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Faleoloa Laititi:

The Role of Small Shops in a Developing Samoa

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SIT: Samoa Fall '06

Abstract:

Samoa presently finds itself caught between the wave of development and an unyielding tie to its culture. Development in Samoa consists of a multitude of efforts including, but not limited to, commercial agriculture, tourism, environmental protection, and private sector business. In all of the areas, the struggle between the Western view and the Samoan internalization of the Western view proves readily apparent. More so, the way of life in Samoa somehow drips its way through the cracks of all these ideas, creating protocol for development which is uniquely Samoan. The research examines the strength and weaknesses of the small roadside shops found throughout the islands of Samoa. Case studies of shops in the rural village of Lotofaga and the sprawling urban village of Vaitele-Uta were the focus for information. Interviews with shop keepers as well as government officials sought to further validate observations and opinions. The research shed light on the small shops and their amazing role as an icon for the representation of a multitude of issues presently facing Samoa. Furthermore, the research allowed an accurate view of the shops' actual contribution to the development of Samoan economy, or lack thereof, which served as the impetus for the study.

Presently, the shops are not contributing in any significant manner to the development of the Samoan economy. Rather these shops are a staple in subsistence of a “cultural economy” stemming from ideas and practices lying at the heart of every Samoan. Ironically, the onset of Western economics has fueled a transition of protocol in cultural economics not soon to be undone.

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for Mom and Dad, Gigi and Pops, Moomoo and Papa, who taught me the importance of family, the beauty of music and the grace of God. I could never hope to be as great...

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Firstly I would like to thank God, without whom none of this would have been possible.

For everything else leading to my being here, I thank my parents. They're unconditional support throughout all of my childhood (and even at present) antics, successes and failures, and opinions deserves nothing less than a gold medal in parenting. I love you.

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For completely saving the last two weeks of my trip, I would like to thank my brother, Will. That conversation on Thanksgiving Day changed my entire thought process and most likely will affect the rest of my life.

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Cooseman's brother....do your own thing bro

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Part 1: Introduction

“Tradition dies hard in Samoa. The many aspects of the Samoan way of life are vigorously and steadfastly protected. Nowhere else in the Pacific is innovation so resolutely resisted, and in few other territories is the cult of custom so deeply revered.”(Farrel and Ward 1962:232-233 in O’Meara 1)

This paper seeks to examine the role of *faleoloa*¹ in Samoa largely based on field research i.e. observation. The term “*faleoloa*” literally means shop, however for the entirety of this paper it will refer to small shops which are family owned and operated. Being located directly inside the owner’s house or as a separate building on the property, the *faleoloa* is not quite like any shop or small business known to the *palagi* or Western mind frame.

1.1 Why?

Samoa is an island, a way of life, and a people. Aligning with this trend, the drive for research of the *faleoloa* bore its bright head in three general forms. A tour around the island, whether by car or bus, reveals the wondrous beauty of the rugged Samoan peaks, the lush rainforests, the intriguing *fale* (traditional Samoan houses), wonderful people, and if observant enough these interesting *faleoloa*. Upon noticing the *faleoloa* it seems every turned corner reveals another Milo[®], Fanta[®] or Pall Mall[®] advertisement on the roadside, indicating the location of a *faleoloa*. In the end, sheer prevalence of these shops throughout all of Samoa catches one’s attention. Secondly, as development continues to affect Samoa, its economy is in a state of transition from being subsistence based towards being cash based. Seeing as Samoans are historically resistant to large scale changes (aside from religion), the economy remains primarily based on traditional subsistence

¹ *Plural noun forms do not exist in the Samoan language which explains the lack of agreement here and throughout the paper.

living. As of 2002, 75% of Samoans were actively participating in subsistence agriculture². Thus in a society which is only slowly increasing its total cash flow, the number of *faleoloa* becomes intriguing since they require significant amounts of a cash capital for conception. Thirdly, the ideas and skills requiring the management and operation of private sector business can be quite in depth. In a society still relatively new to this private sector business, the actual success and inherent contribution of the *faleoloa* to Samoa as whole became particularly research worthy.

1.2 Intended Ends

Although many *faleoloa* are readily bustling areas of buying and socializing, in some villages one can find an equal number of operating *faleoloa* as closed *faleoloa*. Such observations question the sustainability of *faleoloa* and the extent to which they benefit owners' well-being. Research aimed to determine how these businesses' contribute the lives of families who own them. Although initially observed through a strict economical lens, research found the utilization of an anthropological lens equally necessary to fully understand the *faleoloa* place in Samoa. Several research questions were examined:

1. How economically viable are the *faleoloa* as a small business in Samoa?
2. Are the *faleoloa* helping or hurting Samoan families who operate them?
3. Is small business feasible in a communal society based on strong cultural practices?
4. What business characteristics (conception, operation, and assessment of problems) result in success?

² SPBD Business Publication,2002: 6.

Within each of these, subsequent questions are developed for qualification. These questions will no doubt present themselves and hopefully be answered throughout. However, one such question resonates enough to warrant introduction: how micro-finance affects *faleoloa*. Consequently, a brief overview of micro-finance focusing on one such institution in Samoa proves necessary.

1.3 South Pacific Business Development-A Brief Overview

Regardless of type, all businesses require a source of capital for conception. In a country currently found on the list for Least Developed Nations with 48% living below the poverty level³, it can be said Samoa is particularly lacking in this area. This “poverty” is based in *palagi* realms of thinking and refers largely to income amounts and Gross Domestic Product. Seeing as cash has only recently (150 years) affected their lives, one would be hard pressed to find a Samoan who would call themselves poor. As the Samoan economy slowly transitions from subsistence to cash, many families have little in the form assets of significant liquidity, deemed as collateral. Employment levels are also low with 28% of Samoans aging 10 and older being either fulltime, part-time or self-employed⁴. Again, this fact being based on *palagi* realms of thinking contributes to its tainted portrayal of Samoa. It is used here to suggest further reasons for low cash flow levels. With these two evils facing many Samoans, commercial banks will not approve their loans. Thus micro-finance organizations such as South Pacific Business Development, SPBD, have emerged.

³ SPBD Business Publication, 2002, 4, quoting UN classifications.

⁴ Samoa Development Report,2006:95.

Founded in 2000, SPBD is located in Apia, Samoa's capital city. A "not-for-profit organization designed to help its participants, not take advantage of them,"⁵ SPBD has created opportunities for poor women to receive a loan in order to start small businesses. SPBD provides these loans, unsecured, to women all over Samoa based on the Grameen Bank principles⁶. As of July 2005, SPBD had distributed some 8,456 loans totaling ST \$7,347,133 and resulted in 5,289 new businesses⁷. A majority of these loans have been used towards different aspects of the *faleoloa* including: starting capital, supply capital and renovation capital. Consequently, the research was based with SPBD as a main component.

