

Poverty Reduction in Bangladesh: Policy, Achievement, and Setbacks

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Abstract: *This paper investigates the nature, achievement, and setbacks of the poverty alleviation policy of Bangladesh. In particular, it attempts to find out the effectiveness of social safety net programmes (SSNPs) and identify the problems and challenges of their implementation. It also explores the extent of the significant contributions of the wide range of poverty reduction programmes i.e. microcredit operated by a number of non-government organizations, massive urban construction, increased remittance flows from overseas Bangladeshis, the thriving readymade garment (RMG) sector's labor absorption and export earnings to the poverty reduction in Bangladesh. As a result of the implementation of SSNPs, the role of NGOs, and other income-generating factors, Bangladesh has achieved remarkable progress in poverty reduction during the last few decades. However, Bangladesh is still far from the expected level of poverty alleviation due to some setbacks in the poverty reduction programmes. The setbacks entail faulty design, lack of preparation for running the programme, inconsistency in selecting beneficiaries; ineffective targeting, and a weak accountability mechanism. Meanwhile, it is suggested that Bangladesh should find its own mechanism to ensure the accurate identification of ultra-poor people, assist poor villages and households accurately and use funds properly.*

Keywords: Achievement, Microcredit, Poverty reduction, Readymade garments (RMG), Social safety net programme, Setback

1. Introduction

Poverty has long been a global problem that has persistently plagued humanity. From an economic perspective, poverty is a condition in which a person or community lacks the financial resources and essentials for a minimum standard of living. Poverty-stricken people and families might go without proper housing, clean water, healthy food, and medical attention. In other words, poverty used to be considered as an economic phenomenon and referred to conditions under which individuals or households could not afford basic living necessities (Hagenaars & Van, 1985; Liu et al., 2017). From a comprehensive perspective; poverty, therefore, not only refers to the scarcity of material, social, and cultural resources, but also involves the lack of capabilities, opportunities, and access to social services (Sen, 1976; Alkire and Foster, 2011; Guo et al., 2018). According to the Millennium Development Goals Report 2015; despite significant

progress in global poverty reduction over 836.0 million people in the world continued to live in extreme poverty, lacking access to adequate food, clean drinking water, and sanitation (UN, 2015a). Throughout history, fighting with this problem has remained an important issue for developing nations around the world. Like other developing countries, Bangladesh has been struggling for a long time to reduce the incidence of poverty and to improve the living standards of its millions of impoverished citizens. The struggle of several countries with certain policies has brought out a remarkable success in poverty reduction. China has, for example, achieved the poverty reduction target of the UN's 2030 Agenda for Sustainable Development 10 years ahead of schedule. On February 25, 2021; General Secretary Xi Jinping solemnly declared the complete victory in the battle against poverty, with the final 98.99 million impoverished rural residents living under the current poverty line having all been lifted out of poverty, and all 832 impoverished counties and 128,000 villages having been removed from the poverty list (Qingye and Islam, 2021). Likewise, Bangladesh has achieved worth-mentioning progress in poverty alleviation during the last few decades as a result of the combined efforts of both the government and non-government sectors. According to the latest 'Household Income and Expenditure Survey 2016,' the present poverty rate is 24.3 percent whereas it was 56.7 percent in 1991. Despite all these positive changes in poverty reduction, still one-fourth population of Bangladesh lives below the poverty line while almost half of those live in extreme poverty and are unable to afford a basic food consumption basket. In addition, more than half of the population can be considered vulnerable to poverty, as their levels of consumption are close to the poverty threshold.

Thus, the government has been continuing the SSNP in order to alleviate poverty through the improvement of the socio-economic condition of the ultra-poor. In order to bring efficiency and effectiveness of SSNPs, Bangladesh follows the life cycle approach of a social safety net. For this purpose, Bangladesh has already formulated 'National Social Security Strategy (NSSS). A number of non-government organizations also operate a wide range of poverty reduction programmes such as microcredit and other income-generating programmes. Moreover, the massive urban construction, increased remittance flows from overseas Bangladeshis, and the thriving readymade garment (RMG) sector's labor absorption and export earnings are making significant contributions to consistent economic growth rate and reducing poverty in Bangladesh. However, the amount of allocations for the SSNPs is small and unable to cover all target needy populations. In addition, the lack of transparency, accountability, and responsiveness of local government which are responsible denies poor people's access to these initiatives and services. Corruption and lack of accountability are common in the SSN programmes of Bangladesh which has made the public sector SSN programmes somewhat dysfunctional. Thus, the study investigates the nature and setbacks of poverty alleviation policy in Bangladesh. It explores how successful the policy is in alleviating poverty. Therefore, the study updates knowledge on the poverty reduction policy of Bangladesh. It will also add new knowledge in the academic area of poverty alleviation.

