local companies" category are excluded, then their claim about the increasing level of local control does not bear up to scrutiny. After making the necessary adjustments, local companies' share of total company turnover in manufacturing falls dramatically from the figure of 68% which the authors claim to a mere 14.4%, and for the transport and communication sector, the drop is from 54% to 22.2%. Quite clearly, then, by adopting a very loose and questionable definition of 'local companies', Carstairs and Prasad have presented a highly exaggerated account of the level of local control.

But there is a further objection which can be raised. Even if the case which the authors make is accepted, there is no indication of the degree of concentration. And it is a fact that degree of control is largely a function of capital concentration. Other things being equal, the higher the
concentration the greater the share of the market. To illustrate, and using the authors' data, in the manufacturing sector, merely 69 foreign-owned companies accounted for 30% of total company turnover. Local companies, according to the authors' classification, on the other hand, accounted for 68%. Just how many such companies there were, however, they do not say. According to official sources, in 1980, there were 2,605 companies registered as being headquartered in Fiji. In that year, also, the manufacturing sector accounted for 12% of GDP. Assuming that the first was the actual number of local companies, and that the second figure is a reasonable indicator of the proportion of local companies engaged in manufacturing, then the actual number of such companies would be about 300. The situation, then, is that 69 foreign companies control roughly one third of the market while more than four times as many local companies control the remaining two-thirds. Proportionately, therefore, foreign control of the market was much greater than local control, and it is reasonable to suppose that a major contributing factor was the higher degree of capital concentration among foreign companies. Clearly, then, with capital concentration comes greater control, and in the case of Fiji such concentration is higher among foreign-owned rather than local companies. But that point, Carstairs and Prasad miss altogether.

The third argument which they advance in support of the claim that the level of foreign control in Fiji has declined is that the level of private capital inflow had fallen. Carstairs and his colleague, however, do not offer
any explanation for this, but clearly the world-wide economic recession was a major factor and so too the lack of sufficiently attractive investment opportunities in Fiji. But in any case, the decreasing level of capital inflow is not in itself evidence of declining foreign control. What is more, the authors themselves point out that the impact of the fall in capital inflow "has been considerably dampened by the continued high reliance on undistributed profits as a source of funds". Significantly, however, they do not work through the implications of that finding for their central argument. And the point is this: with the marked decline in economic growth in the latter half of the 1970s, those companies which were able to reinvest a lot of profits were much better placed to withstand the effects of the recession. And to the extent that foreign companies were able to do precisely that, they were able to reinforce their position of dominance in the economy. The point that Carstairs and Prasad have missed altogether, then, is that profit reinvestment is concentration of capital, an important means by which to entrench one's position. All this can be demonstrated by the activities of Australian capital in Fiji.

Carstairs and Prasad describe Australian companies as "the most important and the most mature" of all the companies in Fiji. That 'maturity' is demonstrated by their investment behaviour, for as can be seen in the table below, in times of recession, greater reliance is placed in reinvesting internally-generated funds. With the exceptions of 1975 and 1977, Australian capital showed a marked unwillingness to repatriate profits, with no more than 33% being sent abroad
<table>
<thead>
<tr>
<th>Year</th>
<th>Total Direct Investment (A)</th>
<th>Undistributed Profits (B)</th>
<th>(A/B)%</th>
<th>Net Investment Income Payable Overseas (C)</th>
<th>Income Paid Overseas (D)</th>
<th>(C/D)%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1969/70</td>
<td>2</td>
<td>1</td>
<td>50%</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>1970/71</td>
<td>3</td>
<td>1</td>
<td>33%</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>1971/72</td>
<td>5</td>
<td>2</td>
<td>40%</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>1972/73</td>
<td>-16</td>
<td>2</td>
<td>ind.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>1973/74</td>
<td>5</td>
<td>3</td>
<td>60%</td>
<td>4</td>
<td>1</td>
<td>25%</td>
</tr>
<tr>
<td>1974/75</td>
<td>2</td>
<td>2</td>
<td>100%</td>
<td>3</td>
<td>1</td>
<td>33%</td>
</tr>
<tr>
<td>1975/76</td>
<td>5</td>
<td>2</td>
<td>40%</td>
<td>4</td>
<td>2</td>
<td>50%</td>
</tr>
<tr>
<td>1976/77</td>
<td>9</td>
<td>7</td>
<td>78%</td>
<td>10</td>
<td>3</td>
<td>32%</td>
</tr>
<tr>
<td>1977/78</td>
<td>8</td>
<td>2</td>
<td>25%</td>
<td>5</td>
<td>3</td>
<td>60%</td>
</tr>
<tr>
<td>1978/79</td>
<td>12</td>
<td>7</td>
<td>58%</td>
<td>9</td>
<td>2</td>
<td>22%</td>
</tr>
<tr>
<td>1979/80</td>
<td>11</td>
<td>5</td>
<td>45%</td>
<td>6</td>
<td>1</td>
<td>17%</td>
</tr>
</tbody>
</table>


Notes: ind.: indeterminate
n.a.: not available
in any one year. See Table 10.16 above. Note also, and this is indicative of its success, that the level of profitability remained consistently high throughout the recession of the seventies. Rather, therefore, than having decreased, the level of foreign control in the Fiji economy has, at least, remained at its previously high level.

One final criticism can be made of the Carstairs and Prasad study, and it is that their definition of foreign control is open to serious question. By limiting it largely to legal ownership, they fail adequately to take into account other mechanisms of control - indirect forms of ownership, managerial control, transfer pricing, technological dependence, patents, licences, and so on. Taylor takes up some of these issues in his critique of the study and he argues very forcefully that the authors have seriously underestimated the extent of foreign control in Fiji. The evidence presented here lends support to his argument. It is clear, therefore, that what exists in Fiji is an economy dominated and distorted by foreign capital.

Having considered the external orientation of the neocolonial economy, attention now turns to its internal characteristics.

4. THE GROWTH OF THE TOURIST INDUSTRY

The single most important feature of the neocolonial economy is of course the dramatic growth of the tourist industry. Although the agricultural sector continued to be the backbone of the economy, its contribution to GDP declined relatively during the neocolonial period.
Table 10.17  Sectoral Composition of GDP, 1963 - 1980 (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry, Fishing</td>
<td>41</td>
<td>26</td>
<td>21</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12</td>
<td>15</td>
<td>10</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Distribution (includes Tourism)</td>
<td>10</td>
<td>13</td>
<td>23</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>Building and Construction</td>
<td>5</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Transport and Communication</td>
<td>7</td>
<td>5</td>
<td>8</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>8</td>
<td>12</td>
<td>14</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>Government and Other Services</td>
<td>14</td>
<td>21</td>
<td>15</td>
<td>17</td>
<td>16</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Electricity, Gas, Water</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>100%</th>
<th>100%</th>
<th>100%</th>
<th>100%</th>
<th>100%</th>
</tr>
</thead>
</table>


As shown in the above table, agriculture's share of GDP fell from 41% to 23% between 1963 and 1980. In contrast, the distribution sector, which includes tourism, increased its share from 10% to 17% over the same period, reaching a peak of 23% in 1973. The effect of the tourist industry on the wider economy is suggested by the growth in related sectors. The financial sector, for example, increased its share of GDP from 8% to 12%. Similarly, transport and communication increased from 7% to 10%; and building and construction from 5% to 9%. Further evidence of the growth in the building industry is provided in the table below which shows that from a mere $4.3 million in 1962, the value of building permits almost trebled to $12.5 million in 1969, and by 1978 it stood at $48.5 million.
Table 10.18  Private Building Activity: Value of Building Permits Issued 1962 - 1978
($ Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1962</td>
<td>4.3</td>
</tr>
<tr>
<td>1965</td>
<td>9.1</td>
</tr>
<tr>
<td>1969</td>
<td>12.5</td>
</tr>
<tr>
<td>1973</td>
<td>29.9</td>
</tr>
<tr>
<td>1975</td>
<td>26.2</td>
</tr>
<tr>
<td>1976</td>
<td>21.4</td>
</tr>
<tr>
<td>1978</td>
<td>48.5</td>
</tr>
</tbody>
</table>


The importance of tourism is demonstrated most clearly, however, by the way in which it quickly came to rival sugar as the country's main earner of foreign exchange. See Table 10.19 below. Compared with an average of 8% in the first half of the 1960s, tourism's share of total foreign earnings leapt to an average of over 20% by the end of the decade. Sugar's share correspondingly fell from about 60% to an average of 45%. During the 1970s, the percentage difference narrowed even more and, in fact, four times in that decade, tourist receipts exceeded that of sugar - in 1971, 1973, 1976 and 1978. The general trend, therefore, was that the 1960s saw a dramatic rise in tourist earnings. After reaching a peak in 1973, tourism's share of total foreign earnings dropped suddenly as the cost of international travel escalated following the increase in oil prices. Nevertheless, throughout the remainder of the decade, tourism continued to provide about 30% of all foreign exchange earnings. And with
### Table 10.19
**Gross Foreign Exchange Earnings from Sugar and Tourism, 1963 - 1980.**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total: All Exports Plus Tourism ($ Million)</th>
<th>Sugar as % of Total</th>
<th>Tourism as % of Total</th>
<th>% Difference Sugar - Tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td>1963</td>
<td>47.9</td>
<td>60.1</td>
<td>7.5</td>
<td>+ 52.6</td>
</tr>
<tr>
<td>1964</td>
<td>57.2</td>
<td>62.2</td>
<td>8.7</td>
<td>+ 53.5</td>
</tr>
<tr>
<td>1965</td>
<td>49.9</td>
<td>50.1</td>
<td>14.8</td>
<td>+ 35.3</td>
</tr>
<tr>
<td>1966</td>
<td>47.5</td>
<td>45.7</td>
<td>17.9</td>
<td>+ 27.8</td>
</tr>
<tr>
<td>1967</td>
<td>53.9</td>
<td>44.1</td>
<td>20.8</td>
<td>+ 23.3</td>
</tr>
<tr>
<td>1968</td>
<td>64.4</td>
<td>38.6</td>
<td>23.8</td>
<td>+ 24.8</td>
</tr>
<tr>
<td>1969</td>
<td>73.8</td>
<td>38.0</td>
<td>27.9</td>
<td>+ 20.1</td>
</tr>
<tr>
<td>1970</td>
<td>86.5</td>
<td>36.7</td>
<td>28.1</td>
<td>+ 8.6</td>
</tr>
<tr>
<td>1971</td>
<td>94.9</td>
<td>34.5</td>
<td>34.8</td>
<td>- 0.3</td>
</tr>
<tr>
<td>1972</td>
<td>102.9</td>
<td>33.3</td>
<td>32.0</td>
<td>+ 1.3</td>
</tr>
<tr>
<td>1973</td>
<td>122.8</td>
<td>27.9</td>
<td>40.0</td>
<td>- 12.1</td>
</tr>
<tr>
<td>1974</td>
<td>184.4</td>
<td>36.3</td>
<td>32.9</td>
<td>+ 3.4</td>
</tr>
<tr>
<td>1975</td>
<td>211.2</td>
<td>44.8</td>
<td>32.7</td>
<td>+ 12.1</td>
</tr>
<tr>
<td>1976</td>
<td>198.5</td>
<td>34.1</td>
<td>38.3</td>
<td>- 4.2</td>
</tr>
<tr>
<td>1977</td>
<td>244.3</td>
<td>38.3</td>
<td>32.7</td>
<td>+ 6.6</td>
</tr>
<tr>
<td>1978</td>
<td>252.5</td>
<td>33.0</td>
<td>34.1</td>
<td>- 0.9</td>
</tr>
<tr>
<td>1979</td>
<td>317.0</td>
<td>36.9</td>
<td>32.2</td>
<td>+ 4.7</td>
</tr>
<tr>
<td>1980</td>
<td>427.6</td>
<td>40.7</td>
<td>28.5</td>
<td>+ 12.2</td>
</tr>
</tbody>
</table>

Sources: Fiji Tourism and Migration Statistics 1979/80, p. 56; and Stephen G. Britton, Tourism in a Peripheral Capitalist Economy, p. 390.

Sugar's share plummeting from highs of around 60% in the early '60s to an average of about 35% in the late '70s, the percentage difference between the two sectors narrowed progressively. From a 52% difference in 1963, the gap closed to 20% in 1969, and in the 1970s it hovered between 4% and 6%, except for 1975 and 1980 when it stood at 12%.

The importance of tourism as Fiji's second highest earner of foreign exchange needs, however, to be qualified.
With the exception of mining, it had in 1977, for example, a higher leakage factor than any of the other major economic sectors. The major reason for that was its heavy dependence on imported inputs, a factor which, as Britton put it,

is largely due to the inflexible taste preferences of tourists (concerning the qualitative aspects of accommodation, food, transport, and shopping purchases), the high degree of foreign ownership in the industry, Fiji's poorly developed domestic productive structure that is incapable of meeting the standards of many required inputs, and the tourist shopping sector which has led to an extensive demand for imported consumer luxuries.

The broad thrust of Britton's findings, then, is that although tourism has come to rank as the second most important earner of foreign revenue, it has also imposed upon the neocolonial economy a heavy burden which comes from its considerable reliance on imports and also its high degree of foreign control. Some idea of that control is provided by the figures in the tables which follow.

Table 10.20 below shows that although it constituted a mere 4.6% of all the enterprises in the tourist industry in 1977, foreign capital accounted for close to two-thirds of all tourism receipts. The extent of foreign domination is therefore very clear. As for local capital, those who fared the best were the Europeans. Representing a mere 5% of the total number of firms, they accounted for nearly 15% of total receipts. Little wonder, then, that tourism has come to be seen as "white-dominated", and that racial image is further underlined by the disproportionately low shares of total receipts which local non-whites had. Indian firms accounted for 39% of all firms but only 15% of total receipts,
Table 10.20  Distribution of Tourism Receipts by Ownership, 1977

<table>
<thead>
<tr>
<th></th>
<th>No. of Enterprises</th>
<th>% of Enterprises</th>
<th>% of Total Receipts</th>
<th>Total Receipts ($ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>European</td>
<td>42</td>
<td>5.1</td>
<td>14.5</td>
<td>10.5</td>
</tr>
<tr>
<td>Indian</td>
<td>324</td>
<td>39.3</td>
<td>15.3</td>
<td>26.6</td>
</tr>
<tr>
<td>Fijian</td>
<td>395</td>
<td>47.9</td>
<td>1.0</td>
<td>0.8</td>
</tr>
<tr>
<td>Other</td>
<td>25</td>
<td>3.1</td>
<td>3.6</td>
<td>2.6</td>
</tr>
<tr>
<td></td>
<td>786</td>
<td>95.4</td>
<td>34.4</td>
<td>40.5</td>
</tr>
<tr>
<td>Foreign</td>
<td>38</td>
<td>4.6</td>
<td>65.6</td>
<td>31.5</td>
</tr>
<tr>
<td></td>
<td>824</td>
<td>100.0</td>
<td>100.0</td>
<td>72.0</td>
</tr>
</tbody>
</table>

Source: Britton, Tourism in a Peripheral Capitalist Economy, pp. 443, 445.
and for Fijian enterprises, the corresponding figures were even worse - 47.9% and 1% respectively. Against that kind of picture, it is difficult to understand how the post-colonial state's constant pleading for greater Fijian "participation" in tourism will produce much of a change. But that issue will be taken up at length in the next chapter.

Table 10.21 Subsectoral Composition of Tourist Receipts, 1977

<table>
<thead>
<tr>
<th>Subsector</th>
<th>$ Million</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>31.7</td>
<td>44</td>
</tr>
<tr>
<td>Tourist Shopping</td>
<td>25.1</td>
<td>35</td>
</tr>
<tr>
<td>Travel and Tours</td>
<td>13.8</td>
<td>19</td>
</tr>
<tr>
<td>Handicrafts</td>
<td>1.4</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>72.0</td>
<td>100</td>
</tr>
</tbody>
</table>


Accommodation and tourist shopping, as Table 10.21 above shows, generated most of the receipts from tourism. Between them they accounted for 79% of the total, while tourist travel and tours accounted for 19% and handicrafts 2%. More importantly, however, it was in precisely the two largest subsectors that foreign firms were most dominant. As an examination of Table 10.22 below reveals, they command 65% of the accommodation sector and 72% of tourist shopping receipts. But the table also provides further clues about the racial character of economic participation in the tourist industry.
Table 10.22  Distribution of Tourism Receipts by Ownership and Subsector, 1977 (%)

<table>
<thead>
<tr>
<th>Subsector</th>
<th>Accommodation</th>
<th>Tourist Shopping</th>
<th>Travel and Tours</th>
<th>Handicrafts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>European</td>
<td>30</td>
<td>16</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Indian</td>
<td>27</td>
<td>11</td>
<td>92</td>
<td>26</td>
</tr>
<tr>
<td>Fijian</td>
<td>5</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
<td>7</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td>31</td>
<td>66</td>
<td>4</td>
<td>72</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>


Notes: Ent.: Enterprises
       Rec.: Gross Receipts
In accommodation, the subsector which generated the most money, whites (foreign firms and local European ones) were clearly dominant, accounting for 61% of gross receipts. In the next largest subsector, tourist shopping, again they were dominant, accounting for 74% of all receipts. By way of contrast, Indian firms, which made up 92% of all firms in the tourist shopping sector, accounted for only 26% of gross receipts in that sector. A similar pattern existed in tourist travel and tours, but it is in the handicrafts sector that racial disadvantages are most pronounced. By far the largest racial group there were the Fijians who made up 68% of the total, followed by the Indians who made up 28%. Between them, they accounted for 85% of all handicraft sales but as a proportion of total tourism receipts, those sales represented a mere 2%. So again, the evidence strongly supports the picture of a white-controlled tourist industry dominated by foreign capital.

In sum, then, the dramatic growth of a white-dominated, foreign-controlled tourist industry stands as the hallmark of neocolonial Fiji, and as we turn now to consider changes in the pattern of employment, the nature of its impact on the wider economy will become more evident.

5. THE PATTERN OF EMPLOYMENT

In 1980, the population of Fiji stood at about 639,000 and its racial composition remained largely what it was at the end of the 1950s. The only significant change was that the Indian proportion decreased by 1% while Fijians increased their share by the same percentage. Indians, however,
Table 10.23  Population of Fiji 1966 - 1980 ('000s)

<table>
<thead>
<tr>
<th>Year</th>
<th>Fijian</th>
<th>Indian</th>
<th>European</th>
<th>Part-European</th>
<th>Chinese</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1956</td>
<td>148</td>
<td>169</td>
<td>6</td>
<td>8</td>
<td>4</td>
<td>10</td>
<td>345</td>
</tr>
<tr>
<td>1966</td>
<td>202</td>
<td>241</td>
<td>7</td>
<td>10</td>
<td>5</td>
<td>12</td>
<td>477</td>
</tr>
<tr>
<td>1971</td>
<td>231</td>
<td>270</td>
<td>6</td>
<td>9</td>
<td>5</td>
<td>12</td>
<td>533</td>
</tr>
<tr>
<td>1976</td>
<td>260</td>
<td>293</td>
<td>5</td>
<td>10</td>
<td>5</td>
<td>15</td>
<td>588</td>
</tr>
<tr>
<td>1980</td>
<td>284</td>
<td>321</td>
<td>4</td>
<td>11</td>
<td>5</td>
<td>14</td>
<td>639</td>
</tr>
</tbody>
</table>

remained the largest racial group. See Table 10.23 above.

The most important changes in the sectoral distribution of employment are shown in Table 10.24. Four broad trends stand out. First, the fall in the agricultural sector's share - from 58% in 1956 to 44% in 1976. Second, the proportionate increase in the distribution sector (which includes tourism) from 8% to 10%. Third, and relatedly, the increases in the transport and financial sectors. And finally, the massive increase in the state sector, almost doubling from 9% to 17%.

Table 10.24  Structural Change in Employment:
             Distribution by Industry (%)

<table>
<thead>
<tr>
<th></th>
<th>1956</th>
<th>1966</th>
<th>1976</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry, Fishing</td>
<td>58</td>
<td>54</td>
<td>44</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Electricity, Gas, Water</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Construction</td>
<td>7</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Distribution (includes Tourism)</td>
<td>8</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Transport, Storage, Communication</td>
<td>4</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Finance, Insurance, Real Estate, Business Services</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>State Sector (includes Personal and Other Services)</td>
<td>9</td>
<td>11</td>
<td>17</td>
</tr>
<tr>
<td>Others Not Adequately Classified or Unemployed</td>
<td>3</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>


The changes identified above point only to the broad transformation in the pattern of employment. A more detailed
picture of those changes is presented in the table below.

