Introduction

For many Papua New Guineans, the dominant accounts of ‘the economy’ — contained within development reports, government documents, and the media — do not adequately reflect their experiences of making a living. Large-scale resource extraction — fronted by the PNG LNG (Papua New Guinea liquefied natural gas) project — as well as the private sector, export cash cropping, and wage employment have dominated these accounts. Meanwhile, the broader economic picture has remained obscured, as the diversity of economic practices, including subsistence production, non-monetary and non-market exchange, and a flourishing ‘informal’ economy have routinely been overlooked and undervalued (Gibson-Graham 2006). Addressing this gap, this paper provides some grounded examples of the diverse livelihood strategies people employ in PNG’s growing urban centres, which house around 13 per cent of the country’s people (PNGSO 2003). Greater recognition of the diversity of rural livelihoods is also important, although beyond the scope of this paper. Understanding the diverse ways in which ‘ordinary’ Papua New Guineans make a living is an important starting point for considering how the benefits of significant economic growth, currently being driven by the resource sector, may be distributed more equitably and contribute to more inclusive human development (UNDP 2014).

In our account of making a living in PNG, the ‘formal’ and the ‘informal’ emerge as central concepts. ‘Formal’ is a reference to the presence of state-based (and sometimes corporate) regulation, control and taxation, the enumeration of the activity, the regularity of work and pay, and often the (large) scale of the enterprise. This visibility to the state contributes to naturalising the formal as the economy of significance. By contrast, ‘informality’ is most often defined by what it is not — becoming an imperfect ‘catch-all’ for a heterogeneous array of activities that are broadly untaxed, unregulated (or minimally regulated) by the state, and which do not feature in government statistics or calculations of gross domestic product (Conroy 2010; Latouche 1993; Williams and Round 2007).

The reality is much messier, whether in PNG or elsewhere, and, as a result, the utility of these concepts is debated (Hart 2010). Nevertheless, these concepts have continued currency amongst the development community, government bureaucrats, and the ‘grassroots’ — the self-identifying label of ‘ordinary’ Papua New Guineans. Waged employment and the fortnightly pay cycle are key reference points in people’s economic lives, shaping their aspirations, spending patterns and identities. Papua New Guineans regularly juxtapose those who receive a wage with, as one betel nut seller put it, those who rely on the informal economy ‘13 days a fortnight’.

Although formality also encompasses self-employment ‘visible’ to the state, by and large formality, for most Papua New Guineans, means wage employment. This can be seen in the 2009–10 PNG Household Income and Expenditure Survey, in which 36.5 per cent of working-age people surveyed in the capital, Port Moresby, reported to have a waged job, while only 2.4 per cent reported to have a formal business (Gibson 2013, 10). In this survey, 16.5 per cent reported to be engaged in the informal sector, and 43.6 per cent to be not in the labour force. These figures conceal significant gendered differences. Men are twice as likely as women to have wage employment, in both the capital and in other urban centres. By contrast, women are more prominent in the informal economy, double the participation of men in Port Moresby, and triple men’s participa-
tion in other centres. More than four times as many men reported wage employment as compared to those reporting an informal income. In contrast, for women, informal livelihoods were as or more important than a wage (Gibson 2013, 10).

Formal and informal are also concepts that frame government policy and legislation — for example, the National Informal Economy Policy 2011–2015 (PNGNEC 2011), and the Informal Sector Development and Control Act 2004 (ISPNG 2004) and pervade global economic development discourse more broadly. These concepts are also pervasive in imaginings by the practitioners, bureaucrats, and grassroots alike of economic and material security, and, conversely, of precarity — in our case, livelihoods characterised by unpredictability and insecurity.

The formal–informal divide becomes particularly problematic when the concepts are positioned in a hierarchy — that is, when one (formal) becomes valued as a more desirable or appropriate mode of economic organisation, modelled on an idealised vision of economies in the West (Carrier 1992; Gibson-Graham 2006). This hierarchy also implies an inevitable, or desirable, trajectory from one to the other; such that informal economic activities become perceived as nascent formal enterprises. Alternatively, as is disturbingly common in PNG, informal economic activity and the places where it occurs may be imagined as illegal or criminal. For example, roadside markets are often accused of harbouring petty criminals, and vendors are routinely harassed by police.

In this paper, we consider the questions recently posed by Narotzky and Besnier (2014, s5): ‘How do ordinary people’s experiences shape the livelihood projects that they undertake?’ and ‘How do material, social and cultural realities constrain these projects?’ Our focus is on the urban experience of Melanesians — an experience often characterised by its precarity and insecurity. We examine the ideas and strategies that people draw upon to sustain themselves materially, and focus on how people acquire and recirculate money. We reveal the interconnections between a diverse range of economic activities, both formal and informal (Cross 2010; Krige 2011). In doing so, we contribute to a substantial body of literature by anthropologists and human geographers that examines the interactions between various modes of economic activity in PNG, and which emphasises the intimate entangling of ‘social’ and ‘economic’ concerns (Akin and Robbins 1999; Bourke and Hardwood 2009; Brookfield 1969; Carrier and Carrier 1989; Curry 2003; Curry et al. 2012; Gregory 1982; Macintyre 2011; McCormack and Barclay 2013).

Each of us has adopted an ethnographic approach to these questions. Our work is informed by observations of people’s daily lives, and conversations with security guards (Stephanie Lusby), the salaried middle class (John Cox), women entrepreneurs (Ceridwen Spark), residents from the urban settlements (Michelle Rooney) and betel nut traders and vendors (Timothy Sharp).

Collectively, our work takes an urban focus, yet the flows and connectivity between urban and rural, and our focus on livelihood strategies, means much of our discussion is also relevant to rural people and places. Our examples, drawn from urban centres throughout the country, each in their own way illustrate something of the diversity of economic activity in urban PNG (without attempting to be comprehensive in scope). Our material captures the innovation and experimentation of people’s responses to precarity in contemporary PNG.

Security and Precarity

In this section, we concentrate on how entry-level security guards make and negotiate social and economic value in their working lives. Security guards are the engine of an industry that exists in large part to protect the interests of the private sector and, therefore, the formal economy. However, many guards’ experiences are underpinned by uncertainty, underemployment, and insecurity living in town, combined with atrophied social ties and land access in their villages. We see here how the owner of a security company tried to assist his employees to negotiate this terrain by dividing their working fortnight very literally between ‘formal,’ urban-based waged employment and ‘informal’ activities in their villages. However, rather than allowing flexibility and choice, for many guards, the imposition of fixed demarcations of where and when formal and informal economic activities took place in fact increased their sense of personal insecurity.
The private security industry in PNG has benefited from the resource boom. Although the presence of security guards has been a familiar sight in PNG for decades, there has been a marked growth in the number and size of security firms in recent years (Security Industries Authority 2014). A growing formal economy, combined with feared and actual crime have created a lucrative business environment (Lakhani and Willman 2014). By December 2013, 470 registered security companies were employing more than 24,000 ‘permitted guards’. In a formal economy that employs approximately 350,000 people (Asian Development Bank 2014), these figures are significant, and probably underestimate actual numbers. Not all companies or guards register, and the Security Industries Authority does not have the staff or financial capacity to accurately monitor industry operations across the country.

The security industry reflects a hierarchy of social class and economic privilege in PNG. At the top are the executives of international security giants such as G4S — which claims to be the biggest player in the growing market for private security in PNG (G4S 2014) — and the CEOs and owners of large local firms. Highly paid expatriate ‘security experts’ manage operations, overseeing local middle-class operations managers, who, like the women entrepreneurs and betel nut merchants discussed later in this paper, left jobs in other industries because they saw opportunities for better pay as skilled workers in a growth sector.