1.4 Summary

Faleoloa are presently one of the most common small businesses in Samoa. In an economy relatively young in terms of its knowledge and use of *palagi* principles, these shops present an ideal medium through which to study the relationship between traditional *fa'aSamoa* (Samoan way of life) ideals and development-minded *palagi* ideals. Furthermore the need for cash capital to stimulate small business growth has facilitated the presence of micro-finance institutions such as SPBD. Like many small businesses in Samoa, however, *faleoloa* have mixed results in terms of long term economic viability. Problems result from shortages of education, lack of general cash availability and adherence to traditional values to name a few. The research did not intend to find an "answer" to the many problems facing *faleoloa* today. Rather it sought

⁵ SPBD Business Publication, 2002, 11.

⁶ See Appendix A

⁷ SPBD Pamphlet, 2002:4.

to present a current, well-rounded image of the *faleoloa* and where it lies in the ever evolving entity known as Samoa.

Part 2: Background Samoa

“Every colonial attempt to undermine the determination of the Samoan people to practice their culture has failed, from 1830 to present.”-Samoa Development Report, ‘The *Fa’aSamoa*’, 2006: 1-2.

This section serves to highlight relevant aspects of Samoan life for *faleoloa*. More so, the section conveys information essential to a macro comprehension of *faleoloa*.

Some of this information may not immediately appear to be pertinent; however qualification of emerging issues finds it necessary. Thus, the strengths and weaknesses of *faleoloa* stem from two main sources: demographics and the *fa’aSamoa*.

2.2 Demographics

In the past fifty years, the population of Samoa has roughly doubled to approximately 183,000 as of 2004⁸ with an equal number living overseas. Those who migrate are generally achieving higher educations or careers not as readily available in Samoa⁹. So while the skilled labor (as well as some unskilled) exodus assists in population control, it essentially deprives Samoa of potentially highly useful citizens. This exodus further lessens the amount of Samoans generating cash income inside Samoa, directly reducing cash flow and availability. When these overseas Samoans return during certain times of the year, activity in the *faleoloa* markedly increase¹⁰. However, these emigrants remain extremely loyal to their family obligations by sending money

⁸ Woods, 24 in reference to Secretariat of Pacific Community, 2004.

⁹ Shankman, 1988: 282-283.

¹⁰ Personal Interview, Jackie Fa’asisila, 11-22-06.

back home through what are called remittances. These remittances account for a significant portion of the Samoa's gross GDP and much of the cash "income" available to people¹¹. Without such cash resources, less money would be available to spend on small businesses such as the *faleoloa* or purchasing the good they provide.

Population distribution also has relevant economical implications. According to basic laws of supply and demand, highest business fitness exists when demand is greatest and sufficient supply is available. With 22% of the total population living in the greater Apia area, it would seem the availability for high business activity is present¹². The majority of the population, however, is dispersed among some 300 villages, where demand may not be as great. Demographic impacts were evident in terms of general cash flow and inherent *faleoloa* activity with *faleoloa* closer to Apia generating more business. While population densities serve to distinguish *faleoloa*, the *fa'aSamoa* pervades the lives of all Samoans and shapes the way in which *faleoloa* operate.

2.3 *Fa'aSamoa*- Samoan way of life

"*Fa'aSamoa*" is the backbone of Samoa. At the heart of the *fa'aSamoa* is the *aiga* (family). The Samoan *aiga* represents an entire intricately networked extended family led by a *matai* (chief) who has the final say in any matter concerning the welfare of the family. The *fa'aSamoa* is defined by "characteristics [which] make this way of life unique such as reciprocity and the accumulation of social capital instead of only financial capital, [creating] a system that often finds itself in opposition to European decent¹³." Schoeffel (1996:114) explains,

¹¹ Woods, 25 referencing Schoeffel, 1996.

¹² Woods, 25 referencing Schoeffel, 1996.

¹³ Woods, 27.

Accumulation was discouraged by the nature of traditional root crop economies, and various systems for the redistribution of surpluses were a form of investment for the Pacific islands people. To the present day, consumption is still generally more socially valued than accumulation.

Redistribution and investment are the very ideas behind reciprocity. Through reciprocity comes not only a display of social wealth but also a sense of “Samoa social security”¹⁴. Those who give can expect gifts in return at a future time when such a need develops. Although the traditional economy’s purpose was subsistence with no cash involved, the inevitable effects of development have caused these acts of reciprocity to gradually assume a significant cash component¹⁵. Nonetheless, reciprocity has maintained its tenacity. With such ideas pervading Samoans’ lifestyles, the economy of Samoa has been appropriately altered from the pure *palagi* ideals introduced in the past. A society keen on giving to show wealth stifles a *palagi* economy based on accumulation of monetary wealth. Today a unique synthesis of these two economic philosophies has produced contrasting effects in the development of the Samoan economy. Although much work is being done to further conform common mindsets and business practices, it is unlikely that a Samoa structured purely of *palagi* principles will ever exist.

In addition to reciprocity, the Samoa concept of *fa’avelave* accounts for a large part of the *fa’aSamoa* influence on *faleoloa*. Literally meaning “entanglement”, the *fa’avelave* has been expanded to include many types of special occasions including funerals, weddings, *matai* title bestowal ceremonies, and births.

Fa’avelave combine all things that matter most to many Samoans: family, food, money, competition for status in a public forum, a chance for men to display their knowledge and their skill at oration, a chance to command and impress, a chance for women to take centre stage as they

¹⁴ Woods, 27.

¹⁵ Samoa Development Report, 2006, 9.

display their fine mats, and a chance for young men and women to meet and discuss the turmoil of their constant labor.-(O'Meara, 153-154)

These *fa'avelave* require large quantities of gifting. Traditionally, gifts were in the form of *toga* (fine mats), sleeping mats, livestock, or crops. However, recently cash and various *palagi* foods have become widely accepted and very prevalent due to their relative ease of access (it is easier to buy cartons of tinned fish from the *faleoloa* than to raise a pig). Whereas acts of reciprocity set the stage for the accumulation of social prestige, the *fa'avelave* and its associated giving are the main actors. The public nature of *fa'avelave* makes it the most important arena for social prestige. Furthermore, as cash has become more and more prevalent in *fa'avelave*, the need for cash among Samoans is rapidly increasing. Once again the intra-connectedness of all things Samoa arise as this need for cash has facilitated the efforts by Samoans to participate in cash producing endeavors or ask more from family overseas. For *palagi* business, *fa'avelave* significantly hinder prosperity yet seem to accentuate traditional Samoan practices¹⁶.