<table>
<thead>
<tr>
<th>Table 10.25</th>
<th>Comparison of Sectoral Distribution of Employment, 1966 and 1976</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1966</td>
</tr>
<tr>
<td>Agriculture, Forestry, Fishing</td>
<td>16,122</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>1,903</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>8,845</td>
</tr>
<tr>
<td>Electricity, Gas, Water</td>
<td>896</td>
</tr>
<tr>
<td>Construction</td>
<td>7,302</td>
</tr>
<tr>
<td>Distribution (includes Tourism)</td>
<td>10,031</td>
</tr>
<tr>
<td>Transport, Storage, Communication</td>
<td>6,460</td>
</tr>
<tr>
<td>Finance, Insurance, Real Estate Business Services</td>
<td>1,567</td>
</tr>
<tr>
<td>State Sector</td>
<td>13,769</td>
</tr>
<tr>
<td>Others Not Adequately Classified or Unemployed</td>
<td>6,537</td>
</tr>
<tr>
<td>Total Economically Active</td>
<td>125,432</td>
</tr>
</tbody>
</table>


In the decade between 1966 and 1976, the largest percentage increases in employment were recorded in the financial and state sectors - increases of over 100% in each case. The next largest increase was in electricity, gas and water services (82%) and that was due in large measure to two major projects, the Monasavu hydro-electric scheme and the Vatura water dam. Significantly, both the manufacturing and construction sectors recorded increases of around 50%. As for the distribution sector, the increase was 73%, but that figure might give an exaggerated impression of tourism's employment-generating potential. As the table below shows, although the number employed in hotels and
restaurants doubled in the decade up to 1976, by far the vast majority of workers in the distribution sector were employed in the wholesale and retail trades.

Table 10.26  Percentage Increase in Employment in the Distribution Sector between 1966 and 1976

<table>
<thead>
<tr>
<th></th>
<th>1966</th>
<th></th>
<th>1976</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>Restaurants and Hotels</td>
<td>2,081</td>
<td>21</td>
<td>4,724</td>
<td>27</td>
</tr>
<tr>
<td>Wholesale and Retail</td>
<td>7,950</td>
<td>79</td>
<td>12,648</td>
<td>73</td>
</tr>
<tr>
<td>Total</td>
<td>10,031</td>
<td>100</td>
<td>17,372</td>
<td>100</td>
</tr>
</tbody>
</table>


From the foregoing discussion, then, it is clear that changes in the sectoral distribution of employment reflect the major structural differences between the colonial and the neocolonial economy. So that, whereas the relative importance of the agricultural sector as a source of employment fell, the importance of the other major sectors, particularly wholesale and retail trade, finance, transport, manufacturing, and construction, increased. Very importantly, also, the state came to figure as an increasingly important employer.

Unfortunately, comparisons in respect of changes in the occupational structure are not possible. Data on changes in the types of employment are not as reliable as they are for changes in sectoral distribution. Moreover, even the data for the late 1970s is fairly incomplete. Not only is there an absence of complete and reliable yearly statistics
but even the census figures for 1966 and 1976 are not directly comparable because of definitional differences. Moreover, even the more comprehensive statistics for 1976 have limitations. Of the 175,875 economically active persons counted in that year, for example, fully 8% were listed as not classifiable. The following analysis should therefore be seen in the light of limitations of data.

The employment status of the total economically active population in 1976 is shown in the table below.

<table>
<thead>
<tr>
<th>Employment Status, 1976</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Employed</td>
<td>29,700</td>
<td>16.9</td>
</tr>
<tr>
<td>Wage and Salary Earners</td>
<td>89,151</td>
<td>50.7</td>
</tr>
<tr>
<td>Unpaid Family Workers</td>
<td>12,772</td>
<td>7.3</td>
</tr>
<tr>
<td>Villagers</td>
<td>28,207</td>
<td>16.0</td>
</tr>
<tr>
<td>Other</td>
<td>1,712</td>
<td>1.0</td>
</tr>
<tr>
<td></td>
<td>161,542</td>
<td>91.9</td>
</tr>
<tr>
<td>Not Classifiable</td>
<td>14,243</td>
<td>8.1</td>
</tr>
<tr>
<td>Total Economically Active</td>
<td>175,785</td>
<td>100.0</td>
</tr>
</tbody>
</table>


Slightly over one half of the workforce were wage or salary earners, about 17% were self-employed, and most of the others were either villagers without full-time paid employment or were unpaid family workers. The occupational distribution of the workforce is shown in Table 10.28 below. Fully 44% were engaged in the agricultural sector but a large proportion of these were peasant producers and unpaid
family workers. Workers in the non-agricultural productive sectors made up 22% of the total and some 19% held white-collar jobs (categories 1 to 4).

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Professional, Technical and Related</td>
<td>12,649</td>
</tr>
<tr>
<td>2. Administrative, Managerial</td>
<td>1,656</td>
</tr>
<tr>
<td>3. Clerical and Related</td>
<td>11,462</td>
</tr>
<tr>
<td>4. Sales Workers</td>
<td>9,222</td>
</tr>
<tr>
<td>5. Service Workers</td>
<td>11,429</td>
</tr>
<tr>
<td>6. Agriculture, Forestry, Fishing</td>
<td>76,444</td>
</tr>
<tr>
<td>7. Production and Related Labourers</td>
<td>38,680</td>
</tr>
<tr>
<td>8. Not Classifiable</td>
<td>14,243</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>175,785</td>
</tr>
</tbody>
</table>


The description of the occupational structure given here is useful in that it helps to create a more complete picture of the structure of the neocolonial economy. The aim of this chapter, however, is to explain not only the structure of that economy but also its contradictions. In order, therefore, to explain the nature of the underlying contradictions in neocolonial Fiji, an account of the class structure is necessary.

6. **CLASS STRUCTURE IN NEOCOLONIAL FIJI**

The following is the first attempt ever at analysing the class structure in Fiji and I readily acknowledge the
numerous problems associated with it. Not least among those problems are ones which arise out of the limitations of official data (on which I rely totally). Definitional differences, for example, have often meant that official data was not readily amenable to reclassification according to class categories. Also, at times the data was either incomplete or insufficiently disaggregate to derive maximum value from them. Beyond that, the analysis was further complicated by theoretical issues which in the context of Fiji were difficult to resolve.

In the course of the discussion, some of these problems will be examined in a general way; the others, because of limitations of space, will simply be acknowledged. The very general and tentative nature of the analysis, therefore, needs to be stressed. A more detailed and comprehensive analysis is not possible within the scope of this study and will have to await further research and the availability of more complete and reliable data. My main concern, then, is simply to identify, on the basis of what is available, the broadest outlines of the class structure, and the particular questions with which I am primarily concerned are these: which are the major classes and what, in relative terms, is their approximate size?

The analysis is based on employment statistics derived from the 1976 census. The first major limitation of that data base is that 8% of the workforce were not classified by occupation. They have therefore been ommitted from the analysis. In reclassifying the remaining 92%, the determining criterion was real economic ownership. The task of
operationalising that concept and applying it to Fiji, however, is fraught with difficulties, and one of the major difficulties has to do with land ownership.

Native land accounts for some 83% of the total land area and is held collectively by mataqali. If, therefore, ownership of land was to be included as a determinant of class position, then a class classification of the Fijians would be virtually impossible. Members of a mataqali do not exercise equal control over land, nor are there clear and unambiguous criteria by which degree of control over land can be established. Worse still, these problems are compounded further by the high degree of influence which the Native Land Trust Board - the parastatal organisation charged with managing and administering native land - wields in matters relating to the use of native land. For the purposes of this analysis, however, these problems have simply been ignored and I have focussed on real economic ownership of forms of capital other than land as the main criterion for class identification.

One of the better attempts at operationalising real economic ownership is Wright's and, following him, it is defined here as control of the overall investment and accumulation process. Such control, however, is not an all-or-nothing phenomenon but, rather, admits degrees. Company directors and branch managers, for example, have more control than, say, factory supervisors, while wage labourers have none at all. With this as the index, then, an attempt was made, on the basis of occupational data, to identify the bourgeois class in Fiji. In some instances,
job title made the task relatively easy; in others, the basis of identification was rather more intuitive. Examples of the latter were self-employed persons with a "professional, technical or related" occupation. There were 413 such persons and their inclusion in the bourgeoisie was guided solely by the expectation that most of them were probably accountants. The total number of accountants identified in the census was 853 and it is reasonable to expect that about one half were self-employed. Others identified as belonging to the bourgeoisie class were company directors and managers and senior state functionaries. In the official classification, these were described as

persons who are ... mainly occupied in deciding or participating in formulating governmental policy ... those who, as government administrators, organise and direct the interpretation and execution of governmental policy and those who, as directors and managers, plan, organise, co-ordinate and direct the activities of private or public enterprises, or organisations, or one or more of their departments.27

One further point needs to be made about my identification of the bourgeoisie, and it has to do with intraclass differences in real economic ownership. Simply put, owners of large capitalist enterprises tend to be more powerful than owners of small ones. And because that unequal power usually bears significantly upon the outcome of both inter and intraclass struggles, some idea of the relative size of big and small capital in Fiji is necessary. To that end, I have made the (admittedly questionable) assumption that in completing the census questionnaire, those in control of large capitalist enterprises were more likely than owners of small firms to identify themselves as company directors or managers. I
have assumed, therefore, that the company directors and managers who in the previous paragraph were identified as members of the bourgeois class were in fact the big capitalists.

My other assumption is that small capitalists identified themselves during the census as self-employed. Unfortunately, however, the self-employed category clearly includes the petty bourgeoisie, i.e., those who own a business but who, unlike capitalists, do not employ wage labour, or if they do, they do so only in small quantities. Also, because there was simply no basis upon which to distinguish the small capitalists from the petty bourgeoisie, they have all been lumped together.

As for the other classes, 'government executive officers', and those engaged in supervisory jobs, and professional people like scientists, teachers, engineers, journalists, artists and academics, were identified as middle class. All other wage and salary earners were categorised as working class. Farmers and peasants constitute separate classes and unpaid family workers were classified under the reserve army. Table 10.29 below shows how census occupational data has been reclassified according to class categories, and the figures presented there are summarised in Table 10.30 so as to give an overview of the class structure.
<table>
<thead>
<tr>
<th>Census Occupational Classification</th>
<th>Class Classification</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Professional, Technical and Related</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Self Employed</td>
<td>413</td>
<td>Bourgeoisie (1)</td>
</tr>
<tr>
<td>2. Wage and Salary</td>
<td>12,017</td>
<td>Middle Class (2, 3)</td>
</tr>
<tr>
<td>3. Other</td>
<td>219</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12,649</td>
<td></td>
</tr>
<tr>
<td><strong>B. Managerial and Administration</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Legislative Officials</td>
<td>23</td>
<td>Senior State Personnel (4, 5)</td>
</tr>
<tr>
<td>5. Government Administrators</td>
<td>232</td>
<td>Bourgeoisie (6 - 8)</td>
</tr>
<tr>
<td>6. General Managers</td>
<td>267</td>
<td></td>
</tr>
<tr>
<td>7. Production Managers</td>
<td>116</td>
<td></td>
</tr>
<tr>
<td>8. Other Managers</td>
<td>1,018</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,656</td>
<td></td>
</tr>
<tr>
<td><strong>C. Clerical and Related</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Self Employed</td>
<td>106</td>
<td>Petty Bourgeois/Small</td>
</tr>
<tr>
<td>10. Clerical Supervisors</td>
<td>283</td>
<td>Capitalists (9)</td>
</tr>
<tr>
<td>11. Government Executive Officers</td>
<td>644</td>
<td>Middle Class (10 - 12)</td>
</tr>
<tr>
<td>12. Transport and Communication</td>
<td></td>
<td>Working Class (13)</td>
</tr>
<tr>
<td>Supervisors</td>
<td>287</td>
<td></td>
</tr>
<tr>
<td>13. Other Wage and Salary</td>
<td>10,142</td>
<td></td>
</tr>
<tr>
<td></td>
<td>11,462</td>
<td></td>
</tr>
</tbody>
</table>
## Table 10.29 (cont.)

<table>
<thead>
<tr>
<th>Census Occupational Classification</th>
<th>Class Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>D. Sales Occupations</strong></td>
<td></td>
</tr>
<tr>
<td>14. Self Employed</td>
<td>3,612</td>
</tr>
<tr>
<td>15. Supervisors, Sales etc.</td>
<td>508</td>
</tr>
<tr>
<td>16. Other Wage and Salary</td>
<td>4,491</td>
</tr>
<tr>
<td>17. Unpaid Family Worker</td>
<td>611</td>
</tr>
<tr>
<td></td>
<td><strong>9,222</strong></td>
</tr>
<tr>
<td><strong>E. Service Occupations</strong></td>
<td></td>
</tr>
<tr>
<td>18. Proprietors and Managers -</td>
<td></td>
</tr>
<tr>
<td>Self Employed</td>
<td>349</td>
</tr>
<tr>
<td>19. Proprietors and Managers -</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>36</td>
</tr>
<tr>
<td>20. Supervisors</td>
<td>218</td>
</tr>
<tr>
<td>21. Skilled Workers - Cooks</td>
<td>1,119</td>
</tr>
<tr>
<td>22. - Launderers etc.</td>
<td>447</td>
</tr>
<tr>
<td>23. - Hairdressers etc.</td>
<td>145</td>
</tr>
<tr>
<td>24. Other Wage and Salary</td>
<td><strong>11,429</strong></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>F. Agriculture, Forestry, Fishing</strong></td>
<td></td>
</tr>
<tr>
<td>25. Farm Managers, Supervisors</td>
<td>681</td>
</tr>
<tr>
<td>26. Fijian Villagers</td>
<td>28,207</td>
</tr>
<tr>
<td>27. Self Employed Farmers</td>
<td>20,907</td>
</tr>
<tr>
<td>28. Other Farmers</td>
<td>509</td>
</tr>
<tr>
<td>29. Unpaid Family Workers</td>
<td>12,168</td>
</tr>
<tr>
<td>30. Other Wage and Salary</td>
<td>13,972</td>
</tr>
<tr>
<td></td>
<td><strong>76,444</strong></td>
</tr>
<tr>
<td>Census Occupational Classification</td>
<td>Class Classification</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>G. Production, Transport and Labouring</td>
<td></td>
</tr>
<tr>
<td>31. Self Employed</td>
<td>Petty Bourgeoisie (31)</td>
</tr>
<tr>
<td>32. Supervisors and Foremen</td>
<td>Middle Class (32)</td>
</tr>
<tr>
<td>33. Wage and Salary - Skilled</td>
<td>Working Class (33 - 34)</td>
</tr>
<tr>
<td>34. Wage and Salary - Semi-Skilled and Unskilled</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,313</td>
<td>4,313</td>
</tr>
<tr>
<td></td>
<td>1,731</td>
<td>1,731</td>
</tr>
<tr>
<td></td>
<td>6,527</td>
<td>32,636</td>
</tr>
<tr>
<td></td>
<td>26,109</td>
<td></td>
</tr>
<tr>
<td></td>
<td>38,680</td>
<td>38,680</td>
</tr>
<tr>
<td>Total</td>
<td>161,542</td>
<td>161,542</td>
</tr>
</tbody>
</table>
Table 10.30  The Class Structure of Neocolonial Fiji (1976)

<table>
<thead>
<tr>
<th>Class</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bourgeois Class:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Big Capitalists</td>
<td>1,814</td>
<td>1.1%</td>
</tr>
<tr>
<td>Senior State Personnel</td>
<td>255</td>
<td>0.2%</td>
</tr>
<tr>
<td>Middle Class</td>
<td>16,624</td>
<td>10.3%</td>
</tr>
<tr>
<td>Petty Bourgeoisie and Small</td>
<td>8,380</td>
<td>5.2%</td>
</tr>
<tr>
<td>Capitalists</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working Class</td>
<td>72,074</td>
<td>44.6%</td>
</tr>
<tr>
<td>Farmers</td>
<td>21,416</td>
<td>13.2%</td>
</tr>
<tr>
<td>Reserve Army:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peasants</td>
<td>28,207</td>
<td>17.5%</td>
</tr>
<tr>
<td>Unpaid Family Workers</td>
<td>12,722</td>
<td>7.9%</td>
</tr>
<tr>
<td></td>
<td>161,542</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The figures in Table 10.30 are, of course, only approximations, so the actual size of the various classes would in fact be slightly different. It is likely, for example, that the owners of large coconut estates have been included in the class of farmers, and a strong case might be made that they, together with the owners of large cane farms, actually constitute a rural bourgeoisie and should therefore be included in the bourgeois class. Similarly, certain people classified as middle class - factory foremen and supervisors, for example - should perhaps have been included in the working class, and it may well be that some 'small capitalists' may in fact be 'big capitalists' and should therefore be included in the bourgeoisie. And then, of course, there is the question of internal class factions. It simply has not been possible to identify these adequately.

Despite shortcomings such as these, however, the picture of the class structure presented here does appear reasonable. Actual class size may be somewhat larger or smaller, but on the whole the figures seem reasonably close
to what might be expected - a small bourgeois class, a
sizeable middle class, a large working class, and a signif-
icant petty bourgeoisie, the last of these underlining the
existence in Fiji of what is referred to in the development
literature as the "informal sector". The fairly large farmer
class is not surprising and neither is the large number of
peasants.

Although the peasantry is identified separately, a
case can be made that they also form part of the reserve
army. As it has been identified here, the peasantry is
composed entirely of "Fijian villagers" (Row F 26 in Table
10.29). Most of them would have been involved primarily in
subsistence production and some would have occasionally taken
part-time or casual paid employment. The important point,
however, is that they are employable even though they are
not engaged in full-time paid employment. But when the need
arises, they can readily be drawn into the wage axis. At
least conceptually, therefore, they form part of the reserve
army, and if they were so classified, then the size of the
reserve army would increase to over 25% of the total econom-
ically active population. And that seems a likely figure
for a 'third world' country like Fiji.

From this account of the Fiji class structure, then,
it is clear that locked in the principal contradiction of
the neocolonial capitalist economy - that between capital
and labour - is a small bourgeois class on the one side and
the vast majority of workers, farmers and peasants on the
other. Overlaying that primary contradiction are, of course,
secondary ones which not only divide classes internally
(skilled versus unskilled workers and white collar versus blue collar workers, for example), but which also set the exploited classes apart (wage workers against peasants, farmers against peasants, workers against the reserve army, and so on). The reality of Fiji, however, is that class contradictions have assumed a predominantly racial form. The common objective interests, therefore, which might otherwise have paved the way for class alliances among the exploited have simply been neutralised by the whole ideology and practice of racialism. The early history of that development has already been discussed and in the next chapter the form which it took in the neocolonial period will be examined. The task now is to demonstrate how, in the latter period, class cleavages coincided to a high degree with racial ones. Although the nature of my data does not permit a detailed class classification for each of the racial groups, it is possible to get a fairly good idea of the degree of coincidence between racial and class divisions.

7. RACE AND CLASS

Table 10.31 below shows the racial composition of the main occupational categories.

