Disentangling the ‘grass roots’ in Tonga: ‘traditional enterprise’ and autonomy in the moral and market economy

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Abstract: Semi-subsistence sectors predominate throughout Pacific Island countries. But the nature of the social organisation that characterises them, remains generally unexamined. This paper introduces the concept of ‘traditional enterprise’, based on observations in Tonga, to help analytically illuminate the sector. It also investigates processes of household dynamics that lead to selective upward social mobility and the consequent fragmentation of the generalised peasant household. Better understanding of the basic units, goals and means of achieving them among the traditional, rural, or the ‘grass roots’ sectors should help the current developmentalist emphasis on informal sector growth.

Keywords: grass roots development, family and peasant household economy, informal enterprise, social mobility, Tonga

In this paper, I present the concept of ‘traditional enterprise’, as an attempt to capture the way in which people living in households below a certain level of income in Tonga cooperate with others in order to survive or progress economically. This notion, together with that of the ‘generalised household’ integral to it, hopefully will illuminate the present conceptual obscurity of the large sector of society that is usually referred to simply as the grass roots or semi-subsistence sector. It will also help to explain the processes of upward social mobility from within this sector. The concept of traditional enterprise emphasises the nature of the linkages that exist between semi-subsistence households and wage-earning households, and challenges the dischotomies and reification still associated with large abstract notions, such as the ‘rural economy’ and ‘urban economy’. It may be the case that ‘subsistence production and kinship systems’ underwrite the formal sector ‘through . . . subsidies (unquantified and thus invisible from a macroeconomist’s perspective)’ and thus ‘serve to modify social and economic inequality throughout the Pacific

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Islands’ (Emberson-Bain, quoted in Schoeffel, 1997: 289). But, the obverse is also true: that people in the small waged sector make much-needed cash available to subsistence households through exchanges typically mediated by kinship.

I argue also that the family is not always a beleaguered part of the rural economy or traditional social safety net being steadily weakened ‘in the face of economic and social policies that are rapidly . . . undermining them, [and increasing the] . . . dependence of the Pacific Islands on external commodity and labour markets’ (UNDP, 1997: 2). Instead, family and household dynamics may themselves be major contributors towards current forms of socio-economic inequality as they actively seek the rewards of modernity through the promotion of their members to newer, less traditional, socially elevated roles.

Understanding the way people organise and combine formal and informal economic activities is prerequisite to developmental planning. This is especially so at the present time when development agencies are directing greater efforts towards developing informal economic activities at grass roots level (UNDP, 1997). The new initiative follows schemes that sought to promote economic growth by moving people from informal to formal sectors but with only lacklustre results.

All development programmes tend to be underpinned by economic precepts and, as a result, their models correctly identified the peasant household as the primary unit in which ‘informal enterprise’ is carried out. They then assumed, that its central dynamic was that of an economic and social isolate resembling most of all a typical bourgeois individualist programmed to seek only personal gain and profit. In the Pacific, however, most Islanders see themselves not as isolates but as part of wider sets of social relations from which they derive their identity or ‘consciousness of self’ (James, 2000: 135). If the nature and goals of their households are wrongly conceived, then it follows that so, too, will the development plans based on them. When movement of rural dwellers into the formal economy occurred at rates less than developmentists predicted, the initial reaction was to blame the cultural constraints under which, it is popularly assumed, villagers labour and thus prevent the flowering of their initiative and entrepreneurial skills. A local Pacific Islander planner remarked, ‘When we do a project successfully, we tend to congratulate ourselves on having got the economics right. When we fail, we blame culture and custom, and just put our failure back on the poor people themselves!’ (Interview, Tonga, 1993). A second reaction is to blame burgeoning government structures, overemployment within the civil service, underdevelopment of the private sector, and a resultant failure to provide an adequate number of jobs. Within small, sluggish economies, however, job creation is difficult to achieve.

A more recent reaction, has been to focus on the high degree of energy, drive, and commitment evident in the informal sectors of the economy (James, 1991, 1993a; UNDP, 1997). Accordingly, many informal sector activities have been transmogrified from the category of ‘joblessness’ or ‘unemployment’ and are now officially promoted as viable ‘economic activities’ and ‘productive work’
within the new aim of informal sector growth (UNDP, 1997: 1). This is hardly news to the local people involved, who recognise their amalgam of activities as rational means to ends. The very real difficulties involved in this official exercise, however, has led merely to lists of informal activities that are open to people without real guidance as to how people might choose between them (UNDP, 1997: 2). Quite how informal sector growth is to be achieved, without an accurate analysis of the socio-economic organisation in which it is primarily conducted, is not altogether clear (UNDP, 1997: 29).

What is missing from the analysis of this ‘shadow economy’ is a notional unit that combines people and activities in a meaningful way. The present attempt to disentangle some of the grass roots through the concept of ‘traditional enterprise’ shows that people at the lower end of the economic scale frequently have quite compelling reasons for continuing in the present sets of informal economic arrangements. Until these reasons are understood, development efforts will continue to fail or, worse, prove harmful to the recipients. Some informal enterprises by their very nature may simply defy development as it is presently construed by aid donors (Hooper, 1998: 13; James, 1998: 13, 2000: 135ff).

An explication of the Tongan case might encourage observers in other small Pacific Island states to look more closely at the particularities of their own situation in order to better define the development efforts directed at them for, frequently, it is precisely in the details of these empirical realities that broadly conceived aid-funded efforts founder and fail (UNDP, 1997: 29; Sutherland, 1998: 271; James, 2000; MacWilliam, 2001).

TONGA’S ECONOMIC SYSTEM
Tonga is the last remaining Polynesian kingdom. It has never been colonised by a major European power and, consequently, enjoys a unique status in the South Pacific. It consists of an archipelago of 170 islands, of which 36 are inhabited, that lies on a roughly north-east to south-west axis 400 miles south-east of Fiji and south-west of the Samoas. Tonga is 2,100 miles north of New Zealand, its nearest ‘First World’ neighbour (see Fig. 1). In 1875, Tonga proclaimed its own constitution. This provided for a system of individual land-holding by adult commoner male tax-payers. From 1957, however, ironically the very year in which a comprehensive cadastral survey began, the rapidly expanding population surpassed the point at which it would have been possible for every Tongan man to realise his statutory right to land from Tonga’s small land base of 669 sq. km of which only 71 per cent, 471 sq. km, is arable.

