

## NGOs and poverty issues in peri-urban areas

### ONG-urile și problemele sărăciei în zonele peri-urbane

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#### Abstract

Poverty reduction is the top-most element in the Millennium Development Goals (MDGs) set by the United Nations those have provided a broad way for the development planning professionals on the globe to assess their past performance in the important aspects of development planning as well as to plan their strategies for the design period of 2000-2015. The United Nations sees the nations as members of a global family and expects them to work for the fellow-beings setting some guidelines, for instance, "The millennium Development Goals can be achieved if immediate steps are taken to implement existing commitment.

**Keywords:** NGOs, poverty, peri-urban areas

#### Rezumat

Reducerea sărăciei reprezintă elementul cel mai de vârf în Obiectivele de Dezvoltare ale Mileniului (ODM) stabilite de Organizația Națiunilor Unite care au furnizat cadrul larg pentru specialiștii în planificarea dezvoltării pe glob atât pentru evaluarea performanțele lor anterioare, în aspectele importante de planificare a dezvoltării, cât și pentru a planifica strategiile lor pentru perioada de proiectare de 2000-2015. Organizația Națiunilor Unite vede națiunile în calitate de membrii ai unei familii globale și se așteaptă ca ei să lucreze pentru colegii-ființe stabilirea unor orientări, de exemplu, "Obiectivele de Dezvoltare ale Mileniului pot fi atinse în cazul în care sunt luate măsuri imediate pentru a pune în aplicare angajamentul existent".

**Cuvinte-cheie:** ONG-uri, sărăcie, zone peri-urbane

**JEL Classification:** L31, I32, R51

#### Introduction

Development first emerged as a subject area in the second half of the twentieth century. After the Second World War, scholars and practitioners sought to study the causes of poverty and 'underdevelopment' in a more systematic and sustained way than it had been before. Now, the substance of development studies – especially in relation to the 'developing world' or 'the South' – focuses mainly on poverty reduction and

improving 'human development'. It is a dynamic field whose importance cannot be understated as the gap between rich and poor grows seemingly ever wider (Haynes, 2008).

Reaching our goals for development around the world is not only vital to building better, healthier and decent lives for millions of people, it is also essential to building enduring global peace and security (Report of the Secretary-General, 2007).

Ahmed (2004) says that poverty is defined and measured by ten indicators, which incorporate multi-dimensionality of poverty – including food, income, assets, consumption, capability and well-being. 'Poverty anywhere is a threat to prosperity everywhere', they say; and the poverty issues in peri-urban areas are multi-dimensional in addition to be more complicated as the peri-urban areas are blended with the characteristics of both urban areas (to which these peri-urban areas and/or the inhabitants within are expecting to be added) and the rural areas (to which these peri-urban areas and/or the inhabitants within have belonged for long). Irandoust (2008) referred International Labor Organization (ILO) as saying that over forty million people are living below one dollar a day on the globe and as many as more that one hundred million below two dollar a day; further forecasting that by the end of the year 2008 almost two billion people might lose their jobs the world over due to global financial crisis. Non-availability or inadequate availability of facilities including finance, employment, land tenure, education, health, infrastructure, water poverty and above all poor planning and community mobilization are the main issues regarding poverty in the peri-urban areas.

The incidence of poverty ranged between 46 per cent to 67 per cent and income, capability and well-being poverty was greater than food poverty in two Upazilas of Bangladesh; also land ownership and occupation were the crucial correlates of poverty followed by marital status, age, geographical location and gender – most of them were significantly related to multi-dimensionality of poverty at the significance level of 'alpha' = .01 (Ahmed, 2004). ILO (2008) reported that 55% of child laborers under the age of 12 worked in a hazardous occupation or situation in 2000; also that there were more boys in hazardous work than girls - in both 12-14 and 15-17 age brackets, boys accounted for 60% of children in hazardous work in 2000. To their last point I would say that as boys demand higher wages and hazardous works may offer them higher wages so they are tempted towards them plus boys are physically strong enough to be fit for hazardous work. According to them, 'achieving change to tackle childhood poverty involves: positive action at different levels as well as positive change in a range of policy areas. Also since poverty is multi-faceted so bringing about changes for poor children and their families involves pro-poor, pro-child policy in a range of areas including anti-poverty policy, sectoral policy and macro policy. Attention to policy implementation as well as content reducing childhood poverty requires both positive policies and an ability to implement them. ILO also reported Kyrgyzstan,