As has been argued, those in the 'administrative and managerial' category make up the bulk of the bourgeois class. What, then, is the racial character of that class? One of the major themes of the next chapter is that precisely because there are so few Fijian capitalists, one of major aims of the Fijian-dominated postcolonial state is to help develop the Fijian bourgeoisie. It is reasonable to
Table 10.31  Racial Composition of Occupational Categories, 1976

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Fijian</th>
<th>Indian</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative, Managerial</td>
<td>237</td>
<td>803</td>
<td>616</td>
<td>1,656</td>
</tr>
<tr>
<td>%</td>
<td>(14)</td>
<td>(49)</td>
<td>(37)</td>
<td>(100)</td>
</tr>
<tr>
<td>Professional, Technical and Related</td>
<td>5,232</td>
<td>5,497</td>
<td>1,920</td>
<td>12,649</td>
</tr>
<tr>
<td>%</td>
<td>(41)</td>
<td>(43)</td>
<td>(16)</td>
<td>(100)</td>
</tr>
<tr>
<td>Clerical and Related</td>
<td>3,748</td>
<td>6,016</td>
<td>1,698</td>
<td>11,462</td>
</tr>
<tr>
<td>%</td>
<td>(32)</td>
<td>(53)</td>
<td>(15)</td>
<td>(100)</td>
</tr>
<tr>
<td>Sales Workers</td>
<td>1,870</td>
<td>6,376</td>
<td>976</td>
<td>9,222</td>
</tr>
<tr>
<td>%</td>
<td>(20)</td>
<td>(69)</td>
<td>(11)</td>
<td>(100)</td>
</tr>
<tr>
<td>Service Workers</td>
<td>6,792</td>
<td>3,799</td>
<td>838</td>
<td>11,429</td>
</tr>
<tr>
<td>%</td>
<td>(59)</td>
<td>(33)</td>
<td>(8)</td>
<td>(100)</td>
</tr>
<tr>
<td>Agriculture, Forestry, Fishing</td>
<td>43,217</td>
<td>30,683</td>
<td>2,544</td>
<td>76,444</td>
</tr>
<tr>
<td>%</td>
<td>(57)</td>
<td>(40)</td>
<td>(3)</td>
<td>(100)</td>
</tr>
<tr>
<td>Production and Related, Labourers</td>
<td>13,572</td>
<td>22,267</td>
<td>2,841</td>
<td>38,680</td>
</tr>
<tr>
<td>%</td>
<td>(35)</td>
<td>(58)</td>
<td>(7)</td>
<td>(100)</td>
</tr>
<tr>
<td>Total</td>
<td>74,688</td>
<td>75,441</td>
<td>11,443</td>
<td>161,542</td>
</tr>
</tbody>
</table>


suppose, therefore, that most of the Fijians in the 'administrative and managerial' category were in fact senior state functionaries. (Later, Fijian near-monopoly of state power in the post colonial period will be discussed.) It is also a reasonable guess that although some of the Indians falling into the 'administrative and managerial' category were also senior state personnel, most were capitalists. And as for the other races, it would seem from our earlier discussion of the high degree of foreign control in the neocolonial economy that Europeans made up the bulk of the remaining (big)
capitalists. Painting it in broad racial terms, then, the picture which emerges from all this is that within the bourgeois class, capital was predominantly European, although much of it was Indian, and state power was virtually monopolised by Fijians. Further evidence of the last feature will now be given.

As our picture of the class structure suggests (see Table 10.30 above), both in absolute and relative terms, senior state personnel made up only a small section of the bourgeois class, and they represented a mere 0.2% of the economically active population. It is in the hands of that small section, however, that state power is heavily concentrated. More significantly, most of that power was wielded by Fijians, and their dominance is indicated, for example, by the fact that since independence they held an average of 60% of ministerial positions. See Table 10.32 below.

<table>
<thead>
<tr>
<th>Year</th>
<th>Fijian</th>
<th>Indian</th>
<th>Others</th>
<th>Total</th>
<th>(1)/(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>9</td>
<td>2</td>
<td>4</td>
<td>15</td>
<td>60%</td>
</tr>
<tr>
<td>1971</td>
<td>9</td>
<td>2</td>
<td>4</td>
<td>15</td>
<td>60%</td>
</tr>
<tr>
<td>1972</td>
<td>13</td>
<td>2</td>
<td>4</td>
<td>21</td>
<td>62%</td>
</tr>
<tr>
<td>1973</td>
<td>13</td>
<td>4</td>
<td>4</td>
<td>21</td>
<td>62%</td>
</tr>
<tr>
<td>1974</td>
<td>13</td>
<td>4</td>
<td>4</td>
<td>21</td>
<td>62%</td>
</tr>
<tr>
<td>1976</td>
<td>14</td>
<td>4</td>
<td>3</td>
<td>21</td>
<td>67%</td>
</tr>
<tr>
<td>1977</td>
<td>14</td>
<td>4</td>
<td>2</td>
<td>20</td>
<td>70%</td>
</tr>
<tr>
<td>1978</td>
<td>11</td>
<td>5</td>
<td>3</td>
<td>19</td>
<td>58%</td>
</tr>
<tr>
<td>1979</td>
<td>12</td>
<td>4</td>
<td>3</td>
<td>19</td>
<td>63%</td>
</tr>
<tr>
<td>1980</td>
<td>12</td>
<td>3</td>
<td>3</td>
<td>20</td>
<td>60%</td>
</tr>
</tbody>
</table>

Source: Hansard (see footnote 28).
Revealing those these figures are, they do not do justice to the full extent of Fijian state power. In the ten years since independence, the Governor-General (the significance of including the Governor-General will become evident in the next chapter when the constitutional crisis of 1977 is discussed), the Prime Minister, and the Deputy Prime Minister have all been Fijians, traditional high chiefs all. But even within the cabinet, the actual extent of Fijian dominance was greater than the above figures suggest. In view of the wide respect commanded by the towering figure of the Prime Minister, Ratu Sir Kamisese Mara, the overwhelming dominance of the Fijian Association within the ruling Alliance Party, and the high degree of discipline within that party, the fact that there have always been non-Fijian ministers does not mean at all that the dominance of their Fijian counterparts was seriously undermined. Quite the contrary, that dominance actually increased. In the early post-independence period, and largely because of pressures from capital, some non-Fijian ministers (Sir John Falvey, Sir Charles Stinson and Wesley Barret being notable examples) were able to exert a significant degree of influence. But they were soon replaced by Fijians. In the end, therefore, the multiracial composition of the cabinet needs to be understood as a response to the contradictions inherent in the attempt by the Fijian faction of the bourgeois class at consolidating its position. In the colonial period, class contradictions took the form of racial conflict, but in the struggles surrounding the transition to independence racial conflict was significantly dampened. In order to
achieve that, however, "multiracialism" emerged as the dominant ideology. In the context of the dynamics of post-colonial state power, therefore, at least some substance had to be given to that ideology. That is why the cabinet was multiracial. What emerged, then, was a multiracial but Fijian-dominated cabinet.

But Fijian dominance in the postcolonial state is indicated also by their increasing monopoly of senior bureaucratic positions. Between 1974 and 1982, for example, the number of Fijian permanent secretaries rose from four to fourteen. The corresponding increase for Indians, by way of contrast, was from three to four. As for permanent secretaries of other races, they numbered five in 1974, and most were European expatriates. By 1982 that number had fallen to three, and all of those were locals of either European or part-European origin.29

But in the parastatal sector too Fijians have become more prominent. They currently occupy top positions in parastatals like the Fiji Development Bank, Reserve Bank, National Bank of Fiji, Native Land Trust Board, Native Land Development Corporation, Fiji Development Fund Board, and Business Opportunity and Management Services. So quite clearly, the highest echelons of the state have become increasingly dominated by Fijians and it is because of their command at those levels that they are referred to as the indigenous bureaucratic bourgeoisie.

Returning to the other occupational categories, we find that among professional, technical and related workers, Fijian and Indian representation was roughly equal, 41% and
43% respectively, and most were teachers. Other races accounted for the remaining 16%, a disproportionately high figure in view of the fact that they made up only 6% of the total population (see Table 10.23 above). In part, the rough balance between the two major races is a reflection of the state's attempt at raising the level of professional and technical competence among Fijians, especially through its preferential educational policy, a major plank of which was the setting aside of 50% of all state scholarships for Fijians.

Turning now to clerical and sales occupations, if these are taken as very rough indicators of white collar wage employment, then the figures in Table 10.31 clearly suggest that such employment was heavily dominated by Indians. They accounted for 53% of clerical and 69% of sales jobs, while the corresponding figures for Fijians were 32% and 20% respectively. This greater preponderance of Indians over Fijians in white collar jobs might be seen as a source of friction - a racial friction which serves to reduce the possibility of united action in defence of their common objective class interests.

But it is in the main productive sectors that the convergence between class and racial cleavages is most clearly evident. Taking the combined agricultural, forestry and fishing sector first, of the total economically active population in that sector, 57% were Fijians and 40% Indians. But if wage and salary earners (who represent 19% of the total) are excluded, then the overlap between race and class becomes clear. Of those who are left, 65% fall in the
reserve army and they are predominantly Fijian, while the remaining 35% are farmers and they are predominantly Indian. A central feature of the rural class structure, then, is the existence of a predominantly-Indian farmer class and a predominantly-Fijian reserve army.

In order to present more clearly the nature of the convergence between class and racial cleavages, the above findings are represented below in diagrammatic form.

Diagram 1  Race and Class

[Diagram showing a simplified social structure with classes and races indicated by different shading and symbols.]

- Fijians
- Indians
- Others
Two features of the diagram immediately stand out: first, all racial groups are represented in all the classes; and second, while Europeans overwhelmingly predominate in the bourgeois class, Fijians and Indians make up the vast majority in all the other classes. The principal contradiction (that between capital and labour), therefore, coincides to a very large extent with the white-non-white cleavage. Superimposed on this primary antagonism, however, are secondary inter- and intraclass ones, and the most significant feature of those secondary contradictions is that they assume a primarily Fijian-versus-Indian form. In other words, while the basic contradiction, on the whole, pits whites against blacks, the secondary ones, again on the whole, tend to present themselves in the form of blacks against blacks, i.e., Fijians against Indians.

A major reason for the racial form which the secondary contradictions take is the relatively greater preponderance of Indians over Fijians in professional, technical, supervisory, and white collar jobs. The racial friction which that causes, fuelled of course by a long history of racial ill-feeling, reverberates through the other exploited classes. So that even though both Fijians and Indians make up large segments of the working class, the possibility of strong working class solidarity emerging has usually been minimal. A similar sort of problem afflicts the other exploited classes.

In the class of small farmers, Indian cane farmers make up the vast majority. In the course of their long history of struggle against Australian sugar capital,
however, one of their major problems was the way in which their Fijian counterparts were set against them through the machinations of capital, the colonial state and the Fijian chiefly class. Separated institutionally through membership of separate farmer organisations, it was never likely that the rift would heal when the postcolonial state assumed control of the sugar industry in 1973. Indeed, that possibility was all the more remote because of the Fijian monopoly of state power.

Finally, because the reserve army is overwhelmingly Fijian, the possibilities of class alliances between the oppressed classes have always been minimal. And, of course, a major reason, if not the major reason, is that it is precisely in the rural areas (where most Fijians live) that continuing respect for traditional chiefly authority is most marked.

In sum, then, and notwithstanding the many qualifications which need to be made, it can be said that the convergence between class and racial cleavages in Fiji has two major dimensions. First, the principal contradiction between whites and blacks, but thanks largely to the historically-evolved alliance between capital, state and the chiefly class, the fundamental capitalist contradiction has largely been contained. And second, the secondary contradictions which set the non-bourgeois classes apart, and which also divide them internally, generally take the form of racial conflicts between Fijians and Indians.
8. SUMMARY

The aim of this chapter has been to explain the structure of the neocolonial economy and to identify the contradictions inherent in it. The picture which emerges clearly underlines the way in which the legacy of colonial capitalism remains very much the foundation of the neocolonial economy. Bequeathed by the colonial masters was a highly distorted, disarticulated, foreign-dominated economy based primarily on the production of sugar for export, but which also, by the end of the colonial period, was restructured increasingly towards the tourist industry.

Riding on the back of the international capitalist boom of the 1960s, the neocolonial economy experienced a period of relatively high growth during which tourism increased greatly. In those buoyant times, and largely as a result of the massive development of the tourist industry, the building, financial and service sectors also grew. So too did the manufacturing industry and also the ever-burgeoning state sector which doubled in size after independence in 1970. Against this general trend, however, the agricultural sector became comparatively less important, and the mining industry even less so.

This new pattern is reflected in the neocolonial class structure. Immediately beneath a small bourgeois class lies a sizeable middle class, and the existence of a relatively small but growing petty bourgeoisie is evidence of the increasing number of people who seek through individual effort to get a slice of the national cake, but invariably without much success. But it is the large working
class which testifies to the ever-increasing importance of capitalist activity. And in the rural sector, the farmer class produces the great bulk of the country's wealth but themselves get little of it, while the predominantly Fijian peasantry forms the greater part of the reserve army.

The racial form which class relations in Fiji take, then, has two broad dimensions. The principle contradiction between capital and labour essentially pits whites against blacks while secondary antagonisms generally take the form of racial conflict between Fijians and Indians. But these internal class tensions are exacerbated by the increasing level of external dependence. The continuing high level of foreign control, mounting trade deficits, and the ever-increasing foreign debts have meant increasing stress and deprivation for the oppressed while a small bourgeois class enjoys a disproportionately large chunk of the national wealth.

Such, then, is the nature of the underlying contradictions of neocolonial capitalism in Fiji. The task now is to examine the dynamics of class struggle in the neocolonial period, and in particular the role of the state in it.
CHAPTER XI

THE STATE AND CLASS STRUGGLE IN NEOCOLONIAL FIJI

The previous chapter sought to draw out the major dimensions of class contradictions in neocolonial Fiji, and two broad ones were identified. One has to do with the dominance of foreign capital in the domestic economy, while the other has to do with the way in which internal class relations revolve largely around a primary axis of conflict between (predominantly white) capital and (predominantly black) labour and a secondary one which divides the latter along racial lines - most significantly, between Fijian and Indian labour.

As in the colonial period, the high level of foreign control continued to be a major determinant of the class struggle in neocolonial Fiji. When, therefore, the historic strikes of 1959/60 threatened to undermine capitalist designs for the neocolonial economy, tighter control over organised labour became necessary. But there were other pressures which also had to be contained.

The distinguishing feature of the class struggle in the neocolonial period was the attempt by the indigenous bureaucratic bourgeoisie to secure the economic advancement of the "Fijians". The predominantly-Fijian peasant class derived little gain from capitalism, and if the ruling class, especially the chiefs, were not to risk losing peasant support, then it had to at least appear to do something concrete about alleviating the economic plight of the
peasantry. "Fijian interests", after all, were supposed to be "paramount", and the chiefs in particular were meant to ensure the welfare of their subjects. In that respect, the agrarian reforms proposed by the Burns Commission in 1960 are important, for they were essentially devices through which peasants were to be drawn into capitalist production and, hopefully, thereby improve their economic well-being. But the attempt failed, and when it became clear that "Fijians" were not benefitting greatly from the tourism boom, the question of Fijian economic advancement took on added urgency. That in turn bore directly on the outcome of the struggle for state power in the 1960s.

Not surprisingly, then, an apparently central concern of the Fijian-dominated postcolonial state was to strengthen the Fijians economically but, as will be argued, its attempt at doing so amounted essentially to trying to develop a successful indigenous bourgeoisie. Its chances of success in that respect, however, were never great. Intensifying capitalist contradictions in the latter part of the 1960s worsened in the opening years of the following decade, and broke out into open conflict in 1973. The crisis of that year marked the beginning of a prolonged recession and thus complicated the state's attempt at developing the weak indigenous bourgeoisie. Moreover, Fijian state power came under increasing stress, and was seriously, but only temporarily, undermined in 1977 when the most significant crisis of bourgeois democracy in Fiji occurred. An electoral victory later that year, however, allowed Fijians to regain state power, a development which was aided by a deeply divided bourgeois
Opposition plagued with internal rivalries.

This, in broad outline, then, was the trajectory of the class struggle in neocolonial Fiji, and is the subject of this chapter. After discussing the process of class containment in the 1960s, I examine the related questions of the Fijian peasantry and 'Fijian' economic advancement. That will then set the scene for a discussion of the struggle for state power. The second part of the chapter looks at the major developments of the postcolonial period, beginning with an examination of the way in which Fijian state power was used in an attempt to develop the indigenous bourgeoisie. Attention will then turn to the crisis of '73 and subsequent developments which culminated with the co-optation of organised labour into the state machinery. The chapter ends with a discussion of the bourgeois democratic crisis of 1977 and the consequences of its outcome for capitalism in Fiji.

1. CLASS CONTAINMENT IN THE 1960s

An outstanding feature of the 1960s was the containment of organised labour. In Chapter IX, I discussed the crises of '59 and '60 and also the reactions of capital and the colonial state in the aftermath of those struggles. Of those reactions, three are particularly significant: the undermining of labour unity through racial splits within the trade union movement, a development which was aided by bourgeois acquiescence; the formation of the FECA; and the emergence of the ideology of joint consultation. The combined effect of those developments was almost immediate. As the table below shows, the total number of workdays lost
dropped dramatically between 1960 and 1962, falling from 4,692 to 263.

Table 11.1  Strike Activity 1959 - 1970

<table>
<thead>
<tr>
<th>Year</th>
<th>No.</th>
<th>Workdays Lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1959</td>
<td>6</td>
<td>5,529</td>
</tr>
<tr>
<td>1960</td>
<td>14</td>
<td>4,692</td>
</tr>
<tr>
<td>1961</td>
<td>8</td>
<td>1,319</td>
</tr>
<tr>
<td>1963</td>
<td>5</td>
<td>263</td>
</tr>
<tr>
<td>1964</td>
<td>4</td>
<td>1,531</td>
</tr>
<tr>
<td>1965</td>
<td>4</td>
<td>194</td>
</tr>
<tr>
<td>1966</td>
<td>2</td>
<td>35</td>
</tr>
<tr>
<td>1967</td>
<td>12</td>
<td>1,421</td>
</tr>
<tr>
<td>1968</td>
<td>17</td>
<td>2,438</td>
</tr>
<tr>
<td>1969</td>
<td>27</td>
<td>1,521</td>
</tr>
<tr>
<td>1970</td>
<td>8</td>
<td>752</td>
</tr>
</tbody>
</table>


Early progress in the development of joint consultation was hindered to a degree because recognition of unions was not compulsory. In 1961, therefore, the colonial state sought, through persuasion, to get companies to recognise trade unions, arguing that recognition was "fundamental both to enable trade unions to perform their functions effectively and for collective bargaining to begin".¹ Capital, however, was then in a strong position. The FECA was over a year old, and organised labour was still divided, largely because of the racial splits. In that kind of situation, capital was
unlikely to concede too much on the question of union recognition. And without recognition, labour would always be at a disadvantage, a disadvantage which was not corrected until 1976 when the Trade Union (Recognition) Act was passed. Clearly, then, 'joint consultation' favoured capital more than labour. But more was yet to come.

Legislation passed in 1964 added more constraints on organised labour. The Trade Union Ordinance replaced the Industrial Association Ordinance of 1942 but it added new controls. Section 31, for example, imposed new conditions of eligibility for executive office in trade unions, conditions that had to do with criminal record, literacy standards, length of service in the trade or occupation concerned, and confinement to holding executive office in only one union. The Trade Disputes (Arbitration, Inquiry and Settlement) Ordinance also imposed new controls. Whereas previously, for example, twenty-one days advance notice had to be given in respect of strikes affecting essential services, now twenty-eight days advance notice was required. Also, the new disputes legislation now relied "for its efficacy" on "punishment for breach of contract". The other important piece of new legislation was the Employment Ordinance, which established the Labour Advisory Board. On the board were representatives of capital, labour, and the state, and its duty was to advise the state on "matters connected with employment and labour" and also on "any questions referred to it by the Minister of Labour". A Labour Advisory Board had been in existence since 1947 but it was not until 1964 that such an agency was formally constituted as an
established part of the state machinery. With these additional controls, it is not surprising that the level of strike activity dropped off sharply. The number of workdays lost in 1965 was only 194, and in 1966 it was a mere 35. Significantly, however, of the few strikes which occurred in that two year period, the most serious ones affected the tourist industry directly.

The tourist boom was well underway by 1965, and it is only to be expected that workers in that industry should seek better wages and conditions. When, therefore, three of its members were dismissed from the Korolevu Beach Hotel in 1965, the Airport Workers' Union struck. The union sought recognition from the company and it submitted claims for improved terms and conditions of service for hotel employees. When the company refused, the workers walked off their jobs and were subsequently sacked. Soon afterwards, twenty-seven luxury units at the hotel were burned. Another strike affecting workers at the Skylodge and Mocambo hotels also occurred in the same year, and in the following year, workers in the Airport Crash Fire Services struck in support of improved working conditions. So beneath the apparent stability of 1965 and 1966 lay contradictions which were beginning to intensify, and that those contradictions surfaced most sharply in areas directly affecting the tourist industry is significant.

The most serious strike of 1967 was that by the Airport, Hotel and Catering Workers' Union against Qantas Airways. The union's claims were described by the state as "unrealistic" and the dispute resulted in an official enquiry.
Again, the significance of the strike is that it threatened the tourist industry. Witness, for example, this statement by the Fiji Visitors' Bureau in its submission to the enquiry:

To an increasing degree commerce and industry are recognising their responsibility and interest in tourism. It is to be hoped [that] in the near future a similar responsibility on the part of trade unions in Fiji will be shown.  