2. Methodology

The study is wholly qualitative in nature. A case study method has been applied because it allows the investigator to retain insight into the life of a particular case or area. In this study, the empirical data is collected from secondary sources. In particular, relevant books, articles, newspaper reports, government documents, international organization's reports as well as concerned internet sources have been used. Through the extensive literature review, research objectives have been explored and it has produced new ideas. Literature from various sources is consulted to come out with balanced and objective deductions. In the regard of media reports, it has been re-checked the theme of the reports of one newspaper compared with those in others.

3. The Pattern of Poverty in Bangladesh

Poverty alleviation is regarded to be one of the most important indicators of the socio-economic development of a state and society. Although Bangladesh has made somewhat achievements in poverty reduction, still one-fourth population of Bangladesh lives below the poverty line. According to the UNDP Development Report 2016, the position of Bangladesh has been ranked at 139th among 187 countries. Furthermore, the report reveals that Bangladesh's Multidimensional Poverty Index (MPI) reduced to 0.188 in 2016 from 0.237 in 2007 (Bangladesh Economic Review, 2017). Following standard practice, poverty, as well as extreme poverty, are measured with the three indices – namely (a) the headcount ratio on the poverty rate which measures the proportion of the population counted as poor i.e., whose consumption expenditure falls below the poverty line, (b) the poverty gap index which measures the average depth of poverty i.e. on the average how far below the poverty line the poor people's consumption happens to lie, and (c) the squared poverty gap which also measures the average depth of poverty, but it's a weighted average, with greater weights being assigned to the gaps of the poorer persons.

Table 1. Trend of Income Poverty (in percentage)

	2016	2010	Annual Change (2010 to 2016)	2005	Annual Change (2005 to 2010)
Head Count Index					
National	24.3	31.5	-4.23	40.0	-4.67
Urban	18.9	21.3	-4.68	28.4	-5.59
Rural	26.4	35.2	-1.97	43.8	-4.28
Poverty Gap					
National	5.0	6.5	-4.28	9.0	-6.3
Urban	3.9	4.3	-1.61	6.5	-7.93
Rural	5.4	7.4	-5.12	9.8	-5.46

Source: BBS, HIES 2016

Table 1 shows that poverty rates both in urban and rural areas are gradually reducing. However, from 2005 to 2010, compound poverty got reduced by 4.67 percent each year. Therefore, it is evident that though poverty is decreasing gradually, the pace of reduction rate declined from 2010 to 2016 compared to the period of 2005-2010. In urban areas, the poverty reduction rate is higher (4.68 percent) than in rural areas (1.97 percent). From 2010 to 2016, the reduction rate of the depth of poverty (measured by the poverty gap) was 4.28 percent. It has also been observed that the income poverty reduction rate in urban areas is lower than that of rural areas (1.61 percent and 5.12 percent respectively) (Bangladesh Economic Review, 2017). Moreover, the reduction rate of the depth of severity of poverty (measured by the squared poverty gap) was also lower in urban areas compared to rural areas. It would not be possible to attain the desired level of socio-economic development without emancipating this portion of the population from poverty.

4. Poverty Reduction Policy in Bangladesh

The poverty reduction policy aims at supporting directly the people who live under the poverty line and achieve an adequate standard of living for those people. In other words, the policy may be regarded as a social protection policy undertaken by the government of a state to protect the poor and vulnerable groups of its society. The United Nations International Children's Emergency Fund (UNICEF)'s Social Protection Strategic Framework illustrates that social protection policy should directly support actions which tackle social exclusion in accessing services and achieving an adequate standard of living (UNICEF, 2012). Likewise, the United Nations' Universal Declaration of Human Rights (UDHR) proclaims social protection as a basic human right. ILO (2011) suggests that social protection can contribute to women's empowerment and social cohesion. Bangladesh has laid special emphasis on making safety net programmes more target-oriented with a view to accelerating the poverty eradication process. The country is now on the verge of finalizing the 'National Social Protection Strategy' (NSPS). However, the constitution of Bangladesh guarantees social protection as a fundamental right. The Ministry for Social Welfare in Bangladesh places special attention on socio-economic development and the improvement of life standards for the poor (Ahmed and Islam, 2011). The government launches Social Safety Net (SSN) programmes to reduce income uncertainty and variability, maintain a minimum standard of living, and redistribute income from the rich to the poor for promoting human rights and social protection in the country. Contemporary literature has identified increased interventions by both government and non-governmental organizations (NGOs), massive urban construction, increased remittance flows from overseas Bangladeshis, and the thriving readymade garment (RMG) sector's labour absorption and export earnings as critical factors for consistent economic growth rate and reducing poverty in Bangladesh. There are allegations against the responsible persons that they either practice nepotism or charge undue money from the poor people in exchange for SSNP's opportunities; as a result, relatively fewer poor people get the benefit of the programme, and the truly poor are excluded.

