

# EVALUATING THE RURAL MAINTENANCE PROGRAMME AS A POVERTY REDUCTION STRATEGY

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#### INTRODUCTION

Poverty in 'Bengal' has been endemic as revealed by the two great famines of 1770 and 1943. After liberation, the Government of Bangladesh (GOB) focused its endeavour on poverty 'alleviation' (now "poverty reduction"). For recent years, the government has adopted 'The National Strategy for Accelerated Poverty Reduction' (NSAPR) or in short, Poverty Reduction Strategy (PRS).

PRS has identified four strategic blocks and four supportive strategies as "avenues" for poverty reduction. 'Effective Social Safety Nets Programmes' (SSNPs) is one of the four strategic blocks. It focuses on the poor in general and poor women in particular. The commonest way of its working is 'income transfer' among the poor, that is to say, the poorest amongst the poor.

Although SSNPs are not new in Bangladesh, the government has altered their goals, and have incorporated them into developing programmes. The Rural Maintenance Programme (RMP), one of the SSNPs, has been targeting rural destitute women for poverty reduction through providing income generating employment and training for them.

Although a study of PRS has admitted that 'the absence of evaluation makes it difficult to draw definitive conclusions about past impacts, and future direction for safety nets programmes in Bangladesh', it accepts that majority of those households have been able to increase their household income. The PRS study asks if safety nets programmes work as a ladder to move people out of poverty, only to answer the question positively.

But many economists think that the issue of poverty and its reduction or elimination does not depend mainly upon the 'pious wishes' of the government. If the socio-economic factors of causes of poverty are not taken into consideration, people who got the 'leverage' to move out of poverty will sooner or later revert to poverty. Therefore, sustainability of the process of poverty reduction is of utmost importance.

SSNPs undoubtedly lessen the hardships of poverty for a while. For this reason, SSNPs are highly beneficial for target groups. However, since the PRS is the sole policy being pursued by the government for reduction of poverty, its conceptual soundness scalls for vigorous examination. To this end, we have

chosen RMP to see how the issue of poverty has been conceived in the PRS in general and in SSNPs in particular.

For the last four decades, many economists from many schools of thought have focused their analyses, explanations and the issue of studies on poverty. Secondary information has been used to build up an analytical framework as well as to examine the prevailing state of poverty in the country. Primary information (data) was collected from female RMP crew members through case studies.

Since RMP existed before the introduction of PRS and has been incorporated into the latter after its induction, we have selected beneficiaries from both groups. The rationale was to get necessary data/information from their pre-PRS group on 'leverage' or 'graduation' (has happened or not) as well as on 'slippage'. The beneficiaries of 'during-PRS' provided current information about increase in income and its effect on poverty reduction.

The number of RMP crew members is quite large i.e. 42000. Due to time and resource constraints, we had to limit our sample drastically. Our first assumption was the absence of base line survey and second that RMP crew members of the same area or union might provide us a basis of comparison. Since a group of RMP crew is formed with 10 members from each union, 3 members each from pre-PRS and during-PRS RMP were chosen for case study.

The Sara union under Ishwardi Upazila of Pabna district was chosen as the study area. The area has a rich potential for non-farm employment and income generating activity. We tried to collect qualitative information through an extended check list that helped us keep the interview on track and collect similar information from the individual interviewees. The Upazila Nirbahi Officer (UNO) and the Union Parishad (UP) Chairman, they were also interviewed as a primary source of information.

The time constraint was the foremost limitation of the study. Another was non-availability of 'time series data' from the BBS sources. BBS data covers very limited parameters too.

## REVIEW OF LITERATURE ON UNDERSTANDING POVERTY

Since independence, Government of Bangladesh (GOB) has been pursuing poverty reduction strategies through its development plans. The objective of the Fourth and Fifth Five-year Plans was 'Alleviation of Poverty'. The PRS declares that the 'Principal Goal' of the GOB's economic policy is to reduce poverty so



as to i) gradually lift vast majority of the people above the poverty line, and ii) improve the quality of life for the average citizen.

