Resisting Neoliberal Capitalism: Sustainable Self-determination on Moloka`i, Hawai`i

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Abstract

This paper examines how a community resists the exploitive power of neoliberal capitalism by practices of self-determination and economic development that are grounded in Indigenous traditions and values. The sources I draw on for this examination are the decolonisation work of Taiaiake Alfred, the work on sustainable self-determination of Jeff Corntassel, the work on earth democracy of Vandana Shiva, and the writings on economic theory of Karl Polanyi and David Harvey. I argue that the Moloka`i community of Hawai`i is able to successfully assert power over a transnational corporation because the community has a strong commitment to a shared value system. This community power, though, is only strong when a critical mass of the community participates in the challenge to corporate power.

Moloka`i is the last Hawaiian island. We who live here choose not to be strangers in our own land. The values of aloha `āina and mālama `āina (love and care for the land) guide our stewardship of Moloka`i’s natural resources, which nourish our families both physically and spiritually. … We honor our island’s Hawaiian cultural heritage, no matter what our ethnicity, and that culture is practiced in our everyday lives. Our true wealth is measured by the extent of our generosity.

Ka Honua Momona Molokai: Future of a Hawaiian Island (emphasis added).

An international investment company headquartered in Singapore, GuocoLeisure Limited’s primary role is as an active investor with strategic shareholdings and active investment management aimed at extracting and maximizing shareholder value

Guoco Group Limited (emphasis added).

This article focuses on efforts within the rural community of Moloka`i to resist the domination of economic activity on the island by global capitalism. These efforts are framed by a community vision for economic autonomy that is expressed in the first epigraph above in which social organisation is founded on stewardship of land and resources and development is moderated by community needs. This vision is grounded in Kanaka Maoli (Indigenous Hawaiian) values.

The second epigraph is taken from the strategic goals of Guoco Group Limited (Guoco), the transnational corporation that owns 40 percent of the land on Moloka`i. Guoco is focused on capital accumulation and its business model centres on extracting wealth from real estate holdings. Success for Guoco is measured by the price of real estate. These two statements express very different notions of economic progress and yet the community that authored the first epigraph and the corporation that authored the second are bound together not only by geography but also by a complex play of social, political and economic forces.
Which vision controls the economic development of Moloka`i? Conventional Western thinking says that the power of a capital-rich transnational corporation should control the development agenda. However, my investigation of Kanaka Maoli-based economic development on Moloka`i presents evidence that meaningful assertion of self-determination grounded in an Indigenous knowledge system can subvert neoliberal attempts to co-opt the community’s economic and political agenda.

How do relationships of power and domination play out between an Indigenous community and a transnational corporation? I argue that the Moloka`i community is able to successfully assert power over a transnational corporation because the community has a strong commitment to a shared value system. However, this community power is only strong when a critical mass of the community participates in the challenge to corporate power.

To examine these questions I analyse the power relationship in the ongoing negotiation for control of development on the island between the Moloka`i community and Guoco. Specifically, I look at the conflict that erupted over Guoco’s plan to develop Lā`au Point, a pristine shoreline adjacent to an important offshore fishing area. The major players in this drama were the Moloka`i Enterprise Community, a Kānaka Maoli led community-based economic development group, and Moloka`i Properties Limited, formerly Moloka`i Ranch, which is a wholly owned subsidiary of Guoco.

**Indigenous self-determination encounters neoliberal global capitalism**

Acknowledging that the term Indigenous has fluid meaning, for the purposes of this article I identify Indigenous peoples, such as Kānaka Maoli, as communities who are rooted to a specific land base through cultural production, knowledge systems and ancestral ties. The non-human landscape is an integral part of the web of familial responsibility of Indigenous peoples’ kinship systems. Indigenous knowledge systems include the Indigenous community’s language, culture and economic life that are intimately tied to an ancestral and spiritual relationship to a specific land base (Corntassel 2003, 91-92). In this section, I discuss the role that economic practices play in the meaningful assertion of self-determination by Indigenous peoples.