Part 3: Methodology

“Ask a question and you’re a fool for three minutes, don’t ask a question and you’re a fool for your whole life.”-Chinese Proverb

Various mechanisms of research were used for this project. As few studies on *faleoloa* exist, this research relied heavily on participant observation. This observation revolved around activity in and around the *faleoloa*. Subsequently, alternative research methods were employed following the majority of observation.

¹⁶ Woods, 28.

3.1 Methods

The research on the *faleoloa* was conducted throughout a three week period on the island of Upolu. The gathering of information stemmed from field experience which required the researcher to fully plunge into the research medium. Further information was generated from government interviews, surveys and secondary sources following the field experience.

3.1.1 Structure

Given its nature, first hand interpretive and qualitative data accounted for the majority of the research. In order to qualify and accurately analyze the research, secondary resources and “outside” interviews were utilized as necessary. An essential part of the research revolves around the way in which the *faleoloa* are conceived as a business possibility and the inherent establishment. As a result, research of micro-finance institutions in Apia proved necessary with SPBD proving the main focus as well as the source of an advisor for the project.

3.1.2 Getting on the Inside

The research set out to observe and analyze the many different facets effecting successes or failures of the *faleoloa*. Home stay experiences in the villages of Vaitele-Uta and Lotofaga, resulted in the decision of “where” the research would be conducted. This decision proved advantageous because Lotofaga represents a rural village and Vaitele-Uta represents a more urban, Apia oriented village.

In Vaitele-Uta, the home stay family owned a *faleoloa* and willingly offered it for research. An entire day, from 6:30am to 10:00 pm, was spent in the shop diligently recording transactions, conversations and observations. Previous home stay experience

also proved invaluable in Lotofaga as a place to reside while conducting research due to its distance from Apia. The family had previously operated a shop as a client of SPBD which gave great comparative information but created a need to locate another willing *faleoloa* owner in Lotofaga. Thus alternative efforts were required to get inside a *faleoloa*. Plans for a day of research in a *faleoloa* were arranged during a day spent visiting SPBD clients under the guidance of a SPBD field officer. As a result, the Lotofaga *faleoloa* researched in detail was one currently operated by a SPBD client.

3.1.3 Interviews

During the days spent in the *faleoloa*, time was available for somewhat open-ended interviews during gaps of customer activity. A further set of interviews were conducted with a variety of *faleoloa* owners whose *faleoloa* were significantly different in terms of start up capital. These interviews served to contrast business traits and complement information gathered to develop a more holistic view of *faleoloa* operation. Also two interviews with former *faleoloa* owners provided insight as to the causes behind the closure of *faleoloa*. A subsequent set of interviews with government officials from various ministries and various levels of authority produced necessary and extremely pertinent information relating the operation of *faleoloa*. The majority of interviews were with native Samoans, thus a language barrier emerged at times. Consequently, the transcription and inherent reproduction of interviewee's quotes became difficult. Instead the interviews largely became tools for general analysis rather than sources of specific example.

3.1.4 Surveys

A total of 20 surveys were completed during the final week of research. The sample consisted of approximately four participants from the area of Vaitele-Uta (urban), five from the village of Alafua (urban), four from the village of Solosolo (rural) and seven from the greater Apia area (urban). The diversity of village types surveyed remains in need of development. The survey¹⁷ consisted of 16 questions having a mix between subjective and objective answer requirements. The use of a translator was necessary initially for translations from English to Samoan. Upon collection of surveys, translation was again required for subjective answer analysis.

3.1.5 Constraints/Limitations

Lack of time proved the greatest research constraint. Identifying, researching, and writing about any part of a culture in just three weeks required the use of what could be called research ingenuity. The experience in Samoa has been no different. Time became a further issue in arranging and executing research for multiple days in multiple *faleoloa*. *Faleoloa* activity fluxuates daily, thus data from multiple days of *faleoloa* activity allows a much better picture of an “average” day. Unfortunately, this qualifying data largely remains uncollected for previously mentioned reasons. Initial realization of the sheer number of *faleoloa* made the topic appropriate as a research piece. Being denied the ability to hire a vehicle or make use of a bicycle, however, made simply getting to many of the *faleoloa* either impossible or extremely time consuming. In perfect accordance with the *fa’aSamoa*, arranging days to study the shops, times/days for interviews and actually carry out those plans are better termed possibilities than actual plans.

¹⁷ See Appendix B

Part 4: Research Results

“There’s nothing like looking, if you want to find something. You certainly usually find something, if you look, but it is not always quite the something you were after.”-J.R.R. Tokein

Faleoloa as businesses are anything but simple. At first glance, they appear a laid back form of business adopted by Samoans. Generally lacking in aesthetic quality (as based on Western standards), small, and not very busy, the *faleoloa* felt as more of a “past time-esque” business. Upon further investigation, the complexity of *faleoloa* in terms of operations and cultural implications immediately became apparent. This section will serve to present descriptive findings regarding key ideas necessary to answer the research questions. As many of the issues are interwoven, these ideas will emerge as themes throughout.

4.1 Operation

Like many aspects of Samoan life, the *faleoloa* generally operate on principles of variability. For the most part, the *faleoloa* are set in their motions and days pass with fair regularity. However, *faleoloa* unexpectedly close and shopkeepers become otherwise disposed, tending to the children or cooking. With this being said, “a day in the life” of the *faleoloa* follows.

4.1.1 A Typical day

Everyday between 6:00 and 6:30 a.m., *Faleoloa* open all over Samoa. The shopkeepers open the windows to the *faleoloa*, which had been locked during closing the previous night “to keep ‘wonderers’ out¹⁸,” check the money drawer, and proceed to give the *faleoloa* a quick once over before the first customer arrives. This “once over” process

¹⁸ Personal Interview, So’o, Shopkeeper, Lotofaga, 11-17-06.

includes tasks such as sweeping out any rubbish, making new bags of sugar/salt/rice/flour, organizing shelves, and making a cup of coffee to name a few. If the *faleoloa* sells the paper, a courier drops the papers shortly after opening. Following the first wave of customers on their way to work, school or just daily errands, shopkeepers will take a more in depth account of the *faleoloa*, noting items which are becoming thin on the shelves or which have expected demands given the day of the week, “generally weekends have higher sales of *pisupo*, turkey tails, and mutton flaps for *to’ona’i*¹⁹.” (*Pisupo* or corned beef is very expensive in Samoa and so only eaten for important meals such as the *to’ona’i* which is the meal following church on Sundays.) This check of the *faleoloa* gives the shopkeepers an idea of which items are needed most. The way in which these items are acquired is discussed in section 4.1.2. The remainder of the morning is spent waiting and serving customers, mostly women, who are generally purchasing goods to make lunch or just grab a mid-morning snack using left over money to buy cigarettes.

