Chapter 1

So Much Charity, So Little Democracy

I do not think there is any contest as to who shall dominate; the white race, the white people, the Americans in Hawaii are going to dominate.

-Royal D. Mead

I can see little difference between the importation of foreign laborers and the importation of jute bags from India.

—Richard A. Cooke

Precapitalist Social Relations

Sugarcane was introduced to Hawaii by the original caretakers of the land and, like taro and sweet potatoes, was cultivated in family gardens primarily for the benefit of the producers. The family or kin group ('ohana) was physically and psychically identified with the land ('aina), as shown in the etymologies of both words. 'Ohana, derived from 'oha, the bud or sprout of the taro plant whose roots provided poi, the staple food, connotes an agricultural people. 'Aina comes from 'ai, "to feed," and indicates that the homeland sustained not only the group's bodily needs but its psychic needs as well, because ancestors ('aumakua), with whom the living identified and to whom they prayed for guidance and protection, resided on the land. Hawaiian horticulture was complex, involving plant and soil selection, irrigation, terracing, wet and dry farming, and fertilizing and mulching. It was a preeminent occupation for men; boys were dedicated to Lono, the god of rain and agriculture, during their initiation into manhood.2

Hawaiian society, established about the second century C.E., became increasingly stratified. The ali'i ("chiefs") distributed land, levied taxes on labor and goods, and settled disputes. They ruled over the maka'ainana ("workers"), who produced surpluses sufficient to support the chiefs and to trade. Chiefs neither accumulated wealth nor were they completely autocratic; instead, they were trustees, not owners, of the land and ruled by consent of the people, who commonly removed oppressive chiefs and transferred their allegiance to rulers who promoted the welfare of the maka'ainana. During the eighteenth century, warfare dissolved and consolidated many chiefdoms, leading to greater political concentrations and to dramatic changes in land-tenure patterns and labor practices. Kamehameha I, the most successful practitioner of the arts of Ku, the god of war, completed the conquest of all the islands before his death in 1819.

The European and American traders who followed Captain James Cook's 1778 "discovery" of the islands introduced Hawaiians to a market economy and hastened the demise of kin-based production and the rise of a peasantry and a class of wage laborers. The traders introduced manufactured goods in exchange for natural resources such as sandalwood, supplied arms for warfare, and stimulated the chiefs' accumulation of wealth through additional taxes on maka'ainana labor and income and a monopoly over the provisions and sandalwood trade. The chiefs demanded a percentage of all market transactions and diverted labor away from subsistence agriculture to producing for a world market that determined the terms of trade. As a result, by 1841, commoners received an estimated one-third of the fruits of their labor, providing little incentive for independent farming under the chiefs. Commoners entered the service of wealthy whites. Isaac Davis, an Englishman and a long-time Kamehameha I adviser, had 400 to 500 commoners working his Oahu lands on a rental basis; Oliver Holmes, an American and the king's governor of Oahu, employed 180 retainers in Honolulu to serve him and his guests.4

Missionaries, sent by the American Board of Commissioners for Foreign Missions in 1819, shared with the Yankee traders values rooted in mercantile capitalism and the Protestant work ethic. They equated leisure with vice and subsistence with improvidence. As one missionary, Samuel N. Castle, co-founder of the firm of Castle and Cooke, declared, "As it is true that indolence begets vice, so it is true that industry promotes virtue. All successful efforts taken to produce industry by proper means tend to promote virtue and must be beneficial to that people on whom they are bestowed." 5 That economic creed, presented to Hawaiians from the

pulpit and in the classroom, supplied the justification for the capitalist transformation of Hawaiian precapitalist social relations.

