

**Rural Poverty Alleviation Programme in Bangladesh: A Sociological
Exegesis on Issues and Strategies on Non-Government Organizations.**

A PH.D.Thesis

By

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Department of Sociology

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Registration No.153/2007-2008

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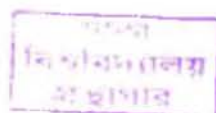
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Supervisor

Professor K.A.M.Sa'aduddin

Department of Sociology

University of Dhaka.



5th May 2012

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**Submitted to the Department of Sociology, University of Dhaka, for the
Degree of Doctor of Philosophy.**

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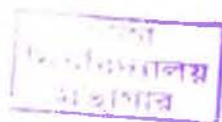
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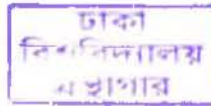
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DEDICATION

**To My Father, Tabiot Khan,
and My Mother, Dud Meher Khanom**

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CERTIFICATE OF SUPERVISION

I hereby certify that the research work incorporated in this thesis entitled **Rural Poverty Alleviation Programme in Bangladesh: A Sociological Exegesis on Issues and Strategies on Non-Government Organizations** has been carried out under my supervision. The thesis has been submitted in fulfillment of the requirement for the award of the Doctor of Philosophy in Sociology, University of Dhaka, Bangladesh. The thesis has been prepared on the basis of original research work carried out by Md. Abdul Wadud Khan alone and, to the best of my knowledge, this thesis has not been submitted, either in the same or different from to this or any other University for a degree.


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Dated: Dhaka

5th May 2012

DECLARATION

I do hereby declare that the work of this thesis entitled **Rural Poverty Alleviation Programme in Bangladesh : A Sociological Exegesis on Issues and Strategies on Non-Government Organizations** is based on original research conducted by me, except where references have been made to published literature. I have composed this thesis myself and no part of this thesis has been submitted anywhere for a degree.

Md. Abdul Wadud Khan

(Md. Abdul Wadud Khan)

Ph.D. Researcher

Dated: Dhaka

5th May 2012

Map of Bangladesh

Dhaka University Institutional Repository



Sites Atlas
(las.com)

Bangladesh

100 km

Map of TANGAIL DISTRICT

Dhaka University Institutional Repository

24°
50'



24°
30'

24°
10'

90°20'

vii

List of Abbreviation

ADB	Annul Development Programme
BBS	Bangladesh Bureau of Statistics
FGD	Focus Group Discussion
LGRDC	Local Government, Rural Development and Cooperative
NGO	Non- government Organization
UDC	Union Development Committee (A union committee of a NGO)
VGD	Vulnerable Group Development
VGF	Vulnerable Group Feeding
IGVGD	Income Generation and Vulnerable Group Development
IMF	International Monetary Fund
MCP	Micro-Credit Program
NFE	Non formal Education
NGO	Non-governmental Organization
ASA	Association for Social Advancement
BRAC	Bangladesh Rural Advancement Committee.

USAID	United States Agency for International Development.
BIDS	Bangladesh Institute of Development Studies.
GB	Grameen Bank
NGO	Non- Government Organization
PROSHIKA	Proshika Monobil Umnayan Kendra
PKSF	Palli Karma Sahayak Foundation
.BBS	Bangladesh Institute of Development Studies
GBT	Group Based Training
NFP	Non-Formal Primary
NFPE	Non-Formal Primary Education
PPA	Participatory Poverty Assessment
PSS	PROSHIKS Savings Scheme
PSDT	Practical Skill Development Training

List of Glossary

<i>Gusti</i>	Patrilineage/ patrilineal kin group
<i>Hat</i>	Market in rural area which is held once or twice a week
<i>Khas</i>	Belonging to government
<i>Molla</i>	Title of a gusti
<i>Matbor/Matbar</i>	Informal leader
<i>Para</i>	Part of a village
<i>Sadar Upazila</i>	The Upazila at the district Headquarters
<i>Samaj</i>	Society/community or small localized Corporate association
<i>Shalish</i>	Informal arbitration of disputes by the leaders of samaj or community leaders
<i>Shalishkar</i>	Leaders who undertake administration of informal law and ensures justice interns of norms and values of the community
<i>Samity/Samiti</i>	Association
<i>Taka</i>	Monetary unit of Bangladesh
<i>Union</i>	Administrative unit below Upazila
<i>Union Parishad (UP)</i>	Previously know as Union Council and Union Board: local government body at the Union level
<i>Upazila</i>	Administrative unit below district, previously known as Thana, also known as Upazila after 1982.
<i>Zila</i>	District

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Chapter I
Introduction

Chapter I

Introduction

1.1 Background of the Study

Bangladesh is one of the poorest countries in the world with a population of about 142,319 thunders (Census report 2011) supported by a small land area of only 1,47,570 square kilometer. Density of population is 9, 93 per square kilometer. Bangladesh's economy is characterized by extreme poverty, high unemployment, low productivity, productivity, malnutrition, illiteracy, high capital scarcity and low level of tax GNP ratio (about 8 percent only), etc. That limits the government's financial capabilities for undertaking new development and welfare activities. In a country where more than 50 percent population live below poverty line and more than 75 five percent of them do not know how to write their names, the government with its limited resources is really in a great puzzle and cannot decide on what they should do with so vast and painstaking multi-faceted problems.

More than one third of Bangladesh's people live in extreme poverty in the sense that they are not being able to meet even the barest of the basic needs - food, clothing, shelter, education and medication. They spend most of their meager, unreliable earnings on food, failing to even meet the minimum calorie intake needed to stave off malnutrition. Due to poor health, they also drain out their resources in health care causing further loss of income. Poor people, especially poor women, lack empowerment of having acquired their rights. The extreme poor are thus caught in a vicious trap and their stories of denial and injustices continue over

generations. The extreme poor are not only bypassed by most of the development programs but also by mainstream development research activities.

Focusing policy attention towards the extreme poor is important, because existing opportunities may not work very well for them. This could be due to the mismatches of opportunities and the complex structure of constraints faced by the poor people. For example, it is by now fairly well accepted that the mainstream development approaches, especially micro finance, largely bypass the extreme poor. This was of the interest of the study to see who were being/are being bypassed. Differences that exist between the member households (who have taken credit from NGOs) and the non-member households (no longer the member of any NGOs) were also looked into this study.

1.2 Statement of the Problem

Several studies conducted by different development research organizations and NGOs reveal some poverty picture in Bangladesh. They are: (i) there is a very small change in the poverty situation between 1963-64 and 1989-1990, and even after establishing a horizontal trend line, (ii) moderate households have been able to overcome poverty and reduce vulnerability, and (iii) there has been a steady rise in rural poverty situation from 1985-86 and onward (Hye, 1996).

Today a large number of NGOs and governmental organizations are working with the aim of reduces poverty. Therefore, it is very important to see how these organizations are working. How they are helping the poor? Although a large number of NGOs are working in Bangladesh, a large portion of the poor households is left out from their programmatic

actions. In a study, conducted by Hashemi, (1995) and Zaman (1996), it was found that the big NGOs reach only 10-20 percent of the landless. This factor raises criticism of NGOs functioning. So this is of our interest to see the impact of the NGOs' program in the case of betterment of the poor households.

There are more than 20000 NGOs that operate in Bangladesh and most of them have their activities in rural areas. They are constantly seeking to reach the poorest and trying to protect them from exploiters like moneylenders, landlords, sharecroppers and pawnbrokers. Unfortunately, more people are getting into the vicious trap and most of them are chronically so.

1.3 Rationale of the Study

The population of Bangladesh in 1991 was estimated to be about 120 million, of which 80 percent lived in rural areas. This area is characterized by extremely unequal access to land, which is the critical productive resource. The top 10 percent of landowners own some 60 percent of the land, while the bottom 60 percent holds only 1 percent. Thus, between 50 and 60 percent of the rural population are functionally landless (i.e. they own too little land to support their households from it). The small class of substantial landowners is playing a comprehensive role in rural society as land-leasers, moneylenders, merchants, legal authorities and village leaders. They, therefore, have a substantial degree of control over rural areas and population, which they exert for their own benefit in response to development initiatives from outside parties.

In almost all rural areas, the supply of labor is much higher than the demand for labor needed for the available agricultural activities. A recent

study by the Bangladesh Institute of Development Studies (BIDS) shows that rural income from manual labor grew at the slowest rate of all sectors because of oversupply, and that the real value of agricultural wages is steadily declining. Opportunities for the poor outside this sector are also extremely limited. The only area in which the poor show some relative gain in recent years is in trading, in which they have become increasingly active. The BIDS study attributes this improvement to the growth of governmental, private and non-governmental programs that provide the poor with access to credit for self-employment, particularly in the field of small-scale trading.

About 46 percent of the population is female. They suffer substantial disadvantages in Bangladesh society for conditions such as poor nutritional status, lower life expectancy at birth, less access to education and literacy, lower participation in labor force and less wages against their male counterparts for comparable work. The sufferings of female-headed households are more compared to the male-headed households because females face lots of restrictions imposed by the society.

There are many other issues that deal with different aspects of NGOs' activities. But it is not possible to ascertain a total picture of the phenomena from any individual of them in particular. It is necessary to conduct a comprehensive study of the NGOs with a view to explain their position in the economy of Bangladesh in general and at the same time to identify their role, usefulness and influence in the economy in particular. Recent debates on the functioning of the NGO activities in the news, media and the interest of general public make a solid ground for conducting a study of this kind.

The basic points for rationalizing the selection of the research are (i) knowing the factors of poverty that are persisting among the poor households, (ii) donors, government agencies and NGOs have been prioritizing the issues of poverty, especially rural poverty. Besides, some other rationalizing factors considered are:

1. Few studies of this type were administered
2. Present study will offer a new paradigm for the NGOs to restructure their programs.

This study will also help us to understand how non-member households differ from member households to see the impact of NGOs' programs in reducing poverty and vulnerability and increasing the empowerment of the rural poor households.

1.4 Objectives of the study

- To identify the factors that compel the emergence of NGOs activities in Bangladesh;
- To identify extent of poverty reduction by NGOs and how this has been achieved;
- To see what benefits the poor derive from the activities of the NGOs;
- To probe the social mobility of the NGOs beneficiaries;
- To analyze the contributions of the NGOs in employment, income generation and resource mobilization;
- To what extent have poor people been empowered and how have this been achieved;
- To identify the role of NGOs for women empowerment.

1.5 Research Hypothesis

The programmatic actions of NGOs are considered to be highly beneficial and effective in alleviating rural poverty considering the multi-dimensionality of poverty approach.

1.5.1 Specific Hypotheses

The specific hypotheses are:

1. Borrowing credit from informal sources of non-members is higher than that of NGO members.
2. Income of the beneficiary households of NGO is higher than income of the non -member households.
3. NGO members are politically more empowered than non-members.
4. Amount of land holding of the beneficiary households of NGO is higher than that of the non-member households.
5. Major items of productive assets of the beneficiary households of NGO have increased after joining NGO.
6. Agricultural productivity of the beneficiary households of NGO higher than that of the non-member households.
7. Employment scope for the NGO households is more than non NGO households.
8. Knowledge on hygiene practice among the beneficiary households of NGO is higher than the non -NGO households.
9. The beneficiary households of NGO are socially more empowered than the non-member households.

1.6 Literature Review

Reading discourses right is important. The discourse around micro-finance and poverty reduction has been and is being shaped by the ideas and thoughts of the social scientists. The elimination of poverty all over the world has become a much-discussed international issue. Still there is no internationally accepted definition of poverty. This is not surprising, perhaps, given the absence of an international consensus on what poverty is and how it should be measured. The lack of an internationally accepted definition has also reflected indecision as to whether an international standard definition should allow comparisons of well-being across countries compared to some international norm, or whether poverty lines should be established according to the norms within each country (Novib 1995, Gordon and Spicker 1999). The existing evidence on the impact of micro-credit on poverty alleviation in Bangladesh is not precise. The micro-finance revolution has changed attitudes towards helping the poor in many countries and in some provided substantial flows of credit, often to the very low-income groups or households that would normally be excluded by conventional financial institutions. Bangladesh is the starkest example of a very poor country, where currently roughly one quarter of rural households are direct beneficiaries of the programs (Khandker 2003). There is another work that suggests that access to credit has the potential to reduce the poverty significantly (Khandker 1998). Morduch (1998) argued in his reading that micro-credit has the minimal impact on poverty reduction. The provision of micro-credit has been found to strengthen crisis-coping mechanisms, diversify income-generating sources, building assets and improve the status of women (Hashemi et al 1996, Montgomery et al. 1996, Morduch 1998, Husain et al. 1998). Executive summary of the studies on NGOs done by the faculty of Bangladesh Academy for Rural Development (BARD), Comilla in 1981

made me possible to comprehend the major purposes, activities and policies of leading NGOs of Bangladesh (Satter and Abedin,1981). In a very limited way this study also attempted to critically evaluate some of the NGOs activities.

Another study by Chowdhury (1989) is analysis the activities of some leading NGOs like BRAC, Proshika, Nijera Kari, etc. It attempts to explain the techniques of poverty alleviation in general but does not analyze the role of NGOs separately. Another important research on the NGOs conducted by M. Alauddin (1984) is *Combating Rural Poverty: Approaches and Experiences of NGOs.*” It deals with the policies, techniques and methods of the NGO activities in general and the actions of some selected leading NGOs in particular. It does not elaborately explain the role of the NGOs in the context of economic and social development of Bangladesh.

Bose (1968) and Alamgir (1974) used income indicator to study the living condition of the rural and urban population in order to analyze the trends of real income of the agricultural labor households. Bose used the unweighted average data on the daily money wages collected by the Directorate of Agriculture, and concluded that the level of living of the people having some or no land and depending on wage-labor was lower in the 1950s and did not appreciably raise in the 1960s. Following the same methodology, Alamgir extended Bose’s series up to 1973 and concluded that the series based on wage-data collected by the Directorate of Agriculture indicated that like the nominal wage-earnings, real wages were lower in the 1950s. It was only in 1961 that the real wages registered some upward trend, but there was a sharply declining trend in real wages following 1969. He also constructed a new consumer price

index for the period 1967-73 using an alternative set of wage-data collected by the Bureau of Statistics and following different procedures than those of Bose. This also gave the result of a similar trend.

These path-breaking studies dealt with the magnitude of poverty in Bangladesh, though their methodology and indicators had several limitations. Both researchers agreed that the studies used published data, which were doubtful. Unavailability of reliable data has remained a serious constraint in macro-studies.

Income indicator had the following obvious weaknesses:

- (a) Estimated real wage-earnings do not measure the level of living of the agricultural laborer households as they do their works by their individual labor;
- (b) Wage earnings do not indicate the consumption of home-produced goods; and
- (c) Trend in real earnings is quite obscure since real wage-rate can fall and total earnings rise if the number of days worked and the number of hours spent in working increase.

Alamgir also used per capita consumption expenditure data (collected through Central Statistical Office's Sample Surveys) to measure the level of living of various groups of population. His analysis of the trend in per capita consumer expenditure by income groups did not bring out any conclusive result. He, however, identified clear-cut differences in the pattern of consumption between rural and urban areas. He further analyzed the data on consumer expenditure on food and related items by income groups taking different time periods for the rural and urban areas. He concluded that the proportion of income spent on food and related items decline with the upper income groups in both rural and urban areas

but the rate of decline is much more rapid in urban areas than in the rural areas. The data used for this analysis were also published data and hence it also lacks reliability. Moreover, the relationship between the expenditure pattern and the level of living is not simple. Many factors such as level of income, family size, social and physical environment, life-style and related factors govern the pattern of consumer expenditure.

Alamgir (1974) and Mujahid (1977) constructed consumption baskets per capita and applied the national data collected by the Bangladesh Bureau of Statistics (BBS) in order to measure the magnitudes and trends in poverty. Alamgir constructed consumption baskets that satisfy 2100 cal and 45g protein requirements of an average person per day. Based on the retail prices of 1966, he calculated the per annum expenditure of taka 298 and taka 252 for the urban and rural areas, respectively. He found that in 1969, more than 73 per cent of the population was living under the poverty line and the proportion was lower in the urban areas. In the urban areas the proportion of people below the poverty line seemed to have declined.

Mujahid criticized Alamgir's methodology since the latter completely ignored the possibility of the average variations in per capita expenditure of persons comprising the households falling within a given income-group. He adopted an alternative methodology to construct estimates of poverty depending on the same data. He estimated poverty based on monthly income instead of expenditure on food. Mujahid found the rise in the extent of poverty in urban areas. Thus the result is in contrary to the findings of Alamgir.

Construction of a consumption basket is not easy as there are many problems relating to fixing average nutritional norms, choice of

appropriate price to value the minimum consumption basket and also the choice of appropriate price index to deflate current price expenditure on food and related items. As a result, the application of this measure often brings out conflicting result. Hartman and Boyce (1979) emphasize the importance of land ownership in Bangladesh and dramatize by reporting that land determines who eats and who dose not. Wood [in Ameerul Huq (ed.), 1976:] considers uneven distribution of land ownership as the major cause of poverty. A Netherlands Study (Bol etal. 1978) concludes that land ownership is the key factor in the understanding of rural poverty. Siddiqui (1982) also considers land as an important factor in social development and cautions that no development program would be successful without reorganizing the social structure that attaches so much significance to land ownership.

A spectacular feature of rural Bangladesh is its ever-increasing landlessness. In 1951 landless laborers comprised of 14.25 percent of all rural households, whereas in 1961 the figure rose to 17.52percent. A benchmark survey conducted in 1973-75 of 7,710 rural households in 12 districts of Bangladesh indicated that the estimated percentage of landless households at 37.69 percent (Abdullah, etal. 1976). Families with less than one acre are considered functionally as landless. Then it implies that 60 per cent of all rural households in 1977 were landless (Jannuzi and Peach, 1977). Quoting UNDP/FAO Statistics, Jones (1979) calculated that landless households were increasing at 4.5 percent in contrast to the population increase of 2.8 percent. The Second Five-Year Plan of Bangladesh estimated that 50 percent of the rural population either had no land or land below one acre and landless is considered as important indicator of poverty. Rural poverty inequality continued to accentuate due to concentration of land in the hands of few. In the Third Five-Year Plan,

estimated that the number of landless and the functional landless (below 1.5 acre) around two-thirds of all rural households. In a recent union level research, Farouk (1985) found that the number of families owning 0-1 acre doubled from 28.71 to 57.95 percent within seventeen years.

Poverty refers to forms of economic, social and psychological deprivation occurring among people lacking sufficient ownership, control or access to resources to maintain or provide individual or collective minimum levels of living (Chowdhury 2002 Hyder 1999). Poverty has social and cultural ramifications of inadequate income which has causal links with many other forms of deprivation, including inadequate access to health care, housing, educational services and employment opportunities (Pinker 1999 Momin 1992 Lovell 1996 ESCAP 1998).

The two main features of poverty are want and deprivation. These are defined respectively as failure of flows and failure of stock in terms of material goods and human capital like education, housing and security. Siddiqui (2000) defined the flows as simply the goods that are required for immediate consumption. The core basic needs such as food, clothing, shelter, health, education, drinking water and contraception quantify the acceptable per capita requirements. Thus the cost to meet up these basic needs may constitute the poverty line.

The concept of poverty may be defined as the powerless. This, in turn, underlies the importance of economic vulnerability; physical weakness refers to having poor health, with frequent births and deaths, with high ratio of dependants to able-bodied adults. Isolation may also be defined as one of the factors of poverty. Isolation can be defined as the place or region that is far away from the center of communication and information etc.

1.6.1 Approaches to Poverty Alleviation

In reviewing numerous papers, books, articles, it can be seen that certain issues relating to poverty alleviation are highlighted. The experience of various development and donor agencies has been a learning ground for those who are starting or thinking in a new perspective of looking at poverty and poverty alleviation. Based on such literature review we found that attempts to reduce poverty provided two lessons, which have been explicitly stated in a recent UNDP Report on Human Development in Bangladesh, "One is that macro-policies have a strong bearing on the situation of the poor: they are vulnerable to changes in prices, in the allocation of public resources and in most other government policies. The other is that programmes which are designed to affect the position and options of the poor directly need to be designed and implemented as close to them as possible and with their full participation" (UNDP 1993). Hence, issues and concerns specific to poor women should be incorporated in macro-policies, and programmes to affect the situation of poor women should be designed and implemented close to them to ensure their full participation.

It has to be agreed upon that economic growth is an essential, though not sufficient, precondition for poverty alleviation. Economic growth, on its own, will not make the rural poor any better off, as it will have no effect on inequalities of land distribution, seasonal fluctuations in employment, existing credit system, high unemployment rate and low wages and cheap labour. The poor, including women, need to be in the decision making process, only then it is possible to gain power to alter their destiny. But given the present state of affairs, they are powerless. The poor, particularly women, are caught in the vicious circle of dependency and subordination, they are helpless to bring about structural changes in the

system. In Bangladesh, the unabated growth-led approach towards development has had minimal impact on the present day poverty situation.

1.7 Conceptualizing Poverty and Approaches to Poverty Alleviation

Despite the fact that poverty alleviation has been the natural developmental goal since independence, widespread and acute poverty continues to afflict the face of rural Bangladesh, affecting poor women the most.

It has been argued that the lack of analytical understanding of poverty as a 'state' and as a process is one of the main factors obstructing the successful implementation of our poverty alleviation efforts. However, an informed inquiry into the gender dimension of poverty, which so long remained a neglected issue in the development debate, may also provide a valuable clue for the solution of this single most important problem (i.e. poverty) facing Bangladesh.

Focusing on poverty from the gender perspective means throwing light on factors and processes explaining the problems of poverty, which are due to social differences between men and women (ILO 1995). Initiating such a process can help turn capabilities into entitlements.

The three basic points that need to be considered in any debate on poverty and its alleviation are as follows:

- while addressing poverty, one necessarily deals with employment. Poverty may be traced to different patterns of employment, which is an important poverty correlate, and to obstacles which

individuals face in earning and securing their incomes. At the same time, productive employment is also one of the most effective ways of breaking out of the poverty crisis.

- one must also investigate into and address the specific situation of women. While there are similar processes that create poverty situation among men and women, there are processes which are gender-specific and cannot be explained solely by social class, ethnicity or household membership. Some processes, which lead to women's poverty, are different from those that lead to men's impoverishment. Again, poor women are more vulnerable than poor men and find it more difficult to break the poverty chain.
- while the poverty of women is closely linked to the pattern of their employment and to their status in the labour market, economic policies are not adequate to bring about the needed change. Effective action requires, in addition, a national and international favorable environment promoting equality of opportunity and treatment for men and women. It entails legal and policy reform at national level and effective enforcement measures as well as improving the social bargaining power of women through organization and participation.

1.7.1 Poverty Defined

Poverty may be defined as the incapacity of an individual to fulfill his/her basic needs, such as the capabilities to have adequate food, clothing, shelter, education and health facilities, so that he or she can lead a healthy active life in the face of avoidable morbidity and premature mortality, and can develop inherent qualities for the satisfaction of the self and the society and maintain his/her dignity. The World Bank Report (1990) defines poverty as the inability to attain a minimum standard of living.

Household income and expenditures per capita are adequate yardsticks for the standard of living as long as they include own production, which is very important for most of the poor.

It is now generally recognized that poverty is both a 'state of deprivation' and a 'state of vulnerability.' For the women of Bangladesh, constituting about half the total population, vulnerability appears to be the more central dimension of the poverty experience. The indicators are personal insecurity (in terms of marital status, residential status, etc.), crisis proneness and coping capacities. For women, insecurity emerges as a key concern because the social environment is vitiated by an endemic threat of violence against them, which has adverse effect on their livelihood initiatives.

Although it is now generally accepted that poverty is a multi-dimensional phenomenon, models for analyzing poverty situation rarely go beyond economic explanations. The economic dimension of poverty is very important, but socio-cultural factors can hardly be ignored for a clear understanding of the poverty related gender gaps that exist among the rural poor. The socio-cultural factors are as important as the economic factors in explaining the poverty experience of women who are widely recognized as the 'poorest of the poor.'

1.7.1.1 The Rural Poor

The rural poor are not a homogeneous group. There is an important differentiation within the ranks of the poor. The poverty line income gives a measure of absolute poverty. But within the ranks of the absolute poor, one notices an even more extreme level of distress, which can be categorized as extreme and hardcore poverty.

1.7.1.2 Poverty Line

Bangladesh Institute of Development Studies (BIDS) computed a poverty line by costing the normative consumption bundle for the Bangladesh population to arrive at a per capita daily intake of 2122 calories, and by adding to it a 30 percent allowance for non-food basic needs. For 1988-89, the poverty line was estimated at taka 4,340, equivalent to about US \$ 135.

1.7.1.3 Extremely Poor Households

Extremely poor households are found to subsist on an income nearly 40 percent below the poverty line itself; in the recent past, such households (extremely poor) constituted over 40 per cent of the poor households.

1.7.1.4 Moderately Poor Households

Moderately poor households are those whose average income falls in the range of 60 to 100 percent of the poverty line income.

The BIDS Survey data based on income classification indicated that while between 1987-88 and 1989-90, absolute poverty (i.e., extreme and moderate poverty taken together) declined by 5 percentage points, extreme poverty over the same period increased by 2 percentage points.

It appears that the impact of various government and nongovernmental-targeted programmes for the rural poor has beneficially touched the moderate poor; it has almost by passed the extreme poor.

1.8 Identifying the Poverty Indicators

The existing literature generally uses three methods for the measurement of poverty. These are the macro indicators of poverty namely:

1. Construction of poverty line;
2. Direct measures of poverty.
3. Other indicators

1.8.1 A construction of poverty line

1.8.1.1 Income Method

The income method constructs a calorie-income graph from which it deduces average household or percapita incomes at which given levels of calorie intake are met on average; people earning below these levels are considered poor.

The level and the trends of poverty need to be seen in the backdrop of the movement of per capita income - both domestic and international - as well as its distribution.

1.8.1.2 Poverty Line Method

It is a method where a food consumption bundle, fulfilling nutritional requirements, is designated and valued, to which an amount (usually a percentage of the former) is added for non-food essentials, the total taken as a poverty line income. Poverty line calorie requirements, relevant price deflators and consumption baskets vary between researchers and institutions, resulting in a variety of poverty ratios.

1.8.2 Direct Measures of Poverty: The Non-Income Indicators

A complete assessment of trends in rural poverty should take into account several dimensions of poverty, of which income or consumption level per head is only one. Equally relevant and important are factors, such as access to adequate clothing and shelter, longevity, access to health and

sanitation, education facilities, security of consumption levels from extreme shocks, etc.

Household Expenditure Survey (HES) data provided by Bangladesh Bureau of Statistics (BBS) do not adequately address these non-income dimensions of poverty. However, the quality of life indicators is very important in measuring poverty.

1.8.3 Other Indicators

There are also other indicators, such as crisis proneness, insecurity and coping capacity of the rural households. The crises faced by rural households include anticipated crisis (i.e., seasonal deficits, etc.) as well as unanticipated crisis. The latter type includes natural disasters, illness-related expenditure or loss and insecurity.

For this study, which is mainly an investigation relating to the **impact** of NGO programmes for the alleviation of **poverty in** the rural areas, we used the income indicator for providing a comparison of the income levels of beneficiaries before and after their joining the NGO programmes. In addition, the quality of life indicators, such as access to education and health services, housing condition, water sources, latrine types, etc., were used to evaluate the present status of beneficiaries in this area as well as to identify changes (if any) in the participation of female beneficiaries in the decision-making process of the household.

1.8.4 Conceptualizing poverty

Today ending of poverty has been a major issue in the policy discussion papers all over the world. There are, however, great uncertainties about the appropriate way of conceptualizing poverty in the developed and

developing countries. Beckman and Stephen Clark (1962) measured poverty in terms of “relative” poverty line, which is generally accepted as being the relevant concept of advanced countries. This, in contrast to absolute conceptualizing poverty, represents an entirely welcome change. A.K. Sen argued that poverty must be seen primarily as an absolute notion. In the post-war years, elimination of poverty in rich countries was based on calculations using poverty lines derived from nutritional and other requirements of the kind used by Seebohm Rowntree in his famous poverty studies of York in 1899 and 1936, or by Charles Booth in his nineteenth-century study of poverty in London. A.K. Sen argued that absolute poverty should be calculated where starvation and hunger prevail chronically. In the light of this statement we will concentrate our study on absolute poverty, as starvation and hunger are the daily matter of the developing countries.

1.8.5 Measurement of Poverty

There are a number of aggregate measures of poverty that can be computed. But no measure is without criticism. Ravallion (1998) argued, “A credible measure of poverty can be a powerful instrument for focusing the attention of policy makers on the living condition of the poor.” A good measure of poverty would allow to:

- Assess the effects of projects, crises, or government policies on poverty,
- Compare poverty overtime,
- Make comparisons with other countries ,and
- Target the poor with a view to improving their conditions.

Some of the often-used measures are described below for our better understanding.

1.8.5.1 Head Count Index

By far the most widely used measure is the Headcount index, which simply measures the proportion of population that is counted as poor. National headcount index is the percentage of population living below the poverty line, deemed appropriate for the country by its authorities. National estimates are based on population-weighted subgroup estimates from household surveys. This can simply be expressed as in the following:

$$P_D = 1/N \sum I(y \leq z) = \frac{N_p}{N}$$

Where N is the total population and I(.) is an indicator function that takes on a value of 1 if the bracketed expression is true and 0 otherwise. So if expenditure (y) is less than the poverty line (z), then I(.) equals to 1 and the household would be counted as poor. And N_p is the total number of the poor. This can also be expressed in the percentage form. What we calculate using the head-count index is the percentage of individuals who are poor not the percentage of households. The great virtue of the head count index is that it is simple to construct and easy to understand.

However, the measure has the following weaknesses.

- It does not take the intensity of poverty into account.
- It does not indicate how poor the poor are, and hence, does not change if people below the poverty line become poorer .
- This index is calculated for individuals and not for households.

1.8.5. 2 Poverty Gap Index

A moderately popular measure of poverty is the poverty gap index, which adds up the extent to which individuals fall below the poverty line and expresses it as a percentage of the poverty line. Poverty gap (G_n) is

defined as the poverty line (z) less actual income (y) for the poor individuals. The gap is considered to be zero for everyone else. Using the index function we can draw the formula as in the following way:

$$G_n = (z - y)I(y \leq z)$$

Then the Poverty Gap Index may be written as:

$$P_I = \frac{1}{N} \sum_{i=1}^N \frac{G_{ni}}{z}$$

This measure is the mean proportionate gap in the population (where the non-poor has zero poverty gaps). Some people think of this measure, as the cost of eliminating poverty (relative to poverty line) because it shows how much would have to be transferred to the poor to bring their incomes (or expenditure) to the poverty line. The minimum cost is the sum of the poverty gaps.