4.1 Social Safety Net Programme: The term, Social Safety Net Programme, is generally related to a group of public or community programmes with the intention of mainly paying attention to the less privileged and more defenseless people (Paitoonpong, Abe, & Puopongsakorn, 2008). The SSNs programme is planned to provide inhabitants with some cash, access to schooling, improve treatment facilities otherwise assistance for individuals with corporeal or psychological disabilities, the elderly, and to those who are living in circumstances wherever they are in danger otherwise neglected (Vivin, 1994). The safety net programmes tend to reduce income uncertainty and variability, maintain a minimum standard of living, and distribute income from the rich to the poor (Centre for Policy Dialogue [CPD], 2008). These programmes largely aim to alleviate poverty in the country by increasing the capacity of poor people to cope with different economic and natural shocks and improving living standards of the most vulnerable segment of the population. However, a number of studies (e.g., Khan, 2006; Khan & Sen, 2001; Osmani, Mahmud, Sen, Dagdeviren, & Seth, 2003) concluded that “social safety net is one of the rare equalizing sources of income” (CPD, 2008: 18). However, in Bangladesh the history of SSNPs is quite old. After a nine-month-long liberation war, two major SSNPs were undertaken: food rations and relief work. Gradually, SSNPs as a protective mechanism have expanded for vulnerable groups since 1971 (GoB, 2015b). The government of Bangladesh has taken dedication to minimize the deprivation of the hardcore poor and vulnerable community. Consequently, the government allot more funds each year from its non-development budget to put into action regionally and nationally. To ensure sustainable development, the Government of Bangladesh has started a total of 126 Safety Net Programme (Finance, 2020) in the FY 2019-20. At least, 14 ministries are engaged in the planning and implementation of these programmes. In addition to these ministries, the Bangladesh Bank and Palli Karma Sahayak Foundation (PKSF) are also involved in operating SSN programmes. However, the involvement of multiple ministries and institutions causes considerable overlap in programmes and administration which stretch the administrative and resource capacity of the country. The major social safety net programmes may be divided into social protection and social empowerment programmes. The Social Protection programmes are cash transfers, in-kind transfers, employment generation programmes, subsidy on price and fees, and social empowerment programme includes cash transfers and microcredit.

