



Addressing Extreme Poverty: CARE's Experience in Bangladesh



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Two broad categories of extreme poor (EP):

- Able bodied and economically active
- Complete dependence on transfer income



Who are the extreme poor?

In Rural Settings

- ❑ Landless agricultural laborers
- ❑ Marginal farmers, sharecroppers
- ❑ Women headed households
- ❑ Chronically ill
- ❑ Elderly with no asset/income transfer support
- ❑ Tribal households
- ❑ Remote area with poor road connectivity and depressed agriculture



Who are the extreme poor?

In Urban Settings

- ❑ Pavement dwellers
- ❑ Garbage pickers
- ❑ Beggars
- ❑ Sweepers
- ❑ Street vendors
- ❑ Slum (with extremely unhygienic condition) dwellers
- ❑ Sex workers and maid servant



Flaws in targeting

- ❑ Overlapping/duplication of development initiatives in well-connected accessible areas
- ❑ Remote areas (e.g. chars, haor) with high incidence of extreme poverty remain underserved
- ❑ Severe under representation of EP in mainstream development programs
- ❑ Deficiency in knowledge on dynamics of urban poverty and appropriate responses
- ❑ Non-poor are included at the expense of EP

Improve Targeting

- ❑ Multistage targeting
- ❑ Geographic areas-- incidence and severity of poverty (e.g. SHOUHARDO)
- ❑ Discussion with key informants (e.g. UP councilors, school teachers)
- ❑ Participatory well being analysis
- ❑ In built mechanism for self selection (RMP)

Program interventions: Financial services

- ❑ Not all extreme poor are entrepreneurs
- ❑ De link credit and savings
- ❑ Introduce flexibility in savings and loan repayments
- ❑ Cash flow of EP
- ❑ Diversify products
- ❑ Consumption loan
- ❑ Risk coverage-Insurance
- ❑ Group managed microfinance (e.g. FoSHoL)
- ❑ Cost effectiveness



Food security programs

- ❑ Homestead production VS. Field crops (FoSHoL)
- ❑ Natural resources (e.g. land, water bodies)- control and access
- ❑ Poultry and livestock
- ❑ Incremental change VS. Dramatic change
- ❑ EP are risk averse/cash starved



Weaknesses of social safety net programs (e.g. VGD)

- Leakages
- Targeting
- Cash VS Food

Only provision of services such as credit and basic education is not enough to address extreme poverty.

Sustainable solutions to extreme poverty requires effectively counteracting

- ❑ Discrimination
- ❑ Social exclusion
- ❑ Inequitable access to public services and resources, and
- ❑ Corrupt and inefficient governance



Making an appreciable dent on extreme poverty requires

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- ❑ Asset/resource transfer (FoSHoL, SHOUHARDO)
 - ❑ Access to productive resources and services (e.g. *khas* land, credit, health care services)
 - ❑ Create space for effective participation of the poor in local governance processes e.g. SHARIQUE
 - ❑ Make policy regime (policy formulation, revision and enforcement) friendlier to the EP. Adequate response to seasonal hunger e.g. Monga
 - ❑ Enabling environment for labor intensive growth--increase labor productivity, facilitate labor mobility, make market information available at the doorstep of EP, adequate budgetary provision for safety net programs.
 - ❑ Understanding power relations-how power is obtained, maintained and exercised

Making an appreciable dent on extreme poverty requires

- ❑ Improving accountability/responsiveness to the extreme poor of the duty bearers.
- ❑ Empower EP and provide support them to raise and amplify their voices
- ❑ Work at multiple levels (from grassroots to region and national even international level)
- ❑ Promote solidarity (*Nijera*) -facilitate horizontal and vertical linkages of pro-poor forces
- ❑ Purposeful engagement with the expanding private sector (e.g. CARE's rural sales program)

Thank You!