Poverty gap measure has the virtue that it does not imply that there is a discontinuity (“jump”) at the poverty line. Yet a serious shortcoming of this measure is that it may not convincingly capture differences in the severity of poverty amongst the poor. The Poverty Gap Index is the average, over all people, of the gaps between poor people’s standard of living and the poverty line, expressed as ratio to the poverty line.

1.8.5.3 Squared Poverty Gap Index

Many researchers and practitioners use the squared poverty gap index to solve the problem of inequality among the poor. This is simply a weighted sum of poverty gaps (as proportion of the poverty line), where

weights are the proportionate poverty gaps between them. The measure of squared poverty index implicitly puts more weights on observations that fall well below the poverty line. Mathematically,

$$P_i = 1/N \sum_{i=1}^N \left(\frac{G_n}{z} \right)^2$$

This measure lacks intuitive appeal, because it is not easy to interpret and so it is not used very widely.

1.8.5.4 Sen Index

Sen (1976) proposed an index that sought to combine the effects of the number of poor, the depth of the poverty and the distribution of the poverty within the group. The index is given by

$$P_s = P_0 \left(1 - \left(1 - G^p \right) \frac{\mu^p}{z} \right)$$

Where P_0 is the head-count index, μ^p is the mean income (or expenditure) of the poor, G^p is the Gini coefficient of inequality among the poor. The Gini coefficient ranges from 0 (perfect equality) to 1 (perfect inequality). The Sen index can also be written as the average of the headcount and poverty gap measures weighted by the Gini coefficient of the poor. This expression looks like the following:

$$P_s = P_0 G^p + P_1 (1 - G_p)$$

The Sen Index has widely been discussed and has the virtue of taking the income distribution among the poor into account. However, the index is almost never used outside the academic literature, because it lacks the intuitive appeal of some of the simpler measure of poverty and it “can

not be used to decompose poverty into contributions from different subgroups”(Deaton).

1.8.5.5 Poverty Gap \$1/day

Poverty Gap \$1/day is the mean shortfall from the poverty line (counting the non-poor as having zero shortfall), expressed as percentage of the poverty line. The shortfall is calculated by averaging incomes (anything above the poverty line counting as \$1) and subtracted that average from the poverty line. This measure reflects the depth of poverty as well as its incidence. The poverty line in this case is \$1.08 a day at 1993 international prices (equivalent to \$1 in 1985 prices, adjusted for purchasing power parity). Poverty Gap Ratio is defined as incidence time’s depth of poverty.

1.8.5.6 Incidence of Extreme Poverty

The most commonly used poverty indicators are (Source: UNESCAP 1999):

- ***The head count Index (H):*** This is simply the proportion of the population with a standard of living below the poverty line. This indicator is only good in telling how many are poor.
- ***The Income-Gap Index (I):*** This is the percentage that falls short of the average income of the poor as indicated by the poverty line.
- ***Poverty sensitivity index (Foster, Greer and Thorbecke Index) Px:*** This incorporates sensitivity with regard to distribution within the poor themselves.
- ***Gini coefficient or unequal distribution of income/expenditure:*** The Gini index measures the extent to which the distribution of

income (or in some cases the consumption expenditure) among individuals or households within an economy deviates from a perfectly equal distribution. A Gini index score of zero implies perfect equality while a score of one implies perfect inequality. The Gini coefficient measures the inequality in income and expenditures.

It is important to remember that all poverty indicators are relative.

1.8.5.7 Poverty Trap

The phenomenon of chronic poverty is best analyzed through examination of the nature of poverty traps. A poverty trap is defined as a situation in which poverty has effects, which act as causes of poverty (Charles Gore). This implies that there exists a vicious cycle of poverty and there are some factors which contribute to the individuals or households or a country to get stuck in a poverty trap.

1.8.6 Structure of Rural Poverty

Bangladesh's economy is mostly characterized by the rural economy where unemployment, under employment and disguised unemployment are very high. In almost all rural areas the supply of labor is much higher than available agricultural work. There are very few opportunities outside this sector and opportunities outside this sector are increasing at a much slower rate than demand. High concentration of land ownership and rapid population growth may be the factors of the oversupply of labor. In a study in 1991, it was found that the top 10 percent of landowners owned 60% of the land where it was only 36% in 1960. The bottom 60% of the landowners had only 1% of the land (Novib 1992). In another study, Rahman (1994) showed that a substantial portion (50-60%) of the rural households is functionally landless.

Most of the rural population is dependent on selling their labor on the farms of others, mainly in processing of agricultural products. Village economy structure is comprised of landowners, moneylenders, merchants, legal authorities and village leaders. Small landowners supplement their income by sharecropping. All these factors together enable the members of local elite to establish patron-client relationship with the poor households. The rich exploit the poor providing employment at lower wages, credit and assistance during crises in exchange of higher returns, exploitive sharecropping system. The BIDS (1995) study indicated that rural income from manual labor grew at the slowest rate of all sectors and that agricultural wages were declining as a source of household income by nearly 1% per annum.

In Bangladesh, 57.7% of the rural households and 40.2% of the population were absolutely poor (Hye 1996). Depending on the methods recently used, recent estimates suggest that as much as 20-34% of the population of Bangladesh lives in extreme poverty and they are recognized as extreme/ultra poor (Table 1.1).

Table 1.1. The Progress in Income-poverty in Bangladesh

Variables	HIES 2000 (Percent)			HIES 1995-96(Percent)		
	National	Rural	Urban	National	Rural	Urban
Less than 2122 kcal/person/day	40	42	53	48	47	50
Less than 1805 kcal/person/day	20	19	25	25	25	27
Upper poverty line head count (CBN method)	50	53	37	53	57	35
Lower poverty line head count (CBN method)	34	37	19	34	39	14

Source: HIES Survey, 2000 (BBS 2003)

Thus there is a significant portion of people who live below the poverty line measured in terms of income or calorie intake method. There is also a distinction in number between the rural and urban poverty. In terms of head count ratio, a large portion of rural people live in poverty compared to the urban poverty. It is, thus, of great urgency that we focus our attention to obtain a better picture of the profile of the poor people to arrive at an analytical understanding of the structure of constraints that they face. Such an understanding could help us developing an appropriate intervention for the absolute and extreme poor living in the rural areas.

1.9 Definition of NGO

In the recent development literature, the term “NGO” is much used abused and perhaps little understood (Sultan 1993). The diversity of the NGOs strains any simple definition. In the most simple sense, the term ‘NGO’ refers to “any voluntary non-profit agency involved in the field of development cooperation or in education and policy advocacy activities” (Brodhead 1987). The NGOs are also defined as organizations that are “established and governed by a group of private citizens for a stated philanthropic purpose and supported by voluntary individual contribution” (OUCD 1988). Others define NGOs as institutions outside the public and private sectors whose goals are primarily value-driven (humanitarian or cooperative) rather than profit-driven (World Bank 1990).

The term NGO also includes all those organizations that are involved in various development activities with the objectives of alleviating poverty of the rural and urban poor (Task Force Report, 1990 Islam and Hussain 1993).

In a NGO workshop held at Institution of Technology, NGO is defined as the following:

- It is an organization of private individuals who believe in certain basic social principles, and structure their actives to bring about development to the communities that they are serving.
- An organization or group of people working independent of any external control with specific objectives and aims to fulfill tasks that are oriented to bring about desirable change in a given community, area or situation.

- An independent, democratic organization working for the empowerment of economically and/or socially marginalized groups.
- An organization not affiliated to political parties, generally engaged in working for the development and welfare of the community.
- An organization committed to address the root causes of the problems and trying to improve the quality of the poor, the oppressed and the marginalized in the urban and rural areas.
- Organization established by and the community without or with little intervention from the government; they are not only a charity organization but also work for socio-economic and cultural development.
- A non-profit, voluntary, service-oriented/development-oriented organization for the benefit of the poor.
- An organization that is flexible and democratic in its organization and attempts to serve the people without profit for itself.

1.10 Methodology and Data Collection

As per the stated objectives, different approaches were used to conduct the study. Both quantitative and qualitative methods were used to collect data on economic, social and institutional aspects and its change due to rural development programs by a specific NGO (Proshika). For the quantitative data, a structured questionnaire was administered among the NGO members and non-members and for the qualitative data in-depth interviews were taken from the NGO members.

1.10.1 Selection of Sample NGO

A total of about 50,000 NGOs have been operating in Bangladesh. Among them, Proshika is one of the largest that has multi-faceted development programs for poverty eradication. So Proshika was selected for the study purpose to assess its development programs and to comprehend its impact and/or functioning of the programs in the case of scaling up the poor and also to find out whether any kind of discrimination exists between the members and non-members. As it is involved in an integrated poverty-elimination program, consisting of the factors like cultural, social, environmental, institutional ,etc., it will help us to understand in what ways the members and the non-members are differentiated.

1.10.2 Selection of Study Villages

Tangail district was purposively selected for the study. Five villages of Tangail district namely Sadullapur, Rosulpur, Bikram Hati, Sadullapur, Kagmara and Magurhata were selected for the study.

1.10.3 The Sample

A total of 278 households (Table-1.2) are selected purposively from five villages of tangail district. The member Proshika household member is 167 and non-members is 111.

Table-1.2: Sampling Distribution across Villages

Village Name	Frequency	Percent
Sadulla pur	49	17.6
Rosul pur	63	22.7
Bikram Hati	54	19.4
Kaghmara	57	20.5
Magurhata	55	19.8
Total	278	100.0

1.10.4 Case Studies

In-depth information to prepare case studies on the lives and work of Five male and female beneficiaries of these programs was collected to have better insight into the alleviation process and how the poor beneficiaries respond to the assistance offered by these NGO programs.

1.10.5 Secondary Data

Relevant quantitative and qualitative data were also gathered from the secondary sources by reviewing available literature on poverty in Bangladesh and its various dimensions. In addition, poverty alleviation efforts undertaken by the NGOs, as well as government agencies were reviewed. To this end, all the four Five-Year Plan documents of Bangladesh Policy Commission, Statistical Year books and Household Surveys of Bangladesh Bureau of Statistics. Various as aspects documents, etc of Proshika, Grameen Bank and few other NGO involved in poverty alleviation activities and relevant to our study, as well as documents activities related to government policies and programs were consulted.

1.10.6 Techniques of Data Collection

Both qualitative and quantitative methods were used to investigate the linkages between development programs by Proshika and poverty alleviation. Alongside the questionnaire survey, techniques of qualitative methods were used to collect relevant data and information regarding their perspectives. The qualitative methods used in this study were participant observation, case studies, in-depth interviews and informal discussion with the key informants. In-depth relevant interviews were recorded and extensive notes were taken. A total of five case studies were taken from the study villages. For quantitative data, a structured questionnaire, asking about their income, expenditure, sources of income, sanitation, socio-demographic variables, was administered and data were collected both from member and non-member households.

1.10.7 Tools for Data Analyses

For making a lucid and meaningful analysis of the impact of rural poverty alleviation programs by Proshika (a national NGO) on the rural development as well as socio-economic changes, the following statistical and economic tools were used:

1. Descriptive summary statistics
2. Graphical representation
3. Inferential analysis
4. Confidence Intervals
5. Hypothesis testing regarding differences, and associations.

Contingency chi-square test and t-test were applied to investigate association between socio-economic development of control group and non-control group. Non-member households were considered as the control groups.

1.10.8 Scope, Limitations and Difficulties of the Study

This study should not be considered as the direct evaluation of the NGOs' programs operating in the study district, which in turn, can reflect the program action in Bangladesh. The purpose of this study is to understand the consequences of a long driven NGO programs on the poor people. Almost all NGOs in Bangladesh try to address two issues: alleviation of rural poverty and the empowerment of the rural poor women. Most of the NGO projects are geared up to address these two issues. This study includes one of the largest NGOs operating in Bangladesh and thus the scope of the research is extensive.

This study has captured the multi-dimensional issues of the rural poverty. Controversies over the NGO activities among the general people and development thinkers are common in reality. In order to capture these issues, both qualitative and quantitative data were collected from both member and non-member households. All the diverse issues of poverty, NGO function and the evaluation of their programs, contribution, etc. are comprised in the scope of this study.

Time and budgetary constraints were the two main limitations of this study. Due to this fact, it was intended not to maximize sample. The other difficulties encountered in this study were:

- All required secondary information was not available due to poor national and grassroots level data base system.
- Respondents sometimes became impatient since it took a long time to respond to all the questions.

- Scattered location of sample households and poor infrastructural facilities hampered the field survey.

1.10 Organization of the Study

Chapter 1: Introduction to the problem

Chapter 2: Trends in Rural Poverty Over Three Decades

Chapter 3 : 3.1 Poverty Alleviation programmes in Bangladesh

3.2 NGO Intervention policies for Poverty Alleviation

3.3 NGO Involvement

3.3.1 Bangladesh rural Advancement committee(BRAC)

3.3.2 Proshika Manobik Unnayan Kendra

3.3.3 Grameen Bank

3.4 Government

3.4.1 Implementing Agencies

3.5 GO and NGO Intervention for Poverty Alleviation

Chapter 4 :NGOs in Bangladesh: An Overview and Their Poverty Alleviation programmes in Bangladesh

Chapter 6: Profiles of the Activities of Sample NGO and Beneficiaries

Chapter 7: Profiles of Member and non-members of NGO: Socio-Demographic Characteristics

Chapter 8: Successes And Failures: Experiences of five Beneficiaries

8.1.1 Case Studies

8.1.2 Concluding Remarks

Chapter 9: Summary And Conclusions

9.1.1 Summary

9.1.2 Conclusions

9.1.3 Recommendations

CHAPTER 2

Trends in Rural Poverty Over Three Decades

CHAPTER 2

Trends in Rural Poverty Over Three Decades

An analysis of poverty experience in Bangladesh shows that poverty is not a uni-dimensional but a multi-dimensional process. A uni-dimensional approach works with one set of measurements of poverty, usually aiming at estimating deprivation in income or nutrition. The multi-dimensional approach, which takes into account both income and non-income dimensions, is more useful for a better understanding of the poverty situation in Bangladesh. The latter approach works with a range of quality of life variables, such as nutrition, health, sanitation, housing, security, access to state distribution system, crisis-coping capacity, etc., which, however, cannot be reduced to a single indicator of poverty. Poverty, however, can be better understood by indicators which focus on entitlements of the poor and on social security, welfare and living standard as has been demonstrated by Jodha (1988) with respect to the poverty situation in India, Kabeer (1989) and Rahman (1988) in their methodological review on monitoring rural poverty in Bangladesh.

However, most of the poverty studies in Bangladesh adopted a uni-dimensional approach i.e., the income measure of poverty.

2.1 Trend in Rural Head Count Ratio

Head count ratio is the most common measure for capturing trends in absolute poverty. It is computed on a per capita basis.

A BIDS study on natural calamities, stability in production and food policy in Bangladesh (Hossain1990) computed the poverty line (expenditure level) on the basis of a per capita minimum diet of 2112 calories to which was added a 30 percent allowance for non-food basic needs (as mentioned earlier).

Tables 2.1 and 2.2 show the trends in poverty by using the measure of 'head count ratio'. Table 2.1 shows that between 1963-64 and 1989-90, the poverty situation improved only marginally by 6 percentage points. From 44 per cent in 1963-64 to 38 percent in 1989-90.

Table 2.1 Trends in Rural Absolute Poverty

Percentage of Rural Population in Poverty						
Year	1963-64	1973-74	1981-82	1983-84	1985-86	1989-90
Per capita expenditure classification	43.60	71.30	65.40	50.00	41.30	37.50

Source: Households Expenditure Survey 1963-64 to 1989-90 as quoted in *Rethinking Rural Poverty* (Rahman & Hossain, eds.)

Head count ratio, based on 'per household' classification is not an accurate measure of incidence of poverty. However, it can be seen from Table 2.2 that the poverty situation improved by 23 percentage points between 1973 and 1986.

Table 2.2 Head Count Ratios for Rural Areas according to 'Per Household' Classification

Percentage of Rural Population in Poverty							
Year	1973-74	1976-77	1977-78	1978-79	1981-82	1983-84	1985-86
Per capita expenditure classification	60.35	78.91	77.45	65.87	55.34	46.29	37.27

Source: BBS, Household Expenditure Surveys (HES) as quoted in *Rethinking Rural Poverty* (Rahman & Hossain eds. 1992).

There was, however, considerable fluctuation in the incidence of poverty around this horizontal trend line. The poverty situation deteriorated sharply in the immediate post-independence period due to the destruction of productive capacity caused by the War of Liberation, dislocation of the economy due to large-scale migration and resettlement of the people, as well as severe droughts and floods in 1972-74. From 44 percent of rural population in absolute poverty in 1963-64, the figure rose to 71 percent in 1973-74, according to the 'per capita expenditure' classification (Table 2.1).

Further aggravation took place due to the famine and consequent disinvestment of assets by low-income groups during 1974-76 (Islam and Khan 1986). There was, however, a reversal of the situation since 1978-79

as shown in the head count ratio according to per household expenditure classification (Table 2.2). This trend continued up to 1985-86 when the percentage of rural population in poverty came down to 41 per cent (Table 2.1).

The situation worsened again in 1988-89 mainly due to the unfavorable effects of 1988 flood on agricultural production. The rural economy recovered very fast from the adverse impact of the natural disaster as a result of the survival efforts of the people (Hossain1991). There was, thus, a gradual improvement in the situation and the percentage of people in absolute poverty stood at 38 percent in 1989-90 (Table 2.1).

2.3 Seasonal Variation in Poverty Situation

So far, the discussion was on inter year fluctuation of poverty ratios. But inter-year variation in head count is also important in poverty monitoring. The 1988-89 household survey data (provisional) of BBS was useful for the purpose. According to Binayak Sen's estimate of seasonal trend in rural head count ratio based on HES data 1988-89, the rural head count ratio is at its maximum (51.10) during October-December (2nd quarter), which is a slack season and at its lowest in April-June (fourth quarter) which coincides with the period of 'Boro' harvest. The year 1988-89 was a flood year and this fact has to be taken into account while analyzing the extent of fluctuation between seasons. The first quarter (July-September) represents the period when the 1988 flood hit the country. The adverse impact of this flood on rural households was severe during the immediate post-flood months (October-December 1988). The latter coincided with what is known as slack season even in normal years.

Distress sales of land went up in alarming proportions (Kabeer 1989), the health and sanitary conditions deteriorated severely with the spread of epidemic diseases. All these processes were associated with the decline in purchasing power of the vulnerable segment of the population as reflected in the rising poverty ratio from 46 in July-September (first quarter) to 51 in October-December (second quarter) during 1988. There was a sharp increase in absolute poverty by 7 percentage points during the second quarter as compared to the first quarter. During January-March 1989 (third quarter) clear signs of recovery in the rural economy were visible with a concomitant downward trend in the head count ratio (47 percent). During the fourth quarter (April-June, 1989), the poverty ratio further declined to 33 percent as a result of the bumper Boro crop.

Although 1988-89 was a flood year, and different from 'normal' years, the lessons may be similar. The difference between 'crest' and 'trough' within a year would be lower in a normal year. But seasonal variations in poverty between 'peak' and slack seasons are important and they matter much in the crisis-prone years, which have implications for strong and determined public action and risk insurance.

2.4 Incidence of Poverty in Bangladesh

The income data collected to measure the incidence of poverty from various socio-economic groups have their limitations. The income of the poor households is understated more than that for the non-poor group because of the failure to capture income from expenditure saving activities. Therefore, the level of poverty measured from this data would be biased and the income differentials between the poor and non-poor households would also be overstated.

Despite these limitations, the direction of poverty differences suggested by the income data is more meaningful than the absolute differences in poverty level. Data collected by BIDS from 62 villages to measure the incidence of poverty used Taka 4,790 per person per annum as the line of moderate poverty. This provides for a calorie intake of 2112 per capita per day derived from a food intake of 832 grams. It also provides for 30 percent additional expenditure for meeting non-food basic needs. If the consumption is from self-production, such as rearing of poultry and goats or fishing common property (e.g., canals, rivers, etc.), these are not captured in the income data. In view of the realities, another poverty line was identified for the BIDS poverty study by taking the expenditure on normative requirement of grains, pulses, etc., and adding 30 percent over it for meeting the non-food basic needs. The estimated expenditure came to Taka 2,810 per capita per annum, which was termed as the line of extreme poverty. Households having per capita income below this level were considered as hardcore poor.

Table 2.3 Population in Extreme and Moderate Poverty

Indicator	Extreme poverty		Extreme and moderate poverty	
	1987-88	1989-90	1987-88	1989-90
Poverty line expenditure (Tk. per capita per annum)	2,460	2,810	4,300	4,790
Head count ratio (percentage of population)	25.8	27.5	60.10	55.40

Source: Rethinking Poverty, 1992 (Rahman and Hossain, eds.)

Table 2.3 presents the estimates of poverty obtained from the BIDS Survey carried out on the sample of 62 villages in 1987-88, when the rural economy was ravaged by disastrous flood. It was found that about 55 per cent of the population had inadequate income to meet the poverty line expenditure. This might be contrasted with 38 percent of poor households estimated from direct information on household consumption expenditure. This suggests that expenditure saving activities carried out around the homestead using surplus family labour and drawing on ecological common property reserves are quite important in alleviation of poverty. Households with a per capita income below the line of extreme poverty contain nearly 26 percent of the total population. This group has been termed as hardcore poor.

During the course of the survey, the researchers tried to ascertain the self-evaluation of the respondents regarding poverty status. Households containing 21 percent of the population evaluated themselves as those suffering from chronic deficit. According to the objective estimate, 81 per cent of these households in 1989-90 could be termed as poor and 51 per cent as hardcore poor. Households evaluating themselves as self-sufficient contained nearly 30 percent of the households. A strong correlation was found between the objective estimate of poverty obtained from survey data and the self-evaluation done by respondents.

2.5 The Rural Poor: Moderate and Extreme Poverty

The modest improvement in the poverty situation over the recent past marks an important differentiation within the ranks of the poor. The poverty line income gives a measure of absolute poverty. But within the ranks of the absolute poor, one notices an even more extreme level of distress, which can be categorized as extreme or hardcore poverty. Extreme poor households are found to subsist on an income nearly 40 per cent below the poverty line itself. In the recent past, such households constitute over 40 percent of the poor households.

The modest improvement in the poverty situation, as mentioned earlier, largely benefited the moderate poor, while no serious dent has been made into the situation of the extreme poor. On the other hand, the BIDS survey data based on income classification indicated that while between 1987-88 and 1989-90, absolute poverty i.e. extreme and moderate poverty taken together declined by 5 percentage points, extreme poverty over the same period increased by 2 percentage points. It appears that the various government and non-government targeted programmes have, to some extent, benefited the moderate poor, but they have failed to remove the

distress of the extreme poor who are mostly women. There is enough evidence to prove that there are more women among the hard core poor than men. The BIDS Survey (1989-90) revealed that a higher proportion of females (76 percent) belonged to poor households compared to males (75 percent). Households with food shortage had a higher proportion of women members (71 percent) compared to men (68 percent).

The quality of life indicators revealed that more men (53-55 percent) owned basic clothing, such as a change of clothes, a pair of shoes or some winter clothing, such as a sweater or a shawl than women (45-47 percent). The male/female gap was found in this area even when the women were the earning members of the households. A higher proportion of the earning men (82-86 percent) owned basic clothing as compared to the earning women (55-60 percent). The above evidence shows that more women than men are faced with the multidimensional aspects of poverty.

Chapter 3
Poverty Alleviation Programs in Bangladesh

Chapter 3

Poverty Alleviation Programs in Bangladesh

Direct policy interventions for poverty alleviation have been made in this country for the past few decades. It has been argued that such interventions, to the extent they focus on transfer payments rather than on increasing the capabilities of the poor, may not be sustainable if such programs have to depend largely on foreign aid. In recent years, direct intervention/target group oriented programmes for the poor have adopted measures to increase the productive capacity of the poor through emphasizing skill development and greater access to credit.

The most important innovation across various credit models is the replacement of conventional collection requirements, mainly land, by group liability. Women's participation tends to be significantly higher in programmes utilizing the solidarity group mechanism. Group liability enables group members to contract loans under close supervision, reduces cost of lending by bundling together small loans and tightens credit-monitoring work. The group also serves as a support mechanism, which encourages women to participate in a relatively unfamiliar credit activity. Success of the group approach is related to the formation of small homogeneous groups, careful selection and training of members, and shared interest in longer-term objectives, which go beyond simply obtaining a loan.

3.1 NGO Intervention Policies for Poverty Alleviation

More than 900 small and large NGOs are engaged in promoting people oriented development at the grassroots level through provision of support services and assistance (ADAB, as quoted by Rahman, 1995).

There exist a large number of NGOs that are neither registered with the NGO Bureau nor affiliated with ADAB, but work at the grassroots levels in specific areas to reach resources to the poor, for which no record is available.

In addition to NGOs, government organizations under several ministries are also engaged in poverty alleviation activities. In this study, we will concentrate on a few NGOs, namely BRAC and Proshika. In addition, Grameen Bank will also be discussed because some of the beneficiaries of BRAC and Proshika programs are also covered by Grameen Bank's poverty focused programs in Golapnagar, which is our study area.

3.2 NGO Involvement

A major actor in the poverty alleviation efforts in Bangladesh is the group of NGOs. Given the limited coverage of NGOs, dissemination of new approaches across the country should be the task of the government. If the government role is considered as public initiative in poverty alleviation intervention, then NGOs constitute private initiative in this respect. In recent years, NGOs have played a critical role by providing an 'institutional alternative.' NGOs have some advantages over government institutions as they can reach people more directly and they also have more flexibility in selecting their approaches.

The Task Forces Report (1991) identified that NGOs poverty alleviation intervention is two pronged: institution building and economic activities. These are complementary and involve a third dimension of capacity development of the individuals in a collective framework. This process constitutes mobilization of the poor, and integration of socio-economic and socio-political processes which strike at the rural power structure.

Any intervention to alleviate poverty must attempt to redress the imbalance in power relations by altering the dependent relationship, between the poor and the rich, in favour of the former.

NGOs claim that the principal strategy of their operation is participatory development, where people are encouraged to participate in different income-earning and development activities commensurate with their needs and choice. In the participatory approach, NGOs have a clearly defined target group that includes the poor and marginal farmers, landless, near-landless, women and other disadvantaged groups of the society. The target group approach is an outcome of frustrating experiences or the community development strategy of the 1970s. By selecting women, landless and other disadvantaged groups as the focal point of their strategy, NGOs brought a new dimension making poverty alleviation program broad based. There is a feeling among NGOs that poverty issues cannot be approached in a disaggregated manner and these issues should be incorporated in the overall programs of NGOs, the crux of which is the income generating activities. NGO promoters both at the local and national levels emphasized rather strongly that all their programs are targeted towards the poorest of the poor and disadvantaged groups to reduce their vulnerability.

One of the main aims of the NGOs is to contribute to a sustainable growth which mostly benefits the poor. However, the question is, how to implement development with local efforts and resources and consequently reduce the dependence on continued aid.

3.2.1 Bangladesh Rural Advancement Committee (BRAC)

BRAC is an organization which has rapidly evolved over the last two decades. Its aim has been to empower the poor to alleviate their poverty. Started in 1972 to assist the settlement of returning refugees in Sulla, Sylhet, the focus of BRAC's program has continued to be the rural poor and those who hold the lowest position in the social system. BRAC's target is the landless defined as those who own less than half an acre of land and are surviving by selling manual labor. In 1973, BRAC adapted in its work the basic rural development community strategy, focusing on entire village communities. It was at this point that BRAC realized that in fact, there was a community within the larger village community comprising the poor. By 1976, it became apparent that the community approach would not work, as the poor who outnumbered the others in the community benefited very little from the interventions. This was because those who owned land and other productive assets were able to secure for themselves the larger share of the benefits. From this turning point, began BRAC's involvement with the poorest of the poor the landless, small farmers, artisans, and vulnerable women.

In 1975, BRAC began its first experiment with activities concerning women in Jamalpur particularly a poor area. This project covering 30 villages served as a pioneering development ground for activities specifically addressed to the needs of women. In 1976, BRAC moved into the Manikganj area where new approaches were introduced. The Manikganj Integrated Programme (MIP) covers 250 villages and is the BRAC's key laboratory area for testing out various kinds of development initiatives.

In 1986, BRAC introduced its Rural Development Programme (RDP), which is the largest of all BRAC programs and forms the core of all its activities. It is a well designed strategy, aimed at uplifting the economic level of the rural poor through functional education, training, extension of credit and new methods of income generation.

Target Group

BRAC's definition of the poor refers to those people who own less than half an acre of land (including the homestead) and to those who earn their living by selling manual labor.

The target group of BRAC programs consists of the landless rural poor, especially women belonging to such households. The members of the village organizations are entitled to get credit on conditions that:

- they complete their education aiming at raising their social awareness level;
- they are regular in attending weekly meetings of the village organizations (VOs); and
- the applications for loans are approved by the respective VOs. According to BRAC, 82 per cent of BRAC's target population is women and 74 percent of BRAC's credit is disbursed to them. The women who now have access to BRAC loans have more influence than before over household affairs. They can take part in important family decisions, and are shown more respect in the house as well as in the community (BRAC 1994).

Development Strategies of BRAC

The development strategies of BRAC pursue two major goals:

- (a) Poverty alleviation; and (b) Empowerment of the poor.

As a development organization in the private sector, BRAC strives to attain its twin goals by implementing such programs as:

Rural Development which involves development of Village Organizations (VOs) of the poor, credit disbursement, and facilitation of savings habit. The VOs are designed to mobilize the collective strength of the poor with a view to empowering them to be self-reliant. The general loan size varies between Taka 500 and Taka 8,000. BRAC has a Human Rights and Legal Education Program (HRLE) to further the initiatives aimed at empowering the VO members. BRAC's Rural Development Programmeme (RDP) implements these initiatives along with several income and employment generating programs, designed particularly for the women VO members. The women VO members are provided with credit and training to carry out these activities. There are also some special programs that have been introduced under the Income Generation for Vulnerable Group Development (IGVGD) initiative. These too are implemented through RDP.

The current strategy combining institution building with credit is designed to transfer an area which has been under RDP for four years to a BRAC 'Bank' known as the Rural Credit Program (RCP). At the end of the four year period, the VOs in an RDP area are expected to have matured to the stage where they can continue their credit and development activities without outside assistance. By 1994, a total of 120 RDP branches were transferred to RCP.

The major areas of activities of RDP and RCP are:

- ❖ institution building for the landless;
- ❖ implementing sector programs;
- ❖ credit operations; and
- ❖ providing support services.

According to BRAC, institution building is necessary for the empowerment of the poor, which aims at promoting education among the members of the village organizations for creating social awareness and group solidarity among the poor. The sector programs encompass such areas as irrigation, vegetable cultivation, poultry rising, livestock, fisheries and sericulture.

The main objectives are to reduce rural poverty and improve the socio-economic status of the rural landless poor through adopting the following measures:

- Increasing agricultural production through irrigation and crop diversification;
 increasing new appropriate technology;
- Increasing vegetable production and improving nutritional status;
- Increasing poultry, livestock and fish production to meet the nutritional needs of the poor;
- Developing trade skills; and
- Enhancing income and employment generation opportunities for the poor landless villagers.