India and China regarding effectively using research findings targeting key fora and institutions/departments that made and influenced policy.

McPeak and Barrett (2001) threw light on how differences in pastoralists' ubiquitous risk exposure created and sustained structural poverty traps from which many arid and semi-arid lands (ASAL) pastoralists had a difficult time to escape. Koti and Weiner (2006) reported that although geographic information systems (GIS) was introduced in Kenya within an empiricist and positivist epistemological and methodological framework, the perceptions of disenfranchised peri-urban communities were excluded. Bowen (2007) takes up an interesting aspect exploring citizen participation describing levels, forms and benefits of participation by local community members with a particular analysis of citizen involvement in anti-poverty programs drawing on primary research in Jamaica where a social fund formed a major plank of the national government's policy and program to reduce poverty; he discussed four types of participation for the community-level approaches to economic improvement and social change.

### **Effects of globalization on the poor in peri-urban areas**

If we look at the situation even in the developed countries of the world, we find poverty and affluence coexisting. The USA has less than 6 percent population and more than 25 percent of the GNP of the world, yet between 12 and 14 percent of its population lives below poverty line. In most of the European and other rich countries too, we find existence of poverty. We also find that differences - in income, in wealth and in assets - are becoming more and more unequal. The failure of economic growth strategies is an area that must be closely examined (Sahibzada, 1997). Debt burden on the developing countries is increasing. Burden for interest and its rate charged has become a drain on the budgets of the poor countries. Their exports are not enough to meet their own domestic needs as well as cater for these payments. This needs to be handled in their favor. In the view of Sahibzada (1997) poverty is viewed broader in the global perspective – it is measured by a set of social indicators, in comparison with some other relatively better off country or group of countries. Siddique (2008) associates poverty with unequal distribution; having been caught in the vicious circle of poverty people remain poor to him – they have less productive resources, lesser production, least income and eventually no savings. To Rao (2000) the methodologies may require the use of NGOs; whereas it is needed for NGOs also to be effective and to play a strategic role. He further adds that the national governments have a critical role to play in designing and implementing strategies; such strategies will pay-off over a reasonably long period, a high degree of commitment and consistency in policies over a similar period of time is a must. Inclusion of the poor in set ups at different levels also helps them build networks and coalitions which will protect against positions gained through their proper participation and involvement (Shepherd, 1994). A

very crucial point to consider in participation of the people in planning and development is that such participation should not only be in development projects but more importantly in development of organizations and the systems those govern their development. Similarly, levels of participation are also not lesser important where such participation is ensured at small groups level to medium and large sizes. Degree of participation may vary at such diversified levels depending upon the broadening of horizons of the participants.

Let us now look into the poverty issues in peri-urban areas one by one.