Tonga has a highly developed system of social stratification based on distinctions between royalty, the nobility, and the mass of commoner people, in which, by definition, status seeking is a core dynamic. The country has a less well developed economy. Based as it is to a large extent on overseas migration, remittances, an expanding bureaucracy, and foreign aid, it might fairly be termed a MIRAB economy (Bertram and Watters, 1985; Campbell, 1992). Despite a fertility rate of 2.2, the resident population has remained relatively
constant for the last thirty years, increasing from just over 90,000 in 1976 to 97,784 people in 1996. Two-thirds of the population live on the main southern island of Tongatapu, which, with an area of 260 sq. km, has less that 40 per cent of the total land area but supports 67 per cent of the population. Half of these people live in or around the capital, Nuku'alofa (1996 census). The natural increase of Tonga’s population has been offset through overseas emigration to numerous communities established in the USA, New Zealand, and Australia. The number of Tongans living temporarily or permanently overseas has been estimated to be almost 100,000, roughly the same number as live in

Figure 1. The Kingdom of Tonga
Tonga (Marcus, 1993: 27). Strong links exist between the communities, and remittances of money and goods, estimated in 2002 by Dr Feleti Sevele to be in the vicinity of TOPS$81M (NZ$90M), represent the largest source of foreign exchange next to the burgeoning tourism industry (Kalonikali, Aug. 1:18, 2002).

Remittances have undoubtedly raised the standard of living and presented hitherto unknown opportunities to thousands of underdeveloped villagers, but their receipt is far from constant, predictable, or spread evenly over the population (Grijp, 1993: 57, 59). Some overseas workers may send a great deal of money and, on occasion, even second-hand vehicles, outboard motors for boats, and household appliances, to help with subsistence and other income-generating activities. Other people, however, who have only young children still at school, may receive none. In addition, they may have also to shoulder heavy family responsibilities for the high number of dependents left at home (James, 1991: 19–20). Despite estimates of the aggregate contributions that remittances make to the rural economy, individual cases vary significantly (Faamani, 1995). Most money remitted is earmarked for special items of expenditure, such as school fees or air tickets, rather than absorbed as part of family or household income; and by far the largest proportion of money remitted to close relatives is destined for public donation to mainstream churches, in order to uphold the status of the family’s name and enhance its prestige within the community (Brown and Connell, 1995; Connell and Brown, 1995; Faamani, 1995; James, 1997).

The Government of Tonga remains the country’s single largest employer. In 1996, out of a total of 29,406 people employed, the public sector employed 5,209 people, while a further 1,622 people were employed in quasi-government state owned enterprises (1996 census). By 1999, the civil service alone employed 4,327 people and, in 2001, 4,491 people (Tonga, 1999, 2001). By 2002, with aid provided by the Asian Development Bank, the government instituted a programme of financial and economic reform that included the downsizing of the public service. The private sector, on the other hand, remains relatively small. The tourism industry is growing, and fisheries within Tonga’s extensive Exclusive Economic Zone show potential, although both industries require significant further investment. Industry and manufacturing (unless hand-craft is counted) remain negligible. Service workers comprise the largest single waged occupational category, many of whom are engaged by mainstream churches in their administration and in the large number of secondary schools and small businesses they run.

As elsewhere in the Pacific, the semi-subsistence sector remains by far the largest sector. In Tonga, over half, 55.4 per cent, of all people employed are employed in this sector, which is made up primarily of farming, fishing, and women’s production by hand of woven mats and beaten bark cloth, for use and sale (1996 census: xxxii). The sector accounts directly for the livelihood of at least 60 per cent of the population and, through the provision of foodstuffs and raw materials for production, contributes to the well-being of possibly a further 20 per cent. Thus, as much as 80 per cent of the Tongan
population relies to a greater or lesser extent on the primary producing sector. Members of aristocratic and educated commoner élites, whose ceremonial family occasions could hardly proceed without the vast amounts of root crops, kava, mats, and decorated bark cloth produced within the sector, may well describe it as ‘the backbone of the nation’, but the social processes within it receive little interest or attention (Interviews, 1997).

THE ‘ECONOMY OF AFFECTION’ OR THE ‘MORAL ECONOMY’

A marked advance in the conceptualisation of the social organisation characteristic of the mass of cash-poor people, described variously as ‘the grass roots’ of society, the ‘mass of uneducated villagers’, the ‘rural poor’ or, worse, ‘the traditional sector’, has been termed ‘the economy of affection’ (Thompson, 1968; Hyden, 1987) or a ‘moral economy’ (Rutz, 1987). Both formulations owe a considerable debt to Chayanov’s (1966) analysis of peasant economies and generalise the principle expounded there to the effect that household decisions are based on use values rather than exchange values. They thus conceive the economic transactions that characterise low-waged or non-waged strata typical of underdeveloped economies as being based on networks of support, communication, and interaction that form an apparently seamless web that runs between structurally defined groups from the top to the bottom of society through an ever-expanding network of friends and relatives. The primary motivations and articulations between nodes of the networks are provided by trust and other ‘non-market’ values derived from principles associated with affinities such as kinship, community, or religion. Behaviour that might disrupt the flow of transactions is sanctioned by moral strictures derived from the same principles, and is comprised of social controls such as gossip, social ostracism, or exile, rather than legal penalties. In the moral economy or economy of affection, therefore, as in a peasant mode of production, ‘those who appropriate surplus product are not themselves independent of the peasant producers but tied to the latter through affective networks’ and, as a result, the most effective way of mobilising labour ‘is through evoking affective bonds’ (Hyden, 1987: 119–20; see also Ritterbush, 1988).

