




January 2017

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Recommended Citation

Scheffing, Taylor N. (2017) "Non-Governmental Organizations' Involvement in Poverty Alleviation in Bangladesh," *Pursuit - The Journal of Undergraduate Research at the University of Tennessee*: Vol. 8 : Iss. 1 , Article 15.

Available at: <https://trace.tennessee.edu/pursuit/vol8/iss1/15>

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Labeled as one of the poorest countries in the world, Bangladesh is accustomed to poverty. Beginning in the late 1970s and even more since the arrival of the millennium, Bangladesh had made significant strides towards economic development through poverty alleviation efforts brought on by the World Bank initiatives. However, widespread discontent with the World Bank has led to increased, dominant presence and involvement from non-governmental organizations. Non-governmental organizations typically share a public mission, where those in Bangladesh aim to work exclusively with those in disadvantaged, rural areas. This paper will be addressing the growing question: what are non-governmental organizations (NGOs) doing to alleviate Bangladesh's level of poverty?

Poverty is a state insufficiency, where individuals struggle to acquire basic needs. Seasonality, climate, economic crises, and household shocks are common factors that influence poverty (Gautam, 2016, 4). Known for its dense population, Bangladesh faces consistent struggle in keeping up with the demands of a continuously rising number of inhabitants. With an increasing population in Bangladesh, NGOs continue to implement microcredit programs, cooperative forming, and a direct involvement of beneficiaries to catalyze sustainable growth and socio-economic development. Analyzing the history of poverty in Bangladesh is crucial in alleviating such poverty.

As rapid modernization, industrialization, and urbanization flowed throughout the world toward the end of the twentieth century; rural projects for development fell short of those for urban areas. Bangladesh fell victim to the global capital net, most notably named as the World Bank-IMF trap (worldbank.org). Structural Adjustment Programs became more widespread, making everything within reach of private businesses and open for profit and corporate interest. These programs were intended to allow for reduced trade barriers and a more market-oriented economy. While seemingly efficient, these programs facilitated the opposite effect for Bangladesh. For example, one third of Bangladesh citizens live below the poverty line and thirty-six percent of all Bangladesh citizens live in rural areas. Programs like Structural Adjustment Programs were not balanced with the country's economic state, bringing forth dissatisfaction and irrational impact (World Bank 2016). Critics of Structural Adjustment Programs often point to "the removal of subsidies on food staples, the widespread retrenchment of workers, the high cost of social services and goods and the low wages of workers" (Tsikata, 1995). These factors solidified demise of Bangladesh's economic system. Factories and public enterprises became dismantled and export-oriented. Eventually, temporary, outsourced work lead to job scarcity.

Non-governmental organizations began to emerge worldwide with a focus on advocacy and consciousness, making Bangladesh a prime candidate to test their efforts. Compared to World Bank regimes, the incorporation of NGOs enjoyed a much more favorable consensus. (Muhammad, 2015, 38) The NGO model of development offered accommodation and convenience for the clear majority of poor or underprivileged inhabitants, providing resources and devout attention to social issues. The model's initial goal stemmed from an attention to inequality amongst the poor and disadvantaged, but NGO efforts quickly shifted to a concentration on microcredit programs. Microcredit is the allowance of minute loans to underprivileged borrowers who typically lack reliable employment, credit history, and even supplemental collateral. Such programs are instilled to alleviate poverty and promote entrepreneurship. By building on the strengths of the poor and enhancing health, financial security, and income, microcredit programs serve as a new lifeline for poor and developing countries (Islam, 2014, 10).

Since the 1983 formation of the Grameen Bank- the first modern microcredit institution- in Bangladesh, microcredit programs expanded rapidly throughout the country. Muhammad Yunus, pioneer of 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 Grameen 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, 6).

The Grameen Bank was quickly followed by NGO replication, marking the beginning of major programs such as Bangladesh Rural Advancement Committee (BRAC), Association for Social Advancement (ASA), PROSHIKA, and Palli Daridro Bimochon Foundation (PDBF). (Ahmed, 2014, 2477) After its early establishment as a movement to rehabilitate refugees returning to Bangladesh from India, BRAC now stands as the world's largest development organization. Microcredit programs 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" (BRAC.net). These NGOs have consciously acknowledged Bangladesh's poverty-stricken population be their targeted beneficiaries, with poor women considered to be of utmost importance (Hoque, 2004, 23).