The dispute was eventually settled and it is interesting that the state described the terms of the arbitration award as being "no more favourable than those of collective agreements negotiated by other unions". Early in the following year, however, the union had submitted another log of claims, but by the middle of March (the month in which it changed its name to the Airport and General Workers' Union) negotiations had broken down. This time around tourist capital was much more resolute, and when the strikers walked off their jobs they were immediately slammed by hotel groups and Qantas. The state was later to castigate the union for encouraging its members to "stop work in a manner which posed a threat to ... the tourist industry". In July the union's president, Apisai Tora, resigned as president and in the following month the union was deregistered for failing to keep proper accounts. The state described the outcome of the dispute in this way:

It is interesting and perhaps salutary to note that the disruptive tactics employed by the union in pursuit of unrealistic claims achieved no more for its members, and in some cases even less, than the more moderate policy and the use of collective bargaining procedures adopted by the majority of the other unions.
In the following two years, the number of workdays lost as a result of strikes fell. After a brief lull in labour struggles in the year of Independence (there being only eight strikes in that year), the level of conflict rose again. The fifty-five strikes in 1971 produced a loss of 6,678 workdays, and in the following year, the loss was much greater - 21,579. Underlying contradictions were intensifying and just around the corner lay the crisis of 1973. Before examining that crisis, however, it is necessary first to consider another major dimension of the class struggle in the 1960s - the attempt to restructure Fijian class relations in order to accommodate the growing demand for an improvement in the economic condition of the 'Fijians'. That exercise consisted essentially in trying to draw the Fijian peasantry into capitalist production.

2. THE QUESTION OF THE FIJIAN PEASANTRY

With the demise of the Viti Kabani movement, peasant organisation went into rapid decline, and thereafter the ability of the Fijian peasants to defend their positions was greatly weakened. If, however, their deteriorating condition should continue to worsen, then the chiefly class would be faced with a crisis - the continuing deference and loyalty of the peasants could no longer be taken for granted. The chiefs, after all, were supposed to protect the welfare of their subjects. Something, therefore, had to be done about the economic plight of the peasantry, and since the formation of the Fijian Administration in 1944, the chiefly class was better able to appear to push the peasants' cause.
The economic backwardness of 'the Fijian people' thus came to figure increasingly as a major issue in the class struggle. As I have already shown, capital had, by the late 1920s, successfully forged an alliance with the chiefly class. In order, therefore, to sustain that alliance, it supported to the 'cause' of Fijian economic advancement. Significantly, that support was most evident among the representatives of local white capital, but that is not surprising. Their position, after all, had become increasingly uncertain. By supporting the 'Fijian cause', therefore, they were more likely to successfully bolster their position.

Of the various suggestions which they made to advance that cause, one in particular is significant. In December 1956, W.G. Johnson, a local European member, suggested to the Legislative Council a "most ambitious project". He proposed an agricultural resettlement scheme for Fijian peasants whereby individual farmers would be given long-term leases of native land, a loan, and agricultural advice. They were to produce for the export market, a land authority would oversee the whole operation, and loans to finance the scheme would be sought from the metropolitan state. Three years later, in 1959, his suggestion was commended very highly by O. Spate who had been commissioned to investigate the "economic problems and prospects of the Fijian people". Among the advantages which Spate claimed for the proposal was that it would strengthen "individual independence" and, more importantly, it would lead to "a withering away of the communal system". In the same year, another investigation was being carried out. The Burns Commission was "enquiring into the natural
resources and population trends of the colony". Spate had argued that the root causes of Fijian economic backwardness were the traditional "communal" system and the Fijian Administration, both "institutions" having been "designed for non-economic ends". The Burns Commission concurred but added:

We do not blame the Fijians for this so much as the Government and the Legislature for so long adopting a paternalistic attitude and for still giving a very high priority to fostering, at this period of the 20th century, "the continuance of the Fijian communal system and the customs and observances traditionally associated with that system."

In view of that, the commission argued, initiative for improving the Fijian economic condition should come from the state. And what did the commission recommend?

There was little point in trying to get Fijians involved in industry because they lacked capital and "entrepreneurship", and in any case Fiji was "mainly a country of small farmers or small holders". What is more, those farmers "[required] considerable guidance and technical assistance on farming matters". The commission therefore proposed that agricultural policy be reformed and that it be aimed at developing the small farmers. Reforms would have to be made with respect to land policy, agricultural extension services, the provision of credit, marketing arrangements and so on. But most important of all, agrarian reform should be geared towards "the emergence of the independent farmer". The commission then suggested a whole series of agricultural projects which ranged from tea and cocoa production to cattle ranching.
The whole thrust of both the Burns and the Spate Reports, then, was that Fijian economic advancement could best be secured through a planned and organised attempt to engage Fijian peasants in capitalist production. In the first instance, they would produce their subsistence needs; later they would produce for exports. The Burns Report was submitted in January 1960 and in June of the following year, the colonial state announced that a land development authority would be established. Its responsibility was to promote and assist the "investigation, formation and carrying out of projects for the development, improvement and settlement of land". More significantly, the authority would also "give the Fijian community ... assistance in the development of their land".

Under the Land Development Ordinance No. 19 of 1961, the Land Development Authority was established in August 1961. The Fiji Development Company Limited, a wholly owned subsidiary of the Colonial Development Corporation, was appointed to manage the authority. Of the various settlement schemes which were initially considered, two seemed to hold out the most promise - a beef ranching scheme in Ra and banana production in Lomaivuna. Both of these schemes failed and the reasons for that are suggestive of why the overall approach to the peasant question did not succeed.

Certain vital portions of the land identified for the Ra cattle scheme were in native reserve land. The Fijian land owners therefore insisted that the scheme be 100% Fijian owned. The authority accepted that first preference should be given to the landowners in the allocation of blocks
of land under the scheme. On the other hand, it insisted that "it must retain the right to reject any applicant for a block on the scheme which a selection committee [considered] unsuitable, and to evict from the scheme any settlers who [proved] unable or unwilling to devote the necessary effort to their holding". 20 In other words, the authority would only help farmers who could turn out a profit. But their ability to do that, the authority implied, depended on the latter maintaining strict control over the production process. The Fijian landowners, however, "were not prepared to accept the close control which the authority wished to impose". 21 Without that kind of control, the authority refused to finance the project, and it was subsequently abandoned.

The failure of the scheme even to get off the ground underlines the imperialistic character of the whole approach to the peasant question. The state would finance the project on the condition that it maintained direct control, and if the peasants decided otherwise, then it would have no part in the scheme.

The Lomaivuna project was not quite so short-lived. It was originally conceived as a 350-settler scheme with each farmer cultivating approximately ten acres. New Zealand provided a market for the bananas, and in 1962 and 1963 attempts were made to break into the Japanese one. Although those attempts failed, 22 the Land Authority still hoped for a breakthrough and therefore sought to expand production. 23 By the end of 1965 the number of settlers had increased to 200, 180 of whom were Fijians. But already the project was
running into difficulties.

Transportation problems in the year before had begun to threaten Fiji's share of the New Zealand banana market, and to make matters worse, no headway was made in the attempt to penetrate the Japanese market. Then in 1966 it became evident that the production levels were falling below expectations. That problem was compounded even further by various banana diseases, soil problems, and a hurricane which caused extensive damage resulting in the loss of an estimated 30,000 export cases of bananas.

A reappraisal of the whole scheme was therefore commissioned and the Foster Report recommended the introduction of rotational banana production and mixed cropping, notably taro production. That, however, did not significantly improve the situation, and despite a proposed salvage operation in the following year, there was growing concern about the viability of the whole scheme. By the end of 1967, the rot was clearly setting in - nine farmers had left, and the Fiji Development Company withdrew from the management of the project. In the following year another twenty farmers left, and although attempts were made to justify the continuation of the project, the impending collapse became more evident.

The Lomaivuna project was for some time held out as something of a showpiece as far as improving the 'Fijian economic condition' was concerned. The majority of the farmers were Fijians, and it was hoped that eventually more would be drawn in. Barely three years after its commencement, however, the scheme was already in difficulty, and its
ability to draw more Fijian peasants into capitalist production weakened. Failure in that respect, on the other hand, was not unique to the scheme, for it is equally true of the wider strategy of which the Lomaivuna project was a part. By the end of 1967, the total number of farmers engaged in projects controlled by the Land Development Authority stood at only 5,140. The census figures for the year before showed that 26,284 people were engaged in "mixed and subsistence farming" and also that the majority of those were Fijians. Of that figure, only 27% were 'self-employed' while a further 19% were wage or salary earners. Fully 53% were identified as 'villagers' or 'unpaid family workers', and ten years later (in 1976) Fijians still predominated in those two categories.

Clearly, then, the colonial state's attempt to "advance" Fijian economic development by drawing the Fijian peasantry into capitalist production was a failure. But that was essentially the kind of strategy which had been suggested by the Burns Report. That it should fail, on the other hand, is not altogether surprising. Great importance was attached to the report, and the fact that it served as the "blueprint" for the country's next development plan helped to create the mistaken impression that it laid the foundation of the neocolonial economy. But as I have already shown, the structure of the neocolonial economy had already been set. Also, in the course of the restructuring which established the neocolonial structure, state resources were applied primarily to the development of the kinds of infrastructural projects necessary for the development of tourism.
Non-sugar agriculture benefitted very little and therefore remained underdeveloped. That being the case, it was never very likely that the agricultural reforms proposed by the Burns Commission would succeed. In fact, it appears that the commission itself was concerned about the fate of its proposals. If its proposed reforms were to succeed, then adequate finance would have to be provided to Fijian farmers. It noted that apart from the commercial banks (which in any case were not noted for their lending policy towards Fijian farmers) the main source of agricultural credit was the Agricultural and Industrial Loans Board, which was formed in 1952. But two features of the board's previous lending policy concerned the commission. The first was its bias towards the industrial sector. Between 1956 and 1959, for example, 59% of its loans were industrial ones, compared with only 41% for agricultural loans. The second was that Fijians had figured the worst compared to the other races, and the table below bears this out. Since the inception of the board, the average size of Fijian loans was usually much smaller than that of other races. European borrowers were clearly the main beneficiaries. Also, over the ten-year period, Fijians accounted for 25% of all loans but only 7% of the total value. The corresponding figures for Indians were 53% and 34%, and for Europeans they were 15% and 52%!

It seems that local white capital had made very good use of the board's facilities.

Concern about the board's previous lending pattern led the commission to recommend, first, that greater emphasis be given to agricultural loans, and second, that preference be
Table 11.2  Agricultural and Industrial Loans Board Loans by Race 1957 - 1961 (£)

<table>
<thead>
<tr>
<th>Year</th>
<th>European</th>
<th>Indian</th>
<th>P/European</th>
<th>Chinese</th>
<th>Fijian</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1952-53</td>
<td>5 7,433</td>
<td>59 1,457</td>
<td>1 15,000</td>
<td>1 7,500</td>
<td>9 266</td>
<td>147,994</td>
</tr>
<tr>
<td>1953-54</td>
<td>5 5,230</td>
<td>44 805</td>
<td>3 4,323</td>
<td>2 1,650</td>
<td>10 195</td>
<td>79,795</td>
</tr>
<tr>
<td>1954-55</td>
<td>10 2,277</td>
<td>58 650</td>
<td>3 2,400</td>
<td>2 2,750</td>
<td>9 190</td>
<td>74,848</td>
</tr>
<tr>
<td>1955-56</td>
<td>9 2,634</td>
<td>59 824</td>
<td>2 310</td>
<td>-</td>
<td>-</td>
<td>74,409</td>
</tr>
<tr>
<td>1956-57</td>
<td>14 13,435</td>
<td>62 1,276</td>
<td>2 1,030</td>
<td>3 2,167</td>
<td>16 543</td>
<td>284,479</td>
</tr>
<tr>
<td>1957-58</td>
<td>19 6,293</td>
<td>38 1,367</td>
<td>4 1,419</td>
<td>1 500</td>
<td>23 436</td>
<td>187,731</td>
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<tr>
<td>1958-59</td>
<td>15 1,899</td>
<td>20 504</td>
<td>3 1,433</td>
<td>-</td>
<td>-</td>
<td>45,265</td>
</tr>
<tr>
<td>1959-60</td>
<td>18 4,512</td>
<td>24 1,202</td>
<td>6 265</td>
<td>1 1,500</td>
<td>27 617</td>
<td>129,828</td>
</tr>
<tr>
<td>1960-61</td>
<td>16 6,558</td>
<td>25 1,370</td>
<td>10 534</td>
<td>1 150</td>
<td>70 650</td>
<td>190,212</td>
</tr>
<tr>
<td>% of No</td>
<td>15%</td>
<td>53%</td>
<td>5%</td>
<td>2%</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td>% of £</td>
<td>52%</td>
<td>34%</td>
<td>5%</td>
<td>2%</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>

given to Fijian farmers. Firm assessment of the board's subsequent performance with respect to Fijian loans, unfortunately, is not possible because the board's annual report for 1961 was the last in which the racial breakdown of loans was given. It seems, however, that the commission's recommendation was heeded - at least in 1961. In that year the number of Fijian loans rose from 27 to 70. But even if there were further increases in the number of Fijian loans, the benefit which Fijians derived from the new policy was more apparent than real. This is shown by the figures in the table below.

<table>
<thead>
<tr>
<th>Year</th>
<th>% of Total Agr.</th>
<th>Ind.</th>
<th>No. of Loans Agr.</th>
<th>Ind.</th>
<th>Av. Size of Loan Agr.</th>
<th>Ind.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>39</td>
<td>61</td>
<td>92</td>
<td>30</td>
<td>£803</td>
<td>£3,879</td>
</tr>
<tr>
<td>1961</td>
<td>57</td>
<td>43</td>
<td>187</td>
<td>27</td>
<td>292</td>
<td>1,530</td>
</tr>
<tr>
<td>1963</td>
<td>91</td>
<td>9</td>
<td>682</td>
<td>12</td>
<td>258</td>
<td>1,439</td>
</tr>
<tr>
<td>1964</td>
<td>68</td>
<td>32</td>
<td>1,074</td>
<td>16</td>
<td>149</td>
<td>4,775</td>
</tr>
<tr>
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<td>53</td>
<td>47</td>
<td>2,410</td>
<td>30</td>
<td>142</td>
<td>10,118</td>
</tr>
<tr>
<td>1966</td>
<td>62</td>
<td>38</td>
<td>740</td>
<td>14</td>
<td>304</td>
<td>10,036</td>
</tr>
<tr>
<td>1967</td>
<td>31</td>
<td>69</td>
<td>346</td>
<td>20</td>
<td>333</td>
<td>12,768</td>
</tr>
<tr>
<td>1968</td>
<td>44</td>
<td>56</td>
<td>225</td>
<td>15</td>
<td>740</td>
<td>$28,326</td>
</tr>
<tr>
<td>1969</td>
<td>25</td>
<td>75</td>
<td>280</td>
<td>42</td>
<td>$767</td>
<td>28,734</td>
</tr>
<tr>
<td>1970</td>
<td>27</td>
<td>73</td>
<td>176</td>
<td>39</td>
<td>1,594</td>
<td>22,631</td>
</tr>
<tr>
<td>1971</td>
<td>38</td>
<td>62</td>
<td>204</td>
<td>37</td>
<td>1,406</td>
<td>10,940</td>
</tr>
</tbody>
</table>


Between 1961 and 1966, agricultural loans accounted for over 50% of the total value, peaking in 1963 when the
figure was 91%. However, the average size of industrial loans was always much greater. In 1960, for example, the average size of industrial loans was £3,879 compared with a mere £803 for agricultural ones. Moreover, that difference was magnified even more from 1964 onwards - precisely when the dramatic growth of the tourist industry began. And that tourist capital was in fact the main beneficiary is suggested by two sets of evidence. Between 1967 and 1971, the value of industrial loans exceeded that of agricultural loans, the peak occurring in 1969 when 75% of the total were industrial loans. (See Table 11.3 above.) A second set of evidence is provided by the figures in Table 11.4 below. Between 1963 and 1968, tourist capital accounted for over 50% of the value of industrial loans. In 1965 and 1966, that figure rose to 83% and 85% respectively. Moreover, the number of borrowers was very small - never exceeding four throughout the whole decade. Not surprisingly, then, the average size of tourist loans was huge - £62,650 in 1965, for example. Fijians were never prominent in industry, let alone tourism. So it is quite clear that the board's lending policy in the 1960s was heavily biased towards precisely those sectors in which Fijians figured very little, if at all.

And in all, then, it had become reasonably clear by the end of the 1960s that the Fijian economic condition had not improved significantly, or at least not by as much as the Fijians would have liked. And in particular, the whole attempt at advancing Fijian economic development by drawing the peasantry into capitalist production was a failure. Outside of that effort by the colonial state, however, there
were other attempts at improving the economic plight of the Fijians - by Fijians themselves.

Table 11.4  AILB/FDB Loans to the Tourist Sector 1960 - 1971

<table>
<thead>
<tr>
<th>Year</th>
<th>As % of Total Industrial Loans</th>
<th>No. of Loans</th>
<th>Av. Size of Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>55</td>
<td>4</td>
<td>£15,861</td>
</tr>
<tr>
<td>1961</td>
<td>10</td>
<td>2</td>
<td>4,200</td>
</tr>
<tr>
<td>1963</td>
<td>55</td>
<td>3</td>
<td>3,155</td>
</tr>
<tr>
<td>1964</td>
<td>52</td>
<td>2</td>
<td>20,000</td>
</tr>
<tr>
<td>1965</td>
<td>83</td>
<td>4</td>
<td>62,650</td>
</tr>
<tr>
<td>1966</td>
<td>85</td>
<td>3</td>
<td>34,000</td>
</tr>
<tr>
<td>1968</td>
<td>53</td>
<td>4</td>
<td>$28,250</td>
</tr>
<tr>
<td>1969</td>
<td>16</td>
<td>3</td>
<td>27,333</td>
</tr>
<tr>
<td>1970</td>
<td>22</td>
<td>4</td>
<td>45,201</td>
</tr>
<tr>
<td>1971</td>
<td>4</td>
<td>16</td>
<td>6,400</td>
</tr>
</tbody>
</table>


3. THE PROBLEM OF FIJIAN ECONOMIC ADVANCEMENT

In Nadrogra province in western Viti Levu, a peasant organisation known as the Dra ni Lami ('Blood of the Lamb') in 1959, was formed but it did not last long. Two years later, however, it was revived as a co-operative when four villages formed the Bula Tale ('New Era') Association. Concerned that the association's activities might clash with the Fijian Affairs Regulations, the then Deputy Secretary for Fijian Affairs, Ratu Mara, held discussions with Apimeleki Tamatau Mataka, the association's leader. Satisfied that the main concern of the organisation was "economic development", Ratu Mara "advised provincial officials to try to
guide it along lawful paths rather than try to suppress it". When, however, Apimeleki subsequently changed the organisation's name to the Bula Tale Communist Party, describing it as being "communistic in theory and in practice", condemnation from conservative institutions was immediate. Leading Fijian organisations like the chief-dominated Fijian Association and the Fijian Teachers Association denounced the organisation "without any reservation", and a similar attack came from the Fiji Times. Although the organisation was able to establish a branch in Navua in 1962, its members were harassed by state officials and other Fijians, and eventually it ceased to operate.

Although the Bula Tale did not survive, it is significant in two respects: first, it demonstrated a willingness on the part of some peasants to improve their situation through their own efforts; and second, it emerged in the western region. Peasant struggles in Fiji usually originated, and were strongest, in the western region. The Bula Tale was another example.