Lunch arrives with a slight increase in customers to buy last minute lunch ingredients or drinks, with only *faleoloa* having “take-away” operations showing a significant increase in activity such as the *faleoloa* in Vaitele-Uta. It would have been interesting to note times at which transactions took place to track *faleoloa* activity, but time won once again. The few hours directly after lunch proved unusually slowed in both *faleoloa*. So slow in Lotofaga in fact that a nap was due course, although the windows of the *faleoloa* remained open. Only once in two hours did someone come at which point the customer woke the shopkeeper, who tended to the customer, then proceeded to go right back inside and finish her rest.

¹⁹ Personal Interview, So’o, Shopkeeper, Lotofaga, 11-17-06.

Shortly after 2 p.m. activity seemed to pick-up as school let out, people returned from the *maumaga* (plantation), got off work, or the same women who came to buy things to make lunch returned to buy things to make dinner. In Vaitele-Uta, the fryer was prepared for the ensuing hours of activity. It is also during this time period that the deliveries would arrive. As the clock nears 5 p.m. business activity reaches its peak (whether high or not) and remains fairly constant until around 9 p.m. For many shops, “it’s the busiest part of the day²⁰.” The final hour of the day is spent cleaning, organizing, tending to any last customers or waiting for closing time to come. The last task of the day comes after the windows have been shut and locked, that is counting the money. Seeing as this is the most important part of the day, it is carried out in some habitual manner by the shop keeper.

Arguably the most important thing to note about this simple daily construct is that through research these generalizations were made. However multiple times during interviews or days in the shops, irregularities to these trends were readily observed resulting from irregular, as to be expected.

4.1.2 Getting Started

The process of starting a *faleoloa* involves three basic principles. The most basic need is a location in which to have to *faleoloa*. This can simply mean clearing out a room in the house, building shelves and windows, and having a place to keep the money. Many *faleoloa* are small additions to a house, generally facing the road, which require a small amount of construction to complete. Furthermore, owners can choose to make their *faleoloa* its own separate entity somewhere in the yard and generally nearer to the road than the house. This type of *faleoloa* is very popular due to its proximity to the road but it

²⁰ Personal Interview, Kerisiano, Vaitele-Uta *faleoloa*, 11-12-06.

requires much more substantial construction and start-up capital. The second basic thing a *faleoloa* needs are things to sell, an interesting process. All *faleoloa* have the standard food items, bingo pens, cigarettes, and candies, but some shops also supplied: work suits (think firefighter), spiral notebooks, formal dresses, fluid magnesia, and balloons to name a few. Inquiry as to the origin of these items resulted in answers such as: “I write down what someone asks for and get next time delivery comes²¹” and “I look at what people buy and then buy more²².” These answers might seem basic, but there most likely referring to the fact that they observe the needs of people and adjust accordingly.

Regardless of the way in which *faleoloa* are constructed and supplied, cash capital, the third principle, is most important. SPBD facilitates access to capital for many *faleoloa*. Currently SPBD has 150-300 clients operating *faleoloa*²³. All SPBD groups discussed in Appendix A have at least one member operating a *faleoloa* with some groups having 3 to 5²⁴. In the case of the Lotofaga *faleoloa*, the *faleoloa* was started from a 2nd SPBD loan²⁵ in the amount of ST \$1500. This amount results from an incremental loan scheme utilized by SPBD, only allowing a first loan of ST \$750²⁶. This loan scheme is manageable but still creates problems in terms of the required weekly payment. “I don’t like payment with SPBD because it take too much profit”²⁷ typifies the mindset of those not involved with SPBD and maybe some who are. However, SPBD’s business design facilitates small business development and sustainability. In this vein, loans are intended to help start a business not sustain the business operation. If effectively utilized,

²¹ Personal Interview, So’o, Lotofaga *faleoloa*, 11-17-06.

²² Personal Interview, Susi Tanieli, Lotofaga *faleoloa*, 11-16-06.

²³ Personal Interview, Tim Barker, SPBD Office, 11-24-06.

²⁴ Personal Interview, Tim Barker, SPBD Office, 11-24-06.

²⁵ Personal Interview, So’o, Lotofaga *faleoloa*, 11-17-06.

²⁶ SPBD Publication, 2002, 13.

²⁷ Personal Interview, Ake Va’a, Lotofaga *faleoloa*, 11-16-06.

SPBD has the ability to greatly contribute to the lives of many Samoa, which will be developed in section 5.

A more common means of providing capital comes from money saved by the family. 80% of *faleoloa* surveyed indicated the money used as initial capital was generated from family savings. The other 20% were divided between an “other” response indicating capital came from a job. The fact that no surveys resulted in a “micro-loan” response speaks a bit to a possible lack of sufficient sampling size for the survey, again related to time constraints. There were multiple effects on the business resulting from this different source of capital. It appeared as though the *faleoloa* started from family or job money were generally larger physically, possibly even better maintained. Although this may fall under a bias, it seemed as though the people running the shops were keener on its success stemming from the fact that they were forced to sacrifice their own funds up front to start the business. For SPBD business owners, the process of being “given” money instead of using other means to obtain start up capital may have resulted in a lesser sense of obligation. Such a deduction doesn’t result from ignorance rather the lack of immediacy associated with receiving the loan.

4.1.3 Supplies

As with any retail business, the *faleoloa* require re-supplying with some frequency. The two ways of supplying the *faleoloa* consist of delivery from a wholesaler or traveling to Apia by bus or car. In Samoa, the way in which *faleoloa* complete this process varies depending on multiple factors with some interesting *fa’aSamoa* aspects in addition. A large deciding factor is simply whether or not the owner has a car. Parallel to this vehicular issue is the distance of the *faleoloa* from Apia, the epicenter of all goods.

Obviously, if the owner does not have a vehicle he or she's required to utilize the delivery service. There are three main wholesaler delivery services: Ah Liki[®], Ah Mow[®] and Frankie's Wholesale[®]. In Lotofaga, these wholesalers came on different days of the week and brought different types of good. The delivery trucks stop at each *faleoloa* in the village at which point shopkeepers place orders. In Vaitele-Uta, *faleoloa* shopkeepers place orders by phone to be delivered the same day. This ability can most likely be attributed to Vaitele-Uta's proximity to Apia. On the other hand, vehicle owners must decide if they want to pay the fuel cost associated with travel. Justification for this cost is found in assurance of receiving goods, assurance of quality of products, and control in timing for receiving goods. Survey indicated a vast majority, 80%, employing the services of these wholesale deliveries. Many shopkeepers cited two supply methods with next the most common answer being "travel to Apia". This additional answer explains that no one method is solely used. In general deliveries are reliable, convenient, and not too unfairly priced which would indicate a there great contribution to the viability of operation.