This observation might have been more generally true of Tonga fifteen or twenty years ago when payments of money, even to kin, began to make their way into agrarian as well as urban commercial enterprises. Even before then it was true only up to a point because affect and the application of moral strictures, although crucial in the Tongan context, did not always induce people to work or share land, especially where commercial production was concerned (Maude, 1965: 119–20; Needs, 1988: 85; Grijp, 1993: 129ff.; James, 1993b: 217). There are additional empirical difficulties in the application of the ‘the economy of affection’. Although it reflects the widespread ego-centred networks of bilaterally-recognised cognatic kin that characterise Tongan kinship, the idea of a seamless web of relations is difficult to operationalise. A notional web of intermeshing relations also conveys the sense of stasis and
conservatism so that, despite an informed observer’s pointed rejection of the idea that ‘island “communities” . . . are in some sense undifferentiated in terms of the aspirations and interests of the people who compose them’ (Schoeffel, 1996: 131; see also Rosenberry, 1988: 161ff. for a discussion of the capitalist factors that make for a differentiated peasantry), the picture of an atavistic, traditional semi-subsistence sector persists. This is, perhaps, partly due to the fact that there is no conceptual apparatus with which to dispel it. Such a static, bucolic vision fails to apprehend the degree of social ferment that must surely exist within the lower strata since, in developing countries, most of the upwardly socially mobile people who take white collar jobs arise from this massive sector. Another view must be found that can take account of this high degree of upward social mobility.

‘TRADITIONAL ENTERPRISE’

The term ‘traditional enterprise’ is here posed in deliberate contrast to formal private sector enterprises. The prefix ‘traditional’ is used because its goals are thoroughly part of Tongan tradition: namely, the material well-being, reputation, and social standing of extended families, churches, villages and ‘chiefs’. Thus, if private sector enterprise ‘may be roughly defined as . . . economic activities carried on with the expectation of profit by . . . individuals, acting either as individual entrepreneurs, or through partnerships, associations, joint stock companies or corporations; then, traditional enterprise may be defined as economic activities undertaken in support of these traditional family and household goals’ (Hooper, 1998: 13; James, 1998: 13).

The concept of ‘traditional enterprise’ involves patterns of behaviour that, although widely recognised and replicated within the society, are not fully institutionalised insofar as they do not necessarily take the same form over successive generations. They might be described as goal-oriented action-groups or quasi-groups (Bailey, 1969). The term ‘traditional enterprise’ and the unit to which it refers approximates well enough the micro-realities of household dynamics at a certain social level in Tonga, but it should be expected that it would need further adjustments and qualifications in different contexts and situations. Its very fluidity and flexibility ensures its continuation and effectiveness, but eludes conventional analysis. The concept of traditional enterprise requires further that the household be conceived of more generally than the unit defined for the purposes of statistical enumeration: that is, one whose members usually eat together and share the work and/or the cost of providing food (Tonga, 1996: xli), which is the unit that has usually been used in the analysis of Tongan society (for example, Grijp, 1993: 143; Decktor-Korn, 1975: 243). The ‘traditional enterprise’ devolves more on Weber’s notion of a ‘generalised household’. Ideally, this consists of a finite number of separate but related units bound together, most usually by kinship, into a common solidarity against potentially hostile and divisive external forces. It forms a unit whose boundaries can shift to take advantage of formal wage offers and also non-waged opportunities, and which places people in production and income-sharing.
reciprocal relationships. The linked household units thus transcend the artificially imposed dichotomies between rural and urban, or formal and informal, sector activity. It reinstates people, not rural or urban economies, as social actors, who combine economic activities to suit their circumstances within a particular traditional enterprise. Such a generalised household is conceived as a ‘budgetary’ rather than a ‘profit-making’ unit, although it might well strive to be both. It expends ‘wealth’, seen as goods, human resources, and services, and gets ‘receipts’ of other goods and services. These are administered rationally with a view to attaining the optimum provision for the satisfaction of wants. Typically, individual units run their own affairs but, administered under the authority of senior members, the sub-units (the individual households that make up the generalised household), have ‘assumed the obligation to fulfil certain functions for the central unit and to that extent [are] dependent upon it’ (Weber, 1978, Vol.I: 87, 98–99, 124).

The notion of ‘traditional enterprise’ as a loose informal set of households may appear at first to be no more than Marcus’s 1970s notion of ‘personal estates’ writ small thirty years on. The two are similar insofar as they are concerned with members of spatially separated households, often in different continents, who activate relations with kin in various walks of life to build networks of personal support (Marcus, 1977: 220). Marcus’s notion, however, tended to focus on upwardly mobile men from extremely well-known commoner families, whose personal estates were designed to bring a greater number of relatives into prominence. Traditional enterprises share these goals, but operate at a much lower social level, frequently one nearer to mere economic survival.

In the 1970s, Marcus was able to view village people simply as the ones left after a period of ‘vigorous competition for limited resources and opportunities for mobility in the period before the accelerated tempo of economic activity’ (Marcus, 1980: 161). By the mid-1970s, however, this ‘accelerated tempo of economic activity’ had begun to include villagers. They became more differentiated in socio-economic terms from the combined influence of material development, partly due to migration and remittances, and other changes, including improvements in local education, infrastructure, employment, markets, and the availability of money. Whereas Marcus’s ‘personal estates’ were almost exclusively male-dominated, the inclusion in the present analysis of the part that women play in traditional enterprise, social mobility, and the role of development agencies, reveals a more extensive, complicated, and highly nuanced picture of production and exchange than the one he described (see also James, 1997).

The way traditional enterprise works

In the Tongan case, the generalised household arrangement does not involve ‘pooling’ resources, as so often supposed. Rather, it involves quite specific sets of relationships of an indirect or generalised reciprocal nature between a finite number of, perhaps, four or five households. For example, members of
a low-wage earning, urban-based household might agree to pay school fees for children of a second household and, in turn, receive from a third component sub-unit, kava, root crops, and other foodstuffs well above the value of that which their small wage could buy at the local market. One household might own a truck, a van, or a boat used to bring produce from bush plantations or from the sea to households or markets. Or the vehicles might be used for a small commercial venture such as a taxi or ferry service, or to take produce to wharves to ship overseas, or bring back containers of goods for resale in the weekly flea markets that are now a feature of all main urban centres, or carry wholesale goods to stock up a small store (fale koloa), hundreds of which are found throughout villages set up at the front of houses. Usually, the stalls and shops are tended only in between other tasks by women or retired male workers. The major items of capital equipment, such as vehicles, are also usually used to transport members of the component households daily to and from school and work. They may also be used to do favours for other people who have resources beyond those of the generalised household that its members might like to call on at some future time.