At the bottom of the chain of command are the rank-and-file guards, who are common fixtures across urban areas and throughout PNG’s resource enclaves. Employment as a security guard presents one of few options for men with little or no formal education, but wages are barely enough to sustain their families. Security guards are also exposed to violence as a routine part of their work, including disciplinary beatings for breaches of the rules (Lusby 2014). The following considers how minimum-waged guards make a living while negotiating overlaps and entanglements between formal and informal economies. To do so, we draw on stories shared by guards working for Banis Inc. — a mid-tier, locally owned security company based in East New Britain.

**Split Rosters and Social Responsibility**

At the time the research took place, Banis Inc. had approximately 300 employees (including administrative staff). Michael, the owner of the business, structured the guards’ rosters in alternating weeks so that they could work one week in town, and the following week in their home villages. On the weeks they were rostered to work, the guards lived at the company barracks in Kokopo, unless they were posted to other locations around the Gazelle Peninsula. On Wednesdays, the guards would change over, meeting together in the afternoon for ‘pay parade’ — they were paid on the same day as shifts changed over. Cash shortfalls meant that lending in the workplace was common. After receiving their pay, guards would repay any money that they had borrowed during their stay in town, and then find their own transport back to their home villages.

For Michael, there were considerable benefits of operating this way. By having the guards living in barracks, they were available to be picked up by company transport and taken to client locations at the start of each of the three daily eight-hour shifts — at 6am, 2pm and 10pm — and be returned to barracks to rest when the shift was over. Provocatively high housing costs and land scarcity meant that few people employed in Kokopo also lived in town; it could take an hour or more for some of the guards to get from their homes into the barracks. By providing accommodation, Michael solved a potential logistical issue that could have impacted upon the reliability of staff and, therefore, his business reputation. Further, by having split fortnights, he was able to employ more guards than he could if his staff worked full time.

Michael also couched his justification for this business model in terms of his altruistic intent, describing it as fitting with local ways of life. He noted the importance of village life, relational ties and maintaining different income streams for most Papua New Guineans, and described week on/week off shifts as a deliberate means of facilitating this for his staff. His rationale for this was that guards would be able to remain in formal employment and also have scope and time to contribute to family and community activities, including small-
scale income-generating projects such as market gardens, and copra and cocoa production. Michael proudly described this as a locally appropriate way of doing business because it recognised that people’s lives are shaped by a range of social and economic factors. Indeed, Michael’s arrangements for locating his workers in the village reflects a long tradition of Melanesian elites defining the proper lifestyles of the poor as rural and denying them a legitimate place in the urban economy (Gewertz and Errington 1999; Hau‘ofa 1987).

**Being a Guard: Underemployment, Workplace Credit, and Dissatisfaction**

As we argue throughout this paper, people’s lives are not organised into separate domains of formality and informality, but are woven together through creative solutions that are predicated on shoring up everyday security. For some of these guards, the company’s construction of the boundaries of formality and informality meant precarity rather than flexibility (cf. Kanngieser 2013; Waite 2009). There were two key issues with the week on/week off model for the guards. The first was the assumption that everyone had access to land from which they could make money or a subsistence living. The second was the lack of recognition that, for some guards, social relations within the workplace were as, if not more, important for exchanges of money and social support as relationships with people in the village.

Many guards agreed that life was easier outside urban areas. Food and shelter were more accessible, and there were fewer drains on resources in terms of the cost of living and access to ‘temptations’ such as alcohol. But guards also spoke about their difficulties accessing land to cultivate and to support themselves and their families. Even those who could make claims on customary tenure experienced difficulties accessing land. Conversations about land shortages across the Gazelle Peninsula are not new (Martin 2013; Regan 1997), but, according to the guards, these have become increasingly contentious due to population growth, low commodity prices, and declining income from cocoa (associated with the recent introduction of the Cocoa Pod Borer, which has devastated cocoa production in East New Britain).

The guards from outside East New Britain Province had limited access to income-generating opportunities outside town. They had moved to look for work, but were unable to find full-time employment. Some guards talked about trying to find work with other companies who could give them more hours and better conditions. Others talked about wanting to earn money to enable their return to education; they had dreams of achieving professional qualifications so as to make an urban-based life feasible, but had been forced out from schooling because of their families’ inability to pay school fees.

As underemployed security guards, those who were disenfranchised from land or non-urban livelihoods engaged in money-making schemes within their work social group. These included lending money to peers, and gambling in an attempt to supplement their incomes. Guards negotiated their own income shortfalls, creatively scraping out a living for themselves and drawing on social networks where they could. As we make clear in the next section, this precarious juggling of formal and informal ways of making a living characterises middle-class lives as well as those at the ‘bottom of the pyramid’ in PNG.

**Social and Economic Pyramids**

If security guards are near the bottom of PNG’s economic pyramid, middle-class Papua New Guineans are often imagined to be somewhere near the top, enjoying the advantages of the formal economy. They are frequently rendered as the ‘elites’ who monopolise access to jobs and services, particularly education. Yet rising costs of living, increasing expectations of lifestyle, and, at times, the onerous expectations of kin, no longer provide for the comfortable urban life remembered by a previous generation of ‘urban elites’. Many feel that they are struggling financially. This ‘downward mobility’ is reflected in the contemporary designation ‘working class’ that middle-class salary earners use of themselves (Cox 2014a). In the face of these difficulties, working-class Papua New Guineans have deployed a vast spread of strategies to make a living. These may include small sideline businesses such as selling betel nut, opening trade stores or sewing clothes, which we discuss below. They also
involve a variety of ways of juggling money that encompass ‘payday lenders’, investing in ‘fast money schemes’ (Cox 2011, 2013, 2014c), or attempting to supplement their income by joining pyramid selling schemes (cf. Krige 2011). The prevalence of such practices in part reflects the challenges many Papua New Guineans face in accessing money through formal financial institutions. It is also a feature of the declining value of wages against the high costs of living in urban PNG, and the ongoing demands on middle-class incomes from extended kin (Monsell-Davis 1993).

Fast money scams, multi-level marketing, and the microfinance programs of Personal Viability alike are driven by informal personal networks, yet have the appearance of being more formally structured like banks or businesses. It is this accessibility that makes them appear more sympathetic to the plight of the common person than the commercial banks, and which gives these schemes an air of moral authority (Cox 2011, 2013). They reflect enough formality to be perceived as legitimate but enough informality that they remain accessible. Moreover, they draw on similar visions of prosperity and present themselves as a reliable route out of poverty. The Bank of Papua New Guinea seems to recognise this affinity and warns against fast money schemes when launching their own microfinance initiatives (e.g. Matbob 2010).

**Payday Lenders**

The search for money by urban Papua New Guineans has been accompanied by the ongoing laments in popular discussion and the media about payday lenders — the money lenders described by Goddard (2005), not the informal and rather benign loans among friends and relatives documented by Strathern (1975). Tens of thousands of public servants have found themselves indebted to these lenders:

… Chief Secretary Isaac Lupari … told parliamentarians … that 80 per cent of the 76,000 public servants survived on borrowed money. … He said many of them had borrowed money from three to five different finance companies which charged interest rates ranging from 25 to 50 per cent. Mr Lupari said as a result of high loan repayments, ‘the net pay some of them take home each fortnight on average is K50 or none’ (Palme 2007).

