

The Socioeconomic Context of the New Samoan Exodus: 2007–2023

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On 21 June 2021 hundreds of anxious Samoan men and women gathered outside a church hall in Apia where seasonal worker registration was being conducted. The building was full but, in their eagerness to register, the crowd surged inside, wrecking the hall's windows and doors in the process (Samoa Global News 22 June 2021). This event illustrates how keen many Samoans are to earn money from seasonal work.

In this chapter we draw on our own extensive observations and 'lived experience' in Samoa, as well the sources cited, to consider why Samoans are so eager — even desperate — to participate in labour mobility schemes. We ask why, despite the policies advocated by Samoa's development partners in Samoa since the late 1990s aimed at creating greater economic self-reliance, Samoa is more dependent on emigration and remittances than ever. To answer this question, we look back over the period since Samoa became an independent state 62 years ago.

Samoa's hybrid economy

Over 45 years ago, Altman (1978:39) observed that Samoa's economy was "in a state of transition from being a predominantly ... subsistence-based economy to a market economy", but that the subsistence-based production system remained an ongoing alternative livelihood for households who did not have employment in the market economy and were also unable to depend on sales of agricultural products for a steady income. In Altman's view, formal economics failed to measure non-monetary productive activities, and this was because such activities were seen as "antithetical to the capitalist or market ideology" (Altman 1987:47 cited in Buchanan 2016). Altman went on to further study the interdependencies between traditional and modern market economies, which when combined form what he calls "hybrid" economies (see Sanders 2016). Samoa offers a classic example.

The hybrid economy in Samoa is a mix of the traditional ceremonial gift exchange economy¹ and the market economy. Together they preserve and strengthen the communitarian ethics of Samoan culture, reinforcing ties that bind kin-groups² together at home and abroad.

Communitarian ethics focus on community well-being and favour doing things for the community rather than for the individual. Given these ethics, most Samoans consider their obligations to their families, villages and churches to be highly important. They therefore make economic choices and decisions that may seem strange to people from individualistic cultures. For example, family members pool their earnings, spend large amounts of money on ceremonial events and give significant portions of their income to elderly members of their families. In return, however, they receive benefits such as a strong sense of belonging, greater status in the community and life satisfaction.

The *fa'aSamoa*³ gift exchange economy is as strong today as it ever was, enhanced by remittances. However, locally sourced gifts (surpluses of the subsistence economy) have, with the exception of 'fine mats' (*'ie toga*),⁴ been replaced by cash and modern imported goods (which include boxes of canned fish and meat, biscuits, bottled water, soft drinks and wine).

The concept of *tautua* (service) is a fundamental cultural principle in Samoa (see the article titled "Samoan Tuna Cannery Workers in American Samoa" in this volume). It provides powerful incentives to young people to serve their elders. In the past they did so by, for example, planting and fishing to feed the family and to provide surpluses for ceremonial exchanges. In time their service would be rewarded with a *matai* (chief) title, and others would serve them. In modern understandings, *tautua* may be provided to families in the form of money rather than labour.

Despite low incomes and the widespread economic hardship experienced by many today, Samoans regularly contribute their time and money to family,

¹Modern gift exchange serves the same social functions as in the past: reinforcing rank hierarchies, kinship connections, allegiances and communal solidarity. In the past, gift exchange depended on surpluses from the subsistence economy.

²Samoan kinship is what anthropologists call a 'cognatic' system; an individual traces descent through the ancestry of both parents and tends to select the lines of connections (on mother's side or father's side) to which they feel the most attached.

³'*Fa'aSamoa*' (literally: the Samoan way) is the traditional Samoan socio-cultural and economic system.

⁴'Fine mats' (*'ie toga*) are handmade finely woven mats (created locally) that are used as ceremonial objects and circulate in the traditional gift exchange economy (see Schoeffel 1999).

village and church activities and give large amounts to pay for the gifts exchanged at ceremonial events (*fa'alavelave*). Funerals, for example, are a major occasion for gift exchange. The scale of a funeral depends on the social status of the deceased and his or her family, but will typically involve ten or more households (in Samoa and abroad) who are related to the deceased person pooling their money to cover the costs of the ceremonial exchange of goods, money and fine mats. As well as buying large quantities of imported items as gifts (for example, boxes of canned fish and meat), the extended family often also hires a large freezer to preserve the pigs and cattle that are slaughtered for the occasion (and given away as gifts). They also usually hire tents (to provide shade and shelter from rain) and buy food to be served to the attendees after the funeral church services, as well as items such as disposable cups, plates and boxes in which food is served. If it is a large funeral, they may hire caterers. In 2023, the cost of a funeral usually ranged between WST30,000 and WST100,000, but sometimes cost more.