## The PRS has described poverty thus:

'Poverty is a broad front. It is about income level. It is about food security. It is about quality of life. It is about asset bases. It is about human resource capacities. It is about vulnerabilities and coping. It is about gender equalities. It is about human security. It is about initiative horizons. It is each of these and all of these together.' (NSAPR, p. 2)

## In other words, poverty is a multi-dimensional issue.

The World Bank has defined poverty as 'the inability to attain a minimal standard of living'. To attain such a standard, two elements are required: (i) the expenditure necessary to buy a minimum standard of nutrition and other basic necessities, and (ii) a further amount that varies from country to country, reflecting the cost of participating in the everyday life of society. For operational purposes the best known and most widely used poverty line produced by it is 'a-dollar-a-day'.

UNDP introduced the Human Poverty Index (HPI), defining poverty as 'the denial of choices and opportunities for a tolerable life'. ILO has developed an idea of 'Basic Needs' but asserts that 'in no circumstances should this be taken to mean merely the minimum necessary for subsistence, it should be placed within a context of national independence, the dignity of individuals and peoples and their freedom to chart their destiny without hindrance' (ILO 1976:243).

Poverty is often seen as 'Absolute Poverty' and 'Relative Poverty'. Relative poverty can be understood primarily in terms of 'inequality'. Townsend (1979:915) refers to poverty as a form of relative 'deprivation', 'the absence or inadequacy of those diets, amenities, standards, services and activities which are common or customary in the society'. Professor Sen has argued that 'if there is starvation and hunger- then no matter what the relative picture looks like there clearly is poverty'. The Copenhagen Declaration of the World Summit for Social Development 1995 identified 'Absolute poverty' and 'Overall poverty' and defined 'Overall Poverty' thus:

'Poverty has various manifestations, including lack of income and productive resources sufficient to ensure sustainable livelihoods; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; and social discrimination and exclusion. It is also characterized by lack of participation in decision-making and in civil, social and cultural life... Furthermore, poverty in its various forms represents a barrier to communication, and access to services... and people living in poverty are particularly vulnerable to the consequences of disasters and conflicts.'

## SOME MAJOR MEANS OF IDENTIFYING POVERTY

**The Biological Approach.** A family can be considered as being in poverty if its 'total earnings are insufficient to obtain the minimum necessities for the maintenance of merely physical efficiency' (Rowntree; 1901).

Problems with this approach include: i) there can be 'significant variations related to physical features, climatic conditions and work habits', which constitute the minimum nutritional requirements; ii) translation of minimum nutritional requirements into minimum food requirements tend to be very low-cost and non-sensitive to people's food habits; and iii) specifying minimum requirements for non-food items seems to be very difficult.

In spite of all those weaknesses, Sen argues that 'malnutrition must have a central place in the conception of poverty'.

The Inequality Approach. Miller and Roby claim that the concept of poverty is 'an issue of inequality' and transfers from the rich to the poor can make a substantial dent in poverty. Instead of measuring poverty they 'look at the nature and size of the differences between the bottom 20 or 10 percent and the rest of the society'. Their 'concern becomes one of narrowing the differences between those at the bottom and the better-off in each stratification dimension'. However, Sen found that 'inequality is fundamentally a different issue from poverty'.

**Relative Deprivation Approach.** Townsend (1979) notes that 'people are relatively deprived if they cannot obtain, at all or sufficiently, the conditions of life'. But Sen has underscored a contrast between 'feeling of deprivation' and 'conditions of deprivation'. Moreover, the selection of an appropriate 'reference group' in determining whether people have a sense of relative deprivation is of great importance. Therefore, 'the approach of relative deprivation supplements rather than supplants the analysis of poverty'.

## IDENTIFICATION AND AGGREGATION OF POVERTY IN BANGLADESH

There are at least two alternative methods of identifying poverty ---- the 'direct method' and the 'income method'. Since 'the income method has the advantage of providing a metric of numerical distance from the poverty line' it



has become popular. From 1995-96 onwards, the Bangladesh Bureau of Statistics (BBS) is using the Cost of Basic Needs (CBN) method, which is similar to the income method for measuring poverty.

