## The Peri-Urban Interface Creates Unique Livelihoods Challenges

## As well as offering unique opportunities, periurban conditions can adversely affect existing livelihoods. These negative impacts tend to disproportionately affect women and poor people.

There is evidence confirming the hypothesis that, despite a potential to lift poor people out of poverty, a peri-urban interface can make some households more vulnerable. Urbanisation appears to disproportionately affect the livelihoods of poor people by diminishing the resources available to them.

**Combination of Rural and Urban Poverty Characteristics.** Peri-urban poverty exhibits characteristics of both rural and urban poverty. The rural element is primarily linked to loss of access to natural resources, while the urban elements are more broadly based and are linked to the growing importance of inclusion within a monetised economy. For many people, access to housing and services, as well as to many livelihoods options, requires for the first time the capacity to generate cash income or to access credit. The extent and value of the assets people control tend, alongside the speed and nature of change, to determine the degree to which the PUI is an opportunity or a threat in relation to livelihoods.

The development of benefits for one group of people frequently occurs at the expense of another group. However, the vulnerability of poor people is exacerbated because they lack control over the decision-making processes that drive urbanisation. This is most obvious around the issue of natural capital. Destruction of natural resources tends to take the form of loss of land and forest to urban development. It may also be the loss of soil fertility due to extraction of construction materials, opportunistic farming practises driven by insecurity of tenure or by an inability to afford fertiliser, and soil and water pollution originating from the city. The pressure of growing urban populations makes land the most contested natural asset in the PUI. Farmland is in demand for urban housing, commercial development and public infrastructure, with typically steep increases in value. Consequently, loss of access to land tends to have the greatest negative impact on the livelihoods of poor people in the PUI. Any compensation paid for

this loss is rarely sufficient to allow the development of alternative livelihoods.

A lack of access to natural resources creates considerable pressure for very poor people to adopt non natural resource-based livelihoods. This drives them to increasing dependence on a cash-based economy, reducing the livelihood security inherent in strategies based on access to common pool resources. This increasing cash-dependence occurs in spite of the reality that, without access to capital or credit, income generating activities are typically small scale, poorly paid and irregular. In addition, income generating activities for the poor tend to be agriculturally based more often than for the non-poor and, consequently, incomes are more vulnerable to market price fluctuations and seasonal demand. This in turn requires the adoption of multiple livelihood activities.

Female Vulnerability. Women are often particularly vulnerable. The research indicates that women are less educated and have more limited access to money to pay for training. Consequently, they possess fewer income-generating skills, and therefore have more limited opportunities. A gendered perception of socially and culturally 'appropriate' work also serves to dictate the occupations and locations available to women (for example, in the East Kolkata Wetlands, fish production is the main income-generating activity, but women's involvement in this area is generally considered culturally inappropriate). A greater proportion of women's time is taken up with domestic responsibility, which further limits mobility and availability for paid work. Women also tend to have access to fewer collateral assets and, consequently, less access to funds for investment in the income-generating opportunities that arise from proximity to a city or town. Limitations on 'appropriateness' and mobility also tend to mean that women have fewer sources of business-related information, thus constraining innovation. They also possess lower levels of access to land while being most dependent on the less productive or lowwaged agricultural sectors.

## Limitations in Access to Land

**Disproportionately Affect Poor People.** Damage to and loss of the natural resource base also disproportionately affects the poorest people. Urbanisation leads to private appropriation of land and increased levels of conflict relating to land allocation, erosion of natural resources, and increased pollution from urban wastes. Typically, the poor lose common property rights as a result of

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The source of this brief is "A Synthesis of Peri-Urban Research of Kumasi, Hubli-Dharwad and Kolkata PUIs" at <u>http://www.ucl.ac.uk/dpu/pui/research/previous/synthesis/index.html</u>, which is also Annex B of the Final Technical Report of NRSP Project R8491

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these processes along with other resource appropriators, but the benefits, where they exist, tend to accrue only to richer individuals. This in turn perpetuates and exacerbates structural inequalities. There is also evidence that degradation of the natural resource base pushes people who were not previously vulnerable into such a state. Changes to the natural resource base often occur rapidly within the PUI and these changes are frequently irreversible.

In addition, the complex migration patterns associated with urbanisation are changing traditional social structures and decision-making fora, while the fragmented planning and policymaking structures of government frequently lead to uninformed policy decisions that further remove resources from the peri-urban poor.

The cycle is constant: a lack of wage opportunities, limited access to investment funds, poor levels of education, and declining access to natural resources restrict the ability of the poor (including farmers) to accumulate savings and therefore to invest in improving productivity and in expanding the scale of income-generating activities. This process results in the poor, and most particularly women, becoming trapped in a cycle of 'peri-urban subsistence' that can be more pernicious than its rural equivalent.

## **Policy Implications**

There are sound reasons for ensuring that economic development policy effectively addresses the damaging processes and circumstances that can characterise the peri-urban interface. Policy that reverses the negative impacts of the rural to urban transition may deliver more rural poor into the urban economy with more assets, rendering them more productive. Moreover, in locations in which there is a commitment to poverty reduction, this is in itself a compelling basis on which to tackle the problems and opportunities of poor people and women, who tend to be disproportionately disadvantaged by the meeting of town and country economies and societies.



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