

Settler Economies in World History

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BRILL

LEIDEN • BOSTON

2013

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CONTENTS

| | |
|---|------|
| List of Tables, Figures, and Plates | ix |
| Acknowledgements..... | xv |
| Introduction: Toward a Unified Approach to the Economic History of Settler Economies | xvii |
| <i>Richard Sutch</i> | |
| 1. Settler Colonization and Societies in World History: Patterns and Concepts..... | 1 |
| <i>Christopher Lloyd and Jacob Metzger</i> | |

PART A

GENERAL PERSPECTIVES

| | |
|---|-----|
| 2. Why the Settlers Soared: The Dynamics of Immigration and Economic Growth in the “Golden Age” for Settler Societies..... | 37 |
| <i>Susan B. Carter and Richard Sutch</i> | |
| 3. Five Hundred Years of European Colonization: Inequality and Paths of Development..... | 65 |
| <i>Stanley L. Engerman and Kenneth L. Sokoloff</i> | |
| 4. Uneven Development Paths among Settler Societies, 1870–2000 | 105 |
| <i>Henry Willebald and Luis Bértola</i> | |
| 5. Settler Colonialism in Africa <i>Claude Lützel Schwab</i> | 141 |
| 6. Jews in Mandatory Palestine and Additional Phenomena of <i>Atypical</i> Settler Colonization in Modern Time | 169 |
| <i>Jacob Metzger</i> | |

PART B

COMPARATIVE THEMES

SETTLER-INDIGENOUS RELATIONS

7. “Great Frauds and Abuses”; Institutional Innovation
at the Colonial Frontier of Private Property: Case Studies
of the Individualization of Maori, Indian and Métis Lands 205
Frank Tough and Kathleen Dimmer
8. Aboriginal Economies in Settler Societies: Maori
and Canadian Prairie Indians 251
Tony Ward

LABOR AND MIGRATION

9. Patterns and Processes of Migration: An Overview 273
Drew Keeling
10. Three Island Frontiers: Japanese Migration in the Pacific 297
Carl Mosk
11. Coerced Labor in Southern Hemisphere Settler Economies..... 315
David Meredith
12. Labor Market Outcomes in Settler Economies between
1870 and 1913: Accounting for Differences in Labor
Hours and Occupations 345
Martin P. Shanahan and John K. Wilson

FINANCE AND CAPITAL FLOWS

13. Wakefieldian Investment and the Birth of New Societies,
ca. 1830 to 1930 371
Bernard Attard
14. Financial Intermediaries in Settler Economies: The Role
of the Banking Sector Development in South Africa,
1850–2000 403
Grietjie Verhoef

TRADE AND INVESTMENT

15. International Trade and Investment of the Settler Economies during the Twentieth Century: Argentina, Australia, Canada, New Zealand and South Africa. 437
Tim Rooth
16. Trade, Dominance, Dependence and the End of the Settlement Era in Canada, Australia, New Zealand, South Africa, 1920–1973 463
Francine McKenzie

INSTITUTIONAL DEVELOPMENT

17. So Similar, So Different: New Zealand and Uruguay in the World Economy 493
Jorge Álvarez and Luis Bértola
18. The State and Economic Policy in Twentieth Century Australia and New Zealand: Escaping the Staples Trap? 521
Jim McAlon
19. Institutional Patterns of the Settler Societies: Hybrid, Parallel, and Convergent..... 545
Christopher Lloyd
- Notes on Contributors 579
- Index..... 587

CHAPTER ONE

SETTLER COLONIZATION AND SOCIETIES IN WORLD HISTORY: PATTERNS AND CONCEPTS*

Christopher Lloyd and Jacob Metzger

Settler Colonization has been a widespread phenomenon in human history not confined to any particular era, region or continent. However, since the world geopolitics and economic systems have been shaped in the past several centuries by European imperialism, capitalism, and out-migration, it is no wonder that Europe–originated settler economies, in which we are mainly interested here, have dominated the global scene of settler colonization in modern times.

Modern settler societies of the “Neo-Europe” type (to use Alfred Crosby’s (1986) celebrated term) emerged mainly in certain “New-World” European colonies where a specific combination of temperate climates; land abundance; marginalized and sometimes decimated indigenous populations; and large scale European migrations “equipped” with their home based cultures, laid the foundation for new forms of state and economy within the world economic context of the late 18th and 19th Centuries. Caroline Elkins and Susan Pedersen (2005) identify rightly the modern “New World” States evolving from these “Neo-Europe” settler societies, as “born of a dual defeat—the defeat of the indigenous populations, and the defeat (or weakening) of the imperial metropolises that held settlers in dependence” (p. 3).

Many of the settled areas evolved from older colonies of free European settlement in temperate and colder zones founded before the 18th century, as in the cases of Quebec, Newfoundland, New England, the Mid-Atlantic, the River Plate and pampas area, central Chile, and the Cape. These settlements were based on locally-oriented rather than world-oriented agricultural production systems, and their economic formation persisted in its basic structural form into the 20th century and even unto the present in some respects, although all zones have now evolved into a post-settler situation. The comparative histories of the temperate settler

* We wish to thank Stanley Engerman for his helpful comments and suggestions on an earlier draft, and Shlomit Krapivka Levin for dedicated and efficient research assistance.

regions present a complex pattern of variations on certain delimited themes of geography, race, labor, investment, immigration, and social relations. These themes distinguish the “old” Europe-originated settler economies from other kinds of European expansion and their subsequent histories.

The settler societies of the Neo-Europe type seem to share special features that constitute them as an internally comparable group of economies and societies. The paths of their economic and social development often proceeded in parallel as a result of similar dynamic interconnections between waves of immigration, the marginalization (or worse) of native peoples, European capital importation, land abundance, free labor (at least after the mid-19th century), socially-useful political institutions (that is, institutions designed to develop the economy rather than extract rents for some domestic or foreign elite), and development of new, Europe and domestic blended, cultures.

A somewhat different type of settler colonialism emerged in Africa over the 19th Century and early 20th Centuries until the 1940s, primarily in the newly established European colonies in Algeria, Southern Rhodesia, Kenya, South West Africa, and Mozambique (the older colonies of South Africa could also be included in this group). The white settlers in these colonies, never reaching the size of the indigenous populations, were heavily dependent on their metropolis for the provision of legal, institutional, and economic means to facilitate and secure their disproportionately extensive land holdings and the supply of cheap indigenous labor.¹ These means were intended to guarantee the sustainability of the settlement projects, but they were obviously doomed when decolonization brought an end to Empire, as Elkins and Pedersen (2005) have stated:

Only when the resulting settler systems of land appropriation, labor control, or resource extraction led to anticolonial revolts were metropolises forced to choose either to defend their “kith and kin” populations or to withdraw – a choice they usually tried to avoid by doing each in turn. But in the end, internal anticolonial revolts and civil wars rather than external geopolitical pressures brought these settler colonies down (p. 6).

¹ See the discussions by Good (1976), Mosley (1983), Elkins and Pedersen (2005), and Lützelshwab *this volume*. The Japanese settler projects in Hokkaido, Manchuria, Korea, and Taiwan prior to WWII were similar to those of Africa in so far as the dependence on the metropole is concerned. However, unlike the African cases, in which the settlers developed their own (governmentally protected) enterprising undertakings and economic interests, in the Japanese case the settlers’ economic activity was subordinate to the needs of the empire (Elkins and Pedersen (2005), Mosk (2013) – this volume).

From the 16th Century onwards then large numbers of Europeans settled and developed their own ways of life in colonizations of the Neo-Europe and African type alike, promoting their specific economic interests, particularly insofar as land and labor were concerned. Prominent examples of such modern settler societies include the British colonies in North America, Australia and New Zealand, the Dutch colony in South Africa, the Spanish colonies in the southern cone of South America, the British settler colonies in South Africa, Kenya, and Southern Rhodesia, and the French colonies in North Africa and the Pacific (Denoon 1983, Mosley 1983, Ferro 1997, and Weaver 2003).