In December and January each year, many ceremonial events, including family reunions, weddings and the bestowal of chiefly titles, draw relatives from overseas to Samoa. Visitors from overseas contribute to the gift exchanges at these events, usually in the form of cash. The volume of remittances increases when gifts must be purchased for such occasions, and when there are events during the year organised by church congregations, including for White Sunday,⁵ Fathers' Day, Mothers' Day and Christmas. Many businesses in Samoa depend on the spending by Samoans on gifts and other items for ceremonial events to remain profitable. Moreover, the continuous flow of people between Samoa and the countries of the diaspora for such ceremonies is the bread and butter of the airlines that serve Samoa.

Another *fa'aSamoa* expense is church membership (see Macpherson and Macpherson 2011). Membership of most churches in Samoa involves costs, and these can often only be covered with the assistance of remittances. In the Congregational Christian Church of Samoa,⁶ for example, each congregation provides their pastor with a house and annually updated furnishings, a car,

⁵"White Sunday" (*Aso Sa Tamaiti*) or Children's Day: This is celebrated on a Sunday every October. It is observed by the main churches of Samoa and is a day when children receive new clothing, including white clothing worn to church, and are given special food and sweets.

⁶ The Congregational Christian Church of Samoa (CCCS/EFKS) has the largest percentage of adherents: 27 percent of total churchgoers in 2021 (Samoa Bureau of Statistics, 2021b:17).

free electricity and water and gifts of food.⁷ In addition, the family units (*matafale*) comprising a congregation pool their money to pay the fortnightly offering (*alofa*) to the village pastor. And when a church has a visiting preacher, he or she is offered a traditional gift (*sua*) of fine mats, food and money.

The amounts contributed to the church by each family unit are estimated to range from WST500 to WST2000 per fortnight, depending on the socioeconomic status of each household in the church community. Congregation members also provide additional funds to build new churches (see Raela 2024). The amounts of cash and gifts given by each family are announced in church. Along with the expectation of God's blessings for giving, this public announcement provides a strong incentive to contribute generously.

A MIRAB economy

Bertram and Watters (1985) characterised the economies of small Pacific Island States as 'MIRAB': an acronym for an economy based on migration (MI), remittances (R) foreign aid (A) and wages and services supplied by the public service bureaucracy (B). Samoa fits this designation in the following ways:

- **Migration:** Relative to its domestic population of about 200,000; the Samoan diaspora is one of the largest in the Pacific and also in the world. As of 2019, 124,400 Samoan emigrants were living in New Zealand, Australia, mainland USA and American Samoa (United Nations Department of Economic and Social Affairs cited in Howes and Surandiran 2021).
- **Remittances:** This is a key component of the Samoan economy. In 2022, remittances from Samoans abroad accounted for more than 33 percent of Samoa's GDP, placing Samoa second in the world in terms of the proportion of GDP from personal remittance income, after Tajikistan (51 percent of GDP) (The Global Economy 2022).
- **Aid:** According to the Lowy Institute's Pacific Aid Map, between 2015 and 2019 Samoa received USD868.5 million in overseas development assistance (ODA), which was equivalent to around 14 percent of annual Gross National Income, on average, over that period (Index Mundi nd). The top donors to Samoa between 2008

⁷ According to Samoan values, the pastor's house and car should be the best, or among the best, in the village.

and 2020 were the Asian Development Bank, Australia, China, Japan, New Zealand and the World Bank (Lowy Institute nd).

- **Bureaucracy:** This refers to the high proportion of national expenditure on government, including on wages and salaries. While the proportion of workers paid by the government of Samoa is difficult to quantify,⁸ the International Labour Organization (ILO) noted that in 2017 services accounted for 62.7 percent of all employment in Samoa, including the public administration subsector (10.4 percent). Meanwhile, agriculture employed 19.4 percent of all workers, fisheries 2.5 percent and manufacturing 6.8 per cent (ILO 2019:14).

There are many critiques of the MIRAB concept, but it should be noted that Bertram and Watters were not advocating it as a development model but were instead describing it as a macro-economic reality likely to shape future trends in small island states.