Although BRAC currently operates microfinance programs in seven countries, Bangladesh

serves to be its largest source of loans and sustainable poverty reduction. BRAC divided itself off into a separate, client-focused branch named as the Rural Development Project (RDP), with a four-fold objective to “generate employment opportunity for both males and females, to mobilize under- and-un-utilized resources, to assist in diffusing appropriate technology in the rural areas, and to promote better health care” (Bigman, 2000, 294). BRAC provides 2 types of loans to the impoverished: the *dabi*, which is given solely to women and range from \$50-700 USD and the *progoti*, which is given to either men or women who have failed to obtain prior loans. The *dabi* focuses more on operational loans for the furthering of industries such as poultry, livestock, handicrafts, rural trade, and 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 who have less than one half of an acre of land and whose occupations consist solely of manual labor. It has been estimated that 15-30% of BRAC members are from “non-target” households prone to fleeting bouts of poverty while the larger portion of BRAC members are of extremely poor households (Zaman, 1999, 3).

The Association for Social Advancements (ASA) also stands as one of the largest, indigenous NGOs of Bangladesh. With advancements, like those of BRAC, ASA serves to educate and empower the poor by integrating social incentive into their microcredit programs. 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. ASA 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 programs: The Micro Credit and Saving (voluntary along with weekly) Program, The Small Credit Program for Women, and The Small Business Loan Program. Each of these programs conduct Income Generating Activities (IGAs), where each loan must be repaid within one to two years. Few and minimal interest fees are applied (Zaman, 1999, 4).

Scholars still debate the level of influence NGO microcredit programs have in Bangladesh. While some may argue that NGO microcredit programs are substantial, others claim they have less significance. However, the latest 2013 impact assessments, which are conducted every three to four years, from the highly recognizable NGOs BRAC and ASA appear with survey results concluding just the opposite. The assessments aimed to best reflect countrywide impact by random sampling 7,168 total microcredit borrowers from 28 out of the 64 districts in Bangladesh. 97% out of the total reported increased business capital and increased monthly income following microcredit loans. 94% of respondents stated that they have been able to create employment opportunities for others, 97% reported improved quality of food intake for themselves and their families, and 83% reported better-quality housing and dwelling conditions subsequent to microcredit loans. 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 programs. Currently, 5.3 million people of Bangladesh derive benefit from BRAC microfinance operations and 7 million people from ASA microfinance operations, where more than half of the borrowers are women. Since 2001, the growing labor force participation rate has opened vast employment opportunities.

The role of women in the work force has also changed drastically since the installment of microcredit programs that are directed towards the empowerment of women and equal opportunity for poor. Cultural male dominance in the work force has always been inevitable and unavoidable in Bangladesh, but women-targeted microfinance programs have bridged the gap considerably, leading to a reduction in female vulnerability in such a patriarchal society. “Empowerment of rural women and their participation in the development process has brought in a long-term positive effect, which is a direct contribution by the NGOs in Bangladesh” (Begum, 2004, 20).

Eradication of poverty in Bangladesh is slowly becoming a reality as microcredit programs become increasingly more popularized amongst the disadvantaged, poor population. The Grameen Bank and NGOs like BRAC and ASA were founded on principles of generalized trust and public good deed, where a trust in poor people’s ability to repay others has kept the industry afloat and thriving. Microfinance initiatives promote self-respect and dignity, which encourage hard work through individual efforts (Al Mamun, 2013, 107). Rural households, workforce security, and even

healthcare have improved greatly from the microcredit delivery and its commitment to social development, economic improvement, and trust in Bangladeshi people (Ahmed, 2014, 2494).

Other non-governmental organizations, like co-operatives, are conducive to economic development and the alleviation of poverty in Bangladesh. Co-operatives are an independent entity of people who are united voluntarily to further a common, economic interest. They are traditionally based on the values of “self-help, self-responsibility, democracy and equality, and equity and solidarity” (Islam, 2014, 2). The presence of co-operatives dates back to the late 1770’s, having been established by farmers and agricultural field owners in order to foster both psychological and economic growth amongst their workers.

Agriculture co-operatives remain as the most prominent in Bangladeshi societies, where self-governance drives their methodologies and theories. The agricultural industry operates as the largest job-creation sector in rural Bangladesh, where poverty and malnutrition are rampant. Based off a collective goal to eradicate significant levels of poverty and minimize widespread hunger, agriculture co-operatives facilitate open access to production resources and open wider markets for trade and product movement. By ensuring “justice, good governance, accountability, gender equality, and participation in social enterprise,” co-operatives –both agriculture and social issue-oriented– serve to expedite decision-making processes, and allow for greater negotiating powers and broader land ownership divided among the constituents (BCA.gov.bd). Although consumer co-operatives are present in Bangladesh, it is producer –mainly agricultural– co-operatives that dominate and contribute greatly to poverty alleviation.