Besides these most prominent examples, we should include in the broad spectrum of modern settled colonization also such cases as the Russian settled expansion into Siberia, Central Asia, and the Far East in the 19th and 20th Centuries, the German attempts to settle Prussian Poland prior to WWI, the colonizations of the Mormons in the American West in the mid 19th Century, and of the German Templars in Palestine in the late 19th and the early 20th Centuries. The somewhat exceptional phenomena of Afro-American settlement in Liberia in the first half of the 19th Century, and of the nationally driven Jewish immigration and settlement in Palestine in the 1880s and 1890s and more intensively during the first half of the 20th Century should also be part of the story.²

Besides settler colonization, two other broad types of European colonial and post-colonial formations can be distinguished, each of which, like the modern settler economies, had foundations that strongly

² See the discussion in Chapter 6 of this volume. Two other possible Asian examples – Taiwan and Singapore – should also be mentioned. Benedict Anderson (2001) has argued that Taiwan, with its mixture of indigenous and settler population from the mainland after 1949 shares many of the characteristics of the other settler societies. Singapore is also a society constituted (almost completely) by settlers who arrived from China, South East Asia and South Asia under British colonial rule. Both of these examples have developed cultures and institutions that have a genesis in but significant divergences from the dominant founding culture, which is China. Singapore's post-colonial nature is a hybrid – of British, Chinese, Malay, and distinctive Singaporean features – which marks it as similar to other settler societies, but its geographical and economic structures are completely different so it doesn't fit the pattern. Taiwan is closer to the pattern and its recent institutional development of property rights, democracy, liberalism, and, nationalism, with a complex set of tensions between indigenes and settlers over these issues, is comparatively interesting. Demographically, however, the settler proportion is relatively small, and the ethnic and cultural differences between natives and settlers were small to begin with and has blurred even further. Besides, Taiwan was never considered by either group after 1949 or by the metropole to be a colony (it had been a Japanese colony up to 1945) but merely a rebellious segment of the mainland society and nation state. Perhaps the nearest parallel to a European colony is with Algeria on the eve of its becoming an independent state.

influenced their development. Firstly, are the tropical and sub-tropical servile-labor colonies, such as in the Caribbean, southern North America, most of Brazil, and a few islands in the Indian and Pacific Oceans, where imported slaves or indentured laborers outnumbered indigenes and in many areas settlers as well. Here commercial plantation or “extractive” agricultural production was directed towards the world market.

And secondly, colonies, both tropical and others, where the ethnic composition remained predominantly indigenous, such as the Andes, Mexico and Central America, South Asia, South East Asia, and Pacific Islands. The economic systems in these zones largely reflected the indigenous elements in development, in spite of some European immigration, some servile labor zones, and the emergence of enclaves of extractive commercial connections with the world economy. The indigenous societies and cultures in this second type remained more or less intact in many places, especially in Asia and the Pacific; in others, such as the Andean and central American areas, mestizo societies and cultures developed; and in still others, such as the Caribbean and certain Indian and Pacific islands, societies and cultures developed among transplanted populations that came from neither Europe nor the indigenous people.

The different categories of European expansion do not always capture all colonial and post-colonial possibilities equally well, there were degrees of overlap between them especially with regard to labor control systems, and there was an evolution from one type to another in some of them. The point here is to focus upon what was distinctive and determining about the modern settler socio-economic formation within the world economy context and to see that formation in comparative and historical perspectives as a distinct kind of colonial and post-colonial society.

These remarks wrap up the contours of the terrain to be considered in this opening chapter (and in the entire volume). The rest of the chapter treats the themes and issues in question as follows: The next two sections provide a historical background and perspective for the treatment of the modern settler societies and economies. Basic concepts identifying (European) settled colonization and its early beginnings are dwelt on in the first section, with the second section continuing the historical account by comparatively examining the medieval and modern colonizing settlements. The following four sections concentrate on the modern era. Issues related to environment, land regimes and institutional structure in modern colonization and their developmental effects are dealt with in the third section. The fourth section is devoted to indigenous people and labor systems in settler colonization, and the fifth considers patterns of

convergence and divergence among settler economies in the 20th Century. The chapter concludes with an extended discussion (in the sixth section) of the theories and explanations offered in the literature to account for the diverse patterns and implications of modern settler colonization in the world economy.

COLONIZING SETTLEMENT: CONCEPTS AND EARLY BEGINNINGS

When thinking about *settlement* in human history, two distinct, though not independent, notions come to mind. One is that of *settling down*, and the other, of *settling somewhere else*. The first notion refers to the transformation of nomadic into settled societies, starting in the tenth millennium BC with the great Neolithic revolution. The transition from nomadic to sedentary way of life has since spread in time and space to turn most of humanity into settled populations.

The second notion relates to the ever present movements of people from one habitat to another. While some movements of this nature were undoubtedly intertwined with the *settling down* of nomadic tribes in new areas to which they moved (a notable case would be, for example, the movement of the nomadic Magyars to and settlement in the Danube valley in the 9th Century), the notion of *settling somewhere else* refers typically to the emigration of already settled peoples from their original habitat to new destinations. These movements (being either voluntary or coerced) have been of various kinds, ranging from the resettlement of entire populations, to the migration of single families and individuals.

Within this encompassing range, a distinct place has been saved in history for patterns of settlement on new lands to have become the possession of the settling peoples and/or their (home country) rulers. Such patterns of *settler colonization* have been part of human history since ancient times. They have provided important mechanisms of spatial expansion and often powerful instruments that have been utilized by colonizing governments for establishing and enforcing control over the newly settled territories. *Settler colonization*, which could possibly be traced back in time to the settlement of the Philistines, the Israeli tribes and other peoples in the eastern Mediterranean in the 13th and 12th Centuries BC, and to the Chinese colonizing expansion from the Yellow River southward starting in the 9th Century BC, remained a living phenomenon through history, with the European and Europe-originating societies playing in it a major role (McNeill 1992, Bartlett 1993, Osterhammel 1997, and Weaver 2003).

In associating colonization with the expansion of societies beyond their original habitat, two forms come immediately to mind. One refers to the pushing of the frontier of settlement, either by extending the settled areas within the existing borders (however defined) of the society in question, or by pushing those borders outward. In either case the colonized areas are spatially linked to the home base, thus making for contiguous territorial extension from the settlers' original habitat to their colonized destination.

The second form is that of colonizing settlement in distant areas, spatially separated from the settlers' place of origin. Such movements have typically, albeit not exclusively, taken the migratory settlers overseas, making in most cases their colonization, at least for some period of time, a colonial outpost of the sending society.³

Both forms of colonizing settlements have been part of the European scene since antiquity. They are already found in the Mediterranean world of the Greeks and the Phoenicians, with their frontier-pushing and "offshoots" settlements across the sea. The Roman urban colonization up to the Rhine and the Danube came next, extending the northern and eastern edges of the Empire and largely determining its spatial span of control. The services offered to Rome by non-Roman (barbarians), who functioned as soldiers and agricultural colonizers along the border (*limes*), provided another supporting factor in keeping the Roman frontier intact.

When the Empire lost its power, though, the non-Roman tribes of the North and of the eastern steppes began to move southward toward the Mediterranean, partly as a hedge against possible population-growth-caused famine, thereby reversing the direction of frontier-pushing settlement in early Medieval Europe. The conquests of the Saracens in the Mediterranean basin, of the Vikings in western Europe and in the Mediterranean, and of the Magyars in the Danube valley, marked another facet of colonizing penetrations to the European terrain, bringing the unstable era of the early middle ages to a close by the 10th Century, and providing a prelude to the expansion of Europe's Latin Christendom in the High Middle Ages between the 10th and the 14th Centuries (Verlinden 1970: ix-xxi).

³ In a few cases, such as Madagascar, New Zealand, Iceland, and Greenland, people settled in completely empty island masses within relatively recent historical time, to form the indigenous populations. Most of these could not be considered as settler societies with the probable exceptions of Iceland and Greenland, which share many of the essential characteristics of the later-settled Neo-European settler societies.

MEDIEVAL AND MODERN SETTLER COLONIZATION: SOME COMPARATIVE PERSPECTIVES

The expansion of the High Middle Ages, which was undoubtedly a decisive factor in the making of modern Europe, constituted a highly significant phase in the history of *settler colonization*. It involved substantial emigration from the core areas of western and central Europe into new territories, a movement driven by a mixture of demographic pressure (the population of Europe may have risen from 30 millions in 1000 AD to 74 millions in 1340 AD (Livi-Bacci 1997: 31)) and by related, spatially-linked, political and economic considerations of peasants and lords of the land, coupled with the papacy's motivation to spread Latin Christianity (Bartlett 1993).