The practices of neoliberal capitalism and the governance structures of nation-states that support these practices are centered on the exploitation of human and natural resources for private gain. This economic paradigm has become so entrenched in nation-state politics that self-determination is only understandable within a legalistic rights-based discourse. This discourse assumes that individual human rights are superior to collective responsibility and that economic activity that exploits resources for individual gain is more important than stewardship practices that sustain natural resources into the future. The work of Indigenous scholars such as Taiaiake Alfred, Jeff Corntassel and Vandana Shiva are a direct challenge to these assumptions (Alfred 2009; Corntassel 2008; Shiva 2005).

In *Peace, Power, Righteousness: An Indigenous manifesto*, Alfred (2009) writes that in order to decolonise and undermine the domination of the nation-state, Indigenous communities must recapture their traditional social and cultural practices and Indigenous communities must regenerate the ancestral and sacred relationship to their land base. The principle of stewardship is fundamental to this spiritual relationship. Alfred (84–5) writes:

> The stewardship principle, reflecting a spiritual connection with the land established by the Creator, gives human beings special responsibilities within the areas they occupy as indigenous peoples, linking them in a ‘natural’ way to their territories. The realities of capitalism make this concept problematic both for the state and for indigenous peoples.

Alfred expands on the unsettled relationship with capitalism and the state by pointing out that Indigenous peoples are not rejecting ‘modernization or participation in larger economies’. Rather, an Indigenous person committed to the decolonisation process has a responsibility to ensure that his or her economic activity contributes to the long-term health and stability of their community and their ancestral homeland.

Corntassel (2008, 122) further develops the responsibility discourse when he argues that self-determination for Indigenous peoples is sustainable across generations when they engage in a discourse of responsibility within communities rather than individual rights within a nation-state legal system (122). Governance structures and practices that are based on the people’s ‘relationships to family, community and homelands’ must be reinstated. Within this framework, the process of self-determination is a
meaningful assertion by Indigenous peoples of their language, culture, spiritual ways and economic practices.

Economic practices within Indigenous communities are integrated into cultural and spiritual lifeways of the people rather than separated out as special or pre-eminent. Individuals are stewards of the communal resources and economic activity must provide direct benefit to the community. This integrated relationship of people to the land contradicts the reality of capitalism that Alfred alludes to above; that is, the paradigm of capitalism in which land and people are commodities to be traded on the open market as real estate and labour.

In The Great Transformation (2001), Karl Polanyi analyses the impacts of the commodification of land and labour on Western society. He shows how the enclosure of the commons worked to alienate people from the source of their livelihood (35–7). In his analysis, Polanyi (75–6, 187) asserts that land and labour, along with money, are false commodities because they are tied not only to economic activity, but also to notions of habitation (including sustenance and shelter), and ‘the organizations of kinship’. He writes that:

> to separate labor from other activities of life and to subject it to the laws of the market was to annihilate all organic forms of existence and to replace them by a different type of organization, an atomistic and individualistic one (171).

The organic forms of existence to which Polanyi refers are the building blocks of Indigenous economies in which the well-being of human and non-human communities is paramount. Organic processes of organisation and the traditional institutions that emanate from them produce self-sustaining communities that are able to provide for their own sustenance. Capitalist colonisers destroy these organic forms of existence in order to exploit the people’s labour and the natural resources of their land base (Polanyi 2001, 187–8). This exploitation and expropriation, then, severely disrupts Indigenous economies.

Polanyi’s work addresses capitalism in the nineteenth and early twentieth century. However, as David Harvey asserts in The New Imperialism (2003), globalisation and the consolidation of capital in the hands of a few neoliberal elites also defines imperial power relations in the twenty-first century. In a later book, A Brief History of Neoliberalism (2007), Harvey maps out the relationship between neoliberal capitalism and the nation-state. The state is a container of institutions and structures (most notably the legal system and the military) that guarantee property rights, free markets and free trade for the capitalist. A state-sponsored legal rights discourse maintains the concentration of political power and hence economic power in the class of neoliberal elites, i.e. capitalists, who control the means of production in the current global economy (64–7, 70). In the twenty-first century, then, economic autonomy within the sustainable Indigenous self-determination model must contend with neoliberal globalisation, capital accumulation and the tyranny of free market capitalism.