Abbott and Pollard (2020), former policy advisors for the United Nations Development Programme (UNDP) and the Asian Development Bank (ADB) in Pacific Island states, argue that an alternative to MIRAB is to emphasise the role of the domestic private sector. They believe development could be achieved by shrinking the size and cost of Samoa's public administration, promoting efficient use of public finance, reforming land tenure and instituting a raft of measures to encourage the private sector.

They argue that:

There is an urgent need for PIC [Pacific Island Country] governments to adopt a framework for growth and development where the PICs retain a greater degree of control and direction. Strong institutions, appropriate policies, good governance and innovative private sector investment are at the heart of this alternative [to the MIRAB model]. ... In conclusion, we do not believe that MIRAB is a satisfactory or sustainable model for long-term economic and social growth and development in the PICs. It can only be sustained by increasing dependency. We are convinced that not all Pacific islanders want it this way. There is a viable alternative but it will be politically difficult and institutionally challenging to bring about (Abbot and Pollard 2020).

Abbot and Pollard (2020) acknowledge that "the MIRAB rent-earning nature of PIC economies may well be more politically palatable", but view this situation as a failure of government. They believe that job creation by the

⁸ Samoa's data on employment does not provide information on whether employers are public or private, and do not account for government expenditure on goods and services.

private sector could replace migration and remittances and that less aid would shrink the public sector. However, the World Bank has argued that even with reform of the business environment, the private sector in Samoa would not be able to absorb all the Samoans who would like to have paid work. Its influential report *Well-Being from Work in the Pacific Island Countries* (World Bank 2013:1-2) concludes that Pacific Island States such as Samoa would benefit from labour mobility in the Pacific region, especially into the labour markets of the nearest large economies, which include New Zealand and Australia.

Migration and remittances

When the authors were students at the University of Papua New Guinea in the 1970s, they were taught that underdevelopment was the result of dependency created by colonialism. The theory, proposed by scholars such as Frank (1966), Amin (1976) and Wallerstein (1979), was that the economies of colonised lands were established to benefit the controlling colonial power and that when colonies became independent their autonomy did not extend to the economy or to external economic relations, which were locked disadvantageously to the former colonial power and the capitalist 'Global North'. From this perspective, economic development must be internally generated by the private sector with as little involvement by the state as possible.

Although dependency theory is associated with Marxist perspectives, it overlaps strangely with right-wing neoliberal schools of thought about development, which view dependency on remittances and meeting the labour requirements of former colonial powers as problematic. However, dependence on remittances should not be branded as problematic or equated with beggary, because, as Ha'ofa points out:

Islanders in their homelands are not the parasites on their relatives abroad that misinterpreters of 'remittances' would have us believe. Economists do not take account of the social centrality of the ancient practice of reciprocity. ... They overlook the fact that for everything homeland relatives receive they reciprocate with goods they themselves produce, by maintaining ancestral roots and lands for everyone. ... This is not dependence but interdependence (Hau'ofa 1984 cited by Connell and Brown 2005:5).

There is a strong reciprocal relationship between those at home in Samoa and their relatives who have migrated overseas; the family members who stay in Samoa are guardians of its collective *fa'asinomaga* (heritage), which includes land, houses and ancestral and contemporary social relationships, while those overseas help to support them to do so with remittances.

This relationship serves as a security measure. The value of customary land to customary owners has less to do with its importance for economic development, as proposed by the government of Samoa and its development partners, and more to do with the way in which customary lands, and the villages and chiefly titles those lands belong to, uphold personal and family identities and a sense of social security for Samoans at home and abroad.

Samoans perceive their rights to customary land as a social safety net, rather than an economic asset. The remittances Samoans abroad send home secure their rights to use of family land and the village to which the land belongs. Remittances are the primary means to affirm and secure the rights of Samoan migrants to their social identities and to a place of belonging; a heritage. Thus, a significant motivation among overseas Samoans who remit money to help support their village families and traditional obligations is that those families are their 'placeholders' in villages throughout Samoa.

In the minds of most Samoans, the economic strategy of migration does not mean abandoning the homeland but taking it with them and keeping their *fa'aSamoa* (traditional) institutions going — on a more lavish scale because they have more money to spend on them. Samoans who live overseas tend to remain attached to their home villages, families and family *matai* titles. Indeed, families living in Samoa typically bestow *matai* titles on senior members of their close overseas kin to encourage this attachment.

The decline of commercial agriculture

Well-off urban Samoans often attribute rural unemployment to laziness. "They should go and plant crops" is a typical comment heard by the authors when the subject is discussed. However, in most cases commercial agriculture in Samoa does not offer the opportunity to earn a living wage.