While some of the colonizing activity was confined to the core areas themselves, where new land on the internal frontiers of settlement in countries such as England, France, and western Germany were cleared and settled, its main direction was to push outward the external frontiers. Most significant in this respect was the eastward migration and settlement of Germans in the Slavic areas across the Elbe. Two other prominent cases of expansionary migrations were the colonization of the reconquered Iberian Peninsula by the Christians, and the settlement of Anglo-Normans and Flemish people in the Celtic lands of Wales and Scotland.⁴

Apart from moving to and settling in spatially contiguous territories, the High Middle Ages were noticeable also for some of the renowned, pre-modern experiences of distant colonization. Part of it was located in the North, like, for example, the settlement of the English in (not too distant) Ireland following the island's conquest in the 12th Century, but most of the action was concentrated in the Mediterranean. It started with the celebrated Crusaders' colonization in Palestine, the Holy Land across the sea, *Outremer*, and went on with the establishment of the Frankish states in the eastern Mediterranean, commercially supporting and supported by the colonial outposts of the Italian city states in the Mediterranean basin and on the shores of the Black Sea (Bartlett 1993). Regarding the Crusaders' settlement, Ronnie Ellenblum (1996), points out that:

At the root of Frankish migration to the Levant were the same reasons which brought eleventh – and twelfth – century generations to seek a haven

⁴ See the historical accounts by Jiménez (1989), Lotter (1989), Bartlett (1993), Moreno (1999), Power (1999), and Rady (1999).

and a piece of land somewhere in Europe. Just as there were people who settled in Sicily or Spain immediately after they were conquered, so were there people who elected to settle in the Levant. These settlers wanted to live, raise families, build homes, acquire estates, and not merely to die in the name of God. They did not come to the East only for idealistic reasons. The land and farming claimed their time and strength, and the hardships of daily life were their challenge (pp. 280–281).

This observation suggests that while the Crusading idea may have underlain European colonization in the eastern Mediterranean, as well as the expansion of Latin Christendom in northern and eastern Europe and in the Iberian Peninsula, material considerations were instrumental in bringing these activities about. The population pressure on the land in the European core vis-à-vis the high land to labor ratio in the periphery led the would-be settlers to expect to gain economically and personally from the move to the new destination areas.

Likewise, the expansionist lords of the land were prompted to match these expectations, providing adequate incentives for settlement in the outside territories. This dynamic was particularly noticeable on the internal and external frontiers of the European core area where settlers were typically granted such privileges as a status of free hereditary leaseholders (not to be subjected to manorial labor services), land alienability rights, reduced rents and tithes and even complete exemption for a number of years from the dues on cleared and newly settled land (Lotter 1989, Bartlett 1993, and Moreno 1999).

The people who were induced by these and similar incentives to colonize new territories had to confront nature and/or the resident populations in the areas they settled. The need to overcome the constraints of nature was typically present on the internal frontiers of settlement within the medieval polities, turning moors and forests into inhabitable land was the main task there. But the major colonization efforts at the time, those extending the external frontiers into newly conquered or peacefully penetrated areas, let alone colonization across the sea, had primarily involved encounters with the resident populations, besides some obvious struggles against nature as well.

Considering such encounters, we can detect in the colonization of the High Middle Ages two basic types of interaction between the settling and the resident populations. One, which may be identified as absorptive expansion, was characterized by the colonizers absorbing into their political, religious, social, and cultural realms both the territories into which they moved and their inhabitants. The substantial, and to a large extent

peaceful, eastward movement of Germans into the Slavic country (*Ostsiedlung*), Germanizing and Christianizing the entire area between the Elba and the Oder, was the most prominent manifestation of this type. Note also that the German expansion was largely facilitated by materially driven initiatives on a local and regional basis, capitalizing on the settlers' advantage in technology and organization of production (Bartlett 1993, Rady 1999).

The second type of interaction could be classified as segregated colonization, referring to those cases in which the settlers enforced themselves on the colonized territory, mostly as a consequence of military conquest, and remained separated from its local population. In some instances, the settlers' "sending" polities became the long-lasting power governing the settled territories, as was the case in the re-conquered Iberian Peninsula. There, the settlement of Christians on land that was either unoccupied or previously populated by Muslims, which began already in the 9th Century AD and intensified in the 12th Century, strengthened the spatial control of the Christian kingdoms over the re-captured regions. But unlike the Slavs in the Germanized east, the resident Muslims (and Jews) were left out of and ultimately expelled from the Catholic polities and societies of Spain and Portugal. Another notable case in point was the English colonization of Ireland in the 12th Century AD (Jiménez 1989, Moreno 1999).

In other instances settlers kept isolating themselves from the local, at least non-Christian, population in territories that they were able to control for only a limited period of time. The Latin Kingdom of Jerusalem and other areas conquered by the Franks in the Levant since the 12th Century AD exemplify vividly this dynamic. As Ellenblum has shown, the Franks settled in urban localities and in rural areas that were populated by local (Syrian) Christians, but avoided the areas populated by Muslims. Moreover, while the Syrian-Christians were incorporated into the feudal or ecclesiastic hierarchy of the crusaders' colonizing society, in which the Franks occupied the highest echelon, the subservient Muslim population remained separated altogether from the Christian socio-political fabric (Ellenblum 1996).

The different encounters between immigrating settlers and resident populations, as well as the other attributes of medieval expansion that we glanced at, demonstrate that key "ingredients" of modern settler colonization, or some variations of them, were already present in the High Middle Ages. This observation refers, among others, to such factors as different land/labor ratios in areas of origin and destination, comparative

advantages of settlers in organizational and production know-how, economic and personal motivations for settlement in new areas, and the incentives provided to potential settlers by interested parties.

Considering the patterns of landward expansions, an interesting analogy between medieval and post-medieval colonization is revealed by looking comparatively at the German medieval colonization across the Elbe and at the major colonizing movement of Russia into Siberia and Central Asia, starting in the 17th Century and intensifying in the late 19th and early 20th Centuries. Considering the motivation for settlement, Russian (mostly state) peasants were willing to settle on North Siberian soil in the 17th and 18th Centuries, largely to escape the harsh manifestations of serfdom. Likewise, the later day colonization of Kazakhstan and central Siberia was propelled by the rural population pressure in European Russia aggravated by the peasants' post-emancipation indebtedness and hunger for land. The Stolypin reforms of 1906–1917, cancelling the redemption debts of emancipated peasants and easing the restrictions on individual land holdings, provided additional impetus for colonizing migration. All of this resembles quite closely the German medieval story. Other similarities between these two massive movements are found in the increased productivity of agriculture and in the relatively, though not totally, peaceful incorporation (mostly by means of absorptive expansion) of the colonized areas within the realm of the “sending” societies (Pierce 1960, Armstrong 1965, and Demko 1969).

Other renowned instances of overland expansions in modern times, those of frontier settlement in North America and Australia were also driven largely by the settlers' demand for land, to which the respective governments responded positively by various legislative and administrative means. But unlike the (medieval) German and the (modern) Russian cases, on the frontier of settlement in the overseas polities of British origin the encounter of the colonizers with the indigenous people was mostly confrontational. The indigenes remained at best separated from the settlers, but, as is well known, were more often destroyed by force, dispossession, and/or exposure to new diseases (Denoon 1983, McNeill 1992, Christopher 1997, and Weaver 2003).

Accounting for the overall picture of landed expansion in medieval and modern times, it may be generalized that integrating the frontier-extending colonization into the political, cultural, and economic structures of the “sending societies” did not allow for the evolvement of specific settlers' entities that could be distinguished from their home based societies. In other words, the history of contiguous territorial expansion in

the western world via settlement may largely be characterized as *settler colonization* without the creation of *settler societies*. It was left primarily for the distant colonization across the seas, in the High Middle Ages and in the post medieval period alike, to facilitate the formation of distinct *settler societies* in terms of their own identifiable features and interests.