The RDP and RCP programs have linkages with each other. In fact, RCP is a continuation of RDP with emphasis on providing credit to the VO

members. About 88 percent of the total borrowers are women who received nearly 87 percent of the total loan disbursed.

The main objectives of this project is to improve the socio-economic condition of the poor through the following steps:

- Generating employment and income for the poor landless villagers;
- Mobilizing internal and external resources;
- Reducing dependence of the poor on the village moneylenders; and
- Introducing appropriate technology.

The support programs of BRAC provide services such as non-formal primary education (NEPE), primary health care (PHC), family planning (FP), and immunization.

One of the main features of the BRAC strategy is to operate as capacity initiators by making the target group members aware of their own problems, giving them the tools to unite in homogeneous class and interest groups, and increasing their capacity to secure their legal and civil rights. BRAC has also established linkages with various Ministries such as health, relief and rehabilitation, livestock services, education, etc. Such cooperation has also been helpful for the government to both strengthen its existing programs and increase their effectiveness (BRAC 1992).

Coverage of the BRAC Programs

It has been claimed that by September 1994, BRAC covered more than 50 percent of the total villages (68,000) in Bangladesh by different programs (Rahman 1995). The RDP and RCP covered 12,569 villages

and formed 23,505 Village Organizations (VOs). These programs covered 8,99,884 households and mobilized 9,90,772 members and disbursed 2,137.55 million Taka in 12 sectors to 707,429 borrowers between January and December 1994. More than 34 percent of the total disbursement was provided for rural trading and about 25 percent for food processing. About 13 percent of the total disbursement was given to the agricultural sector which is followed by livestock. In addition, BRAC disbursed 250.73 million Taka among 241,344 members of IGVD.

BRAC's annual report (1994) stated that as many as 1.42 million rural households had been reached by RDP through its area offices. In 1994 BRAC's group members, numbering 1.39 million (80% women), generated a savings of Taka 641 million (US \$ 16.03 million) and BRAC provided credit amounting to Taka 2,138 million (US \$ 53.45 million) to the VO members.

Impact of RDP on VO Members

According to a study, undertaken by BRAC's Research and Evaluation Division in 1994, covering 750 households under RDP with access to credit facilities and 750 control group households, shows that there had been a positive impact of BRAC's program intervention on the beneficiaries. The average value of the weekly cash income flow of the households covered by RDP was Taka 249.83 against Taka 189.83 for the control group of households. The average per capita income accruing to RDP household was Taka 45.03, while it was found to be Taka 36.15 for a control group in RDP household. The majority of members in RDP households earned their incomes from entrepreneurial activities such as trading, shop keeping, artisan work, etc., while those in the control group earned their incomes from non-salaried labour. The occupational

structure of those who receive credit as cash is changing from wage labour to self-employment.

3.2.2 Proshika Manobik Unnayan Kendra

Proshika has instituted a participatory development process in the villages of Bangladesh from 1976 with multi-sectoral and integrated programme activities which have made contributed to the socio-economic empowerment of the poor. Empowerment programme of Proshika seeks to correct market imperfection and bias and provide strength to the poor in the markets.

The objectives of Proshika include: (i) achieving structural poverty alleviation, (ii) environmental protection and regeneration, (iii) improvements in women's status, (iv) increasing people's participation in public institutions, and (v) increasing people's capacity to gain and exercise democratic and human rights. Participants in Proshika's development process are the landless, marginal and small peasants, rural occupational working folks such as fishing communities, weavers, petty traders, etc., urban slum dwellers and women from all these categories.

Proshika implements a wide range of activities which are problem focused, need based and geared towards facilitating access of the poor to public resources, services and institutions to enable them to gradually become self-reliant. Its programme portfolio includes: (i) people's organization, (ii) development education, (iii) universal education, (iv) integrated multicultural women's development program, (v) employment and income generation and provision of credit, (vi) health infrastructure building, (vii) environmental protection and regeneration, and (viii) relief and rehabilitation. Presently Proshika is active in 4,201 villages, 451

unions, 81 thanas and 32 districts (Proshika Manobik Unnayan Kendra 1993).

This programs have demonstrated that it is possible to reduce socio-economic-cultural dependency and make the rural poor more autonomous and self-reliant, thereby making them more assertive in the markets. Strong evidence of success of this strategy in alleviating poverty can be seen in areas where Proshika is working with multi-sectoral programs, covering a large area and following a participatory process in planning and implementation of the development programs.

Proshika's Strategies

With the objectives of promoting sustainable development, empowering the poor socio-economically as well as culturally, improving their human skill and material capacity to reduce poverty, Proshika provides support services to the poor in various forms. The strategies followed by Proshika to achieve these objectives are:

- Institution building for the poor;
- Providing development education which includes human development training, practical skills development training, people's theatre, universal education and integrated multi-sectoral women's development;
- Creating employment and income generating opportunities in such areas as agriculture, irrigation, livestock development, fisheries development, sericulture, housing, social forestry, small and cottage industries, health education and infrastructure building, natural production and enhancement of environmental quality, disaster preparedness and management programme and relief and rehabilitation.

Target Group

Proshika's target group is composed of rural landless, marginal and small farmers as well as illiterate and poor in general and socio-economically disadvantaged women in particular.

Proshika's Credit Program

In addition to the above programs, Proshika also provides credit to the target group for employment and income generation. During 1989-94, Proshika disbursed Taka 834 million to 22,502 projects undertaken by women's groups and to 17,486 projects undertaken by men's groups. In 1993-94, there were 10,277 projects which were supported with a total disbursement of Taka 303 million from the Revolving Local Fund (Rahman 1995).

Programs Coverage

Proshika's program covered 697,668 members/households in 6,006 villages located in 103 thanas upto December 1994. Of the total members, 352,176 were female and 345,492 were male. Proshika distributed an amount of Taka 1,010 million to 17,486 male groups and 22,502 female groups during the same period. In 1993-94, Proshika disbursed an amount of Taka 303 million of which about 51 percent of the loan money went to women's groups through Proshika's credit program. Under the housing program of Proshika, 30,506 houses were constructed for the poor (Rahman, 1995).

According to Proshika (as quoted in *Poverty Alleviation: Government and Non-Government Organizational Interventions*, 1995), its programs are projected to generate about 3,50,000 person days of employment/self employment opportunities for the target group. The additional employment opportunities will be generated through programs for

irrigation, livestock, fisheries, sericulture, social forestry and small and cottage industries.

3.2.3 Grameen Bank

Some argue that Grameen Bank is not an NGO in the true sense of the term. On the other hand, it is not operating as a government agency either. Grameen Bank functions outside the governmental system with a view to alleviating poverty in rural Bangladesh.

However, in any discourse on poverty alleviation, Grameen Bank figures in because of its pioneering efforts which have successfully innovated a system in banklending that replaces collateral requirement with group liability and peer pressure.

Grameen Bank in Bangladesh is one example of how to go about poverty alleviation: It is a bank which is lending money to, and at the same time owned by the poorest of the poor, landless peasants and villagers. From a modest start in 1976, Grameen Bank has grown to become a large bank with 500,000 members. It is an innovative credit program for the poor which provides credit to the landless and assetless rural poor without collateral. As much as 98 percent of the loans are repaid. About 60 percent of the borrowers are women. The loans go to what is most needed by the poor people: a small house, cattle, clearing of land, and small scale industries and trade (NORAD undated).

Target Group

The target group of the Grameen Bank consists of the following:

- rural households having less than 0.50 acre of arable land and whose household assets do not exceed the market value of one acre

of medium quality land in the locality are accepted as members of a group for receiving loans;

- preference is given to rural women belonging to the above category;
- only those who are residents of the same village can become members of such a group; and only one individual from a household is qualified to become a member of a group.

The Lending Process

Loans from Grameen Bank are used primarily for undertaking non-crop activities. For example, in 1986, 46 percent of the loans were taken for livestock and poultry, 25 percent for processing and manufacturing activities, and 23 percent for trading and shop keeping. The most direct effect of Grameen Bank has been on the accumulation of capital by the poor. The amount of working capital employed by members enterprises increased by an average of three times within a period of 27 months. At the same time, bank loans help to generate new employment, particularly for poor women. With the loans, the members generated self-employment activities of their choice (Hossain 1988).

The operational strategy of Grameen Bank is simple. The member's of Grameen Bank organize themselves into small groups, meet weekly to plan projects, survey loans and collect the fixed minimum savings. The groups are responsible for repayment of any member's loan; this ensures that money is not lent for unrealistic or even unnecessary projects, and it guarantees that lenders will do everything possible to meet their obligations. At the same time, the bank sets aside money for social security for children and special relief funds for use in time of natural disasters.

The lending process starts with five self-selected persons of the target population who agree to form a group where they guarantee and monitor each other. The system of collateral is replaced by the guarantee provided by the group. Each group is organized and trained by Grameen Bank workers in weekly group meetings about GB rules and regulations and show how to keep individual financial and social discipline.

Group lending uses peer pressure to monitor and enforce contracts, provides an incentive structure for the loanees to repay loans through instalments and helps shift good borrowers from bad ones. There is transparency in credit transactions. The selection of loan applications and other related matters are publicly administered at mandatory weekly meetings and decisions are made on consensual basis.

The Bank adheres to the principle of savings mobilizations as an integral part of lending. These savings not only provide an internal source of funds for on-lending, but are also used to cover production risks and loan default owing to death, disability or natural disaster.

Grameen Bank loans are provided for the following activities:

- service;
- trading;
- peddling;
- livestock and fisheries;
- collective enterprises;
- agriculture and forestry;
- shop keeping; and
- processing and manufacturing.

The Grameen Bank had disbursed loans amounting to Taka 3.45 billion upto November 1994. The annual reports of Grameen Bank, providing information about all loans disbursed upto December 31, 1993 show that about 35 percent was used by the loanees for investment in livestock and fisheries, 21 percent for agriculture and forestry, 20 percent for processing and manufacturing, 16 percent for trading and 4 percent for shop keeping, while only 1 percent was utilized for service and peddling activities each. Grameen Bank also provides loans for housing to those members who have no shelters or have lost their houses during natural disasters.

Programs Coverage

The Grameen Bank started as a pilot project in November 1976 in a village called Jobra near the city of Chittagong with the objective of designing an organizational framework which can provide a reasonably dependable forum through which the banking system can extend loans to the landless poor without collateral.

In November 1979, the project was formally launched in Tangail district with financial support from the Bangladesh Bank.

According to the Grameen Bank Annual Report 1994, 1,044 branches were in operation in 34,834 villages covering more than half of the 68,000 villages of Bangladesh by December 1994. The number of women members from landless households increased from 9,400 in 1981 to 1,882,598 by the end of November 1994. About 94 percent of the total group members are women. By November 1994, the poor women, who constitute a large majority of the Grameen Bank members, received 91 percent of the total loans disbursed by the Bank.

The minimum loan size varies from one activity to another, but the maximum limit of a general loan for an individual is Taka 5,000. The average loan for housing is Taka 15,090. Grameen Bank's recovery rate is about 98 percent.

Impact of Grameen Bank Loans

The main objective of the Grameen Bank program is the alleviation of rural poverty. As the repayment rate is very high, it is indicative of the productive utilization of the loans disbursed. The majority of the Grameen Bank client are poor women. The bank has generated self-employment opportunities for women members who are either unemployed or under employed and thus increased the labor force participation rate in its area of operation.

An impact study done by Hossain of BIDS (1988) indicated that the proportion of the population living in moderate poverty was 84 percent for target group non-participants in a project village and 80 percent for the target group in a control village, while the corresponding figure for Grameen Bank members was 61 per cent in the target village. The percentage of Grameen Bank members living in extreme poverty was 48, while it was about 78 percent for the control group counterparts. It can, therefore, be stated that the impact of Grameen Bank credit program has been positive in the area of poverty alleviation.

The Grameen Bank experience shows the vital importance of credit as an entry point for a program of social and economic development. If a program is to have an appeal for people living in abject poverty, it must offer them clear and immediate prospects for economic improvements. The Bank has clearly demonstrated that lack of collateral should not stand

in the way of providing credit to the poor. The poor can utilize loans and repay them if effective procedures for bank transactions with them can be established. In the Bangladesh context, this has taken the shape of formation of groups with a small number of like-minded people and it has worked well. Group solidarity and peer pressure have substituted for collateral. Other innovations of the Bank are taking the bank to the people, rather than people to the bank; recovering loans in small weekly instalments; and developing collective funds with compulsory savings from individuals for their mutual benefit (Hossain 1988). In a way, Grameen Bank is a bank for human development, kept alive by the collective efforts of its committed members.

3.4 Government

Since there is a strong complementarity between the policies and programs of GOs and NGOs, it is felt that a brief outline of government policies and programmes should be given here.

The elimination of poverty continued to be the central theme in the successive five year plans of the government. The Fourth Five-Year-Plan explicitly highlighted poverty alleviation as the prime target of government policy.

Taking into account the predominantly rural nature of Bangladesh and the importance of agriculture to the economy, the government decided to tackle poverty reduction by fostering rural development of a kind based on increasing agricultural growth and productivity. The public policy at the macro-economic and sectoral level aims to increase productivity in the sectors of immediate relevance to the poor, mainly agriculture. Rural development appears to be the main manifestation of poverty alleviation programs. Some major objectives of the government program are to:

- reduce poverty by means of increasing gainful employment and income opportunities on a sustained basis through expansion of the productive sectors;
- develop rural institutions;
- improve technology and skills for productive activities and ensure better access for the rural poor to the means of production;
- facilitate agricultural development through institutional support and expansion of irrigation; and
- promote participation of women in rural development.
- the stipulated strategies for attaining the objectives are integration of a group-based approach with a sector-based approach and also through the involvement of intended beneficiary community (as quoted in Huda 1995).

3.5 Implementing Agencies

Over the years, the government of Bangladesh has been implementing its poverty alleviation programs through various institutions, organizations and government departments and there are at least thirteen agencies that have been involved in such activities. Of these, two most important agencies worth mentioning are Bangladesh Rural Development Board (BRDB) and Local Government Engineering Department (LGED). BRDB was created as a successor to the Integrated Rural Development Program (IRDP) in 1982. Its aim is to replicate the two-tier Comilla cooperative and to further undertake programs expanding the activities of cooperatives involving various disadvantaged groups of rural society. Some activities of BRDB cooperatives are: providing supervised credit to Krishi Samabaya Samity (KSS) members, capital accumulation through compulsory savings and sale of shares, providing storage, marketing, processing and workshop facilities, disseminating knowledge,

information and technology, and creating a cadre of local leadership. Sen (1990) observed that for operational purposes, a KSS member usually belongs to a household that own more than 0.5 acre of cultivable land, while at the same time, the chief objective of the programme is to reach the peasants, irrespective of size/class status, with resources for development. Therefore, it is found that in the cooperatives, members are not only the land owning poor and medium income groups, but also rich farmers. The landless and the poor women did not get access to these cooperatives.

BRDB's programs gradually have been expanded and new types of primary societies were developed to incorporate a large number of assetless men and women. These societies are known as 'Bittahin Samabaya Samity' (BSS) for men and 'Mahila Bittahin Samabaya Samity' (MBSS) for women. Their activities are similar to other cooperatives except that these are meant for assetless and landless people. Such programs include RD-5, RD-9 and RD-12. RD-5, popularly known as Production and Employment Programme (PEP), was undertaken in 10 Upazilas of Faridpur, Madaripur and Kurigram districts in 1986, for 3 years. RD-9 started in 1979 covering 274 Unions of 26 Upazilas of greater Rangpur district. RD-12 started from 1988 in six districts of Dinajpur, Bogra, Mymensingh, Jamalpur, Khulna and Barisal, consisting of 139 Upazilas (now Thana).

Local Government Engineering Department (LGED) is one of the largest government departments for implementing rural infrastructure development projects. While undertaking any project, the department always gives top priority to future employment creation. LGED has already adopted a special methodology to ensure participation of landless

and rural poor women in the implementation of rural development projects, which is focused on the following:

- directly involving the landless groups in construction and maintenance of rural infrastructure in the form of labor contracting societies;
- ensuring wider participation of rural poor women in construction and maintenance of rural infrastructure; and
- imparting awareness raising and skill development training to the rural poor involved with construction and maintenance of rural infrastructure.

Currently, LGED is responsible for implementing 15 rural development projects in different parts of the country.

Socio-Economic Development Project for Women (SEDPW) was started in 1983 under the Directorate of Women Affairs. The project aims at improving women's socio-economic position by encouraging increased participation in income-generating education, skill and credit. Formal and non-formal training is provided at the various centres set up for this purpose. Non-formal education concentrates in six areas: i) family planning, (ii) care of mother and child, (iii) health and nutrition, (iv) cooperative formation, (v) adult and child education and (vi) vegetable gardening, household organization and education of women's legal rights. The project has 3 types of training programs for income-generation by women, viz., weaving, tailoring and types of handicrafts that are suitable for individual centres. Women from households with an annual income of less than Taka 10,000 or owning less than 0.5 acre of land have access to the project.

The SEDPW has an army of women social workers who act as change agents to inform local women about the facilities provided by the project and encourage them to join the non-formal education program to learn basic home economics and move on to trade training, cooperative formation and credit, if possible. So the approach is to mobilize them by offering education, training and credit. However, credit was not a very significant component of the program (BIDS1990).

Judged by any yardstick, destitute female-headed households belong to the most vulnerable poor group. The Task Forces Report (1991) stated that there were about 3.45 million female headed households (about 23% as per 1981 census). Of these, about 0.48 million (i.e. about 14% all female headed households) were brought under the Vulnerable Group Development Program.

Vulnerable Group Development Program (VGD) absorbs about 10 per cent of the total food aid received annually by the country (Report of the Task Forces, 1991).

3.6 GO and NGO Interventions for Poverty Alleviation

The government has introduced many programs for socio-economic upliftment of the rural poor in Bangladesh. Huge resources in terms of money, manpower and physical infrastructure have been employed to serve the people and meet their development needs. But the services, scarce in many cases, are not reaching the poor though these are meant for such target groups. Therefore, attacking poverty implies proper identification of the rural poor and also working with them. Participation of the poor in the efforts of their development, their mobilization and institution building are integral parts of a poverty alleviation intervention.

But government services are accessible only to those who can create pressure, where the poor, being weak and unorganized, cannot create such pressure.

On the other hand, the NGOs have acquired rich experiences and meaningful insights in the various dimensions of the problem of the rural poor through their work over the last two decades. The NGOs have been able to demonstrate how the capacity of the poor can be developed through a process of consciousness raising, functional education and organization building. They have been successful in enabling the rural poor to exert pressure for getting their rightful share out of the various programs of the government. As many of the government programs are basically supply oriented, such as immunization, vaccines for poultry, seed distribution, etc., the poor are mostly deprived of these supplies as they cannot make effective demand and as no suitable receiving mechanisms could be developed at the grassroots levels. Therefore, by organizing the poor and empowering them, the NGOs can prepare the rural poor for demanding their rights as partners in the development process.

But NGO programs do not cover the whole of Bangladesh. As such, whatever benefits these programs have generated are now confined in the specific program areas. Therefore for better utilization of their services, NGOs can expand their activities in collaboration with the local government agencies for wider benefits to the poor.

Both the GO and NGO interventions together have played an important role for the alleviation of rural poverty in Bangladesh. But it is difficult to estimate the total impact of such interventions. In the absence of a

workable methodology to identify the linkages between these interventions and the impacts on the alleviation of poverty, quite a few researchers use a macro-perspective of whether over a given period of time, there has been any visible reduction of poverty in Bangladesh.

However, it has been observed that the credit operations and target group oriented NGO programs are more intensive in nature and wider in their coverage compared to that of the GOs (Rahman1995).

Given that NGO programs are targeted to the hard core poor, the substantial expansion in the size of these programs should have had a significant impact on the hard core poverty. The sharp increase in the more distributionally sensitive squared poverty-gap index in rural areas from the mid-1980s is indicative of falling living standards for the poorest of the poor (Ravallion and Sen1994). And it is well known to all concerned that as in many other developing countries, women in Bangladesh are the poorest of the poor. The need of the hour, therefore, is to prepare an analytical framework to identify the links between the interventions for poverty alleviation and their precise impact, so that the GOs and NGOs can formulate appropriate policies and programs for poverty alleviation in Bangladesh.

Chapter 4

NGOs in Bangladesh: An Overview and their Poverty Alleviation Programs in Bangladesh

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Bangladesh has been perhaps the most important hearth on the globe for non-governmental organizations. Presently there are approximately 2000 NGOs working in Bangladesh. There are many types of NGOs here for different work approaches. But most of them focus on, directly or indirectly, poverty alleviation.

NGOs have emerged as an integral part of the institutional structure for addressing poverty as well as rural development, gender equality, environmental conservation, disaster management, human rights and other social issues. The NGOs, in order to support social and economic empowerment of the poor, have vastly widened their activities to include group formation, micro credit, formal and non-formal education, training, health and nutrition, family planning and welfare, agriculture and related activities, water supply and sanitation, human rights and advocacy, legal aid and other areas. These organizations mostly follow the target-group strategy under which the poor with similar socioeconomic interests are organized into groups to achieve their objectives.

The Government of Bangladesh has created the NGO Affairs Bureau in 1990 under the Prime Minister's Office. The Bureau enables the NGOs to obtain their registration clearance, approval and permission through a single agency of the Government within a specified time frame. The aim of the Bureau is to ensure quality performance of the NGO sector and its accountability to the state.

With a view to providing a regular forum of dialogue between the Government and the NGOs for increased mutual understanding and cooperation, the Government-NGO Consultative Council (GNCC) has been formed with representatives from the Government, NGOs and the civil society. The GNCC works as an advisory council toward resolving issues arising out of Government-NGO interaction and collaboration.

The Association of Development Agencies in Bangladesh (ADAB), as an apex body of local, national and international NGOs aims to play effective roles in facilitating greater unity and coordination of the NGO sector and accelerating poverty alleviation and sustainable development in the interest of the poor. ADAB's primary concerns are to establish inter-NGO relations, exchange ideas and experiences, expand fields of cooperation, remove the overlapping tendency of programs and working areas, develop organizational skills and establish functional relations and communication with the civil society.

The main concern of this chapter is to address the historical background of NGOs in Bangladesh and its present legal framework. Moreover, the programs of these NGOs are also relevant to bold mark through which the NGOs have been attempting to reduce poverty in Bangladesh. This will also link between poverty and NGO discussion in Bangladesh.

4.1 Emergence of NGOs in Bangladesh

4.1.1 Pre-liberation Period

In the form of private or religious trust based schools, hospitals and orphanages, the NGOs were working in this area of the subcontinent, but there were only a few NGOs working in the then East Pakistan. In the pre-liberation period, most of the NGOs were not only of foreign origin

but also were missionaries that were working in this area. The Baptist Missionary Society is perhaps the oldest one which can be traced back to 1794 (Huda1990). In 1800, the Christian Mission Hospital was established in Rajshahi. Among the national organizations, the Kumndini Welfare Trust is perhaps the oldest one, which began its operation in 1944.

On the other hand, development oriented NGO activities are relatively new in Bangladesh and started their activities on a greater scale after the devastating cyclone 1970 and the liberation war in 1971 (Clements 1985).

4.1.2 Post liberation Period

Although the NGOs had been working in traditional form since the British colonial period, they got a radical transformation only after the war of Liberation in 1971 and turned into agents of development (Aminuzzaman1993). Inhuman sufferings of people and a massive destruction of the physical infrastructure and the economy caused by the war of liberation called for immediate relief and rehabilitation interventions. Government of Bangladesh (GOB) had to face a Herculean task of renewal and reconstruction of the war torn economy after the war of independence. But the GOB neither had the capacity nor had the appropriate institutional mechanism to address to the volume and diversity of such enormous problems single-handed. At that time a large number of international NGOs and voluntary organizations extended their helping hands to assist Bangladesh (Aminuzzaman1993). Besides, a few national organizations developed at that period as spontaneous responses from a number of committed people, which are at present well known leading NGOs in Bangladesh.

4.2 Approaches of NGO Operation

4.2.1 Relief and Rehabilitation Approach

After the war of independence, the NGOs, both national and international, were initially involved in the relief and rehabilitation task in Bangladesh. Their main operation was to distribute food, medicine, blankets, cloths, etc. among the war affected people. Later on, they were involved in construction of houses, mobilization and reconstruction of transport facilities, development of physical infrastructures and in distribution of productive assets (Huda and Hussain 1990).

The increased activities of the NGOs in the post liberation period were marked by massive funds channeled through them. Of the total aid commitment of roughly US\$ 31.3 billion to Bangladesh, up to mid 1973, more than US\$ 115 million was raised and channeled through NGOs (Abed et al 1984).

The charity and welfare orientation of NGOs continued till the end of 1972. According to Korten's classification, the NGOs working in Bangladesh till that time were first generation NGOs.

4.2.2 Community Development Approach

At the end of 1972, NGOs working in Bangladesh felt that charity and welfare orientation could relieve the immediate sufferings of the distressed temporarily but could not yield a sustainable development in their socio-economic condition. From this realization, NGOs shifted their operational approach from relief and charity towards a self-reliant local development orientation.

Between 1973 and 1975, the second approach was in operation. During that time the NGOs concentrated their attention on developing integrated community development programs with various sector activities, such as agriculture, fisheries, livestock, cooperatives, health and family planning, adult education, vocational training, etc. NGOs emphasized on increasing food production and they provided technical assistance and inputs to farmers. This was a crucial learning period for the NGOs. Because soon they realized that their development efforts failed to achieve desired success owing to structural constraints imposed by the existing socio-political and economic system of this country. Various local forces along with the unpredictability of human equations compelled the NGOs to embark on a social analysis that focused on the dynamics of the rural power structure and its multi-faceted hegemony that inhibits rural development in terms of increasing polarization of resources (Huda 1987). NGOs were compelled to carry out in-depth studies on the role of power relations in rural development whose findings paved the way towards a transition of a new approach to development. NGOs of this period can be identified as second generation NGOs according to the analysis of Korten.

4.2.3 Empowerment Approach

In this approach, NGOs made efforts to remove the structural barriers through initiating institutional changes and building the organizations of the poor. But from their experience they recognized that with a view to making these organizations effective, the myth of mental inhibitions of the poor, generated by a sense of helplessness, inertia, fatalism and passive acceptance of social injustice, was to be exploded. With a view to breaking the poor's mental barriers, the NGOs choose a process of non-formal education. The NGOs attempted to bring about changes in

attitudes of the poor and also changed their capabilities to find out and examine the causes of exploitation and dependence, through this process (Huda 1987). NGOs emphasized on the unity and solidarity among the poor to empower them to stand for their rights and to fight against social and economic injustice.

The recent trend of most of the national and also a number of foreign NGOs follow the strategy that seeks the 'empowerment' of the people. This assists the disadvantaged individuals and groups to gain greater control over local and national decision making and resources. It also enhances their ability and right to define collective goals, make decisions and learn from experience.

The role of the NGOs has strong social and political implications since it creates the possibility of a social system based on institutional pluralism rather than one dominated by either state or private agencies where many private enterprises, non-profit cooperatives and NGOs may function as integral parts of a public service economy (Brett 1993).

4.3 Background of Emergence of NGOs

There are some specific reasons that have fostered the emergence and growth of NGOs in Bangladesh. The specific reasons are:

4.3.1 Tradition of Voluntary Activities

Voluntary undertakings by individuals or groups intending to serve and benefit the people have been in vogue for centuries in this country. With the changing social structures and consequent changes in beliefs, practices and social relations, the concept of voluntarism has marked a radical swing along a direction that involves professionalism, invites specialization and invokes formal management structures, which can be

seen in contemporary NGOs operating in Bangladesh (Huda 1990). In other words, volunteering is a part of the culture and religion of the people of Bangladesh (Hasan 1992).

4.3.2 War of Independence

Inhuman sufferings of people and a massive destruction of the physical infrastructure and the economy of the country caused by the war of liberation in 1971 called for immediate relief and rehabilitation interventions. The GOB had to face a great task of renewal and reconstruction of the war torn economy after the liberation war. But the GOB had neither the capacity nor the appropriate institutional mechanism to address the volume and diversity of such enormous problems alone. This situation fostered the emergence of a large number of national and international NGOs in this area, which extended their helping hands to assist Bangladesh.

4.3.3 Dissatisfaction of Donor Agencies

One of the main reasons behind the rapid growth of NGOs in Bangladesh was the growing dissatisfaction of donor agencies with public organizations which were considered to be slow, rigid, hierarchic and inefficient in delivering public services (Aminuzzaman 1993). On the other hand, support from bilateral and multilateral agencies for NGOs in Bangladesh steadily increased as a reflection of the perceived capacity and effectiveness of the NGOs working with the poor (ADB 1992).

4.3.4 Unsuccessful Governmental Efforts

Many of the macro-policy-reforms, made by the GOB with a view to benefiting the poor, have failed to achieve desired success from time to time, due to the non-existence of appropriate institutions to execute such reforms at the grassroots level. But the NGOs succeeded here. Due to

their small size and their concentration on a limited number of activities, they were capable to deal creatively with situational demands. Thus, where the GOB failed to achieve the desired success, the NGOs played an important role in complementing the governmental efforts (Huda 1987). Hence, it is argued that the emergence of NGOs in Bangladesh is directly related to the failure of the governments to meet the hopes and aspirations of the people (Hasan 1992).

4.3.5 An Increase in Forcing Aid

The mushrooming growth of NGOs in Bangladesh is partly due to the increase in foreign aid and humanitarian help to cope with many natural disasters that Bangladesh often experience. Foreign funding is sometimes considered as a lucrative opportunity to collect resources for the NGOs.

4.3.6 Successful in Sector Development

NGO activities have virtually grown into a movement in Bangladesh and eventually playing a very significant role in the nation's development process. They have assumed a vital role in certain sectors, such as poverty alleviation, family, planning, gender issues, primary health care, education, rural development, improvement of infrastructure and environment protection. In public sector these areas have received scanty attention and small resource allocation at the implementation level (Shelly 1992).

4.4 Scope of NGO Operation

The world of NGOs in Bangladesh is inadequately documented (Shelly 1992). As the existing literature on NGOs is scattered and incomplete, there are various estimates as to the total number of NGOs in Bangladesh; a World Bank study (1996) rightly makes a comment on the difficulty to

determine the accurate number of NGOs in Bangladesh. It mentions that as there are multiple NGO registration authorities, it is very difficult to determine the precise number of active NGOs in the country.

Another source to determine the number of active NGOs is the database of the Association of Development Agencies in Bangladesh (ADAB), which is the apex body of local, national and international NGOs engaged in development activities in the country.