In Lotofaga, approximately 1^{1/2} hours from Apia, one shop owner owns a nice flat bed truck which he takes to Apia "if [he's] not too tired²⁸." If he is too tired he simply places an order with any one of the wholesalers the next time a truck travels through Lotofaga. Even though he utilizes the vehicle, the delivery trucks always stop to see if any products are needed. In Vaitele-Uta, approximately ten minutes from Apia, the owner of the *faleoloa* for this field research owned a car. For most things, "we call the wholesale and place the order. This is much faster because you don't have to wait for the truck to

²⁸ Personal Interview, Susi Tanielu, Lotofaga *faleoloa*, 11-16-06.

come. Also, you don't have to worry about damaged goods²⁹." These damaged goods have become prevalent among orders, mostly with produce. In the Lotofaga *faleoloa* following a delivery, the shopkeeper was going through a bag of onions and picking out ones which had spoiled. With a disappointed demeanor, she explained "I can no sell the onion because customers won't come back if I do, but the truck has gone and there is nothing to do³⁰." This statement exemplifies a problem, whether originating from supplier or the actual delivery, in which *faleoloa* owners are forced to assume a loss. Small issues as such have exponential effects in businesses already struggling to get by and should be explored as a means through which to improve business fitness for *faleoloa* owners. However without the delivery service to rural areas, there would be no possible way of achieving any meaningful success (taking the bus is time consuming and costly).

Payment for these services proves equally as interesting. In every *faleoloa* questioned or studied, cash was simply taken out of cash box and either given directly to the wholesale representative or taken into town after having place an order. A receipt is generally collected and placed among other receipts. The only actual account of this transaction stems from the evening task of counting the money with respect to the amount taken out for delivery. One exception was found in a Lotofaga *faleoloa* run by a man who had spent significant time in New Zealand before returning to Samoa to start a *faleoloa*. He had acquired a cash register which printed simple transaction receipts, allowing an accurate transaction history to be collected. This trend of spending time in New Zealand then returning to Samoa to open a *faleoloa* became quite common throughout the research. More importantly, this man kept his receipts organized

²⁹ Personal Interview, Nimo, Vaitete-Uta *faleoloa*, 11-30-06.

³⁰ Personal Interview, So'o, Lotofaga *faleoloa*, 11-17-06.

by date and respective wholesaler which he compiled at the end of each month for comparison against receipts of regular transactions. Needless to say, the idea of separate types of funds for business operation and appropriate methods of accounting are still being introduced. *Faleoloa* owners, however, are required by law to keep records of sales for tax purposes. Enforcing this law is difficult resulting from the government's lack of human resources³¹. While it may seem taxation would further deplete profit, forcing *faleoloa* owners to keep transaction/income records could drastically improve the quality of their business.

4.1.4 Goods Sold

Most *faleoloa* maintain a relatively impressive assortment of goods in stock including all food items, razors, highlighters, hair gel, diapers, and batteries. While only 60% of shopkeepers would acknowledge that their high selling item is cigarettes, transactions records make it hard to believe that any other product could be bought with more frequency. In one day, the *faleoloa* in Lotofaga recorded sales of 59 individual cigarettes, 2 packs (20 cigarettes), and 19 “bundles” of loose tobacco³². The *faleoloa* in Vaitele-Uta recorded a day's sale of a staggering 305 individual cigarettes and 16 packs of cigarettes. Coming in at 0.40*sene* (Samoan cent), a cigarette in Lotofaga and 0.30 *sene* a cigarette in Vaitele-Uta, this amount to earning of ST \$41.47 and \$190.70 respectively. To give some context to these numbers, cigarettes amounted for 42.20% of the day's earnings in Lotofaga and 20.37% of earning in Vaitele-Uta. The second most sold item in Lotofaga was *masi popo* (coconut biscuits), which amounted to ST \$19.20 or 13.99% of the day's sales. This observation however is unusual according to So'o who indicated

³¹ Personal Interview, Ian Filemu, Ministry of Inland Revenue office, 11-27-06.

³² This “loose” tobacco refers to individual pinches of pouch tobacco used for hand rolled cigarettes.

“after cigarette, the *suka* (or sugar) and salt goes³³.” This statement would align with subsequent interviews, a survey indicating 40% of people followed cigarettes with either sugar or salt, and the record at Vaitele-Uta. For the day in Vaitele-Uta, 81 pounds of sugar and salt were sold. At ST \$1.00/ pound, this amounts to ST \$81.00 or 8.7% of sales. After cigarettes, sugar, and salt, sales of individual items seemed to be far less significant, almost random in some instances.

In terms of variety of goods sold, the *faleoloa* in Lotofaga recorded the sale of 22 different items. In Vaitele-Uta, a total of 88 different items were sold. This disparity speaks in large part to the population differences between Vaitele-Uta and Lotofaga and the inherent diversity of demand resulting. Furthermore, the urban nature of Vaitele-Uta and its proximity to Apia results in a larger amount of cash among residents³⁴ as opposed to villagers of Lotofaga. As a result of this trend, it was not surprising to find a significant difference between the total daily sales of the Lotofaga and Vaitele-Uta *faleoloa*. It was surprising to find that the number differed by some ST \$800, with Vaitele-Uta bringing in ST \$936.00, “a slow day³⁵,” and Lotofaga bringing in ST \$137.20. Survey results indicated *faleoloa*’s weekly earning were split with 50% earning ST \$0-500 and 50% earning ST \$501-1000. Extrapolating the data would indicate weekly earnings for the Lotofaga *faleoloa* in the ST \$501-1000 range, thus fairly standard. Vaitele-Uta on the other hand would result in weekly earnings of more ST \$6,000! Upon questioning to confirm this number, it was surprising to learn that this may even underestimate weekly earnings for Vaitele-Uta.

³³ Personal Interview, So’o, Lotofaga *faleoloa*, 11-17-06.

³⁴ Woods, 24.

³⁵ Personal Interview, Nimo Tamasese, Vaitele-Uta *faleoloa*, 11-30-06.

Note: The previous figures were based only on amount of cash received and do not figure in cost of goods sold (CGS) or supply fees resulting in inflated figures.

