

## Individual Efforts Achieve Greater Peri-Urban Income Growth than Group-Oriented Activities

**In terms of increasing income, people achieve better results when working as individuals than in groups, possibly because peri-urban circumstances reduce social capital.**

The research shows individual activity to be more effective than group action in terms of increasing peri-urban incomes in both Hubli-Dharwad and Kumasi. Further to that, people in both localities also tend to express a preference for individual work, with a mushroom growers' group in Kumasi, for example, stating that "*the ideal number of people in a group is one*".

**Social Fragmentation in PUI.** While it is certain that the root causes behind this tendency are complex and difficult to prove, there is sufficient evidence to indicate that an important factor lies in the reduction of social capital associated with urbanisation. In Kumasi, debt repayment patterns provide some of this evidence. In the case of a large and very urban village in Hubli-Dharwad with a constant influx of migrants, there was evidence that the concept of community participation for self-help is not highly valued.

Peri-urban communities are shown to be socially heterogeneous with wide variation between more rural and more urban locations. This clearly has significant implications for interventions in the PUI.

The population size of a given peri-urban community and its proximity to the city both have an evident impact on the formation of groups. In practice, NGOs found it difficult to facilitate group initiation in the more urban villages in both Hubli-Dharwad and Kumasi. As a consequence, research interventions were not pursued in the urban village of Kelageri in Hubli-Dharwad, and also in three of the most urban communities in Kumasi. This situation is ascribed to a variety of causes, essentially revolving around the greater fragmentation in social capital that occurs with the advance of urbanisation. Urban attitudes, reduced social cohesion, greater 'individualism', lack of community spirit, diminished levels of trust and greater local mobility are all noted as factors in research documentation. The comparatively smaller

number of community groups also reduces recognisable points of community access for external agencies.

**Significant Implications for Development Practice.** Given that so much development strategy is predicated on the formation of groups, these findings are potentially highly significant. One implication is that the more urbanised a peri-urban area, the more important it is that interventions facilitate individual livelihood activities. This is a conclusion that warrants further research: for example, it is possible to hypothesise that the transitional nature of the peri-urban interface differentiates it from the usual urban or rural context. Perhaps even the most urbanised peri-urban settlements contrast markedly with those in established urban (or rural) areas in terms of group formation.

There is also, however, a strong argument in favour of group-oriented initiatives where they are feasible: when successful, group activity was shown to greatly enhance social cohesion. Project villages in which group-oriented interventions have been successfully initiated have reported significant improvements in community unity and co-operation.

Conflict arises where groups are heterogeneous, where they are tackling unfamiliar livelihood options and where clear accountability and transparency is missing. In addition, groups with responsibility for community-based evaluation are better able to positively direct the management of the intervention than those subject to external evaluation.

Even when people are not comfortable working together in groups, they tend to recognise (at least in principle) the value of developing networks and associations. The development of greater social capital can contribute significantly to a more enabling business environment, and one in which the poor have greater access to decision-making processes. This points to the importance of group action in more urban peri-urban areas, in spite of the associated difficulties.

Views on how such change might be initiated tend to emphasise the need for external agency. It was found that over 60% of those in Kelageri, Hubli-Dharwad, believe that change will only come about as a result of external political initiative.

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*This is a message from new research into lives affected by the meeting of rural and urban, of country and town: the meeting called the **peri-urban interface**. It is a product of ten years of study, focusing on livelihoods, systems of production and poverty in Kumasi (Ghana), Hubli-Dharwad and Kolkata (both India). It was funded by the Natural Resources Systems Programme of the Department for International Development of the UK Government (DFID), for the benefit of developing countries. The view expressed are not necessarily those of DFID.*

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

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## **Policy Implications**

Although the lower transaction costs of working with groups may be attractive, the difficulties associated with group formation in some peri-urban situations suggest a need for a greater understanding of the consequences of peri-urban change on group-

based action. The implication is that there should be greater focus in more urban parts of the PUI on individual livelihoods strategies. However, account must also be taken of the need to improve levels of social capital and the degree to which group activity can contribute to this.



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