The national agricultural survey of 2015 (Samoa Bureau of Statistics 2016:47-48) and the agriculture census of 2019 (Samoa Bureau of Statistics 2021a:279) found that most households in Samoa were producing crops for subsistence and only sold minor quantities of surplus production, and few

farming households employed external labour for farming or fishing, relying instead on family members.⁹

During the colonial period (1900-1962), export crops, particularly coconuts, were grown on large plantations in Samoa. In 1962, New Zealand handed this plantation land over to the government of Samoa as the 'Western Samoa Trust Estates Corporation' (WSTEC). It was assumed by economists such as Lockwood (1971) that an export-oriented primary industry, led by copra, bananas and cocoa, would continue to be the mainstay of the Samoan economy after independence but, instead, commercial agriculture has gradually declined,¹⁰ with the exception of short booms followed by busts, over the past 60 years.

Reasons for the decline include diminishing markets for Samoa's products, outbreaks of plant diseases and pests, cyclone damage, distance from markets, lack of economies of scale, high costs of production (see Martins and Winters 2005) and labour shortages in Samoa.

Bananas were an important export crop in the days when New Zealand gave Samoa preferential market access for its banana exports, but this stopped in the 1980s when the New Zealand economy was liberalised and Samoan growers could not compete with other producers (see Martins and Winters 2005).

Samoa experienced a short boom in growing passionfruit for a juicing plant, but the venture failed and left growers without a market. Similarly, there were great hopes that noni (*Morinda citrifolia*), a fruit that grows wild in Samoa and that is thought to have healthy properties, could be cultivated at scale and exported to the big and profitable market in China, but the market did not eventuate, at least not for Samoan growers.

Migration created new markets abroad for taro, which was in high demand among Pasifika migrant communities in New Zealand, Australia and the United States, due to their continuing preference for taro as a dietary staple. In the late 1980s there was a boom in taro exports, and taro became Samoa's major source of export income, but the boom ended in the early 1990s when a plant

⁹ Family members who work on family land are not paid. They contribute their time and labour to produce staple crops (e.g. taro and bananas), as food for the family, and other agricultural products, and in return they benefit from the pooled income from family members who are wage earners and from remittances sent from family members overseas.

¹⁰ Samoa's agriculture censuses of 1989, 1999, 2009 and 2019 show a decline in commercial production (for local markets and for export) and an overall increase in subsistence and semi-subsistence production (Samoa Bureau of Statistics 2021a).

disease, taro leaf blight, began to spread across Samoa. The blight impacted both exports and the local food supply, as taro was grown by nearly all households. According to Hunter, Pouono and Semisi (1998), the blight resulted in a 95 percent reduction in the supply of taro to markets, both within Samoa and abroad. As new disease-resistant varieties were developed, taro production eventually recovered and exports resumed, but the most favoured variety of taro can now only be grown at scale in Fiji, which now dominates the taro export market once led by Samoa.

A short-lived boom in growing kava¹¹ for export to Pacific Islander consumers overseas ended when kava was banned for sale in Australia and many European countries after the year 2000 because of concerns about its possible toxic effects on the liver. Kava has been consumed in Pacific Island societies for many centuries without ill effects, so it is likely that the toxicity was a result of some producers (not in Samoa) using poor methods for drying the root and of mixing kava with other products (Teschke et al. 2011).

Cocoa production once provided good incomes for both large- and small-scale growers particularly in the western region of Savaii, but the industry was almost destroyed by back-to-back cyclones in 1990 and 1991 and has never completely revived since, despite modest demand by overseas chocolate-makers for Samoa's fine cocoa varieties. While the number of households growing cocoa increased by 19 percent between 2009 and 2019 (Samoa Bureau of Statistics 2021a:41), the area of land under cocoa declined considerably from 6,115 acres in 2009 (Bureau of Statistics 2016:10) to 1,055 acres in 2019 (Samoa Bureau of Statistics 2021a:41).

The fisheries sector has never been a significant component of Samoa's export economy; most catches are for subsistence or are sold at local fish-markets. Fish is expensive, so most Samoans only buy fish for their Sunday lunch (*to'onai*) and special occasions. Samoa has few locations with productive reefs for inshore fishing and has a small oceanic Exclusive Economic Zone compared to many other Pacific Island States and thus does not receive significant income from licensing fees paid by foreign-owned fishing fleets. Moreover, Samoa only has a few small village-based operations

¹¹ Kava (known as 'ava in Samoa) is made from the dried root of the *Piper methysticum* shrub. It is a beverage that has a calming and mild sedative effect. It is traditionally consumed in ritual contexts, and the traditional method of processing involves shredding, chewing or pounding the root and then infusing this with water. Nowadays it is most often processed to a powdered form.

that fish for skipjack tuna. These are mostly sold locally or to an exporter of chilled fillets, rather than being processed and canned for export. In contrast, tuna processing is a significant operation in American Samoa where the semi-enclosed deep-water harbour of Pago Pago offers an ideal mid-Pacific location for such activity.