Vandana Shiva’s (2005, 5) response to neoliberal globalisation is ‘earth democracy’, a set of principles that, as she writes in Earth Democracy: Justice, Sustainability, and Peace, ‘is shaped by the multiple and diverse practices of people reclaiming their commons’. This process of reclaiming has strong parallels to decolonisation and self-determination projects of Indigenous peoples. Shiva describes economic activity within this reclaiming process as the integration of the natural economy, the sustenance economy and the market economy. Nature’s economy is the complex network of ecological processes that produce all our natural resources and from which all other economies are derived (2005, 16). The sustenance economy is the work people do to provide for the necessities of life such as food and shelter and the market economy is the exchange of goods and services (17–18).

In earth democracy, healthy communities depend on the integration of these three economies. Shiva (2005, 52) argues, ‘In a stable constellation of economic organization … nature’s economy is recognized as the most basic, because it provides the foundation for the sustenance and market economies, and because it has the highest priority to and claim to natural resources’. Shiva goes on to point out that in the current development scenario, capital accumulation is the primary goal, which leads to treating ‘the market economy as primary and nature’s economy and the sustenance economy as marginal and secondary’. Without integration of the three economies, people are left destitute and the natural economy deteriorates.
Both Polanyi, writing in the middle of the twentieth century, and Shiva, writing at the beginning of the twenty-first century, point to the problems created for human habitation by capitalism’s tendency to detach the activities of the market from the human and natural environment. The principle of stewardship within Indigenous peoples’ decolonisation and self-determination projects also works to integrate economic activity with people’s traditions, culture and land base. In the next section, I examine the challenges that people face on the island of Moloka’i as they resist the development agendas of transnational corporations on their island.

**The Moloka’i way of life — a cultural kīpuka**

Moloka’i is a rural island that is divided into three distinct regions: the mountains and valleys of East Moloka’i, the central plain, and the open terrain of West Moloka’i. According to the 2000 census data, Moloka’i’s population of approximately 7000 is predominantly Native Hawaiian (Hawaii Business Research Library 2007). Prior to the arrival of Westerners in the late eighteenth century, Kānaka Maoli lived primarily in the valleys of East Moloka’i where water and land resources supported a thriving population (McGregor 2007, 200).

The arrival of Westerners to Hawai’i brought devastating social changes to Kānaka Maoli. The social and economic upheaval in the political and cultural centres of nineteenth century Hawai’i are documented by Indigenous scholars such as Lilikalā Kame‘eleihiwa and Jonathan Osorio (Kame‘eleihiwa 1992; Osorio 2002). But, as Davianna McGregor describes in Nā Kua‘āina: Living Hawaiian Culture (2007), islands like Moloka’i, on the margin of Hawai’i’s political and economic life, became cultural kīpuka. In Kanaka Maoli epistemology, a kīpuka is an ‘oasis within a lava bed where vegetation grows’ (Pukui 1991, 155). Kīpuka allow life to regenerate and spread to the barren lava that surrounds them. Cultural kīpuka are the communities of kua‘āina that to some degree live within pre-contact political and economic structures. According to McGregor (2007, 4):

> Kua‘āina are Native Hawaiians who remained in the rural communities of our islands, took care of the kūpuna or elders, continued to speak Hawaiian, bent their backs and worked and sweated in the taro patches and sweet potato fields and held that which is precious and sacred in the culture in their care.

Moloka’i is relatively isolated geographically and the land only marginally suitable for industrial agricultural production. As the social upheaval in Hawai’i occurred in the nineteenth century, this isolation from centres of trade meant the island’s economy did not fully fold into the market economy introduced by Westerners. Without access to a steady cash income, kua‘āina depended on traditional knowledge and practice to provide for their sustenance.

The oldest capitalist venture on the island is Moloka’i Ranch. In the nineteenth century, a group of haole (white) businessmen from Honolulu purchased land on Moloka’i’s west end to form Moloka’i Ranch (McGregor 2007, 201). Guoco eventually acquired Moloka’i Ranch and although ranching activities still occur on its land, the corporation’s primary economic activity is real estate development. Moloka’i’s social, economic and political profile was also significantly shaped by the Hawaiian Homelands Commission, which was established by the US federal government in 1921 to ‘rehabilitate Native Hawaiians’ by putting them back on the land. The program is often critiqued for its negative impact on Kanaka Maoli self-determination (Kauanui 2008). The Territory of Hawai’i awarded the first homestead parcels on Moloka’i, which resulted in a migration of Kānaka Maoli from throughout the islands to homesteads on Moloka’i’s central plain. For over 90 years, the homesteaders have had limited success growing food crops. Water is sporadic and strong winds blow constantly across the high plateau. Homesteaders have survived economically by leasing their land to commercial ventures from off-island. Nevertheless, the three homestead associations on the island are a powerful block in the struggle for economic autonomy.