### *Finance*

Sanyang and Huang (2008) say that microfinance generally refers to the provision of financial services, including savings, credit and insurance, to the poor especially women who normally do not have easy access to formal institutions whereas Zafar (2009) introduced microfinance institutions (MFIs) as traditionally providing financial services to the 'unbanked' or such households that were not included in the documented and formal economy. Contradictory to my personal experience during 1998-1999 in the peri-urban areas of the twin cities of Islamabad and Rawalpindi in Pakistan where only lower middle class could be benefited by the microcredit opportunity, in their paper that reports on the findings of a study of a microfinance and community mobilization initiative in six villages in the peri-urban zone of Hubli—Dharwad in Karnataka state of southern India where a number of self-help groups established by two NGOs were studied over a three-year period (2001—2004) Brook et al (2008) consider that the poor and very poor were more actively involved in microcredit than members of the other wealth classes. However, they report that despite deliberate targeting of the poor and very poor sectors, their representation in the self-help groups was found to be no different from their proportions in the populations of the villages. Targeting of women was more successful (with 64 per cent of members being female) to Brook et al and the same was my conclusion regarding twin cities of Islamabad and Rawalpindi where we could manage much better with the female borrowers than the male ones and the world renowned Grameen Bank of Bangladesh also focuses more on female borrowers due to higher success rates. Reportedly the microfinance projects do help in raising quality of life as over the life of the project, the poor moved above the state poverty level and their household savings increased by 647 per cent as reported by Brooks et al. A burning issue regarding microfinance is that wherefrom the funds can be raised; we find different avenues in this concern as more than 77 per cent of the funds mobilized through the program studied by Brook et al were raised through self-help group subscriptions and a further 14 per cent came from linkages with banks whereas to my experience in Pakistan the funds were mainly through the federal government to which further addition was made by some of the International donors. Findings of Brook et al point to the success of

the NGO-mediated self-help group model of community mobilization and microfinance provision relative to other models; this gives strength to our view that the efforts should be made through the citizen's community boards in Pakistan. Skoufias and Maro (2008) found that the PROGRESA program regarding conditional cash transfers did not have any significant effect on the adult labor force participation and leisure time; the findings on adult work incentives were reinforced further by the result the PROGRESA led to a substantial reduction in poverty – the poverty reduction effects were stronger for the poverty gap and severity of poverty measures with the largest reductions in poverty of PROGRESA achieved in the poorest of the poor population (although the conditional cash transfer program did not benefit substantially on the whole). I do not like to replicate the conditional cash transfer program on the basis of the work cited above. It is a pity that programs/projects aimed at poverty alleviation mostly undertaking microcredit/microfinance in different parts of Pakistan have come up with the results that they could hardly benefit the target group with exceptions such as Urban Poverty Alleviation Program (UPAP) that targeted the poor properly and with a sincere effort at almost all the levels of its planning as well as execution to bring about good results; but the executives of even the UPAP also admit that they either could not reach poorest of the poor or at least the repayments were mostly not out of the earnings through the money lent to them rather out of the other sources of income the borrower families already had (UPAP, 2007).

### *Employment*

Employment is another very important aspect regarding poverty issues in peri-urban areas as the earnings depend upon employment those eventually address poverty. With the exception of relatively dynamic cities such as Dar es Salaam and Arusha, overall non-farm income shares were not unambiguously higher than in rural areas as a whole to Lanjouw et al (2001) in their study that drew on purposive survey data of approximately 600 households in peri-urban Tanzania to describe the degree and nature of non-farm diversification in these settings. To them the non-farm sector appeared to offer an important route out of poverty as non-farm income shares rose sharply and monotonically with quintiles defined in terms of per capita food consumption.

Thornton (2008) agrees that it is widely accepted that urban and peri-urban agriculture (UPA) is an important livelihood or coping strategy amongst the poorest urban households for food security and income generation in developing countries; further adding that in South Africa, UPA has been promoted in the post-apartheid era as a strategy for poverty alleviation in several key policy documents although some academics have raised the issue that UPA might be less robust amongst South Africa's urban poor households, when compared to other

developing countries despite high unemployment. Thornton's key results include that the social welfare scheme has, effectively, emerged as the primary contributor to household income and food security in his paper that presents results from case studies exploring the nature and geographical extent of UPA in one of South Africa's poorest provinces, the Eastern Cape; to him UPA does not play a major role in food security for most UPA households in his paper that discusses these results and reflect on the bearing of UPA as a tool for poverty alleviation in South Africa.