4.1.5 Government's Hand

Two departments of government largely maintain a relationship to the *faleoloa* business, the Ministry of Inland Revenue and the Ministry of Commerce, Industry and Labour, MCIL. In order to own and operate a business in Samoa one must first obtain a business license, which is conducted through the Ministry of Inland Revenue. Due to the nature of the *faleoloa* as a family business, privately owned and operated, they can fall under the category of “sole trader.”³⁶ These licenses cost ST \$220 and if the business chooses to sell alcohol another license is required amounting to ST \$250³⁷. They also require annual renewal, thus presenting a significant cost to the *faleoloa*. The Ministry also accounts for the annual income of the *faleoloa* in order to apply appropriate tax. These records generally aren't kept and not much can be done about it resulting from lack of resources. This “inability” to enforce the law may have an alternative benefit for *faleoloa* owners due the tax bracket. Any business making less than ST \$10,000 annual is exempt from taxation and since most shops don't keep records they have the unique ability to “estimate” their income³⁸. Seeing as these estimations are usually less than the minimum amount susceptible to taxing, many *faleoloa* can save a bit of money. Ironically, research showed shops that kept records, or at least attempted to, were more successful in profit margins and operation longevity.

³⁶ Personal Interview, Tiafau Matatumua, Ministry of Inland Revenue office, 11-27-06.

³⁷ Personal Interview, Ake Va'a, Lotofaga *faleoloa*, 11-16-06.

³⁸ Personal Interview, Ian Filemu, Ministry of Inland Revenue office, 11-27-06.

MCIL on the other hand focuses on the administration of the Fair Trading Act of 1998, FTA³⁹. This act regulates business practices between the supplier and the consumer. Containing legislation on everything from health standards to monopolization, the FTA's most pertinent section for *faleoloa* deals with price control and the recent amendment of the General Price Order 2006. These documents define different types of goods as “freezer goods” and “dry goods” which are allowed a wholesale mark-up of 15% and 12.5% respectively and a retail mark-up of 22.5% and 20% respectively⁴⁰. Although these mark-up percentages are higher than in the past⁴¹, research showed there is not enough difference between the wholesale and retail mark-up to allow rural businesses to “make enough to live on⁴².” Somewhere in this relationship between government, wholesale and retail, a step is missing to allow significant business development outside the greater Apia area. Although “people have more money than you'd expect⁴³”, legislation, enforcement and education are areas in need of immediate attention by government to promote the success of *faleoloa*.

4.2 Socio-Cultural Aspects

As straightforward data was previously presented regarding operation, this section serves to explore the results of *faleoloa* operation on the owners, their families and consumers' lives. That being said, the *faleoloa*'s position as a worthwhile business for Samoa relies heavily on cultural practices.

³⁹ Personal Interview, Iulia Petelo, ACC Building, 11-24-06.

⁴⁰ Fair Trading Act 1998:General Price Order 2006, 1.

⁴¹ Personal Interview, Jackie Fa'asisila, SIT Office, 11-22-06.

⁴² Personal Interview, Susi Tanielu, Lotofaga *faleoloa*, 11-17-06.

⁴³ Personal Interview, Iunia Petelo, ACC building, 11-24-06.

4.2.1 Villagers

Samoa is historically structured around village communities based on day-to-day life and subsistence living. This structure remains at the heart of Samoan life.

Consequently, the wave of development has experienced much trouble changing these ways. Today however, changes are starting to be seen. Most notably is the consumption of processed foods, soft drinks, and candies. The land has historically been the origin of all things and while the land continues to play an enormous role in life, a blend of *palagi* products have etched their way into the *fa'aSamoa*. The resulting balance creates a perfect example of cultural blending commonly found throughout Samoa.

With this newfound reliance on *palagi* goods, the *faleoloa* serve as the medium between the wharf in Apia and the villagers. Seeing as many Samoans lack vehicles or funds for bus fare, the *faleoloa* are an integral part of the survival of the villagers, given life structure in Samoa. However Samoans invariably went about their utilization of the *faleoloa* in true Samoan style. Most customers came to the *faleoloa* with an apparent plan of what to buy. After the “order” was received and change returned, customers repeatedly counted the change and proceeded to buy something else, generally a few cigarettes or some candy. As these “second” purchases were observed, the question of why this change was not saved couldn't be avoided. Subsequent experience in *faleoloa* and reflection on time spent with Samoans concluded these actions to be a perfect example of the immediacy of life in Samoa. “Immediacy” intertwines itself in all of Samoan life stemming from the traditional struggle involved with getting through each day. Worrying about the past and the future were non-existent because if you can't get through the moment, there's no time to worry about either anyway. Furthermore, immediacy was

observed as customers made multiple trips to the *faleoloa* during one day. At 11:00 a.m. they needed things to make lunch, so they went to the *faleoloa* to buy those things. At 5:00 p.m. dinner time was nearing, so the trip was to buy things for dinner. The final example of how immediacy affects purchases is found in a lack of a “buying in bulk to save” concept. This *palagi* concept works to assist both the supplier and the consumer. In buying large quantities, a discount is built in, saving the consumer money. At the same time, the actual purchase requires more money, at the time of purchase, which allows greater immediate money returns for the supplier. Long story-short, both sides seem generally better off. Inquiries regarding this concept were met with blank stares by Samoans. It didn’t even register that one would need any more than they would use that day. In any *faleoloa*, an item twice as large is also twice as expensive so there’s no incentive to buy in bulk anyway. These conceptual disparities between *palagi* and *fa’aSamoa* invade every part of the *faleoloa* business.

4.2.2 Social Obligations

Previous sections have given history on and examples of the *fa’aSamoa*’s influence in *faleoloa* operation. An integral part of the *fa’aSamoa* requires gifting on all levels. This gifting process generates prestige among fellow villagers and maintains a role as the true display of wealth. The term gifting proves misleading however. These displays of generosity have largely become staples of custom and not staples of will, meaning much of the gifting has become a cultural obligation as opposed to a pure act of giving. The most prevalent example of this gifting is found in the *fa’alavelave*. As cash has become more widely accepted, its role as type of gift has increased. This increased acceptance of cash as a gift delivers a crippling blow to the profits of the *faleoloa* owners.

The next significant obligation is church donations. In a country driven by Christianity and a “give now and God will repay later” mindset, this obligation further delivers significant blows to the *faleoloa*’ actual profits. More fairly, these obligations weigh heavily on every Samoan, forcing efforts to amass cash in preparation for these inevitable obligations. Seeing as these social obligations impose such drastic blows to profit, a cash flow analysis of the *faleoloa* would not be accurate without their consideration, but is a cash flow analysis even needed to analyze the intentions of *faleoloa*?

Part 5: Emerging Issues/ In Retrospect

“It was never about profit or ‘Are we going to get rich?’ It was about having a way to provide for *fa’alavelave*, the church, and the *fa’aSamoa*.”
- (Personal Interview, Jackie Fa’asisila, 11-22-06)

After such an in depth study it would be safe to hold that *faleoloa* play meaningful roles in the lives of every Samoan. From the most rural villages to urban Apia, it is not often that a day passes without some sort of interaction with a *faleoloa*. Nonetheless, *faleoloa* are liable to multiple strengths and weaknesses which contribute to their overall success or failure. It takes more than simple demand to run a business. Consequently, the *faleoloa* represent two overarching issues concerning the small business sector development in Samoa: style of business and definition of “economy.”