Limited prospects for tourism

In the 1980s, without profitable markets for agriculture and with little scope for fisheries, there was a shift of economic hopes towards tourism. The industry began to show promise by the 1990s, following an extension of the international airport, the building of new resorts and a modest increase in visitors, but the expectations of a booming tourism industry were not met. Samoa is a more expensive destination in terms of airfares than similar destinations, such as Fiji and the Cook Islands, and despite extensive promotion Samoa does not attract the large numbers of tourists wanting the packaged 'tropical seaside resort' experience that drives mass tourism in larger places such as Hawaii, Bali and Fiji. In 2020, Samoa recorded a total of 23,900 tourists, while Fiji had 168,000 in that year (World Bank nd).

Most tourist facilities, including 'beach fales'¹² and small boutique hotels, are owned by Samoans (Scheyvens 2005, 2006). The provisions of loans by the Samoa Development Bank in the 1990s led to the building of more tourist facilities, among them a number of marginally viable tourism enterprises, such as hotels built in locations that are unattractive to tourists. In 2021, tourism accounted for 69 percent of the Samoa Development Bank's loan portfolio value. The tourism industry is volatile, however. The border closures between 2020 and 2022 due to the Covid-19 pandemic had a devastating impact on Samoa's tourism industry as many hotels closed down or had minimal occupancy rates, being mainly frequented by the local population. This contributed to non-performing loans for tourism of more than WST200 million (Radio New Zealand 5 January 2022).

It is often asserted in studies of the industry that Samoa is highly dependent on tourism (see for example Parsons et al. 2017) and while this is true, many

¹² These are clusters of small traditional-style Samoan houses (*fales*) beside the beach that are designed as accommodation for tourists (both foreign and domestic) and are typically operated by family-owned businesses. They are rented for picnics and for overnight stays. The operators also offer meals and, in many cases, cultural entertainment (provided by nearby villages).

such analyses overlook the connection between tourism and migration. Labour mobility feeds tourism in Samoa. The country's official visitor arrival statistics, collected from arrival and departure cards, show that the category of "visiting family and friends" accounted for 40 percent of visitor arrivals in 2018/19, up from 33 percent in 2014/15 (Samoa Tourism Authority 2019:50). This category today represents the largest proportion of tourists. The "purpose of travel" of the other visitors were "holiday" (39 percent), "business" (6 percent), "sport" (1 percent) and "other" (14 percent) (Samoa Tourism Authority 2019:50). The arrival and departure cards do not record ethnicity, but it is certain that the arrivals in the "visiting family and friends" category were mostly Samoans, as the country has a very small expatriate population. These visitors are a particularly valuable type of tourist as their average spend is greater than that of other tourists (Samoa Tourism Authority 2019:4).

Culture and customary land

As well as citing the factors noted above, several donor reports and academic studies have cited culture and tradition as reasons why Samoa has low agricultural productivity and limited tourism success. One such argument is that customary land tenure¹³ constrains investment in agriculture and tourism and is an obstacle to economic development. However, this contention assumes that all or most customary land has economic potential, which is not the case.

Customary land is rarely available in large contiguous holdings, because this requires complicated agreements between customary owners to merge their landholdings. Moreover, much of Samoa's customary land comprises steep mountain slopes, deep gullies and areas with rocky soils, none of which lend themselves to mechanisation and can only be used for a very narrow range of crops and purposes.

According to custom, traditional villages (*nu'umavae*) own territories from the tops of the central mountain range to the outer reef or coastline. The territories comprise areas of uncleared forest and separate holdings for houses, farming and grazing used by extended families (*'aiga*) under the nominal authority of the head of the family (*matai*) (Iati 2008). A family may

¹³ Customary land may not be sold or mortgaged but may be leased. It makes up 81 percent of total land in Samoa (Australia Agency for International Development 2008:4).

develop its land holdings if its *matai* approves the clearing of forest for planting, with approval from the village council.