#### *Land tenure*

Insecure land tenure is considered to be an important issue regarding poverty; Abdulai et al (2007) suggest that land tenure security is an incentive for investing in land-based activities and, therefore, an impetus for economic development; further referring that in Ghana and the developing world as a whole, it is argued that land registration guarantees security of land tenure. They report that registration policies have been rigorously pursued, supposedly to secure land rights using four case studies in Ghana, in their paper that investigates the extent to which land registration is the answer to insecurity of land tenure and conclude that the evidence from Ghana, which is corroborated by studies elsewhere, is that land registration per se seems incapable of guaranteeing land tenure security and, in fact, it can reduce security in some circumstances. Identifying the real causes of insecurity Abdulai et al say that land registration creates a landownership database, which is very important as it serves various purposes; for example, it reduces transaction costs and facilitates real estate transactions. They however argue that the parameters of tenure security be defined well as securing land tenure for investment requires the causes of disputes to be identified and addressed, and the disputes themselves to be resolved, rather than land registration.

#### *Education*

Education is yet another important issue regarding poverty in the peri-urban areas as the today's age of information and awareness emphasises more on the individuals to be educated to raise their quality of life. Lanjouw et al (2001) in their study, that drew on purposive survey data of approximately 600 households in peri-urban Tanzania to describe the degree and nature of non-farm diversification in these settings, argue that the evidence suggests that education is an important determinant of non-farm incomes in peri-urban areas.

#### *Health*

Poor health of the habitants in the peri-urban areas is another issue in itself as well as it diverts attention of the professionals towards poor health facilities available (if any) in the peri-urban areas those cause poverty one way or the other.

To Abdullatif (2000) 'health for all' is a people-based approach to health which considers the community as its focus; also that community partnership is an important principle of 'health for all'. Fotso (2006) arrived at the result that although socioeconomic inequalities did exist in both urban and rural areas across the countries in sub-Saharan Africa (SSA), yet these were significantly larger in urban areas; on the bases of which he concluded that the urban advantage in health masked enormous disparities between the poor and the non-poor. Specific policies geared at preferentially improving the health and nutrition of the poor ought to be implemented, according to Fotso, in order to reduce gaps between population groups is also targeted well while targeting the best attainable average health level.

### *Infrastructure*

In the global village concept for the world now, infrastructure is a must without which development is just a dream and not a reality; poor infrastructure in the peri-urban areas is thus an important issue to consider. Lanjouw et al (2001) in their study in peri-urban Tanzania say that the access to infrastructure is an important determinant of non-farm incomes in peri-urban areas; women appear to be poorly placed vis a vis the non-farm sector, even after controlling for education, age and other characteristics.

### *Water Poverty*

Water poverty is another severe issue that keeps peri-urban areas poor. Angueletou, A. (2006) addressing water poverty in the peri-urban areas of Mumbai in which the term "water poverty" was defined as it refers to a variety of situations where people lack from sufficient water in terms of quality and quantity or from enough money to buy water from formal and informal providers. The paper aimed at identifying "water poor peri-urban population" and examined their access to water and how they satisfy their needs. The paper concludes that peri-urban areas are undergoing rapid transformations in the form of economic development, urbanization, demographic changes, environmental hazards all of which are having implications on the demand and supply of water; also that the water policies are not able to adapt to these rapid transformations due to which a growing population lacks from sufficient access to water, in terms of being supplied by a large distribution network, or by private operators using alternative means.

### *Planning and community mobilization*

Community mobilization is perhaps one of the most important issues regarding poverty in peri-urban areas where most of the time people come from at least slightly heterogeneous cultures if not highly heterogeneous, so they need to be mobilized towards some homogeneity to address their new common problems.