In 1987, 1200 NGOs participated in a conference organized by the Association of Development Agencies in Bangladesh (ADAB). Another estimate reveals that the number of NGOs including local clubs, voluntary organizations may be around 10,500. A map published by ADAB in 1987 shows that there are 294 NGOs in different thana of Bangladesh. ADB Report (1992) focused that in Bangladesh, over 13,000 NGOs are registered. As of December 1995, there were about 754 NGOs as listed members. Though the members of NGOs are quite big, but a survey undertaken by the ADB reports upto November 1988 about two-thirds of the total were found to be inactive (ADB 1989).

The increasing number of NGOs registered over the years with the NGO Affairs Bureau (NGOAB) is shown in Table 4.1. It clearly indicates that the number of national and international NGOs, which receive foreign funding, has recorded an enormous increase during little over one decade.

Table 4.1: Number of NGOs Receiving Foreign Funding, 1989-98

Category	Year									
	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Foreign NGOs	89	99	111	125	124	129	132	135	143	144
Foreign Aided National NGO	293	395	523	600	683	790	882	997	1096	1101
Total	382	494	634	725	807	919	1014	1132	1239	1245

Source: Compile from NGO Affairs Bureau database.

The NGOs interested in receiving funds from sources outside the country are required by law to register with NGOAB. As of August 1998, the number of foreign funded NGOs registered with the NGOAB was 1,245. Table 4.2 shows the growth of foreign funded NGOs in Bangladesh.

Table 4.2: Growth of Foreign Funded NGOs in Bangladesh

Period	Number of NGOs		
	Local	Foreign	Total
Through 1990	293	89	382
1990-91	395	99	494
1991-92	523	111	634
1992-93	600	125	725
1993-94	683	124	807
1994-95	790	129	919
1995-96	882	132	1014
1996-97	997	135	1132
1997-98	1096	143	1239
1998-99(Up to August)	1101	144	1245

Source: Compile from NGO Affairs Bureau database.

It is estimated that NGOs currently work in about 78 percent of the villages in Bangladesh and about 24 million people benefit from their activities (World Bank 1996).

In the absence of reliable record and information it is difficult to determine the exact coverage of NGO both in terms of region and target. ADAB sources reveal that NGO activities cover 335 'thana's ,which is 84 percent of the total number of 'thana's in the country. However, this figure does not reflect the target group coverage, which might have been a good indicator of the extent of NGO coverage.

4.5 Typology of NGOs

Structurally there are different types of NGOs (Table 2.3), which can be differentiated on the basis of certain factors, such as size, class, life span,

and location, status of personnel and characteristics of the beneficiaries. There are NGOs organized only by and for women. Some NGOs might be 'enduring' providing significant services on a regular basis and playing a vital role in ensuring community participation, while some other NGOs may be 'ad-hoc' functioning to achieve only a particular goal. Although most of the NGOs in the developing world are formed in the rural areas, a large number are also found in the urban areas.

A large number of NGOs are interested in religious, cultural and welfare activities with a very narrow focus. Human resource development including education, skill development training, and health and family planning have been very popular areas of concern for these organizations. Recently environment and conservation of nature have become areas of interest for a good number of NGOs all over the world.

Classification on the basis of orientation

Charity oriented NGOs: The activities of these NGOs are based on the philosophy of charity. They follow a top-down paternalistic effort with little participation of the beneficiaries. Their activities are directed towards meeting the needs of the poor which includes distribution of food, clothing, medicine, provision of housing, transport, educational facilities etc. Such NGOs also undertake relief activities during natural or man-made disasters.

Development service oriented NGOs: The activities of these NGOs include provisions of health care, family planning or education services. These programs are designed by the NGOs and the people are encouraged by them to participate in the implementation and in receiving the services.

Participatory NGOs:

These NGOs are characterized by self-help projects where local people are involved particularly in the implementation of a project by contributing cash, tools, land, materials, labor, etc. In the classical community development project, participation begins with the need identification and continues into the planning and implementation stages.

Empowerment oriented NGOs

In order to empower the disadvantaged, the aim of these NGOs is to help them by developing a clearer understanding of the social, political and economic factors affecting their lives. These NGOs work to strengthen the awareness of the target group and their potential to control their lives. Sometimes these groups spontaneously identify a problem or an issue, whereas in other instances the NGO workers play a facilitating role in this respect. In the process of empowerment, these NGOs maximize the involvement of the target group.

Classification on the basis of spatial coverage and Sources funds

Local NGOs: These NGOs operate in only a few villages in a thana or union receiving funds from local/national/international sources.

National NGOs: The NGOs operating in four or more geographical locations in the country are treated as national NGOs. These NGOs receive funds mostly from the foreign donors.

International NGOs: These NGOs operate in several geographical locations having their headquarters outside the country and operate mostly by expertise.

Mixed NGOs: voluntary organizations founded and organized locally but receiving money from foreign governments and/or organizations.

Classification on the basis of role

A further classification of the NGOs is made on the basis of their role and functions.

Relief and welfare NGOs: These NGOs are working to provide relief support to the helpless people.

Service NGOs: These NGOs operate their activities to deliver services to the target groups.

Funding NGOs: These NGOs operate as conduits of foreign donors engaged in making grants to NGOs. They help the local NGOs to get foreign assistance.

Networking/ coordinating NGOs: These NGOs work to facilitate mutual sharing of learning and experiences. They also promote mutual support and cooperation among the NGO community.

Development NGOs: These NGOs operate to mobilize the poor through education and conscious rising to develop their own organizations.

Consulting NGOs: These NGOs provide consulting services to the government, donor agencies and other actors in the field of development. Although some fees are charged for their services, these NGOs are non-profit organizations usually concerning issues related to the social and economical development.

4.5.1 Institutional Strategies

The evolution of the NGO sector in Bangladesh within the framework of the (Korten 1990) four Generations of NGOs Development strategies . These are:

- First generation: NGOs put emphasis on relief and rehabilitation work (1971-72);

- **Second generation:** developmental efforts of NGOs are aimed towards community development (1973-75) with a number of sectoral activities (e.g., agrarian reform, health, cooperatives, etc);
- **Third generation:** also known as "sustainable systems development" where the NGOs extending the breadth of their programs, ensuring sustainability through undertaking large-scale programs, complementing the national development systems and involving various organizations and institutions (1976 to date); and
- **Fourth generation:** which entirely depends on the development phase of NGOs in realizing their vision of society characterized by strong People's Movements.

The first generation NGOs main thrust was to rehabilitation and reconstruct the war ravaged country. After a 9 month's bloody war and then the independent Bangladesh came to face a number of problems . Poverty became the most crucial issue. The newly formed government particularly could hardly face this challenge. Though it was also rooted in the voluntary activities during liberation struggle 1971, Many concerned young people rendered medical and other humanitarian services in refugee camps across the border in India, as well as underground within the country to alleviate sufferings of the war victims (Wood 1994). In post-war reconstruction period, several relief and rehabilitation programmes were launched both with and without international assistance by freedom fighters in different parts of the country (Karim 2002). These were the pioneers in setting an alternative development process in motion in Bangladesh (ibid). These groups of people came to interaction with the poor villagers and could easily reveal the dynamics of poverty in rural areas. This led them gradually transform their activities from charity and welfare to participatory development actions for poverty alleviation. And

through this transformation the NGOs entered into its second generation as Korten mentioned. According to Korten's ,NOGs' generation shift; the second generation is also seen very short lived (1973-75). During this time the NGOs role was mainly confined within rural development through agricultural promotion. The cooperative movements in line with Comilla Model was also tried to exercise by the NGOs to boom up agricultural production. The participatory notion for development of the NGOs influenced to adopt such exercise. In addition to that the newly formed development groups (NGOs) tried to give medical services to the poor people. This was because of their health service delivery expertise during independence war in 1971. But all these efforts were in small scale, self reliant and local development initiatives for people's capacity building.

Since 1976 these NGOs have started their activities in large scale. Korten termed it as third generation of NGOs. From this time different change and innovation have found in NGOs' activities. They have started to think not only immediate remedy of poverty but also a long-term solution of the problem. Their message was to sustain the development. This initiative is in consistence with sustainable development. Sustainability of development initiatives led them to encompass multi dimensional sectors. This notion also led the NGOs to complement the government development initiatives. This third generation of NGOs strategies is seen focusing on achieving policy changes at different levels. This is an indication of Kijrton's fourth generation of NGOs. Because the NGOs are not only complementing the initiatives and activities of government but also trying to realize their vision of society through people's movement. This research is mainly trying to see how far the NGOs' programs are

trying to prioritize their vision through social reality and can act most effectively.

Over the past two decades, the NGOs have made significant progress and contributions to a country which is still struggling to survive and to rise as a truly independent nation. Through their various development programs and projects such as health, agriculture, agrarian reform, irrigation, credit assistance, among others, these NGOs have served as catalysts, making their development interventions strongly felt in the urban and rural areas. This intervention in many cases seems to be influential.

During the 1990s, international development institutions channeled their resources through NGOs to supplement the government's delivery system to reach the poor with an argument to create indirect pressure on the government to attain efficiency (Newaz 2003). The World Bank Review (1990) compares NGO activities favorably with those of the state and recommends the expansion of NGOs to supplement government efforts and for implement delivery of services through competition.

Despite the government's ambivalent attitudes towards NGOs, there are still "windows of opportunity" for building meaningful dialogue and mutual collaboration between the government and the NGOs in the promotion of sustainable agriculture and rural development.

The first generation NGOs were formed in Bangladesh with a spirit of dedication to reconstruct the newly independent Bangladesh. To White (1999 321), "clearly that time there was a tremendous surge of 'public spirit', people wishing to do something for the fledging nation, and it was

this what inspired the founders of many of the foremost NGOs today." Jamil (2000) cited some particular reasons of initiating and evolving NGOs in Bangladesh. The reasons are: (a) a growing dissatisfaction of donor agencies with public organizations which are considered to be slow, rigid, hierarchic and insensitive to local needs and problems, (b) a greater flexibility in NGOs' operation with fewer bureaucratic constraints and increasing favor of NGOs within international community, (c) dedicated and efficient leaders, (d) an increase in foreign aid and humanitarian help to cope with many natural disasters that Bangladesh quite often experience, and (e) a good information generation strategy by NGOs to convince as well as to invoke sympathy and conscience among the donors. (Jamil 2000) However, acknowledges the allegation against mushrooming the NGOs are due to foreign funding, which seen by many as a lucrative gateway to resources.

"NGOs in Bangladesh have not originated from Grass Roots Organisations (GROs) in civil society. Rather, it is NGO workers who set up groups, which clients then join to get micro-credit and other services. Most Bangladeshi NGOs are totally dependent upon foreign funds. The volume of foreign funds to NGOs in Bangladesh has been increasing over the years and stood at just under 18 percent of all foreign "aid" to the country in FY1995-96" (Ahmad 2001). Donors increased their funding from 464 NGO projects in 1990-91 to 746 in 1996-97, a 60 percent increase in six years; the total amount disbursed showed a 143 percent increase over the period (NGO Affairs Bureau, 1998). However, the disbursement of funds to NGOs is highly skewed. The top 15 NGOs accounted for 84 percent of all allocation to NGOS in 1991-92, and 70 percent in 1992-93 (Hashemi 1995). NGO dependence on donor grants has kept the whole operation highly subsidized by foreign capital.

NGOs in Bangladesh are managed by two organizations. One is the Department of Social Welfare under the Ministry of Social Welfare and the other is the NGO Affairs Bureau under the Prime Minister's Office of the People's Republic of Bangladesh. Only the locally funded organizations, which are purely involved in philanthropic activities, are managed and administered by the Department of Social Welfare. The apex organ of NGO administration in Bangladesh is NGO Affairs Bureau which was established in 1990. The Bureau is responsible for managing the foreign funded NGOs activities under the Foreign Donation (Voluntary Activities) Regulation Ordinance (FOR), 1978 (Islam in NGO Affairs Bureau Directory 2003). It was expected that the Bureau would facilitate the NGOs' activities in Bangladesh and ensure their accountability to the state (NGO Affairs Bureau Directory 2003).

The NGOAB has become the contact point between the State and various foreign and local NGOs receiving foreign donations (Ahmad 2001). Specifically, the state in Bangladesh requires each NGO to register formally with NAB, and to renew this registration every five years. Each project must be approved in advance by the NAB, as must all foreign funding. Each NGO must receive all funding through a single, specific bank account, and the bank must submit full reports to the central bank, which then reports to the NAB and to the Economic Relations Division (ERD) of the Finance Ministry. The NAB also regulates the use of foreign consultants. For projects and programs of disaster-relief, requirements are similar but the NAB must decide more rapidly. Each NGO must submit annual auditor's reports to the NAB, having appointed its auditors from the list approved by the NAB (Ahmad 2001).

The responsibilities of NGOAB are asserted by Ahmad (2001) and Islam (2003) as follows:

- a. Arranging 'one-stop service' for NGO registration and processing of project proposals, NGOs are not required to go to any other office or authority for these purposes (Circular Section 1:1993).
- b. Approving project proposals submitted by NGOs, releasing project funds and approving appointments of expatriate officials/consultants and their tenure of services (Circular: Section 2: 1993).
- c. Scrutinizing and evaluating reports and statements submitted by NGO.
- d. Coordinating, monitoring, inspecting and evaluating NGO programs and auditing their income and expenditure of accounts.
- e. Collecting fees/charges fixed by the government.
- f. Examining and taking necessary action on the basis of reports on NGO programs.
- g. Enlisting Chartered Accounts for auditing NGO accounts.
- h. Approving receipts of 'one-time contribution' by NGOs. Such contribution is made for buying equipment or for construction of a house/building (Circular- Section 2: 1993).

NGOAB is also responsible for maintaining communication with concerned ministries/agencies on subjects related to operations of NGOs in the country and for obtaining views/opinions from these agencies when required. Government ordinances/regulations requires necessary assistance and co-operation from concerned ministries/ divisions, other subordinate departments/directories, divisional commissioners and deputy commissioners for smooth discharge of the stipulated responsibilities of NAB. The ordinances/regulations also require that different ministries/ divisions of the government and their subordinate offices will consult

NAB prior to entering any agreement memorandum of understanding (MOU) with foreign and foreign assisted Bangladeshi NGOs. Before signing such agreements/MOUs the concerned NGO must be registered under section 3(2) of the foreign donations (Voluntary Activities) regulation ordinance 1978 (Circular Section 4: 1993). Such agreements (MOU) are usually signed between an NGO and the government for programs.

The total number of NGOs registered under the NGOAB up to 2003 is 1791 (NGO Affairs Bureau 2003). Based on the level of operation, sources of funding and management pattern the NGOs in Bangladesh can be categorized into three types (Jamil 2001). These are:

- a. Purely foreign origin NGOs. These NGOs may be called international NGOs. Some of these NGOs operate directly and others only fund activities ran by local NGOs. These NGOs programs as well as activities are influenced or guided by their respective countries' ideas and purpose.
- b. Local NGOs with foreign fund. These NGOs get financial grants or technical assistance from foreign countries, foreign NGOs or some other overseas donor agencies. These NGOs are known as national NGOs and they have programmes almost all over the country.
- c. Small NGOs funded and operated locally. These NGOs are to some extent are funded either by national big NGOs or by government or by foreign NGOs or donors. But they are different from the preceding NGOs as they operate their programs in particular geographical areas. These are small scale NGO.

Ahmed (2001) defines NGOs citing from the World Bank. Here, NGOs defined as nongovernmental organisations as any group or institution that is independent from government and that has humanitarian or co-operative, rather than commercial, objectives. Specifically, the Bank focuses on NGOs that work in the areas of development, relief or environmental protection, or that represent poor or vulnerable people. But the development as management of NGOs in Bangladesh is not out of government control or administration. The NGOs programs, however, are influenced and guided by some external forces like GOB (Government of Bangladesh), donors or funding agencies, etc.

4.6 Programs of NGOs in Bangladesh

There are almost 1798 NGOs registered under NGO Affairs Bureau (NGOAB) in Bangladesh (NGOAB 2003). The trends and characteristics of programs are seemed very broad. The NGOs are rendering those services which are even given by the government. The programs are not only confined to the humanitarian and emergency relief help but also to organize local as well as initiatives like self-help projects, awareness raising, conscientization, group formation, leadership and training in management skill (Edwards & Hulme 1992, 24 cited in Jamil2000). This strategy seeks the "empowerment" of people ,which means "the process of assisting disadvantaged individuals and groups to gain greater control than they presently have over local and national decision making and resources, and of their ability and right to define collective goals, make decisions and learn from experience" (Jamil2000).

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The NGO Directory, published by NGOAB in 2003 listed all the 1798 NGOs and their main programs. It is found that all the NGOs listed there have the following programmed education - primary and mass education,

adult literacy, vocational training; health care programs including hospital services, drug addiction, anti smoking disability (both physical and mental), HIV/AIDS, family planning, mother and child immunization; legal aid; awareness building; violence against women; women development; income generation through micro credit and training, human rights, social welfare through orphanage, micro credit, water and sanitation, relief and rehabilitation, agricultural development programme , arsenic mitigation, religious program, labor law, youth development, disaster management, land reform, child care, rural development, social forestry, fisheries and livestock, poultry, handicraft, environment, local resource mobilization, poverty alleviation, election monitoring, etc. This list covers almost 30 types of programmes operated by different national, local and international NGOs in Bangladesh.

Anu Muhammad (1998, cited in Newaz 2003) has identified some features of the NGOs' activities and functions in Bangladesh. These are:

Relief activities, Health and Family Planning activities and education activities

These activities can also be termed as 'service activities'. The components of such service spectrum are basic literacy, hygiene, sanitation, basic preventive and curative health services, hospital services for indoor and outdoor patients, and provisions for health insurances.

Agriculture activities

NGOs provide the farmers with agricultural equipment, seeds, fertilizer, irrigation machine, etc. sometimes without cost and sometimes at cheaper rates. Non land based production activities like fisheries and livestock have identified as relatively neglected areas by formal sector, where

NGOs are working by developing their own needs. The prioritization of non land based sources of income generation for the target group, an area which had been substantially neglected by government, is somewhat a NGO innovation (Lewes 1993). This led to the concentration of effort on poultry, food processing, social forestry, apiculture etc.

Non-agriculture activities

NGOs render income-earning activities, especially for poor women and adolescent girls. They extend their services by giving loans to entrepreneurs running small and cottage ventures. NGOs at times buy their products and sell those to local and international markets.

Credit and savings related activities

It is argued that almost half of the rural population in Bangladesh are landless and a large section of them are excluded from the access to formal credit and savings activities. The Grameen Bank has pioneered institutional innovations in credit delivery and management, which brought banking to the village and provided organizational substitutes for costly application and collateral requirements with large female memberships. Wahid and Rahman (1993) argue that 'by providing economic strength through the creation of self employment opportunities, the Grameen Bank has been able to reduce the dependence of a section of poor on the rich and thus has shaken the rigid nexus of patron-client relationship'.

Consciousness raising activities

Through these types of programs the rural poor people have been able to fight against poverty and social discriminations. The main objectives of these programs are fostering local leadership and reducing exploitation. It

emphasizes in local institution building and awareness rising of the rural poor people.

Skills development and productivity enhancement

It includes provision of training, technical advice, asses to input and other support services to members, which cover the sectors like irrigation, livestock, poultry, fisheries, social forestry and vegetable cultivation and sericulture. In terms of its supports for skill development of members, some NGOs operate a sub-programme, which mostly experiments with improved farming techniques but does not directly invest in helping members increase their rate of market engagement.

This study is mainly concerning these multifarious programs. What are the factors those cause the NGOs to initiate all these programs. Whether these are sufficient enough to match with poverty to reduce. Chapter five will describe about this issue based on primary and secondary data of two sample NGOs.

Poverty reduction and NGO programmes in Bangladesh

In only a little over three decades Bangladesh has made significant progress in reducing poverty and improving the lives of its people. However, nearly half of its population of 135 million still lives below the poverty line as measured by income, consumption, and ability to meet basic human needs making Bangladesh one of the poorest countries in the world (World Bank 2003).

Poverty reduction in the 1990s was due in large part to strong, sustained economic growth, but another significant factor was government investment in the areas of health, education, social safety nets, and

support for micro-credit programs, which provide poor people with loans for the creation of small business enterprises.

Continuation of this progress is facing daunting challenges, however. Incomplete national reforms in areas such as health, electricity, and banking, and increasing losses by government-owned enterprises are threatening both government budgets and national economic growth. A lack of public confidence in the integrity and efficiency of the country's political and administrative institutions is hindering healthy economic activity, and a population growth rate, which remains unsustainable, is threatening to erode past progress.

For Bangladesh to continue on its current path of reducing poverty and improving living conditions, it will need to sustain macroeconomic growth at levels higher than in the past; reform public institutions; improve social services; and make stronger efforts to increase participation in the economy by the country's poorest people (World Bank 2003). NGO approach to poverty alleviation and human development in Bangladesh includes innovative approaches like conscientization, holistic and minimalist (Newaz 2003). According to the 'conscientization' approach, the roots of poverty are disorganized social, economic and political lives. It requires a long term solution to reduce poverty. So, the awareness building programmes of NGOs have opportunities to work meaningfully in this respect. The 'holistic' approach programs require focusing on non-formal education, social and political awareness building and political mobilization to confront patriarchal power structure, particularly for women, to address the gender subordination (Ahmed: 1982; Hasan: 1985 cited in Newaz 2003). On the other hand, the 'minimalist' approach supports providing credit within minimal training or other supplementary support services (Hashemi 1996; cited in Newaz

2003). Because, it is assumed that the rural poor need more than consciousness, they need Material assistance to help them generate income (Newaz 2003).

In respect of poverty alleviation, principal instruments of NGO programs involve micro credit, skill development and employment generation. The NGO programs in Bangladesh, mentioned in the preceding section are undoubtedly a significant number. But all the programmes are directly or indirectly covered by micro-finance activities which are popularly known as micro-credit program. It is, to a great extent, fact that no other program can attract the beneficiaries without micro-credit activities. It has also come to prove that micro-credit is the most effective program to reduce poverty.

It is estimated that nearly 80 percent of the villages in Bangladesh are now covered under NGO activities but not necessarily 80 percent of the poor who need help. About 1,000 NGOs are engaged in microfinance operations. The overwhelming majority of these NGOs are small: the few large NGOs are BRAC, PROSHIKA and ASA. BRAC (Bangladesh Rural Advancement Committee) happens to be the largest NGO in the world today. About 95 percent of micro credit disbursed by the NGOs is in the rural areas. As of June 1999, the total number of active members benefiting from NGO programs stood at 8.7 million, 85 percent of the beneficiaries being women. Micro-credit is provided to the poor for self-employment, income generating activities, afforestation and other poverty alleviating programs (internet source).

In the early 1980s, a program to give poor, mostly landless people a new chance through small loans was started by Grameen Bank, one of

Bangladesh's largest NGOs, which has also gained status as a specialized bank. Today Bangladesh's micro-credit program is the largest in the world, and the Government has made providing micro-credit a significant component of its plan for halving the number of people living in poverty in Bangladesh by the year 2015 (World Bank 2004).

Till June 1999, of all the NGOs, BRAC, PROSHIKA and ASA accounted for 60 percent of active membership, 71 percent of each cumulative disbursement and net savings, 61 percent of revolving loan fund and 72 percent of outstanding loans. The income generating activities, where substantial micro-credit disbursement has been made, include small trade (42 percent), livestock (18 percent), agriculture (13 percent) and food processing (9 percent) (ibid). The World Bank supported micro-finance project launched in 1996 also helped to improve the financial viability of partner NGOs enabling them to borrow funds from commercial banks at competitive interest rates and run their micro-credit programs at a profit. This progress is paving the way for their gradual integration into Bangladesh's formal financial sector.

The eight Millennium Development Goals (MDGs) which range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education, promote gender equality and empower women, reduce child mortality, improve maternal health, ensure environmental sustainability, develop a global partnership for development form a blueprint agreed to by all the world's countries and all the world's leading development institutions. They have galvanized unprecedented efforts to meet the needs of the world's poorest. These MDGs have been considering as the pivot of developed in the world as well as in Bangladesh centering poverty reduction. In Bangladesh all

development activities as well as programs of government (GOB) and NGOs are projecting in line with MDGs.

The NGO programs in Bangladesh, discussed in the preceding section and in this section, cover almost all the 8 MDGs. As partner organizations (PO) of GOB, the NGOs have great role to play and fight against poverty in Bangladesh as of global concern. It is fact that all the NGOs cannot undertake all the programs related to fight against poverty. It is also not rue that people of every corner of Bangladesh simultaneously face all the challenges to overcome poverty. Particular poverty reduction programs in particular area for particular people are feasible to reduce poverty. The challenge is especially for the small-scale local NGOs to take action in this way. The locally organized or even some big NGOs fighting against poverty may not give a positive result unless their programs are not set forth matching with the particular needs of particular people in a particular area.

4.7 Sources of funding of the NGOs

In the context of Bangladesh, the sources of NGO finance are classified into internal and external sources. The internal source refers to own funds of the NGOs. The external source refers to the funds received from outside which are again subdivided into local and foreign. Table 4.3 shows the sources of NGO financing.

Table-4.3 : Sources of NGO Financing in Bangladesh

Internal Source	External Source	
	Local	Foreign
*Fees collected from members (e.g. interest on credit) *Service charges (e.g. for training) *Sale of publications Transfer from commercial ventures *Others (e.g. earnings from investments funds) * Donations	GOB *Direct allocation *Project partnership, subcontract or subvention mechanism *PKSF-to small NGOs Private * Donations from public * Donations from business Credit * Borrowing from commercial banks * Bank funds for lending to NGOs	Through ERD * Bilateral-and multilateral aid agencies Through NGOAB * Bilateral -and multilateral aid agencies * International NGOs * Foreign Private donations * Offshore funding for NGO training * Contract research * Embassy discretionary funds

Source: World Bank (1996)

An estimate by Bhattacharya and Ahmed (1991) indicates that the total budget of the ten most important local and international NGOs in Bangladesh amounted to Tk. 189.42 million in 1990-91 and about 94 percent of this amount came from foreign sources. Out of this, a 8 percent accounted for health, family planning and sanitation 10 per cent for education and training and about 21percent for credit delivery. From 1990 to 1998, the total amount of money approved for different NGO projects gradually increased to a significant level. Table 4.4 presents the amount of foreign funds released by the NGOAB during the period 1990 to 1998.

Table4.4: Amount of Foreign Funds Released through NGO Affairs Bureau

Period	Number of approved Projects	Amount approved (TAKA)	Amount released (TAKA)
Brought forward	8	14,892,279.00	217,169,685.00
F.Y.1990-91	464	6,341,680,229.33	4,264,080,522.19
F.Y.1991-92	549	11,484,379,404.67	4,865,522,844.98
F.Y.1999-93	626	15,995,368,116.77	7,828,230,680.78
F.Y.1999-94	581	12,600,960,786.60	6,840,362,530.43
F.Y.1999-95	579	17,627,496,279.39	8,380,189,748.61
F.Y.1995-96	702	14,672,397,699.40	10,372,077,588.53
F.Y.1996-97	746	10,259,187,684.80	10,410,941,131.80
F.Y.1997-98	705	8,524,660,229.00	9,360,719,019.00

Source: NGO Affairs Bureau.

The World Bank identified some additional source of domestic funding for the NGOs (World Bank 1996). These are:

Partnership program with the government

The collaborative programs through government subcontracts to NGOs are currently the most promising source of finance.

Linking up with Banking Sector

For replenishing their revolving funds, a growing number of NGOs are resorting to the nationalized commercial and agricultural banks.

NGO financing institution

With a view to scaling up the works of the NGOs in Bangladesh, the GOB has been financing micro-credit programs of NGOs through a specialized agency, called Palli Karma Shahayak Foundation (PKSF) that

was established in 1990 as a non-profit company. Its main objective is to provide funds to its partner organizations, especially for credit programs, at a significantly lower interest rate.

Supplements from commercial ventures

Big and established NGOs set up their own commercial ventures to earn profit. For instance, BRAC has set up commercial ventures like cold storage, printing press, garments factory, production and sale of handicrafts, dairy farming, etc.

Sale of services:

Sale of services has emerged as a very promising source of income for NGOs, particularly for the big, established and specialized ones. The services that attract income most include consultancy and research.

4.9 The Advantages of NGOs

Capacity to reach the poor and the remote areas:

First of all, the NGOs focus on the poor segment of the society, which in many cases don't benefit from governmental services. These communities are often located in remote areas where government programs are either limited, don't exist or are ineffective (Cernea 1988).

Capacity to promote local participation

The overall objective of NGO intervention is to enable the disadvantaged groups to share the benefits of develop local potentials (Wilson 1983). To this end, beneficiary participation in identifying and developing programs to meet their own basic needs is very important. Such participation ensures that these programs are compatible with local conditions, culture and possibilities (Kozlowski 1983).

Capacity to work with other agencies

Many NGOs are ready and able to assist governments, local government departments and local voluntary agencies. They are not limited to working with any particular type of recipient agency but can work with the most appropriate structure or body.

Capacity of unique understanding of local institutions and socio-cultural environment

NGOs tend to have accurate knowledge and understanding of local needs and capacities. With and through their counterparts, they are usually able to locate individuals within communities who have the requisite skills to undertake projects as well as find materials, if they have.

Capacity to act quickly

Due to their small size the NGOs tend to be more flexible than government programs or local government programs.

Capacity to take risks and experiments

The small size of NGO projects is directly related to their purpose. NGOs normally undertake pilot projects in order to experiment or act as a catalyst. To attain their objectives they take risk much more readily than governmental agencies.

Capacity to innovate and adept

The NGOs are oriented towards promoting new natives. They enjoy a comparative advantage in identifying the needs and building upon existing resources. Being more flexible than government agencies, they can transfer technologies elsewhere and agonist them to local conditions Through their continuous searches and experimentation the NGOs

become creative and approaches and experimentation, the NGOs become creative and experienced, especially in micro level planning of development activities (Sultan 1990).

Capacity to operate on low costs

NGOs to use low-cost technologies and streamlined services enable them to operate efficiently. Some large NGOs are able to implement national-scale that is cost effective (Korten 1919).

Capacity to facilitate local resource mobilization and ensure local development

The NGOs have demonstrated their ability to facilitate resource mobilization by promoting local participation and their willingness to adapt to local needs and conditions in the support they provide to these groups (Brown and Korton 1991). Thus the NGOs support local initiatives (World Bank1995)

Capacity to advocacy

The NGOs have the capacity to press the public sector to be more responsive. Their successful initiatives make them able to influence national polices and give them advocacy power to governmental organizations.

Besides, the NGOs have the capacity of strong orientation to client service. (Korten 1987). They have the capacity of developing a sound management system that provides rich flow of information (korton 1987). They also posses the capacity to have arrangement to document their activities for positional replication (Sultan 1990).This sector uses bottom-up planning approach (Sultan 1990).Through their management system

and ability to absorb funds, the NGOs earn credibility with the donors (Peggy 1987). NGOs prove their capacity to provide an efficient and effective alternative to public agencies. They also show their capacity to help the public services to improve their quality and enlarge their scope, guard common values and supplement the government. NGOs prove their capacity for long-standing involvement with particular geographical areas and client groups, which help them to achieve a sense of solidarity (Hasan 1993).