Despite its failure, the organisation gave expression to the deep undercurrent which ran through Fijian society - the resentment about their economic backwardness. Capital's view had always been that the best way forward for the Fijians was through agriculture but, more importantly, they also needed the support of others - capitalists. R.A. Kearsley articulated that view very well in the Legislative Council on 4 December 1964:

the Fijian [is] not good at commerce ... [He is] a born agriculturist, but by reason of his social background he is not fitted to succeed in individual agricultural enterprises. I am convinced
that the economic salvation of the Fijian lies in the land. I am equally convinced he can't go alone. It was to overseas capital that the Colony had to look for the answer to the Fijians' economic problems.\textsuperscript{40}

Leading Fijians, however, were beginning to have different ideas. In 1965, for example, the short-lived Fijian Advancement Party, urged the colonial state to initiate a "full-scale Fijian economic development plan".\textsuperscript{41} Education, it argued, was the key to progress and it asked how that key had been used for the progress of the Fijian race. "The answer is evident", it said. Significantly, however, the party drew comparisons between Fijian and Indian performances:

Practically all professional, trained Fijians, except the clergy, are in the Government service. The independent Indian middle class is weak, but the Fijian was non-existent, and this [is] a serious matter.\textsuperscript{42} (emphasis added)

So according to this view, Fijian economic backwardness was the result of their poor education. Ratu Mara argued otherwise in May of the following year. Addressing the annual convention of the Fijian Association, he said that the reason for the poor standard of higher education among the Fijian people was their financial situation.\textsuperscript{43} But he also made some other significant statements. Against the view that Fijian advancement lay in agriculture, he argued thus:

Our economy does not depend on the soil alone ... Industries will increase in importance in the future and they will provide a variety of jobs.\textsuperscript{44}

Fijians, therefore, he went on to say, should be encouraged to look to the industrial sector for a livelihood.

The general thinking among the Fijian leadership,
then, was that Fijians should move into the non-agricultural sectors. But many already had, particularly into tourism, which by then was booming. Yet their performance there too was disappointing. The theme of the 1967 convention of the Fijian Association was "the economic weakness of the Fijian people". Ratu Edward Cakobau, then Member for Commerce, Industry and Tourism opened the convention and made some informative observations. On Fijian involvement in tourism, he had this to say:

the general opinion of tourism experts [is] that there [is] not one single project ... [involving] Fijians which [has] continued for any noticeable length of time.45

The reasons which he identified for that singular lack of success were the "definite absence of commercial awareness", unreliability, and the lack of "authority, leadership and cohesion".46 This, he said, was unfortunate because it was "of vital importance" that the Fijians derived a major direct benefit from tourism.

The general recognition that Fijians were simply not "entrepreneurs" prompted the formation of the Fijian Chamber of Commerce in the following year, 1968. At the official opening, which was attended by more than 4,000 Fijians, the president, Viliame Savu, delivered this message "from the Fijian people":

Please co-operate with us and lay no obstacles across the path of seeking people. The absence of Fijians in the business field was not only a challenge to the Fijians themselves, it is also a question to be answered by the British Government.47

The aim of the chamber, he later told the Fiji Times, was
"to assist Fijians with commercial experience and training and their business operations generally".\textsuperscript{48} The Fijian Chamber of Commerce did not last very long, but it served to demonstrate that the 'Fijian' economic condition was fast becoming a central issue in the class struggle. Up to this point, no Fijian organisation had demonstrated that Fijian effort could successfully advance the Fijian 'cause'. But hopes that soon one would ran high when in November 1968, the Fijian Association announced its intention to establish a "development corporation to centralise and control Fijian economic efforts. [It was to] be owned and operated by Fijians".\textsuperscript{49} Some fourteen months later, in April 1969, the Fijian Investments and Development Corporation was formed. It was, according to a statement from the corporation, sponsored by the "Fijian chiefs of the major provinces headed by the Vunivalu of Bau, Ratu George Cakobau, the Chief Minister, Ratu Sir Kamisese Mara, Ratu Edward Cakobau, and Ratu Penaia Ganilau".\textsuperscript{50} Although two board members were from the western region (one from Vuda, the other from Nadroga), it is clear that the corporation was dominated by people (a significant number of whom were chiefs) from the eastern region, and in particular from the provinces of Lau, Bau, and Cakaudrove.

By the eve of independence, then, the struggle for 'Fijian' economic advancement had become a central issue, and soon it would be given a boost. The struggle for state power had all but ended, and it was clear that the post-colonial state would be dominated by Fijians. The growing strength of the 'Fijian cause' in the latter half of the
1960s, therefore, needs to be understood against the wider struggle for state power. To that I now turn.

4. STRUGGLE FOR STATE POWER AND THE IDEOLOGY OF MULTIRACIALISM

Apart from a few instances of peasant or worker struggles, politics in Fiji had always been organised along bourgeois lines, and electoral politics was no exception. The question of Fijian economic advancement, as has just been shown, gained increasing prominence in the 1960s, but the various attempts to achieve that goal failed. If, therefore, Fijians could seize state power, then perhaps the Fijian 'cause' might succeed. The struggle for state power in the 1960s, then, needs to be understood largely in that light.

By the beginning of the 1960s, anti-imperialist struggles in British colonies had gathered momentum. In some places the struggle was violent, in others not, and the "winds of change" which were transforming Africa and Asia were soon to blow over Fiji too. The Secretary of State for the Colonies, Mr I. Macleod, informed the House of Commons in March 1960 that he had no intentions for further constitutional reforms in Fiji beyond the few changes incorporated in the Fiji Letters Patent which came into effect at the beginning of 1960. (Those changes had to do largely with the election of Fijian members to the Legislative Council.) Later that year, the Under Secretary, Julian Amery, seemed to reaffirm Britain's position when he said that "drastic" constitutional changes would not be introduced. But those statements did not dampen the growing internal speculation
about the country's political future, and the Fiji Times ran
a series of articles which dealt with the sorts of questions
which were being asked. In December 1969, the Legislative
Council debated the question of constitutional change, and
immediately 'Fijian interests' were brought to the fore.
Ratu Mara insisted that if change was to come, then control
of "the land" must pass to the Fijians.

Early in the next year, the colonial state proposed
constitutional changes which would lead to internal self-
government. Immediately the Fiji Times issued a call for
an "All-Fiji Convention" to discuss the proposals. Many
Indians favoured the changes but called for the introduction
of a common electoral roll. Capital, for its part, opposed
the changes, claiming that "any change in the general con-
stitutional position is desired by no more than a small
minority". Motions of opposition were passed at meetings
of the Suva and the Federated Chambers of Commerce. And
when the changes were debated in the Legislative Council in
April, the Fijian Council members made strong statements
about Fijian rights. The class struggle was, yet again,
taking a racial form.

Against the mass of working Indians, who unfortunately
were led by bourgeois politicians, was ranged the combined
might of white capital, the chiefly class, and the colonial
state. And the intensity of anti-Indian feeling was under-
lined in the following August when the overseas aid scheme
was debated in the council. In the course of the debate,
Ravuama Vunivalu, staked a claim for "Fijian supremacy in
the Civil Service", and challenged the Indian members to
make known their attitude towards that.\textsuperscript{60} Open challenges of that sort would continue to be made and racialist sentiment would intensify.

The central message which came from the Fijian leadership at this time was that should Britain withdraw from the country, then Fijians must be given control.\textsuperscript{61} And sensing that change was bound to occur, the leading Fijian organisation, the Fijian Association, set about formulating a strategy. Meetings were held to discuss the kind of position which the Fijians should adopt,\textsuperscript{62} and at the end of the year Ravuama Vunivalu declared to the Legislative Council that Fijians did not want independence, and that any constitutional changes should be introduced only when the Fijians expressed a wish for them.\textsuperscript{63} How is this position to be explained? In the absence of hard evidence, it is reasonable to suppose that the Fijian leadership probably sensed that Fijian organisation was not yet sufficiently strong to mount a bid for state power just yet. The number of politically experienced Fijians was small, state apparatuses were still dominated by expatriate functionaries, and the Fijians' economic position was weak. There was much organising yet to be done, and very importantly, real concessions had to be made by the colonial state which showed that Fijian interests would not be compromised.

Not surprisingly, Fijian opposition to independence was supported by the local European members of the council but not by the Indian ones.\textsuperscript{64} Fijian concern about their future was allayed somewhat when the new Under Secretary of State for the Colonies, Nigel Fisher, gave assurances that
the principles of the Deed of Cession were "inviolate".\textsuperscript{65} Fijian interests would be paramount. When, therefore, the United Nations Committee on Decolonisation began discussing Britain's failure to take Fiji towards self-determination (and in electoral terms that meant one person, one vote), it was rebuked by Fijian and European leaders. The four Fijian members of the Legislative Council who were in the country at the time - Ratu Edward Cakobau, Ratu Mara, Ravuama Vunivalu and Semesa Sikivou - issued this statement:

Whatever the Committee of 24 might have to say about the government of our country, the Fijian members of the Legislative Council, on behalf of our people, want it to be known that we do not desire their interference nor are we impressed with their much publicised utterances.\textsuperscript{66}

The European members, of course, supported this position, and J. Falvey's statement captures the general attitude of the ruling class:

All right thinking people will treat the vapourings of certain representatives in the Committee on Colonialism with disdain ... We shall hear no more of this nonsense.\textsuperscript{67}

But that was not to be. Persistent pressure from the United Nations over the next few years would continue to antagonise the ruling class, and of course, further rebukes would be made.

By this time, of course, Britain was faced with ever-growing anti-imperialist pressures, pressures which in part found expression in the activities of the UN Committee of 24. In August 1963, therefore, Britain announced that a conference would be convened to discuss constitutional changes in Fiji. Some Fijians, especially in Macuata, were
indignant at the announcement, but on the whole the Fijian leadership recognised that the tide of events strongly pointed in one direction, and therefore began preparations. Others, too, did likewise.

From about this time, then, the level of organised political activity took a sharp upturn. The details of the various activities are not important here; and my main concern is simply to identify the major developments in order to see in a general way how, in the struggle for state power, racist ideology was exploited to consolidate the alliance between white capital and the chiefly class, and to show also how racism later gave way to the ideology of multi-racialism once it became evident that state power would pass to Fijians.

The formation of the Fijian Democratic Party (an offshoot of the earlier but short-lived Western Democratic Party) by A. Tora in Sabeto, Nadi, in April 1964 underlined the regional cleavage which divided Fijians. Another western party, the Fijian National Party, was formed under the leadership of Isikeli Nadalo, and later in 1964 it made submissions to the governor, asking that "Fijians" be given a "prominent place" in the political control of the country. A group of mainly professional Indians formed the Fiji Labour Party in Nadi in August and called for a common roll and an "attempt to eradicate economic exploitation of the masses by ruthless capitalists". The Fijian Association, for its part, had called a meeting in the previous June to consider its position, and followed that up with another one in January 1965. The Constitutional
Conference was planned for August of that year, so a clear position had to be worked out. The January meeting was led by Ratu Mara, Ratu George Cakobau, Ratu Penaia Ganilau (eastern chiefs all) and J. Rabukawaqa. In the same month, Ayodhya Prasad, secretary of the Kisan Sangh, initiated moves for the formation of yet another party, the National Congress of Fiji. This, as I show later, was a major development.

By the end of February, the Fijian Association had established, or was in the process of establishing, new branches in Suva, Nadi, Lautoka and Nausori. Local Europeans too were taking steps to defend their positions. Suva lawyer, R.G. Kermode, for example, urged electors in the western constituency to formulate a position for the forthcoming conference. And as for the Federation Party, which grew out of the cane-farmers' strike in 1960, it stood firm in its resolve to push for a common roll. And to add to the growing number of parties, an Indian lawyer in Labasa, H. Kohli, formed the Fiji Independent Liberal Party to hasten the advent of self-government and to promote racial unity.

In June the ideal of racial unity was jolted when about 4,000 people, mainly Fijians, attended a meeting of the Fijian Democratic Party and heard its leader, A. Tora, insist that the Indian representatives should not be allowed to attend the London conference, and also that a commission be set up to arrange for the resettlement of Indians outside Fiji. And as for the Europeans, to them he extended a "hand of friendship" but added a warning:
Against this exercise in fuelling racist sentiment, attempts were being made to close the gap which separated the majority of Indians from the other races. The Fijian Association invited Indians to hold joint discussions before the forthcoming conference, emphasising, however, that what the Fijians wanted was unity, not a common roll. Not long later, the National Congress of Fiji called for the various races to work "hand in hand", and on 25 June an important meeting took place. A "representative" group of Fijian, Indian and European political leaders met in Suva and "reached unanimous conclusions on a number of constitutional matters, including opposition to a common roll for Legislative Council elections". The meeting followed earlier contacts between the Fijian Association and the National Congress of Fiji, and present at the meeting were leaders who subsequently formed the nucleus of the Alliance Party: Ratu Mara, Ratu Edward Cakobau, Ratu George Cakobau, Semesa Sikivou, J.N. Falvey, Vijay R. Singh, K.S. Reddy, J.S. Singh, and Manikam Pillai. The last four were representatives of the National Congress, and later were largely responsible for the formation of the Indian Alliance.

A statement issued by the meeting of 25 June described the event as a "turning point towards racial understanding and tolerance at a responsible level in Fiji". It also said that similar meetings would be held both before and after the Constitutional Conference in London in order to "maintain the goodwill created and to put into resolute
action the decisions made by the representatives". Enthusiastic in its praise for this development, the Fiji Times applauded the "statesmanlike" approach of those involved. And as for the refusal by Federation members A.D. Patel, S.M. Koya, J. Madhavan and C.A. Shah to attend the meeting, the daily was not at all impressed.

A similar meeting was held in the following July, this time including representatives of the Chinese and various Pacific Island communities. Full authority was given to the Fijian and European delegates to the London conference to represent those minority groups. At about the same time, the predominantly-Muslim Fiji Minority Party, sent a memorandum to the Secretary of State for the Colonies asking for separate Muslim representation.

The Constitutional Conference, held at Marlborough House in London, ended on 9 August 1965. Its principal recommendations were an enlarged Legislative Council with fourteen Fijian, twelve Indian and ten General Elector seats, a ministerial system of government, and retention of the communal electoral system. The last of these, not unexpec-tedly, proved to be the thorny issue of the meeting, and both at and after the conference condemnation was heaped upon the representatives from the Federation Party for their opposition to the communal rolls. In December of that year, the constitutional recommendations were debated in the Legislative Council for five days and, of course, they were approved. The outcome of the conference was clearly a victory for the 'Fijian-European' alliance, and for the Fijian leadership in particular, it was time to build upon
the gain, or else, as Sikivou put it, "the Fijian people would be subjugated in their own country".\textsuperscript{30}

The process of consolidation began soon thereafter. Early in February of the following year, the General Electors Association - membership of which was opened to all voters registered on the General Roll - was formed. And a few days later, a meeting of "more than sixty men and women of all of Fiji's major races" resolved to form a "political alliance of organisations ... concerned with the welfare of the people of Fiji". In March the Alliance Party was formally launched. Among its objectives was the promotion of "good-will, tolerance, understanding and harmony among all the Colony's communities".\textsuperscript{31} The ideology of multiracialism was thus formally embraced as the foundation of the party which henceforth would enjoy uninterrupted power.

The 1966 elections was a test of strength for the two major parties. The Alliance won twenty-three seats, the Federation Party nine, and the remaining four seats went to two independent candidates and the two Council of Chiefs' members.\textsuperscript{32} Deep dissatisfaction within the Federation Party about the outcome of the London conference, and of course the elections, was very evident. And in September 1967, it tabled a motion in the Legislative Council calling for a new constitutional conference. Vijay Singh, Minister for Social Services, immediately opposed the motion, and moved an amend- ment. As he spoke to his amendment, the opposition staged a mass walkout. In the subsequent by-elections, which were held between 31 August and 7 September 1968, all nine Oppos- ition members were returned with increased majorities.\textsuperscript{33}
The Fijian leadership interpreted the result as something of a slap in the face, and its response was immediate. Leading Fijian members of the Alliance Party immediately initiated a "Colony-wide campaign" to find out whether or not Fijians wanted independence and a common roll. A meeting of about 2,000 Fijians in Suva on Wednesday, 9 September "unanimously voted against independence and a common roll". Strong views were expressed against the Federation Party, and a statement issued after the meeting said:

> the control of the land should be returned to Fijian hands, by force if need be ... No further abuse levelled against Fijian chiefs and traditions by the Federation Party will be tolerated as from now.  

A similar meeting was held in Vatakoula on the following Saturday. Attended by nearly 3,000 Fijians, it saw an outpouring of anti-Indian feeling. Suggestions were made that leases of Fijian land to Indians should not be renewed, and also that Indians be deported. The leasing of Fijian land to Indians, it was argued, was a "gesture of goodwill" but the outcome of the by-elections showed that the Fijian people had been "deceived" by the Indians. A few days later, a spokesman for the national committee of the Fijian Association warned that "any move to make Fijians second-class citizens" would be resisted - with force if necessary. Also, he went on,

> Should social strife break out in the Colony, the Federation Party will be held fully responsible for it ... Fijians are not going to fight ... for the Indianisation of Fiji.

The growing racial tension prompted the Synod of the Diocese of Polynesia to call on the leaders of the country
to take "immediate joint action" to prevent the country being split by racial differences,98 but only a week later Ratu Mara, the Chief Minister, announced that the Fijian people felt "betrayed and alarmed", and that they intended to have their interests safeguarded.99 The very next day, chiefs led a procession of about 2,000 people through Ba. Escorting the chiefs were Fijians "in traditional costumes and daubed with war paint".100

Very little public response to these events was made by the Federation Party. The Fiji Muslims Political Organisation, on the other hand, announced its "whole-hearted support" for Fijian opposition to a common roll,101 and later it called on all Muslims to support the Fijians "politically and materially".102 At about that time too, Indian supporters of the Alliance formed the National Political Organisation of Fiji Indians and announced that they would seek affiliation with the Alliance Party. The organisation was the forerunner to the Indian Alliance, the third constituent body with the party - the other two, the Fijian Association and the General Electors Association, having already been established. Included in the interim committee of the new organisation were Vijay R. Singh, James S. Singh, M.T. Khan and Ayodhya Prasad.103 Vijay Singh already held a ministerial post; James Singh and Khan would be similarly rewarded later.

With the multiracial composition of the Fijian-dominated Alliance Party now secured, the task ahead was to seek a rapprochement with the opposition. Why was that necessary? After all, the Alliance's resounding electoral victory in
1966 was ample testimony of its strength and, more importantly, it clearly pointed to Fijian domination in the post-colonial state. Furthermore, the ideology of multiracialism had already taken root. What, then, was the problem? The need for rapprochement with the Federation Party had to do essentially with the viability of a Fijian-dominated post-colonial state. The bulk of the country's wealth was produced by a predominantly-Indian farmer class which supported the Federation Party much more than the Alliance. To alienate that class would mean risking a large portion of finance on which the postcolonial state would depend. It was better, therefore, to try to work out a co-operative arrangement with the Federation than to let ill-feelings persist.

In May 1969, Ratu Mara was in London to attend a meeting of the International Sugar Council. He had refused to invite A.D. Patel to accompany him, but in an interview with the BBC, he said that if there was a prospect of agreement between the major political parties in Fiji, then another constitutional conference would be called. Early in the following June, he announced in Suva that discussions about a new constitution for Fiji would be held between the two major parties. Those discussions commenced in the following August. Little progress appears to have been made but with Patel's death in October, "a contentious figure", as Ali put it, "was removed from the scene". S.M. Koya, a lawyer and a Muslim, assumed the leadership of the Federation Party, and soon showed himself rather more amenable to co-operation than his predecessor. By the end of the
year, significant agreement had been reached between the two parties.\textsuperscript{108}

After holding discussions with local leaders about the country's political future, and noting the high degree of agreement among them, Lord Shepard, Minister of State for Foreign and Commonwealth Affairs, returned to London in January 1970.\textsuperscript{109} Soon afterwards, Britain declared its "readiness" to grant independence to Fiji.\textsuperscript{110} Further inter-party talks were held, and in April the second constitutional conference began, again at Marlborough House, London.

The high level of pre-conference agreement paved the way for a meeting which lacked the rancour and bitterness of the earlier one. On the thorny issue of the electoral system, it was agreed that communal rolls would be retained but also that sometime after the next general election in 1972, a Commission of Inquiry would be appointed to investigate "the most appropriate method of election and representation in Fiji". That was a significant compromise, but there was also another important feature about the negotiations. It had been agreed that there would be an equal number of Fijian and Indian seats, but on the number of General Elector seats, there was disagreement. The British delegation recommended three, Ratu Mara insisted on eight. When it became clear, therefore, that the former would not agree, Ratu Mara threatened to resign as Chief Minister upon his return to Fiji. Thereupon the British delegation changed its mind and agreed to eight. And so was secured the historical pattern of over-representation for general electors: 6\% of the population were to have 15\% of the
seats. More importantly, general electors overwhelmingly supported the Alliance Party.

Fiji regained its independence from Britain on 10 October 1970, exactly 96 years after colonisation. The Fijian-dominated Alliance Party assumed power and underlined its dominance with a landslide victory in the 1972 general election.111 Five years later, however, it was defeated by the National Federation Party. The ruling class was shaken and bourgeois democracy in Fiji experienced its biggest crisis. But that will be discussed later.