Lanjouw et al (2001) in their study, that drew on purposive survey data of approximately 600 households in peri-urban Tanzania to describe the degree and nature of non-farm diversification in these settings, rightly say that kinship and tribal affinities, and time devoted to communal activities, appear to deter entrepreneurial activity and non-farm employment, but trust in officials and public servants and strong heterogeneous village associations, are important in stimulating non-farm activity.

### **Consequences of poverty in peri-urban areas**

Since the poverty issues are closely inter-linked so experts and professionals have tried also to study such linkages; for instance, Spencer (2007) aptly identified links between (i) the emergence of a global niche in food processing export industries such as those in Vietnam and similar regions of Southeast Asia, (ii) new forms of governance associated with these dispersed but densely settled industrial regions that result in a highly decentralized model for water service provision institutions, and (iii) some of the potentially emerging health challenges associated with such rapid peri-urbanization, changing consumption patterns, and decentralized provision of basic infrastructure in his paper titled 'Health, human security and the peri-urban transition in the Mekong Delta: market reform, governance and new analytic frameworks for research in Southeast Asia'. He suspects that such settlement and institutional transitions have made the job of the planner more complicated even as it may increase the level of threat to human and environmental security through the emergence of previously unknown diseases like avian influenza or the re-emergence of formerly controlled ones such as dengue fever.

Ahmed (2004) gave a new dimension where his paper had the main objective to explore the relationship between poverty variables and eight socio-demographic correlates like location, gender, age, household size, marital status, occupation, land ownership and house ownership. Sometimes poverty forces the poor to commit crimes as the police said that the poor economic condition forced a cousin in Islamabad to kidnap his three-year-old cousin demanding Pakistani rupees three million (US\$40,000 approximately) as ransom; the accused planned to grab the money to start his own business (Dawn, 2009). Chen and Ravallion (2008) concluded that all branches of statistical system provide data for global poverty measurement (comparability and consistency problems are unavoidable in this situation), cost of living in the poor countries had been underestimated in the past and the 2005 onwards steep rise in international food and fuel prices have worsened the situation of poverty on the international level although incidence of absolute poverty has fallen since in early 1980s (though the developing world is still poor); they recommend that a higher rate of poverty reduction is a must to



achieve the Millennium Development Goals in the developing world with only exception of China. Alexander (2004) fears that poverty is tearing Africa apart being the root cause of internal unrest, cross-border conflicts, land redistribution problems and political instability in many African countries.

### **Sustainable poverty reduction in peri-urban areas: governments and business**

Governments, being the responsible for looking after the needs of the citizens, have got the role to reduce poverty; similarly the business has also got the responsibility both because of the fact that it develops due to the capital of the people and also because the business sector has got the most resources at their disposal in many cases – Corporate Social Responsibility (CSR) expects the business sector to play its role as importance of the aspect of sustainable poverty reduction is quite evident since the United Nations have ranked to eradicate extreme poverty and hunger as the goal number one (Goal 1) with their comprehensive comment converging to the poorest ([www.un.org/millenniumgoals/](http://www.un.org/millenniumgoals/), 2008) commenting that the eight Millennium Development Goals (MDGs) – which range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education, all by the target date of 2015 – form a blueprint agreed to by all the world's countries and the entire world's leading development institutions.; they have galvanized unprecedented efforts to meet the needs of the world's poorest. Even the Secretary-General converges his comments on the achievement of the MDGs to 'free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty' (Report of the Secretary-General: 2007).