The examples of sharing and multi-uses may be multiplied. Household appliances, such as stoves, sewing machines, or washing machines can be used by several women from different households in the production of use value, such as preparing meals, running up work clothes and school uniforms, and doing the household wash, and also in the production of exchange value, should one or more of the women perform similar tasks as paid work for people outside the household. Women generate small incomes in numerous ways. Various organisations, such as the Tonga Trust, church-based village development
groups, and the national women’s organisation, Langa Fonua, at various times sponsor sewing, screen-printing, or cooking classes. These groups and the Tonga Development Bank have made available small grants of money through which women can start vegetable gardens, buy materials with which to produce handicrafts, or begin other sidelines, such as making sweets, cakes, buns, or artificial flowers, to sell.

The sub-units of the household may strive to make profits for themselves, but their budgetary contribution to the central household unit takes precedence because, at the most basic level, without this collaborative membership, none of the sub-units could survive economically. Neither the taxi service, the sewing, washing, ironing, baby-sitting, cake-baking, sweet-selling, the shop or flea market profits, nor the other small commercial ventures entered into are likely to consistently bring in by themselves enough money to support a household. Also, the equipment must also be made readily available for use at funerals, feasts, and other family events and crises in order for their owners to receive the help in return that their household enterprise needs.

Participation in family ceremonies is essential to the integrity of traditional enterprise and links it also with members of the wider family. The organisation of such events confirms ties of belonging and cooperation between family members and generates much of the social solidarity it is designed to display. Ceremonial exchanges also have the effect of causing money to trickle down from rich to cash-poor relatives as family members cooperate in complementary ways, each contributing what they have to the family occasion (O’Meara, 1990). Thus, a family funeral may clear the shelves of a fale koloa so that the store closes. When money becomes available, it might reopen if members of the family wish to run it. This flexibility regarding small business enterprises may be the despair of small business advisors, but generates no great sense of disappointment or failure on the part of the people involved. If the ventures have helped the family, they have achieved the household goals set and have served their purpose.

The reciprocal exchanges between members of the closely cooperating units of the household may alter rapidly according to the goals they seek, the means currently at their disposal, and variable circumstances in which they find themselves. Their alliance coalesces around common goals and values to which they work toward synergistically. Unlike aid donors, they focus not on projects but on cooperation between different sections of the household that might, through the contacts of its members, have connections into business, government, and other areas of civic life. Through connections with people overseas, the enterprise might acquire a genuine international and multinational reach, without the potentially counter-productive formal divisions between donor and recipient, as in the example of the NZODA rural business scheme discussed later.

Households in Tonga as enumerated in the census typically have between two income earners each (in the outer islands) and four (in Tongatapu), or more (in Nuku’alofa) (Tonga, 1993). Any or all of them may move between waged and non-waged, formal and informal economic sectors, or market and
non-market activities, as need and inclination dictate. Within the confines of a small island, it becomes increasingly academic to argue that one household is predominantly rural and another is urban. For example, one household that comes readily to mind is located outside a rural village on the other side of Tongatapu from Nuku’alofa. The husband farms over twelve acres of land, his wife is a nurse who works shifts at the central hospital, the daughter stays at home, and the two overseas-trained sons commute to separate high-tech electronic businesses in the urban capital. Prosperous by local standards, this household is bound closely with several other households in a pattern of generalised enterprise to help educate the children of close relatives and set them on a firmer economic footing.

When money is scarce, the support of many people is essential to the social elevation of a few. The continuing importance of joint household based endeavour in promoting the success of individual members was most succinctly expressed in a letter published in the Fiji Sun, that I happened to glance at on August 14, 2002. A man wrote, ‘Here, we all work hard to educate one’. This is possibly true of most villagers in most parts of the South West Pacific. A distinguished Tongan academic has presented a particularly moving account of his extended family’s efforts to secure him higher education (Lätükefu, 1992). In other cases, elderly people have recounted how they would borrow, lease, or simply use other people’s land to gather coconuts in order to make and sell copra, which was the primary source of cash for unskilled people, to pay for schooling overseas for just one or two children chosen for the barely-affordable privilege (Interviews, 1997). The traditional enterprise may serve traditional rather than commercial ends but the means employed frequently involve large amounts of money, personal initiative, commitment, drive, and organisational capacity involving the coordination of people and resources at home and overseas in major events. The ease with which people, unencumbered by legal forms, registrations and restrictions, bank loans, mortgages, and the like, take on ventures when money is needed and shed them when family goals have been reached reveals not the articulation of modes of production but the extreme flexibility required to sustain livelihoods. In fact, juggling so many different factors is a good background for business.

DEPENDENCE VERSUS AUTONOMY

The other side of the coin, however, is that these potential ‘small business’ economic activities can rarely be developed in the way development aid agencies envisage. Despite development rhetoric to the contrary, it is not cultural obligations to relatives that keep most people poor but, rather, their poverty that keeps them dependent on their relatives (see O’Meara, 1990). The relatively stronger sub-units may do well by being part of the central unit because ‘diversity pays!’ (Hyden, 1987: 122). As a result, their economic security and survival are assured; but the need to cooperate with others also severely curtails their individual autonomy. For example, one household may own a boat that is used for fishing by men from three or four other households within the
traditional enterprise. Another man may own the tackle and fishing equipment. Each man may be allowed to retain his catch but his seat in the boat is secured through adherence to the informal rules of sharing; for example, by not being too overbearing, greedy, or by overfishing traditional grounds. Because of such mores, even a large input of capital would not be likely to increase the catch (Halapua, 1982). Similarly, women may curtail their weaving, for which they could earn money in amounts often in excess of their husband’s income, because, were they to do so, they would fall short in their contribution of time and labour to the generalised household’s weaving groups (kautaha lalanga). Should they forfeit their place in this group by non-attendance and insufficient output, they run the very real and severe risk that the other women of the generalised household will not help them with essential daily tasks, such as child-minding, cooking for their household when they are travelling, busy, or ill, and the like: all services that are more directly related to her well-being in the generalised household than an increased monetary income (see also James, 2000).