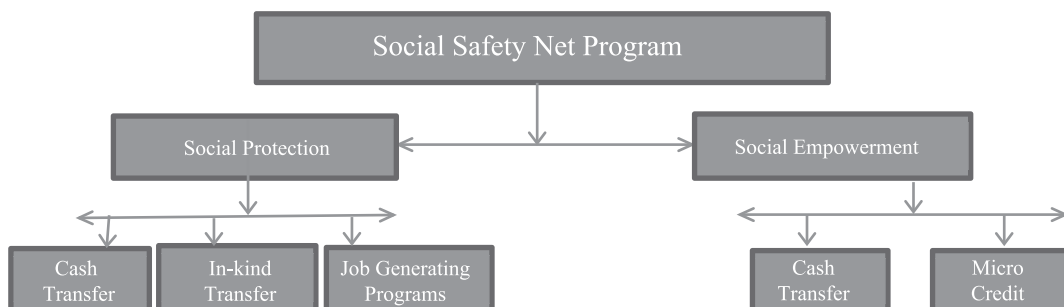


Figure 1. Social Safety Net Programme

Source: The Authors Own

4.2 Cash transfers: The cash transfer programmes include the provision of assistance in the form of cash to the poor. Bangladesh has seen declines in fertility and mortality following vast improvements in human development. This also means that the country has a growing elderly population which is expected to grow further. About 7.4 percent of residents of the country are elderly people of age 60 and above (Barikdar et al. 2016). This programme, therefore, targets the poor and vulnerable elderly (60 years and above) and pays BDT 1000 (\$12) per month to over 4 million beneficiaries across the country. Moreover, women's empowerment in Bangladesh has shown steady progress over the years, but the poor and marginalized continue to face poverty amidst many social restrictions. Since the 1970s, the government has been implementing important social safety nets focused on vulnerable women. Widowed, divorced, and abandoned women constitute about 11.29 percent of the total married women of Bangladesh (Haider and Mahamud, 2017). This programme pays BDT 1000 (\$12) per month to over 1.4 million beneficiaries across the country. The old age allowance and allowance for the widow, deserted and destitute programme, are in operation in almost every union (Local government of Grass root Level) of Bangladesh. Additionally, persons with disabilities constitute about 7 percent of the population in Bangladesh. Despite various initiatives from public and private entities as well as NGO sectors, coverage of support has been limited. The programme started in 2006 with 100,000 beneficiaries and has now expanded to 1 million. Besides, other cash transfer programmes in Bangladesh are the Primary Education Stipend Project, Female Secondary School Assistance Programme, and Honorarium Programme for the Insolvent Freedom Fighters and others.

4.3 In-kind transfer: The major in-kind transfer programmes in Bangladesh include food and other food-based programmes such as the Vulnerable Group Feeding (VGF) programme, Food for Works, Vulnerable Group Development (VGD), Test Relief (TR), Community Nutrition Programme, and Gratuitous Relief. The VGD and VGF programmes are national targeted food aid programmes aimed at improving the lives of millions of the poorest and most disadvantaged sections of rural women. In the selection process, preference was given to poor women who are heads of household and women who are deserted, separated, divorced, or widowed. Social protection, however, continues to be perceived by the government and donors as comprising fiscally sustainable consumption transfers to the economically inactive or unproductive poor and, therefore, as deserving lower priority as a poverty reduction tool (Shamunnay, 2013). Likewise, taking part in the FFW is self-selecting, particularly for anyone who is poor and eager to participate in mainly earthwork for food wages. It generates over 100 million workdays of employment each year, directly benefiting around 4 million poor people.

4.4 Employment generating programmeme: The employment-generating gra (EGP) is an ongoing programme in Bangladesh that provides short-term employment to manual workers during lean season over two cycles. The first cycle starts from October to December and the second cycle starts from March to April. Among the beneficiaries'

workers, 30 percent is secured for the women. The beneficiaries are needed to work 7 hours in a day and get Tk. 200 (Two hundred) each and they are bound to save Tk. 25 in their respective account which is not withdrawable till 1st July of each year (Hossain, 2017). The Project is supporting mainly the earthworks as short-term employment generation programme activities. These activities help agricultural production, better rural communication and protection during natural disasters etc. (Hossain, 2017). The type of sub-projects are: i) canal excavating/re-excavating, ii) earthen dam construction/reconstruction, iii) rural road construction/reconstruction, iv) drain construction/ reconstruction to address the water logging, v) earth raising of community institutions like school, graveyard, playground, fish market, vi) earthen shelter for animals to protect against cyclone, vii) excavation of public ponds/fish farms, viii) organic fertilizer production for agricultural application, ix) development of market/helipad, and x) water reservoir construction for rainwater conservations/drinking water. Seasonal poverty is rampant in Monga (Famine) prone and char areas in Bangladesh. In these regions, poor people remain unemployed and lead a precarious life during the months from October to December and from March to May when there is very little or no farm activities.

Some of these hardcore poor people do get benefits under a number of government social safety net programmes including the Maternal Health Voucher Scheme (MHVS), Employment for Ultra-Poor in Northern Regions, Rural Employment Opportunity for Public Asset, Rural Employment and Rural Maintenance Programme, Vulnerable Group Development for Ultra Poor (Women), Poverty Eradication through Social Afforestation, One Household One Farm Project. Besides, the government has taken Rehabilitation and Creation of Alternative Employment for Beggars, and “Gucchagram,” a clustered village specially built for a climate victim’s rehabilitation project. However, many hardcore poor who are not included in government safety net programmes remain out of any income sources during those months.

4.5 Micro credit: Bangladesh is a pioneer and home of conceptualizing micro-credit programme. It has undertaken a number of such programmes in order to reduce poverty and bring about socio-economic changes in the rural community. However; first, it needs to understand what microcredit is. Micro-credit, according to Otero (1999), is considered to be “the provision of financial services to low-income poor and very poor self-employed people.” On the other hand; Schreiner and Colombet (2001) define micro-credit as an attempt to improve access to small deposits and small loans for poor households who are neglected by banks. This implies that micro-credit involves poor people getting financial services like savings, loans, insurance, etc. enabling them to lead a decent living in both urban and rural settings who are unable to obtain such services from the formal financial sector. Since the 1983 formation of the Grameen Bank- the first modern microcredit institution- in Bangladesh, microcredit programmes expanded rapidly throughout the country. The Grameen Bank deemed conventional banking to be unfit for poor and developing countries such as Bangladesh calling for a solution that would deliver minimal