The NGOs have number of other advantages, over government agencies (Uphoff 1987). Where the NGOs are administrative and financially stronger than a weak government, and they can prove their important role in the development activities. They can also prove their capacity where government is not interested or unable to work in a particular area. Where government lacks the technical or other skills required to support the development process, the NGOs can use their capacity by providing required technical and other skills. Where government wishes to support participatory development but lacks the knowledge or capacity to be effective, NGOs can provide support in this respect. Where the government is obliged to work within the pattern of traditional values and relations and is less able to work outside this pattern, the NGOs can use their capacity to work outside this pattern and also able to work with modern values. Where government is favorable towards NGO initiatives in promoting participatory development, the NGOs can fruitfully use their capacity (Uphoff 1987).

4.10 Weaknesses of NGOs

Besides comparative advantages, the NGOs have some weaknesses. The NGOs are commonly criticized for having the following weaknesses:

Limited reliability

Many NGO-sponsored activities are too small and localized to have important regional or national impact. NGO activities depend on a highly motivated staff and where such high level of motivation cannot be replicated, the activities themselves cannot be replicated (Cernea 1989).

Limited self-sustainability

Many NGO-sponsored projects are not designed in a way that would enable them to sustain with little or no outside aid. The NGOs are unable to adopt long-term and efficient planning strategies (Cernea 1989).

Limited technical capacity

Local NGO projects are often initiated with insufficient technical feasibility analysis and inadequate information. This is often the result of their lack of sufficient managerial skills that affect the overall impact of the programs (Cernea 1989).

Lack of broad programming content

The NGO often carry out their initiatives and projects individually which remain relatively isolated from other NGOs or programs and this tendency hinders the establishment of countrywide or regional programs (Cernea 1989).

Limited ability to reach the poorest segment of the society

Although the NGOs tend to reach the poor, it is also true that they cannot effectively reach the 'poorest of the poor' in the society e.g. the floating population.

Inability to scale up activities

Because of their small size and resources, limited administrative system, intensive forms in a few communities, and the difficulty in maintaining their essential value consensus (as the staff expands 1991).

Dependency on Donors

Donors fund specific projects and normally finance against requests for identifiable and specific items. This reflects the fact that the funds are raised from private donations, agencies are accountable to their donors and donors want to be able to identify something specific. The donors' attitude restrictions towards NGOs can perpetuate a damaging dependency that is ultimately self-defeating if the purpose is to assist the country/community/organization to develop a level of self-sufficiency. Besides, donors' special inter service in certain sectors limits the areas of activities of the NGOs. Donors, frequent requirements to use their own staff, consultants, equipment and other material resources become a major constraint for the NGOs. The NGOs are criticized that, by taking funds they serve the interest of the donors and this fulfill their objectives.

Paternalistic approach

NGOs tend to become "paternalistic" about their clients by continuously investing in the same beneficiaries instead of setting time targets for their graduation from poverty (Aminuzzaman 1993).

Centralized operations

Some of the large NGOs are operated and run by their own bureaucracies. This is evident in cases where the head office of the NGOs takes decisions in a way that leaves little scope for its local level staff and

group members to take new initiatives or respond immediately to specific issues to a locality.

An UNDP sponsored study (UNDP, 1988) identified some limitations of NGOs which were as follows:

The NGOs slow-down the pace of development of the poor by withholding credits for longer periods of time. The people cannot survive on “consciousness” along. The NGOs are heavily dependent on foreign sources and in the absence of accountability, too much money from outside can make them corrupt, controversial and bureaucratic.

With small projects in a village or two, it is easy to show remarkable success but it may not be possible to replicate these throughout the country. Because countrywide replication of successful models based on small projects is not possible for the NGOs without such a decision and support from the government. But the NGOs do not have the authority to take such a decision. Due to this lack of socio-political leverage, NGOs are ineffective in running big project that would change the fate of a significant number of rural poor.

Asian Development Bank noted the following common criticisms of the NGOs:

1. Limited size, scope and thus impact;
2. A loose structure, sometimes without real accountability to the poor on whose behalf the NGOs claim to be working.
3. Concentration of efforts on the poor rather than very poor;
4. Too easily inducted into areas of donor’s interest (for the sake of assured fund);
5. Inadequate or unclear long term strategy for building institutional capacity and self-reliance among the target group (ADB 1993).

Chapter 5

Profiles of the Activities of the Sample NGO and Beneficiaries

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5.1 Concept, Definition of the study

Gorman said about NGO, 'Non-governmental (private) non-profit agencies engaged in overseas provision of service for relief and development purposes (which) derive at least a portion of their fund from private charitable contribution'. NGOs are mostly known, now a day, as PVDOs or Private Voluntary Development Organizations, or NGDOs (Non-Governmental Development Organizations). As commonly conceptualized and defined they tend to have a well-specified mission, they usually provide services that are considered as professional (requiring people with some specialized skills for rendering them), they have clearly identifiable formal structure, they normally work with some least salaried staff and often render support to other organizations, mostly community based organizations, but also other, even governmental agencies. NGOs are sometimes used with a broader meaning, even occasionally as encompassing all kinds of voluntary and private non-profit organizations. Non-profit organizations are those that are specified in the laws of a country and are exempted from taxation. In Bangladesh, however, the term NGOs refer to all such organizations and institutions that are registered with the government under Voluntary Social Welfare Agencies (Registration and Control) Ordinance of 1961 and the Foreign Donation (Voluntary Activities) Regulations Ordinance of 1978. NGOs could be defined in Ethiopian context as voluntary humanitarian private organizations, non-profit making, non-serving, non-political, non-partisan and independent organizations involved in promotion of social justice and development using its own resources (DPPC 1995 In Tekle, 2000).

In Bangladesh, NGOs have been defined as association formed through initiative of a few committed persons dedicated to design, study, and implement development projects at the grass root level. They work outside government structure, but operate within the legal framework of the country. They are involved in direct action oriented projects some times combined with study and research. Their target population is primarily rural poor.

5.2 Rural Development

Robert Chamber suggests, 'Rural development is a strategy to enable a specific group of people, poor rural women and men, to gain for themselves and their children more of what they want and need. It involves helping the poorest among those who seek a livelihood in the rural areas to demand and control more of the benefits of development. The group includes small-scale farmers, tenants and the landless'. Tim Broached expressed NGO as "exclusively----- any voluntary non-profit agency involved in the field of development cooperation or in education and policy advocacy activities."

5.3 Proshika's Understanding of Poverty

Proshika believes that mass poverty in Bangladesh stems from structural deprivation. It is caused by interplay of several factors such as unequal distribution of productive assets, inequitable distribution of income, unemployment and underemployment, low level of human resource development, lack of people's access to public institutions and services, interlocked imperfect and distorted market operations, a patriarchal social system, environmental pollution and degradation and lack of good governance in development projects which bypass the poor (Towards a Poverty free Society, Plan for phase 1988, p-9). In the face of such

conditions, Proshika argued that eradicating an unjust and distorted system is a vital prerequisite for poverty eradication in Bangladesh. With an understanding of this development ethics, Proshika has been providing support for structural poverty eradication throughout the country.

Proshika argued that as poverty is a structural problem of Bangladesh society, it could be eradicated through providing support for restructuring the social system. Poverty trend analyses by various organizations suggested quite strongly that improving income of the poor has to be associated with corresponding improvements in health, education, environment and people's participation in development activities. All these issues are inter-linked and interdependent and require an integrated, innovative and multi-dimensional approach to change the structurally uneven and unjust socio-economic system. Conversely, it can be said that poverty is created by a combination of a set of economic, social, environmental and political factors and any successful poverty alleviation strategy must have an integrated approach to act upon all these factors in a synergistic way.

A sound framework for the analysis of poverty is needed to assess the efficacy of any development strategies undertaken. The creation and recreation of poverty is a process in which the resources of the poor economic, social, human, cultural and environmental- are eroded through various relationships of a dominance- dependence or patron-client nature. Their economy is eroded through unemployment, underemployment, low wages, low prices paid for commodities produced and indebtedness to moneylenders.

Social resources drain away through inequality in social relations, loss of a sense of a community due to social atomization, weak horizontal relationships between the poor, strong dominant relationships, oppression of women and lack of their participation in the decision-making process of community and state. Erosion of human resources occurs due to illiteracy, ill health, lack of employable skills, lack of confidence, lack of an analytical ability to understand the causes of poverty, fatalism, lack of co-operative attitude and superstitious beliefs and practices.

Environmental resources are eroded when natural resources such as land, water, air and forests are depleted and degraded. This not only threatens the sustainability of crops, fish, livestock and biomes but also creates health problems for the poor.

Cultural resource erosion occurs due to adherence to a feudal culture that endorses passivity, resignation; devalue of physical labor, acceptance of social inequality and injustices, and patriarchal values which marginalize women. These resource erosion processes are, although separately identifiable, generally interlinked and mutually reinforcing. For example, illness, dowry, illiteracy and natural causes all accentuate income losses. Proshika's policy, therefore, is to provide support to beneficiaries through a multi-dimensional but integrated approach in order to constrain the erosion of resources (Impact study 1999, p8-10).

5.4 Development Activities of the Sample NGO

All the development programs of Proshika are geared up to alleviate poverty and improve status of the rural women. This study documents 15 activities of Proshika. Most of the Proshika programs have similarities. The following information shed light on the ongoing activities of the

Proshika as a whole. Most of the Proshika's programs are rural development programs, institution building and social mobilization and micro-finance. Other programs are income generation for vulnerable group and its development, rural enterprise project, relief and rehabilitation programs, support enterprise, nutrition facilitation programs, *shushastho* (health care), schools, union library and cultural integration of ethnic groups.

5.4.1 Organization Building among the Poor

Proshika encourages the poor in rural and urban areas to organize themselves into groups, popularly known as *sammitee*. The primary groups form group federations at village, union and *thana* levels already reaching to 10,255 broader organizational networks. These sammitees are primarily responsible for advocacy, raising awareness, creating self-employment opportunities, saving scheme, etc. They also strive for establishing their rights in the local levels.

5.4.2 Development Education

In this sector human development training program and practical skills are disseminated at the local level. A total of 465,127 training courses on human development were offered during 1994-1999, in which 8,065,320 participants attended. In skill development training, the number of courses offered during 1994-1999 was 37,164. A total of 846,103 participants attended these courses during the period. All these training courses are aimed at creating scope of employment and income generation and hence they contribute to poverty reduction.

5.4.3 People's Cultural Program

This program aims at using cultural resources as a means of conscientization and empowerment. Since its inception, PROSHIKA has organized a total of 640 cultural troupes comprising 9,204 members at ADC level. Of them, 2,960 are women. Since women, in particular, are deprived of participating in different cultural programs, Proshika aims to ensure involvement of women, which, in turn, help them to be empowered.

5.4.4 Development Support Communication Program (DSCP)

This program, with its different components, contributes to social empowerment of the poor providing communication support to other social development programs of Proshika.

5.4.5 Universal Education Program (UEP)

Education support is one of the major benefits that derived by the rural people from the NGOs. So far 30,569 adult literacy centers have been established by PROSHIKA. Through these centers elderly people get the opportunity to learn how to read, write and do the most common counting required in every day life. People devoid of literacy are often exploited and cheated in various documentations. It becomes difficult for moneylenders and other exploitative people to get any document thumb pressed by them once they are empowered with literacy. The literacy program also helps them learn more about health and hygiene, opportunities of economic development and make them aware of their own rights. It also makes them realize the importance of education in today's world, which definitely, in turn, is reflected when more families are seen to send their children to schools.

5.4.6 Employment and Income Generation (EIG) Activities

Activities in this program encompass etiological agriculture; livestock; fisheries; social forestry; Irrigation and tilling technology service; sericulture, apiculture; homestead gardening; seed production and marketing. The EIG activities are initiated through building savings, provision of credit (Tk.13 billion so far) and extension of technical assistance. Currently the group members are engaged in 1,85,840 different income generating projects creating 2.3 million employment/self employment opportunities.

These activities of the sample NGOs are contributing to the national economy by increasing production of livestock, fisheries and agriculture, etc. Resource mobilization and dissemination of knowledge at the grassroots level have widened the sphere of employment.

5.4.7 Micro Finance

Proshika provides different types of collateral-free loans to its sammittee members, such as general, program and housing loans. Presently, Proshika gives three savings products- (1) Weekly personal savings, which is a weekly savings product where member can save any amount with a minimum of Tk.5 per week. (2) Compulsory savings, which is linked to the loan products; and (3) Current account savings.

These activities of the NGOs are contributing to the national economy increasing production of livestock, fisheries and agriculture etc. Resource mobilization and dissemination of knowledge at the grassroots level have widened the sphere of employment.

5.4.8 Integrated Multi-Sectoral Women's Development Program

PROSHIKA has introduced this program to address the problems of women and realize their rights. Women groups constitute 60 per cent of all Proshika facilitated primary groups and are recipient of all development services in corresponding proportions.

5.4.9 Environmental Protection and Regeneration

Environmental Protection and Regeneration Activities include the following programs: Social Forestry; Participatory forest management; Homestead gardening and seed production; and Etiological Agriculture program. Towards that end PROSHIKA group members have planted 77.02 million trees in the past seven years in denuded forest land, roadsides, embankment slopes, and alongside railway lines.

5.4.10 Housing Programme

Proshika has erected 31,755 houses for homeless families during that period. These housing schemes ensure better provision for sanitation and safe drinking water for the dwellers on the one side, while on the other side it is also having an affect to protect the environment at large.

5.4.11 Health Infrastructure Building Program

With the sinking of 25,372 hand tube-wells and 317,225 low-cost sanitary latrines to date, Proshika has brought water-borne and communicable diseases under control and has ensured a safer and more hygienic environment in its working areas.

5.4.12 Health Education Program

Integrated nutritional activities, integration of disabled in development, upgrading knowledge and skills of traditional birth attendants and health

training courses are some other regular activities of this program. This has a great impact on the society at large since it is helping change the general perception of the people against the disabled and helping them to adjust with the main stream. The impact of upgrading the knowledge and skills of traditional birth attendants and health training courses can very well be understood from the reduced rate of child mortality at birth over the last few years.

5.4.13 Economic Enterprise Development (SEED)

This program enhances the capacities of existing small entrepreneurs, and creates more employment opportunities for the poor. The program has so far extended Tk.91 million loans along with formal training, business counseling and marketing extension supports.

5.4.14 Assistance to Other Organizations

This program aims at achieving sustainable development through building partnership with local NGOs, clubs and educational institutions. There are many organizations working with strong commitment and some grassroots development experiences in different areas of Bangladesh but do not have required capacity due to absence of different training facilities, fund availability etc. Proshika with its vast experience and capacity extends a helping hand to those organizations.

5.4.15 Disaster Management Program

Proshika has been providing disaster relief during natural calamities such as floods, cyclones, cold spells and tidal bores. It is also involved in rehabilitating the victims of communal riots since 1984. Preventive programming has complemented these responsive interventions including

the construction of 6 two-storied cyclone shelters in the costal areas of the Bay of Bengal together with costal forestation over a stretch of 135 k.m.

NGO members are attending and participating in the samitee meetings, cultural programs, health and hygiene awareness program besides playing an active role in the income generation schemes and keeping them updated with new training skills in their own vocation. All these indicators reflect the social mobility of the NGO beneficiaries.

5.5 Existing Activities of Proshika in the Area

The following table provides the programs of Proshika and the expected impacts of the programs in the study area.

Table 4.1 Activities of the Sample NGO in the study Area and expected impact

Activities	Proshika	Expected Impact
Institutional	✓	
Institution building	✓	Group formation Increase group cohesion
Institutional credit	✓	Reduce dependency on informal money lender Diversified use of loan and raise income
Training	✓	Skill development
Economic		
Cow rearing	✓	
Goat rearing	✓	
Cattle fattening	✓	
Fish farming	✓	
Tailoring	✓	Raise income and employment opportunities
NFPE teaching	✓	
Small business	✓	
Rickshaw/van driving	✓	
Nursery	✓	Improve agricultural production
Paddy husking	✓	
Agro input selling	✓	
Social		
Housing	✓	Increase housing condition
Housing loan	✓	Increase hygiene practice and reduce morbidity's
Sanitation facilities	✓	
Health service	✓	Improve health condition
Child education	✓	Improve education

Source: Proshika 2002

Chapter 6

Profile of Member and Non-members of the Sample NGO: Socio- Demographic Characteristics

Chapter 6

Profiles of Member and Non-members of the Sample NGO: Socio-Demographic Characteristics

According to the World Bank (1990), estimate more than a billion people in the world live in poverty despite having enormous economic development in the last few decades. The incidence of poverty is diffused unevenly and the lowest quintile income group bears comparatively more burdens. This diffusion in the poverty picture is responsible for creation of inequality in education, income, access to health care services, etc. Such disparities definitely shape the demographic and socio-economic structure of the population. The World Bank publication also reported that in a number of developing countries, the well being of the poorest has been and/or is being deteriorated in relative terms as they are being denied access to resources needed to them (World Bank 1993).

Bangladesh is one of the densely populated countries in the world. With a population of over 140 million in only 1,47,570 square kilometers of land, the poorest loose out in the competition over scarce resources. This is also intensifying the poverty situation of the extreme poor in Bangladesh and reliable for the intergenerational poverty traps. The extreme poor are thus caught in a vicious trap and the story of denial and injustices tend to continue over generations for a large majority of them.

Most development programs not only by pass the extreme poor but they also sidetracked in the development research. This hinders the knowledge about their lives, struggle, and socio-demographic information such as age-sex distribution, household composition, education, housing

condition, land ownership and water and sanitation of the extreme poor population.

Some of these themes are explored here in-depth. For this analysis, this survey covered 167 NGO-member (Proshika) households and 111 non-NGO-member households to see whether any difference exists between the two.

6.1. Household Population

In this study a household is defined as a person or a group of people who live together and take their meals from the same *Chula* (kitchen). The distribution of the household population covered in this study is presented in Table-6.1 by age, sex and participation of the NGO program activities grouped as member and non-member households. The surveyed households comprised 1,261 people. Compared to female, the proportion of male population was higher for the member and non-member households, but the male-female ratio is higher for the member households than that of non-member households.

National Institute of Population Research and Training (NIPORT 2001) found that there were more people in the age group than that of older age groups for both sexes. About 39.9 percent of the population was below 15 years of age compared to the national estimate of 39 percent indicating that dependent population at the early age is slightly higher among the poorest segment of the people. The dependent population at the later age (65 or above) is 1 percent among the poorest. This is much lower compared to the national estimate of 4 percent. This may be attributed to the lower life expectancy of the poorest in Bangladesh.

Table 6.1: Population distribution by age and sex

Age Group	Study population					
	Member households (%)			Non-member households (%)		
	Male	Female	Both	Male	Female	Both
0-4	12.0	6.5	9.5	8.4	8.4	8.9
5-9	11.3	12.1	11.7	15.7	12.9	14.4
10-14	10.1	13.0	11.4	16.8	14.2	15.6
15-19	11.8	8.9	10.5	8.8	7.8	8.3
20-24	7.2	8.6	7.8	5.8	9.1	7.3
25-29	6.7	14.2	10.1	4.4	5.2	4.7
30-34	7.7	6.2	7.0	4.7	19.0	11.3
35-39	8.2	8.6	8.3	12.4	8.6	10.7
40-44	6.5	7.4	6.9	9.9	3.0	6.7
45-49	6.2	3.3	4.9	4.7	6.5	5.5
50-54	3.4	3.0	3.2	3.6	1.3	2.6
55-59	2.2	3.6	2.8	2.2	1.7	2.0
60-64	2.4	3.3	2.8	1.5	.4	1.0
65-69	1.9	1.5	1.7	0.0	0.0	0.0
70-74	1.7	0.0	0.9	1.1	0.0	0.6
75-79	0.5	0.0	0.3	0.0	0.9	0.4
80+	0.5	0.0	0.3	0.0	0.0	0.0
N	417	338	755	274	232	506

Source: Field Survey.

6.2 Disability

While it is not known whether physical or mental disability among the poorest is higher than the general population, this study suggests that 0.5 percent members are either physically or mentally disabled. The government is yet to conduct a nationwide study on the physically or mentally disabled population in the country. The outcome of this study could be utilized in the future to draw a comparison of the physical or mental disability with a cross section of income groups. This can also help understand whether physical or mental disability has any correlation with income generation.

6.3 Household Composition

A small proportion of the poorest households were female-headed (Table 6.2). It is 2.4 percent for the member households and 3.6 percent for the non-member households. The percentage of female-headed households was higher for the non-member households than the member households. This may be due to selectivity bias of the development program as they emphasize more on the male-headed households considering that male-headed households are comparatively more capable of repaying their loan installments. A finding of this study contradicts with the national estimate where the national rural average of the female-headed households was 8.4 percent (NIPORT 2001). This may be attributed the small sample size compared to the national estimate. While single-person households were rare (1.5 percent), according to national estimate (NIPORT 2001), Table 6.2 shows that the estimate is approximately double for the poorest households and the estimation is also higher for the member households compared to the non-member households. The cause behind this is that NGOs are willing to select single member households as they are comparatively more deprived and NGOs try to bring them into the

development programs providing various types of assets, cash transfer, income generating activities etc. to upgrade their livelihood strategies. As a result, the average size of the member-households (4.52) is lower compared to the average size of the non-member households (4.56).

Table 6.2: Household Composition by study Population

Composition	Study population	
	Member households	Non-member households
Household headship		
(%)		
Male	97.6	96.4
Female	2.4	3.6
Number of household members (%)		
1	2.4	0.0
2	2.4	3.6
3	14.4	17.1
4	37.7	31.5
5	28.1	28.8
6	9.0	9.9
7	1.2	6.3
8	1.8	0.9
9+	3.0	1.8
Mean household size	4.52	4.56
N	167	111

Source: Field Survey.

6.4 Marital Status

Table 6.3 provides information about the marital status of the respondents. About 77.1 percent of the both members are married. But it is to be noted that only an insignificant proportion of the total population is in the widowed group.

In the category of divorced, necessary household persons is higher than the non-members. Only .3 percent of non-members are divorce and .8 percent of non-members are divorce. On the other hand, 6 percent of both members belonging to the separated groups.

The distribution of marital status was of our interest to see whether development programs were benefiting the most disadvantaged like divorced or separated. This finding suggests that percentage of abandoned or separated in the member household group is higher on an average compared to the non-members. Basically, no significant difference exists between the member and non-members in the case of marital status categories (See Table 6.3).

Table 6.3: Marital Status of (15+ years old) Study Population (In percent)

Marital Status	Study population		
	Member	Non-member	Both
Unmarried	18.9	20.1	19.3
Married	77.4	76.7	77.1
Widow	2.8	2.9	2.8
Divorced	0.8	0.3	0.6
Separated	0.8	0.3	0.6
N	509	309	818

Source: Field Survey.

6.5 Education Profile of Household Members

Education is an important component of human life as it has association not only with the standard of living but also an indicator of status in the society. It has strong effect on employment creation, income generation, standard of living, access to and use of health care items and services and many other aspects of human life. This caused to consider education of the sample population as a research component. In this study, education was measured by years of schooling. According to NIPORT 2001, education has been consistently increasing in Bangladesh. About 41percent of the (5+ years old) rural population attended school at least once in their lifetime. This study finding, in this aspect, is consistent with the study done by Ahmed et al (2003). The insignificant rise in education among the poorest may be attributed to the time lag between the two studies. But a very small portion of the members and non-members had the opportunity to continue in school for more than five or ten years. This is why average years of schooling are very low among the poorest household members and this is also true for the head of household. Table 6.4 shows that 43.5 percent (1-5) of the NGO member household children go to school while in the case of non NGO member households 39.4 percent go to school. In the case of school, the percentage of non member children (20.8percent) is higher than NGO members.

Table 6.4: Years of Schooling of the Study Population

Years of schooling	Study household	
	Member household (%)	Non-member households (%)
None	38.4	36.9
1 – 5	43.5	39.4
5 – 10	14.6	20.8
> 10	3.5	2.9
Average years of education	2.51	2.78
Mean education of the household head	2.77	3.32
N	666	447

Source: Field Survey.

6.6 Land Ownership

As one of the objectives of this study is to show the poverty situation among the poorest households, land ownership should be considered as a determinant of poverty condition within the households. Nearly 7 percent of the member households were landless compared to only 1.8 percent of the non-member households. This reveals the fact that NGOs are helping the poorest households by providing different types of income generating assets. But it is seen that except homestead, only 44.3 percent member households have only cultivable land where the figure for the non-member households is 42.3 percent. There is a significant difference in the average size of land between the member and non-member households (Fig-6.5).

Hypotheses: Amount of land holding among the beneficiary household of NGO is higher than non-members.

As can be seen from Table 6.5, the mean size of land of the NGO beneficiary households is 63.19 percent decimal, while non-member group it is 35.98 percent. Penetration of the NGO is more among the land less compared to land holder. Of the sample households 6.6 percent NGO beneficiaries were from landless category while from non-member household it was 1.8 percent.

Years of NGO activities and involvement in income generating projects trained the NGO members to learn the importance of savings and safe investment. The result is clearly evident from the fact that the mean land holding of the NGO beneficiary is almost double than that of the non-member.

As can be seen from the above discussion, the amount of average land holding of the beneficiary households is higher than non-members household.

Table 6.5: Ownership of Land by Study Household

Land ownership	Study households	
	Member households (%)	Non-member households (%)
Landless	6.6	1.8
Land per head (decimal)	15.33	8.68
Having land except homestead (decimal)	44.3	42.3
Mean size of land (decimal)	63.19	35.98
N	167	111

Source: Field Survey.

6.7 Water and Sanitation

According to World Bank (2002), about 10 percent of the total burden of disease in developing countries arises from contaminated drinking water and its inadequate supply. An estimated 10,000 people die every day from water and sanitation related diseases and thousands of people suffer from debilitating illness. This situation is mostly prevailing in the poor households, as they are not capable of managing better sources of drinking water and sanitation. Water and sanitation related sickness put severe burdens on health services. Due to the lack of safe water and proper sanitation diarrhea spreads. Water-borne diseases are one of the causes of under-five mortality. Considering all these aspects, United Nations initiated the International Drinking Water Supply and Sanitation Decade (1981-1990) to promote safe water supplies and sanitation facilities for the poor especially for the developing countries. In this connection, NGOs in Bangladesh have been working to promote these conditions to provide safe water facilities and *pacca* sanitation facilities to their group members. In this connection it should be mentioned that those who are not members of any NGO are also benefiting due to spill over effects of knowledge relating to this aspect. Over the last decade, Bangladesh has improved a lot in providing safe drinking water and sanitation facilities. From Table 6.6 we see that member households use tube-well water more than those of non-member households.

National coverage of drinking water supply was 97 in this connection in 1994 with 100 in this connection in urban and 97 in this connection in rural areas (WHO 1996). However, quality of water was not considered in that study. So we can not say that water is free from chemical and microbial contamination i.e. safe water. But it should be mentioned that in that study tube-well water was considered as safe drinking water.

Tube-well water in Bangladesh is considered as the main source of drinking water for almost all households, both member (98.8 in this connection) and non-member (96.4 in this connection) households, in the district, excepting a few who were collecting drinking water from pond, ring-well and filter. Most of the households (more than 70 in this connection), irrespective of member and non-member households, collected water for bath, cooking etc. from tube-well. Table 6.6 shows that NGOs members 18.6 percent use pond water for drinking and 6.3 percent use pond water for drinking.

However, it was observed that non-member households used tube-well water for other purposes compared to member households.

Table 6.6: Sources of Drinking Water

(In percent)

Sources	Study households	
	Member households (%)	Non-member households (%)
Pond	0.0	1.8
Ring-well	1.2	0.0
Tube-well	98.8	96.4
Filter	0.0	1.8
Sources other than drinking water		
River	6.6	0.9
Pond	18.6	6.3
Ring-well	1.2	3.6
Tube-well	71.9	89.2
Tape	0.6	0.0
Filter	1.2	0.0
N	167	111

Source: Field Survey.

6.8 Arsenic in Water

During the 1970s and 1980s, aid organizations installed thousands of tube-wells in Bangladesh, hoping to bring an end to dysentery and cholera. This program was successful in the sense that it provided safe wells to more than 80 percent households by 2000. However, it had a massive blind spot: it did not test whether water was arsenic infected or not. According to the *Safe Drinking Water 2003*, about 20,000 Bangladeshis are died a year from arsenic related ailments. In this study, questions were asked to know the awareness level of the poor households and arsenic status in drinking water in the district.

About 84-90 percent of the total households of the served villages of the district were aware of arsenic and its related health hazards (Table 6.7). However, there is a significant difference in the case of knowledge about arsenic contamination among the member and non-member households. NGO member households (92 percent) are more concerned about the arsenic contamination than the non member households (84 percent). It is also revealed that the percent of member households (23 percent) who tested their tube-well water was comparatively higher than those of non member households (7 percent). Of the tested tube-wells, 75-76 percent tube-well water was arsenic infected. No significant difference was observed in this respect.

Table 6.7: Awareness of Arsenic by the Study Households (in percentage)

(In percent)

Knowledge	Study households		
	Member households	Non-member households	Mean difference (t-test)
Knowledge about arsenic	92	84	7*
Arsenic tested	23	7	15***
Free from arsenic (of the tested tube-wells)	75	76	1
N	167	111	

Source: Field Survey.

***Highly Significant (t-test).

** Significant (t-test).

6.9 Sanitation

In 1994, total sanitation coverage in Bangladesh was only 35 percent with 77 percent urban and 30 percent rural coverage (WHO 1996). This evidence revealed that there was a huge gap in using sanitation, a major public health problem causing many diseases, sickness and death. An environment of poor hygiene and inadequate sanitation spreads diarrhea, which remains to be primary killer of children. It kills about 2.2 million people each year. To address this issue, this study assessed the sanitation coverage of the poor households. Sanitation coverage among the poor households was observed very low (Table 6.8). There were also significant differences between the member and non-member households in the case of using Ring/Slave *pacca* and Kutcha sanitation. About 52 percent member households (51.5 percent) use Ring/Slave latrines and 42.5 percent non-member households use Ring/Slave. About 18.6 percent of NGO member households use Kutcha sanitary it is higher than of non-member households (9.9 percent).

Table 6.8: Types of Latrines Used by the Study Households

Sources	Member households (%)	Non- member households (%)	Mean difference (t-stats)
Open field	15.0	10.8	-
Pit	9.6	7.2	-
Ring/Slave	51.5	42.5	*
<i>Kutcha</i> Sanitary	18.6	9.9	**
Pacca Sanitary	14.4	20.7	*
N	167	111	

Source: Field Survey.