Large and Unfamiliar Fishes

Despite their diverse national origins and personal agendas, Hawaii's whites shared European and American ideas of politics and economy. The newcomers imposed these notions on a population decimated by introduced diseases and a government weakened by an unfavorable trade relationship and foreign ideologies. Missionaries such as William Richards and Gerrit P. Judd became advisers to Hawaiian kings; other whites (haoles, "foreigners") served the Hawaiian monarchy and chiefs in various capacities. With Richards as his "chaplain, teacher, and translator," King Kauikeaouli (Kamehameha III) announced religious freedom and a declaration of rights in 1839. The following year, Hawaiians, educated for the most part by missionaries, drew up a constitution that limited the arbitrary power of the king by establishing a constitutional monarchy with a hereditary House of Nobles and an elective House of Representatives. Both the 1839 declaration and the 1840 constitution recognized capitalist property rights (in opposition to Hawaiian use rights), which clearly benefited the owners of capital. "Protection is hereby secured to the persons of all people," stated the 1839 declaration, "together with their lands, their building lots and all their property, and nothing whatsoever shall be taken from any individual, except by express provision of the law."6 These revolutionary changes, together with laws passed during the 1840s that established a cabinet dominated by whites, a civil service, and an independent judiciary, curtailed the power of the king and chiefs and enhanced the position of foreigners—the dominant holders of capital—in the kingdom.

Missionaries considered the destruction of the Hawaiian system of land tenure and kin-based production to be crucial to the advancement of industry and virtue. The yeoman farmer or wage laborer in a company organized on "Christian and benevolent principles" would "uplift the Hawaiian," teach useful skills, and reduce indolence and poverty. In 1841, the Hawaiian legislature gave to the governors of the various islands the authority to lease lands to whites for as long as fifty years. In 1846, the government formed a commission to determine the validity

of all titles to land and to issue new titles for claims found to be valid. That act reaffirmed the concept of land as property; as such, it logically followed that land could be transferred to others.

The chiefs at first opposed changing the landholding system and its distribution because they realized that land was a source of their power and wealth. Nevertheless, pushed by Gerrit Judd and other advisers, the chiefs yielded to the demand for private property. The powers of the chiefs had been reduced, but their appetite for European luxury goods remained unsated, haole influence in the government and economy was too pervasive, and too many steps had already been taken in the direction of capitalist social relations. In the final division of land in 1848, called the Great Mahele, the chiefs argued only for a greater share of the land, instead of trying to prevent its apportionment among the king, the government, and the chiefs.

In 1850, the legislature made land available to commoners and foreigners on a fee-simple basis, ostensibly freeing Hawaii's masses from serfdom but actually undermining the fundamental basis of Hawaiian society—the relationship between 'ohana and 'aina—and made possible the loss of land to those who possessed the capital to purchase and hold title to it. The net result of the land division was 9,337 parcels (about 30,000 acres) awarded to commoners, 1.5 million acres each to chiefs and the government, and nearly 1 million acres to the king.⁸

Earlier, in 1835 on Kauai, Ladd & Company, an American firm in Honolulu, had obtained a lease for 980 acres of land, water rights, and permission to hire Hawaiian labor. William Hooper, a partner in the venture, set out with a keen sense of mission to establish the first sugar plantation in the islands. Hawaiian methods of production, he wrote in his diary, retarded the progress of "civilization, industry and national prosperity"; Koloa plantation would "serve as an entering wedge . . . [to] upset the whole system." Hooper's boast, although feeble judged by the first few years of failure at Koloa, would eventually prove prophetic.

By the mid nineteenth century, all the essential elements for haole domination of Hawaii were in place. The Hawaiian scholar David Malo predicted in 1837: "If a big wave comes in, large and unfamiliar fishes will come from the dark ocean, and when they see the small fishes of the shallows they will eat them up." ¹⁰ After the Great Mahele and the 1850 land act, foreigners eagerly bought and cheated their way into ownership of large estates; by 1886, two-thirds of government land and much of the land of chiefs and commoners had passed into hable hands. Missionaries and their families participated in the land speculation, one buying and selling forty-seven parcels in his lifetime. As early as 1852, sixteen Congregationalist missionaries held land titles that averaged 493 acres per man. Eventually, missionaries such as the Rices and Wilcoxes of Kauai and the Baldwins of Maui would dominate entire islands. Together with businessmen and government officials, they formed a hable elite that advised and then directed the Hawaiian monarchy.

