

POVERTY OF OPPORTUNITY

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The 1998 UNDP Poverty Report notes that the world conferences of the 1990s have helped transform the way we see development, as they have directed attention firmly toward the needs of people. They have declared that development must be sustainable and have established a new priority – the eradication of poverty. Many organizations and donor countries including NZAID, have mandated Poverty eradication or poverty reduction as their main focus or key outcome of their work in the Pacific.

NGOs and Civil Society are also making a significant impact on the development of our Pacific Countries and nowhere is this more obvious, than at the rural village level, where the real poverty concerns are most noticeable. The isolation makes them vulnerable to the 'poverty of opportunities'.

Many people believe that there is no poverty in the Pacific – and this could be true for some Pacific countries – because many Pacific people have adequate food and adequate housing. What they don't have is adequate cash. The demands of a cash economy have caught up, but they are still living a subsistence or semi subsistence life style. Rural villagers in Pacific Island countries are experiencing a huge wake up call. They are waking up to the fact they now live in this cash economy, and they need to change their subsistence mindset. Of course they have been exposed to the use of cash for so many years – but the problem is that the cash they've used has not been earned by them. It has been earned by a family member living and working in town or overseas and as a result is spent without the spender taking any responsibility. Our rural populations are so isolated that they are denied the opportunities people in urban areas take for granted, and for the most part have to rely on remittances from family members for all their cash needs.

The Overview (para. 6) to the UNDP Pacific Human Development Report (1999) observes that "[the] encompassing image of poverty in the Pacific is poverty of opportunity." People's talents, skills and aspirations are frustrated and wasted, denying them the opportunity to lead productive and satisfying lives. "Poverty of income is often the result, poverty of opportunity is often the cause."

Because of their isolated locations, many small Pacific Island rural populations, are denied opportunities for a sustainable livelihood. The cash economy has caught up with them, but they are ill prepared to deal with its many implications. Add to that the advent of the Global market and many Pacific Island Countries preparing for entry to the WTO, and where does it leave these rural dwellers, who can't even experience a village economy? The global market is ensuring that their village shops are able to offer many new items, but they are unable to generate the cash they need to purchase these items. They continue to leave their natural environments in search of a cash income. They move to the only places they know of that will enable them to generate cash - the towns or they migrate overseas. We all know the many social problems that occur as a result of this migration, not to mention the fact that the manpower needed for everyday village chores is taken away as well.

The isolation of these rural villages, and the absence of markets presents a marketing problem that has been the focus of my organization for the past five years. We are seeing a need to focus on export markets and to focus on niche marketing of value added products, to be able to generate a regular income for the rural villager. All other income generating activities available to them in their villages has only produced a sporadic income. More and more we are

seeing that we need to focus on developing individual families rather than communities.

For many years, the trend has been towards community development, which is the way our rural village populations live and understand. However, we have found that when developing people's economic needs, we need to work more directly with individuals and families rather than with communities.

The economic needs of the people are not being met when income generating programs are directed at communities. In Samoa for instance – people live in village communities – their lives are directed around the church and the village. There are daily events that they need to be involved in. Being involved in these events means that there is little or no time for their own nuclear families. A recent survey we conducted when delivering training in time management found that rural villagers live very busy lives. Each day is filled with activities related to village and church – community type activities, with small amounts of time delegated to the normal cooking/cleaning/plantation/fishing etc. They are not used to allocating time in their day for income generation – but this does not mean that they don't understand the concept. They are very familiar with generating income – but only within their communities, fund raising for a new church, a village project etc. While they spend large amounts of time on community events – very little or no time has been allocated for generating an income for the family.

Any community income generating project will generate funds for the group – not the family. The family members spend time on these activities, and don't benefit directly – they will still go home poor. If we are serious about alleviating poverty in rural communities we need to identify the real needs and the constraints that need to be overcome. Community projects still need to be developed – but not for income generation.

Over the past six years, we have aimed our income generating projects at families. We have found that they are far more successful than income generating projects aimed at

communities. Even though this has been the case, we still have difficulty explaining to donors and even Governments that this is the only way it will work. Because of this focus on community development and community projects, developing projects for individual families has not been popular. Even the training we offer to rural families has been criticised, with criticism being focused on introducing rural village populations to western influences. Our critics feel that this is bad for the rural villagers. My question for them is: Isn't the cash economy a western influence? If they don't understand how it all works – how are they going to survive? Are we to leave them ignorant of the facts and sit back while they continue to live in poverty – because they have not been given the opportunities to be part of the global economy?

Rural societies, have been the recipients of community projects for many years. Many of these projects were not aimed at income generation, and they worked well –but there is now a need to insure that rural people (families) are given the opportunity to earn an income where they live. Without this they are going to need to move to where they can find an income. When this happens, the urban areas experience over population and as mentioned earlier, rural areas lose their manpower, and people no longer feel that they can continue with their traditional chores. The need to generate an income has not been a priority because of the remittances which continue to arrive. This however is changing, as people living in overseas countries have many expenses for which their cash is needed. When they send cash to the islands, many families in NZ and other countries go without.