The most significant feature of the struggle for state power, then, is the way in which anti-Indian sentiment was exploited in the name of 'Fijian' interests, and once it became clear that state power would pass to the (mainly eastern) chiefs and their commoner allies, the ideology of multiracialism increasingly took root. The latter development was largely a response to the need to ensure that sugar-cane production would not be jeopardised. And most of the cane producers were Indians who were aligned overwhelmingly with the opposition. Having assumed state power, then, the Fijian-dominated postcolonial state was faced with the task of improving the lot of the Fijians. That exercise, as I will now argue, amounted essentially to an attempt to develop the very small indigenous bourgeoisie.

5. FIJIAN STATE POWER AND THE INDIGENOUS BOURGEOISIE

In the dispute between sugar capital and the cane farmers over the terms of the new ten-year agreement, Lord Denning was appointed as the arbitrator. It had been
suggested that rather than face the uncertainties dealing with the Fijian-dominated postcolonial state, sugar capital had been planning to withdraw from the country. But as Moynagh argues, the CSR had done well under the Eve Contract concluded ten years previously, and if it could secure a new contract on similar lines, it would stay. As it turned out, the Denning award favoured the farmers more than the company.

A significant feature of the negotiations leading up to the Denning Award was the way in which the Alliance Party threw its weight behind the farmers. It could hardly have done otherwise because the legitimacy of the Fijian-dominated postcolonial state would be seriously undermined if the latter was seen to side with sugar capital. In 1973 the CSR withdrew from Fiji and the state took over the sugar industry.

Although Indians predominated in the sugar-cane farmer class, scope was seen to exist to allow more Fijians to take up cane farming, and especially with the development of the Seagaqa sugar plantation, increasing numbers of Fijians were given loans to enable them to do so. In 1976/77, for example, 491 Fijian farmers at Seagaqa held PDB loans totalling $1.1 million.

From the very beginning, however, the postcolonial state was concerned to get more and more Fijians involved in commerce and industry. That of course meant raising Fijian educational standards, a need which figured prominently in the late sixties especially. In 1970 the Report of the Fiji Education Commission recommended that half of
the state's scholarship funds be set aside for Fijians and the other half be spread among students of all other races. The implementation of that policy has since been a highly contentious issue.

Beyond its education policy, the state also sought through other means to encourage more Fijians to get involved in "business", and also to help those already so involved to become more successful. Of the latter, K.C. Ramrakha's assessment contained a measure of truth: "Fijian business enterprises", he said, "had failed time and time again because there were no Fijian capitalists". What he really meant was that there were not many successful Fijian capitalists. How, then, did the state seek to rectify that problem?

Various initiatives were soon considered as possibilities: preferential loans from the FDB; the establishment of a special institute to train Fijians in business practices; the reservation of certain lines of goods for sale exclusively by Fijians, especially duty-free goods; the setting up of more Fijian companies; and so on. In May 1974, a cabinet sub-committee led by the Prime Minister, Ratu Sir Kamisese Mara, was formed "to study ways of immediate and long-term help to assist Fijians in the economic field". There was also a push for parity between Fijians and Indians in the state bureaucracy. The 'commercial arm' of the Native Land Trust Board, the Native Land Development Corporation, was formed in 1974 to "begin business ventures" in property development, industry, agriculture, fishing and tourism.

By the end of 1974, the proposed "Fijian Institute"
had not yet materialised and Sakeasi Butadroka urged the state to take action. Butadroka had previously been the Assistant Minister for Commerce and Industry but was sacked by the Alliance Government in November 1973. The reason for his sacking was his criticism of the state's failure to advance Fijian economic interests. He remained in Parliament as an independent member and soon afterwards formed the Fijian Nationalist Party. That development was to bear directly upon the crisis of 1977 which will be discussed later.

Early in April 1975, the cabinet sub-committee on Fijian economic development announced that directions would soon be given to the FDB to help Fijians, in the form of low interest loans. The attack from capital followed soon after. D. Warner, the chairman of the Fiji Visitors Bureau condemned it, and the Suva Chamber of Commerce described the move as "unfair" and "discrimination of the first order". The state subsequently responded by saying that its action did not amount to "favouritism". Most Fijians, it said, had no security for loans, and unlike people of other races, they could not turn to friends for help because they also had no money to spare. They therefore had to be "helped a little more into commerce". What, then, was the FDB's record?

As the table below shows, the number of Fijian industrial loans increased from 130 in 1975 to 403 in 1980, peaking at 545 in 1979. But again the benefit to Fijians of the Bank's preferential lending policy was not as great as these figures suggest. Column C shows the average size of Fijian
### Table 11.5  FDB Commercial and Industrial Loans to Fijians 1975 - 1980

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Fijian Loans (1)</th>
<th>(1) As % of All Ind. Loans</th>
<th>Av. Size of Fijian Loans (2)</th>
<th>Overall Average for All Ind. Loans (3)</th>
<th>(2/3)</th>
<th>Value of Fijian Loans as % of All Ind. Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>1975</td>
<td>130</td>
<td>n.a.</td>
<td>7,670</td>
<td>12,739</td>
<td>60%</td>
<td>80%</td>
</tr>
<tr>
<td>1976</td>
<td>296</td>
<td>n.a.</td>
<td>5,368</td>
<td>11,020</td>
<td>49%</td>
<td>36%</td>
</tr>
<tr>
<td>1977</td>
<td>495</td>
<td>n.a.</td>
<td>4,374</td>
<td>11,549</td>
<td>39%</td>
<td>28%</td>
</tr>
<tr>
<td>1978</td>
<td>536</td>
<td>71%</td>
<td>5,153</td>
<td>13,039</td>
<td>40%</td>
<td>28%</td>
</tr>
<tr>
<td>1979</td>
<td>545</td>
<td>73%</td>
<td>4,833</td>
<td>12,961</td>
<td>37%</td>
<td>27%</td>
</tr>
<tr>
<td>1980</td>
<td>403</td>
<td>66%</td>
<td>4,759</td>
<td>14,691</td>
<td>38%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Sources: Annual Reports of the Fiji Development Bank 1976 - 1981
industrial loans and Column D the average size of all industrial loans. The former was always smaller than the latter, and as Column E shows, with the exception of 1975, the average size of Fijian industrial loans was usually about 38% of the overall average. Also, apart from 1975 when the figure was 80%, the value of Fijian loans as a percentage of the total fell progressively, reaching a low of 21% in 1980. What all this suggests, then, is that although more Fijians were able to secure industrial loans, most of the loan money went to borrowers of other races. Furthermore, because Fijians typically got less than others, they could hardly be expected to have constituted themselves as successful economic competitors. On the other hand, however, the evidence suggests that they got themselves involved in precisely those sorts of activities where capital had already secured a well-entrenched position.

Table 11.6  Value of FDB Loans to Fijians by Sector
1978 - 1980 (%)

<table>
<thead>
<tr>
<th>Sector</th>
<th>1978</th>
<th>1979</th>
<th>1980</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport</td>
<td>47</td>
<td>51</td>
<td>36</td>
</tr>
<tr>
<td>Commerce</td>
<td>35</td>
<td>24</td>
<td>33</td>
</tr>
<tr>
<td>Manufacturing and Construction</td>
<td>10</td>
<td>8</td>
<td>11</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
<td>17</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>


As the table above shows, for example, most of the Fijian loans were used in the transport sector. Observation
suggests that much of that money was invested in bus and taxi transportation. But Indians already dominated those activities, and it was not likely that they would yield easily to Fijian competition. The classic example of this was the failure of the Rewa Provincial Development Company which was involved in bus transportation.\textsuperscript{130} In commerce and manufacturing also, Fijians were faced with stiff competition from established businesses, particularly those of local Indian capital. The setting up of the Business Opportunity and Management Advisory Services (BOMAS) to help Fijian businessmen had some effect, but still very few successful Fijian companies emerged. Great hope had been attached to the Fijian Investments and Development Corporation, but that too ended in failure.\textsuperscript{131} The only companies which seem to have met with any success are the Cakaudrove Bua Macuata Group (which is involved with local Indian manufacturing and Australian capital) and the Native Land Development Corporation.\textsuperscript{132}

The evidence presented here, then, suggests that the postcolonial state failed in its attempt to develop a reasonably successful indigenous bourgeoisie. In large part the reason had to do with inadequate financial support, but more importantly the state did not make sufficient inroads into the entrenched positions occupied by capital - local and foreign, European and Indian - to create the necessary space for an indigenous bourgeoisie to develop. This is not suggesting, however, that the state was totally at fault. A constant criticism of Fijian businessmen is that they tend to lack (capitalist) "discipline", and no doubt there is
substance to that. On the other hand, how can they be expected to withstand the rigour of the market-place when their experience as capitalists was minimal. But beyond these factors, there is another of equal, if not greater, importance. The state's attempt to develop the indigenous bourgeoisie occurred at a time when the country was caught up in a period of prolonged recession which began with the crisis of '73.

6. CAPITALIST CRISIS AND THE CO-OPTATION OF LABOUR

A manifestation of intensifying capitalist contradictions, the worsening inflationary spiral in the early 1970s also pointed the way to crisis. Although the number of strikes fell from 55 in 1971 to 47 in 1972, the loss in workdays increased more than three-fold, jumping from 6,678 to 21,579. See table below.

<table>
<thead>
<tr>
<th>Year</th>
<th>No.</th>
<th>Workdays Lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971</td>
<td>55</td>
<td>6,678</td>
</tr>
<tr>
<td>1972</td>
<td>47</td>
<td>21,579</td>
</tr>
<tr>
<td>1973</td>
<td>69</td>
<td>116,998</td>
</tr>
<tr>
<td>1974</td>
<td>83</td>
<td>83,332</td>
</tr>
<tr>
<td>1975</td>
<td>46</td>
<td>57,373</td>
</tr>
<tr>
<td>1977</td>
<td>64</td>
<td>77,615</td>
</tr>
<tr>
<td>1978</td>
<td>33</td>
<td>32,803</td>
</tr>
<tr>
<td>1979</td>
<td>65</td>
<td>36,754</td>
</tr>
<tr>
<td>1980</td>
<td>73</td>
<td>8,600</td>
</tr>
</tbody>
</table>

A significant feature of strike activity in 1972 was its impact on the tourist industry, and two strikes in particular were important. In May 1972, Apisai Tora led a strike by the Airport Workers Union against Qantas, and in the following August a tribunal, headed by a retired Chief Justice of the Delhi High Court, Justice Hardayal Hardy, was appointed to inquire into the dispute. Tora's militancy throughout the dispute was underlined by his statement at the tribunal that Fiji did not need Qantas. It was, as he put it, "not at all indispensable". Judge Hardy awarded the striking workers a basic wage of 50 cents an hour, but he also argued that there was no reason why airport workers in Fiji should not seek to achieve the higher wage level enjoyed by similar workers in Honolulu. The Fiji Times reported his views thus: "Fiji Workers Exploited, Judge Says". Tora of course welcomed the judge's pronouncements, saying that he had "opened the way" to all Fiji trade unions in their battle to get a living wage. But the response from another leading trade unionist was not quite so enthusiastic. In September, Mohammed Ramzan, President of the Public Employees Union and a candidate for the presidency of the Fiji Trade Union Congress in the forthcoming election at the end of the month, made this assessment of the judge's ruling:

In collective bargaining one of the elements used in negotiations is comparison ... Often we have used local and overseas comparisons.

But then came this statement:

Everything boils down to what the economy of the country can afford to pay and provide.
Tora had scored a significant victory in his head-on confrontation with capital. His struggle to secure better conditions for his members had profound implications for workers in other sectors, and here was Ramzan effectively trying to blunt the impact of the victory. The latter's intervention, however, is not altogether surprising. He had, after all, successfully contested the general elections at the end of the previous April on an Alliance ticket. And ironically, when in early April he defended his decision to contest the elections, he also said that the trade union movement must not become involved in politics!  

Ramzan's intervention in September may well have been a factor in the subsequent split within the Fiji Trade Union Congress. He was elected as president of the congress at the end of that month, and in the following December the Airline Workers Union officially withdrew from the FTUC. The congress had initiated an inquiry into the conduct of the Airline Workers Union's activities, but the withdrawal "cut short" the inquiry. Some time earlier, Tora had referred to the FTUC as "a tame cat and lame duck organisation which had no long-range policy", and he now warned that it was "only a matter of time before the whole FTUC disintegrates". It is not insignificant that the president of the FTUC at that time was also a state functionary.

In January 1973, the Ministry of Labour nominated Tora for a three-month trade union course in England. The militant leader of a union which had been the bane of tourist capital was to be temporarily absent from the country. Before he left, however, Tora announced that plans
were underway for the formation of a rival national organisation of unions. Later in the year, the Fiji Council of Trade Unions was formed, with Tora as its head. That might well have had an influence on another development in the wider process of class containment, the co-optation of labour into the state machinery. But that was not to be.

The Airline Workers Union's victory in 1972 was followed by a strike by 5,000 building workers throughout Fiji in support of a claim for a minimum wage rate of 50 cents an hour. That, however, allowed the state to move towards introducing repressive labour laws. The strike began on 13 March 1973 and the very next day, the Minister for Labour, Mr J. Mavoa, announced the state's intention to pass "new labour legislation". Early attempts by the state to end the building workers' strike had failed, and that led the Fiji Times to argue that the right to strike was not absolute and also to the Prime Minister's statement that "Fiji's economy was too vulnerable to be allowed to suffer from industrial strife". A lightning 24-hour strike by airline workers in Nadi in protest against the impending legislation pointed to the growing concern within certain sections of the labour movement.

By early April the Trades Disputes and the Counter-inflation Bills were ready for tabling in Parliament. When, however, the former was tabled on the 5th of the month, the Speaker of the House, R. Patel, refused to have it read because of a procedural objection raised by Opposition member K.C. Ramrakha. The objection was upheld and the Speaker ruled for an indefinite adjournment. The Fiji Times claimed
that the move had been engineered by the Opposition "to defer the controversial Trade Disputes Bill", and the resulting "constitutional crisis" was only resolved when the ruling Alliance Government overruled the Speaker, who was subsequently sacked. When the bill was finally debated, the Opposition raised no substantive objections against it, and were subsequently criticised for that by James Raman, the secretary of the FTUC. Why the silence? Ramrakha's explanation is interesting. He claimed to have been reliably informed that at a Labour Advisory Council meeting Mr Raman supported the bill "with certain exceptions and reservations". Later, he went on to say, some Opposition members of the House met with FTUC representatives. He described the outcome of that meeting in this way:

During the meeting Mr Raman made it clear that he did not want NFP members to carry any brief in Parliament for the FTUC. So instead of asking the only parliamentary source to attack the bill, he was trying to alienate us and minimise our standing.

It is significant that the nationwide worker protest against the Act was held after it was passed, and not before.

The enactment of the Trade Disputes Act did not prevent a further wave of strikes, and by the end of the year close to 117,000 workdays had been lost, a record which remains unbroken. Soon, however, the restraining influence of the Act began to tell. From 1974 onwards, the number of workdays lost fell progressively, reaching a low of 8,600 in 1980. The prices and incomes policy established by the Counterinflation Act lasted until April 1975, but by that time pressure from both capital and labour had weakened its
effectiveness considerably.

The state, for its part, insisted that the Trade Disputes Act was not intended to undermine the workers' right to strike, but rather to "improve the machinery for settling disputes and for encouraging dialogue".\textsuperscript{147} As the Minister for Labour put it, "The Pacific way is to have a dialogue and not to have a clash",\textsuperscript{148} and dialogue, what is more, was what 'joint consultation' was all about. In view of the reaction against the Disputes Act, therefore, it was necessary to repair what harm might have been done to the ideology of joint consultation which the colonial state had so assiduously cultivated in the 1960s. It was not coincidental, then, that the Prime Minister announced in September 1974 that he intended to hold regular meetings with trade union leaders and employers.\textsuperscript{149} In any case, the state realised that its counterinflation policy "could not succeed unless it had the support of both sides of industry".\textsuperscript{150} There was, however, one problem about the Prime Minister's proposal. Who exactly were the trade union leaders? There were now two national organisations, and even though the FTUC was generally seen to be rather closer to the Alliance Government than the FCTU (the FTUC's president, after all was an Alliance Member of Parliament), the latter did have a significant following. Attempts were therefore made to bring the two organisations together. In December 1974, for example, the Minister for Labour urged the rivals to "patch up their differences".\textsuperscript{151} In July of the following year he repeated his plea when he addressed a seminar organised by the FCTU.\textsuperscript{152} At that seminar, also, Tora called for dialogue
between labour and capital.\textsuperscript{153} Had the FCTU subsequently shown, through concrete action, that it was genuinely interested in 'dialogue', it might have assumed a more prominent part in the Tripartite Forum which was formed later, but it did not. The FTUC, on the other hand, did.

At its annual conference in the following December, the FTUC resolved to ask the Prime Minister to begin talks "for the development of a tripartite alliance for social-economic development and the spread of social justice".\textsuperscript{154} An "alliance" among similar lines already existed in Singapore, and it is interesting that the FTUC was addressed by the Secretary-General of the Singapore Trades Union Congress, Devan Nair. The FTUC, he suggested, might wish to consider the "approach" which his organisation had taken to the "problems of socio-economic development, and nation-building", in his "multireligious, multilingual, multiracial society".

In the context of Fiji, that would mean that

\begin{quote}
Fiji trade unions must consciously and deliberately support and strengthen those political forces ... which aim at the creation of a dynamic, vigorous and united Fijian national identity.\textsuperscript{155}
\end{quote}

In July of the following year, the Fiji Employers Consultative Association pledged its support for the FTUC proposals for the "Singapore style of Government-employer-trade union council".\textsuperscript{156} Further attempts in the same month to heal the rift between the FTUC and the FCTU came to nothing,\textsuperscript{157} and the FTUC emerged as the representative body for organised labour. It showed more initiative and enthusiasm for the Tripartite Forum which was formed later that year, and was duly rewarded with recognition. Moreover, it was affiliated
to the International Confederation of Free Trade Unions whereas the FCTU was affiliated to the Moscow-aligned World Federation of Trade Unions. The more the state dealt with the FTUC, then, the less the FCTU could do to make effective interventions. The Trade Disputes Act was working effectively and the FTUC had fostered the co-optation of labour into the state machinery. Gradually, therefore, the FCTU went into decline, and later its leader, Tora, was to leave the trade union movement, join the Alliance Party, and eventually hold a ministerial position.

The formation of the Tripartite Forum, then can be seen as the culmination of a long process of class containment which began with the colonial state's attempt in the 1960s at promoting joint consultation. The crisis of '73 threatened to undo much of what had been achieved, but with the various connections between the FTUC and the state, together with the FTUC's and capital's attraction to "Singapore-style" industrial relations, the path to the Forum was pretty well secure. And with labour now co-opted into the state, the management of class conflict became even more institutionalised. That, together with the fact that the leadership of the trade union movement was essentially reformist and petty-bourgeois, meant that henceforth workers could not hope for anything more than economistic gains. And as the figures in Table 11.7 above suggest, the Forum functioned effectively in its task of class containment. In 1978 both the number of strikes and the number of workdays lost dropped by 50%, and two years later only 8,600 workdays were lost.

When the state sought in 1973 to introduce repressive
legislation against the working class, it sparked off a "constitutional crisis". But that 'crisis' could not compare with that which followed four years later. It is significant that no major disruptions occurred in the sugar-cane fields, at least none of the order of the 1960 strike. The Sugar Industry Ordinance of 1961 proved to be a highly effective piece of restraining legislation. But the Indian cane farmers had for a long time been concerned about the question of land tenure, and it was that thorny issue which lay at the root of the most important crisis of bourgeois democracy in Fiji.

7. CRISIS OF BOURGEOIS DEMOCRACY

Indian cane farmers had long been concerned about the security of their leases of Fijian land. Persistent pressure eventually led to the Agricultural Landlord and Tenant Ordinance of 1966 (ALTO). Complaints from Fijian landowners that ALTO favoured the tenant more than the owner prompted an inquiry in 1969 into the provisions of the ordinance. The committee appointed for the task submitted its report to Parliament in October 1975, and in November 1976 the bill to amend ALTO was debated. Farmer objections to the bill revolved essentially around three issues: the method of reassessing land value for the purposes of determining rents; the proposed introduction of share-cropping — this Indian farmers saw as a means by which they would be turned into "glorified labourers" at the mercy of Fijian landlords; and the creation of 30-year leases with a further extension of 20 years.
The Fiji Constitution requires that changes in the law relating to native land may be made only with a 75% majority in the House of Representatives and the support of two-thirds of the Council of Chiefs' nominees in the Senate. For the Alliance Government to get the bill through, the latter was not a problem for the former was. It therefore needed some Opposition support, which it got. The Opposition was divided; the Koya faction opposed it, the Irene Narayan faction supported it. And when the bill was put to the vote, the latter abstained and the bill was passed.