The most celebrated medieval overseas colonization, evolving into a well-defined settler society, was undoubtedly the Crusaders' Latin Kingdom of Jerusalem, establishing, for a short period of less than 200 years (1099–1291), an independent Christian presence in Palestine and its vicinity. The Franks colonizing the Holy Land developed a locally distinct civilization, mixing western with oriental cultural and social traits and constituting, as mentioned above, a localized feudal hierarchy led by the settling Franks and serving their particular political and economic interests (Bartlett 1993, Elenblum 1996). In these respects the Crusaders' entity in the eastern Mediterranean could be viewed as a forerunner of European originated *settler societies*, emerging mostly in America, Oceania, and Africa between the 16th and the 20th Centuries AD.

A major factor in the Crusaders' endeavor to retake the Holy Land from the Muslims was obviously the religious-Christian drive, which was present, likewise, in the reconquest cum settlement of the Iberian Peninsula, and – in its missionary form – in the Germanic eastward movement as well (Lotter 1989, Bartlett 1993, and Moreno 1999).

While playing a major role in the European colonizations of the High Middle Ages, the religious component, as a “push” or “pull” factor, was not absent either from the formation of settler colonization and societies in the modern era. We may think, for example, of the religious “push” factors inducing the 17th Century Puritans' emigration from England and their settlement in New England, or those pushing the Mormons into the American mountainous west and settling in Utah in the mid 19th Century.

As for the religious “pull” factor, its role in modern settler colonization is well illustrated by the renewed interest in Palestine that Christian Europe had expressed from the 1840s onward. The weakness of the Ottoman Empire and its dependence on the European powers made for the revival of the Crusade legacy, calling to regain Christian control over the Holy Land. However, contrary to the military means of the 11th Century, the idea emerging in mid 19th Century Europe, particularly in Germany, was that of *Peaceful Crusade*, aimed at achieving the reconquest of Palestine by a Christian “army” of scientists, missionaries, and settlers (Goren 2004).

The colonization project of the German Association of Templars (*Templegesellschaft*), who purchased tracts of land in a number of locations in Palestine and established seven settlements between 1869 and 1907, most of them agricultural, was a vivid illustration of an attempt to pursue the settling part of this peaceful crusade. It should be noted though, that while the religious mission may have provided the initial motivation for the settlement of the Templars, it was their modern, primarily agricultural, economy which provided the impetus for success of their settler society in Palestine under the Ottoman and British rule (Carmel 1973, Thalman 1991).

Another prominent example of the working of religious “pull” factors in modern settled colonization was their role in the ideology and practice of the Zionist movement, the pillar of modern Jewish nationality emerging in the late 19th Century. Building partly on the religious ties between the Jewish people and the land of Israel, it called for the return of the Jews to their ancient home land. Zionism promoted Jewish immigration to and settlement in Palestine, creating there a territorially based Jewish national entity, pretty much separated from, and in continuing conflict with, the country’s Arab population.⁵

A further example of a significant religious settler movement induced by a combination of geopolitical, economic, and religious conflict and hegemony was that of the Protestant “plantation” and other associated migrations in Ulster in the 17th Century, consequent upon establishment of English dominance from 1607. This was indeed an example of settler colonialism and resulted in the numerical and political dominance of the Protestant settler population in the province by the end of the 17th century. However, while Ulster (and from 1921 the smaller Northern Ireland province of the UK) does share certain important characteristics with modern settler societies it is rather a kind of intermediate form which shares some interesting features with both medieval and early modern cases. The settlers in the Ulster case were of two classes: British Protestant landlords, who were granted large-scale confiscated land tracts of Irish nobles, and transplanted tenant farmers, who came largely as a result of inducements and semi-servility (Robinson 2000). The combination of modern “land grab” and medieval “transplant” were harbingers of things to come in the New World. Indeed, around the time of the beginning of the Ulster Plantation the Virginia Plantation began in 1607 and became a competing and perhaps more attractive alternative to Ulster for

⁵ See the comparative account of atypical settler colonizations in Chapter 6 of this volume and the references cited there.

many would-be British emigrants. This was not least because of the less complicated and easier route to land acquisition by all classes in the New World due to weaker indigenous resistance and less metropolitan control.

The various comparable attributes of medieval and modern colonization and their continuity in time prompted a number of scholars to view those patterns basically as a single phenomenon, being carried over from the middle ages to the modern era. The renowned Belgian historian Charles Verlinden (1970) may have been the most vigorous promoter of this view. A more nuanced approach, however, considering the differences as well as the similarities between medieval and post-medieval colonization has been offered by Robert Bartlett (1993). He claimed that unlike the settled colonization of the modern era, which has been largely associated with stately colonialism and regional subordination, the expansionary settlements of the high middle ages, having been mainly the making of “eclectic knightly-clerical-mercantile consortia,” was mostly one of integration and replication and not of permanent political subordination.⁶ Following these distinctions, the medieval expansion could be roughly characterized (but for Ireland), as kind of *settled colonization* without *colonies* in the modern sense of the term. Having said that, Bartlett (1993) makes the following observation, insightfully linking the colonization of the early modern era to that of the Middle Ages:

There is no doubt that the Catholic societies of Europe had deep experience of colonialist enterprises prior to 1492. They were familiar with the problems and the promise involved in new territorial settlement and had confronted the issues raised by contact with peoples of very different culture. Of course there was nothing in their experience as dramatically ‘out of the blue’ as the contact established in 1492. Both ecologically and historically the medieval Latin world was contiguous with the neighboring cultures and societies. Nevertheless...Catholic Europe did have a frontier and, from the tenth century, a frontier that was moving outwards...The European Christians who sailed to the coasts of the Americas, Asia, and Africa in the fifteenth and sixteenth centuries came from a society that was already a colonizing society. Europe, the initiator of one of the world’s major processes of conquest, colonization and cultural transformation, was also the product of one (pp. 313–314).

In this comparative observation Bartlett points to the massive post-medieval colonization of Europeans in distant territories. And indeed, the settled colonization of the modern era, although taking various forms, has

⁶ There were a few noticeable exceptions, however, such as the re-conquered Christian areas of the Iberian Peninsula, and the Latin Kingdom of Jerusalem.

been primarily identified with the overseas settler societies of Europeans that between the 16th and the 20th Centuries enjoyed various degrees of autonomy and pursued their own economic interests while retaining their European cultural roots.

ENVIRONMENT, LAND REGIMES AND INSTITUTIONAL STRUCTURES IN MODERN COLONIZATION

A crucial factor in distinguishing between the types of settled colonization in the modern era is the identity of the initial colonizing countries, for it affected, among other things, the development of different institutions of property (especially land ownership) and the success or failure of the evolution towards liberal institutions. Iberian, British, French, and Russian colonial regimes all varied significantly in terms of the social, cultural, and institutional arrangements that were transplanted and developed in their colonies. But the grabbing of land either by imperial authorities or private individuals and organizations was a central thrust of most settler colonization processes. As John Weaver has shown at length, land grabs and indigenous dispossessions on a massive scale characterized the era of European overseas expansion right from the start in the late 15th Century (Weaver 2003). A crucial interconnected set of factors arose out of the resulting relationship of landed property rights to state power, the relative size of land holdings, the relationship of landed estate holders to unfree laborers, tenants, and free laborers, and the labor control system. There were several evolutionary paths in this nexus after the initial colonizing phases.

An identifying feature of one of the major Neo-European forms, those of British origin in North America, Australia, New Zealand, and southern Africa, was that their land regime, initially one of an imperial or company “grab”, became by the 19th Century largely based on the emerging concept of private property rights within a market economy. The departure from the land regime and class structure of the old “grant economy” (which predominated in earlier periods but remained important in the Hispanic colonies) in favor of a “democratic” capitalist market-oriented system, was obviously one of the novelties of modern settler colonization, distinguishing it from its medieval predecessor and its early modern form in many places (Fogarty 1981, Denoon 1983, Lloyd 1998, Weaver 2003). The establishment of private landed property, including small family farms, especially in the British settler colonies, came about as a consequence of local

historical circumstances and was not a legal structure that necessarily arrived with the settlers.