5.1 Business Duality- *Palagi* vs. *Fa’aSamoa*

The history of “business” in anthropological terms could be explained as being based upon engaging in varying means of bartering and trade. In Samoa this bartering and trade was developed within a reciprocity mindset allowing those to give when they

can in hopes of receiving when they need. With the onset of development and inherent *palagi* ideals over the past two centuries, the resulting economy rests in a state of evolution. Through research, a so called naiveté of Samoan economics was observed as a duality of business styles emerged within the *faleoloa: palagi vs. fa'aSamoa*.

5.1.1 Palagi

Palagi style business refers to Western principles geared towards accumulating as much wealth as quickly as possible. Such principles consist of businesses acquiring loans from commercial banks for start-up capital. This capital in turn allows the generation of revenue. With the revenue, basic tasks of a *palagi* business such as repaying loans or paying operating costs are carried out⁴⁴. Operating costs consist of maintenance, advertising and salaries paid out of the *faleoloa* earnings. These disbursements of payment are to be recorded, tracked and maintained as a separate entity from outside affairs. “In effect, the business exists in a social vacuum, placing dollars and cents ahead of family and social ties.⁴⁵” In Samoa, these principles do not neglect an owner the opportunity to give, they simply enforce the money to come from the proper source. “For small businesses to survive, it depends very much on the ability of the owner to manage the *faleoloa*⁴⁶” in adherence to these principles. In a society experiencing an economic transition towards cash reliance, these principles would ensure successful results. In reality, the weight of family and culture in Samoans’ lives makes this specific style of business impossible. Instead Samoans have created a business style all their own, subsequently referred to as *fa'aSamoa*.

⁴⁴ Woods, 111.

⁴⁵ Woods, 112.

⁴⁶ Personal Interview, Iulia Petelo, ACC Building, 11-24-06.

5.1.2 *Fa'aSamoa*

The drive for *fa'aSamoa* style business results from a family first mentality in which the business essentially acts as a family member. Possibly a bit presumptuous, this statement serves to acknowledge the role the shop plays as providing for the family as well as the mentality the family has in taking from the shop. Family members enjoy the products of the shop without recording what they take, much less paying for it. The *fa'aSamoa's* sense of tending for family makes regulating such actions extremely difficult. Such an active relationship with the family can create fatal results. A majority of shopkeepers interviewed alluded to the fact that size of family and the ability to keep the family from simply taking items without payment was a key factor in the viability of the *faleoloa*.

Fa'aSamoa businesses can also be started with a loan, however this loan likely comes from a micro-loan institution such as SPBD. Alternatively, businesses can be started from family capital or from wages received during work overseas. Interestingly enough, the most successful *faleoloa* are owned and operated by Samoans who have spent time working/ living overseas. Revenue from operation experiences an effective opposite distribution from *palagi* style business. Family and cultural obligations are taken care of first followed by maintenance, repairs etc. These primary objectives largely extinguish profits, denying maintenance and repairs to occur as well as the accumulation of savings. A weekly loan payment would also significantly reduce profits. One *faleoloa* had been in operation for 1^{1/2} years only having opened a savings account 2 weeks prior to the interview. Still other shops only boast savings of ST \$20 per week which is hardly enough to consider economically sound.

The *aitalafu* (account) serves as a final part of the *fa'aSamoa* style business. Inevitably in a society which struggles with cash flow, situations arise when someone needs a product but has no money. In accordance with the *fa'aSamoa* and idea of reciprocity, *faleoloa* are inevitably pressured to help out. While there are accounts in *palagi* business, they result from legal contracts. For the *faleoloa*, the *aitalafu* is created on good faith between the shopkeeper and the customer. Unfortunately good faith isn't as productive as hard cash and the *faleoloa* lose money too often. Even in neglecting to pay, it's hard for ill-will to arise resulting from the ability to empathize with such people. *Faleoloa* which proved most successful have either quit allowing *aitalafu* or set very manageable account limits. Regardless, the *aitalafu* remains a large part of *faleoloa* and thus has the ability to greatly alter success.

Today most businesses are operated on some middle ground between *palagi* and *fa'aSamoa* styles. Although the *palagi* principles have been proven to create success and profit, the likelihood of these principles ever being fully utilized seems small "unless we do away with the *fa'aSamoa*⁴⁷." Accordingly, the strength of the *fa'aSamoa* cannot be stressed enough in examining business styles of the *faleoloa*. Education and training could prove useful in facilitating a more successful *faleoloa* but *fa'aSamoa* style will always be present. Shopkeepers seem to be more comfortable with the *fa'aSamoa* style and the *fa'aSamoa* styles intentions. These "intentions" might be the most overlooked part of the *faleoloa* through a *palagi* view. It is within this contrast of *palagi* versus *fa'aSamoa* that traditional definitions of economics no longer apply. While this may be troublesome for foreign investors or a Non-Government Organization's, NGO, development plan, it speaks to the arduous task of molding a traditional mentality.

⁴⁷ Personal Interview, Iulia Petelo, ACC Building, 11-24-06.

5.2 Cultural Economics

Perhaps the most endearing aspect of the *faleoloa* is its true role in the economy. In terms of *palagi* economic ideal, the prevalence of *faleoloa* in Samoa combined with the reliance of Samoans on its services would lead one to believe they have the ability to substantially contribute to the growth of private sector business, part of small scale economics in Samoa. The *faleoloa* should stimulate cash transactions, profit margins and subsequent investment back into the economy. This cyclical process is a driving force behind almost every economic platform. Research showed that this was not the case for the *faleoloa*. As opposed to being involved on a macro scale, *faleoloa* seemed to exist as part of their own micro economies in the villages, rural or urban. Within these smaller economies, customers purchase goods from the *faleoloa* which in turn receives profit while maintaining its product. From this point, the *faleoloa* in theory should be able to stimulate macro economic growth through investment or other endeavors stimulating intra-business activity. Something prevents this transition, researching the answer to this question generated an idea which embodies all that is the *faleoloa*: cultural economics.