People all over the world are found hungry and shelter-less. Health conditions are, consequently, worth noting. Socially and even mentally the people are found in misery. And the future trends are rather alarming as the experts foresee things not changing drastically in future years also, on the basis of the past record. Some incidences suggest that the state of incomes and inequalities has not changed much even in the USA over the past 50 years so where can be ranked the poor countries (Sahibzada, 1997)! Poverty anywhere is a threat to prosperity everywhere - poverty prevails all over the world today; this is not merely a Third World phenomenon, though people here are suffering more from the rigors of poverty, this is a global phenomenon, one in every five persons in the world lives below poverty line (Sahibzada, 1997). Abbott (2007) rightly says that the patterns of growth are important to reduce poverty – growth focus should be on agriculture, fisheries, construction, personal services, small-scale manufacturing and informal activities especially – the sectors to which the poor and the low-income groups are most likely attached; to him, rural sector ought to be more attractive. Key issues for creating an enabling environment for economic opportunities to be created for the poor are as follows:

- access to resources and assets
- access to basic services
- access to rural financial services, credit facilities and financial literacy programs
- decentralization, local empowerment and participation
- good governance
- land reform
- access to transport and markets
- access and other support to extension services

Whereas 'Global chronic poverty in 2004-05' (CPRC, nd) includes the following in the poverty reduction policies that assist the poor and the chronically poor:

- pro-poor, broad-based economic growth
- peace-building and conflict prevention
- HIV/AIDS prevention (especially in India, China and the CIS) and greater access to retroviral treatment in Africa
- slowing down global warming
- strengthening national and international governance
- making trade fair (especially removing the obscene agricultural protectionism of rich countries)
- effectively managing national indebtedness (through debt relief and fiscal prudence)
- improving the effectiveness of basic service delivery in the public and non-profit sector
- making markets work for all

Data availability is an other important aspect in planning regarding which Haberkorn and Jorari (2007) suggest, 'while ensuring that data are available, and available on time, it is imperative to ensure also that they are of good quality – reliable (of sound quality) and valid (meaning that they do measure what they are meant to). This requires skilled and experienced staff in place, right throughout Pacific island countries and territories' national statistical systems, and not merely at the level of section or agency head'.

Efforts, when made appropriately, do bring results as Barraud and Calfat (2008) report, 'poverty is reduced as a result of the policy and the households that benefit from this reduction are those linked to the non-tradable sectors'. Similarly, Chatterjee (2005) reports that remarkable advances are experienced in the Asian and Pacific region regarding poverty reduction – two dimensions are worth-mentioning here; i. e; phenomenal increase in economic growth as well as its relation to poverty reduction and the policies that have contributed directly to foster inclusiveness of the development process. In Masood and Yontcheva's (2005) study, the non-governmental organizations' aid appeared more effective in reacting

more precisely to the poor and vulnerable populations due to which they stated that the donors who chose the aid to channel through NGOs made the right choice.

It is also important to consider all potential indicators like Boone (1996) took even infant mortality as a 'flash indicator' of the living conditions of the poor. Since disability discrimination has hindered poverty reduction efforts so recently many governments the world over have come up with certain forms of legislation against disability discrimination. Economic concern is seen to be the main motivation for these governments leading to introduce inclusive approaches working with and/or for the disabled people as the high economic cost of exclusion is being recognized; for instance, in the case of Tamil Nadu the cost of disability to a rural economy was 5.5%. However, most of the governments still emphasize on the prevention of impairment, rehabilitation and individual support in their disability policies; not on a right-based approach to social, economic and political inclusion. Leungbootnak et al (2008) describe the success story on the part of government regarding Thailand that Tambol Administrative Organization (TAO) is assigned under the Thailand Local Administration to develop their areas by initiating projects those are considered capable of improving the quality of life of the poor. On the bases of their research that aimed at four aspects including demonstrating results of TAO planning, transferring technology and knowledge, learning of the researchers in the community as well as the administration and comparing the new approach with the existing traditional one they found that both the TAO personnel and the community can well implement the new TAO-KKU-01 planning practically also that the researchers can transfer the new technology/knowledge to the TAO as well as the community along with better reaching the solution through projects growing at yet faster pace than the existing traditional ones. Another point that is of great concern here is that both implementation and effects of such legislation have been too limited whereas poverty reduction demands this aspect on the part of the governments to be emphasized to its proper weightage.