**Highly Significant (t-test)

* Significant (t-test)

6.10 Occupational Structure

Bangladesh is a labor surplus country and agriculture is the main sector employing around 65 percent of the total active labor force. The ultra poor/ poor, mainly dependent on selling their labor, are vulnerable to employment opportunities in the slack season. During the time, they often migrate to the nearby city/township in search of livelihoods. The poor lacking education and skills cannot typically take the advantage of new opportunities and as a result undergo rigorous struggle for their mere survival. This section focuses on the employment pattern of the poor and income diversities.

Table 6.9 shows the distribution of income generating activities (IGA) for both members and non-members. From the results one important point emerges, which pertains to the differences between the member and non-member population. For instance,

- Compared to the members, the dependency on selling manual labor was higher among the non-members.
- Working as domestic aid was much higher among the members than the non-members. This can be considered as the indication of relatively lower social position in the community.
- Participation in own agricultural activities, cow, goat and chick rearing and business were higher among the members (.6 percent) than those of non-members (0.0 percent). This indicates prestige and reflects better risk coping abilities. In this respect, member households were in a relatively better-off position.

Hypotheses: The above discussion establishes that employment scope for NGO beneficiary households is higher than non-member households.

Table 6.9: Occupation of the Household Heads of the Member and Non-member Households

Occupation	Study households	
	Member households (%)	Non-member households (%)
Own agriculture	18.0	13.5
Agricultural day labor	13.2	17.1%
Cow, goat and chick rearing	0.6	0.0
Fishing	2.4	2.7
Business (large, medium and small)	15.0	14.4
Katha Sticking	1.2	0.0
Making tools with bamboo	0.6	0.9
Cottage	1.8	0.9
Rickshaw/van pulling	12.0	16.2
Transport Assistance	3.0	3.6
Carpenter	8.4	3.6
Service	7.8	11.7
Households activities	1.8	0.0
Industrial labor	6.6	4.5
Household maid/servant	0.6	0.0
Living outside the village for work	1.2	1.8
Day labor	1.2	4.5
Others	4.8	4.5
N	167	111

Source: Field Survey.

6.11 Sources of income

In this section we tried to explore the sources of income of the poor in terms of importance. On average, member households received income from more than three different sources but the non-members received income from more than four income sources. There were significant variations in the sources of income among the member and non-member households. The member households reported relatively less diverse income sources than the non-members. It was observed in the field survey that member households had significantly higher average landholdings compared to the non-member households (see Table 6.11). This was also true for the savings product for the member households. Table 6.10 shows that NGO's member households (14.2 percent) involve in Own crop agriculture for income generating activities were Non member households (7.71 percent). NGO's member households (13.6 percent). Were Participation in of income generating activities and while Non member households (10.7 percent) were Participation of income generating activities.

Table 6.10: Participation of Members and Non-members in Different Income Generating Activities

(In percent)

Activity	Members (%)	Non-members (%)
Own crop agriculture	14.2	7.7
Cow/Goat rearing	7.5	5.1
Duck/Poultry rearing	13.6	10.7
Fishing	4.5	2.6
Vegetables cultivation	11.1	15.2
Forest/firewood/trees	8.3	10.3
Agricultural day labor	4.7	5.1
Own industry	0.6	0.8
Wage labor	4.0	2.0
Business	6.6	7.9
Transport	5.5	5.6
Construction	2.9	1.8
Service	0.8	2.4
Wages other than	2.3	1.8
Jobs	2.5	3.2
Others	9.9	18.1
Chi-square	P<0.0001	

Source: Field Survey.

6.12 Differences in the Income Level, Savings and the Number of Sources of Income between the Member and Non-member Households.

Table 6.11 shows that income level, savings and the Number of sources of income between the NGO's member households (42,006 Tk.) is higher than of non member households (40,918Tk.) NGO's member households were higher than of non member households which income were coming from agriculture , Livestock, Poultry, vegetables production, agri-day laborer, business, transport, construction, and Services.

Table 6.11: Differences in the Income Level, Savings and the Number of Sources of Income between the Member and Non-member Households

Variables	Member households	Non-member households	Difference (t-stats)
Mean yearly income	42,006 Tk	40,918	1,086
Average savings	13,347	6,379	6,967***
Average landholdings	65 decimal	30 decimal	35***
Number of sources of income (%)			
1 Agriculture	25.9	0.9	
2 Livestock	17.7	2.7	
3 Poultry	14.6	18.9	
4 Vegetables production	13.3	22.5	
5 Agri-day laborer	10.1	34.2	
6 Business	7.0	12.6	
7 Transport	7.6	8.1	
8 Construction	3.2	0.0	
9 Services	0.6	0.0	
Average no. Of the sources of income	3.35	4.57	1.22***
N	167	111	

Source: Field Survey.

***Highly Significant (t-test)

Chapter 7

Impacts of NGO Activities on the Rural Poor

Chapter 7

Impacts of NGO Activities on the Rural Poor

Institutional building, social mobilization, institutional credit and training programs are the major activities of the sample NGO. The indicators of economic well being of the NGO beneficiaries and the non-beneficiaries are compared in this chapter.

7.1 Income of the Households

Income is the principal determinants of the economic condition of a household (Doeringer 1980). Proshika is involved in mainly 15 activities those are mentioned in the previous chapter. These activities are expected to raise the households' income level, increase employment opportunities and build asset for the beneficiaries.

In this study, total yearly income was measured on the basis of NGO related activities and other activities. According to the survey, about 20% of the member households have annual income of less than or equal to Tk. 20,000, where as the figure for the non-member households was only 3.6 percent. Most of the households of both categories fall in the income group of 20,001-40,000 (Table7.1). Average yearly income of the member households (42,005Tk.) was higher than those of the non-member households (4918 Tk.). Yearly household (44.9 percent) income of NGO member is laser than non member households (56.8 percent). Average yearly 80,000+ incomes of member households (7.6 percent) income is higher than non member households (5.4 percent).

Hypothesis Confirmed

Hypothesis: Income of the beneficiary households of sample NGO is higher than income of the non-member households.

From the above discussion it is evident that the income of the member households of NGO is higher than the non-member because the NGO beneficiaries operate in diversified products and also receive technical and financial supports from the NGOs.

Table 7.1: Yearly Household Incomes

Yearly income	Members (%)	Non-members (%)
Less or equal 20000	20.3	3.6
20001-40000	44.9	56.8
40001-60000	21.5	26.1
60001-80000	5.7	8.1
80000+	7.6	5.4
Mean yearly income	42,005	40,918

Source: Field Survey.

7.2 Poverty Line by Income Groups

NGO activities help to reduce the number of people below the poverty line through the interventions of providing income-generating activities to the poor. Poverty line is taken as Tk. 6,896 per capita (Hussain 1998). Based on this figure provided by Hussain, it is clear from the following figure that the percentage of people below the poverty line is only 33 percent, which is much lower than the estimates of the World Bank. This may be due of rising dollar values and for not adjusting the inflation rate. From figure 7.2, it is observed that the percentage of people below (33 percent) the poverty line for the member-households was higher compared to the non-member households.

Fig 7.1: Study Households in Respect to Poverty Line

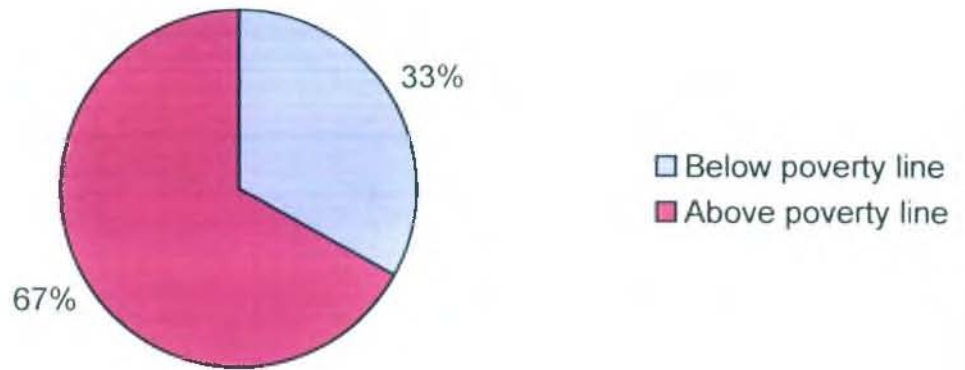
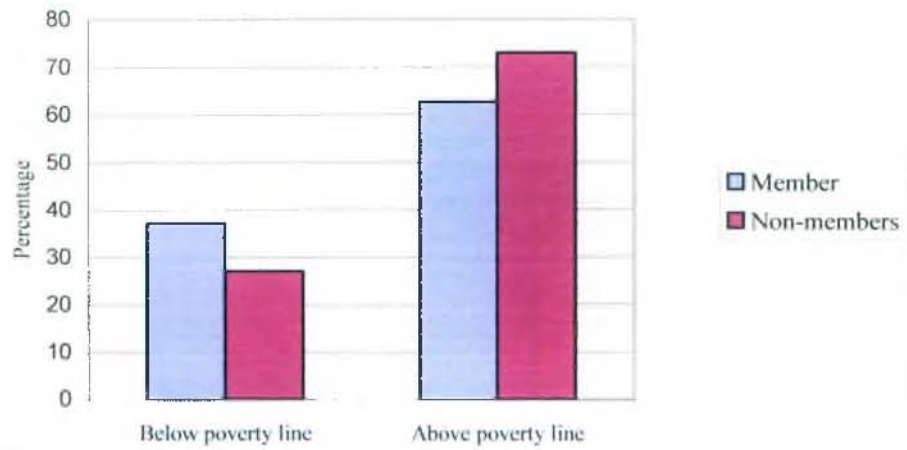


Fig 7.3: Member and Non-member households in respect to poverty line



7.3 Determinants of Households Income: A Regression Analysis

Income is an important factor to measure the well being of households. But there are many factors that affect income. So in order to in depth, the determinants of income, we should consider a multivariate analysis. The variables that were considered in the model are:

Dependent variable= income of the households of both beneficiary and non-beneficiary (Y)

The independent variables are:

Member type (MT), household size (HS), education of the household head (EDUHHH), number of sources of income (NSI), total land (TD).

7.4 Regression Coefficients

Variables	Coefficients	t-stats	Significance
Constant	-14392.84	-2.379	.018
MT	8552.51	2.632	.009
HS	4171.23	4.156	.000
EDUHHH	1361.28	3.859	.000
NSI	6983.72	8.300	.000
TD	-3.21	3.638	.000

Thus the regression equation can be written as in the following expression:

From the estimated regression line, we see that the most important five factors that were considered in the model are statistically significant. T-test implies that all the coefficients of the regression model are individually significant. F-test implies that the model is overall significant.

7.5 General Financial Market Participation

In general, the poor lack access to reliable and less expensive financial services. This has been found to act as important constraints of the poor in taking advantages of opportunities, smoothing consumption and protecting themselves against different types of vulnerabilities (Rutherford 1999, Matin et al. 1999, Morduch 1999). Many imperfections in the financial market have been removed due to the vast outreach of micro finance in Bangladesh. However there is a general consensus that these services have bypassed the poorest.

Because most studies do not adequately distinguish between the various groups of poor, or do not cover the various sources of financial services, we know little about the financial market participation of the poorest. This section tries to examine the various aspects of the ultra poor households' financial market participation.

Table 7.2 shows that (69.6 percent) member households (69.6 percent) reporting loans from formal sectors and 67.4 percent of Non-member households. The average size of the loan member households (10,911) is higher than the non member households (7,740).

7.6 Results of Overall Financial Market Participation

Our findings show that the member households have a significantly lower level of financial market participation compared to the non-member households (Table 7.2). This may be due to exclusion criterion of not selecting the poor as a member who has outstanding loans. However, even after we exclude the NGO loan, there exists a significant difference between the members TK 8,701Tk.and non-member households (TK4,636).

Table 7.2: General financial market participation

Variables	Member households	Non-member households	Difference (t-stats)
% of households reporting outstanding loan	47.3	77.5	0.30%***
% of households reporting loans from formal sectors	69.6	67.4	-
Average size of the loans (TK)	10,911	7,740	3,172***
Mean interest rate that they are paying (%)	20.57	18.10	2.47
Average size of the existing credit (TK)	8,701	4,636	4065***

Source: Field Survey.

***Highly Significant (t-test)

7.1.5 Marriage

Considering marriage as a social fact, member households are more conscious than the non-member households (Table 7.4). A significant difference (29 percent) also exists between the member (43 percent) and non-member households (14 percent) in the case of marrying girls. Non-member households (20.80 percent) want their daughters to be married early, which implies that the member households (20.73 percent) are comparatively more conscious than the non-member households.

Hypothesis Confirmed

Hypotheses: Beneficiary household of NGOs are socially more empowered than non-members.

The above discussion and the table given below prove the hypotheses that the beneficiary household of NGOs are socially more empowered than non-members.

Table 7.4: Marital Status

Variables	Member households (%)	Non-member households (%)	Difference (t-stats)
Govt. rule of 43 marrying		14	29%***
Boys	20.73	20.80	0.07
Girls	19.99	17.53	2.45***

Source: Field Survey.

***Highly Significant (t-test)

7.8 Social Status and Consciousness

Almost the same percentage of member and non-member households answered that their social status has increased than before. However, measurement of the consciousness level for the case of what they do after using the latrines that is whether they use any things. In the case of using ash/soil, member households (56.4 percent) responded more than those of the non-member households (33.3 percent) (Table 7.5). We know that Proshika has adorned its programs with diversification. So in the case of Pisciculture, there is a significant difference between the member (7 percent) and non-member households (2 percent) in the sense that Proshika members were comparatively more involved than non-member households.

Hypothesis Confirmed

Hypothesis: Knowledge on hygiene practice among the beneficiary households of NGO is higher than non-NGO households.

The NGO beneficiary households are more aware of health and hygiene is established by the discussion above and the table given below.

Table 7.5: Social Status and Consciousness

Variables	Member households (%)	Non-member households (%)
Social Status and level of Consciousness		
Increased a lot	1.8	0.0
Increased moderately	21.0	24.3
Increased a little	43.7	45.0
Same as before	33.5	30.6
Social status increased due to credit taking	91	90
Use only water after using latrine	8.5	1.8
Use soap	64.5	34.9
Use ash/soil	56.4	33.3
Use others	0.6	0.0
Vegetable cultivation in the homestead	53	69
Pisciculture	7	2

Source: Field Survey.

7.1.7 Financial Help in the Case of Emergency Need.

Financial help in the case of emergency assists the poor to reduce their vulnerabilities. Women of the non member households (64.3 percent) are comparatively more dependent on their husbands compared to the member households (62.2 percent). From Table 7.6, it is clear that in the case of emergency, Proshika helps a very insignificant portion of the member households. Considering the case of no one, we can express our opinion that non-member households have less social capital compared to the member households. Social capital plays a very important role for reducing the vulnerabilities of the poor people. Since Proshika is involved in providing loans to group based, sometimes groups help them to reduce the vulnerabilities. NGO member households (3.0 percent) have the good connection with the Union Parishad then non member households (Table 7.6).

Table 7.6: Financial Help in the Case of Emergency Need

Variables	Member households (%)	Non-member households (%)
Husband	62.2	69.3
Parents/brothers and sisters	3.6	8.1
Relatives	4.8	2.7
Neighbours	10.8	14.4
UP members	3.0	0.0
Proshika	0.9	0.0
Samittee members	0.6	0.0
Other NGO	0.0	0.9
No one	0.0	6.3
Others	7.8	4.5
N	167	111

Source: Field Survey.

7.10 Knowledge level disparities

Table 7.7 show that a significant proportion of member (95 percent) have the knowledge about the parliamentary system and the political parties. This indicates that NGOs are helping the poor to be empowered politically. In the case of seats in national parliament have exists significant knowledge gap between the member (16 percent) and non member households (3percent).

Table 7.7: Knowledge Level Disparities

Variables	Member households (%)	Non-member households (%)	Difference (t-stats)
National parliamentary election	95	96	1%
Seats in national parliament	16	3	13%***
Selection process of the prime minister	16	16	0%
Main political parties in the country	86	83	3%
N	167	111	

Source: Field Survey.

***Highly Significant (t-test).

Hypothesis Confirmed

Hypothesis: NGO members are politically more empowered.

The sample population was asked various questions to the political system of the country i.e. national parliamentary election, seats in the national parliament, selection process of the PM, main political parties of the country. As can be seen from Table 7.7, a comparison of answer to the questions by the respondents reflected that the NGO members were politically more empowered than that of non NGO members.

7.11 Health Education and Awareness

Only 37 percent member households reported that they had tested their tube-well to examine whether arsenic in their tube-wells water or not. Among those households, 76 percent reported that their tube-well water was free from arsenic, while 24 percent reported that their tube-well water was not free from arsenic. This indicates that poor people are being conscious about the health and hygiene aspect, 56 percent of the member households reported that they have the knowledge that they should vaccinate their children, while only 30 percent of the non-member households have that knowledge. Table 7.8 also relevant that while 63 percent of member households have the knowledge of latrine use only 28.6 percent of non member households know that.

Health education and awareness

Hypothesis: In the above discussion we found that the knowledge on hygiene practices among the beneficiary households of NGO is higher than non-NGO member households.

Table 7.8: Health Education and Awareness

Variables	Member households (%)	Non-member households(%)
Sickness	58	46
Vaccinates	56	30
Drinking water	65	56
Arsenic test	37	33
Latrine use	63	28.6
N	167	111

Source: Field Survey.

7.12 Participation in the Social or Cultural Activities

In the case of participation in *Shalish*, there is a significant difference between the member and non-member households. Average number of participation in the *Shalish* also suggests that member (1.07 percent) households participated more than that of the non-member (1.00 percent) households. This is due to the effect of NGO activities in this sector. Table: 7.9 shows that non- member households (77 percent) participation is higher than of non- member households (64 percent) in the social or cultural activities .In the case of salish member households (20 percent) is higher than non-member households (16 percent).

Table 7.9: Participation in the Social or Cultural Activities

	Member househol ds (%)	Non-member households (%)	Difference (t- stats)
Participated	64	77	13%**
Participation in <i>Salish</i>	18	18	0%
Average number of participants in <i>Salish</i>	1.07	1.00	0.07

Source: Field Survey.

** Significant (t-test).

Chapter 8
Successes and Failures: Experiences of Five Beneficiaries

Chapter 8

Successes and Failures: Experiences of Five Beneficiaries

8.1 Case Studies

Case study 1

Name: Shashati Sharkar

Age: 35

Name of Husband : Shamal Sharkar

Village : Rasulpur

Shashati Sharkar aged 35 was born in Rasulpur village under the sadarTangail Thana of Dhaka District. When Shashati Sharkar was 15, she was married to a poor young man named Shamal Sharkar, an inhabitant of Rasulpur village. She has been living with her husband at Rasulpur ever since.

During the 25 years of her married life, she had been struggling against many crises created out of poverty. Her Husband, a landless farmer, was engaged in other people's farms on daily basis and earned too little. She gave birth to four children during her married life, lost her health, energy and was on the verge of a complete breakdown.

When she was passing her days of sorrows and despair and fighting innumerable odds, she came to know of Proshika, an NGO organizing poor men and women in Rasulpur for its poverty focused programs. She talked to her neighbors about the NGO programs. Some of them discouraged her saying that it was rare where poor benefited from such programs. But she did not listen to them. She desperately wanted to make efforts to break out of the poverty chain and needed of some support

services. She discussed the matter with some women of Rasulpur and contacted Proshika. A meeting with Proshika followed and Shashati and her friends came to know all about the program launched by Proshika. For about a year, the members of this Samity began to save Tk.20 per person/per month. Simultaneously, these members were trained up on health, environment, pregnancy, immunization, tree planting, gardening, etc. Shashati never had an opportunity to get training from any formal training institute.

After about a year, Shashati for the first time received a loan amounting to Tk.2,000 to be repaid in easy installments. She invested Tk. 1,000 in growing various kinds of vegetables utilizing the little homestead space lying vacant around her dwelling place. She regularly watered her garden, applied fertilizer and sprayed pesticide that yielded satisfactory benefits. Her kitchen garden not only provided fresh vegetables for family consumption but also marketable surplus. She sold vegetables valued at Tk. 2,500. Vegetable growing proved to be highly profitable for her.

Her female neighbors felt encouraged to join her organization (Samity) that pushed up the membership strength. Currently, the total number of members stands at thirty-five and she is the Chairperson of Samity.

Shashati repaid the loan she received for vegetable growing within two years. She again borrowed an amount of Tk. 5,000 of which she invested Tk.2,000 in poultry rearing and vegetable growing. She gave the rest of the loan to her son to invest in bamboo crafts. Her son had to make several trips to Tangail where good quality bamboo is available at a cheaper price. This being the traditional trade of their family, she along with her sons and other family members started making bamboo mast and

other goods for sale. She along with her sons was making reasonably good profit on the investment made in this trade. Recently her sons have set up a bamboo shop in the local market.

Shashati borrowed for the third time from Proshika and this time the loan amounted to Tk. 8,000. She bought a milking cow with that amount. She now sells milk, eggs, and chicken in the market and earns well. The family members have fresh vegetables, meat, eggs and milk in their weekly menu, which provide the essential for them.

Proshika's training program has improved Shashati's knowledge about life and better living. Her dwelling place has a sanitary latrine. All the family members have learned to clean their hands with soap and/or ash after using sanitation although Shashati was an illiterate woman. Now Shashati not only can sign her own name, but also can her own accounts. Although her husband has now become too old to work, the family is financially well off and does not have to worry about Shashati's daily expenses. The family members have access to modern medical treatment when they fall ill. They do not have to go to the village Mahajans at the time of need. At present Shashati can generate the required amount selling chicken, vegetables and dairy products to meet the expenses in any emergency.

Shashati has repaid all the loan money taken from Proshika. But she at the same time took a loan Tk.12,000 from Proshika.

Shashati appears to be very happy with the progress she made in improving the quality of life not only for herself, but also for all family members through her association with Proshika. She has a reasonably

good dwelling house made of tin, new pieces of furniture, necessary utensils to perform the domestic chores. She and her family members eat three nutritious meals a day. Three of her four children (two daughters and two sons) have got married. Fortune appears to have turned a smiling face to Shashati and her family.

Shashati told investigators that she had been associated with Proshika for the past 6 years and has also participated in its various programs. In her opinion, if the loan money is invested in an activity on the basis of a sound plan, it is bound to yield good returns. But some borrowers are not careful in using the loan money. As a result, they fail to repay the loan installments in time. Sometimes a few among the borrowers have to pawn their assets, even the house, to pay off the loan. She holds the view that if one takes the loan, he/she must invest it in a profitable activity, so that not only one can pay the loan installment in time but also save something for rainy days and for future expansion of the activity as well.

In response to a query as to why the interviewee had to take loans from three NGOs to carry on her activities, she concluded her discussion by saying that initially, the amount is very insufficient to build any profitable enterprise on it. According to Shashati, smallness of the loan size is the main reason why she and other members of her group generally had to take loans from more than one NGO.

Case Study 2

Name : Fulon Begum

Age: 34

Name of Husband : Kamal

Village : Bikrumhati

Fulon Begum, aged 34, was born in Bikrumhati. The name of her father is Hassam. She was married to Kamal of the same village eleven years ago. When she was an adolescent girl of Fifteen years only, her husband, who was a small trader, earned very little. Fulon and her family members had to struggle very hard to keep their heads above water. When Fulon gave birth to her son, the problem became more acute. The poor household could not provide all that the child needed. But the situation began to improve when she became a participant of Proshika's Program.

In 1993, she joined Bikrumhati Mahila Samity along with other village women. In accordance with the terms and conditions of Proshika, Fulon began to save Tk.5 per week (Tk. 20 per month). But she could not go to Proshika's training center as her husband and parents-in-law objected to their daughter-in-law's staying away from home. She was stopped from learning new skills, such as poultry rearing, tree planting, vegetable growing, etc. She learned it from those members who had already received training on these activities at the training center run by Proshika. After one year of Fulon's association with Proshika, a loan of Tk. 2,000 was provided to her for growing vegetables.

She invested Tk. 900 for her kitchen garden and produced leafy vegetables, tomato, radish, cauliflower, cabbage, and beans. She purchased bamboo mast with the balance (Tk. 1,100) at a low price and

sold these goods later when the price went up. She also sold her kitchen garden products at a profit. Fulon's earned a regular income from these activities which enabled her to replay all her loans through installments.

She borrowed Tk.4,000 again from Proshika and started poultry rearing at home. She put a substantial portion of her labor time in this activity and found it to be highly rewarding. She has been earned high income from poultry rearing since then.

Inspired by her success, she took house building loans from Proshika and built a nice house with bamboo and tin. Recently she has also built a ring latrine alongside her house for the use of the family members. Fulon has set up a grocery shop for her husband at the local market place. She bought a few *sarees* and gold jewelry for her and a 14-inch television set for the family. Fulon and her family now get two square meals a day and have access to modern medical services.

Fulon has already paid off all her loans. She is confident that if the group members utilize their loans in productive activities correctly and put their hard labor to build these up, then success will surely be within their reach.

Case Study 3

Name : Morjina

Age: 36

Name of Husband : Rohim

Village : Sadullapur

Morjina, 36 years old, was born in Shadullapur village. After five years of her birth, she lost her father. He died leaving only a dwelling place for his family. It was extremely hard for her mother to rear up Morjina and her younger brother on a little irregular income that she earned by selling her labor. Morjin's maternal uncle, who used to run a jatra, extended financial assistance to the family. But that was inadequate for the maintenance of the family. Meanwhile, Morjina family was joined by a poor Muslim widow belonging to her sect with her son who was one year older than Morjina. They took shelter in Morjina house and began to live with Morjina and her mother and brother as family members. Both the widows worked hard from dawn to dusk just for survival of the family.

When Morjina was a girl of fifteen, she was married to Rohim, the son of the widow who took shelter in their house. Rohim became a day laborer in the locality. After five months of her marriage, when she was pregnant, Rohim left her house with his mother for his own village home. Days and months passed, he did not return. Meanwhile, Morjina gave birth to a son. Her mother and younger brother did their best to maintain her with her child on their meager income. Her husband came back to Golapnagar after one year with a second wife and started living separately near the local market place. In spite of Morjina's extremely strenuous work day in and day out, she had to go hungry sometimes. When Morjina was on the

verge of committing suicide, she heard about Proshika from her neighbour Khehinur, who was a member of Proshika 's credit program.

At the initiative of Khehinur, Morjina and few others working women's Samity was born with 57 members. Morjina along with other members started saving fifteen Paisa to one taka every weekend for a year. The members attended a meeting every week where Proshika people came and discussed about the problems the members of the Samity faced in earning their livelihood. After a year, Proshika divided the Samity members in small groups of five and started extending loans to the group members for vegetable growing, pisciculture, poultry rearing, hatchery, livestock rearing, small trading and so on. In 1983, Morjina received a loan of Tk. 1,000. She purchased paddy with the loan money, husked it and sold rice at a profit. Next year, she took a loan of Taka 2,000 from Proshika. Adding Taka 500 out of her own savings with the loan money, she invested Taka 2,500 in her trade. She again made a good profit on her investment. She repaid her loan and saved Taka 1,500. She took a loan of Taka 4,000 this time and purchased a milk cow. She sold milk and made a profit of Taka 1,200 within a year after repaying all her loans.

Her husband came back to her after ten years. She forgave her husband for the sake of her son. After a year or so Morjina gave him Taka 10,000 out of her saving to set up a welding machine shop in the local market place. Currently, he gives Morjina Taka 50 for daily maketing. Morjina husband lives with her and goes to his second wife once or twice a week.

Now Morjina carries on her small trade with her own funds. She has paid all her loans she took from Proshika.

In 1988, she received a loan from Proshika to build her house. She built a good house using tin wood with the loan money, and she paid back the whole amount through several installments. She is now associated either with Proshika. In her own perception, she is now a self-reliant and prosperous small trader.

Morjina is happy and thinks that the dark days that engulfed her and her family have come to an end. Her son is now fifteen years of age. She persuaded her son to marry without dowry and her son did so ungrudgingly.

She along with her family members has three good meals a day; the weekly menu includes meat, eggs, vegetables and milk. They have access to modern medical treatment at the time of illness. She can buy nice dresses and good pieces of furniture for her house. Recently, she also bought a radio set.

In her opinion, sincerity, honesty, hard work, appropriate training and credit support from the NGO have been the key factors contributing to her success.

Case Study 4

Name: Rohima

Age: 45

Name of Husband : Ali Hossan

Village : Shadullha Pur

“Batermar khia amago jibon cholto akhon dhoi bela khita pari, kistee deitapari” (One’s upon a time Rohima have no away to eat rice. When she join Proshika she can eat rice easily)

Rohima, 45 years old, is a Proshika member of Shadullha Pur. Rohima married to a man of 30 when she was 15 years old. She never went to school. She is today a mother of six children. It was very difficult to confirm her age because she looked much older than she was. Rohima was masticating beetle nuts while interviewing. The rural old women are seen to do that. Her husband had a small business in the rural market. Their income was good enough to feed the family. She just tells “Allah has given us children. We, the human, have no hand.” Now her home is too small to live with her six children.

She never thought of joining Proshika. In 1991, Proshika officer visited her house and gathered all the women of the home (Cluster of house) and asked to join the meeting. The officer narrated the benefits to be provided to the women included wheat at free of cost, loan money and free primary school in the area. About four women joined the Proshika from one cluster of house because their husbands encouraged them to join since they would get loan and wheat.

She got a loan amount to Tk. 4,000 within six months of her membership. She handed over the total amount of the loan to her husband and decided

to construct their house since the rainwater oozes down from the thatch roofed. Renovation of house was more essential than anything. They also borrowed some money from their relatives to supplement to the house construction. Now they have a better house than before to live in with their children.

After two years of her first loan, she got another loan amount to Tk.5,000 to invest in their rural shop (bakery). They did so and started reaping benefits from the bakery. Their income increased and their standard of life enhanced. They sending of their children to school and open a savings account with a bank.

Her husband has been convicted in a murder case in the village. She said the opponents played a conspiracy to include her husband in the list of suspect murderers because their economic condition was getting better. They fel victims of “village politics”. He was as such arrested and sent to jail. Income was suspended from their petty business since it was closed. It was not possible on her part to move the case since it needs a lot of money. The total responsibility of the big family has fallen on her shoulder.

Human being cannot survive without food. She has to do something to feed her children. She applied for third loan. She got it amount Tk.5,000 for starting paddy husking. She buys paddy, boil it, dry it up and husk to make ready for sale. This is her additional responsibility to looking after six children with her very old mother-in-law. Paddy husking requires very hard work. She has no any helping hands. Customers from the village collect rice from her, and sometimes she arranges to send husked

rice to market through others. She did not go. Her earning is just enough to feed them.

The first loan was exhausted to renovate the house and the second loan was invested in the bakery but she could not run to the full swing amidst her husband was arrested. She had to sell out their bakery shop to spend on her husband to release from the jail. Now nothing is left. She sold out all of her belongings including some chicks and trees.