# BBS has constructed two poverty lines using this method:

- i) An 'Upper poverty line' that encompasses moderately poor households whose food expenditure is at the level of food poverty line; and
- ii) A 'Lower poverty line' that incorporates those extreme poor households whose total expenditure equals the food poverty line.

Since the upper poverty line includes food as well as non-food expenditures, we have chosen the upper poverty line for own purposes. The trend of poverty situation in Bangladesh can be seen from Table-1 using the Estimated Head Count Rate (HCR) for the upper poverty line.

The percentage of the population living below the poverty line can be interpreted as a measure of the 'incidence of poverty'. The measure is easy to interpret but it does not confirm anything about the depth or severity of poverty. Moreover, it is a static condition and does not speak about the trend over time unless some qualities of poverty are incorporated into the conception.

Table-1  Headcount indices of poverty with CBN Method 1983-84 to 2005 (percentage of population below poverty line)							
Poor (Upper Poverty Line)							
	1983-84	1985-86	1988-89	1991-92	1995-96	2000*	2005*
National	58.50	51.73	57.13	58.84	53.08	48.90	40.00
Rural	59.61	53.14	59.18	61.19	56.65	52.30	43.80
Urban	50.15	42.92	43.88	44.87	35.05	35.20	28.40
i) 1983-84 to 1995-96 — World Bank (1998) quoted in ADB, June 2000.							
ii) 2000 and 2005 – BBS, HIES – 2005.							

## **OUALITATIVE CHARACTERISTICS OF POVERTY**

We have tried so far to throw some light on quantitative poverty, but poverty has other dimensions too; such as, qualitative characteristics of poverty. Some of these dimensions are discussed below:

i) 'Vulnerability' means defencelessness, insecurity and exposure to shocks, risks and stress. People are considered as vulnerable when they are more at risk than others.

- ii) 'Deprivation' has been defined by Townsend as 'a state of observable and demonstrable disadvantage relative to the local community or the wide society or nation to which an individual, family or group belongs'.
- iii) 'Command over resources' refers to 'the ability of use of resources overtime'. Access to debt is also an important 'means of commanding resources'.
- iv) 'Disadvantage' refers to 'command over resources, the structure of opportunities and the distribution of power in a society are relatively unfavourable to poor'.
- v) 'Social Exclusion' may happen due to various reasons but Abrahamson has argued that 'the socially excluded are the worst off, the poorest among the poor'. The expression 'marginalization' is also used as 'equivalent' to exclusion.
- vi) 'Empowerment' is the most widely used concept, although the term is used variously and includes 'self-strength, control, self-power, self-reliance, own choice, life of dignity in accordance with one's values, capacity to fight for one's rights, independence, own decision-making, being free, awakening and capability'.

The World Bank defines: 'Empowerment is the expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control and hold accountable institutions that affect their lives' (World Bank 2002,pp14).

To conceptualize 'empowerment' in the context of a least developed country, institutions include even the family. In the case of rural poor women empowerment may be seen less as dependency on their husbands or male counterparts and more as the capability to engage themselves in income-generating activities, the increased capacity to accumulate assets along with the rights to sell them, more contributions to household expenditure as well as increased role in household decision-making; moreover, increase in their level of self-confidence and awareness about social issues.

## PRS Approach to Poverty Reduction

Poverty Reduction has been conceived in the PRS as 'to gradually lift vast majority of the people above the poverty line'. At the same time, the document intends to 'improve the quality of life for the average citizen'. It has indicated that 'implementation of appropriate strategy is no doubt important' but stresses that 'the strategies themselves must be derived from a long-term vision of a poverty-free society'.



During the last three decades, Bangladesh has made noteworthy 'gains in fight against poverty'. Notwithstanding its many specific achievements, PRS admits that 'aggregate poverty rates remain dauntingly high'. It found that 'this was associated with a rise in inequality'. However, the PRS has noticed that gender discrimination persists.

Among other strategies, the PRS has followed the SSNPs to reduce poverty, particularly rural poverty. SSNPs were introduced with the following objectives in mind:

- i) The programmes are to address various forms of risks and vulnerabilities; and
- ii) They are designed to reduce poverty and inequality through direct transfer of resources to the poor.