It is common for payday lenders to charge 10 per cent per fortnight and to add a further 10 per cent for each fortnight that the loan continues to be outstanding (Goddard 2005). Others charge a flat 30–40 per cent premium on the entire sum of the loan. Repayment of such loans is difficult and can trap borrowers in cycles of recurring debts. For both commercial banks and payday lenders, high interest rates reflect high risks of default, particularly with larger sums of money that cannot simply be collected from fortnight to fortnight.

**Fast Money Schemes**

Fast money schemes are a perennial problem in PNG that has recently resurfaced (Radio Australia 2015). Australian pyramid scams operated there during the colonial era (Stent 1977), but in more recent times a much larger rush of fast money schemes has swept through Port Moresby, the other urban centres, and out into rural areas. These scams, such as U-Vistract and its sister scheme Money Rain, promised their investors ludicrously high returns on their ‘investments’ (typically 100 per cent per month) and often spread through church networks, especially the large Pentecostal congregations of Port Moresby (Bainton and Cox 2009; Cox 2011, 2013, 2014c; Cox and Macintyre 2014). Hundreds of millions of kina were lost, largely by the working class, many of whom withdrew their ‘rainy day money’ (typically PGK1000–3000) from their bank accounts or the wads of cash hidden around the house. These schemes use the money deposited by later investors to pay earlier investors, but early investors are often part of an ‘inside track’ (Verdery 1995), with shared political interests. Stories abound of ‘high-level’ people winning very large sums of money in the early days of the fast money schemes.

A letter to the *Post Courier* equated fast money schemes and loan sharks:

*Legitimate payouts must not be cancelled*

It’s about time someone in authority came out and assisted the police, courts and Bank of Papua New Guinea take a stance against loan sharks and fast money scams. Both types are
fraud activities preying on the unsuspecting employees both in the public and private sector and the churches. Fast money schemes get money from the public by false promises of large returns and con the bulk of the people by making large initial payouts to demonstrate their scheme then they fail to pay back any money they receive from their so-called investors. Many of the money scheme operators have made their money from the gullible and foolish public and they have taken your money and fled (Jafas 2007).

U-Vistract has not been brought to justice and is still operating today, using its internet presence to defraud American and Australian investors (Cox 2014b). The longevity of fast money schemes is due not to a ‘gullible and foolish public’, but reflects the ingenuity of fraudsters who are able to insert their scams into popular narratives of how wealth is (or should be) produced and accessed (Cox 2011; Cox and Macintyre 2014).

In the way fraudsters groom their victims, they play upon widespread aspirations among the working class to benefit from the economy by managing personal finances as entrepreneurial ‘investments’. In doing so, they are responding to near-ubiquitous ideas of business, investment, and economic growth. Where a previous generation of salary earners was encouraged to develop their savings, now formal financial institutions, such as the Port Moresby Stock Exchange, are redefining ‘bank accounts as unproductive (by comparison with investment in shares)’ (Cox 2014c). Indeed, the returns on savings accounts in PNG (and beyond) are low and certainly provide no encouragement for those hoping to supplement their salaries with interest payments. As formal institutions fail to meet people’s expectations of prosperity, the stage is set for unscrupulous informal (now illegal in the case of U-Vistract) alternatives to develop. These alternatives are often much more accessible, particularly when they make use of personal contacts and social networks such as churches.

**Pyramid Selling Schemes**

If fast money scams are an informal (and deceptive) enactment of popular ideas of personal investment, then pyramid selling schemes, such as Amway, can been seen as an enactment of popular ideas about entrepreneurialism and small business. Pyramid selling is not an investment scam but a way of selling actual goods. Pyramid selling schemes are also known as ‘multi-level marketing schemes’ or ‘direct marketing schemes’ because the vendor sells directly to their social networks. Each vendor recruits new ‘downliners’, who then contribute a percentage of their sales back to the vendor (hence the pyramid analogy).

This type of scheme is fairly new to Melanesia but appeals to many as an option for supplementing household income. An example of one such pyramid selling scheme is Pro-Ma Systems — an Australian company that sells cosmetics and health products. For a time, it was fashionable for young women in Port Moresby to buy and sell Pro-Ma beauty products from/to each other. However, the demand for these costly cosmetics is low and it is unlikely that anyone could sustain a livelihood from this type of business alone. Like fast money scams, multi-level marketing utilises personal networks, and promises great wealth without the burden of paid employment or subordination to an employer.

Multi-level marketing schemes are not inherently illegal or even fraudulent. They can simply be a form of informal selling but one that tends to saturate the local market, exceeding demand. These schemes promise benefits well in excess of their capacity to deliver, and also target economically pre-carious people as those most likely to be recruited as marketers (Cahn 2006, 2008). Gewertz and Errington (1999, 56ff.) conclude that multi-level marketing schemes perform a ‘sleight of hand’ — transforming the ‘less fortunate’ into entrepreneurial subjects who can be blamed for their business failures. Bainton (2011) makes a similar case about the self-help course Personal Viability (discussed below).

Sometimes, scams adopt the methods of pyramid selling schemes. Questnet — a global scam operating in PNG and other Pacific islands countries — uses multi-level marketing techniques and internet merchandising to sell the ‘Bio Disc’ — a transparent disc claimed to have healing powers. Bio Disc allegedly purifies water, imparting
it with properties that will cure almost any ailment. Questnet infiltrated the Lae Local Level Government, where officials were investigated for promoting the scam (The National 14/8/2006). In neighbouring Solomon Islands, a senior medical specialist has been using his professional standing to promote Bio Disc, selling the disc itself and bottles of the supposedly purified water (Cox and Phillips 2015). In Madang, the scheme seems also to have targeted health professionals, and several employees of Modillon Hospital there have also purchased the disc as downliners. The involvement of these salaried professional health workers again reflects the common working-class hope of supplementing formal but inadequate wages with informal ‘business’ activities.

**Personal Viability**

Personal Viability is a PNG self-help course that reschools participants in the ways of capitalism, promising to make them financially ‘viable’ through the cultivation of good personal habits and entrepreneurial endeavour. Personal Viability has spread widely around PNG and Solomon Islands. It has even been adopted by the Lihir Gold Mine’s Joint Negotiating Committee as a key element of the Lihir Destiny Plan — an action plan for the development of the island (Bainton 2010).

Personal Viability is remarkable for the explicitness of its project of remaking economically viable selves. Yet, in many ways, it simply mimics and applies much of the rhetoric of community development programs. Personal Viability does encourage its participants to start up their own small businesses and even has a microfinance program, known as the Grasruts Benk (Grassroots Bank). Much of Personal Viability’s ‘grassroots entrepreneurship’ is based upon participation in microfinance programs, where the disciplines of saving and responsible spending are taught with the expectation that participants will be able to use their savings to generate income from micro-entrepreneurial activities that will scale up to become prosperous businesses with the potential to fulfil aspirations for a modern lifestyle. Financial literacy is here promoted alongside an ambitious risk-taking entrepreneurial spirit that goes well beyond saving or husbanding scarce resources, and actively cultivates expansive expectations of prosperous living.

**Entrepreneurialism as a Sleight of Hand?**

In each of the above examples, the juggling of personal finances occurs against a material background of high costs of living and social demands. This drives formal-sector workers into formal and even illegal activities. Yet, what is striking about fast money schemes, pyramid selling and Personal Viability is the prevalence of popular economic ideologies of entrepreneurialism — something also found in the business-oriented ‘prosperity gospel’ promoted in many Pentecostal churches (Cox 2014c; Cox and Macintyre 2014). As middle-class salary earners seek to supplement their wages, surely these ideologies of business are part of the broader cultural context of contemporary PNG. It is still an open question as to whether these popular visions of entrepreneurialism are simply a ‘sleight of hand’, making people more precarious as they emphasise individualism and competition.