Clearly, the monopoly of the capital assets and labour solely for commercial purposes of one key person or sub-unit within a traditional enterprise will very likely jeopardise the well-being of a number of poorer people who also depend on them. Rather than upset social arrangements that provide family security and local social standing, people prefer the more informal fluid arrangements based on trust. These can be swiftly altered without far reaching penalties such as the confiscation of a boat, truck, or land, for non-repayment of the bank debt inevitably incurred in commercial development. Unless developmentalists understand and address the ways in which a great many people actually live out ‘informal sector economic activities’ and depend on cooperation with others to secure their livelihood, they will continue to talk past them.

This occurred, for example, in the case of the New Zealand Overseas Development Aid-funded (NZODA) Rural Small Business Scheme, which failed to produce the results desired in Tonga. Briefly, NZODA set aside funds to help develop small rural businesses. Local Planning Department officials were to vet the projects submitted and recommend viable projects for funding. Among the scheme’s difficulties was that, first, the rural people targeted were usually incapable of meeting the NZODA project proposal guidelines, especially the estimation of ongoing costs. The Planning Department officers were kept busy helping write proposals to the correct formula, and did not have sufficient time for monitoring other projects that had already begun. Furthermore, by the time funding came through, perhaps eighteen months had elapsed; key personnel had decided to migrate or had lost interest in the original proposal. This caused disappointment on both sides. When uneducated Tongan villagers get a visit from project officers, and the possibility of aid funds is mooted, they typically expect them by the following Monday. When the money is not forthcoming, they simply move on. The NZODA, in many cases, however, was left with money unspent and accepted projects were rendered unviable due to delays, the removal of key personnel, or the loss of local interest in the project.
Traditional enterprise in Tonga

From the Tongan point of view, the experience of actual involvement in a small business project could be worse because it involved obtaining a loan from the Tonga Development Bank (TDB), for which large items of capital equipment were required as collateral. As explained, these items are usually multifunctional and essential to the maintenance of traditional enterprise. Once the NZODA project member attempted to monopolise a truck, tractor, or boat for his small business project, other sub-units of the generalised household either ostracised his household and withheld the range of services they usually provided to it, or continued to use the equipment anyway, thereby limiting its use for business purposes. Either way, the budgetary arrangements and relations of trust and collaboration within the tradition enterprise were damaged and/or the business foundered. Failure to repay the TDB loan meant that the items of collateral were repossessed, which caused hardship and spread disillusionment about the project scheme among members of the traditional enterprise and other people who had heard of it.

A local officer for the NZODA Small Rural Business Development scheme explained how Tongans went about things in ways that were often difficult for outsiders to understand or accept. For example, if people send a container of root crops worth TOP$800 to relatives overseas, and get back only TOP$300, no-one worries because each keeps a kind of mental tally of what is owed. When a wedding or funeral occurs, the overseas recipients of the foodstuffs will send fancy clothes, tinned foodstuffs, air tickets, whatever is needed, the value of which is far more than the long outstanding balance of TOP$500 for the root crops. That is why informal activities are preferable: the rewards are surer and the risks and penalties fewer. If one relative proves unreliable or dishonest, another is chosen instead. Above all, the strain of officialdom (filling in forms, accounting, timing repayments, and meeting deadlines) is avoided. Nicely turning about any idea of subsistence support of the formal sector, he exclaimed hotly, ‘Things balanced out, until capitalism ran into the bush here like mad cow disease!’

FRAGMENTATION AND SOCIAL MOBILITY

Even without specific aid donor intervention, inevitably, over time, component units of the generalised household draw away from others. The traditional household enterprise, as described, always contains some profit-making components. The distinction between budgetary and profit-making units is usually only one of degree. The component units within traditional enterprises are all bound to the central unit because of economic dependence, but the reciprocity of the exchanges is rarely perfectly symmetrical or balanced over generations. In time, one component unit might do better than the others and feel strong enough to break away, or some components may be consciously promoted at the expense of others. For example, in some cases, in line with cultural mores that give sisters precedence over their brothers, brothers and their children have supported materially a sister’s children to the detriment of their own. The sister’s children have acquired tertiary education and employment, while the
brothers’ children have forgone similar opportunities for another generation or two until government scholarships, overseas working holidays, or remittances from relatives have given them the necessary means. One woman graphically described how she and her ten siblings worked hard all through their youth to provide food for her father’s sister’s children, most of whom now hold quite important jobs in the region. She never received more than a basic education and only now are her daughters receiving university education in New Zealand, not with financial help from the cousins whom she had helped all through her youth, but with gifts of money sent to her from her siblings, all ten of whom left to work at menial jobs in the USA as soon as they could (Interview, 1996).

Decisions to emigrate overseas are not necessarily dictated by the whims of senior family members, and frequently are made in an opportunistic or random way (contra Gailey, 1992). Many people decide to leave households with minimal or no approval from senior members because they feel that their goals are being achieved too slowly or their interests are not being best served within the traditional enterprise. Ironically, however, their ambition and the opportunity to fulfil it is almost always entirely due in the first place to the unpaid promotional help they have received from the members of a traditional enterprise, either on their own behalf or because of the efforts of their parents. The immediate spur to break away from the central unit can arise from exogenous factors, such as the acquisition of an overseas scholarship (the most common vehicle of upward mobility), promotion at work, or a small family business venture that suddenly pays off. Usually, it is younger, better-educated couples who most desire to leave the confines of the traditional enterprise, and the authority exerted over them by the senior family members within it.