Women in Samoa have the same rights to customary land as men do, but most women reside on their husband's land, not the land of their own families. When they do reside on land belonging to their own families, they have an advantage in retaining rights to assets they have developed through their own efforts or those of their own natal family members (Schoeffel and Meleisea-Ainu'u 2016).

The greatest value of customary land may be that it is a place of belonging (*fa'asinamaga*) to those living there and also for those who have moved to town or settled overseas, and who remit money to their families living on the land to affirm and secure the shared rights of those not living there (Schoeffel, Arthur and Meleisea 2021:104-109).

In 2005, the Asian Development Bank (ADB) recommended economic reforms such as legislative change to make it easier for private businesses to lease underutilised customary lands (2005:32). The former Prime Minister Tuila'epa Sa'ilele Malielegaoi expressed his support for such change in 2016 saying that only 0.31 percent of Samoa's customary land is leased out. He pointed out that 81 percent of customary land is under the care of *matai* and he encouraged Samoans to consider developing customary lands (Keresoma 2016:1 cited by Tavila and Schoeffel 2022). The ADB supported a project, launched in 2016, to assist the economic use of customary lands, which led to the Land Titles Registration Amendment Bill 2020. The bill provoked a public outcry, however, from many Samoans at home and overseas who perceived land registration as a threat to customary tenure, and it was as one of the grievances among voters that possibly led to the change of government in the 2021 elections.

Contrary to popular belief, most of Samoa's first-class agricultural land is owned privately or by the government (Ward and Ashcroft 1998). For example, the government owns 650 acres of first-class former plantation land in northwest A'ana District (which is visibly underutilised). Land for large plantations was acquired by Germans and other foreigners during the pre-colonial civil wars in Samoa in the nineteenth century. The greater part of this land was confiscated from German owners by the New Zealand administration as war reparations in 1918 and managed as property of the New Zealand Government until Samoa's independence in 1962, when it was transferred to the new government as the Western Samoa Trusts Estates (WSTEC). When

WSTEC experienced financial collapse in the 1990s, the government assumed responsibility for its multi-million *tala* debt. The large WSTEC landholdings were then divided between two statutory corporations and a government ministry: the Samoa Land Corporation and STEC (the name was changed from WSTEC to STEC when Western Samoa was renamed Samoa) and the Ministry of Natural Resources and Environment. Approximately 70 percent of WSTEC land was transferred to the government under the legislative provisions of the Samoa Trust Estates Corporation Reconstruction Act 1990. STEC retained the land in A'ana and 1,200 acres in Savaii. The Samoa Land Corporation leases out the land it controls for suburban housing and commercial development.

Another explanation for lack of economic development in Samoa cited by some donor reports and academics is that elements of Samoan social organisation constrain individual initiative. However MacPherson (1988:1) argues that:

Samoa social organization, per se, is not an obstacle to economic growth and provides examples of entrepreneurial individuals who have adopted items of technology and strategies that have increased both productivity and profitability in village agriculture. In no case did village social organization constrain their activity, and, in each case, the extended family recognized and rewarded the individual's enterprise by giving them chiefly titles. This sector's failure to attain higher productivity lies not solely, or even primarily, in the social organization of the village, but in rational consideration of the costs and benefits of various economic alternatives.

An example of this “rational consideration of the costs and benefits of various economic alternatives” was observed during a survey of cocoa growers (Schoeffel and Meleisea-Ainu'u 2016). The survey found that comparatively few commercial growers are young people.¹⁴ Most young people choose to seek casual work, which would earn them wages, in preference to establishing their own plantations or working on those belonging to their families (Schoeffel and Meleisea-Ainu'u 2016). This is likely to be because a young person who earns money from casual work may keep a portion of it for themselves (although they usually spend or give a significant proportion of their income for family needs), but if they work on family land, providing their

¹⁴ Most of the growers who are registered with the Ministry of Agriculture and Fisheries were elderly.

labour as *tautua* (service), they will not have any money for discretionary spending.¹⁵

A poor location for manufacturing

The Samoan government has long sought foreign investment, especially in industries that would create employment opportunities. It was hoped in the 1990s that Samoa's large number of unemployed¹⁶ youth and its low minimum wage would attract such investment.¹⁷

The biggest-ever private sector investor in Samoa so far was the Yazaki Corporation of Japan.¹⁸ When this corporation showed interest in relocating their automobile wiring assembly plants from Australia to Samoa, the government responded with tax incentives and promises to provide land and build the premises for the company to lease without charge. Yazaki was established in Samoa first as a subsidiary of Yazaki Australia in 1991 and re-established in 1995 as an independent subsidiary named Yazaki Electrical Distribution System Samoa (YES). (See the article titled "Impacts of Labour Mobility Schemes on Samoa's Labour Market" in this volume for further details about the rise and fall of YES.)