The development of legally well-defined property rights in land served a dual role in the settler colonies of the modern era. On the one hand it provided the colonists with self-proclaimed justification for their differential treatment of the indigenous people's customary land rights or, most often, for their complete rejection, thus legally supporting the separation of the indigenes from their land. On the other hand it enabled relatively easy access to land ownership by settlers of modest means.⁷

Modern property-rights-enforcing and government-constraining institutions have long been claimed by some prominent economic historians and economists to have induced investment in physical and human capital and to have contributed to efficient allocation of resources and high income levels and growth. In recent years a notable strand of the literature on comparative economic development has attempted to examine this claim empirically, using the diverse record of modern European colonialism as some kind of a laboratory.⁸

The basic distinction made in this literature is between different types of colonies and their resultant institutions. The settled colonizations, in which a substantial number of Europeans settled on largely empty or depopulated land, have been recognized to be at the one end of the range, and the "extractive" colonies of Africa, Latin America, and the Caribbean, having been a source of extracting wealth from natural resources and cash crops and not a destination for substantial settlement, at the other end.⁹

Unlike the major (Anglo temperate) Neo-European settler societies, which adopted and largely even formulated the "bundle" of widely representative institutions of governance, secure private property rights, and the rule of law, the "extractive" colonies (primarily in the Caribbean and Latin America) pursued a different institutional path. That path was dominated by land rights and concessions that were granted by rulers to colonizers within a hierarchical class structure. Such an institutional environment did not guarantee the security of property rights or provide protection against government expropriation, and was obviously not development-supporting.

⁷ See discussions by Singer (1991), Tully (1994), Kymlicka (1995), Levy (2000), Weaver (2003), and Metzger and Engerman (2004).

⁸ See for example the analyses by Engerman and Sokoloff (1997, 2005), Sokoloff and Engerman (2000), Acemoglu, Johnson, and Robinson (2001, 2002), and Easterly and Levine (2003).

⁹ Note, though, that the Caribbean required an influx of settlers to be exploited.

Stanley Engerman and Kenneth Sokoloff (1997, 2005), concentrating on the Americas, have argued that the soil and climate conditions of the Caribbean and parts of Latin America provided for economies of scale in the production of cash crops and for the creation of a power-concentrated plantation and mine-owning elite. Once established, the elite created institutions that were aimed at perpetuating its political and economic hegemony by limiting voting rights and access to education and by restricting immigration and the distribution of publicly held land. The North American soil, on the other hand, made for a regional comparative advantage in grain production devoid of noticeable scale economies. The abundant land in the north thus facilitated the creation of a relatively egalitarian and open – immigration-encouraging – society based on family farm agriculture, and of an institutional structure supporting it. According to Engerman and Sokoloff (1997, 2005 and this volume) it was the restrictive and excluding institutional environment which hindered development via industrialization in Latin America, while the open and inclusive institutions of North America contributed to its fast industrial growth, with the slave holding colonies and future states of the US presenting an in-between case.

Daron Acemoglu, Simon Johnson and James Robinson, examining the global spectrum of European colonialism have reached similar conclusions. They based their analysis on the feasibility of settlement, suggesting that Europeans were deterred from settling in tropical regions where the disease environment, as measured by the high mortality rates they were facing, was not favorable to them. The colony type of choice for those regions was the “extractive” one that did not require or call for immigration (Acemoglu, Johnson and Robinson 2001, 2002).

Using this distinction, and hypothesizing that the legacy of the colonial institutions has persisted ever since, they employed the mortality rates facing Europeans across their colonies at the time of colonization as an exogenous instrument for isolating the effect of the different institutions (of “settled” or “extractive” legacy) on current economic performance. Their findings indicate a strong positive effect of the “quality” of institutions – taken to be negatively correlated with these mortality rates – on current per capita income across the successor countries of the European colonies.

The implications of these findings, as well as of the hypothesis put forward by Engerman and Sokoloff have been supported lately by William Easterly and Ross Levine (2003). They demonstrate that the environmental factors, be they either the Engerman and Sokoloff “crop” type, the

Acemoglu et al. “germ” type, or the “tropics” as measured by latitude, have all affected economic performance across the colonies’ successor countries via their impact on their colonial-originated institutions.

Viewed thus we may conclude that the origins of present day unequal development and economic wellbeing between former colonies are at least partly related to the decisions made by Europeans between the 16th and 20th Centuries about where to found and develop their colonies and the sorts of environmentally-influenced cropping systems, labor systems, property rights, and other institutions that emerged within them. The uneven economic development of colonies and the comparative success of many of the settler economies should be seen in this global historical context.

But even within the group of settler colonies there were significant economic and institutional divergences between, for example, southern South America and northern and western North America, both of which have similar climatic and soil conditions, and they experienced similar indigenous-frontier situations of conflict in the 18th and 19th Centuries. Similarly, a comparison of Australia and Argentina in the crucial early 19th Century is instructive for highlighting the significance of the historically contingent interplay of colonizing background and culture, imperial influence, and local class development in influencing the events that reformed, cemented, or prevented fundamental institutions of the crucial institutional “bundle” mentioned above.

The role of liberalism in the 1820s and 1830s played out differently in those two cases in spite of the power of similar oligarchic landed interests. In Australia the power of the atavistic landed classes was defeated by urban, commercial and liberal interests with representative democracy and land reform emerging by mid-century (McMichael 1984, also Lloyd *Chapter 19 this volume*). In Argentina the urban liberals were defeated in the 1820s by frontier oligarchs and then the militarized rural interests retained their supremacy and controlled the state (Rock 1985). The role of imperial power in Australia’s case was crucial in cementing liberalism and reform against the interests of the landed elite, many of whom wished for independence in order to preserve their oligarchic power.

INDIGENOUS PEOPLES AND LABOR SYSTEMS IN THE HISTORIES OF MODERN SETTLER SOCIETIES

A key variable in the comparative histories of the modern settler societies was the indigenous population – in terms of size, relative

organizational strength, and economic complexity – at the time of settlement and subsequently. This varied even within the various groups of settler societies. For example, within the Anglo group, the indigenous populations of North America and Australia were mainly hunter-gatherers (with some agricultural development in a few places), sparsely populated, prone to European diseases, and so offered little military resistance to the invaders. The settlement process swept them aside. The survivors became socially and economically marginalized.

In Argentina and Chile, on the other hand, a series of major frontier wars vanquished the indigenes and their mestizo allies and they too became marginalized, insofar as they survived, but not before the frontier militarization had significantly effected the political and institutional development of those countries. Wars – independence, civil, and inter-colonial – in the southern cone region bolstered in the 19th Century the militarization of institutions and state power. In New Zealand the indigenous resistance was greater again and significant accommodation of the settlers with indigenous populations had to be effected in order to establish a *modus vivendi* which remains very significant to this day. But the resulting military-political connections was quite different in those two zones, reflecting in part the different cultures of the founding countries and the different degrees of imperial control and liberalization in the 19th century. Even though the Maori Wars of the 1860s were perhaps the largest military engagement of the British army between the Crimean and Boer Wars, New Zealand did not become a militarized, illiberal, society; nor did Australia even though being a military-founded and governed colony in the early decades.

In all the African cases, however, the settlers were only a very small minority and in those post-colonial settler societies the ongoing capacity to retain fundamental aspects of the settler type in the face of indigenous resistance and demographic strength became increasingly problematic. Siberia has certain features in common with the New Zealand and southern South American situations because of the troubled relationship between settlers and indigenes but in that region settler populations were always in a minority. In Central Asia the continuation of elements of the settler type is very doubtful even though the Russian settler component of the populations in the Soviet successor states is often more than 20 percent and they remain the economically-dominant population. The rising tide of Islamic and nationalist re-awakening after the collapse of the

Soviet Union puts the continued viability of the Russian (Christian) settlements in doubt.¹⁰

The original and evolved situation of the indigenous peoples within the settler zones has been a formative influence on a second key variable: the labor regimes that emerged. One of the distinguishing characteristics of settler societies has been the relative lack of incorporation of indigenes into the mainstream societies and economies. This distinguishes them sharply from the other types of European colonies in the imperialist era in which either indigenous people or their mestizo descendants were demographically, culturally, and economically, if not administratively, dominant; or imported servile workers from Africa, Asia and Melanesia who provided a major part of the labor force and became post-colonially the dominant ethnic groups.

In many of the settler colonies and states, the modern free wage labor system was not important until the early 19th century and in some it remained undeveloped in the substantive rather than formal sense. There was a crucial divergence between different settler zones in this respect. In order to see this evolution we must understand that in many places capitalism was not the emergent or dominant economic system before the early 19th Century. Capitalism in its most developed form requires the creation of a free labor force and the availability of sufficient finance and fixed capital to employ those workers in agricultural, mining, industrial, and service enterprises. Private property in land, finance, industrial enterprises, and labor capacity is essential to the ongoing dynamism of the system. All conditions are necessary and historically there is a close correlation between capitalist development and economic dynamism. Wherever other forms of labor control were dominant, especially in the original agricultural and mining sectors, including prior to industrialization and urbanization from the mid-19th century in all of these colonial areas, economic development was slow to take hold.