The government has been spending about 4.4 percent of public expenditure for SSNPs, though the amount is less than one percent of GDP. At present, about 27 SSNPs are functional in Bangladesh and RMP is one such SSNP.

# RURAL MAINTENANCE PROGRAMME (RMP)

The RMP is basically a 'cash-for-public works' programme designed by CARE, Bangladesh. It is a pilot project to be operated in 7 unions in 1983 in collaboration with the GOB. The objective is to provide year round employment to rural destitute women. On successful completion of the pilot project the programme finally covered all (approximately 4200) unions of 61 districts out of 64 districts (the 3 left were the CHT districts) of Bangladesh. The number of crew members selected from each union was 10. In other words, 42,000 destitute women crew members were selected for four years.

Before completion of the tenure, each crew member had undergone a 9 month-long training. On completion of 4 years of their job, they were released from the programme and their entire savings along with the accrued interest were refunded to them. Thereby, the destitute women were able to graduate from poverty.

The RMP has some unique characteristics, particularly,

- i) Joint funding that created ownership;
- ii) RMC, IDC and CSC components;
- iii) Provision of cash wages for the crew women;
- iv) Concern about 'slippage' and adoption of remedial measures;
- v) An in-built price fluctuation adjustment process for wages.

The programme believes in poverty reduction beyond the programme period and is also serious about elevating target group above poverty.

## **Empirical Observation and Analysis**

Our focus of discussion is rural poverty in general and rural poor women in particular. Studies show that 'during the 1990's the poor in the developing countries were mostly concentrated in South Asia, typically located in rural areas' (Krishnainah, 2003). They were mostly 'landless, and participants in the rural labour markets'. They lived in 'disadvantaged and resource-poor areas' and generally constituted of 'women and members of backward and economically disadvantaged communities'. These women frequently suffered from hunger, malnutrition and consequential illness that undermined their capacity for labour; often their only assets were perishable commodity for exchange and thus, their income opportunities were limited.

Rural women face all sorts of 'cultural, social, legal and economic obstacles that men, even poor men, do not'. They typically work longer hours and are paid less wages. In many countries, the poorest also include single-mother households due to broken family by way of divorce, separation, abandonment and/or husband's death. Poor female-headed households are also common in rural Bangladesh and 42% of them suffered from income poverty in 2005.

#### Female Headed Households

Women in Bangladesh are weaker than their male counterparts in many respects. Studies have shown that within a family, food nutritional poverty is more of a problem for women. At the societal level, they have the least assets, the least investments, the least education and even the least social recognition as a result of discrimination.

There are minimum three types of female heads of households in Bangladesh:

- i) Widowed females, who inherit the assets and liabilities of their husbands;
- ii) Divorced and/or abandoned females who don't inherit any asset or liability of their husbands, but are burdened with children; and
- iii) Females whose husbands have migrated to other places or abroad temporarily for seeking jobs or working.

A BIDS (Bangladesh Institute of Development Studies) study found that 'while female headed households were worse off than other households in almost all aspects, those headed by widows and divorced/abandoned women are



in the worst possible economic situation'. The study has further found that these 'households had an exceptionally high proportion (62%) of female members'. Since females earned less, the aggregate earning of the households was also lower. The study concludes that 'they are the end product of a pure pauperisation process and represent the poverty situation in its most acute form'.

The Population census of 2001 calculates the number of widowed, divorced/separated women at around 3.57 m. The number of rural widowed and divorced/separated is estimated to be 2.62 m and 0.25 m respectively. The census found 3.44 m female headed households in the country. They constitute 13.83% of total households and support 10.97% of the total population. Their family size is 3.87, which is lower than the national family size of 4.88.

The 62.07% income for rural people (all groups) comes from agriculture, fisheries and agricultural labour, whereas 36.40% income for rural female-headed households come from these three sources, indicating limited access to these sectors. According to the Labour Force Survey 2002-03, females earn 66.56% of wages of their male counterparts. It also reveals that 1.56 m females earn up to Tk. 1500 a month which is well below the World Bank recommended earning of a-dollar-a-day. This indicates that the government needs to intervene to help them to keep their 'body and soul together'.