Today on Moloka’i the sustenance economy operates alongside the market economy. There are few amenities on the island and many on Moloka’i provide for themselves by hunting, fishing and gardening. These practitioners have an intimate knowledge of the island’s resources and family and neighbours commonly share work and resources.
Neoliberal economic regimes on Moloka`i

Neoliberal globalisation opened up tourist destinations like Hawai`i to transnational real estate and leisure industry investment and Moloka`i was not immune. Guoco is one of a handful of transnational corporations operating on the island. The corporation’s primary activity is real estate development and industrial tourism is a complementary economic activity. The corporation operated a resort, the Kaluako`i, that employed over 100 residents, but was closed in 2001 because it wasn’t showing a profit. The most profitable part of Guoco’s business plan has been selling property for development either as large ‘gentlemen farmer’ estates on land zoned for agriculture or condominium properties on land adjacent to the defunct hotel.

The Moloka`i community, on the other hand, sees tourist activities as a potential economic development opportunity that is incorporated into the health and welfare of the island’s people and ecosystem. The Moloka`i Responsible Tourism Initiative: A Community-Based Visitor Plan for Moloka`i (2006), written by Davianna McGregor for the Moloka`i Enterprise Community, emphasises that the visitor experience must be integrated into Moloka`i community life. This plan also insists that tourism on Moloka`i must be separated from real estate sales; the ruling principle on the island being ‘Moloka`i: Not for sale. Just Visit. Our economy and lifestyle depend on it’ (McGregor 2006, 22).

The irony is that real estate salespeople exploit Moloka`i’s lifestyle when peddling Moloka`i property on the global market. This irony is not lost on Moloka`i residents and friction has been building between those who live in the condominium-gentlemen estate culture and those who embrace the Moloka`i vision statement cited above, who live in the sustenance economy that is the hallmark of the Moloka`i lifestyle. People enchanted by the romance of living on the ‘last Hawaiian island’ build vacation or retirement homes on Moloka`i and then cannot cope with the lack of consumer culture. A 2005 article in the Maui News documents this clash of lifeways. After a customer threw a product at one of the clerks, the owner of the Friendly Market Center posted a sign explicitly laying out expectations for customers. The sign reads: ‘Aloha spirit required here. If you can't share it today, please visit us some other time’ (Monson 2005).

Moloka`i residents are actively engaged in resisting the changes to their lifestyle that real estate development brings. They are also aware of the need to participate in the market economy but they want to do so on their own terms. However, one of the major stumbling blocks is finding the resources that would make their vision of responsible community-based development on the island possible. This issue brings us to the development at Lā`au Point and the friction this created within the Moloka`i community.

‘Collaboration’ between corporation and community

Moloka`i Properties Limited introduced the Lā`au Point development in the context of community-based planning, which Moloka`i has been engaged in for over ten years. The planning process was led by Kānaka Maoli who put together a coalition of diverse residents to look for solutions to Moloka`i’s dire economic situation. Residents remain determined that these solutions provide long-term benefits to the community. In this process, Kanaka Maoli concepts of sustainability, through aloha ʻāina and mālama ʻāina (to love and care for the land) are used to anchor Moloka`i’s economic and political goals. These concepts require that individuals take on a stewardship role to the land and natural resources irrespective of who owns the land.

In 1998, the Moloka`i Enterprise Community (MEC) applied for and received enterprise community status from the US Department of Agriculture, which made them eligible for federal funds for community-based economic development. The MEC is the democratically structured institution that was formed to administer the funds. In the first five years of operation, the MEC board of directors funded a wide range of economic development projects including building a community-run commercial kitchen, assisting farmers with equipment purchases, establishing a charter school and commissioning the community-based visitor plan for Moloka`i discussed above. These projects received broad-based community support.