There is a clear divergence here between the Anglo "New World" group and all the others from the early-to-mid 19th century. Labor shortages for capitalist agriculture in either the large-enterprise form, or the

¹⁰ In the case of Palestine-Israel, the ethno-national divide between the settling Jews (prior to Israel's statehood) and the indigenous Arabs, turned – following the establishment of the State of Israel and the aftermath of the 1948 war – into a national-political conflict between Israel and the Palestinians over territory, people and their habitat, which needs yet to be resolved.

family-farm form, both with secure property rights, and given the recently abolished slavery and serfdom in much of the European world, ensured that wage rather than servile labor would take root in those zones. All other forms of production that were either employing coerced labor or were essentially based on peasant, semi-self sufficient, agriculture, were virtually excluded from the scene. In the absence of an indigenous peasantry, imported servile labor, or an indigenous wage labor supply on a large scale, labor had to be supplied by European immigrants at high wages. The extension of suffrage from the 1860s in most of these areas meant that there could be no significant going back to a servile system that undermined workers wages and rights.

Servile labor was never important in northern United States or Canada or in New Zealand. In Australia servile convict labor became rather negligible in the 1840s and attempts to reintroduce it or to induce the immigration of a substantial number of indentured Asian and Islander laborers were relatively insignificant. In the Latin American cases the large-scale land holdings (*estancias*) remained central and they employed either crop sharing or rent-paying tenants with limited or no property rights, or semi-servile, quasi-feudal labor forces with no rights of collective bargaining or representation. Relative labor abundance meant that the rural labor market remained underdeveloped and the urban immigrant labor market was flooded from the late 19th Century with unskilled labor from southern and, recently released of its serfdom, eastern Europe. In some places, especially Chile, a very impoverished and marginalized indigenous peasantry also survived. But in African zones, indigenous peasantries remained a central form alongside the emergence of some "New World" style capitalist and family farming systems although labor on these capitalist enterprises was extremely low paid and verged on servility. A segmented labor and agricultural production system developed, which was later reflected in urban areas.

Likewise, in the mining sector, which by the mid-19 Century was economically significant throughout most of the settler zones thanks to the stimulus of industrialization in the North Atlantic area and the corresponding growth of world trade, the Anglo "New World" group diverged from the others. There, large-scale mining involved the use of European immigrant wage labor (relatively well paid) from the beginning. Southern Africa was quite different for whereas the mining there was very large-scale and capital-intensive from the late 19th century, there was a large pool of semi-servile indigenous labor to be exploited at impoverishment wages into the 20th Century. Chilean mining and that of other Latin

American areas also exploited the pool of impoverished indigenous, as well as indentured, labor.

TWENTIETH CENTURY OVERVIEW – CONVERGENCES AND DIVERGENCES

By the late 19th Century the settler economies were well integrated into the world economy (Davis and Gallman 2001). Indeed, the main settler zones in North America, southern South America, Australasia, South Africa, and North Africa were absolutely vital to the emergence and development of the world economy that was focused initially on British industrialization. These zones were the main destinations of European overseas investment and emigration.

The golden age of settler societies coincided with the long Nineteenth Century (1815–1914) as the world economic system forged into being around first British and then Germany's, west Europe's and North Atlantic industrialization. In the Twentieth Century the fundamental issue for these societies has been how to effect the transition from settler society to some form of post-settler structure and the various trajectories and degrees of success that the process has produced. This transition had to happen for the world economic and geopolitical conditions have not remained favorable to settler economies. The economic, social, cultural, racial, and demographic conditions have shifted and the transition has required major institutional and policy adaptations that have occurred with varying degrees of success through the Twentieth Century. The problem of path dependency flowing from the initial historical conditions of geopolitics, culture, environment, demographics, and economic structure and institutions, imposed a powerful set of constraints. As with all societies, transitions to new structures are never easy. The evolution of societies often occurs in sudden shifts and in response to powerful shocks.

The adaptation had to begin during and immediately after the First World War for that was a sudden and catastrophic shock to the whole system and every part of it. The massive disruption to trade, capital, and labor flows during the war, the misguided attempts to re-establish financial stability after the war, and the great shifts that had occurred in debtor and creditor status across the North Atlantic, altered greatly the basic nature of the world economy. The long-term shifts were masked for a few years by the booming commodity prices in the early 1920s but thereafter the conditions for the settler primary exporters and their capital suppliers began to shift as the world headed for the precipice of depression.

The collapse of world trade again in the 1930s and the emergence of even higher trading barriers and preferential blocs plunged the settler zones into the great depression. Geopolitical contexts now became more important than ever. The old open globalizing world economy of the late 19th and early 20th century was dead. War, depression, war again, and then Cold War, all prevented the pieces from being put back together. Still, the post-war recovery of the 1950s and 60s were relatively favorable years for many of the old settler zones, while decolonization brought an end to the African settler colonies.

World economic conditions under the Bretton Woods umbrella favored those areas that could industrialize sufficiently so that they could escape to some extent the settler trap of commodity-dependence. Outcomes varied from the success of Canada, the relative success of Australia, the rather limited success of New Zealand with its very small internal market and greater reliance on agricultural exports, to the less fortunate southern South American zone that struggled to make the transition. Cultural and political conditions had already worsened greatly in the zones that were less closely identified by the “standard” settler model, notably in southern and northern Africa. Civil and independence wars in these areas broke in the 1950s and 1960s. In the 1970s revolts, civil warfare, and repression spread through South America. Greater divergences between the Anglo “New World” group and all the others opened. The Anglos were able to succeed in their transition strategies of industrialization and diversification as the century went on. The Hispanic and Francophone zones became more or less mired in strife and economic difficulty, and North Africa saw the emigration of much of the erstwhile settler population.

THEORIES AND EXPLANATIONS

Explanatory themes on the history of European imperialism, the world economy, economic history, and economic development, including the founding and development of colonies of settlement in new worlds, owe much unto this day to the cumulative influence of the classical ideas of Adam Smith, David Ricardo, Johann von Thünen, and Karl Marx, as well as to more recent work in new institutionalism, social choice, demography, and spatial/environmental theory. The concept and relevance of Smithian growth – the idea of expansion of economic frontiers by the addition of new inputs rather than through productivity growth – continues to be debated with regard to the development of New World economies in the 19th century and later. Ricardian concepts of specialization

and trade within an emerging international market and von Thünenian ideas about the spatial distribution of production under the influence of transport developments, are still relevant to contemporary analyses. Marxian ideas of the evolution of modes of production within the system of relations of production and the necessity to understand the world economic context of production owe a strong debt to older ideas of Smith and Ricardo while supplementing them with new insights and influencing some recent theorizing. The debate over the nature and development of modern settler economies and the world historical context in which European colonialism flourished, continues to be a lively one with the classical tradition at its roots and continuing influence.

The first specific attempt to construct a general theory of settler colonialism within the era of capitalist agriculture and the emerging world economy of the 19th Century seems to have come from the philosophic radical Edward Gibbon Wakefield in the 1820s, who attempted in his *Letter From Sydney* (Wakefield 1968, first published 1829) (actually written from an English prison) to develop a systematic approach to colonization, understanding its socio-economic and political structure, partly on the basis of Smithian and utilitarian principles (Groenewegen and McFarlane 1990). He argued that what we would now understand as settler colonization could only succeed if it constructed a social structure appropriate to capitalist development; and thus he constructed a policy prescription for orderly migration and settlement that would ensure an appropriate class structure in the new free soil colonies in the Antipodes. Marx pointed out in *Capital* vol. one that Wakefield had significant insight but failed to fully realize the importance of relations of production to the dynamics of socio-economic development (Marx 1976).