For too long, Pacific concerns have been dealt with as part of the "Asia Pacific" region – which was quite meaningless for the Pacific because our concerns often took a secondary role. When dealing with issues of poverty, Pacific Island problems have tended to be downplayed because many Pacific Island countries have an abundance of food and because our extended family systems ensure that there is always adequate housing.

The situation in Asia is very different from the situation in the Pacific – and this is even more outstanding when talking about poverty. I don't want to take anything away from the extreme issues of poverty that exist in Asia and in other parts of the world. I would however, like to focus on issues of Poverty as we know them in the Pacific – in particular in the smaller island countries – where rural village dwellers live in extreme isolation – but are now subject to the Cash Economy.

In this age of technology, where the world is becoming smaller and smaller every day – people living in the small islands of the Pacific are still not finding their niche in the Global society. We are made up of small populations dispersed over large distances in the Pacific Ocean, but occupying small land areas which are vulnerable to environmental threats and natural disasters. Most have small market economies often with substantial subsistence elements and limited livelihood options.

Many large funding organizations are looking at Small Business as the means of assisting the rural economies. They are not however, taking into account, the fact that many rural populations are small and isolated, and the absence of markets means that there isn't a business environment to ensure the survival of these small businesses. How do you think people living in rural areas are going to find the opportunities for markets for their products? How are they going to know what products are saleable – or what quality they need to achieve – or even more important, how are they going to be introduced to a banking system so that they learn how to save money and gain access to loans – that they need to take some responsibility themselves for earning the cash because the people that send them the remittances also have expenses that need to be met, expenses that people living in rural areas have no idea of. Now we are talking about a global economy. How are people living in isolated areas, even going to understand what the global economy is all about – if they can't even experience a village economy?

One of the first things we found when helping rural families is the lack of knowledge of the implications of being part of a cash economy. Rural villagers, especially in small island countries still very dependant on remittances, are still very subsistence minded. They live in a cash economy but the cash they use has been earned by someone living and working away from their village environments. They place a very different value on the cash that they did not earn themselves.

Now if we are looking at alleviating poverty – shouldn't we be looking at alleviating poverty of families?

How are they going to generate an income for themselves, and give young people an incentive to remain in the villages, if there are no opportunities there for them. This is a time of technology where every village has a number of TVs available for people to see what is available outside of their villages. How can we make the village environment more attractive to them, so that they want to remain there?

We believe that the remittances are good, but should not be seen by the recipients as the main cash source. Especially, if there are opportunities available for people to earn their own cash. Helping the rural population to earn their own cash, will ensure that their relatives living overseas are given the opportunity for a better lifestyle while at the same time, being able to afford to help out when there really is a need. We believe that rural villagers do have the capacity to generate their own cash and to be less reliant on remittances. All they need are the opportunities.

Many of the villages we work in have never had a village economy where the cash was actually earned in the village. The majority of our clients have been families almost totally dependent on remittances. By introducing them to a banking system through our micro-finance program, they learn about saving and when taking out loans, they learn the importance of repaying the loans. The small scale technologies we have set up e.g. coconut oil production and beekeeping in the rural villages, and the introduction of a system of organic certification which is

affiliated all the way to the International Federation of Organic Agricultural Movements, paves the way for niche marketing for a section of Samoan society which was previously dependent on outside intervention for their cash needs. These activities keep people in their villages. They also help curb the social problems encountered by people moving to urban areas in search of paid work, only to find none and to become a burden on their urban families. Even those who have found jobs and need to stay in the urban areas, are contributing to the overcrowding.

Politicians talk about building more factories and encouraging more investment in the urban areas. They fail to consider that the social problems on the increase right now, will only continue to increase with more and more people moving away from the rural villages to urban areas in search of jobs. They fail to appreciate the fact that if we can find simple technologies to set up village production of premium quality products for export to niche markets we will be supplying our own answers to the questions about participation in the global economy. That these external forces will affect us is inevitable. If we spent less time on rhetoric and more time on actually doing something to establish rural village economies, we will have countries that are well prepared to meet the demands of a global economy. Village economies based on earnings within the villages themselves, and not on remittances.

Many Pacific Island Countries are still only focusing on awareness programs and workshops, when dealing with rural village development. The rural villagers are telling us that they are tired of the workshops. Villagers want to participate in opportunities to generate the cash now. They don't want to learn about something that is still going to be beyond their reach. They are already part of the global economy, let's begin to really include them, by giving them the opportunities to be an active and knowledgeable part. Let's work together, and share our successes and failures, both on the local level and on a regional level.