In 2003, the MEC initiated Project #47: Community Based Compatible Development, which was essentially working with Moloka`i Properties Limited to create the community based master land use plan for Moloka`i Ranch (the plan).
The plan incorporated many priorities that were in keeping with the community’s vision statement, including giving 26,200 acres, approximately one-third of Moloka‘i Ranch land holdings, to the Moloka‘i Land Trust; easements over another 24,000 acres of Moloka‘i Ranch holdings to preserve agricultural and rural land use designations; and re-opening the Kaluako‘i to provide employment for Moloka‘i residents. In exchange for these concessions, Moloka‘i Properties Limited expected community support for the development of 200 luxury homes at Lā‘au Point on Moloka‘i’s pristine southwest shoreline as the project moved through the State and County regulatory process.

But a large segment of the Moloka‘i community did not want to accept the compromise. Fishermen were concerned that developing Lā‘au Point would adversely impact the fertile offshore fishing area that provides sustenance for island residents. Homestead farmers insisted that there was not enough water on the island to support the development and many residents from across the island were concerned that the development would negatively impact on Moloka‘i’s lifestyle. Passions were aroused and islanders came out in force to confront the developers about the plan.

At one community meeting, documented on video by Moloka‘i filmmaker Matt Yamashita, a Kanaka Maoli man declared, ‘Million dollar house brings million dollar people and that brings million dollar attitudes and that's going to change our island and our lifestyle’ (Yamashita 2007). A Kanaka Maoli woman added, ‘But have plenty rich people, millionaires living on one end of the island they going be affecting what decisions are made on the political level because they get the money to influence that’ (Yamashita 2007). Another Kanaka Maoli man asked the Moloka‘i Ranch CEO, ‘After all the meetings are done who is going to be the one to say we going to develop or make the decision of whether we develop or not?’ The CEO responded, ‘My opinion is that it has to be the community’ (Yamashita 2007).

The MEC and Moloka‘i Properties Limited also produced a video in which local residents of all ages voiced their support for the project. Claire Sabas, a respected kupuna (elder) in the community said: ‘The ranch could have done what they've done in the past. Just you know talk to the powers that be and ignore the people in the community. I think this makes the people a part of it’ (Molokai Enterprise Community n.d.). Another respected kupuna, Jimmy Duvauchelle, echoed this sentiment: 'It's not our land but we have the opportunity to get involved in this plan and I believe ... to keep something you gotta give something' (Moloka‘i Enterprise Community n.d.).

Comparing these videos illustrates the two emerging community perspectives. The speakers in ‘Save Lā‘au Point’ challenged the corporation’s private property rights. They invoked their traditional responsibility to take care of the land while simultaneously critiquing the concentration of wealthy landowners at Lā‘au Point as upsetting the balance of class power on the island. The video produced by the Moloka‘i Enterprise Community and Moloka‘i Ranch feature individuals who have accepted the right of owners to exploit their land. For these elders and others featured in the MEC video they are keeping faith with the Molokai vision by forging a compromise with the corporation that owns the land. These two videos are graphic illustrations of the internal strife within the community arising from the question of how much compromise is too much. The community was united in wanting the Kaluako‘i Resort to re-open to provide jobs for residents as well as protecting Moloka‘i from future land speculation through the Land Trust and easements but there was bitter division in the community on giving up Lā‘au Point to luxury housing.

On 20 November 2007, Moloka‘i Properties Limited withdrew its petition before the Hawai‘i Land Use Commission that would have allowed the corporation to develop Lā‘au Point. Because of community opposition to luxury housing, the plan imploded. Four months later the ranch closed all its operations on the island. One hundred and twenty full-time employees lost their jobs, and access to Moloka‘i Properties Limited’s land was closed indefinitely. The corporation also attempted to abandon the sewer and water utility owned and operated by the company that serviced the west side of the island (Hamilton 2009). In a press release the company CEO said: ‘The decision is purely a business one’ (Guoco Group Limited 2008). As of the close of 2010, Guoco is leasing a portion of their land to Jimmy Duvauchelle, the rancher who supported the plan, and the State government has affirmed that Guoco must continue operating the water and sewer utility on West Molokai (Gomes 2011; SanNicolas 2010).

As the Lā‘au Point controversy unfolded, Guoco worked hard to look like it was behaving like a community, but in the end failed because the dictates of corporate structures demand that corporations create profit for shareholders not benefits for the community.
Reflecting that the corporate mission to maximise shareholder value governs corporate decision-making, Guoco’s Moloka‘i property is listed for eventual disposal in its 2009 Annual Report (Guoco Group Limited 2009, 3).