Rather than take the view that the household has broken down at this point, however, one should perhaps consider that it has achieved one of its primary goals. Indeed, because the generalised household constitutes the nexus of activities that links the individual and other component household units to the economy, it is likely to be a temporary form because people learn and rehearse within it capitalist economic practices in ways that eventually erode it as a unit (Morales, 1994). Case histories strongly suggest that successful individuals find membership in a traditional enterprise a necessary, if temporary, vehicle for their advancement, especially in the case of education. The household is the unit in which people are socialised in particular customary statuses and roles, taught how relationships in their culture work, and what their appropriate survival strategies and attitudes in their society should be (Morton, 1998; Perminow, 1993). This is a practical process, not a confrontation or a contradiction of ideals, unless one is dealing with a very outdated ideal of what a cash-poor family and household should do. What they actually do is use every resource of personnel, labour, skills, and materials at their disposal to survive and get a rung or three up the economic ladder. It is hardly surprising that the process of capital accumulation continues to be ‘embedded in the cocoon of the economy of affection’ because the majority of workers
have not been alienated sufficiently from the means of primary production to cause a definite widespread shift from the sets of long-established relations (Hyden, 1987: 128).

At this point, the personnel and sets of activities within the generalised household must alter and regroup to accommodate the change in circumstances as best they can. There might be little discernible overall difference, or some parts of the enterprise might find themselves less well off. In many ways, however, it would appear that, initially, the more vulnerable unit is the smaller one that has moved away. It has cut itself off to an extent from the central unit that, although stifling in terms of personal autonomy and decision-making, nevertheless provided familial security, budgetary know-how, and the organisational capacity for economic survival.

**HOW WIDESPREAD IS TRADITIONAL ENTERPRISE?**

The informal, fluid, transitory nature of traditional enterprises makes an estimation of their actual number difficult. Yet, because only a small minority of Tongan households receive a cash income sufficient to constitute a living wage, it is likely that most households engage in some form of traditional enterprise in which the use of large assets, such as productive land, a vehicle, a boat, washing machine, sewing machine, and the like, are shared. The degree of voluntarism in such arrangements can probably be related directly to the comparative wealth and generosity of component households. Even quite well off salaried workers grow crops for themselves and to feed the households of poorer relatives (Needs, 1988: 114–5). Thus, although the following calculations are only approximate, an estimation of the income levels of households in Tongatapu compared with the cash income calculated as the bare minimum for a nuclear family to live independently of extended family help, may give an idea of what proportion of households are likely to have to depend on others for their survival or well-being.

In the mid-1990s, the director of a leading charity, who wanted his waged workers to be freed from the influence of family authority, worked out from an 18-month long ‘shopping basket’ survey conducted in the capital at current market and retail store prices, which are often higher than prices in Australia and New Zealand, that a married couple with four or five children would need a minimum annual income of TOP$7,500 in order to live without material help from their extended families. In 1996–7, at around the same time, I interviewed eighty educated managerial and professional people. Interestingly enough, among these data, the figure of TOP$6,500 was mentioned as being the absolute minimum annual income for eligibility into the putative middle class because, ‘it allows you to begin to make your own decisions away from family influence’. Hardly coincidentally, the issue of individual autonomy and personal choice being inherent in liberal views of progress and modernity, the figure given was commensurate with the starting salary for a graduate in the civil service. The proximity of the two independently arrived at figures was, however, striking enough to suggest a general idea of the economic level
necessary for a degree of personal autonomy and choice. In 2001, the two
incomes figures became more exactly comparable when civil service salaries
were awarded a 20 per cent cost of living increment to catch up with the
effects of inflation in Nuku'alofa. A minority of salaries in either the pri-
ivate or public sectors were set above this baseline figure and most individual
annual salaries were below T$3,000 (‘Uta’atu, 1997, 1998; Tonga, 1996). By
2001, 327 civil servants earned between TOP$7,500 and TOP$8,200 annually,
and 1,099 earned more than that each year. The total of 1,426 workers paid
the minimum salary or above that considered necessary for an independent life-
style represented 32 per cent of the 4,491 civil servants listed (Tonga, 2001).
Salaries are always reckoned to be higher in the private sector, but the pro-
portion of people in the wider community who earned an income that would
release them from dependence on some form of traditional enterprise arrange-
ment would be unlikely to approach the 32 per cent of the civil service. It is
more likely to be around 15 per cent of employed people, if that.

Our familiarity with the income situation of roughly 400 to 600 Tongatapu
households also enabled the numerically-minded charity head and myself to
draw thumbnail sketches of general income levels. Again, we came to broadly
similar conclusions; namely, that only about 15 per cent at most were able to
provide for their daily necessities through their weekly incomes. These
incomes were derived usually from salaries or wages, which, due to inflation,
were required to be in excess of T$150 a week. In fact, most of the people in
this bracket had household incomes that exceeded T$250 a week and in a num-
ber of cases made well over T$13,000 a year. This fits nicely the notion of a
young married couple, each working in the civil service on TOP$6,500 a year,
in a household of six or seven people, which is the average number of people
in Tongatapu households, that had another one or two of them bringing in
some additional weekly income (Tonga, 1993: 10).

At the other end of the scale, a further 15 per cent were found to be
extremely cash-poor with weekly incomes below T$50. Their economic main-
stay was largely a ‘non-cash’ economy that consisted of the barter and
exchange of food and agricultural produce, such as the raw materials for the
production of handicrafts. These households almost certainly would form part
of traditional enterprises, or go without education or store-bought goods. By
far the largest identifiable income category, however, comprising between
50 per cent and 60 per cent of households, had average weekly incomes of
between T$100 and T$150 in addition to an equivalent non-cash income made
up of good and services in kind. That is, they earned annually in cash between
TOP$5,200 and TOP$7,800, the top figure just reaching the income needed
for a modicum of independence. They supplemented their cash income, how-
ever, with bartered and exchanged goods and services. It is not difficult to
imagine these people in forms of traditional enterprise, in which they
exchange Western goods and cash for foodstuffs and labour services that en-
able them to stretch their small cash earnings for other things. The figures are
admittedly rough and impressionistic; but they suggest that if the households
able to survive on their incomes are excluded for the purposes of the exercise
– although they too might join also in forms of traditional enterprise in order to help out poorer relatives by making available their material assets and receiving gifts of food and labour in return – there could still be as many as 75 per cent of Tongatapu households engaged in forms of traditional enterprise.