Acrimony within the Opposition thereafter intensified greatly and the split which now divided the National Federation Party (NFP) carried over into the general elections in April 1977. By this time, the Fiji Nationalist Party (FNP), led by Sakeasi Butadroka, was already well established, and largely as a result of vote-splitting among traditional Alliance supporters caused by the FNP, the National Federation Party narrowly won the elections. It got 26 seats, the Alliance 24, and the remaining two going to Butadroka and Ratu Osea Gavidii, an Independent. The burning question now was who would form the government. Bourgeois democracy dictated that the NFP should, but the ruling class decided otherwise.¹⁵⁹

On Tuesday, 5 April Ratu Mara resigned as Prime Minister. The next day the Governor-General, Ratu Sir George Cakobau, asked Koya if he would be able to form a government, to which Koya replied that he would, but added that he wished first to explore the possibility of a coalition. The day after, Thursday 7 April, the Governor-General summoned the NFP and the Alliance to a joint meeting with him, but the
Alliance Party did not attend. At that meeting, the Governor-General issued a statement covering four points and which were reported by the President of the NFP as follows:

1. The Alliance was prepared to form a caretaker government which would not include any NFP members in the Cabinet. It would run for three months, after which a fresh general election would be held.

2. The Alliance was not prepared to talk about coalition.

3. The Governor-General invited the NFP to "now form a government".

4. If the NFP did not form a government he would ask the Alliance to do so.\textsuperscript{160}

Having been invited to form a government, the NFP then, acting in terms of the party's constitution, re-elected Koya as leader - but only after a second ballot, the first having been a tie. At 3.15pm Koya made an appointment with the Governor-General to be sworn in as Prime Minister at 4.30pm. But sometime between 3.15pm and 4.30pm the Governor-General appointed Ratu Mara as Prime Minister. Koya kept his appointment and was told of the decision. He asked the Governor-General for an explanation and the latter, according to Koya, said that the appointment of Koya would create instability.\textsuperscript{161} The NFP felt "cheated" because a basic principle of bourgeois democracy had been violated.

Parliament met on 28 April. A Speaker was elected from the Alliance Party and the House then went into recess for four weeks. Immediately before the House reconvened, the NFP wrote to the Governor-General asking him to invite
the Leader of the Opposition to form a government. The request was not acceded to, and when the House met, the Alliance Party moved a motion of confidence in the "government of the day". The Opposition countered with an amendment, which of course was carried, and it read:

This House expresses its considered view that the will of the people of Fiji as expressed through the secret ballot should be respected in order to maintain parliamentary system of the government in Fiji and therefore requests the Governor-General not to dissolve Parliament should an advice in that behalf be tendered but to invite the leader of the majority party in the House, namely, the Leader of the Opposition, to form the government.

The next day Ratu Mara advised the Governor-General to dissolve the House, which he did. Fresh elections were called in the following September and the Alliance Party was returned to power, winning 36 seats against the NFP's 15, while the remaining one went to an independent candidate. In the subsequent power struggle within the NFP, Koya was replaced by Jai Ram Reddy, a compromise choice.

The bourgeois democratic crisis of 1977 underlined the extremely delicate nature of a society pregnant with latent racial hostility and distrust. It appears that the possibility of Fiji being led by Indians was deemed to be more than 'the country' (perhaps, more correctly, the majority of non-Indians) was prepared to accept. And that that seems to have been true of Fijians particularly is suggested by the outcome of the September elections. But the internal friction within the bourgeois Opposition was clearly a major contributing factor in the whole crisis, and the relative calm which emerged after Jai Ram Reddy's elevation to
leadership belied persistent undercurrents which were to resurface in 1984. When Reddy resigned in that year, the two former rivals, Koya and Irene Narayan, contested the leadership, with Koya winning by a slim margin. The Alliance Party, for its part, won the 1982 elections but by a reduced majority. The crisis of 1977, then, was a hiccup in the Alliance's uninterrupted rule. More importantly, it showed that principles of bourgeois democracy could be shelved if Fijian state power was threatened.

8. SUMMARY

This chapter has sought to trace the broad outlines of the class struggle in neocolonial Fiji. The post-war process of restructuring which laid the foundations of the neocolonial economy, together with organised labour's increasing assertiveness in the 1950s, produced the historic struggles of 1959 and 1960. Thereafter the colonial state set about intensifying the containment of the working class, a task which was made relatively easy because the 1960s was a period of relatively high growth. The Fijian peasantry, however, gained little from the economic boom which owed much to the dramatic growth of the tourist industry. In order, therefore, to minimise the possibility of pressure from the peasant class, pressure which would be particularly problematic for the chiefs, agrarian reforms were instituted. By drawing the peasants into capitalist production, it was hoped that their economic plight would be alleviated. But the strategy failed, and with that the question of 'Fijian' economic advancement became ever more urgent. By championing
the Fijian cause, the indigenous bureaucratic bourgeoisie heightened its chances of success in the wider struggle for state power in the 1960s. And in the course of that struggle, anti-Indian sentiment, which previously had been so openly rampant, gave way to the ideology of multiracialism. Significantly, that occurred at about the time it became evident that Fijians were likely to assume state power.

Despite the falling level of capital inflow in the 1970s, foreign control in the neocolonial economy remained high, and apart from the sugar industry, the postcolonial state showed little inclination to structure the economy in such a way as to allow the weak indigenous bourgeoisie to develop. And yet it was precisely that goal which it sought to achieve. But the likelihood of the very small indigenous bourgeoisie posing anything like a significant challenge to established capital - both European and Indian - was never great. The 1970s, after all, saw the neocolonial economy struggling through a prolonged recession which began with the crisis of 1973. Intensifying capitalist contradictions in the latter part of the 1960s worsened in the early seventies and produced the counterinflationary policies and the highly repressive Trade Disputes Act of 1973. Thereafter capital, the postcolonial state and the petty bourgeois leadership of the trade union movement collaborated in a series of exercises which culminated with the co-optation of labour into the state machinery. The Indian sugar-cane farmers, for their part, were not only hamstrung by the Sugar Industry Ordinance of 1961, but were also burdened with intraclass tensions and a bourgeois political party
which supposedly championed their cause. Bourgeois rivalries within the NFP prevented a united approach to the issue which concerned the cane farmers most, land security. Those rivalries led to the most serious crisis of bourgeois democracy in Fiji, a crisis which threatened Fijian state power fundamentally. In the resolution of that crisis, the Alliance Party regained control and Fijian state power was re-established. Capital - European and some Indian - could now legitimately feel more secure.
CHAPTER XII

CONCLUSION

The aim of this thesis has been to provide an alternative interpretation of the trajectory of capitalist development in Fiji. Against the dominant view which sees Fiji in terms of racial categories, and without disputing the reality of racial conflicts, the study argues that those conflicts are in fact the form which underlying class conflicts assume.

The inability of the internal class forces to bring to a determinate conclusion the struggles in which they were locked at the time of capitalist penetration, facilitated entry of capitalism into Fiji. For a period of about sixty years thereafter, capitalist relations increasingly took root, but the failure of the agents of capital to constitute a capitalist state delayed the completion of the transition to capitalist dominance. Pressures which they exerted on Britain eventually led to the annexation of the country in 1874 and the establishment of a capitalist state, a development which was justified by the ideology of imperial benevolence.

A central part of that ideology was the supposed concern to safeguard the interests of the indigenous people. That, however, meant that in order to attract Australian capital to develop the sugar industry, labour had to be sought elsewhere. The main source was India, and through the indenture system the principal axis of conflict, that
between capital and labour, assumed a racial form - European
capital, Indian labour. For the Fijians, the colonial
policy of "protection" meant that the majority of the indig-
enes were effectively transformed into a peasant class eking
out a subsistence existence but also partially drawn into
the capital relation through production of, primarily, copra
and bananas for the export market. And as for the chiefs,
they were co-opted into the colonial state in order to facil-
itate the urgent task of social control. When, however,
the system of 'indirect rule' became rather less necessary
as a form of social control and the colonial state sought
increasingly to dispense with its subordinate chiefly func-
tionaries, the chiefly class waged a 30-year struggle against
the state. The culmination of that struggle was the emer-
gence in 1944 of the indigenous bureaucratic bourgeoisie as
a rather more powerful group within the ruling class.

In the meantime the system of indenture had ended,
and the predominantly Indian working and cane-farmer class
waged a series of battles against capital and the colonial
state in an attempt to improve their material condition. Of
those struggles, two in the 1920s led eventually to the
forging of an alliance between white capital and the chiefly
class. That alliance was initiated by capital, particularly
local white capital, largely because the struggles by
working Indians represented a major threat to profits. With
the 'Fijians' on their side, capital was better able to
contain class pressure. And because the conflict between
capital and labour coincided with a racial cleavage, racial-
ism emerged as the major means by which to contain class
pressure. Unfortunately for the Indian working classes, their struggle for political rights was led by a bourgeois leadership who, by struggling for Indians as opposed to workers, seriously compromised the position of the latter. Bourgeois Indians played right into the hands of the ruling class by struggling within the framework of the wider forms of bourgeois organisation.

By the end of the Second World War, the balance of class forces was weighed rather more against local capital than it previously had. Sugar capital still maintained its dominant position within the ruling class, but labour was now organised and the indigenous bureaucratic bourgeoisie was rather more powerful now than before. Local white capital, on the other hand, was in a shaky position. The relative absence of potentially attractive areas for expansion restricted its growth, and if it was to shore up its position, then something had to be done soon. Changes in metropolitan colonial policy some years earlier led to the emergence of state planning in Fiji, a practice which was to guide the task of post-war reconstruction. And local capital had a particular idea of what form that reconstruction should take.

To facilitate the task which lay ahead, the representatives of local capital orchestrated a most vehement attack against the predominantly Indian working classes. By this time Indians had outnumbered the Fijians and that provided the perfect cover behind which to contain labour and at the same time inform the Fijians that their future lay with the 'Europeans'. With that done, local capital was now in a
better position to make interventions in the state planning machinery in order to restructure the colonial economy towards that industry on which it pinned its hopes - tourism.

By the end of the fifties that process of restructuring was virtually complete, but the decade also saw the growing strength of organised labour. And when the historic struggles of 1959 and 1960 threatened to undermine the neo-colonial structure which had just been founded, the colonial state responded with repressive measures - violent and non-violent. The containment of organised labour in the 1960s was facilitated by the fact that the decade was one of economic buoyancy, thanks largely to the tourist boom which was well and truly underway by 1965.

But the sixties was also the decade of the struggle for state power. Championed most strongly by the indigenous bureaucratic bourgeoisie, the cause of 'Fijian' economic advancement came to figure as the central issue in that struggle. Early attempts at securing that goal had failed: the attempt to improve the lot of the predominantly Fijian peasantry by drawing it into capitalist production did not work, only a small percentage of Fijians occupied reasonably well-paid jobs, there were very few Fijian businesses, and it was clear that on the whole Fijians benefitted little from the tourist industry. The question of Fijian economic weakness therefore became an integral part of the quest for Fijian control in the post-independence period.

Largely because of the alliance between the chiefly class and capital, and also the failure of the colonial state to take any substantive measures to prevent it,
anti-Indian sentiment was the hallmark of the early stages in the struggle for state power. When, however, it became clear that state power would pass into Fijian hands, racialism gave way to the ideology of multiracialism.

Fijian state power was used to try to develop the very small indigenous bourgeoisie, but the exercise was not a glowing success, and the indigenous bourgeoisie remains weak. And although increasing numbers of Fijians took to cane farming, the farmer class remains predominantly Indian, even after the takeover of the sugar industry by the state in 1973. But the attempt at developing the indigenous bourgeoisie was seriously handicapped by the difficult economic conditions of the 1970s.

Intensifying capitalist contradictions produced the major crisis of 1973 when labour was dealt a blow by the passage of the repressive Trade Disputes Act and a counter-inflationary prices and incomes policy was enacted. Thereafter the economy entered a prolonged period of recession. The upsurge in labour struggles in the aftermath of the events of April 1973 signalled to capital and the state that moves should be made to prevent too much damage being done to the ideology of joint consultation which emerged in the 1960s as a means of controlling labour. But in that task, they were aided by the essentially reformist and petty bourgeois leadership of the trade union movement, a leadership which showed very little evidence of being able, perhaps also willing, to articulate the real basis of the exploitation of workers. Not surprisingly, therefore, it was party to a series of developments culminating in the co-optation
of organised labour into the state machinery. Neither too is it surprising that the trade union movement has been unable to advance the workers' cause beyond economistic gains.

Foreign capital, of course, continued to maintain its high level of control and the state showed little inclination to make fundamental inroads into the former's solidly entrenched positions. Little wonder, therefore, that in the 1970s the trade union movement evolved in the way that it did, and also that the indigenous bourgeoisie was unable to constitute itself as anything like a major force.

But the principal contradiction between capital and labour was blunted by the effect of a secondary axis of conflict, one which divided the dominated classes internally. And the most significant aspect of that secondary contradiction is that between Indian and Fijian workers. What is more, as local Indian capital developed, the racial form of class conflict was exaggerated. At the same time, however, the matrix of class conflict became even more complex as Indian capital aligned itself more with the predominantly-Fijian Alliance Party than with the predominantly-Indian National Federation Party. But that is hardly surprising. When racialism figures so prominently, capitalists know only too well that their survival depends very critically on supporting those who wield state power, whatever their race.

Although the Alliance Party dominated the postcolonial state, the 1977 crisis of bourgeois democracy in Fiji underlined the depth of subterranean tensions. With the state controlling the sugar industry, Indian cane farmers
dependent on leases of Fijian land, and Fijian land-owners keen to derive maximum benefit from their land, the question of land security for those who produced the bulk of the country's wealth proved to be a major problem. That was the real basis of the crisis of '77, although the immediate spark which brought it about was the internal rivalry which divided the bourgeois Opposition. Yet again did the Indian cane farmers take second place to bourgeois leaders who were supposed to be their champions. In the end, the Alliance Party underlined its monopoly of state power - but not after a basic principle of bourgeois democracy was temporarily put into cold storage.

Such, then, were the dynamics of the class struggle in Fiji. Through an analysis of the capitalist state in Fiji, I have sought to draw out the main dimensions of class conflict and to show how those conflicts took on a racial form. With the regaining of Independence in 1970, only the form of the capitalist state changed. And in the post-colonial period, as in the colonial one, the state served essentially to organise class relations in such a way as to allow capitalist accumulation to take place. The state, then was an integral part of the wider capital relation. Only once in the course of Fiji's history did the class struggle begin to approach the outer limits beyond which the capital relation would have been seriously threatened, if not cease to be viable. And that was during the historic struggles of 1959/60. Within the outer limits, the actual boundaries of state action were determined by the balance of
class forces existing at particular historical conjunctures. Whenever, therefore, the state appeared to act against the interests of the dominant class, it was not acting in a 'relatively autonomous' fashion, but rather was simply responding to underlying class forces. This argument, has implications for other capitalist societies in the 'Third World'. For although the class struggle in those societies may take a different form from that which it takes in Fiji, the argument developed here is that the role of the capitalist state remains the same, and in particular that the ideology of relative autonomy only hampers our understanding of the class struggle, and clouds our vision about the way forward.
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Footnotes


6. Ibid., p. 62.


12. Ibid., pp. 13-14.


15. Ibid., p. 37.


17. Ibid., p. 6.


19. Ibid.

20. Ibid., p. 50.
21. Ibid., p. 51.

22. Ibid., pp. 44-45.

23. Ibid., p. 51.

24. Ibid.

25. Ibid.


27. Holloway and Picciotto, "Capital, Crisis and the State", p. 79.


29. Ibid., p. 66.


32. Ibid., pp. 76-77.

33. Ibid., p. 77.
Footnotes


5. This is the kind of error against which France rightly cautions. See *ibid.*, pp. 13-14.


16. See p. 41 above.


19. For a good theoretical discussion of how class relations of exploitation are mediated through political and ideological forms, see Maurice Godelier, "Infrastructures, Societies, and History", New Left Review, No. 112 (Nov.-Dec. 1978): 84-96.

20. Thompson, p. 163.


22. There was some Tongan influence in Nadroga also.


26. Ibid., ch. 3.

27. See for example, France; Clammer; and Derrick, ch. 1.


29. Ibid.

30. Thomson, p. 21. See also, Derrick, ch. 1.


32. Thomson, p. 22.

33. Ibid.


35. Derrick, p. 22.

36. Ibid., p. 32.

37. Ibid.
38. Ibid.

39. For an excellent treatment of this transition, see D.W. Nabudere, The Political Economy of Imperialism (London: Zed Press, 1977), Parts I and II.

40. Ibid., p. 22.

41. This point is made by G.C. Henderson in his, The Discoverers of the Fiji Islands (London: John Murray, 1933), p. 105.


44. Derrick, p. 37.

45. Ibid., p. 40.

46. See, for example, Williams; France; and Derrick.


48. Derrick, p. 68.


50. Ibid., p. 31.

51. Ibid., p. 82.

52. The general drift of Derrick's argument seems to be along these lines also. See his, "The Fijians' Reaction to Trade and Industry in the Early Days", Fiji Society (1940-45): 1-13.

53. Legge, p. 44.

54. The impact of firearms on Fiji is suggested, for example, by the number that was introduced during the beche-de-mer trade alone. Ward estimates that the figure was about 10,000. See Ward, The Pacific Beche-de-mer Trade, p. 110.


56. Ibid., p. 30.

57. Ibid., p. 31.

58. Ibid., p. 32.
59. Ibid.


63. Ibid., p. 160.

64. Ibid.

65. Legge, pp. 46-47. See also, Derrick, A History of Fiji, p. 194.


68. See, for example, Derrick, A History of Fiji, pp. 53-54.


70. France, pp. 53-54.

71. Derrick, op.cit., p. 158.

72. For discussions of these experiments, see, ibid., ch. XIV; France, chs. 5 and 6; and Legge, ch. IV.


75. Ibid., pp. 172-173, 208.


77. All quoted in Sahu Khan, p. 48.

78. Ibid., p. 49.
79. Discussions of the early offers can be found in J.M. Ward, *British Policy in the South Pacific 1786-1893* (Sydney: Australasian Publishing Co., 1948), ch. V; Legge, ch. 2; and Derrick, *op.cit.* , chs. XII and XIII.

80. One of the better discussions of developments leading up to annexation is to be found in J.M. Ward, *British Policy in the South Pacific*, chs. V, XVI and XXII.


83. Ibid., pp. 199, 222, 235.


85. Ibid.


88. Ibid.
Footnotes


5. Legge, Britain in Fiji, p. 214.


9. The most detailed work on labour from the beginning of capitalist penetration to about 1940 is F.E. Wilkins, Labour Problems in Fiji 1860-1940, B.Litt. thesis, Oxford University, 1953.