Like most private-sector employers, YES paid most employees a minimum wage. Businesses would probably not be profitable in Samoa if significantly higher wages were offered, because of high operational costs. These costs are not due to a perverse refusal of government to adopt 'better' policies or to aid failure or to a lack of available land, but are a result of Samoa's remote geographical location, high freight costs, small domestic market, limited supply of skilled workers and limited number of high-spending tourists (see Martins and Winters 2005).

¹⁵ Samoan customary values accord leadership roles to elders, including control over customary land and assets and the income from them.

¹⁶ See the article titled 'Impacts of Labour Mobility Schemes on Samoa's Labour Market' in this volume for a discussion of unemployment in Samoa.

¹⁷ In the early 1990s, the minimum wage in Australia was between AUD10 and AUD17 per hour, whereas in Samoa the minimum wage was only WST1 per hour.

¹⁸ Yazaki is an automobile parts supplier that began operations in Samoa in 1991 and opened a factory in 1992. It closed its operations in Samoa in August 2017 (Automotive World, 25 August 2017).

Expectations, wages and cost of living in Samoa

Over the past six decades, Samoan expectations of what 'a good life' means have changed dramatically. In the early 1960s, most people lived in traditional (open walled structures with wooden posts) thatched or tin-roofed houses (*fales*), which were furnished simply with handmade mats and chairs that were made locally, mostly from old packing cases. Most rural villages were without electricity and most rural roads were unsealed. Most households only ate food they grew or fished themselves; few consumer goods or imported foods were available. Although many Samoans produced crops on a small scale for local markets or export, very few were successful commercial planters (see Tiffany 1975).

Today, there are still only a handful of successful commercial growers in Samoa, but the country has been transformed. With funds supplied by remittances, most Samoan families today live in European-style houses built from permanent materials (typically concrete bricks); many households now own cars or trucks; and most families have mobile phones, a television and electrical appliances such as freezers and washing machines. Thanks to development assistance funding, every village has electricity, telecommunications and piped water. Sealed roads circle both of the main islands and all villages are linked by bus services.

Whereas in the past very few people depended on money to buy food, today nearly everyone does, and items that were once luxuries (such as rice, bread, sugar, cooking oil, canned fish and frozen meat) are now seen as necessities. Moreover, there is an expectation today that people should offer imported items, rather than subsistence surplus, at traditional gift-exchange events.

The cost of living in Samoa is considered to be high relative to the income levels in the country (Mika 2019). A weekly supply of everyday food items, including cooking oil, salt, sugar, flour, tea, tinned fish, bread and rice, plus payment for electricity and piped water costs much more than the weekly earnings of an average worker on a low salary.¹⁹

¹⁹ Few Samoans individually earn a living wage; they can only get by if they pool their incomes and share the agricultural produce that is grown on customary land.

Those who do not, or cannot²⁰ grow staple food crops themselves, must purchase them. In 2023, the minimum wage was WST3 (approximately USD1.10) per hour; this was enough to buy a loaf of bread but not enough to buy a medium-sized green drinking coconut (WST4). A basketful of taro cost between WST20 and WST25 (approximately USD7 to USD9) and a bunch of cooking bananas cost between WST20 and WST40, depending on the size.

As of 2023, a full-time worker on minimum wage²¹ had an annual income of around WST6,250 (Samoa Bureau of Statistics 2023). Employers tend to pay somewhat higher wages than the minimum when a worker has proved to be useful, and many raise wages by a few *tala* (Samoa dollar) per hour when a worker has been trained for a job. Some employers, such as those in the agricultural sector, provide a meal to workers as part of their daily earnings.

Public servants receive salaries above the minimum level. Salaries in the lower levels of the public service (which includes junior nurses and police constables) range from around WST7,000 to WST14,000 per annum. All employers and workers are taxed, in that they are required to contribute to the National Provident Fund, except when the worker is employed on a casual basis. The modest state pension (WST200 per month) is available for some people aged over 60.

The minimum wage in Samoa is not sufficient to support the standard of living that most Samoans expect to have today but, as noted above, the costs of operating a business in Samoa make most local employers unable to pay higher wages. Moreover, without a viable local manufacturing industry, most consumer goods are imported and the prices of such goods add significantly to the cost of living in Samoa.