**From Wages to Kai Bars and Meri Blouses: Women’s Entrepreneurialism**

For many educated and professional women in contemporary PNG, ideologies of entrepreneurialism are not a sleight of hand and do offer viable alternatives to formal employment. Indeed, some are choosing to leave the relatively secure employment of the public service to pursue small business activities. The willingness of professional women to resign from the public service reflects a strong ‘push factor’ grounded in their experiences of being marginalised, harassed and overlooked. At the same time, for many women there is a corresponding ‘pull factor’ as they realise that informal enterprises or even larger scale formalised businesses offer as much or more money and a greater degree of control over their working lives. The findings in this section are based on ten interviews conducted with women entrepreneurs in Goroka, in the Eastern Highlands Province of PNG.

Women seek to leave salaried positions — for example, as nurses and teachers — because they are tired of the endemic problems, including multi-
ple forms of sexism, that characterise employment in these contexts, and would prefer to exert their energies elsewhere. Women’s experiences of employment in the public service have often been negative: ‘female public sector employees are exposed to a range of abuses in the workplace, including verbal abuse, threats of violence and sexual harassment, as well as harassment from the wives and girlfriends of male colleagues’ (Zubrinich and Haley 2009, 3). The same study found that, ‘[a]lmost without exception, women … reported that they feel they work harder than their male colleagues and that men at the same level get more support from senior management and from others at the same level or below’ (ibid., 15). The bleak experience of women making a living in the public sector helps to explain why some women resign from salaried roles in order to pursue their own enterprises.

The lure of business for aspiring Papua New Guinean women also reflects the different social motivations — including autonomy, status, and the desire to meet obligations to kin — that are entangled with enterprise in PNG. In business, profit is clearly not the sole objective (Curry 2005; Sharp 2013a). Although doing business in PNG has been foremost a male concern, in Goroka, the capital of PNG’s Eastern Highlands, women are similarly embracing enterprise and the opportunities it offers, to engage in relationships of obligation and reciprocity from a new and seemingly more efficacious position. That some professional women are resigning from salaried roles to pursue their own businesses, and, in some cases, jeopardising their family’s economic security, reaffirms that in PNG ‘it is the social dimensions of labor that give labor its value, and not solely the market value of the work performed or the value of the product of that labor’ (Curry and Koczberski 2013, 339).

Between a Wage and a Hard Place
The self-identified ‘business women’ discussed below engaged in a mix of activities to earn money, support their families, and gain influence in their social networks. All drew on capitalist economic precepts and notions of self-advancement, but they did so in fundamentally precarious circumstances, as the following case study demonstrates.

‘Virginia’ is a former secretary and the mother of five children. She lives in a village outside Goroka with her husband. Virginia worked in banks for 19 years before resigning in 2000 in order to contest the 2002 elections. Unlike the salaried women in the public service, many of whom leave because of dissatisfaction with how they are treated, Virginia’s political aspirations suggest the pull factors for women seeking other potential benefits outside the workforce, including the prospect of gaining political power. However, like the majority of female political candidates in PNG, Virginia was not elected and has since supported herself via a range of enterprises, some more successful than others. Over the last 12 years, Virginia has sewn and sold meri blouses (women’s blouses akin to other loose tops worn in various parts of the Pacific), raised poultry, marketed excess garden produce, and picked and produced coffee.

Between 2010 and 2012, Virginia ran a successful kai bar (fast food shop) in Goroka. Virginia also produced lunch and dinner packs for visitors at the nearby lodge, and made and delivered lunches to employees at various large organisations, including the two banks where she used to work. Her business was flourishing when the landlord asked Virginia to leave, despite the fact she had a tenancy agreement. It seems Virginia’s kai bar was undermining the sales of the landlord’s son, who sold snacks nearby. Since the closure of her fast food shop, she has been buying bales of second-hand clothes to sell to people in the village. Virginia hopes to open another kai bar in town but has lost confidence as a result of the eviction. While she has the tenacity and spousal support to continue, Virginia’s experiences with the kai bar illustrate the precarity of the economic and social context in which she is striving to establish herself.

Supplementing Salaries
To manage the risks while establishing an enterprise, other women have held onto waged positions. ‘Naomi’, a 52 year-old nurse, provides an example of another pull factor for women — namely the prospect that they can earn more money through establishing successful businesses than they can in the public service. Having left school at the end of
year 10, Naomi attended Lae Nursing School before returning to Goroka to work in the hospital where she has worked for almost 30 years. Like other waged people living in PNG’s towns, Naomi says the money is not enough to live on and that she feels she can earn more as a business woman. She said: ‘if I sit back and wait for my fortnight pay it will not help me’. To cover the costs of living, Naomi began sewing *meri blouses* to earn some extra money. 

Attending a training course on running a business, she says ‘gave me the boldness [to] become a business woman’. Naomi makes her *meri blouses* after her shifts at the hospital and on her two days a week off. In the week Spark spoke with her she had sold ten blouses at PGK50 (about AU$20) each. In comparison, she earns PGK600 a fortnight as a nurse once deductions are accounted for. Supplementing inadequate wages in such ways is widespread — this is demonstrated in a recent review of service delivery in PNG, which found that 19 per cent of health workers and 39 per cent of teachers in Port Moresby, for example, reported having an alternative source of income (Howes et al. 2014, 51 and 73).

Naomi says she would like to leave her job as a nurse and expand her tailoring business. But her husband and son, who rely on her salary, have been unwilling to support this transition, indicating either a lack of confidence in her as an entrepreneur, the economic environment, or both. Male support is often central to the success of enterprising women in the highlands of PNG. Nevertheless, Naomi intends to resign and focus on her tailoring business once she has paid off her son’s bride price. In weighing up her decision about when to leave her job as a nurse, Naomi is taking both economic and social factors into consideration.

**‘I Want to Eat Steak’: Aspiration and Motivation**

‘Susannah’, also a tailor, has made this next step, giving up paid work as an accounts manager with a construction company to pursue sewing, which had been her ‘hobby’. Separated from her husband for 20 years, Susannah had long been responsible for meeting her own needs, and those of her five children. Like Naomi, she was earning more from her sewing than she was receiving from her salary, saying: ‘I got more [from sewing] than what I earn in a fortnight’. As with Naomi, the prospect of having a greater income, rather than frustrations with her job, was the most significant factor in Susannah’s decision. When she saw that she was making good money from her sewing, she decided to leave her role in order to expand the business. As she expressed it:

If [other] people can eat steak and I can [only] eat tinned fish, I want to eat steak too you know. It has really motivated me to be strong and so I made up my mind in 2002 that when I quit my job, I’m going to start something, I’m going to do something for myself.

Susannah’s comments capture the experiences and aspirations of women who perceive their salaried positions to be holding them back from realising the full financial benefits of their enterprises. While not all the women interviewed fitted into this category, those who did had taken considerable risks, leaving secure, salaried positions to ‘go out’ on their own.

They include ‘Ruth’ and ‘Lucy’, both of whom had left salaried positions and invested everything in their businesses. Both women, partly motivated by injustice they had experienced in their formal employment, had left their paid roles to pursue their passions. For Ruth, this was cooking. Like Susannah, who commenced her sewing business while still in her paid role, Ruth was making food to sell at the local markets and in schools during the period in which she was employed in the Eastern Highlands Provincial Administration. She would produce the food in the morning before work and then send it around town in the ‘little taxi’ her husband bought her in order to support the business. Her food production soon expanded to include a mobile catering service. During this period, Ruth saved money that she later used to set up her restaurant, now a successful enterprise in Goroka.