Kirsten Westergaard in her study on 'Pauperization and Rural Women in Bangladesh' has described pauperization as 'a development process whereby an increasing number of families are becoming poorer'. She argues that 'polarization' i.e. a process whereby the rich get richer and the poor poorer is also 'taking place in Bangladesh'. However, she has noted that 'the most noticeable sign of change and of a deteriorating position of women is seen in the changing pattern as concerns exchange of gifts (dowry) at the time of marriage. This more than anything else highlights the plight of women in the process of pauperisation'. She further comments that 'the changing marriage pattern thus symbolizes a devaluation of the women'.

## POVERTY REDUCTION THROUGH RMP

RMP was designed for reduction of poverty of rural 'destitute' women. The crew members are 'heads of households' and in some cases, have been burdened with minor children. They were selected to work in the RMP and were provided training. They were given the savings, which had been created from their daily wages. It was expected that they would graduate from poverty using their savings and training.

We undertook two sets of case studies for RMP crews. Both 'set A' and 'set B' were composed of three crew members each; 'set A' and 'set B' were meant for pre-PRS and during-PRS respectively. We used some common parameters to compare the two sets. We further interviewed the UNO and the concerned UP Chairman. The findings are reproduced in the next chapter.

#### FINDINGS AND OBSERVATIONS

As mentioned earlier, we selected RMP crews from two sets, one from Pre-PRS (set A) and another from during PRS (set B) to assess the impact of PRS upon them specifically through RMP. Certain parameters were used to compare changes in their economic and social conditions. The parameter of 'origin of destitution' was used to identify background of the crews. The findings for both groups based on the parameters used in the study are presented below:

- i) **Origin of Destitution.** For set A, two crews became destitute after becoming widows and one after she was divorced. For set B, two crews were abandoned by their husbands and one was widowed. The origins of destitution were more or less broken homes.
- ii) Asset Creation. Considering purchase of land, one crew from set A was able to buy two kathas of land for her father's homestead and contribute money for buying land for her family. Through remarriage she graduated from destitution. One crew from set B was able to buy back her possession rights to two kathas of land and another crew succeeded in buying two kathas of land relying partly from sale proceeds of her father's land. But in the case of their other crews, two from set A and one from set B could not buy any land at all, though they needed homestead land for their own use. Therefore, impact on asset creation for pre-PRS and during-PRS, RMP crews is uncertain. Again, all crew members have been able either to construct new CI sheet roof top dwelling houses for themselves or could extend the house by constructing kitchen etc. Therefore, the impact of PRS is neutral in asset creation.
- iii) **Savings and Investment.** No one from set A had any savings and investment; on the contrary, all had which can be considered as 'negative savings' because they did not use the loans for income generating activities (IGA) i.e. investment (one had 'pseudo' investment in land). Only one crew had 'negative savings' and two had investment from set B. One of the possible reasons may be that two of the crews from set A had to pay a handsome amount of dowry during the marriage of their daughters while another crew had given the money to her husband. We may underscore this point because one of the crews from set B also did not have any investment, since she had to pay dowry. We found only one crew member, who, after payment of dowry, had some investment. The explanation may be that she