She sought legal aid from Proshika but Proshika officer never paid heed to her hardship. They forgot that she was one of the regular payers of installment. Now her income is not enough to pay the installment along with feeding the family. It is quite uncertain when her husband would be released. Lawyer demanded Tk.10,000 to move the case.

She asks, should I forget innocent husband? Should I forget about my husband's release?

Case Study 5

Name: Solimon Begum

Age: 35

Name of Husband : SekandarAli

Village : Bikramhati

Solimon Begum, aged 35, was born at the village of Bikramhati adjacent to Sadullapur village under the Sadar thana of Tangail District. Her father Abdul Karim was a poor sharecropper. In course of time, sharecropping became non-profitable occupation due to high price of agricultural inputs and fragmentation of land by inheritance. Thus, Abdul Karim became a day laborer. Due to severe economic hardship, Solimon could not go to school. But she learnt to read and recite the holy Quran from the village mosque. At present she can read and write a little bit in Bangla, which she learnt while participating in Proshika functional education program.

Solimon got married to Sekandar Ali of Sadullapur village at the age of 19. Sekandar was an agricultural laborer at that time. He did not demand any dowry for his marriage. Solimon gave birth to two sons Kamal (11) and Jamal (6).

They started practicing temporary birth control after the child. According to Solimon, using of temporary contraceptive was the reason for a long gap between the age of their two sons. At present, being motivated by Proshika workers, Solimon has decided to adopt permanent contraception as soon as possible.

In pre- Proshika days Solimon's family had been living in severe hardship and occasional starvation. She had no cultivable land, they had

to live on meager earning of Sekandar. However, she came to know about Proshika from fellow poor women of her village. She knew that Proshika was providing the rural poor with loan for income generating activities without collateral. As she was looking for ways to supplement her husband's income, she got herself enlisted as a member of a five-member group under Sadullapur Proshika program.

She fulfilled the participatory conditions, e.g. regular attendance in weekly meetings, share deposit, etc, of Proshika, and took Tk.1,500 as the first loan. After one month, following the same process with a male group, her husband Sekandar also took Tk.1,500 as Proshika loan. With this loan monthly of Tk.3,000, Solimon and her husband started a semi-mobile grocery shop.

Solimon's husband buys various items, such as dried food, sweets, soap, matche, dried fish, spices, etc., from Tangail town and then peddles them in different villages. Solimon sells out similar items in their house also. From their small trade they are now earning about Tk.1,100 to Tk.1,200 per month and maintaing their family better than the pre- Proshika days.

After paying back the first loan, both of them, Solimon and her husband Sekandar each, received the second loan of Tk.4,000. With this amount of Tk.8,000 they had bought two bundles of tin i.e.,20 pieces (per piece seven feet) and built a *dochala*. They divided this *dochala* into two parts, one part for permanent grocery shop and the another part for their own living. Now both of them, Solimon and her husband, work as whole time shopkeeper. They are regularly paying back their weekly *kisti* (installments) of Tk.220 i.e., Tk.110 each. They hope to add more grocery items in the inventory of their newly organized shop. In doing so,

they are trying for the third Proshika loan after repaying the second loan as soon as possible.

At present Solimon finds herself that her social status has been raised from whatever the past. She needs not to go to borrow money, rice and other daily necessities from the well off neighbors. Instead, she is a lender now.

Solimon's elder son is reading in Class II at Proshika School. She hopes to educate her two sons up to college level so that they can get a government job in the future. Her husband, Sekandar, is now often invited to the village *Shalish* for setting down the conflicts among the villagers. Even some rich men of the village come to seek his support in favor of their own candidate at the time of election.

8.2 Findings from the Case Studies

- Loans range from TK. 2,000 to TK.10,000. There is a positive relationship between the length of membership and the amount of loans given to them.
- Proshik helps the poor to invest in income generating activities like vegetables cultivation, poultry rearing, goat rearing, paddy husking, small business, etc.
- Proshika helps, the poor those are in a vulnerable position or in complete odds.
- Due to the vegetable cultivation in their homestead, total cultivable land has been increased. Otherwise, it was left unutilized.
- Marketable surplus was possible for them. This implies the profitability of the vegetables cultivation.
- Many of the poor households felt taking treatment from modern medical centers in case of emergency or needs.
- It plays a very important role in the case of adult education. This contributes to the development of human capital providing education to the poor old men and women by establishing Adult Literacy Center.
- Proshika encouraged the poor households to save, which help them during emergency.

Chapter 9
Summary and Conclusions

Chapter 9

Summary and Conclusions

9.1 Summary

Despite more than two decades of planned poverty alleviation efforts, poverty issue has continued to dominate the development debate in Bangladesh. Widespread rural poverty still remains the most formidable challenge for this country. Not only has poverty alleviation continued to occupy the central place in the successive Five Year Plans, but a group of non-government organizations (NGO's) has also emerged as a group of 'major actors' in the poverty alleviation efforts, particularly in rural Bangladesh, over the past few decades.

Bangladesh is one of the densely populated countries in the world. With a population of over 140 million in only 1,47,570 square kilometers of land, the poorest loose out in the competition over scarce resources. This is also intensifying the poverty situation of the extreme poor in Bangladesh and reliable for the intergenerational poverty traps. The extreme poor are thus caught in a vicious trap and the story of denial and injustices tend to continue over generations for a large majority of them. One of the main characteristics of poverty in Bangladesh is that, of about 55 million Bangladeshis currently bellow the poverty line, defined as 2,122 calories/day/person, the poorest and the most vulnerable are women.

The survey carried out in the district Tangil of five villages. This survey covered 167 NGO-member (Proshika) households and 111 non NGO-member households. This study has principally been undertaken

to understand Rural Poverty Alleviation programme and Rule of NGO in Bangladesh. The nature and type of operations of Proshika's have been studied with a view to analyzing the role of NGOs targeting the poor and disadvantaged. This research consists of nine chapters. Chapter 1 has given Introduction of the study. Chapter 2 has focused on the Trends in Rural Poverty Over Three Decades. Chapter 3 has discussed Poverty Alleviation programme and Rule of NGO in Bangladesh. Chapter 4 has shown the NGOs in Bangladesh: An Overview and their Poverty Alleviation programs in Bangladesh. Chapter 6 has presented Profiles of the Activities of the Sample NGO and Beneficiaries data collected through field research in my areas of research. Data presented here are mostly collected on the basis of the questionnaires administered On loan recipients (members) of NGOs and non-members of same village. Their answers have been summarized and presented according to the need of the study. Chapter 7 has discussed Impacts of NGO Activities on the Rural Poor. Chapter 8 has discussed beneficiares of NGO.

Working toward a portrait of poverty alleviation and development with reference to NGO operations in Bangladesh, this study has gathered reasonable knowledge from a large number of studies already done and relevant literature published on the series of projects and programmes NGOs have taken for poverty reduction. This research has also tried to understand how much effectively NGO operations are ruling the poverty alleviation programme successful. NGOs have been considered as the means of rendering voluntary services through personal initiatives taken by the conscious persons for the implementation of development projects at the grassroots level. NGO

Affairs Bureau provides registration in accordance with the Foreign Donations (Voluntary Activities) Regulation Rules 1978 to the NGOs. Here Regulations Rules mean that NGOs have to fulfill the prescribed conditions. Though in practice almost all the NGOs do not follow the prescribed rules and regulations set for them by the government, even then they are working as if with free license. In recent past, a NGO named PROSHIKA was caught red handed by the government agencies with sufficient proofs of breaking the rules and regulations. They were indulging themselves in politics, creating disturbances and sabotage and encouraging civil strife against the government. Government' stopped the functioning of this said NGO and ried to take some legal measures against it. But ultimately government had to surrender to the evil forces and the mischief mongering NGO was set free. It started its operation again.

From the survey of previous studies and published literature, it is understandable that NGOs pose to emphasize their vigorous involvement in multicultural development projects combined with research, welfare services, human capability development through educational training, technology development, exchange of information and social communication. But these are largely found some untrue during my field study. Survey reports collected from the field for this research focus on the fact that NGOs are mainly targeting the poor, disadvantaged, women, children and so on with a view to giving loan as part of their micro credit programmes. Though poverty alleviation is their target, real scenario seems to be opposite to their aim. Through micro-credit operations, profit mongering becomes the actual business of NGOs. So one finds no way but to draw the

conclusion that NGOs are, in fact, creating poverty in other forms and thus human resource development is getting blocked. Data collected from the field help us to understand that loan recipients are not holding more lands, not living in better houses than non-members as found in this study. Interviews with the NGO members and participant observation have given practical idea about how micro-credit programme have been the main instrument to exploit the loan recipients as regard to social status and economic condition of NGO members. Data presented and analyzed in Chapters 6,7,8 shows that NGO members was higher than non member in the most necessary aspects of human life such as sending children to schools, motivation for human resource development, creation of awareness about health, hygiene ,water and sanitation. It was observed in the field survey that member of NGO significantly higher average land holding compared to the non member.(Table 6.11) Average yearly income of the member households (42,005Tk.) was higher than those of the non-member households (4918 Tk.). (Table 7.1)

From figure 7.3, we see that the percentage of people below (33%) the poverty line for the member-households was higher compared to the non-member households.

Table 7.3 shows that average size of the loans member households (10911) were higher than of Non member households (7740).

Considering marriage as a social fact, member households are more conscious than the non-member households (Table 7.4). Table 7.5 shows that Social Status and level of Consciousness Increased

member household responded more than those of the Non member household use soap after using latrine.

Women of the Non member households (64.3%) are comparatively more dependent on their husbands compared to the member households (62.2%) . From Table 7.6, it is clear that in the case of emergency, Proshika helps a very insignificant portion of the member households. Considering the case of no one, we can express our opinion that non-member households have less social capital compared to the member households.

The sample population was asked various question regarding the political system of the country ranging from national parliamentary election, seats in the national parliament, selection process of the PM, main political parties of the country as can be seen from table 7.7. a comparison of answer to the question by the respondents reflected that the NGO members were politically more empowered.

In the case of participation in *Shalish*, the findings suggest there is a significant difference in this aspect between the member and non-member households. Average number of participation in the *Shalish* also suggests that member households participated more than that of the non-member households. (Table : 7.9)

This study has found out that NGOs have failed Sustainable development members. Members are given loans but cannot benefit financially through NGO operations because the poverty of loan recipients increases the burden of loans and in this way create further

complications. Thus poverty is going to poverty, and is not ending in a positive result. For this, NGOs' programmes are being questioned. It is understood from the analysis of data that the loan recipients are trying to be well off but their poverty and the rate of interest for loan are pushing them below the line of poverty more than before.

This study has noted that NGOs, in many cases, do not train the members. For this, the members remain ignorant about how they should use their money taken as loan with high interest rate even to the extent from 36 percent to 48 percent and against very tight and oppressive conditions. Ultimately and in most cases they cannot use, in a proper and planned manner, this small amount receiving through microcredit programme for changing their fate. The hope is, as found in the analysis, that a very few intelligent members as exceptions use the resources received from NGOs in their own creative way. But this is not the solution because all of the members should be given training for gathering knowledge to use the resources received from NGOs. In this study it was observed number of institutional barriers exist with loan repayment. It is observed that NGOs are taking punitive actions: sale of goods, attachment of property, constant threat, harassment, physical and psychological torture and so on if a member fails to repay his/her weekly installments.

NGOs have mobilized their members for their high sounding micro-credit programmes only to become moneylenders creating a monopoly of their own in the vast rural areas of Bangladesh. They are there ultimately to exploit the rural hardcore populace through high rate of interest and controlling their involvement, labour and productivity.

Moreover, keeping the poor members below poverty level equilibrium trap is their latent ruthless tactic. NGOs have left their original programmes of voluntary social services. They have rather started operating as business concerns making their own fortunes. NGOs have now days become a very flourishing profit making business in Bangladesh. From my study it is reflected that NGO could not till today change the significant economic conditions of their members. In comparison with the non-members' life changing efforts, the NGOs have presented a very poor show.

9.1.2 Conclusions

Bangladesh is a poor country and her poverty is the product of our social structure. Regarding unavailability of micro-credit to make any significant contribution in poverty alleviation, it is reiterated that alleviation of poverty is an uphill task. Credit alone cannot pull the poor out of the vicious circle of poverty. Various socio-political and economic factors have forced and confined them within the poverty trap. Micro credit is a strong weapon, a necessary but not sufficient condition to bring these people out of the poverty trap by braking the vicious circle. There are other areas of social empowerment to be endowed to the poor along with the economic empowerment endowed by micro credit. The population can be provided with the employment facilities. Small industries, business facilities, poultry farming, fish-culture, cultivation of vegetable and fruits may help to improve the lot of poor people of rural areas. If these programs can be implemented, this will ensure the best and profitable utilization of their talent and labor. The total result of such a program will be the increase of public income and removal of their poverty. This sort of programs does not require a huge capital. The capital of one or two big industries or NGO's may meet the need. So, all our attempts should be made to develop our agriculture as well as the small and rural industries to removal the curse of poverty.

9.1.3 Recommendation

We can see from above discussion that the NGO members are more benefited than Non NGO members by involving themselves in NGO activities. So the one recommendation is that all members should be involved in NGO's activities. But at present a number of factors constrain the performance and outreach of NGO's, there include:

- The limited accessibility to mobilized savings
- An over-emphasis on credit
- The lack of investment opportunities for poor people specially the rural areas.
- The disadvantaged position of women, who bear the additional cost of securing access to Market and information.
- The inability of these institutions to operate in disadvantaged areas.
- The absence of Market demand for service provided by poor borrowers.

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Annexure-1

An interview schedule of Rural Poverty Alleviation Programme in Bangladesh: A Sociological Exegesis on Issues and strategies of Non-Government

(An interview schedule for a Ph.D. Research)

**Ph.D. Topic : Rural Poverty Alleviation Programme in Bangladesh:
A Sociological Exegesis on Issues and strategies of Non-Government
Organizations (NGO's)**

Form No :

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Zone Code :

--

Name of the Samity & Code No.

--	--

Formation date of the Samity :

--	--	--

Reformation date of the Samity :

--	--	--

Type of Samity (Male-1, female-2)

--

Present GDS status

--

(Code: GDS=1, GDS=2, GDS=3, GDS=4,
GDS=5)

--	--	--

Inclusion date of the member in PROSHIKA
Samity

Name of the Household Head : Sex: M=1,
F=2

Father/Husband's name of the Household
Head :

Respondent's name and sex : Sex: M=1,
F=2

Name of the Village/Slu Upazil

Name of the District :

Name of the ADC & Code
No.:

Interviewer's name : Data Collection Date :

1 Household Member Profile:

Member ID No.	Name of household members	1 Relationship with Household Head (Code)	2 Age (in year)	3 Sex (M=1, F=2)	4 Marital Status (Code)	5 Education level (Class Passed) (Code)	6 Continuing Studies? (Yes=1, No=2, NA=3)	7 Category of education (Code)	8 The quality of adult literacy course (Code)	9 The quality of NFPE course (Code)	10 Distance of school (km.)	11 Main occupation (code)	12 If any HH member is disabled? (Code)	13	14
														Member	Did any member suffer from diarrhea (Year)
														1st	2nd

Code list

Relationship with Household Head: Household Head=1, Spouse = 2, Children = 3, Parents = 4, Brother/Sister =5 Son-in-law/daughter-in-law = 6, Brother/sister-in-law=7, Grand son/daughter = 8, Nephew=9, Other relatives=10, Servant=11, Lodging teacher=12, Others (to be mentioned)= 13.

Marital Status: Unmarried = 1, Married = 2, widow/widower = 3, Abandoned = 4, Separated = 5, Divorced = 6.

Classes passed/ Literacy: Nursery =0, Class 1 = 1, Class II = 2, Class III = 3, Class IV = 4, Class V = 5, Class VI = 6, Class VII = 7, Class IX, X =

9, SSC = 10, HSC = 11, Graduate = 12, Masters = 13, Illiterate = 14, Can sign=15, Can read=16, Can read and write=17, Can read, write and count up to 100=18, not applicable=19.

Type of Educational Institution: Govt./Non-Govt. School = 1, Govt./Non-Govt. College = 2, Govt./Non-Govt. Madrasa = 3, Non-formal School (Presently admitted) = 4, Non-formal School (completed the study) = 5, University (Autonomous) = 6, University (Private) = 7, Others (to be mention) = 8, Adult literacy center=9, Not applicable = 10.

Standard of adult literacy and NFPE courses: Very good=1, Good=2, Not so good=3, Bad=4.

Occupation: Agriculture: Supervision of own Agriculture = 01, Agricultural day Labor = 02, Livestock rearing = 03, Fisherman/ Pisciculture = 04, Fruit Cultivation/ afforestation / Nursery = 05.

Business (Small trade/ Medium/ Large)=06, Tailoring/katha sewing =07, Carpenter (work with bamboo, cane)=08, Handicraft=09, Rickshaw/Van puller =10, Other transport (boat, taxi, bus, tempo) driver = 11, Carpenter / constructor =12, Service=13, House wife=14, Industry labour=15, Servant/maid servant = 16,Pension=17, Abroad=18, Student=19, Day labor (earth worker, Helper) =20, Oldage=21, Others (to be mentioned)=22.

NGO: PROSHIKA = 1, Grameen Bank = 2, BRAC = 3, ASA = 4, Nijera Kari = 5, CCDB = 6, KARITAS = 7, RDRS = 8, Others (to be mention) = 9.

1.1 Mention how the adult literacy courses have been used in your life?

Utilizing areas of adult literacy courses	Put tick (✓) mark in applicable areas	According to priority put numbers
1. Child enrollment		
2. Use safe/pure drinking water		
3. Use sanitary latrine		
4. Get knowledge about dowry		
5. Be aware about environment		
6. Reduce of early marriage		
7. Able to calculate		
8. be aware about self right		
9. Other (mention)		

1.2 If the member has taken or continuing the adult literacy courses, describe the quality of the courses.

Sl. No.	Nature of adult literacy course	Quality (very good=1, Good=2, Satisfactory=3, Bad=4)
1.	Course materials	
2.	Course contents	
3.	Course presentation method	

1.3 Describe the quality of Non Formal Primary Education

Sl. no.	Nature of child education	Quality (very good=1, Good=2, Satisfactory=3, Bad=4)
1.	Course materials	
2.	Course contents	
3.	Course presentation method	

1.4 Is there any obstacle of going school except distance? (Yes=1, No=2)

1.5 If yes, mention the nature of obstacle

Code: Have to cross river =1, Have to cross bridge=2, Unavailability of boat to cross river/canal=3,

Due to social barrier unwillingness to send girl to school =4, Others (specify) =5

Marriage

1.6 Is there any case of marriage in your household during last one year? (Yes=1, No=2)

1.7 Description of H.H marriages

Sl.No	Name of the married men/women	Age	Sex (M=1,F=2)	Description of dowry (Without dowry=1, With dowry =2)	Whether the marriage is registered (Yes=1, No=2)
1.					
2.					
3.					

1.8 In what ages do you desire to marry your daughter and son?
 Daughter Son

1.9 Do you know, what is the government law for the minimum marriage age of son and daughter? (Yes=1, No=2)

1.10 If yes, at which ages? Daughter Son

2.Training

2.1 Have you received any (skill/ human) training from PROSHIKA? (Yes=1, No=2)

2.2 If Training received, give the information

1	2	3	4	5	6	7	8
Sl. no	Name of training (Code)	Place of training (Code)	Quality of training (Code)	Frequency of training	Quality of trainer (Code)	The areas of life where training have been used/ effective? (Code)	Reason why training have not been effective (Code)
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							

Training Code:**Skill development training code:**

Livestock: Livestock vaccination =1, Livestock raising and disease control =2, Livestock health care and management =3, Artificial livestock insemination =4, Milk processing =5, Animal feed production and quality control =6, Poultry rearing and project management =7, goat rearing =8,

Poultry: Livestock Preserving and Project Management =9, Boiler rearing and project Management =10, Layer Rearing and Project Management = 11, Poultry Vaccination =12, Chic Rearing = 13, main Poultry Rearing =14, Poultry Ideal Rearing =15,

Fisheries: Fish culture and project management =16, Pond Re-excavation and preparation = 17, Nursery pond processing and project management = 18, Open water fisheries and Management = 19, integrated fish farming = 20, Hatchery Operation and Fingerling production = 21, Shrimp culture and project management = 22, Fish Technology Transfer

and Demonstration = 23, Mini Hatchery =24, Fish processing and marketing=25

Housing and Health Infrastructure: R.C.C. Pillar production and project Management =26, M.C Angel Trass making and project Management =27, Housing materials preservation and project Management =28, M.C.R. Tails production and project management =29, Housing in low cost and tills setting method =30, Sanitary latrine production and project management =31, Tub-well sinking and project management = 32, Tub-well sinking and project Management (Deep set) =33, Tub-well repair and preservation =34, Tube-well & sewerage management=35, Purifying water and Removing ursenic Technology of water=36

Apiculture: Apiculture and Project Management =37, Apiculture and Nursery Management =38, Apiculture Training =39, Api-food management = 40,

Social forestry: Nursery making and Implementation techniques = 41, Participatory afforestation, protection and Management = 42, Social Forestry and Techniques =43,

Ecological Agriculture: Ecological Agriculture and project Management = 44, Homestead Gardening = 45, Seed production = 46, Seed production, preservation and marketing = 47,

Irrigation: I Engine pump and power Tiller Driving and Maintenance = 48, Engine pump power Tiller and Mechanics = 49, Motor pump Driving and Maintenance = 50, Advance course on Engine and power Tiller mechanics = 51, Irrigation project Management =52.

Sericulture: Mulberry Nursery and project Management = 53,
Sericulture Management = 54, Chawki Rearing = 55,

Weaving: Charka Operation and maintenance = 56, Riling Operation and
Maintenance =57,

Development support Communication: Primary VDO Training = 58,
Participatory VDO = 59,

Human development Training code: Women and Development = 60,
Health and Nutrition Education = 61, Development organisation = 62,
Development Management=63, Training on ATTP=64, Sustainable
development and poverty alleviation =65, Adult literacy=66, People's
theatre=67, Others (specify)=68.

Trainer and training quality: Very good=1, Good=2, Satisfactory=3,
Bad=4.

Usefulness / utilization of training: Children's school enrollment=1,
Safe drinking water=2, Sanitary latrine use=3, Awareness about
dowry=4, Awareness about environment=5, Awareness about early
marriage=6, Capable to keep account=7, Awareness about self right=8,
Health and nutrition awareness=9, Awareness about women abuse=10,
Develop Skill on productive activity=11, Others (specify)=12.

Unusefulness / initialization of training: Loan Scarcity =1, Time
constraint=2, Inadequate training, lack of understanding=3, Others
(specify)=4, Not applicable=5.

Place of training: Residencial=1, Non residencial=2, Central=3, Samity based=4, Others (specify)=5

2.3 Have any of your household members received Skill and human development training?

2.4 If yes, mention the number of persons

3. Credit / Loan related information of the Household (This part should fillup by the PROSHIKA member of the Household)

Household Member Sl. No (Q.1.1) 1st mem. 2nd mem.

3rd mem.

3.1 Total Number of project received: 1st mem. 2nd mem.

3rd mem.

3.2 Utilization of PK Loan

Sl. No of Loan	1 Amount of loan (in Tk.)	2 Year of project received	3 Whether project repayment was in time (Yes=1, No=2, NA=3)	4 Name of the project	Actual Loan Utilization					
					1st Utilization		Second utilization		Third utilization	
					Name of Activities (Code)	Amount (Tk)	Name of Activities (Code)	Amount (Tk)	Name of Activities (Code)	Amount (Tk)
First member										
Second member										
1.										
2.										
3.										
Third member										
1.										
2.										
3.										

See Code list

Code for Project name/ purposes/ uses of Loan: Agricultural modern equipment (DTW, Power Tiller, LLP, STW etc = 1, Agricultural traditional equipment = 2, Agricultural input (fertilizer, pesticide, seed etc.) =3, Pisciculture = 4, Livestock = 5, Poultry = 6, Fruit Cultivation /Nursery / afforestation = 7, Vegetable cultivation = 8, Other agriculture = 9, Cultivable land, mortgage or lease of water bodies etc. = 10, Agri-crop processing and sale = 11, Food processing and sale = 12, Tailoring = 13, Embroidery etc = 14, Weaving=15, Smith, Potter, Jewelry = 16, Carpenter/Bamboo/Cane work = 17, Petty trade/Medium/Large scale business = 18, Rickshaw/Van/Cycle =19, Boat = 20, Constructor/ carpenter capital=21, For making toilet = 22, Making and reconstruction of living room = 23, Apiculture=24, Handicrafts=25, Cottage industry=26, Small enterprise=27, Sericulture=28, Seed production=29, Household expenditure = 30, Treatment expenditure = 31, Loan repayment = 32, Going abroad = 33, Expenditure for getting job = 34, Expenditure for education = 35, Dowry and other expenses for wedding = 36, Other (to be mention) = 37.

3.3 Have you or any of your HH members taken any collaborative project with government / non- government organization by the help of PROSHIKA staff during last three years?

(Yes=1, No=2)

3.4 Who have decided to utilize your last or ongoing project loan?

Decision maker code: Self=1, Husband=2, Wife=3, Both=4, Other male member=5, Other female member=6, Self and other male member equally=7, Self and other female member equally=8, Others (specify)=9.

3.5 How was the technical support during the project implementation period?

Support code: Adequate=1, Inadequate=2, No support=3, Not applicable=4.

3.6 Was their sufficient monitoring by PROSHIKA staff during the project implementation period?
(Code: Yes=1, No=2)

3.7 Was there any effect on the project income during the project implementation period for the increase of the price of project related materials? (Yes=1, No=2, Same as before=3)

3.8 Have you faced any kind of crisis during the project implementation period?
(Yes=1, No=2)

3.9 If yes, give the information

Sl. No.	Nature of crisis (code)	The person who have given support (code)	The nature of support	The amount lost (Tk.)

Nature of crisis: Flood=1, Cyclone=2, River erosion=3, Hartal=4, Plague=5, Slum eviction =6, Death of livestock=7, Household or any HH member seriously ill =8, Death of any HH member=9, Firing =10, Communalism =11, Others (specify)=12

Person who has given support: Parents=1, brother/sister=2, In-laws relative=3, other relative=4, parallel neighbor/ villagers=5, rich villagers=6, UP /parliament member=7, Government official=8, Other NGO=9, No body=10, Other PROSHIKA members=11, PROSHIKA staff=12, Federation=13, Others (specify)=14

Nature of support: Provide loan=1, Grant money=2, Grant other material=3, give advice=4, give acompany=5, make work done=6, give legal support=7, Others (specify)=8

3.10 Have you or any of your family members faced any kind of project related harassment by any person, organization or social barriers during last one year? (Yes=1, No=2)

3.11

3.12 If yes, mention the nature of harassment?

Code: Insecurity=1, Giving subcription=2, Harassment by any person=3, Harassment by any organization=4, Others (specify)= 5

3.12 Where do you go primarily for the vaccination and treatment of your livestock and poultry?

Code: Proshika's Paravet=1, Proshika's vaccinator=2, Upazilla livestock doctor=3, Proshika's livestock staff=4, Government livestock staff=5, Other NGO's Paravet=6, Other NGO's vaccinator=7, Other (specify)=8.

3.13 Success of loan Utilization: Opinions of the loan user. (Code)

Opinion code: Very successful =1, Successful = 2, Satisfactorily successful =3, Not successful = 4, Not applicable=5

3.14 Give the information of you and any of your HH members who have given self-labor or hired labor for the ongoing or completed project

Sl. no.	Project name/ purpose of the loan	Duration (month)	HH labor		Hired labor	
			Person given maximum time	Person given minimum time	Total person	Total person days
1.						
2.						
3.						

Code: See the project or purpose code at page 6

4. PROSHIKA and other Savings

	Total PROSHIKA savings				Other savings (Tk.)
	Regular savings (PSS)	Savings in Samity	Own hand savings	Savings under social and economic security prg. (ESSP)	
1st member					
2nd member					
3rd member					

5. Loan received by the Household in the last one year:

[The eldest PK member in the household (incase of more than one member) is to be interviewed]

Sources of Loan	Amount (in Tk)	Rate of service charge/ interest	Amount of outstanding debt. (in Tk.)
1. Commercial Bank			
2. BKB/ Schedule Bank			
3. Grameen Bank			
4. PROSHIKA			
5. BRAC			
6. ASA			
7. Other NGOs			
8. Friends/relatives			

9. Money Lender			
10. Landowner			
11. Other Person			
12. Shopkeeper			
13. Wholesaler			
14. Dadondar/ userer			
12. Others (to be mention)			

5.1 Why did you receive loan from other sources rather than PROSHIKA?

Code: Interest free =1, Get loan much quicker = 2, Repayable at any time =3, Only in emergency situations = 4, Insufficient amount =5, Other (to be mention) = 6.

5.2 Do you think your social statuses have increased after receiving PROSHIKA project?

(Code: Yes=1, No=2)

5.3 If the social status increases mention the nature of status

6. Social Position & Awareness

6.1 Do you think that your opportunities have increased to attend various social gathering after joining PROSHIKA Samity?

Code: Highly Incresed=1, Satisfactorily increased=2, Minimally increased=3, Same as before=4, Others (specify)=5

6.2 Is the respondent aware about the issues given below?

Sl. No.	Questions	Code (Yes=1, No=2)
1.	Interval for the National election	
2.	Total seats of the Parliament	
3.	Selection process of the Prime minister	
4.	Number of main political parties	

6.3 Why do you think, the democracy is essential?

Code: Opportunity to ensure every ones right=1, Freedom to express every ones opinion=2, Every one can get the shelter of law=3, Can cast vote by own selection=4, Opportunity to ensure accountability in every stage=5, Option to create leadership from pro-poor =6, Opportunity to create law for the development and security of the poor=7, Others (specify)=8

6.4 What do you think, why we are not getting the benefits of democracy?

Code: Political miscreants=1, Lack of accountability = 2, Terrorism in Politics=3, Black money in politics=4, Politicians dishonesty =5, Others (specify)=6

6.5 Information about casting vote

Sl. No.	Type of election	Did you cast vote or not (Yes=1, No=2)	Who has selected candidate for casting vote (Code)
1.	Parliamentary election		
2.	City corporation election		
3.	Municipality election		
4.	Union Parisad election		

Decision maker Code: Self=1, Husband/ wife=2, Member of the in-law's family=3, Member of the paternal family=4, Neighbors=5, Samity decision=6, Influential person /local elite=7, Substantial decision =8, Others (specify)=9

6.6 Was there any threat for casting vote freely? (Yes=1, No=2)

6.7 If yes, mention the nature of threat.

Code: Threatening =1, Not allowed to go to vote center=2, Violation=3, Influenced by any organisation=4, Women are restricted by the family=5, Others (specify)=6

6.8 How was the presentation quality of the peoples theatre team in your village or areas on the issues of adult literacy, early marriage, dowry less marriage, women abuse, health awareness, bargaining capacity of wage, awareness of democracy etc?