*Issues of choice*

For, after all, what kind of choice does a household on an income of between T$7,500 and T$8,500 a year really have? While people enjoy exercising
options and authority with regard to their own families of procreation by living in a separate dwelling, having their own vehicle, and entertaining friends and work mates without interference and inquisitiveness from parents and other relatives they are usually carrying between four and five personal and development bank loans in order to do so. They lack the security of being embedded in a wider household with the certainty of food supplies and other kinds of help, especially child-minding, and other tasks that are performed more easily by several people. As one educated women remarked, ‘All the wealth here is in relationships!’ The question then becomes to what degree does separation take place?

The younger educated people appear not to recognise as wide a range or as large a number of relatives in the wider extended family, nor have as warm relations with them as people of their parental generation did, ‘when all commoner people here were much of a muchness’; but, usually, they do not cut themselves off from their family. The connection means meeting material obligations. The strong moral strictures of Tongan culture insist upon respect from junior to senior members of the family, which requires the fulfilment of their elders’ requests, making a contribution to the family’s church obligations, and the like. Very frequently, the parents will direct help from the wage earner toward poorer family members they wish to help, or ask for other kinds of assistance. Thus, it is often difficult for young ambitious people on relatively low wages to acquire the things they want and also meet family expectations. The situations call for delicate and sometimes protracted negotiation in order for the breakaway unit to stay close and respectful, but manage to steer clear of the more costly and enveloping bonds of the traditional enterprise. Salaried people frequently expressed the view that, ‘We educated élite are really looking for ways to compromise about relationships, money, and obligations’ (Interviews, 1996).

These negotiations take on additional moral and ethical overtones when most of the achievers have been socially elevated through the work of family members. They help their poorer relatives in return, although rarely to the extent that they have been helped, because they want to direct their slender resources toward their own children. This asymmetry is particularly pronounced in the case of the first generation of people to have ‘made it’ from the semi-subsistence sector. When families are better established, there is more money to go around, although not much evidence that it is shared any more widely. All may share in the prestige that results from the successful elevation of one person, but the material returns to the helpers are rarely commensurate. A senior male civil servant remarked bluntly,

The successful ones do look after their families because of the right image, which is so important here in Tonga, and because they know they have got to where they are today only through the efforts of a whole lot of people. A multiplicity of relatives lift up just one person. It definitely is unequal. They should let them benefit from the rewards they have got, but most people here simply exploit their poorer relatives to get on. Some goods may make their way
back to them, but most people use relatives to raise themselves and educate their kids, and then pretty much cut them off (Interview, 1997).

A poignant, troubled, reflection was offered by a young economist, who had young children and was married to a newly qualified professional man. She said:

People from underprivileged situations who have managed to gain tertiary education and a good job become the point of distribution (of cash, purchased goods, and further opportunities) for a lot of others. The more underprivileged the family of origin, the more likely the upwardly mobile person from it will give away a greater proportion of their resources: a greater percentage than if they came from a more established family with a greater number of graduates with good jobs. At the point of distribution, the choice of whether to give or not is individual, but, insofar as it involves extended family members, it is also cultural. Strong attitudes support giving to a range of wider family members. But these values and attitudes change, and, as people concentrate more on themselves and their own husband and children, the wider donations are not maintained. As a result, the giving to our extended family is being rationalised and separated from our mainstream interests, like our church contributions. We do it, but our heart is not in it; it’s a drain. At the same time, we have a more cash-expensive lifestyle than them, and also a more saving outlook. Therefore, our giving and sharing of income with our family goes because we’re sick of seeing the money frittered away on things we don’t value. There arises conflict for sure because, if the wider family has suffered to put just one member through university, then, I would say, the lack of return would constitute a loss for that family because the income is simply not flowing back to compensate them for their work (Interview, 1997).

So, why do they do it? Does the prestige of a relationship with a prominent person in the community make up for all the hard work in getting him or her there? More likely, it is because people with authority within the family and traditional enterprise have been able to sway efforts towards one side, to one family line, or to one individual. Thus, the family network is not so much breaking down as becoming more highly differentiated than formerly. People are becoming more selective as to whom to help. Household units that separate from the traditional enterprise that spawned them before they have achieved a sound basis for their independence may pay heavily because, by withdrawing their contribution, they can lose their membership and, with it, the reciprocity and support that exists within traditional enterprises. But if people consider ‘the family’ under attack from the forces of capitalism from across the sea they might, like the wartime defenders of Singapore, just have their guns pointed in the wrong direction. It is the members of extended family households themselves who are changing and recombining their resources to gain maximum benefits for themselves from introduced opportunities. If families are not as tightly-knit as they were before, it is because they have been the prime mechanisms for the promotion of select members socially upwards and geographically outwards overseas in order to better reap the harvest of change.
CASE STUDY: TRADITIONAL ENTERPRISE ON AN OUTER ISLAND – FALAHOLA REVISITED