- was the only member of her family; therefore, had the least expenditure and had also some inherited land. Therefore, during-PRS, RMP had small role in savings and investment.
- iv) **Use of Trainings.** None of the crew members from both sets rely on their training. One member from both sets started business, but could not continue in it due to meagre return. PRS could create no headway in this respect.
- v) **Health and Sanitation Awareness.** All the crews were conscious of health and sanitation issues though there was a difference in degree, particularly among the two crews of set B. This could be attributed to the composition of their families one had two sons and the other a lone member. Nothing could be attributed to PRS.
- vi) **Social and Political Awareness.** All three crews from set A and two out of three from set B were very aware about social and political issues. Therefore during-PRS RMP had little impact on awareness building. But once again, awareness perhaps depends partly on the individual and partly on institutions. So, no definitive conclusion should be drawn on this issue.
- vii)Institutional Linkage to Credit. Viewing NGOs as lending institutions, all three crews from set A had established linkages for credit with them. One crew from set B established such links early; the other two did not need it yet. But they too had the opportunity to link themselves if they needed to do so, though they felt they just did not need to do so then. Therefore, RMP is quite neutral in this respect.
- viii) **Payment of Dowry.** Two crews from each set had married off their daughters and paid dowry for them. One from each set had not solemnized any marriage. Therefore, payment of dowry had become compulsory, irrespective of RMP or PRS or whatsoever.
- ix) **Empowerment.** Two crews from set A enjoyed the fruits of empowerment in terms of running their families and taking all decisions. All three members of set B enjoyed empowerment according to the terms.. Again, if it was not acquired, it was because unfortunately they themselves were head of the family. By virtue of re-marriage, one member from set A had graduated from destitution but had lost her empowerment. But the example of payment of dowry for their daughters' marriage reveals the level of societal empowerment. PRS had an indifferent role to play in this respect.
- x) Coping with Vulnerability. Two crew members from set A and all three from set B were found to be vulnerable and unable to cope with vulnerability. The one from set A who, after re-marrying, seemed to be better off, was able to graduate from destitution. Her case was totally different from the others. It may be noted that here 'vulnerability' has been used to mean the lack of 'stability of household welfare' in a narrower sense.

In Bangladesh poverty is directly linked with asset and employment both of which are dependent on several economic and non-economic factors. Therefore, many economists and social scientists have suggested that the broad front of poverty should be attacked from several directions including 'economic' and 'non-economic' factors responsible for poverty.

PRS describes poverty as multidimensional but 'prescribes' for unidimensional 'income' avenues through RMP. Second, PRS has considered poverty as growth sensitive. Therefore it has policy prescriptions for 'growth', 'conducive environment for growth', 'pro-poor growth' etc. Though it has admitted the limitations of growth in poverty, reductions have targeted SSN programmes including RMP, but its coverage is still very limited. PRS, in general has not focused to identify the forces that remain active during polarization or pauperization in society which was required for its fulfilment.

SSNPs address various forms of risk and vulnerability and attempt to reduce poverty through direct transfer of resources to the poor, according to government statement on SSNPs. Although the statement addresses various forms of risk and vulnerability, but it is very cautious in talking about attempts to reduce poverty (attempts may or may not end up in success). However, the objective of RMP has clearly been set up "to alleviate rural poverty through providing year-round employment and wages approximately 42000 members of the most disadvantaged destitute rural women".

According to LFS data, while the active female labour force in Bangladesh is 7.67 million, the number of beneficiaries from RMP is only 42 thousand. Therefore the RMP had a very insignificant impact on overall women employment in the country. If we see the issue in terms of destitute women only, whose number is 2.87 m (population census 2001), then the percentage coverage for employment generation stands at 1.46. Considering the fierce competition in the employment market, the coverage is still very low.

MDG has set a standard income for the poor at US \$1 per day, but the wage rate for RMP crew was fixed at Tk. 55 at the terminal year which is well below \$1. In any consideration, the wage rate is not commensurate with MDG for poverty reduction.



Considering the year-round employment situation, none can deny the fact that the majority of RMP crews enjoyed increased income, however marginal or incremental this might be. But various economic and non-economic factors are constantly creating 'downward mobility pressure' on this increased income. BIDS has identified some factors, such as more dependants and less earners (life-cycle factors); low opportunities, bad initial conditions (structural factors); and natural disasters, illness expenditure, property loss, ceremonial expenses, litigation (crisis factors) etc. Neither the case of PRS nor that of RMP, the influences of 'downward mobility pressure' was taken into account, a fact supported by the interviews conducted with UNOs and UP chairmen.

Till now, we have discussed the issues of poverty reduction and have seen that RMP crews got a 'leverage' to get out of 'income poverty' i.e. incidence of poverty. The performance of the RMP was satisfactory, though the possibility of 'slippage' was also very high. We have seen that both pre-PRS and PRS crew members do not have income earning assets, savings and investment. Therefore their capacity to cope with vulnerability and sustainability has not increased substantially. Similarly, they have not been able to use their training for IGAs and lack access to empowerment. Social forces are still active against them and rob them of their surplus, if any, in the form of dowry and possibly in many other ways. Therefore, apprehension of 'slippage' still exists. They were not even provided with protection by institutional forces.