In a kingdom where the government, laws and the legal system, economic principles, education, language, religion, and culture and social graces were modeled on European and American forms, Hawaiians had to depend on whites, however marginally qualified, to interpret and implement the new social order. In 1844, less than two weeks after his arrival, John Ricord, a New York attorney, was appointed the kingdom's attorney general. Robert Crichton Wyllie, after a brief stay in Honolulu, became the kingdom's foreign minister in 1845. William Little Lee, en route from New York to Oregon in 1846, was named chief justice of the Hawaiian Supreme Court while still in his twenties.12 A Welshman, Theophilus Harris Davies, was sent to Honolulu by the creditors of a bankrupt merchandising house in 1867, in time for the sugar boom of the 1870s and 1880s that made Theo. H. Davies & Company a major financier of sugar plantations and the Honolulu Iron Works, which manufactured plantation machinery. Others, like Charles Reed Bishop, married into Hawaiian royalty. (Bishop married a princess, Bernice Pauahi Paki, descendant of Kamehameha I and the largest landholder in the islands, and opened Hawaii's first bank in 1848.) Benjamin Dillingham and Joseph Ballard Atherton married daughters of the haole elite and through those unions solidified their position within an emerging haole-Hawaiian oligarchy.13

The Oligarchy

The power of Hawaii's elite from the mid nineteenth century to World War II derived from its control of land, capital, and the government. Declines in the sandalwood trade during the 1820s and whaling in the 1850s, together with America's westward expansion and the California gold rush, brought importance to agriculture, both in staples and in such crops as sugar, coffee, silk, and cotton, which were suitable for export

to the burgeoning American communities in Oregon and California. By the 1850s, island planters and investors looked on coffee and especially sugar as promising cash crops, although cultivation was minor and both were subject to cycles of boom and bust. After reaching a low point in 1855, sugar exports climbed in 1857; the price of sugar remained high, and investments in plantations grew. A Honolulu correspondent for the San Francisco Bulletin reported in 1860: "All but one of the present plantations are making large profits. Those now in operation, or in process of establishment, are 12 in number-3 on Kauai, 4 on Maui, and 5 on Hawaii." 14 America's Civil War (1861-1865) disrupted the flow of southern sugar to the northern states, opening new markets for Hawaii's sugar and raising prices even higher. On June 17, 1865, the editor of the Hawaiian Gazette proclaimed: "But a new era has dawned upon the Islandsthe era of sugar-and the cultivation of cane overshadows by far all other agricultural enterprises. A large proportion of the floating capital in the community has been absorbed in new plantation enterprises, and it is considered beyond a doubt that sugar is to be, in the future, as it already is at present, the staple product of our Islands."

Hawaii's sugar industry was built on a land-tenure pattern of large landholdings, cheap labor, a plantation system that incorporated both field and mill production under one operation, and an agency system by which factors in Honolulu financed and supplied the plantations. Mercantile firms such as Ladd & Company, which established Koloa plantation, and Castle and Cooke provided merchandise and credit to plantations. Eventually they came to manage and serve as factors or trustees for the plantations. C. Brewer and Company held the agency of four plantations in 1866; Castle and Cooke managed four by 1870; and the largest firm, Walker, Allen and Company, served as agent for twelve plantations and mills.15 Sugar factors reduced the interplantation competition that had existed under the independent planters, systematized financial and marketing arrangements, and brought plantations under the eventual management of five mercantile houses that came to be known as the Big Five: Alexander & Baldwin, American Factors, C. Brewer and Company, Castle and Cooke, and Theo. H. Davies & Company.

This concentration of economic power found similar expression in the political arena during the nineteenth century. The constitution of 1864 provided the legal foundations for centralization in government throughout much of the second half of the century. King Kamehameha V set the