The discussion has centred about traditional enterprises on Tongatapu. Similar units are evident elsewhere. In the mid-1980s, on a small offshore island in Tonga’s northern group, a young low-paid primary school teacher, whose husband was a company employee, remarked, ‘Pälangi [Westerners] have easier lives than Tongans. When they grow old enough to marry they go off by themselves; but Tongans, even when they marry, still have their parents rely on them. On our island, there is no money and no jobs. The whole family, my sister whose husband has deserted her and their seven children and vanished in Australia, everyone; they all rely on us. It is very difficult to get ahead when everything has to be divided’ (Interview, 1985). On the island, the traditional enterprise I was most familiar with consisted of the five households, one of aged parents and four of their adult married children, who each dwelt on separate ‘api kolo (house sites) but who helped each other significantly on a regular basis. The number of daily exchanges between the houses would be difficult to enumerate (see also Rensel, 1994). In the early 1970s, two of the siblings from different household units had spent working holidays in New Zealand. Each had used the earnings derived from these to improve their houses. One had also purchased a new boat and more powerful outboard motor. The eldest brother had stayed to look after his parents and their house, and spent his time fishing, gardening, and attending to ceremonies on behalf of the family. The younger brother and his children, and also a daughter were more active. The younger brother, for example, not only engaged in primary production with the unpaid labour of his wife and three of his children but also began to take in paying visitors to his refurbished house, which now included inside toilets, by means of contacts made in Auckland and through the Tonga Visitors’ Bureau. He also began to charge islanders for boat trips to Vava’u’s main town, Neiafu, and to transport tourists from Neiafu to other islands. His fledgling tourist ventures were supported by unpaid labour from members of the other component households. No one was actually given a wage but, as they explained, ‘It’s all in the family. We give help because he is a hard-working man, and always has food and money to help us when we need it’. For example, the men of the other households, none of whom had boats of their own, fished from his boat when he fished. Women who helped feed his guests received presents such as fish, root crops, or pieces of cloth or raw materials for weaving. When this brother wanted another sight-seeing boat built as a further tourist venture, his wife used her time to weave, which she did well, while one of the women from a sub-unit of the household enterprise, who was the better cook and had a gas stove, cooked meals for the boat builder for six weeks as part payment for the builder’s labour. The wife then arranged an exchange visit between women from the US and the island. The other women of the traditional enterprise were invited in order to exchange their woven pandanus leaf mats for Western goods and cash. For this, they again helped with cooking, serving food, and entertaining the visitors (see also
Small, 1997). His three children have had little choice other than to work unpaid to support their father’s various ventures and have rarely left the island. This man pays thousands of paʻanga each year to the annual church misinale, the ‘free-gifting’, on behalf of the family and, in this way, upholds its name on the island, especially for the sake of the elderly parents and the older cash-poor brother, whom he honoured in this way. Each of the component household units also contributed money to the church, but did not give as much as he did.

While ‘It’s all in the family’, each of the component units of the traditional enterprise also exercised their separate options in other quarters, while maintaining their contribution to the central unit. For example, one woman from among the five component households got help for her children from her mother’s sister in Auckland and also from two others of her mother’s sisters who lived in Nuku’alofa and with whom she exchanged woven mats for Western goods. She also got financial advice and help with extensions to her house from her husband’s sister and brother-in-law, who ran a successful business in Neiafu. In addition, she hosted for an entire summer another of her mother’s sister’s two teenage daughters, who had been born in San Francisco and never before seen their mother’s birthplace. In 1988, her home was a bare wood frame house decorated with mats and had an old ramshackle outside wood fire cookhouse. In 1998, it had a gas cooker, a new glass louvered verandah and cookhouse, two double beds and linen bedding, crockery, cutlery, and many other items she did not formerly possess. Illiterate herself, her eldest daughter, who was educated at a church school in Neiafu, by then worked in Auckland to help educate the two younger children, one of whom was very bright and wished to go to university. The daughter paid their school fees while her uncle, the successful brother on the island, helped feed and clothe them. Thus, while meeting the budgetary needs of the greater unit, we see how the traditional enterprise’s component sub-units may each maximise its own profits.

CONCLUSION

The rather neglected area of household dynamics that I have begun to address in this paper needs further empirical investigation. For example, how does a sense of individual rights, needs, and economic self-sufficiency develop to a point where some parts of the household perceive greater opportunities for themselves by separating from the rest of the household? It is at this point that nuclear-family based or composite households are most likely to make the move from informal economic activities to commercial enterprises in the formal sector. The enquiry should also be alive to the degree to which such separation typically takes place: is it total or only partial? Which ties are most likely to be cut, and which remain? In my experience, the last tie to be cut is usually that to one’s parents and one’s spouse’s parents. While they are alive, they have authority over their children. In such cases, it is probably unrealistic to assume that people selected for business or other form of training are fully autonomous individuals. Instead, they are more likely to be embedded in
wider social situations that can constrain to a greater or lesser degree their personal freedoms. Some years ago, an experienced fisheries consultant had begun a computerised data base, which was discontinued by his successor, that recorded the sets of household arrangements in which potential candidates for training were ensconced. By this means, before signing men up for extensive training for independent village-based fishing, which involved taking out development bank loans for the purchase of a boat, the candidate’s potential for paying back the loan and sustaining the venture could be ascertained. This meant canvassing the number of the potential trainee’s dependents as well as the people who were still in authority over him. These included all those, such as his wife’s people, who are customarily able to call on his resources. By this means, the Ministry of Fisheries could also keep track of changes in the candidate’s situation. The consultant laughingly suggested that the fisherman’s local church minister be asked to waive the man’s family’s donations to the church until after he had paid for his fishing vessel. The failed case of a village fishery is described at length elsewhere (James, 2000).

The consultant’s suggestion with regard to the church is laughable perhaps in the Tongan cultural context but remains far from a joking matter in matters of development. Families strain financial resources to make a good showing at public church ‘giftings’ of money; hence, the number of remittances that are sent solely back for that purpose. While some strong-willed businesspeople are able to head off their family and other financial claimants until their budding business ventures are on a sound footing, others do not manage to do this. Several relevant cases of business success and failure have been recorded in detail (see Grijp, 1993: 125ff). Agencies that wish to develop workable policies for grass roots and rural business development must at some point confront the human, practical and ethical dilemmas that are involved; albeit untidy, unresolved and not admitting easy solution. At present, kinship factors, such as extended family membership, are introduced only post hoc to explain failure, but they would be better included in development thinking and project design from their outset. Also, although perhaps unpalatable to aid fund donors who prefer broad stroke, ‘cookie-cutter’, solutions that all look the same despite individual country contexts, fine-grained analysis along the lines of that provided in this paper would serve them better. This would assist them to pinpoint precisely what help is required and how it should be applied, especially in the frequently fraught transition from informal to formal sector activities.

REFERENCES

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Traditional enterprise in Tonga