loans at low-interest rates to the rural poor as an effective tool for starting more small businesses. The Bank began as a proponent of social welfare, without collateral, mainly advocating on behalf of women as they were and continue to be socialized as inferior and male-dependent in Bangladesh (Rouf, 2016). The Grameen Bank was quickly followed by NGO replication, marking the beginning of major programmes such as Bangladesh Rural Advancement Committee (BRAC), Association for Social Advancement (ASA), PROSHIKA, and Palli Daridro Bimochon Foundation (PDBF). In particular, microcredit programmes have become the sole focus amongst BRAC and ASA, extending small loans to the very poor people for “self-employment projects that generate income, allowing them to care for themselves and their families”. These NGOs have consciously acknowledged Bangladesh’s poverty-stricken population be their targeted beneficiaries with poor women considered to be of utmost importance. The *dabi* focuses more on operational loans for the furthering of industries such as poultry, livestock, handicrafts, rural trade, fruit, and livestock cultivation. The latter, *progoti*, aims to expand existing small businesses and enterprises (Abdullah, 2013:340). The targeting criterion for BRAC remains at households that have less than one-half of an acre of land and whose occupations consist solely of manual labor. Similarly, with advancements, like those of BRAC, the ASA serves to educate and empower the poor by integrating social incentives into their microcredit programmes. They center their efforts on the newest generation; the principal objective being to extend credit facilities in order to increase income levels and purchasing power of households. It aims to achieve structural poverty alleviation by incorporating women and young adults into their margin of credit. Their individualistic approach is divided into three different credit programmes: the Micro Credit and saving (voluntary along with weekly) Programme, the Small Credit Programme for Women, and the Small Business Loan Programme (Scheffing, 2017). Each of these programmes conducts income-generating activities where each loan must be repaid within one to two years. Few and minimal interest rates are applied. The latest 2013 impact assessments were conducted on the highly recognizable NGOs, BRAC and ASA. The assessments aimed to best reflect the countrywide impact by random sampling 7,168 total microcredit borrowers from 28 out of the 64 districts in Bangladesh. The survey found out that 97 percent out of the total increased business capital and increased monthly income following microcredit loans, 94 percent of respondents have been able to create employment opportunities for others, 97 percent improved the quality of food intake for themselves and their families, and 83 percent were able to ensure better-quality housing and dwelling conditions subsequent to micro-credit loans (Scheffing, 2017). The success of BRAC and ASA is evident, with each dispersing over 1 billion USD in annual expenditures, including 175 million USD dedicated to microcredit programmes. Currently, 5.3 million people in Bangladesh derive benefit from BRAC microfinance operations and 7 million people from ASA microfinance operations, where more than half of the borrowers are women.

4.6 Other SSN programmes: Subsidy for fertilizer and electricity, subsidy for the marginal farmer to cope with fuel price hikes, and food subsidies like Open Market Sale

(OMS). Besides, the government provides free health card to the poor people and free schooling for female students from primary to bachelor degree level. Additionally, there are Housing for the Homeless, Efficiency Development Fund for Expatriate Workers, Ekti Bari EktiKhamar (One Home and One Farm).