Cultural economics: the giving and exchange of capital in the form of cash or other material goods resulting from cultural pressures and desired social elevation. All of the previous cultural nuances deal directly in cultural economics. For *faleoloa* owners, the means through which cultural obligations such as *fa'alavelave*, church donations and family are fulfilled spawns from the *faleoloa* earnings. It is for this reason that the majority of *faleoloa* are not intended to produce any significant monetary wealth. The *fa'aSamoa* enforces every Samoan to be responsible for their portion of these obligations and the *faleoloa* proves successful in creating the opportunity to do so. Thus, we find the

fuel for the cultural economy's engine. At the same time, cultural economics seem to deny the *palagi* economy its rightful benefits. After all, it is largely the *palagi* economy which produces the capital for gifting. After cultural economics takes its cut, research showed that little to no profit remains. The *palagi* economy still "gets by" as do many of the *faleoloa* owners, but it definitely doesn't thrive as does the cultural economy.

The complexity of the relationship between these two economic systems is amazing. The way in which *palagi* economics have been usurped within cultural economics parallels that way almost every other *palagi* presence has been indigenized by Samoans. Furthermore, this economic exchange provides a perfect example of the *fa'aSamoa's* ability to exploit *palagi* intrusions, a resonating theme of development in Samoa. As Samoa faces the pressures of *palagi* ideals, a continuum is constantly sewn between such ideals and the *fa'aSamoa*. The *faleoloa* successfully operate within this continuum, getting by and possibly exercising the best method in which to utilize the best of both worlds.

Part 6: Conclusion

“Cultural change in Samoa today is largely successful because it represents a healthy compromise between the needs of traditional and of contemporary society....In other words, sustaining Samoan culture in the modern era is not just a matter of preserving what is best from the past, such as gift exchanges during times of family crises, but also inventing new cultural elements to ensure Samoa culture incorporates the best from other world culture, systems and ideologies.” – (The *Fa’aSamoa*, 20)

Stumbling across this quote seemed something more than coincidental. It hits at the heart of ideas this paper attempts to cover. When combined with the descriptive research of its activity, it could be said the *faleoloa* is wholly realized. Proposing a construct for the “best” *faleoloa* business structure creates duality in itself based upon the mindset, *palagi* or *fa’aSamoa*, in which such a construct is generated. The safest answer to the question of “best” should explain the variability of this answer due to such a duality. Consequently, this paper cannot speak to any conclusive answer. It can, however, serve as medium through which to analyze different *faleoloa* and their individual aims.

The *faleoloa* stands as an icon in the representation of almost every issue facing Samoa today. This statement has not been fully qualified in this paper, yet personal reaction to the research disallowed any other opinion to be surmised. Development, sustainability, church, *fa’aSamoa* and education only scratch the surface of these issues and the possibility of further exploring the thematic implications of the *faleoloa* seems far too intriguing. While this may be a bit philosophical, the *faleoloa*’s role as mediator between *palagi* and *fa’aSamoa* ideals is equally as intriguing. This dual nature of the *faleoloa* makes it a perfect lens through which to study this ever increasing phenomenon.

Although the *faleoloa* did not prove to be highly productive business endeavors, financially speaking, they were successful in fulfilling cultural obligations, to a certain

extent. Accordingly, the *fa'aSamoa* must be regulated with *palagi* principles if the *faleoloa* is to operate for any substantial amount of time. Thus a sort of self-check system has evolved in which fulfilling *fa'aSamoa* obligations depend on the *palagi* operation of *faleoloa* and vice versa. Research revealed that *faleoloa* owners are increasingly aware of the business' sensitivity and so are willing to learn more, adjusting business practices to ensure viability.

Observing the number of closed *faleoloa* generated questions regarding the extent to which they actually help Samoan families. Research indicated they did, if owners maintain the balance between *palagi* and *fa'aSamoa*. For *faleoloa* owners present and future, the concept cannot be stressed enough. Especially in rural areas where the lack of available cash further sensitizes this balance, *faleoloa* need the guidance of those before them and the comprehension of the issues at hand. Again, the multitude of variables produced from conception and operation makes it difficult to propose an "ideal" *faleoloa*. What can be proposed is that the *faleoloa* business must maintain buoyancy on the wave of development, able to move freely between *palagi* and *fa'aSamoa* ideals in search of equilibrium.

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Glossary of Terms

<i>Faleoloa</i>	small shop
<i>Palagi</i>	of western or European origin
<i>Fa'aSamoa</i>	Samoaan way of life
<i>Aiga</i>	family
<i>Fa'alavelave</i>	entanglement, but represents special occasions for gift exchange
<i>Mattie</i>	chief
<i>Suka</i>	sugar
<i>Maumaga</i>	plantation
<i>Aitalafu</i>	account

Abbreviations

SPBD	South Pacific Business Development
ST	Samoa <i>tala</i>
CGS	Cost of Goods Sold
MCIL	Ministry of Commerce, Industry and Labour
NGO	Non-Government Organization
FTA	Fair Trade Agreement

Appendix A-Grameen Bank

Grameen principles including:

- Exclusively targeting poor women
- Providing unsecured credit for micro business
- Encouraging members to start businesses based on their existing livelihood skills
- Encouraging and training self-formed groups of four to seven women
- Organizing groups into village based Centers
- Requiring members to guarantee one another within a group
- Delivering credit directly to villages
- Charging market rates of interest
- Collect small repayments at weekly Center Meetings in the villages
- Striving to achieve financial self-sufficiency via strong financial planning and effective use of technology

“By employing these practices in our work, SPBD has the ability to efficiently and effectively offer credit to the poorest families in Samoa.”-SPBD Business Publication,2002, 7.

Appendix B-Survey

My name is Nick Courtney. I'm from America and I go to school at USP Alafua. I'm researching the *faleoloa* in Samoa. Please help me by answering these questions. Thank you very much.

Name: _____

Village: _____

Tick all that apply.

1. How long has the shop been open?

- a. 0-1 b. 1-3 c. 3-5 d. >5

2. Where did you get the money to start the business?

- a. family b. remittances c. micro-loan(SBEC, SPDB, WIB) d. other: _____

3. Who owns the shop?

- a. you b. other: _____

4. How does the shop receive supplies?

- a. delivery b. travel to Apia c. a and b d. other: _____

5. Which item do you sell the most?

6. How much does the shop make per week?

- a. 0-500 b. 501-1000 c. 1001-3000 d. >3000

7. How do you keep track of the money made by the shop?

- a. write in book b. receipts c. count d. don't

8. What do you spend the profit on?

- a. *fa'alavelave* b. church c. resupply d. save

9. Do you separate business money from personal money?

- a. yes b. no

10. Was the shop started to make money for cultural obligations?

- a. yes b. no

11. What can be done to make running the shop easier?

12. Why did you decide to open a shop?

13. Does the shop make enough money to be worthwhile?

- a. yes b. no

14. Is there a sense of competition from other shops?

- a. yes b. no

15. Does the government price the good fairly?

- a. yes b. no

16. Are there differences between urban and rural *faleoloa*? If so, what?