Lucy’s dream was to set up a consultancy to assist people to start their own businesses. Unsure this would generate enough income to support her family, she established a fast food company at the same time in order to support the consultancy.
People would not come every day to get my [consultancy] services and sometimes we would get dry so I thought having a fast food [business] and catering for people every day could give me a little money every day.

At the time of interview, Lucy was employing 16 people in the fast food company as well as running her consultancy. She is also a mother and engaged in multi-level marketing selling sanitary pads. Lucy sees PNG as ‘a world of opportunities’, and wants to ensure that local people are equipped and encouraged to make the most of these. At the moment, she feels ‘a lot of entrepreneurs from outside have seen that opportunity so they are here doing businesses’ but soon ‘with LNG and all these things coming up, women will have to take their rightful places’. For example, Lucy says she would like to establish a car hire company, and a resource centre that could be rented out for use as a workshop and training venue. Lucy’s proposed ventures indicate her awareness of the kinds of services and facilities required by external companies and agencies. Her sense that women should ‘take their rightful place’ in managing these reflects both local resentment about the money-making opportunities that are taken up by outsiders and the influence of global aid and human rights discourses on women’s economic endeavours.

Overwhelmingly, entrepreneurial women are driven by the desire to support their families, including helping with the cost of school fees, contributions to bride price, and big events such as weddings and funerals. In doing so, they are drawing precisely on their capacities in more conventional female roles, namely as mothers and household managers, to extend their influence in the economic sphere (Spark and Meki 2014). But their contribution to these dimensions of social life also enables women to expand their influence into realms previously dominated by men. By employing family members, making decisions about the direction of their businesses, and sharing the income generated from these businesses, they are gaining a degree of prestige and influence that has previously eluded women in the highlands (cf. Curry and Koczberski 2013; Sharp 2013a). No longer meri nating (just a woman), some become women of substance in the eyes of their husbands and others. The entangling of economic activities with wider social concerns in PNG is not a new observation. Nevertheless, understanding this entanglement is critical given the current emphasis in Australian aid policy on economic development and the role of the private sector.

Navigating Formal Employment and Informal Housing in Port Moresby

Just as women may choose to leave wage employment in the public service to seek out entrepreneurial activities, the livelihood strategies of residents of informal or illegal urban settlements reflect responses to securing a ‘material basis for their non-capitalistic lives’ (McCormack and Barclay 2013, 6). Settlements have been a historical feature of development in PNG, generally tolerated by urban authorities (Goddard 2005; Oram 1976). In recent years, however, the growth of Port Moresby’s population, accompanied by a property boom and the increased cost of living, associated with the extractive resources boom, has meant that many residents of the city (and other urban centres in PNG) can no longer afford formal rented or mortgaged housing in the suburbs and are choosing instead to move into informal settlements.

Historically, the settlements were considered transition zones for new migrants to the city who would eventually move on, but today, the settlements are very much permanent fixtures with long-term residents. For newer settlement dwellers, the pressure of high housing costs and the cost of social obligations to kin mean they must make choices that balance their material needs (including for shelter) and social aspirations with tenuous housing and land tenure arrangements and the potential personal insecurity of settlement dwelling. Life in the city is becoming increasingly precarious for many, but some develop ingenious strategies that interconnect diverse economic activities, that include the formal and the informal, and that are equally embedded in local and indigenous economic and social systems of value (Curry and Koczberski 2013; McCormack and Barclay 2013).
For most Port Moresby residents, progress towards social and material gain is tempered by the costs of security and housing. To redress these imbalances, people seek out alternative options for land and housing, including in the settlements. For an increasing number of Papua New Guineans, the settlements are not a place of crime and poverty but simply somewhere that enables them to manage the debilitating expenses of urban life.

Throughout Melanesia, migrant settlers and customary landowners have frequently entered into mutually acceptable and beneficial land arrangements that foreground Melanesian forms of exchange and social relations (Allen 2012; Koczberski and Curry 2009; Numbasa and Koczberski 2012). However, in urban settings, land has long been transacted as a commodity, exchanged on the market through normative legal frameworks, and alienated from customary land tenure regimes. In this context, customary land owners are often excluded from the benefits of urban development (Kidu 2002; Nolan and Abani 2002). At the same time, more and more people are moving into urban centres to be closer to health, education, and employment and income-earning opportunities, but have difficulty finding affordable housing, even if they are on reasonable wages. In the face of these complexities around land in the urban milieu, people's land and housing strategies demonstrate considerable resourcefulness.

This is evident in the lives of residents in the 'ATS' settlement in Port Moresby. 'ATS' is named for its geographic location adjacent to the Air Transport Squadron residential compound. It is also referred to as 'Oro' or 'Popondetta' settlement — reflecting its history as a home for people from Oro Province (capital Popondetta) who collectively negotiated land access with customary landowners and the state. ATS residents acknowledge that they do not own the land. Their occupation of land is often viewed as illegal or informal, both in reference to pre-existing customary landowner claims and to the state or private leaseholder claims over land. In response, Oro people living in ATS settlement have engaged collectively (including by forming associations) and individually with customary landowners, the state, and property developers, seeking alternative options for land and housing. While pursuing their development aspirations, people situate themselves within the collective Oro 'ethno-territorial' identity, which is important for accessing and maintaining land and ensuring security (see Koczberski and Curry 2004, 362–63). Inclusion in the settlement also rests on ongoing social engagement with the community, as shown in the following three accounts of the lives of ATS residents.

**Downward Mobility or Smart Living?**

The urban middle classes, positioned between formal employment and their social obligations, may choose to live in informal housing arrangements that enable them to keep both work and kin. This can be seen in the story of Matthew, a senior public servant who lives in ATS settlement. His salary is higher than most in the settlement. However, if he chose to rent a house in the city he would be left with barely enough to meet all the commitments he has towards his and his family's aspirations for development. As a leader in his family, and in his community in Oro Province, he has numerous obligations to support kin, participate in exchange ceremonies, including with his wife's family, as well as his own political aspirations. He is also committed to paying his daughter's tuition fees at the University of Papua New Guinea — her education represents the family's future material and social status. By living in the settlement he is able to save on rent and keep up with these commitments. He is also able to assist several neighbours and family members residing in the settlement, and to support collective efforts to fight an eviction notice they are facing from a property developer.

**Social Progress and Mobility while Keeping Grounded**

Many families adopt collective strategies for generating income, sharing accommodation and caring for children or elderly relatives. These draw on social networks that typically stretch across multiple households and span both formal and informal land and housing arrangements, as is evident in the following example.

'Cristel', a widow with eight children, moved into ATS over 10 years ago due to a lack of housing.
She is a casual worker on a low income in one of Port Moresby’s international hotels. One of her sons, ‘Cliff’, is a teacher in a Port Moresby school and rents a small flat in the city with his wife and daughter. Her other son, ‘Ron’, is married, works with a company in Port Moresby, and has recently built his own home of offcut timber next to Cristel’s house. Ron’s wife sells betel nut near their house. Three of Cristel’s children are attending school in Port Moresby, and Cliff’s house is an alternative home for them. They stay with him and attend school when Cristel’s pay runs out. Cliff and Ron also assist Cristel at times with money to buy food. While Cliff’s residency in formal, rented housing is a testimony to his social progress, Cristel anticipates that one day he might need to build a house in the settlement, and has identified land nearby for him. In this way, Cristel’s family straddles the formal housing sectors of Port Moresby and the settlement. Like many other urban families, Cristel and her sons aspire to individual social and material ‘development’, but they approach their goals for life, land, housing, incomes and livelihoods through their connections in extended households (cf. Monsell-Davis 1993).