5. Other Poverty Reduction Factors

The reduction of poverty has been attributed to a combination of social and economic factors such as rising returns to human and physical assets, rising labor productivity and wages, a shift from low-return agricultural wage employment to relatively high-return employment, increasing participation of women in the labor market, growth in export industries especially in readymade garments, increasing flow of remittances. Significantly, the readymade garments (RMG) sector creates about 4.2 million employment opportunities that contribute to poverty reduction. At present, the readymade garments industry consists of over four thousand factories. The RMG exports from Bangladesh include a wide variety of knitwear & woven garments products such as shirts, trousers, T-shirts, denim, jackets, sweaters, etc. As of December 2020, total exports stood at around USD 27.4 billion, capturing a market share of 6.30 percent out of the global apparel export market of \$435 billion (BIDA, 2021). The foreign currency earnings from exporting of the RMGs have contributed to GDP growth and overall socio-economic development. On the other hand, the garment sector has provided employment opportunities to women (about 58 percent) from the rural areas that previously did not have any opportunity to be part of the formal workforce. These workers are poor and most of them are illiterate. This has given women the chance to be financially solvent and independent and have a voice in the family because now they contribute financially. Additionally, the remittances are an important and stable source of income in the developing countries. Among these countries, Bangladesh is one of the major remittance recipients in the world where one in every three households is involved in migration and receives remittance, and most of the households are rural and poor. In the rural areas of Bangladesh, the rate of poverty and unemployment is notably higher which stresses people to migrate. Currently, about more than eight million people of Bangladesh are now living and working abroad as migrant and transferring income to their families in their home country. According to the Bureau of Manpower Employment and Training (2018), Bangladesh received \$13.53 billion remittances in 2017, which is 4.35 percent of the country's GDP (Kumar, 2019). Thus, like other countries, remittances reduce poverty in Bangladesh. Acosta et al. (2008) explored that remittances increase economic growth and reduce poverty in Latin American and Caribbean countries. Likewise, Osmani et al. (2016) stated that remittances had reduced poverty in Pakistan significantly. Kumar (2019) in his study shows that remittances directly increase the level of income of the remittance recipient households, increase consumption and savings, decrease vulnerability, and enhance family's social relationship which consequently improves the quality of life and alleviates poverty in Bangladesh. On the contrary, the reduction of poverty improves the quality of life, which increases income, consumption, savings and

decreases vulnerability, and enhances the family's social relations. In Bangladesh, the remittances increase, therefore, the level of income, consumption, and savings of the recipient households, reduce vulnerability, improve the quality of life, and alleviate poverty.

6. Achievement in Poverty Reduction

Bangladesh has achieved a remarkable progress in poverty reduction in the last two decades. After its independence in 1971, the poverty rate has significantly declined, and the country has maintained a GDP growth rate averaging 6.2 percent points (Bangladesh Planning Commission, 2015). Besides, the rates for both poverty and extreme poverty have markedly declined during the time. For example, in 1973-1974 prevalence of poor people was 71.3 percent in rural areas and 63.2 percent among the urban population (Halder and Mosley, 2004). In 1995-96, the prevalence of poor was reduced to 53 percent nationally and 57 percent among the rural population; corresponding percentages of extreme poor were 36 percent and 40 percent, respectively, for the same period (The World Bank, 1998). However, in 2016, about one in four Bangladeshi were poor. The country has halved poverty rates in a decade and a half, lifting more than 25 million people out of poverty. Between 2010 and 2016, about 8 million Bangladeshi were lifted out of poverty (World Bank, 2019). In other words, the percentage of citizens living below the poverty line declined from 56.7 percent in 1991 to 31.5 percent in 2010 (Kamal and Saha, 2014) and 24.3 percent in 2016. Similarly, the percentage of people below the lower poverty line has declined from 34.3 percent in 2000 to 17.6 percent in 2010 and to 12.9 percent in 2015 (Government of Bangladesh, 2015). Bangladesh has also made substantial improvements in other dimensions of the well-being of its population. Reductions in poverty were accompanied by sustained drops in fertility and child mortality, improvements in nutrition and life expectancy, enhanced access to electricity, clean water, and sanitation, broad-based expansions in education, and other improvements in non-monetary dimensions of well-being (World Bank Group, 2019). The country is, therefore, not only one of the top performers in poverty reduction in the South Asia region; it is equally one of the top performers in improving these non-monetary dimensions of welfare.

However, robust economic growth has always continued driving poverty reduction but not as effectively as before in Bangladesh. Between 2010 and 2016, GDP growth has accelerated while the pace of poverty reduction is slow. Higher economic growth has not led to faster poverty reduction, because average consumption growth was slower and less equal than before. From 2010 to 2016, consumption growth for the poorest 40 percent was slower than for the whole population. Bangladesh has still to go a long way in its fight to end poverty. The absolute number of poor and vulnerable people in the country is still very high. About one-fourth population of Bangladesh still lives in poverty, while almost half of those living in poverty are unable to afford a basic food consumption basket. Using the international poverty line, a measure that allows comparison with poverty levels in other countries, the rate of poverty in Bangladesh is relatively high by

regional standards. Additionally, more than half of the population can be considered vulnerable to poverty, as their levels of consumption are close to the poverty threshold.