In Marx's theory, the process of the origins, development, and dynamism of capitalism as a mode of production was one in which there was a *contractual* rather than coercive relationship of the capitalist to the wage laborer. Each needed the other. Wage workers were not only more efficient; they supplied the important consumer demand within the colony and the world market generally. In the Antipodean colonies of recent settlement there was a shortage of laborers willing to work for capitalist landowners because of the abundance of cheap land. Wakefield's *systematic colonization* alternative to servile labor was aimed at preventing free working class immigrants from acquiring land too easily, thus forcing them to remain landless workers. But wages had to be attractive enough to act as an incentive to hard work and thrift in order to become landowners eventually. Large-scale free immigration of such people served a purpose in both the metropole (undergoing an agricultural and industrial

revolution) and the settler colony. Wakefield implicitly and Marx explicitly believed that an ordered *capitalist* socio-economic structure was the essential precondition for economic growth and development.

The availability of free land on the frontiers of settler societies exercised the imagination of metropolitan policy makers, potential emigrants, and existing settlers in the Neo-Europes. Furthermore, the Ricardian idea of comparative advantage-led production and trade gave rise in the early 19th century, once industrialization had set in, to the idea of colonies as producers of raw material staples rather than just as destinations of dangerous and surplus populations. Thus an explicit global division of labor emerged within British colonial policy as well as in the settler regions within and outside the British Empire, as evidenced by Wakefieldian principles.

The ideas of frontiers and staples came together as a hybrid concept that formed an intellectual context for colonialist thought in the 19th Century (McCarty 1973, Cowen and Shenton 1996). Land ownership and control in the Ricardian universe was crucial and in the Marxian universe labor control via relations of production was added. The contrasts between the United States, Australia, New Zealand, and Argentina are instructive here (Sharp 1955, Wynn 1983). The United States frontier in the 19th Century was the site for a three-fold struggle over land ownership between, firstly, the native population and the government; secondly, between quasi-peasant family farmers and large-scale capitalist interests; and thirdly, between northern republican/capitalist interests and the southern slave-owning oligarchy. This struggle was won, by and large, through the Civil War and the latter 19th century by the alliance of the small farming class and northern republicans with very important consequences for culture, democratic politics, and economic policy. Both atavistic plantation society and large-scale capitalist agriculture were defeated with a reinforcement of a very substantial small-farmer democracy. Large-scale capitalist agribusiness became important again in the mid 20th Century.

Australia and New Zealand did not have a frontier in strong geographic or demographic senses. Settlement in Australia did not move in a great wave across the continent but began at many points around the coast and penetrated a relatively short distance into the harsh interior. Governments never really lost control of the hinterland as they did in the U.S. and in parts of South America, although in the 1830s there was a strong movement towards the entrenching of an oligarchic land-owning class, which was defeated in the 1840s and 1850s (McMichael 1984). Instead of a

frontier Australia had the bush or the outback, which became important in mythology and iconography but not politically or socially. Few people ever lived there for it was not primarily a realm of democratic economic enterprise except in the 1850s gold rush era and that is the important exception that proves the rule. The pre-existing impetus to capitalism and liberalism were strengthened by the gold rushes rather than deflected by them. From the 1860s a long struggle over land reform began that lasted well into the 20th Century, which destroyed the power of the large land-owning class.

In Argentina there was a similar set of struggles but with important differences. The frontier was much more lawless and the state's writ did not run until into the late 19th Century. Instead there was a struggle between the native/mestizo populations and various private armed European groups who competed violently among themselves for the control of the frontier resources. The winners were an atavistic, quasi-feudal, large land-owning oligarchy who locked up the land and came to dominate militarily the city, the state, and the economy (Rock 1985).

In New Zealand, the struggle for land ownership similar to that in Australia resulted in a victory for small, independent farmers in the 1890s who then ushered in a social and political revolution under the guise of liberalism. It was only later that the labor movement reached the level of power attained in Australia.

So, the "frontier" concept for many settler societies is less useful than that of "economic staples" for it was *capitalist* investment in staple extraction and production that better helps explain the economic history (Di Tella 1982, McCarty 1973). The economic linkages that these staple industries developed are of key interest for it was the financial, transport and final demand linkages that were of most significance in the 19th century rather than those to manufacturing. The wealth generated by wool, gold, wheat, meat, dairy products and so on, flowed to the commercial cities through which the staples passed for the most part into high profits and high wages. By 1890 GDP per capita in most of the settler societies was the highest in the world. Industrializations began partly with capital from resource wealth and on the basis of high domestic consumer demand and import substitution rather than exports. Industrial protection was then viewed as essential for economic diversification, the absorption of more immigrants, and the maintenance of an urban society on the old world model.

Louis Hartz made what is probably the first attempt to comprehend globally the whole range of *Neo World* societies in his magisterial book on

the *Founding of New Societies* (Hartz 1964). While being a work of original intelligence and insight, the attempt by Hartz and his collaborators has to be seen, nevertheless, against the background of the decolonization movement of the 1950s and 1960s in which many new states were being founded, often violently, out of the unraveling European empires and through the ambiguous role being played by the United States in its Cold War stance in this process. Hartz's fragment thesis contained the fundamental insight as to the great long-run significance of initial cultural and geopolitical conditions. The fragments of Europe that the settler societies represented carried the initial conditions of their birth as their basic determination for the rest of their existence. While much criticized for its applications, this insight cannot be ignored.

The Cold War and western hegemony of the US was also the context for the development of dependency theory by a group of economic development theorists in Latin America (Imlah 1950, Prebisch 1950, and Frank 1978). They employed a version of core/periphery and informal imperialist analysis to argue that states and firms located in the core of the world economy dominated economic activity throughout the system, condemning, via the comprador class of local collaborators, certain areas of the periphery to a dependent relationship. Dependency theory argues that a prerequisite as well as a consequence of core capitalist development with free wage labor is often unfree or semi-free labor, economic underdevelopment, and socio-political backwardness in the periphery. Peripheral societies, of which Latin American states were seen as the chief examples, were dependent on the core, unable to develop a modern economy yet also unable to break free from the stifling grip of international capital that seeks extraordinary profits from exploitation of cheap, servile, labor.

The significance of "dependence" varies, however, with the particular relationship of the colony to the metropolitan power as well as on the rural property relations in the dependent state (Lloyd 1987). A more comparative and nuanced framework would have enabled the Latin American dependency theorists to see that dependence of a different sort in the 19th Century in North America and Australasia was not a barrier and may have been an aid to development. The imperial governance framework of Liberalization and specialization on *capitalist* primary production were comparatively beneficial in the British settler colonies. Efficient family farms with favorable terms of trade placed them at an advantageous position in world markets. Latin American landowning and socio-political structures, while not very important issues whenever commodity prices

boomed on the agricultural heartlands, became a significant problem as time went on.

World-System Theory builds on and goes further than Dependency Theory in developing the core/periphery model (Wallerstein 1974–89). The fundamental tenet here is that as the capitalist world economy developed from the 16th Century onwards and especially in the 19th Century, the core capitalist zone in Western Europe and North America dominated the rest of the world with the effect of locking much of it into peripheral or semi-peripheral status as zones of exploitation with cheap, often servile, labor. Backwardness, dualism, and the dependency of the periphery on the rich core were consequences of the penetration of capitalism from the core. A global class structure emerged in which the exploitation, poverty, and immiserization of the Third World working class made possible the virtual liberation of the working class of the core areas. According to this theory, certain settler societies, notably Canada, Australia, New Zealand, and perhaps parts of western North America, became semi-peripheral zones, integrally tied to British capital, rather than peripheral, marginalized zones, as in South America. The availability of labor and conditions of employment were crucial to the differentiation that emerged in the 19th Century.

Geopolitical, cultural, and economic imperialisms were not the whole story of the emergence of a world system from the late 15th Century. Of equal significance was the emergence of a global ecological system. Alfred Crosby's path-breaking work elevated to central significance the worldwide and local impacts of the merging of biota consequent upon the Europeanization of the world (Crosby 1986). The initially unintended then intended transferral of European temperate agricultural systems and species to the temperate colonies was a crucial component of the forging of Neo-European societies and economies. And the transferral was not simply one-way. New World species and their products along with tropical products flowed back to Europe in great quantities and were distributed around the world. The ecosystems of many colonies were radically transformed, sometimes with great social and environmental devastation as the cases of Ireland, Australia, and New Zealand testify.

Theoretical over-determination can rob nations, regions, and localities of their true histories. Settler society theory and research should investigate the great institutional and economic complexity of the emerging world economy in the nineteenth century for its continuities, commonalities, and divergences. Geopolitical empires, world-system trading relations, international cultural constellations, demographic movements,

and local events, characteristics and experiences, all overlapped and impinged on the development of particular societies.