### **Role of NGOs in sustainable poverty reduction in peri-urban areas**

Governments and the business may make use of the NGOs to ensure their efforts reaching the target group as NGOs have got a very important role to play in the overall development and planning; for instance, there are nearly 70,000 NGOs registered in Pakistan for helping the people in different capacities and in different aspects (Dawn, 2006). If they conduct their designed role, things will definitely change. Apart from emergency relief operations, there are several approaches to poverty alleviation, helping those, that cannot help themselves, distribution of alms, food, clothing, shelter, dowry, healthcare, which is the traditional welfare approach e. g; Edhi Welfare Trust, Fatimid Foundation in Pakistan and thousands

of smaller welfare organizations support for self-help mobilization through government policies of providing productive assets (agricultural land, livestock etc., tools and implements), empowerment through large public works and so on (Sahibzada, 1997). Mostly the NGOs claim to be working in the rural and peri-urban areas; rural and peri-urban areas and the rural and peri-urban population are the people who are in poor conditions more than the urban areas (Siddique, 2009). The NGOs on one hand can create awareness amongst the poor about different aspects of the development game and on the other hand they may organize the masses to think about solutions. Similarly, the NGOs can also help the simple poor people to get to the appropriate places and people who can help them out in meeting these identified demands of theirs.

The present poverty situation in peri-urban areas is characterized with four features. Firstly, the poverty incidence per se is high; secondly, there is high degree of vulnerability for this incidence to rise in case per capita income of some of the middle income groups falls; thirdly, regional and gender disparities in economic and social indicators are still large and fourthly, social indicators those make the people poor by international standards. Such a situation should not be a matter of complacency for the economic planners, policy-makers and managers; NGOs can do. Similarly, NGOs can also sensitize the policy-makers through making people get together and raise their voice so that the decision-makers may be informed that the masses are demanding such and such needs of theirs. In many cases the elected people as well as the ones rising high in a particular field are not or less aware of the sensitivity of the problems related to the issues of that particular field. Poverty is a universal term. Due to globalization today, the scenario is rather enlarging so any differences between rural/peri-urban aspect of the poverty and the urban scene are just diminishing. Change in an NGO context is likely to be more achievable, and non governmental organizations strongly committed to the organizational growth may find that they become more hierarchical and centralized in the process, which could in turn inhibit more positive forms of change (Shepherd, 1994).

Siddique (2008) analyzes that the reasons for inefficiency of the efforts are so many and the major reason as diagnosed by most of the experts is that the individuals and small groups tried to pave the way but a collective effort on a country level as well as a strong push through the commons collectively as a nation could not be made that could bring about a major change. Here he ranks the NGOs as having a very important role to play in the development of areas and the people therein; to him another advantage with NGOs is that they have a widespread network in many cases and they have got links to the masses. Since they understand the problem as well as have got moderate solutions so they can very effectively be in to the development practice and perform well.

Sastry (2008) complains the current development approach as ignoring the 'transmission costs' in delivering public services claiming that these amount to be

eighty per cent as a result of which only twenty per cent reaches the ultimate beneficiaries and suggests to try a different approach as giving only half a dollar per day to every citizen in the Third World countries – give lump sum to the lowest tiers of the elected body representatives asking them to spend only on these goals calling NGOs to monitor the expenditure.

### **Successful efforts by NGOs in sustainably reducing poverty in peri-urban areas**

Provision of affordable facilities of micro-credit has been experienced as a vital element and an effective tool for the eradication of poverty and hunger - the Urban Poverty Alleviation Program (UPAP) of the National Rural Support Program (NRSP) has done remarkable work in poverty alleviation in different peri-urban areas of some nine (9) districts of Pakistan. Here in the case of UPAP the credit facility had been extended to the poor families through their female family members that on one hand empowered women and on the other hand enabled recovery mechanism efficient due to number of reasons. This micro-credit facility helped the peri-urban poor to get out of the clutches of local money-lenders and enabled them to stand on their own means (Urban Poverty Alleviation Program, 2007).