For those who live on Molokai, there is no closing up shop and leaving. Within the Moloka‘i community, networks of human relationships were both strengthened and compromised as the Lā`au Point story unfolded and continues to unfold. But even as the issue was hotly debated and individuals coalesced into factions supporting and opposing compromise, community members never lost sight of the vision to preserve Moloka‘i’s lifestyle.

Through a variety of community organisations, residents continue working to protect Moloka‘i’s natural resources and maintain the social fabric of their community. The Moloka‘i Community Service Council has launched an initiative to purchase Moloka‘i Ranch to run as a community-based tourist enterprise (http://www.molokai.org/). The Moloka‘i Land Trust received 1600 acres of pristine and environmentally sensitive land on Moloka‘i’s northwest coast from Moloka‘i Properties Limited (Maui News Staff 2008). And SustAINABLE Moloka‘i — whose name is a play on ‘sustainable’ and ‘āina, the word for ‘land’ in Hawaiian — is working to bring the many community efforts together into a new coalition to continue island-wide community-based planning (http://sustainablemolokai.org).

The struggle to maintain economic autonomy against the forces of neoliberal globalisation is an ongoing process of community vigilance. Battles are simmering with other corporate entities including Monsanto and UPC Wind. Monsanto operates three agricultural biotech stations on the island that are growing genetically modified seed corn (Smith 2007a). According to a recent interview with Walter Ritte, a prominent community organiser, a group of residents are trying to force Monsanto out of Moloka‘i, arguing that Monsanto’s agricultural activity is a risk to the health and safety of people and agriculture on the island. Monsanto is one of the largest employers on the island at the moment and without a compelling counter argument residents are not willing to close off another employment opportunity. Ritte’s group has launched a campaign to educate Moloka‘i residents about the health hazards of Monsanto’s operation. The group recognises that until there is a critical mass of supporters who believe Monsanto’s presence is a health hazard, it would be fruitless to mount a large-scale campaign against the company (Ritte 2010).

UPC Wind is involved in a State of Hawai‘i project that would generate wind energy on Moloka‘i and ship the power to the metropolitan centre on O‘ahu. Community sentiment is leaning away from the project because it does not provide direct benefit to the community. UPC Wind has made various attempts to woo the community, at one point offering to contribute a substantial amount of cash towards purchasing Moloka‘i Ranch for the community (Smith 2007b). The State of Hawai‘i is moving ahead with planning for the transformer station and underwater transmission cable. This process has the potential to ignite a fight similar to Lā`au Point because the project will require building a substantial infrastructure somewhere along Moloka‘i’s shoreline.

**Conclusion**

Indigenous peoples across the globe are engaged in power struggles with transnational corporations and nation-states to protect natural resources and maintain the social fabric of their communities. The work of Indigenous scholars Alfred and Corntassel maintain that decolonisation and assertion of sustainable self-determination provide strategies to effectively meet these challenges. In a similar vein, environmental activist Shiva advocates for empowering local community-based governance and economic practices as a strategy for limiting the power of transnational corporations and nation-states to exploit, expropriate and dispossess these communities of their resources and livelihood.

The Moloka‘i case study provides evidence that an Indigenous community can resist the exploitive economic development plans of a transnational corporation. Community members on Moloka‘i were able to assert power against Guoco but this power was localised and fleeting. The strength of the community emanated from the egalitarian process of community-based planning in which a diverse cross-section of residents actively participated. On Moloka‘i, self-determination is sustained when this broad cross-section of residents continually engage in political and economic decision-making for the good of the community. However, internal contention like that which erupted over the Lā`au Point development, is part and parcel of this process. It is evidence of a vigorous participatory governance structure at work.
The Moloka`i vision statement was and continues to be the container that keeps contentious political forces within the community from fracturing beyond repair. This vision empowers a strong, self-governing community and engages Moloka`i residents in Kanaka Maoli economic practices and social relationships that are grounded in the community’s spiritual connection to the land and waters of Moloka`i.

References


**Websites**


Sust'ĀINAble Molokai: [http://sustainablemolokai.org/Welcome.html](http://sustainablemolokai.org/Welcome.html).