By the 1980s and 1990s, comparativist approaches to the history of settler societies that incorporated these multi-dimensional perspectives of economic, social, political, and environmental perspectives had built on earlier ideas and on the empirical research of the prior decades. Several significant works that took an interdisciplinary approach can be mentioned. Donald Denoon (1983) has done much to map the domain of settler capitalism as a socio-economic and political formation, at least in the southern hemisphere, and attempted to construct a theoretical framework for the analysis of its various manifestations. As such, his book is a significant alternative to staple theory and world-systems-dependency approaches to constructing a framework for explaining settler societies. What Denoon and other defenders of this general concept have provided is some of the foundations for a framework of comparative interdisciplinary enquiry into settler societies in general and for examining each of these societies in particular. Their work shows the greater power of such foundations compared with earlier forerunners, such as Hartz, Albert Imlah, Raúl Prebisch, J.W. McCarty, André Frank, and Immanuel Wallerstein. The complexity of and differences between settler societies is not well captured by seeing them just in an imperial/non-imperial context or as frontier societies, or in a world-system, centre/periphery dependency context.

Denoon's book is a good example of a work that tries to transcend the explanatorily distorting boundaries between branches of the social sciences. He combines theory drawn from economics, politics, sociology, and historiography with a constant concern for evidence of particular actions, events, processes, and structural changes. While the comparative approach to settler capitalism of Denoon and others made a significant advance on earlier work, including the emphasis on geographical determination in the trajectories of settler societies, it paid insufficient attention to technological change, especially in transport, in helping to bring into being the world economic system in the 19th Century, in which all regions increasingly found themselves enmeshed and economically shaped. Settler societies have to be seen in this world context, as they are of course by many scholars, but how the system *as a whole* operated must be fully grasped in order to explain any part of it. Thus comparative settler capitalist theory needs a bigger and more encompassing framework in order to realize its explanatory potential. Neo-Marxist world system and dependency theories and some forms of Ricardian neo-classical theory do

operate on this level but the settler capitalist theory rejects their over-determined structuralist approaches. Alternative frameworks have been provided by Dieter Senghaas (1985) and more recently by Herman Schwartz (1994, 2010), and by Michael Cowen and Robert Shenton (1996).

Schwartz has developed a framework that gives a central place to Johann von Thünen's early 19th Century spatial economic theory of production circles that arise from differential costs of transporting commodities to central markets, which has been built on and updated by Paul Krugman. Schwartz's (2010, 3rd ed) valuable book on *States Versus Markets* is about how markets create distinct spatial patterns in what is produced and how states attempt to influence (often contra market forces) the distribution of production. The transformation of the world consequent upon the British industrial and transport revolutions brought into being an international political economy which was about

...how market pressures cause actors to constantly relocate productive activities in a global space, about how states try to bend those market forces when it hurts them and allow them to work when it helps, and about the essential unity of modern states and capitalist markets. Market pressures on individuals and firms motivate them to relocate production and consumption. States intervene to help or hinder this market-driven redistribution but often with unintended results. ...

Trade grew rapidly before 1914, based on complementary flows of goods between exporters of agricultural goods and exporters of manufactured goods. Roughly 120 million people moved overseas either voluntarily or involuntarily and large numbers also migrated inside Europe and Asia. And millions of dollars of investment facilitated the transformation of entire continents by migrants and colonial governments trying to produce more food and raw materials. Market forces dictated the general location of these new agricultural zones. Competent or lucky states in those areas seized the opportunities; incompetent ones fumbled the future (Schwartz 2010: 2).

In the mid-19th Century the local Australian States, for example, unlike Argentina's, proved strong enough to break the power of the squattocracy, end coerced (convict) labor, suppress frontier revolts, maintain some form of Wakefieldian systematic colonization, and carry through limited land reform. Together, these enabled the Australian colonies to boost output of raw materials and food because of the consolidation of efficient family farming. Greater output meant greater exports, thus greater imports, hence greater customs duties and foreign borrowing capacity by states, enabling greater infrastructure building. There developed the possibility of agriculture-led industrialization on the basis of demand from the prosperous family farming sector and the (protected) home

market. The advent of family farming was crucial in many places because this class of small-scale property owners ameliorated the class conflict between the emergent working classes and the colonial states on behalf of constitutionalism. Such farmers were also consumers and exporters who underpinned local food processing industries and the beginning of consumer markets (Schwartz 2010: 143). New Zealand and parts of Australia strongly exhibited this pattern as did, most strikingly, the American Midwest and Canadian prairies. American industrialization on the basis of demand for farm machinery occurred in the Midwest and Great Lakes region from the late 19th Century. By contrast, the somewhat differing pattern of large-landholding estates and relatively poor tenant farmers in southern South America hindered the same sort of development. Land-owning patterns were crucial in the 19th Century, as today.

Schwartz combines elements from world systems theory, neo-classical growth theory, Gerschenkronian backwardness theory, and the class theory of Robert Brenner, with the spatial concepts of von Thünen and Krugman. Each has important relevance to explaining aspects of the process whereby a complex division of labor arose and evolved in the world system and thus enabled (indeed necessitated) a dynamic *systemic* structure that should operate such that each of its parts should play a peculiar role.

NCE (Neo-Classical Economics) and WST (World Systems Theory) respectively err in expecting the world market not to produce any kind of pattern of rich and poor areas and expecting the market to determine both the kinds of goods and the kinds of *production systems* that emerge. Market pressures from rents and agglomeration economies do distribute economic activity, including industry, into definite zones. ... But these pressures do not necessarily determine development, its absence or its opposite. Peripheral areas may be fated to produce low-value-added goods by virtue of their location in terms of transportation costs, but even so, development – rising productivity and incomes – is possible because local political responses to these pressures can produce institutions designed to ameliorate or reverse the effects of those pressures. ... States can adopt two generic strategies in the face of globalization: *Ricardian* and *Kaldorian* strategies. These represent the extremes of a continuum of responses to world market pressures, and most real-world responses mix elements of both. Ricardian strategies represent acquiescence to the peripheralization tendencies Thunen and Krugman highlight. Kaldorian strategies represent an effort to mitigate or reverse these tendencies.

Adoption requires the right institutions. ... Gerschenkron focussed on the role of the state and state institutions as midwives of economic development. Consistent with our Thunen and Krugman models, Gerschenkron

argues that the world market sets up substantial obstacles to the emergence of modern industry in backward countries. But he does not see these as insuperable. Instead, Gerschenkron invests the state with a much wider role in and ability to correct market failure in backward economies than does NCE or WST. Brenner and Gerschenkron come together in their insistence that local institutions profoundly shape economic development (Schwartz 2010: 58–59).

This is clearly what happened in many settler societies. Nationalist coalitions of capital, labor, and liberal elements coalesced to varying degrees before the First World War around protectionist consensuses that favored local manufacturing and heavy industry, infrastructure provision (railways, ports, and dams) and sometimes welfare redistribution that had the effect of extending local markets. But the efficiency and wealth of primary exports, economic symbiosis with Europe in terms of capital, labor, and commodities flows, and later trading bloc preferences or their absence, all remained crucial determinants of development.

The great value, then, of a comprehensive approach such as Schwartz's, which builds upon the main pre-existing approaches to historical political economy, is its power to explain the structure of the world system and its components *at several levels*. No attempt to theorize and explain any country's socio-economic and institutional evolution can afford to ignore this kind of approach for it is able to grasp the structuring institutional and economic processes occurring within local, national, and international areas.

Complementing the insights provided by this kind of comprehensiveness is the large body of work that has been conducted within the framework of what could be described broadly as new institutionalist and social choice economic history, notably by Acemoglu et al. Engerman and Sokoloff, Lance Davis and Robert Gallman, Luis Bértola, and others, some of which we discussed in previous sections. Their generation and use of large data sources have enabled a new level of precision and analysis to be factored into arguments about comparative development over the long run. The significance of the institutions of property rights determination and enforcement, land distribution, financial organization, governance, and political representation, has loomed large in their analyses providing us with fresh interpretations of the nexus between countries of origin, natural and human environments in colonized areas, the institutional characteristics of the settler economies and polities and the diverse patterns of development within the global economy.

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