Code: Very good=1, Good=2, satisfactory=3, Low quality=4, Never watched=5.

6.9 Were there any cases of following women abuse in your village/ slum/ union/ thana during last one year?

Sl. No.	Type of abuse	Occurrence happened in the last one years (Yes=1, No=2)	Protested or not (Yes=1, No=2)	Type of protest (code)
1.	Divorce			
2.	Dowry			
3.	Beating			
4.	Acid throwing			
5.	Rape			
6.	Murder			
7.	Abuse through verdict			

Protest code: Participate in protest rally=1, Participate in local judgement=2, Participate in protest meeting=3, Try to convince or confinement personally =4, Legal support =5, Others (specify)=6

7. Health education and awareness

7.1 In the case of household member's sickness from where have you taken

health advice in the last one year?

Code:Specialized Doctor (Private Practitioner)=1, Doctor in Thana Health Complex =2, Doctor in Union Health Complex =3, Village Doctor =4, Homeopathy =5, Herbal/*Kabiraj* =6, Sales man of Pharmacy / *Compounder* =7, Curing diseases by exorcism =8, Water treatment Given by religious worship (Panipara) = 9, Others (specify)= 10.

7.2 Do you know in what age what type of vaccine or injection should be taken for child immunization?

Code: Don't know=1, Partially known =2, Relatively known = 3, Entirely known=4, Not applicable=5.

7.3 Which sources of water do you and other HH member's use for drinking?

Code: River =1, Pond =2, Well =3, Tube-well =4, Tap =5, Filter =6, Other (specify)=7.

7.4 Which sources of water do you and other HH member's use for different household works? (e.g. Bathing, Washing)

Code: River =1, Pond =2, Well =3, Tube-well =4, Tap =5, Filter =6, Other (specify)=7.

7.5 Do you know about arsenic contamination of tube-well water (Yes=1, No=2)?

7.6 Did you test your tube-well water, whether it is arsenic free or not?
(Yes=1, No=2)

7.7 If yes, is your tube-well water arsenic contamination free? (Yes=1, No=2)

7.8 What type of latrine do you use?

Code: Open field/ Jungle =1, In hole = 2, Water sealed/ Ring Slab = 3, *Kantcha* = 4, Sanitary = 5, Hanging =6, Others (specify) = 7.

7.9 How do you wash your hand after defecation?

Code: Only water =1, Soap =2, Clay/ash = 3, Do not wash=4, Others (specify) =5.

7.10 Have any of your HH members suffered from any kind of water born diseases during last one year? (Yes=1, no=2)

7.11 If yes, mention the type of water born diseases.

Code: Typhoide=1, Dhirrohea=2, Disentry=3, Worm=4, Goendis=5, Pollio=6, Arsenic contamination =7, Others (specify) =8

7.12 Do you have any children in your HH up to one year old? (Yes=1, no=2)

7.13 If yes, how many children?

7.14 Information about HH children immunization up to one year

Sl. No.	Name of children	Age (month)	Number of vaccine/ injection taken (total no.)
1.			
2.			
3.			

Birth and Infant Mortality Rate

7.15 Delivery information of household women during last one year

Child information	The place of child birth	Helping hand/ assistant (code)
1st		
2nd		
3rd		

Place code: At home=1, Hospital=2, Clinic=3, Family health clinic=4, Others (specify)=5

Helping hand/ assistant code: Doctor=1, Nurse=2, PHOSHIKA's trained birth attendant =3, Other trained birth attendant=4, Untrained birth attendant =5, Female HH member =6, Neiboughers=7, Others (specify)=8

7.16 Information about the alive birth and less than one year age death children of the household

Year	Number of alive birth	Number of death children less than one year age
2001		
2000		
1999		

Maternal Mortality Rate

7.17 Whether any mother has died at the period of her pregnancy to delivery 's 42 days in this household in the last three years? (Yes = 1, No = 2)

7.18 If yes, how many mothers have died?

8. Housing

8.1 At present how many house structure in your courtyard after became PROSHIKA member?

8.2 How many house structures did you have in your courtyard before joining PROSHIKA?

8.3 Description of the house structure:

Description	Number of structure	Type of roof (code)		Type of wall (code)	
		Before joining PROSHIKA	After joining PROSHIKA	Before joining PROSHIKA	After joining PROSHIKA
Principle living house					
Kitchen					
Cattle shed					
Other house					

Code: Type of roof and wall: Pucca=1, Tin=2, Straw =3, Bamboo =4, Bamboo slips = 5, Hard board = 6, Clay=7, Jute straw=8, leafs = 9, Tiles=10, Others (to be mention)=11

8.4 Do you have electricity at home? (Yes=1, No=2)

Access to private /government resources and participation in local institutions

9.1 Have you or any of your HH members acquired access to any of the Govt./ private resources? (Yes = 1, No = 2.)

9.2 If yes, mention the information bellow

Sl. No.	Govt./ private resources	Have access or not (Yes=1, No=2)	Acquired access by whom (code)	Purpose of uses (code)
1.	Khas land			
2.	Khas water-bodies, rivers, canals,			

	lakes, ponds etc.			
3.	Govt. reserve forestry			
4.	Road			
5.	Embankment			
6.	Besides Railway line			
7.	Afforestation in Institutions			

Code: Union council =1, Upazilla council =2, Zilla council =3, Forestry department =4, Railway department =5, Water Development Board =6, Ministry of land =7, Individual/ private organization=8 Others (to be mentioned) =9.

Purpose code: Agriculture=1, Grazing cattle=2, Drying paddy=3, Housing=4, Fishing or fish culture=5, Fuel collection=6, Home stead gardening=7, Wood selling=8, Tree plantation=9, Others (to be mentioned) =10

9.2 What kind of support PROSHIKA has given to gain access to these resources?

a. -----

b. -----

9.3 Do you have sufficient seed, seedlings and land for plantation in your area/ locality?

Sl. No.	Type of plantation	Supply of seed (Yes=1, No=2)	Supply of seedlings (Yes=1, No=2)	Land (Yes=1, No=2)
1.	Homestead plantation			
2.	Strip plantation			
3.	Block plantation			

9.4 How many fruit /wood trees have you planted /cut during the last one year?

Location	Number	
	Cut	Planted
1. Homestead		
2. Other land out side homestead		
3. Govt. land / Forest-area		
4. Leased or mortgaged land		
5. Strip plantation (member own portion)		

9.5 Whether you or any of your family members or your samity is involved for the plantation protection and Afforestation activities you have in your homestead or areas/ locality (all type)?

(Yes=1, No=2)

9.6 If yes, How do you protect?

Protection code: Make fence=1, Give water=2, Guard by own=3, Appoint guard=4, Protect by all of the member of Samity=5, Put fertilizer=6, Make stumbling block in the case of deforestation=7, Legal support =8, Others (specify)=9.

9.7 Do you or any of your family members are the member of the PROSHIKA Federation, mention the household member Sl.no.

--	--	--

9.8 If yes, mention the type of Federation

--	--	--

Federation code: Village/ Slum federation=1, Union federation=2, Upazilla / area federation=3,

9.9 Have you or your family ever get help or assistance from the Village/ Slum federation committee / Union federation committee / Upazilla or area federation committee? (Yes=1, No=2)

If yes, then how?

SL.No.	Type of Federation and samity	Way of getting assistance (code)
1.	Upazilla or area Federation committee	
2.	Union Federation committee	

3.	Union Federation committee	
4.	Primary group	

Help/ assistance code: Protection of women violation/ abuse=1, Assistance for gaining access to khas resources=2, Assistance in afforestation=3, Assistance for getting village salish=4, Help for getting legal wage in time=5, Mitigate household conflict=6, Help for dowry less marriages =7, Help for getting treatment=8, Others (specify)=9.

9.10 Have you or any of your household member been elected / ran for a membership position of the executive committee in any of the local bodies? (Yes =1, No =2)

9.11 If yes, mention the type of membership (Code)

Membership code: UP chairman=1, UP member=2, Pourashava commissioner=3, Primary school committee=4, High school committee=5, Madrasa committee=6, Mosque/temple/Church committee=7, Hat/bazaar committee=8, Others (specify)=9.

9.12 Number of member run for the membership? (Household mem
Sl.no)

9.13 Numbers of member have been elected? (Household member S

9.14 Have you or any of your household member participated in any kind of social or cultural function/ festival? (Yes =1, No =2)

9.15 If yes, mention the type of function/ festival

Code: Victory day celebration =1, Mothers language day=2, Independent day celebration=3, celebration of first bangla month / 1st *Boishakh* =4, International women day=5, literacy day=6, Environment day=7, labour day/ 1st may=8, Others (specify)=9.

9.16 Have any of your household members played the role of a local jury/Judge in the village/slum *salish* during last one year? (Yes = 1, No = 2)

9.17 If yes, how many members?

9.18 Information about Judgement, Role and justice?

Type of Judgement/Salish	No. of judgement	Role (code)	Whether women have got justice in the case of women issues	Whether the poor have got justice.
1. Land or assets				
2. Family altercation				
3. Polygamy				
4. Divorce/Separation				
5. Women abuse				
6. Money transaction				
7. Others				

Role Code: Main judge/ jury =1, General judge/ jury =2

Judgement code: Completely fair judgement =1, Satisfactory judgement=2, Partially fair judgement =3, Completely unfair judgement =4

9.19 Is there any judgement occurred by verdict in your locality during last one year?

9.20 If yes, what type of punishment has given?

Household Assets, Income, Expenditure and Investment

10. Household Assets (Without land)

10.1 Give the information about your HH Assets, number and its value?

SL No	Name of Asset	Quantity/ Number	Present value (Taka)	Have these assets increased after memb PROSHIKA (Yes=1, No=2, Same
	Trees/Domestic Animal/Birds :			
1.	Milch Cow / Buffalo			
2.	Calf			
3.	Bullock/ cow/ Oxen/ Buffalo			
4.	Goat/sheep			
5.	Poultry			
6.	Trees			
Agricultural Equipment's:				
7.	Irrigation Pump			
8.	Power tiller			
9.	Sprayer			
10.	Thatcher machine			
11.	Plough/ladder etc.			
12.	Other agricultural equipment's			
Non-agricultural equipment's:				
13.	Cart (cow/ Buffalo)			
14.	Boat/Engine boat			
15.	Rickshaw/ Van			
16.	Bicycle			
17.	Motor Vehicle/Baby taxi			
18.	Bus/truck			
19.	Weaving machine/oil mill			
20.	Rice mill			
21.	Fishing net			
22.	Other non-agri. equipment's			
23.	Shop			
24.	Capital (business)			
Furniture :				
25.	Chair, table, Cupboard, fan etc.			
26.	Radio / cassette player			
27.	Television			
28.	watch/clock/			
29.	Ornaments			
30.	Other valuable asset			

5.3 Household Expenditure

Sl. No	Name of Commodity (last one week)	Own		Purchased	
		Quantity (kg.)	Price (taka)	Quantity (kg)	Price (taka)
1.	Rice				
2.	Wheat/ flour/				
3.	Puffed rice/ <i>chira</i>				
4.	Fish/dry fish				
5.	Meat/ Chicken				
6.	Egg				
7.	Milk				
8.	Pulses/vegetables/ fruits				
9.	Salt, Edible oil, spices				
10.	<i>Kerosene/</i> Battery				
11.	Betel-leaf/ Betel-nut/ Bidi, cigarette				
12.	Fuel				
13.	Others (to be mention)				
Name of the commodity (Last one year)					
15.	House rent (if rental house)				
16.	Electricity				
17.	Education				
18.	Treatment				
19.	Clothes /shoes				
20.	Weeding/ festival				
21.	Transportation				
22.	Others (to be mention)				

Household investments

10.3 Household investment and expenses in the last one year

Sectors of investment	Amount (in Tk.)
1. Land purchased	
2. Vehicle purchased (Baby taxi, Rickshaw, Van, Boat etc.)	
3. Power tiller, Bullock	
4. Irrigation machine (DTW, STW, LLP etc.)	
5. House construction (For rental purpose)	
6. Small and medium business	
7. Livestock, poultry rearing	
8. Fishing gear and other inputs purchased	
9. Gong abroad/ send to abroad/ service/	
10. Others (to be mention)	

Household Income

10.4 Household Income and Employment

SLNo	Sources of income	Household's net income in the last one year (Taka)
1.	Agriculture	
2.	Livestock	
3.	Poultry	
4.	Fish	
5.	Fruits/ Vegetables products	
6.	Forest/Fuel/trees	
7.	Agri-day laborer	
8.	Non-agri day laborer	
9.	Industry: Self	
10.	Wage labor	
11.	Business : Self	
12.	Wage labor	
13.	Transport: Self	
14.	Wage labor	
15.	Construction : Self	
16.	Wage Labor	
17.	Services : Self	
18.	Wage labor	
19.	Service	
20.	Income from Leasing / Share-cropping	
21.	Income from rent	
22.	Gleaning vegetables-fuel, food	
23.	Presentation	
24.	Remittances	
25.	Other (to be mention)	

10.5 Do you think your incomes have increased after joining PROSHIKA? (Yes=1, No=2)

If yes, in what extent (in percent)?(1-25%=1, 26- 50% =2, 51- 100 % =3,

Above 100% =4)

11. Nature of land ownership

11.1 Information about HH land ownership

Sl No	Nature of land	Amount of land at present (Decimal)	Amount of land before joining PROSHIKA (Decimal)	Amount of land during the memb PROSHIKA (Decimal)
1.	Homestead land			
2.	Cultivable land			
3.	Houses			
4.	Garden and other			
5.	Pond			
6.	Other (specify)			

12. Environmental awareness and production pattern

12.1 Do you have homestead garden? (Yes = 1, No = 2)

If yes, give the information,

12.2 What type of fertilizer do you use for vegetable gardening?

(Chemical =1, Compost = 2, Both = 3, Nothing = 4)

12.3 What type of pesticide do you use for vegetable gardening?

12.4 Do you have fish culture? (Yes = 1, No = 2)

If yes, give the information,

12.5 What type of fertilizer do you use for fish culture?

Code: Lime = 1, Cow-dung =2, Urea =3, TSP =4, Compost =5, Nothing = 6, Other (to be mention)=7

12.6 Do you have farming? (Yes = 1, No = 2)

If yes, give the information.

12.7 What type of fertilizer do you use for agriculture?

(Chemical =1, Compost = 2, Both = 3, Nothing = 4)

12.8 What type of pesticides do you use in agriculture for your own land?

(Chemical =1, Compost = 2, Both = 3, Nothing = 4)

12.9 What type of pesticides do you use in agriculture for mortgage and other land?

(Chemical =1, Compost = 2, Both = 3, Nothing = 4)

12.10 What type of pesticides do you use in agriculture for mortgage and other land?

(Chemical =1, Compost = 2, Both = 3, Nothing = 4)

12.11 Is the material of making pesticide available/ easy to get for use it in producing crops?

(Yes =1, No =2)

13. Marketing System

13.1 Did you sale your products during last one year? (Yes=1, No=2)

8.2 If yes, give the following information.

SL No.	Produced item (two principal items)	Mention the selling amount /quantity (code: Entirely=1, Partially=2)	Where do you sale? (code)	Where do you think it wo profitable to sale? (co
1.	Paddy			
2.	Wheat			
3.	Crops			
4.	Vegetables			
5.	Other agri-products			
6.	Milk/Ghee/Butter			
7.	Honey			
8.	Egg			
9.	Livestock			
10.	Poultry/ livestock			
11.	Handicrafts items			
12.	Chira/ Puff rice			
13.	Garments			
14.	Weaving Cloth			
15.	Tiles, R.C.C pillar			
16.	Ring slab			
17.	Ironic material			
18.	Pottery			
19.	Others (to be mention)			

Code: Where do you sale/ profitable to sale: Village market=1, Market outside the village =2, At home =3, Nearest Upazilla/ District Town =4, Not required marketing (For consumption only)=7, Vendor =8, Others (To be mentioned)=9.

13.3 Mention the distance of the nearest market from your home? (in Km.)

14. Labor Market

14.1 Have you or any of your HH member worked as a day labor during last one year or at present? (Yes=1, No=2)

14.2 If yes, give the information

Nature of the labor	Pick season	Slack season
Mention the number of days you worked as a day laborer last year		
2. Determinants of wage (code)		
3. Wage payment pattern (code)		
4. Daily wage rate (cash, food, kinds)		
5. Average working hours per day		
6. If worked as a contact labor, mention the monthly wage (in Taka)		

Code: Determinants of wage: Employer =1, Wage labor =2, Through mutual understanding = 3, Existing market wage = 4, Others (to be mention) = 99.

Code: Pattern of wage: Immediately paid after completion of work =1, A portion paid immediately & the rest later on =2, Advance payment =3, Entirely late payment =4, Other (to be mention) =5.

14.3 How is the employer's behavior?

Well-behaved =1, Scolding = 2, Physical torture =3, Others (to be mention) =4.

14.4 Do the men and women get equal wage? (Yes = 1, No = 2)

14.5 If no, mention the reason?

14.6 Do you think the rate of wage should be equal for men and women? (Yes = 1, No = 2)

This part of the questionnaire is applicable only for the women (If the respondent is male then the information have to take from his wife/mother/sister)

15. Opinion and decision making:

Queries	Response (code)
1. To whom will you go for help at the time of monetary crisis? (Code:)	
2. Who is the decision-maker of your household expenditure? (Code:)	
3. Who is the decision-maker of your children education? (Code:)	
4. Who is the decision-maker of your household member's wedding? (Code:)	
5. Who is the decision-maker of your HH investment? (Code:)	
6. Can you take decision about any kind of HH expenditure by own?	
7. Who is the decision-maker of your family	

Code of row 1: Husband =1, Parents/ Siblings =2, Relatives =3, Neighbor/Villager =4, Influence/Rich-man of the Village =5, UP Member =6, Government employee =7, PROSHIKA staff =8, Samity member = 9, Other NGO =10, None =11, Others (to be mention) =12.

Code of row 2, 3, 4, 5, 6, 7: Mainly Herself =1, Mainly Husband =2, Self and other family member equally =3, Mainly other male member of the family =4, Mainly other women of the family =5, Own and husband both are equally =6, Not applicable =7, Others (to be mention) =8.

16. Mobility

Can you go alone to the following places?	Responses (Yes=1, No=)
1. Nearest market	
2. Upazilla /Thana Health Complex	
3. Union Health Complex	

4. Polling Centre	
5. Training Centre	
6. Bank	
7. Relatives house	
8. Upazilla Sadar	
9. Any kind of gathering	
10. Cultural program	
11. Others (to be mention)	

17. Abuse

17.1 Have you been abused by any one in the last one-year? (Yes = 1, No = 2)

17.2. If yes, mention the type of abuse and abused by whom?

Types of abuse	Abuser				
	Husband (Yes=1, No=2)	Other male members of in-law's Family (Yes=1, No=2)	Other female members of in- law's Family (Yes=1, No=2)	Paternal members (Yes=1, No=2)	Oth me outs hou (Yes=
1. Beating					
2. Scolding					
3. Threat to divorce					
4. Do not provide subsistence					
5. Threat to turn out					
6. Abandoned/ rejected by husband					
7. Polygamy or threat to be polygamy					

18.Divorce

18.1 Have you had any incidence of divorce in your HH during last three years? (Yes =1, No =2)

18.2 If yes, give the information about the HH members who have got or given divorce during last three years

Sl. no.	Name of divorced HH members	Causes of divorce (code)	Was the divorce legal (Yes =1, No=2)



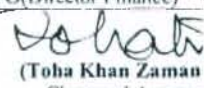
Code:Dowry =1, Sterile =2, Do not able to born son =3, Sickness most of the time =4, Husband's second marriage =5, Without any reason = 6, Quarrel with husband =7, Torture =8, Other (to be mention) = 9.

Identification: Ask the respondent whether he/ she or any or his/ her HH PROSHIKA

member has given the same type of information more or less than three years. (Yes =1, No =2)

Annexure-2

**Consolidated Balance Sheet of Proshika Manobik
Unnayan Kendra As At 30 June, 2001**

PROSHIKA MANOBIK UNNAYAN KENDRA TOWARDS A POVERTY-FREE SOCIETY (PHASE-VI) CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2001								
PARTICULARS	NOTE	TOTAL		Social Development Programmes (SDP)		Financial Services (RLF)		
		Current year (2000-2001) TAKA	Previous year (1999-2000) TAKA	Current year (2000-2001) TAKA	Previous year (1999-2000) TAKA	Current year (2000-2001) TAKA	Previous year (1999-2000) TAKA	
SOURCES OF FUND								
A. CAPITAL FUND	1.00	2,079,370,320	2,074,059,050	629,859,574	571,960,588	1,449,510,746	1,500,000,000	
B. BORROWED FUND	2.00	1,267,240,250	1,269,242,750	0	0	1,267,240,250	1,267,240,250	
C. RESERVE FOR LOAN LOSSES	3.00	285,656,421	212,695,198	0	0	285,656,421	212,695,198	
D. GROUP SAVINGS ACCOUNTS	4.00	1,248,492,947	861,158,442	0	0	1,248,492,947	861,158,442	
FUND BALANCE (A+B+C+D)		4,880,759,938	4,417,155,440	629,859,574	571,960,588	4,250,900,364	3,841,104,890	
APPLICATION OF FUND:								
E. FIXED ASSETS (At written down value)	5.00	582,746,395	555,834,405	582,746,395	555,834,405	0	0	
F. OUTSTANDING LOAN TO GROUPS (RLF)	6.00	3,630,836,846	3,467,517,964	0	0	3,630,836,846	3,467,517,964	
G. CURRENT ASSETS:		1,126,023,247	715,250,226	280,870,090	184,194,711	845,153,157	523,162,751	
STOCK IN STORE	7.00	1,160,352	1,049,573	1,160,352	1,049,573	0	0	
RECEIVABLES	8.00	12,045,227	16,120,069	12,045,227	16,120,069	0	0	
LOANS & ADVANCES	9.00	215,421,525	433,350,417	74,872,767	51,309,702	140,548,757	382,040,715	
FIXED DEPOSIT RECEIPTS (FDR)	10.00	53,529,800	3,529,800	50,000,000	0	3,529,800	0	
CASH & BANK BALANCE	11.00	843,866,343	261,200,367	142,791,744	115,715,367	701,074,600	140,122,036	
H. CURRENT LIABILITIES:		458,846,550	321,447,155	233,756,911	168,068,528	225,089,639	151,885,177	
LOANS & LIABILITIES	12.00	182,963,900	119,310,174	151,925,702	108,001,253	31,038,198	119,310,174	
SECURITY & OTHER DEPOSITS	13.00	22,199,098	25,183,225	11,407,304	14,466,430	10,791,794	25,183,225	
BILLS & OTHER PAYABLES	14.00	207,319,604	166,805,586	70,423,905	45,600,845	136,895,699	166,805,586	
COMPENSATION FUND	15.00	46,363,948	10,148,170	0	0	46,363,948	10,148,170	
I. NET CURRENT ASSETS (G-H)		667,176,697	393,803,071	47,113,179	16,126,183	620,063,518	371,277,574	
NET ASSETS:(E+F+I)		4,880,759,938	4,417,155,440	629,859,574	571,960,588	4,250,900,364	3,841,104,890	
1. Figures have been rounded off to the nearest taka. 2. Annexed notes form part of the accounts. 3. Previous year's figures have been rearranged for comparison.								
				 (Qazi Faruque Ahmed) President				
				 (Masrurul Islam) CFO(Director Finance)				
Signed in terms of our separate report of even date annexed								
Dated, Dhaka 12 December 2001								
				 (Toha Khan Zaman) Chartered Accountant				

**PROSHIKA MANOBIK UNNAYAN KENDRA
TOWARDS A POVERTY-FREE SOCIETY (PHASE-VI)**

**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2001**

PARTICULARS	TOTAL		Social Development Programme		Financial Services (RLF & SEED)	
	Current year (2000-2001) Taka	Previous year (1999-2000) Taka	Current year (2000-2001) Taka	Previous year (1999-2000) Taka	Current year (2000-2001) Taka	Previous year (1999-2000) Taka
Grant from Donor's (Note-16.00)	1,633,106,480	881,443,969	1,633,106,480	881,443,969	0	0
Less: Fund Injected to RLF	(629,819,150)	(203,108,160)	(629,819,150)	(203,108,160)	0	0
Less: Fund Injected to SEEDS	(33,000,000)	(20,000,000)	(33,000,000)	(20,000,000)	0	0
Net Donors Contribution	970,287,330	658,335,809	970,287,330	658,335,809	0	0
Service Charge (RLF)	536,892,631	508,415,892	0	0	536,892,631	508,415,892
Realization from Written-off Loans	9,390	178,455	0	0	9,390	178,455
Bank Interest	26,287,229	9,332,957	15,567,293	1,519,329	10,719,936	7,813,628
Interest on Group Savings	0	0	0	0	0	0
Interest on ESSP	0	0	0	0	0	0
Training Fees	0	3,368,319	0	3,368,319	0	0
Research & Evaluation Fees	773,770	3,056,780	114,000	2,748,680	659,770	308,100
Service Charges from Other Sources	433,405	10,511,484	433,405	10,511,484	0	0
Miscellaneous Sources	23,532,146	33,672,545	21,536,063	33,303,831	1,996,083	368,714
Service Charge transferred from RLF to Operational Fund	0	0	62,209,280	292,842,968	(62,209,280)	(292,842,968)
TOTAL OTHER INCOME :	587,928,571	568,536,432	99,860,041	344,294,611	488,068,530	224,241,821
TOTAL INCOME TAKA	1,558,215,901	1,226,872,241	1,070,147,371	1,002,630,420	488,068,530	224,241,821
EXPENDITURE:						
Programme Operating Expenses	568,160,839	404,034,319	261,353,094	403,195,843	306,807,745	838,476
Programme Administrative Expenses	186,832,196	133,996,665	85,741,617	133,718,078	101,090,579	278,587
Training Expenses	106,919,002	62,631,000	106,893,983	62,631,000	25,019	0

Particulars	TOTAL		Social Development Programme		Financial Services (RLF & T)	
	Current year (2000-2001) Taka	Previous year (1999-2000) Taka	Current year (2000-2001) Taka	Previous year (1999-2000) Taka	Current year (2000-2001) Taka	Previous year (1999-2000) Taka
OTHER PROGRAMME EXPEND.						
Peoples Cultural Programme	27,361,643	7,616,657	27,361,643	7,616,657	0	
Dev. Policy Research & Advocacy	4,932,570	7,805,117	4,932,570	7,805,117	0	
Health & Infrastructure Building	61,615,048	50,890,469	61,615,048	50,890,469	0	
Universal Education Programme	206,476,965	155,967,345	206,476,965	155,967,345	0	
Resource Centre	9,554,541	8,464,857	9,554,541	8,464,857	0	
Assistance to Other Organization	183,593,643	75,297,806	183,593,643	75,297,806	0	
Health Pilot Project	794,334	242,776	794,334	242,776	0	
Resettlement Housing Program	4,382,788	34,579,404	4,382,788	34,579,404	0	
Dev. Support Commun. Programme	3,203,288	854,561	3,203,288	854,561	0	
Social Forestry Programme	32,277,204	21,079,846	32,277,204	21,079,846	0	
Project expenses	203,878	250,927	203,878	250,927	0	
OTHER EXPENDITURE:						
Bank Charges & Commission	2,928,291	1,576,125	0	0	2,928,291	1,576,125
Sundry Expenses	97,990	649,019	0	0	97,990	649,019
Interest on Borrowed Fund	67,103,123	68,901,192	0	0	67,103,123	68,901,192
Interest on Group Savings	0	51,135,000	0	0	0	51,135,000
Dividend on Groups Savings	49,863,971	628,749	0	0	49,863,971	628,749
Compensation for Death	5,983,676	1,162,568	0	0	5,983,676	1,162,568
Compensation for Damage	13,961,911	3,900,533	0	0	13,961,911	3,900,533
Provision against Loan Loss	627,599,078	307,276,505	0	0	627,599,078	307,276,505
Depreciation (As per Sch. A/1)	51,877,803	42,119,715	23,863,789	42,119,715	28,014,014	42,119,715
Total Expenditure Taka	2,215,723,782	1,441,061,155	1,012,248,385	1,004,714,401	1,203,475,397	436,068,530
Excess of Income over Expenditure transferred to Balance Sheet	(657,507,881)	(214,188,914)	57,898,986	(2,083,981)	(715,406,867)	(212,188,914)
Total Taka	1,558,215,901	1,226,872,241	1,070,147,371	1,002,630,420	488,068,530	224,068,530

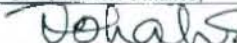
1. Figures have been rounded off to the nearest taka.
2. Annexed notes from part of the accounts.
3. Previous year's figures have rearranged for comparison.


(Qazi Faruque Ahmed)
President


(Masrurul Islam)
CFO(Director Finance)

Signed in terms of our separate report of even date annexed

Dated, Dhaka
12 December 2001



(Toha Khan Zaman & Co.)
Chartered Accountants

**PROSHIKA MANOBIK UNNAYAN KENDRA
TOWARDS A POVERTY-FREE SOCIETY (PHASE-VI)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2001**

PARTICULARS	TOTAL AMOUNT (Consolidated)	Social Development Programme Amount	Financial Services (RLF & SEED) Amount
Cash flow from operating activities:	(657,507,881)	57,898,986	(715,406,867)
Add: Loan loss provision	627,599,078	0	627,599,078
Depreciation	51,877,803	51,877,803	0
Sub-Total:	21,969,000	109,776,789	(87,807,789)
Increase/decrease net current assets	(408,664,385)	(3,910,619)	(404,753,767)
Total cash flow from operating activities	(386,695,385)	105,866,170	(492,561,556)
Cash flow from investing activities:			
Purchase of fixed assets	(78,789,796)	(78,789,796)	0
Total cash flow from investing activities	(78,789,796)	(78,789,796)	0
Cash flow from financing activities:			
Long term Loan from(PKSF,IFAD& Sonali bank)	(2,002,500)	0	(2,002,500)
Group savings	387,334,505	0	387,334,505
Fund injection from Donors grant	662,819,150	0	662,819,150
Total cash flow from financing activities	1,048,151,155	0	1,048,151,155
Net cash flow	582,665,975	27,076,375	555,589,600
Opening balance as on 01-07-2000	261,200,367	115,715,368	145,484,999
Closing balance as on 30-06-2001	843,866,342	142,791,743	701,074,599
Cash flow increased/decreased during the year	582,665,975	27,076,375	555,589,600

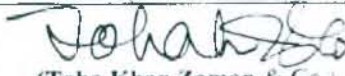
- 1.00 Annexed notes from part of accounts.
2.00 Figures have been rounded of to the nearest taka.
3.00 Previous year's figures have been re-arranged for comparison.


(Qazi Faruque Ahmed)
President


(Masrurul Islam)
CFO(Director Finance)

Signed in terms of our separate report of even date annexed.

Dated, Dhaka
12 December 2001


(Toha Khan Zaman & Co.)
Chartered Accountants