Given the high cost of imported food and goods, and low local wages, all except those on the highest pay scales are currently experiencing hardship. And because people increasingly rely on cash incomes to buy food rather than on growing their food, Samoans are now experiencing increasing poverty as the cost of living rises. Meanwhile, the *fa'aSamoa* side of the hybrid economy continues to demand significant cash resources from families.

Samoa's Multidimensional Poverty Index 2022 found that almost a fifth of Samoa's population (18 percent) "live in households where at least one

²⁰ Those who live in urban areas without access to land that is suitable for agriculture cannot grow sufficient staple crops to meet their needs.

²¹ Due to the rising cost of living, in 2023 the Government of Samoa announced that it was considering an increase in the minimum wage (Government of Samoa 5 September 2023).

household member ran out of food or [was] unable to eat healthy and nutritious food in the last 12 months because of a lack of money or other resources ... and are also multidimensionally poor” (Samoa Bureau of Statistics 2022).

Due to the high cost of living, most households depend on at least one member²² having paid work locally (Maiava and Likou 2016) as well as on remittances from relatives overseas. Remittances are essential to cover major expenses such as donations for church fundraising events (*taulaga* and *fa’amati*),²³ gift-exchange for *fa’alavelave*, school enrolment fees, books and uniforms, and the many other costs that are beyond their own means.

Samoa’s dependence on external countries has never been greater than it is today both financially and in terms of imports. This dependence means that Samoans are strongly impacted by inflation and supply chain disruption abroad.

Strong incentives for labour migration

The inability to earn a living wage at home has long motivated Samoans to take opportunities to migrate, and Samoans have long believed that ‘a better life’ may be enjoyed overseas. Malama Meleisea recalls seeing, as a teenager in the 1960s, a collage of photographs (cut from newspapers) on the wall of a Samoan school under the heading, “Admire the Beautiful Life in New Zealand” and marvelling at a picture of a ‘state house’ (government-subsided housing for those on low incomes in New Zealand).

As Cluny and La’avasa Macpherson describe in their article titled “Samoa Labour Migration to Aotearoa New Zealand” in this volume, migration to New Zealand from the 1950s onwards opened new opportunities to earn money to

²² Most Samoan families pool and share their income and food. In rural areas, not everyone will seek paid employment because some members of the family must commit their time to growing staple crops (e.g. taro and bananas). It is necessary to have at least one person earning money in order to pay for imported items such as rice and sugar, and that person will give most of their income to the family.

²³ Samoans are expected to donate significant amounts to their churches. Donations cover such things as the expenses (houses, cars, furniture, etc) of pastors and the building of churches. The amounts expected are high and are increasingly beyond the means of most Samoans (see, for example, Samoa Observer 11 March 2024; Raela 18 April 2024). This is an issue in Samoa today, particularly as it is one of the factors driving young people to seek better-paid work abroad.

send remittances home to Samoa, which raised the status of migrants' families.

Today, as a result of the rising cost of cultural obligations and the local socioeconomic realities, nearly everyone in the eligible age range would like to go abroad where they can earn higher wages. Many Samoans feel that emigration and labour mobility schemes are the only ways they can afford to serve (*tautua*) their families, reach their material goals and achieve 'a better life'. While permanent emigration abroad is difficult to achieve, labour mobility schemes are relatively easy to participate in. These schemes therefore provide a 'solution' for many Samoans.

The minimum wage in Australia in 2023 was AUD23.23 (approximately WST41) per hour (Fair Work Ombudsman nd) and in New Zealand it was NZD22.70 (approximately WST38) per hour (Ministry of Business, Innovation and Employment 8 February 2023). Depending on the job, the worker's experience and length of contract, and allowing for deductions for food, board, airfares, taxes and health insurance, workers abroad who minimize discretionary expenditures can save over \$10,000 in New Zealand or Australian dollars during a seven-month contract.

Participation in labour mobility schemes is empowering for young Samoans, particularly for young men from rural households. Through working abroad they can send remittances to their families and thereby provide service (*tautua*) and win esteem as providers. This is why even Samoans with medium-level full-time jobs in Samoa are willing to take the lower-status jobs abroad that are offered under labour mobility schemes.

Young people who don't win the 'prize' of being selected to participate in labour mobility schemes and who also cannot emigrate lose this chance to win the esteem of their families and communities.

Despite the negative impacts of labour mobility schemes on the local labour market and society (see the following articles in this volume), it is likely that as long as opportunities are available, Samoans will seek work aboard as their most rewarding economic option.

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