PRS characterised 'extreme poverty' as 'going without any meals a day for significant parts of the year'. The 'challenge of poverty' to policy makers thus 'has been transformed from that of hunger per se to a larger challenge of poor diets and other basic needs'. This sort of 'minimalist yard stick' of measuring poverty can hardly tackle the causes of poverty, and if beyond.

From empirical observation, analysis and studies, we have seen that 'incidence of poverty' has decreased significantly for RMP crews. But 'incidence of poverty' measures only one characteristic of poverty and does so in the most convenient way. Indeed, the headcount ratio of poverty i.e. the 'incidence of poverty' does not and cannot reflect qualitative poverty. Through getting into indebtedness, a person can consume more and thereby lessen the 'incidence of poverty' at the cost of enhanced vulnerability, thereby further lessening empowerment and broadening deprivation.

## RECOMMENDATIONS AND CONCLUSION

From our study we find that the RMP has played a positive role in reducing income-poverty of the targeted destitute women, though 'graduation from poverty' is something that is difficult to determine. However, based upon our findings, we place the following recommendations for considerations:

- i) Since poverty is a complex function of 'economic' and 'non-economic' factors, poverty reduction policies should be formulated by taking both 'economic' and 'non-economic' factors into consideration.
- ii) Considering the risk factors involving the vulnerabilities of poor people and income distribution effects from the rich to the poor, SSNPs for targeted people should continue.
- iii) Government spending on SSNPs was 'less than one percent of GDP and about 4.4 per cent of public expenditure' for 40% of the population as income transfer. Therefore, the expenditure on SSNPs should be increased.
- iv) Since the forces leading towards 'pauperization' and 'polarization' are active in society and is always a source of threat for 'slippage' to the poor, these forces should be identified properly and remedial actions should be taken to neutralise them.
- v) Only 1.46% of female headed house holds were covered by RMP. Quoting a BIDS survey, PRS admit that SSNPs 'cover about 10 million people, and consequently fall short of the needs of 23.9 million people who belong to the 'extremely poor' category'. To bring this vast majority of the extreme poor into the SSNPs, the coverage should be increased.
- vi) The RMP wage rate is Tk. 55 per day which was less than 'a-dollar-a-day' earning. The wage rate of RMP crews should be increased, at least to that level.
- vii) To reduce the risk of 'slippage' the 'downward mobility pressure' must be reduced or neutralized.
- viii) To enhance the scope of 'leverage', close supervision and monitoring of the targeted people is needed, even after the tenure is over, so as to help them face their problems and realise their potentials.
- ix) A standard definition of poverty is necessary to set the goals of 'poverty reduction'. We opine that the qualitative characteristics of poverty should be incorporated into the definition.

The poverty reduction strategy cannot remain indifferent or neutral to socioeconomic dynamics. In other words, the poverty reduction in Bangladesh should be placed in the context of political economy.



In Bangladesh, though national income-poverty (incidence of poverty) has been reduced to a considerable degree during the last few years (from 49% to 40%) much credit goes to reduction in urban poverty (28.40%). Rural income poverty (43.80%) is still higher than the national level. Another issue of concern is that the absolute number of poor people has not declined considerably. In terms of nutrition, underweight was observed in 56% of under-5 children, which is higher than the income-poverty level.

During preparation of any policy to reduce poverty, policy planners should keep in mind that 'control of or access to resources' is one of the most important internal dynamics of poverty. A report of like-minded experts (1990) analysed government intervention for poverty reduction and observed that 'interventions which have been advanced as a means of combating poverty have, in practice, usually failed to recognize that poverty is grounded in a lack of access to resources, stemming in turn from the existing inequitable distribution of resources of all kinds, the resultant power structure and institutional structure. Without tackling these issues, an incremental supply of resources, in itself, will be of little help to the poor, because the poor will not have access to them. Instead, the enlarged supply is more likely to reinforce the polarization'.

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