7. Setbacks of the SSN Programmes

In Bangladesh, the setbacks of the SSN programmes have been found out are mistargeting of beneficiaries, exclusion of the truly poor people, duplication, leakages, and disparities in regional distribution. The International Food Policy Research Institute (IFPRI) reveals the problems of exclusion in the SSN programmes that the people who are truly needy have been left out but benefits are provided to the solvent people. Recent studies suggest that there were loopholes in the programme, such as faulty design, lack of preparation for running the programme, inconsistency in selecting beneficiaries, ineffective targeting, ad hoc selection of works, flat rate of funding for all regions, and a weak accountability mechanism. Moreover, “poor targeting of resources and inadequate transfers make the current allocations for safety nets inadequate to contribute significantly to poverty reduction” (World Bank, 2013: 18). Arbitrary selection of poor people is often faulty and flawed, as many public safety net programmes rely on selection criteria that are neither observable nor verifiable. Implementing agencies usually follow similar beneficiary selection criteria for all areas of the country, while the socioeconomic conditions differ significantly from one area to another. Moreover, the findings revealed in the Sixth Five Year Plan (SFYP) suggest that 27 percent of VGD beneficiaries are non-poor at all; 11 percent of participants of the Primary Education Stipend Programme (PESP) met none of the eligibility criteria for programme enrollment (Kamal and Saha, 2014). A study conducted by Bangladesh Institute of Development Studies demonstrates that nearly 47 percent of beneficiaries of the PESP are truly non-poor, and erroneously incorporated in the programme due to a faulty and arbitrary selection process. The proportion of such leakage has gradually enlarged over the years, increasing from 44 percent in 2005 to almost 60 percent in 2010 (World Bank, 2013). Likewise, it is evident that a portion of vulnerable groups (e.g., the elderly, disabled, and extremely poor women) was scantily covered or not covered under the programme at all. Another study shows that a large part of budgetary allocations for the Female Secondary Stipend Programme (FSSP) does not reach the beneficiaries, and is perhaps appropriated by intermediaries. Likewise, a recent qualitative study demonstrates that there were anomalies in the distribution of VGD cards. Many solvent people received the card through direct contact with the Union Parishad (lowest administrative unit) chairman and members, while the actual poor were left behind (Shamunnay, 2011). Those receiving benefits from the programme usually do not complain about these irregularities due to the fear that they may also be excluded if they say anything against these malpractices.

Furthermore, there are allegations against the political leaders that they either practice nepotism or charge undue money from the poor people in exchange for employment opportunities; as a result, relatively fewer poor people get the benefits of the programmes, and the truly poor are excluded. The local government mainly implements the SSN programme in the country. However, the inefficiency of local government failed

to deliver the expected quality and quantity of social services in some cases. The limitations in the beneficiary selection process, the absence of proper follow-up and monitoring system, and the lack of poor people's access to information regarding the social initiatives are constraining the efficiency of the SSN initiatives. The members of Union Parishad also unlawfully insert some fake names in the beneficiary lists and take benefits against those fake names (Haider and Mahamud, 2017). In many cases, people living in severe poverty are harassed by local influential people, particularly political individuals. It has been found that favorites of the ruling party leaders in rural areas are offered short-term employment in FFW and test relief programmes. A study on the SSNPs of Bangladesh government conducted in 2019 shows that 29.6 percent of the respondents think, because of political party consideration some poor are deprived of the benefits, 14.8 percent argue that someone deprived of nepotism by the local authorities, and 11.1 percent opined that someone deprived of the lack of communications (Mahmud and Habibullah, 2020). The same study states that 21.4 percent of beneficiaries are not satisfied after getting these benefits, 33.3 percent of the respondents are not satisfied with the amount of money, 20 percent of the respondents are not pleased since they don't get the benefits timely, 20 percent of the respondents are not happy because all programmes of SSNPs do not continue all year long. Therefore, some anomalies like bribes, corruption, political identity, and favoritism are found in the disproportionate distribution of disability support, house-building assistance, freedom fighter allowance, elderly allowance, employment generation, and others.

The amount of allocations for the SSN programmes is small and unable to cover all needy population. Sixty-six percent of beneficiaries think that services are insufficient while thirty-four percent think that services are sufficient (Alam and Hossain, 2016). Besides, the effectiveness of the SSN programmes has ambiguity among the general people. According to the study conducted on the effectiveness of the SSNPs in 2016, seventy-six percent of respondents think that social safety net programmes have no impact on education while 24 percent think that it has an impact on education like an increase in literacy (33.3 percent). On the other hand, eight percent of respondents think that the social safety net programme has no impact on socio-economic development, while the majority of the respondents think that it has an impact on socio-economic development (Alam and Hossain, 2016). Moreover, the coverage of these programmes is very low and reaches to a very small part of the targeted population (Haider and Mahamud, 2017). On average, 39 percent of eligible households are covered by different programme (Haider and Mahamud, 2017). Therefore, more than 60 percent of eligible households are yet to get benefits from a suitable SSN programme. However, despite having some weaknesses in the poverty reduction policies, Bangladesh has made significant progress in reducing extreme poverty.