Seasonality plays a large role in the agricultural co-operative sector. Levels of famine are subject to foreseeable rises with each coming year, as climate and presence of natural disasters are ever-changing in Bangladesh. Seasonal food deprivation, called *Monga* amongst the Bangladeshi population, poses a threat as income and food consumption are diminished during these times. The three crop seasons –Aus, Aman, and Boro– are named after three types of their most valuable and dependable export-crop, which is rice. *Aman* faces drastic low crop yields, resulting in pronounced economic inactivity (Khandker, 2012, 2). These challenges are a result of nature and are virtually uncontrollable, so agriculture co-operatives help to facilitate year-round food and job security. Group-action and collective effort from agriculture and small-farmer co-operatives provide relief when sustaining a suffering population by reducing the separation between people’s needs and their incomes. By definition, co-operatives are adaptive, where they seek to develop innovative, pro-active, and morally permissible solutions to the issues facing their county. Bangladeshi co-operatives’ dedication to social responsibility and collective sustainable development has helped to reduce poverty levels and cultivate positive growth.

The direct involvement of beneficiaries in both co-operatives and microcredit financing allows Bangladesh inhabitants to serve as a central factor in the national plan for development. The rural poverty-stricken populace thrives from an NGO bred idea that focus should be maintained in areas that increase human capability and capacity, and allow for a “well-distributed, stable corresponding living standard” (Begum, 2004, 16). NGOs base their ideologies on ways to identify and combat the causes of poverty, rather than changing the attributes and focusing solely on misfortune. By developing institutions and furthering the abilities of the beneficiaries, NGOs focus on developing internal agencies and initiatives to bring positive change and socio-economic development. Nutrition and food sources, sanitation, and health issues serve as the most pertinent factors when assessing poverty in Bangladesh, and the willingness of the population to aid in relief efforts. The proliferation of NGO branches has gained momentum and popularity due to their attention to such issues, but also their regard for accountability. NGOs encourage accountability, where the interests and concerns of the beneficiaries are to be addressed in a manner that confronts the problem and offers a progressive solution. By relying heavily on direct community interactions, NGOs build off feedback and communal opinions to ensure positive growth for the people of Bangladesh. Studies show that 86% of larger NGOs and 81% of smaller NGOs rely on public opinion and feedback to improve the effectiveness of its campaigns and public awareness programs (Gauri, 2005, 10). Beneficiary feedback is used to delineate the implications of imposed strategies for rural development, poverty reduction, food security, and nutrition. Investments drive this movement to climb out of

rural poverty, where NGOs continue to implement investments in infrastructure, human capital, industries/enterprises, and sanitation to trigger growth that is not limited only to the agricultural industry. The global, pro-poor nature of NGOs, specifically those present in Bangladesh, employ stimulating tactics to eliminate such an over-bearing presence of poverty and replace it with available pathways for success and prosperity (Nustad, 2014, 259).

Within the last 10 years, NGOs in Bangladesh made remarkable progress in lifting over sixteen million people out of poverty and reducing inequality amongst its citizens. As of 2013, the number of poor people has dropped twenty-six percent. Outspoken NGO and government commitment to Millennium Development Goals are relevant towards amplified economic growth. Direct development of the agriculture, industry, and service sectors serve as the most beneficial. However, social sector development policies (women and youth advancement, education, health) directly and indirectly assist human capital development and socio-economic conditions of the poor. Easy access financial policies –microcredit programs- for the poor are important for access to resources, self-employment, and raising the standard of living, because they lead to positive impacts on poverty alleviation (Motiur, 2013, 11-24). Microcredit programs, co-operative forming, and direct involvement of beneficiaries have led to real rural wage growth and noticeable living condition improvements. This growth has been both formal and informal. The implementation of microcredit programs and collateral-free loans enabled the most distinct drops in poverty, where positive increases in other sectors of well-being are evident. Bangladeshi government combined with NGO influence continues to work to formulate policies and strategies to expand productive employment opportunities and promote labor-intensive growth (Motiur, 2013, 22). While overall improvement is apparent, poverty continues to be a daunting problem, where poverty in rural areas continues to be more pervasive and extreme than in urban areas (World Bank 2016). Eradication of poverty and the disadvantaged population will continue to be Bangladesh's primary objective for development.

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