Residing in such extra-legal residential and land arrangements in Port Moresby has its risks. Tenure over land is tenuous, as evidenced in media reports of settlement evictions (Ovasuru 2013; Sayama and Wapar 2013), and security is often managed locally in the absence of state institutions such as the police. With further economic growth predicted (and with upcoming international events such as the 2015 South Pacific games and the 2018 APEC meeting both in Port Moresby), these evictions are likely to continue. This is in spite of recent announcements by the capital’s governor to convert settlements into ‘suburbs’ (Parkop 2013; The National 2014). Yet the benefits of low-cost housing and security bolstered by living among kin or an ethnically defined group outweigh these costs and offer urban residents a way to navigate the challenges of contemporary urban life.

Diversified Investment

People draw on and maintain networks that reach beyond the urban environment and extend back to their home provinces. As ATS residents attempt to mitigate the precarity of their land tenure, some aspire to make investments in which their land and livelihood options span the urban–rural divide. Reflecting some of the contemporary transformations of urban–rural connections, the following example highlights the relationships that townsfolk maintain with those in their home provinces. Significantly, these relationships are translating into new strategies for economic security.

Lina moved into ATS as a child with her parents, who both come from Oro Province. She has always lived in town and her visits ‘home’ to Oro have been infrequent. She is now married to a man from another province and has four young children. Her husband works with a company in Port Moresby while she sells a variety of goods, including betel nut, in front of their home. Lina’s sister has bought land from customary landowners near Popondetta — the urban centre of Oro Province. Lina and her husband have saved some money and are planning to buy a block of land near Popondetta, from customary landowners through her sister’s network, although such arrangements have their own insecurities (Koczberski and Curry 2004). Lina has been told that the land will cost around PGK10,000, and she feels that she will soon be able to afford this. Lina hopes that this will diversify her livelihood as she plans to invest in oil palm production.

Despite her rich social connections in ATS, Lina also recognises that the precarity of her position in the settlement is likely to be ongoing. Unlike Cristel, whose aspirations for the future are pinned to her children’s education and their gaining a foothold in the formal economy, Lina follows her sister’s example and looks back to her ‘home’ province as a place where she may find a better life for herself. What she is able to save from her family’s urban (formal and informal) livelihoods now becomes the basis for a future investment in a more prosperous future elsewhere.

The stories above show people pragmatically navigating the precarity of urban life, through particular housing choices. In some cases, people forego the security of formal tenure in favour of lower cost informal accommodation or a more
supportive social milieu. While pursuing individual aspirations, residents situate themselves in the collective security of kin and common identity. In the same way that they manoeuvre between the formal and informal housing divide, they also manoeuvre between different income-earning activities. The stories recounted here emphasise that social relationships continue to be critically important in shaping the livelihood strategies of urban residents (Strathern 1975).

The ‘Green Gold’ of the ‘Grassroots’

Throughout PNG, the trade in betel nut is the most visible manifestation of a flourishing ‘informal’ economy. This legal stimulant, which is consumed widely throughout PNG, is widely considered the ‘green gold’ of the grassroots (Sharp 2013a). The sale of betel nut, which evades taxation, is among the most important livelihood activities for Papua New Guineans, contributing to the incomes of around a third of rural households and a quarter of urban households (NSO 2003). Betel nut features prominently in everyday imaginings of the economy in which the majority of Papua New Guineans are engaged — that diverse raft of economic activities that, in one seller’s reframing, sustains the country’s grassroots ‘13 days a fortnight’. Highly visible and valued by those whose lives it pervades, the sale of betel nut is, nevertheless, hidden and muted or even demonised in typical renderings of the national economy that foreground resource extraction, exports and ‘formalised’ wage employment.

This disconnect is apparent in the differential representation of the extractive resource boom, fronted by the PNG LNG project, and the betel nut trade in Port Moresby. Despite the fact that it pushes up the cost of living for ordinary people, in newspaper headlines and government reports the resource boom has come to define the national economy. Meanwhile, the betel nut trade, which sustains so many households and distributes money far more equitably, has come under an impassioned attack from local government due to health and aesthetic concerns (see Sharp 2013b). The betel nut trade highlights the interconnections and circulations in the country’s ‘economic’ spaces, conduits that problematise neat categorisations of rural and urban, formal and informal, grassroots and elite, licit and illicit.

The betel trade is an indigenous innovation based on an indigenous crop, driven by indigenous demand, but it clearly does not exist in isolation from the national and international economies. Those in the trade routinely frame it in relation to other parts of the national economy — people chew more betel nut on the fortnightly payday and, in the highlands, during the seasonal coffee flush when they have more money (cf. Allen et al. 2009, 313; McGregor and Bourke 2009, 282).

Betel nut has taken on seemingly contradictory narratives. It has strong overtones of wealth and money — something captured by the ‘green gold’ label — but at the same time its sale defines the grassroots, and carries something of a stigma for those who trade it. The promise of betel nut is its malleability as a commodity. That it can be viably sold at virtually any scale, from a handful of nuts to several hundred bags, means that there are few economic barriers to entry, and it is this that can make it the stuff of rags to riches. As such, betel nut provides yet another domain of aspiration, like other forms of business or their counterfeits discussed above.

From a ‘One-Day Fortnight’ to Rice and Tinned Fish

‘Betel people’3 — those involved in betel nut’s production, exchange and distribution — often favourably contrast their work to that of waged employment. Like the entrepreneurial women above, many of the traders Sharp spoke with had previously received a wage as teachers, policemen, and agricultural officers, but had left the security of paid employment for the higher returns of betel nut. One of Hagen’s largest traders, ‘Lewis’, had previously been employed in the coffee industry. He explained:

When I was employed ... because I was a casual or something ... they were paying me about K150 per fortnight. That’s not much. Then I compared [it] to betel nut ... my annual salary could be taken in a week or two.

Another common sentiment expressed by betel nut sellers is that while those in waged employment have to wait for the fortnightly payday, betel nut
sellers always have money. Another successful betel nut trader, 'Margret', explained why her husband left wage employment as a teacher:

We saw that with teaching we would wait for the payday for money ... each fortnight we would get K300 or K400–500. With betel nut and betel pepper we have money every day ... some thousands. We carry cash around. We go to sleep and wake up with money.

While it can certainly be lucrative, the trade is also very risky. Stories abound of traders who have made their fortunes and purchased a vehicle from the profits of a single buying trip, and of those who have lost everything, including their lives. For most people in the trade, however, betel nut provides a more modest income that is used to pay for daily living expenses and school fees. Although the 'one day fortnight' (earning in a single day what one would normally earn in a fortnight in wage employment) is unattainable for most, many betel nut sellers do earn incomes on par with those in low-level wage employment (Umezaki and Ohtsuka 2003; Anderson 2008).

For some, betel nut earnings replace and displace other forms of income. However, it is more common for betel nut selling to supplement other income-earning activities, including wage employment as the above stories of women entrepreneurs and residents of the urban settlements attest. This may involve different members of a household or the wage earner themselves. One young roadside betel nut seller in Mount Hagen worked each day as the caretaker for a local church. In the early mornings and afternoons, he sold betel nut to passers-by heading to work for the day. The money he received from this regularly exceeded what he was paid by the church. Nevertheless, he valued both incomes, as his wage gave him security and his association with the church provided a fence in the urban area behind which he could sell (cf. Williams and Round 2007). Many wage earners also trade betel nut during their annual leave or even when they are meant to be on duty, as one police officer confessed. Such examples demonstrate that betel nut selling is not just an occupation of the impoverished, as it is so often construed, but a form of livelihood adopted by a wide range of households with diverse socioeconomic circumstances.