However, Although Bangladesh is unable to maintain accuracy in all levels of its poverty governance; China has tackled these problems efficiently, and thus, astonishing achievements have been made in China's antipoverty programme over the past decades. It was able to find out its own poverty governance policy that has been appropriate for the

conditions and circumstances of its poor people. To overcome the poverty of all remaining people and to achieve a Well-off Society by 2020, China adopted the Targeted Poverty Alleviation (TPA) strategy in 2013 (Yang, et al., 2020). The TPA changes the targeting of antipoverty from regional and county levels to village and household scales. The strategy suggests that local governments should concentrate antipoverty resources to improve efficiency and implement targeted measures to ensure that assistance accurately reaches poverty-stricken villages and households; thus, its essence is to help those who truly need it and deliver genuine outcomes. To overcome irregularities, the TPA emphasizes accuracy in identification, assistance, management and assessment (Wang and Guo, 2015; Wang et al., 2016). Specifically, accurate identification is the premise of TPA, referring to the identification of poor households and individuals through the procedures of application, appraisal, publicity, etc., followed by the establishment of archives of the poor to determine the causes of poverty and their demands. Accurate assistance, which is the key to TPA, aims at taking countermeasures for the poor in relation to the causes of poverty. Accurate management is the guarantee for the implementation of TPA and is designated to improve the efficiency of poverty alleviation resources via targeted and dynamic management of projects, capital, measures, and persons in charge. Accurate assessment is important for strengthening the effectiveness of policies through quantitative assessments of antipoverty work and establishing a dynamic mechanism of recognizing and tackling impoverished population and poverty-stricken counties based on the effect of poverty relief. Therefore, to win the battle against poverty, the six accurate measures has been adopted are the accurate identification of objects, accurate arrangement of projects, accurate use of funds, accurate implementation of aiding measures, accurate dispatching of persons in charge, and accurate effects of poverty reduction. Meanwhile, China has become successful in tackling corruption and irregularities, which most of the developing countries like Bangladesh are suffering from, that shapes a unique poverty reduction strategy with Chinese characteristics.

8. Concluding Remarks

The social safety net programmes in Bangladesh have contributed somewhat to the improvement of the socio-economic condition of the poor people. A number of non-government organizations (NGOs) also operate a wide range of poverty reduction programmes such as microcredit and other income-generating programmes. Moreover, the massive urban construction, increased remittance flows from overseas Bangladeshis, and the thriving readymade garment (RMG) sector's labor absorption and export earnings are making significant contributions to the consistent economic growth rate and reducing poverty in Bangladesh. As a result of the combined efforts of government, NGOs, and other income-generating factors; Bangladesh has achieved remarkable progress in poverty alleviation during the last few decades. However, Bangladesh is still far from the expected level of poverty alleviation due to some setbacks in the poverty reduction programmes. The setbacks entail faulty design, lack of preparation for running the programme, inconsistency in selecting beneficiaries, ineffective targeting, ad hoc selection of works, a flat rate of funding for all regions, and a weak accountability

mechanism. The members of local government and political leaders either practice nepotism or charge undue money from the poor people in distributing the benefits of the SSNPs; as a result, relatively fewer poor people get the benefit of the programmes and the truly poor are excluded. The poor beneficiary selection process, absence of proper follow-up, and monitoring system, and lack of poor people's access to information regarding the social initiatives are constraining the efficiency of the SSN initiatives. Additionally, often poverty alleviation programmes fail to find out accurate measures of how poor people can be left out of poverty. It may be significant to mention here as an example that to win the battle against poverty China has adopted its own innovative programme. It is well-planned, well-designed, and appropriate for the conditions and circumstances of their poor people. Beijing has maintained accuracy in all levels of its implementation. It ensures accuracy in the identification of poor people, assistance accurately reaches poor villages and households, accurate use of funds, and implementation of aiding measures and deliver genuine outcomes. Therefore, it is pertinent to say that according to the conditions and circumstances of the poor people, Bangladesh should find out appropriate poverty reduction policy. Maintaining accuracy in all levels of the implementation and producing targeted outcomes of the SSNPs are big challenges for Bangladesh. Thus, it may explore to take measure in ensuring accuracy in the identification of truly poor people, assistance accurately reaches poor villages and households, accurate use of funds, and genuine outcomes. Like China, Bangladesh government may search for an innovative and its own style of poverty reduction policy so that it may be appropriate for the social-economic conditions and circumstances of the country.

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