10. Samy, p. 55.


12. Mao Tse-Tung, p. 16.


15. O'Loughlin, p. 75.


22. Ibid.

23. Ibid.


25. Gillion, p. 98.

26. Ibid., p. 97.

27. Ibid., p. 98.


29. Ibid., p. 98.

30. Moynagh, p. 41.

31. Ibid.


33. Moynagh, p. 46.

34. Narsey, p. 105.

35. Moynagh, p. 56.

36. Ibid., p. 57.

37. Gillion, p. 185.

38. Ibid., p. 100

39. Ibid.

40. Ibid.

41. Ibid., p. 186.

42. Quoted in Moynagh, p. 93.

43. Moynagh, pp. 96-97, 99.
44. Ibid., pp. 114-115.
45. The agreement setting out the conditions of work for the indentured workers is reproduced in Gillion, Appendix E.
46. Gillion, pp. 77-78.
47. Quoted in Gillion, p. 76.
48. Gillion, p. 78.
49. Ibid., p. 79.
50. Narsey, p. 95.
51. Ibid., p. 88.
52. Ibid., pp. 88-89.
54. Narsey, p. 89.
56. Ibid., p. 91.
57. Ibid., pp. 87-91.
58. Ibid., p. 98.
60. Quoted in Narsey, p. 106.
61. See Moynagh, ch. 6; and Narsey, pp. 108-109.
63. Moynagh, p. 129.
64. Narsey, p. 98.
65. Ibid.
69. Ibid., p. 171.
70. Ibid., p. 172.
71. Ibid.
73. Moynagh, p. 157.
74. Narsey, p. 112.
76. Narsey, p. 113.
77. Ibid., p. 113.
78. Ibid., p. 115.
81. Apart from the Actual Totals, the figures in this table are estimates extrapolated from interval data presented in Table 2, Appendix A of the Shepard Report, which is the same source for Table 4.9 above. Acreage figures were derived by multiplying interval means by the actual number of tenants. The extrapolated figures are overestimates of the actual figures, as a comparison of the Extrapolated and Actual Totals reveals, and the margin of error is about 4%.
83. Ibid.
84. Ibid., p. 280, footnote 3.
85. Ibid.
86. Moynagh also makes this point. See Moynagh, p. 153.
89. Stanner, pp. 237-238.
90. O'Loughlin, p. 34.
91. Burns Report, p. 36.
93. These sorts of explanations are to be found in the Burns Report and the Spate Report, and also in C.S. Belshaw, *Under the Ivi Tree*, and R.F. Watters, *Koro: Economic Development and Social Change in Fiji*.
94. Moynagh, p. 65.
95. Ibid., p. 74.

96. Quoted in Gillion, *The Fiji Indians*, p. 11.

97. Quoted, *ibid.*, p. 64.
Footnotes

1. Legge, Britain in Fiji, p. 155n.

2. Ibid., p. 155.


5. Ibid.

6. Ibid.


9. Ibid., p. 22.


11. Ibid., p. 62. See also, Gillion, p. 31.


15. Ibid., p. 81.

16. Ibid., p. 83.

17. Ibid., p. 98.

18. Ibid., p. 97.

19. Ibid., p. 82.

20. Ibid., p. 95.

21. Ibid., p. 97.

22. Ibid., pp. 98-100.

23. Gillion, p. 53.

24. Ibid., pp. 60-61.

25. Ibid., p. 74.

26. Quoted in Gillion, p. 74.

28. Gillion, p. 139.
29. Ibid., p. 132.
30. Quoted in Gillion, p. 132.
32. See Gillion, chapter 7; Ali, chapter 4; and Meller and Anthony, p. 16.
33. Gillion, p. 103.
36. Moynagh, p. 129.
37. Gillion, pp. 107, 111, 134.
38. Ibid., p. 139.
40. Ibid.
41. Ibid., pp. 16-17.
42. For discussions of this point, see Gillion, chapter 7; A. Ravuvu, Fijians At War (Suva: South Pacific Social Sciences Association, 1974), chapter 2; and A.C. Mayer, Indians in Fiji (London: Oxford University Press, 1963), pp. 70-71.
43. Gillion, pp. 184-185.
44. Mayer, op.cit.
45. The debate is discussed very briefly in Gillion, pp. 195-197; and R. Norton, Politics, Race and Society, pp. 93-97.
46. Legislative Council Debates, 1946, Suva, p. 163. Henceforth the Council debates will be footnoted as Legco.
47. Legco., p. 170.
48. Ibid., p. 172.
49. Ibid., p. 171.
50. Ibid., p. 168.
51. Ibid., p. 170.
52. Ibid.
53. Ibid.
54. Ibid.
55. Ibid.
56. Ibid.
57. Ibid.
58. Ibid.
59. Ibid.
60. Ibid.
61. Ibid., p. 170.
62. Ibid., p. 163.
63. Ibid., p. 172.
64. Ibid.
65. Ibid.
66. Ibid., p. 177.
67. Ibid., p. 178.
68. Ibid., p. 174.
69. Ibid., p. 175.
71. Legco., 1946, p. 197.
72. Ibid., p. 188.
73. Ibid., p. 183.
74. Ibid., p. 214.
75. Ibid., p. 199.
76. Ibid.
77. Ibid., p. 200.
78. Ibid., p. 203.
79. Ibid., p. 211.
80. Ibid., p. 203.
81. See Gillion, chapter IV.
82. Legco., 1946, p. 187.


Vishnu Deo filed a Minority Report but its contents do not affect the argument developed here.

Fiji Times & Herald, 15.7.46.

Legco., 1946, p. 172.

Ibid., p. 190.

Footnotes

1. See K.L. Gillion, *Fiji's Indian Immigrants*, pp. 48-49; 83; 89.
2. Ibid., p. 85.
3. Ibid., p. 115.
5. The following description is drawn from Hince.
6. Ibid., pp. 10-11.
7. Ibid., p. 11.
8. Ibid.
10. Ibid., pp. 168-169.
12. Ibid., p. 160.
13. Ibid., p. 163.
22. Ibid., p. 62.
25. Ibid., p. 5.
30. Ibid.
33. Ibid., p. 375.
34. Ibid.
35. Ibid.
37. Hince, op.cit., p. 373.
40. Ibid.
41. Hince, op.cit., p. 376.
42. Ibid.
43. See Fiji Trades Unions Congress' Official Directory for the following years: 1979, p. 36; 1980, p. 48; and 1981/82, p. 72.
44. See Hince, op.cit., pp. 376-377; and Reddy, p. 150.
45. Hince, ibid.
46. Ibid., p. 377.
47. Reddy, p. 151.
50. Ibid., pp. 151-152.
51. In addition to Reddy and Hince, see also P. Rae, "Ethnic Politics in Trade Unionism in Fiji", Pacific Perspective, 8,1 (1979):
CHAPTER VII

Footnotes


2. Quoted in Heath, p. 87.

3. J.D. Legge, Britain in Fiji, p.v.

4. Quoted in Legge, p. 246.

5. For a good discussion of the ideology of the British colonial ruling class, see E.A. Brett, Colonialism and Underdevelopment in East Africa: The Politics of Economic Change (London: Heinemann, 1973), Introduction.


7. This kind of argument is to be found in France, The Charter of the Land; J. Clammer, Colonialism and the Perception of Tradition in Fiji, in Talal Asad ed., Anthropology and the Colonial Encounter (London: Ithaca Press, 1973); Samy, Some Aspects of Ethnic Politics and Class in Fiji, ch. 3; and Norton, Politics, Race and Society, ch. 3.


10. See, for example, Legge, Part 2; Norton, ch. 3; Sahu Khan. The Constitution of Fiji, Ph.D. thesis, University of Auckland, 1975, ch. 1; and G.K. Roth, Native Administration in Fiji During the Past 75 Years: A Successful Experiment in Indirect Rule (London: Royal Anthropological Institute, Occasional Paper No. 10, 1951).


15. For discussions of this campaign, see Legge, pp. 214-216; Burns, Fiji, p. 103; Samy, p. 108; and Norton, p. 125.


17. Ibid.

18. Ibid., pp. 215-216.
19. Ibid., p. 216.

20. The earliest work on the Tuka is W. Sutherland's, "The 'Tuka' Religion", Fiji Society Transactions, (1908-1910): 51-57. The Luve ni Wai is discussed in J.R. Clammer, Literacy and Social Change: A Case Study of Fiji (Leiden: E.J. Brill, 1976), ch. 6; and also in Norton, ch. 5. These authors also give accounts of the Tuka movement, but see also Deryck Scarr, I, the Very Bayonet (Canberra: Australian National University Press, 1973), passim; and P. Worsley, The Trumpet Shall Sound (London: Paladin, 1970), ch. 1.

21. Sutherland, p. 56.

22. Ibid.

23. Ibid., p. 57; Clammer, p. 113; Norton, p. 227.

24. Sutherland, p. 57. Clammer says that Apolosi died on his way home after completing his exile. See Clammer, p. 113.

25. Sutherland, p. 57.


27. Quoted in Chapelle, p. 53.

28. Quoted, ibid., p. 56.

29. Quoted, ibid.

30. Quoted, ibid., p. 57.


33. France takes the former view, Chapelle the latter.


36. Quoted in Couper, p. 269.

37. Couper, p. 270.

39. This theme is developed in Norton, ch. V.

40. See, for example, Couper, p. 269.


42. Ibid., p. 51.

43. Ibid., p. 57.

44. Norton, p. 229.

45. Ibid., p. 220.

46. Ibid., pp. 223.

47. Couper, p. 269.

48. Samy, p. 44.

49. Gillion, p. 95. See also M. Moynagh, Brown or White?, p. 16.

50. Quoted in Burns, p. 134.

51. Quoted in Sahu Khan, p. 27.

52. See Sahu Khan, p. 27.


54. Ibid., p. 28.

55. Sahu Khan, p. 30.


58. MacNaught, op.cit.

59. Sahu Khan, pp. 33, 36.

60. Norton, p. 223.

61. Ibid.

62. Ibid.

64. The Spate Report, p. 55.
65. Ibid., p. 7.
66. Ibid.
68. C.S. Belshaw, Under the Ivi Tree, p. 236.
69. Ibid.
70. Ibid.
Footnotes

1. For a summary of the Statement, see Colonial Development: Imperial Government's Proposals, Suva, C.P. 19/40.

2. C. Whitehead, Education Policy in Fiji: Policy, Problems and Progress in Primary and Secondary Education, 1937-1973 (Canberra: Australian National University Pacific Research Monograph Number Six, 1981), p. 16. Expenditure of certain sums of colonial works were provided for in the Colonial Development Act of 1929. Legge argues, however, that they were intended not so much as colonial assistance but rather as "a means of assisting the domestic situation". See Legge, Britain in Fiji, p. 168n.


5. Ibid.


10. Ibid., p. 8.

11. Ibid.

12. Ibid.

13. Ibid.


15. Ibid., p. 156.


17. Ibid., p. 6.

18. Ibid., p. 2.


20. Ibid., p. 11.

21. Ibid., p. 2.

22. Ibid.
23. Ibid., p. 6.
24. Ibid.
25. Ibid.
29. Ibid.
30. Ibid.
31. Ibid., p. 42.
32. Ibid., p. 43.
34. Legco., 1949, p. 192.
36. See footnote 26 above.
39. Ibid., p. 257.
40. Legco., 1957, p. 188.
41. Reported in Fiji Times, 5.7.60.
42. Legco, 1958, p. 592.
43. Ibid.
44. Legco., 1948, p. 393.
45. Ibid., p. 397.
47. C. O'Loughlin, The Pattern of the Fiji Economy, Preface.
49. Ibid.
50. Ibid.
51. Ibid.


53. Ibid., p. 226.

54. Burns Report, p. 103.

55. Ibid.

56. Ibid.


58. See, ibid., p. 157.
Footnotes


2. Ibid., Appendix IX.

3. Ibid., p. 2.

4. Ibid., p. 4.

5. Ibid.

6. Ibid., p. 5.

7. Ibid., pp. 4-5.

8. Ibid., p. 19.

9. Ibid., Appendix V.

10. Ibid., p. 3.

11. Ibid., Appendix V.

12. Ibid., Appendix VIII.

13. Ibid.

14. Ibid., Appendix V.

15. Ibid., p. 24.

16. Ibid., p. 4.

17. Ibid., Appendix VIII.

18. Ibid., p. 8.

19. Ibid., Appendix VI.

20. Ibid., p. 6.


22. Ibid., p. 8.

23. Ibid., p. 15.

24. Ibid.

25. Ibid., p. 17.

26. Ibid.

27. Fiji Times, 28.1.60.
28. Ibid.
29. Ibid., p. 28.
31. This point was made by James Anthony at a public lecture he gave at the University of the South Pacific on 12 March 1984, entitled "The 1959 Oilworkers' Strike and Further Developments: Some Private Thoughts Made Public".
32. Lowe Report, op.cit., Appendix XI.
33. Ibid.
34. Ibid., p. 27.
35. Ibid., p. 28.
36. Ibid., p. 27.
37. Ibid., Appendix IX.
38. Ibid., p. 28.
39. Ibid., Appendix IX.
41. Ibid., p. 204.
42. Ibid., p. 205.
43. Ibid., pp. 204-205.
44. Quoted in Moynagh, ibid., p. 205.
49. "Ibid., p. 137.
50. Ibid.
51. Ibid., p. 138.
52. Ibid.
53. Moynagh, p. 207.

55. Ibid.

56. Ibid., p. 216. See also W. Narsey, "Monopoly Capital, White Racism and Superprofits in Fiji", pp. 113-114, 117-118.

57. Moynagh, p. 216.

58. Fiji Times, 21.6.60.

59. Ibid., 1.7.60.

60. Ibid., 8.8.60.

61. Ibid., 10.8.60.

62. Ibid., 19.8.60.

63. Ibid., 23.8.60 and 26.8.60.

64. Ibid., 27.8.60.

65. Ibid.

66. Ibid., 3.9.60 and 6.9.60.

67. Ibid., 6.9.60.

68. Ibid.

69. Ibid.

70. Ibid.

71. Ibid.

72. Ibid., 7.9.60.

73. Ibid., 19.9.60.

74. Ibid., 20.9.60.

75. Ibid., 7.9.60.

76. Ibid., 12.9.60.

77. Ibid., 27.9.60.

78. Ibid., 1.10.60.

79. Ibid.

80. Ibid.

81. Ibid.

82. Ibid., 17.10.60.
84. Fiji Times, 17.10.60.
85. Ibid.
86. Ibid., 7.9.61.
87. Ibid., 29.9.61.
88. Ibid., 26.10.61.
89. Ibid., 4.11.61.
90. Ibid., 6.12.61.
94. Ibid., 6.12.61.
95. Ibid., 7.12.61., and 11.12.61.
96. Ibid., 5.3.63.
98. For details of the case, see Report of the Committee Appointed to Consider and Report on the Petition Presented to the House of Representatives on 26th October 1978 By Mr. Apisai Vuniyayawa alaia Mohammed Tora, Suva, Parliamentary Paper 11/79. Henceforth Parliamentary Papers will be referred to as P.P. followed by the number and year.
100. Ibid.
101. Ibid., pp. 111-112.
102. Ibid., p. 112.
104. Ibid.
105. Fiji Times, 16.3.60.
106. Ibid.
107. Ibid.
108. See, for example, Fiji Times, 5.4.60.

110. Fiji Times, 5.5.60.

111. See, for example, Fiji Times, 4.4.60 and 5.4.60.

112. Fiji Times, 12.5.60; 17.5.60; 26.5.60.

113. Ibid., 2.4.60.


115. See Fiji Times, 21.10.60.

116. Fiji Times, 23.4.60.

117. Ibid.

118. Ibid.

119. Ibid., 17.8.62.

120. Ibid., 6.5.60.

121. Ibid.

122. Ibid.

123. Fiji Times, 6.6.60.


126. Fiji Times, 21.10.60.

127. Ibid.

128. Ibid.

129. Ibid.

130. Ibid., 17.12.60.
Footnotes


3. Ibid., p. 8.

4. See Fiji Times, 20.5.71; 3.6.71; 4.6.71.


8. Ibid., p. 57.

9. Ibid., p. 58.

10. Ibid., pp., I, II.

11. Ibid., p. 56.

12. Ibid., p. 58.

13. Ibid., p. 18.


16. Ibid., p. 11.


19. Ibid., p. 47.

20. Taylor, especially, pp. 3-20.

21. This is the thrust of Taylor's conclusion but he refers to capital rather than foreign capital specifically. See Taylor, p. 9.

22. The most significant work on the tourist industry in Fiji is Stephen G. Britton's, Tourism in a Peripheral Capitalist Economy:
23. In compiling this table, 'Imputed Bank Service Charges' have been deducted from 'Government and Other Services'. Also, for 1963, 'Finance and Insurance' includes real estate.


25. Ibid.


29. These figures are also drawn from the Civil Lists.

Footnotes

5. Fiji Times, 30.10.67.
7. Fiji Times, 6.4.68.
9. Ibid.
12. Ibid., p. 5.
15. Ibid., p. 49.
16. Ibid., chs. IX-XVI.
17. Fiji Times, 24.6.61.
18. Ibid., 2.8.61.
20. Ibid., p. 2.
22. See Annual Reports of the Land Development Authority for 1962, p. 2, and 1963, pp. 5-6; and also, Fiji Times, 3.7.65.
23. Fiji Times, 3.7.65.
24. Ibid., 30.10.64.
26. Ibid.
27. Fiji Times, 30.8.67.
28. Ibid., 7.12.66; 14.7.67.
30. Fiji Times, 18.4.69.
33. Ibid.
34. Burns Report, p. 81.
35. Ibid., pp. 81, 82.
36. Fiji Times, 15.8.61.
37. Ibid., 25.8.61.
38. Ibid., 26.8.61; 28.8.61.
39. Ibid., 15.9.62.
40. Ibid., 5.12.64.
41. Ibid., 1.4.65.
42. Ibid.
43. Ibid., 28.6.66.
44. Ibid.
45. Ibid., 23.5.67.
46. Ibid.
47. Ibid., 26.3.68.
48. Ibid.
49. Ibid., 30.11.68.
50. Ibid., 10.4.69.
51. Ibid., 12.3.60.
52. Ibid., 28.10.60.
53. Ibid., 24.10.60; 25.10.60; 26.10.60.
54. Ibid., 15.12.60.
55. Ibid., 28.2.61.
56. Ibid.
57. Ibid., 14.4.61.
58. Ibid.
59. Ibid., 14.4.61; 18.4.61.
60. Ibid., 5.8.61.
62. Ibid., 16.3.62; 21.3.62.
63. Ibid., 13.12.62.
64. Ibid.
65. Ibid., 22.1.63.
66. Ibid., 5.7.63.
67. Ibid., 6.7.63.
68. Ibid., 26.8.63.
69. Ibid., 8.10.62.
70. Ibid., 27.5.64.
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74. Ibid., 4.2.65.
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78. Ibid., 18.6.65.
79. Ibid., 19.6.65.
80. Ibid., 14.6.65.
81. Ibid., 21.6.65.
82. Ibid., 28.6.65.
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84. Ibid., 28.6.65.
85. Ibid.
86. Ibid.
87. Ibid., 19.7.65.
88. Ibid.
89. Ibid., 11.8.65.; 23.8.65.
90. Ibid., 22.12.65.
91. Ibid., 28.2.66.
94. *Fiji Times*, 13.9.68.
95. Ibid.
96. Ibid., 16.9.68.
97. Ibid., 17.9.68.
98. Ibid., 19.9.68.
99. Ibid., 27.9.68.
100. Ibid., 30.9.68.
101. Ibid., 10.10.68.
102. Ibid., 19.11.68.
103. Ibid., 2.11.68.
104. Ibid., 26.5.69.
105. Ibid., 7.6.69.
108. Ibid., 4.11.69; 22.11.69; 9.12.69.
109. Ibid., 29.1.70.
110. Ibid., 12.2.70.
113. Ibid., pp. 222-223.
114. Ibid., ch. 9.
117. Ibid., 24.3.70.
118. Ibid., 10.12.70.
119. Ibid., 26.3.71.
120. Ibid., 25.1.72.
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122. Ibid., 10.5.74.
123. Ibid., 10.5.74.
124. Ibid., 24.6.74.
125. Ibid., 19.9.74.
126. Ibid., 29.11.73.
127. Ibid., 10.4.75.
128. Ibid., 25.4.75.
129. Ibid., 11.8.75.
130. Ibid., 19.12.75; 29.1.76; 24.2.76.
131. Ibid., 6.6.79; 2.7.79; 28.8.79; 25.2.84.
132. Ibid., 25.2.84.
133. Ibid., 25.8.72.
134. Ibid., 13.9.72.
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140. Ibid., 23.3.73.
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143. Ibid., 28.3.73.
144. Ibid., 6.4.73.
145. Ibid., 17.4.73.
146. Ibid., 17.4.73.
147. Ibid., 2.4.73.
148. Ibid.
149. Ibid., 24.9.74.
150. Ibid.
151. Ibid., 6.12.74.
152. Ibid., 23.7.75.
153. Ibid., 23.7.75.
154. Ibid., 22.12.75.
155. Ibid., 27.12.75.
156. Ibid., 29.7.76.
157. Ibid., 13.7.76; 14.7.76; 14.7.76; 21.7.76.
159. The account of events which now follows is based on newspaper reports and David J. Murray, "The Governor-General in Fiji's Constitutional Crisis", Politics, 2 (November 1978): 230-238.
160. Fiji Times, 23.5.77.
161. Murray, p. 231.
162. Ibid., p. 232.
163. Ibid.
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