While the largest traders are able to make substantial profits and many marketplace vendors make a reasonable living, many smaller street sellers are in a very different position, often one of precarity. For example, 'David' left his home area in Simbu Province due to fighting in the early 2000s and now lives in one of Goroka's informal settlements. Here he and his wife eke out a living, largely by selling betel nut. Without enough money to pay the marketplace gate fees, he lives a precarious existence selling illegally on the roadside, where he is regularly harassed by police. The government has 'eaten' lots of his money in bail charges, he says. His story is one of resilience but not necessarily success.

We live on this ... every day we must go to the marketplace, buy betel nut and come and sell. When finished we make a small K1 or K2 profit which we use to buy the night's meal. Tomorrow with K10 or thereabouts we go and buy again, sell again. We make K1 or K2 profit and we eat again ... We don't make lots of profit ... If we make K5 we will buy rice and tinned fish at night. We will eat and sleep. If not, we will just sleep. We won't have food in the house. We will go to sleep hungry. Recent attempts to ban the sale of betel nut in Port Moresby have only heightened the precarity of many urban livelihoods. For people like David, depictions of economic informality as 'getting by' are apt (see Conroy 2010), but this under-sells the vibrancy and opportunity which so many Papua New Guineans find in the trade.

Betel people often discussed the trade's role in the circulation and redistribution of wealth — and of betel nut's capacity to travel to those 'money places', associated with large-scale resource extraction, enabling them to return with money for the grassroots. Thus in people's minds at least, the betel nut trade becomes a mechanism by which some of the great wealth that flows into the country — and so readily evaporates — may be captured by those Papua New Guineans who do not happen, by geological chance, to have a resource project, or possess engineering degrees.
Betel Nut, Class and Aspiration

In the late afternoon and on the weekends, those who have employment in town will often come to the betel nut marketplace. These people are conspicuous by the way they carry themselves and the shoes they wear. When asked his thoughts, a betel nut trader said:

He walks around like he is a big [important] man, what for? I think he must be thinking of his education or his office work. But our main thought is that he is no match for us in terms of money, we make money every day.

Betel nut work is typically cast as ‘something of the grassroots’ and is often referred to disparagingly as ‘rubbish work’ yet, as the trader above suggests, this is in contradiction with the money to be made, at least by some. By a different measure, those higher earning betel people perceive themselves as equals or even superior to those in wage employment. One seller recounts:

Those employed — public servants and workers — they work but they don't have money. When their money is finished they come to us. They say, 'Let's find the betel nut and betel pepper sellers and get some of their money.'

There is some satisfaction in having a wage earner come to you as a lowly betel nut trader or vendor to borrow money, reflecting the emerging class distinctions in PNG (Gewertz and Errington 1999). Betel people are also able to demonstrate their efficacy in the contexts of bride price and compensation payments by contributing as much as, or perhaps more generously than, their employed counterparts. At the same time that betel nut traders and vendors assert themselves as commensurate with educated people and wage earners, they also reinforce that they remain fundamentally grassroots. Although trading betel nut has emerged as a new arena of competition between men in Hagen, few traders see themselves attaining any significant social status through trading betel nut per se (Sharp 2013a). 'I have no education; I just stayed at home ... If through my betel nut work I get a car, still no one will take note of me ... I am a villager, I am grassroots. I have a car, I have a house, everything, except I do not get recognition,' expressed one trader.

The potential profits from selling betel nut have drawn some wage earners and businessmen into trying their hand at betel nut trading, and the development of such a trend warrants attention. However, though there is considerable lure in a one day fortnight brought by green gold, today's betel nut sellers do not want their children to become tomorrow's betel nut sellers. Despite the evident monetary rewards, the betel nut trade is something that one becomes involved in because there are few other viable and rewarding livelihood opportunities available. Most people want something better for their children. Somewhat paradoxically, the aspirations parents have for their children is a waged job and a life in town. One trader remarked on his situation and that of many others like him:

Our parents did not put us through school, so we just stayed at home and got into this betel nut work. Now I do not want my children to do the same ... So I must trade in betel nut, pay their school fees. They must go to school and live in town.

Such comments make clear that their desire is for well-paid government and private sector employment and modern Western-style houses, not the urban minimum wage and a life in the settlements. Thus, while betel nut is alluring, incomes can be highly variable, and there is also the pervasive knowledge that betel nut trading is risky business. Fragmented transport networks and fluctuating prices make the trade financially risky, and many traders have died on leaky boats and dangerous roads in search of green gold. Vendors are also acutely aware that betel nut marketplaces are dirty and unhealthy places where people become ill. No-one wants this for their children.

Conclusion

The case studies presented in this paper have drawn attention to the strategies that Papua New Guineans are deploying as they attempt to manage precarious situations. These are not always successful: pyramid schemes, for example, are maladaptive and further exploit their victims; small businesses often strug-
gle to remain financially viable, although, as noted, turning a profit is not the sole objective of many enterprises. Diverse livelihoods that encompass both wage and informal economic activities can and frequently do contribute to a household’s economic security, but this is not always the case, as is made evident in our account of the roster-imposed precarity of security guards.

Participation in the formal economy is a prominent aspiration; nevertheless, alternatives or additions to the formal system are frequently sought. As we have shown, this includes those in waged employment receiving inadequate remuneration (below a living wage), those excluded from or disenchanted with the main banks, the underemployed, and the victims of gendered discrimination in the workplace. For some, a wage (and perhaps its accompanying uniform) may offer more in terms of social standing and legitimacy than economic return. Informal economic activities may also make viable a household’s participation in formal employment by supplementing wages that are lower than the social obligations that accompany them, or by providing money to the household while it waits for payday. The livelihood strategies we document reflect diverse and competing considerations and trade-offs in people’s lives, the acceptance of different forms of risk, and manoeuvring to exploit opportunities.

One key implication of our research, which some PNG Government authorities already recognise, is that informal economic activity should be revalued and seen as a ‘full and legitimate partner of the formal economy’ (DCDINA 2011, ix; Conroy 2010). This is not simply a matter of accepting the informal economy as a safety net, but recognising its value as an expression of the creativity and resilience of the many Papua New Guineans living in precarious economic situations. It is clear that, as a whole, those dependent on informal livelihoods are more likely to suffer severe poverty (Gibson 2013). Informality should not be romanticised — this would be unjust to the urban poor in the same way that ideas of ‘subsistence affluence’ are unjust to their rural counterparts — but should be valued.

Formalising informal activities may not always be desirable. This is particularly pertinent in light of the challenges faced by the state in PNG. Greater legal protection and rights regarding working conditions and contract assurances have the potential to be beneficial, but licensing arrangements that focus on regulation and control and offer little benefit to informal operators are likely to inhibit people’s ability to secure a livelihood. Some level of regulation of informal enterprise is desirable — for example, to ensure minimum food hygiene standards are met in the interests of public health. However, experience in PNG has shown that efforts to regulate aspects of informality, whether street vendors or the residents of the urban settlements, have frequently been heavy-handed.

Understanding the interactions of the formal, the informal, and the precarious is necessary for considering how the economic growth currently being driven by the resource sector may be distributed more equitably and contribute to more inclusive human development (UNDP 2014). Policy interventions would do well to consider the ways in which informality and formality heighten or reduce the precarity in people’s lives. Shifting policy attention towards the goal of managing precarity may lead to renewed attention to essential services such as clean water, improved sanitation, basic health services and quality education.