### **Useful sources for reducing poverty in peri-urban areas**

British Overseas NGOs for Development (BOND) is the UK's broadest network of voluntary organizations working in international development. Found in June 1993, BOND aims to improve the UK's contribution to international development by promoting the exchange of experience, ideas and information ([www.bond.org.uk](http://www.bond.org.uk), 2008).

The following bodies may be quite helpful to those working for sustainable poverty reduction (some of them being declared by the UN as partners):

#### *International Monetary Fund*

The IMF monitors economic and financial developments, and provides policy advice, aimed especially at crisis-prevention. The fund lends to countries with balance of payments difficulties, to provide temporary financing and to support policies aimed at correcting the underlying problems; loans to low-income countries are also aimed especially at poverty reduction. Third, the IMF provides countries with technical assistance and training in its areas of expertise ([www.imf.org/](http://www.imf.org/)).

*World Institute for Development Economics Research*

United Nations University – World Institute for Development Economics Research aims ([www.wider.unu.edu/](http://www.wider.unu.edu/), 2008):

- (1) to undertake multi-disciplinary research and policy analysis on structural changes affecting the living conditions of the world's poorest people;
- (2) to provide a forum for professional interaction and advocacy of policies leading to robust, equitable and environmentally sustainable growth;
- (3) to promote capacity strengthening and training for scholars and government officials in the field of economic and social policy making.

*The World Bank*

The World Bank is a vital source of financial and technical assistance to developing countries around the world. Yet it is not a bank in the common sense. The World Bank comprises two unique development institutions owned by 185 member countries – the International Bank for Reconstruction and Development (IBRD) and the International Development Association (<http://web.worldbank.org/>, 2008).

*United Nations Research Institute for Social Development*

United Nations Research Institute for Social Development (UNRISD) is an autonomous UN agency engaging in multidisciplinary research on the social dimensions of contemporary problems affecting development. Through its research, UNRISD stimulates dialogue and contributes to policy debates on key issues of social development within and outside the United Nations system ([www.unrisd.org/](http://www.unrisd.org/), 2008).

**Conclusion**

Concluding there are many alternative means of achieving sustainable poverty reduction in peri-urban area; some of the ways may have an advantage over others. There are many strategies that can be used to achieve this goal. 'If the only tool you have is a hammer, you see every problem as a nail', they say; this has been the situation with most of the professionals on sustainable poverty reduction in peri-urban areas who emphasized only on credit/finance but Siddique (2008) suggests that other social aspects of well-being are also not lesser important regarding sustainable poverty reduction in peri-urban areas than the credit/finance aspect – in the context of sustainable poverty reduction in slums and squatter settlements of Pakistan, he says 'we are left in a situation where there is no clear picture of the aspect (on one hand we see that a lot of efforts are made to address the situation and on the other hand we see the sad scene that the things could not be

changed either). A very important thing worth-mentioning here is that the overheads should be reduced in the operational mechanisms, as mentioned by Sastry (2008). Further, we may say that the backbone of an economy is the human resource. We need to create awareness amongst the nations about the aspect that the drivers of the economy are the human beings; if they are well educated and skillful only then the financial resources may run properly. For this purpose awareness and education at different levels is a must. This needs to be given proper importance and due weightage so that the machinery may run smoothly and most efficiently to pave way for sustainable poverty reduction in peri-urban areas - of individuals and the nations on the globe.

In the light of the debate made so far in the preceding pages we arrive at the result that although all the afore-mentioned poverty issues in the peri-urban areas are worth; however, the issue of finance stands at the top as the poor finance hinders way towards a sustainable development and even forces people to commit crimes as mentioned in the consequences of poverty in peri-urban areas above. So the issue of finance needs to be given the top-most importance to alleviate poverty in the peri-urban areas.

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