In our exploration of urban livelihoods in PNG, formality and informality have emerged as important reference points for understanding people’s aspirations and their responses to economic precarity. Today, precarity characterises the experiences of many urban Papua New Guineans, whether in formal employment or business, or earning a living through informal economic activities. For many Papua New Guineans, there is a disappointing gap between their aspirations for prosperity and their daily experiences of making a living. Employment opportunities have failed to keep pace with school and tertiary graduates, and the resource boom has done little to meet the needs of the burgeoning youth population. The pyramid has become increasingly difficult to ascend.
Notes on Authors

Timothy Sharp, John Cox, and Ceridwen Spark are research fellows in the State, Society and Governance in Melanesia (SSGM) program at the Australian National University. Stephanie Lusby and Michelle Nayahamui Rooney are PhD candidates with SSGM.

References


Krige, D. 2011. ‘We are Running for a Living’: Work, Leisure and Speculative Accumulation in an Under-


The *National* 14/8/2006. Scam Probe at City Hall.


### Endnotes

1 Tim Sharp’s research on the highlands betel nut trade in PNG involved 13 months’ fieldwork undertaken in 2006, 2007 and 2010. This multi-sited ethnography involved fieldwork in 12 provinces. John Cox’s multi-sited research on fast money schemes in PNG involved field research in 2006, 2009, 2010, and 2011. Ceridwen Spark’s research is based on interviews with women entrepreneurs in Goroka in May 2012 and September 2013. Stephanie Lusby’s research in the security industry was part of 14 months’ fieldwork in East New Britain investigating men’s engagement with anti-violence against women campaign messages and HIV prevention campaigns. Michelle Rooney’s research on urban livelihood strategies draws on long-term residence in Port Moresby and fieldwork that was carried out over a six-month period in 2013 in the Oro-ATS settlement of Port Moresby. For all the authors, the research presented here is part of a longer term professional, academic and personal engagement with PNG.

2 Names of people and organisations are pseudonyms throughout this paper.

3 That betel nut sales evade tax reflects both the low incomes associated with most betel nut sellers and the inability of the state to identify and tax those higher grossing betel nut sellers.

4 Our use of ‘betel people’ is translated from the Tok Pisin *Buai na daka lain*, which literally means ‘betel nut and betel pepper people/group’. The term ‘betel people’ has been used with different meaning elsewhere (see Rivers 1914; Riesenfeld 1947).

5 Gibson (2013) notes that individuals having multiple income sources is less common in Port Moresby than in other urban centres, although diversification at the household level is not analysed.

6 See Sharp (2013a) for a discussion of the way in which betel nut trading, and enterprise in PNG more broadly, has been entangled with endogenous concerns around social status (also see Curry 2005).
2012/1: Tobias Haque, The Influence of Culture on Economic Development in Solomon Islands

2012/2: Richard Eves, Christianity, Masculinity and Gender-Based Violence in Papua New Guinea

2012/3: Miranda Forsyth, Tales of Intellectual Property in the South Pacific

2012/4: Sue Ingram, Building the Wrong Peace: Re-viewing the United Nations Transitional Administration in East Timor Through a Political Settlement Lens


2012/6: Patrick Vakaoti, Mapping the Landscape of Young People’s Participation in Fiji

2012/7: Jane Anderson, ‘Life in All Its Fullness’: Translating Gender in the Papua New Guinea Church Partnership Program

2012/8: Michael Leach, James Scambary, Matthew Clarke, Simon Feeney & Heather Wallace, Attitudes to National Identity Among Tertiary Students in Melanesia and Timor Leste: A Comparative Analysis

2012/9: Sarah Logan, Rausim!: Digital Politics in PNG

2012/10: Nicholas Coppel, Transition of the Regional Assistance Mission to Solomon Islands

2013/1: David Chappell, Recent Challenges to Nation-Building in Kanaky New Caledonia

2013/2: Simon Feeney, Lachlan Mcdonald, May Miller-Dawkins, Jaclyn Donahue and Alberto Posso, Household Vulnerability and Resilience to Shocks: Findings from Solomon Islands and Vanuatu

2013/3: Debra McDougall, Spiritual Capacity? Overseas Religious Missions in RAMSI-Era Solomon Islands

2013/4: Rochelle Bailey, Ni-Vanuatu in the Recognised Seasonal Employer Scheme: Impacts at Home and Away

2013/5: Satish Chand, Building Peace in Bouganville: Measuring Recovery Post-Conflict

2013/6: Stewart Firth, Political Status and Development: The Implications for Australian Foreign Policy Towards the Pacific Islands


2013/8: Brij V. Lal, The Strange Career of Commodore Frank Bainimarama’s 2006 Fiji Coup

2013/9: Joseph Ketan, Political Governance and Service Delivery in Western Highlands Province, Papua New Guinea

2013/10: Tobias Haque, Economic Transition in Solomon Islands


2014/2: Louise Vella, Translating Transitional Justice: The Solomon Islands Truth and Reconciliation Commission

2014/3: Diana Glazebrook, Papua New Guinea’s Refugee Track Record and Its Obligations under the 2013 Regional Resettlement Arrangement with Australia

2014/4: Denise Fisher, Tjibaou’s Kanak: Ethnic Identity as New Caledonia Prepares its Future

2014/5: Sue Ingram, Political Settlements: The History of an Idea in Policy and Theory


2014/7: Jenny Munro, Papuan Perspectives on Family Planning, Fertility and Birth Control

2014/8: Gordon Peake, Influences and Echoes of Indonesia in Timor-Leste

2014/9: Guy Powles. The Tongan Monarchy and the Constitution: Political Reform in a Traditional Context

2015/1: Lia Kent, Remembering the Past, Shaping the Future: Memory Frictions and Nation-Making in Timor-Leste

2015/3: Greg Fry, Recapturing the Spirit of 1971: Towards a New Regional Political Settlement in the Pacific

For a complete listing of SSGM Discussion Papers, see the SSGM website.
The State, Society & Governance in Melanesia Program (SSGM) is a leading centre for multidisciplinary research on contemporary Melanesia and Timor-Leste. SSGM represents the most significant concentration of scholars conducting applied policy-relevant research and advancing analysis on social change, governance, development, politics, and state–society relations in Melanesia, Timor-Leste, and the wider Pacific.

State, Society and Governance in Melanesia
School of International, Political & Strategic Studies
ANU College of Asia and the Pacific
Australian National University
Canberra ACT 0200

Telephone: +61 2 6125 8394
Fax: +61 2 6125 9604
Email: ssgm.admin@anu.edu.au
URL: ips.cap.anu.edu.au/ssgm
Twitter: @anussgm

Submission of papers
Authors should follow the Editorial Guidelines for Authors, available from the SSGM website.

All papers are peer reviewed unless otherwise stated.

The State, Society and Governance in Melanesia Program acknowledges the generous support from the Australian Government for the production of this Discussion Paper.

The views, findings, interpretations and conclusions expressed in this publication are those of the authors and not necessarily those of the SSGM Program. The Department of Foreign Affairs and Trade (DFAT) does not guarantee, and accepts no legal liability whatsoever arising from or connected to, the accuracy, reliability, currency or completeness of any information herein. This publication, which may include the views or recommendations of third parties, has been created independently of DFAT and is not intended to be nor should it be viewed as reflecting the views of DFAT, or indicative of its commitment to a particular course(s) of action.