

Discussions among the poor:  
Exploring poverty dynamics  
with focus groups in Bangladesh

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## **Abstract**

This paper presents findings from 116 focus group discussions which took place in eleven districts in Bangladesh in mid-2006. It forms the first part of three phases of research in an integrated qualitative and quantitative study into poverty dynamics currently being undertaken by the author and partners from the CPRC, IFPRI and DATA Bangladesh. The central purpose of the focus group discussions was to inform subsequent phases of the research by exploring reasons perceived by participants for decline or improvement in people's well-being in their communities, and the hindrances to improvement for the chronically poor. A secondary purpose was to explore how a set of development interventions, which had been the focus of a previous round of the panel surveys, had contributed to improvements in people's well-being. A number of causes of decline and improvement featured prominently in these discussions. Dowry, illness, and adverse dependency ratios in families were all seen as important causes of decline in a large number of groups and draw attention to the need for a better understanding of life-cycle-related pressures on poor households. Improvement tended to be related to hard work, investment and enterprise, but was also commonly accompanied by considerable risk. This risk is illustrated most strongly when common causes of improvement for some people are causes of decline for others. Improvements are generally gradual, whereas declines can be caused by the type of events which are either gradual or sudden. Various forms of business activities, improved agriculture, microfinance loans, salaried work, labour migration and sons and daughters working were all seen as important factors in improvement. These interim findings draw attention to a number of areas which warrant further investigation. They also suggest that policy interventions aimed at preventing decline and supporting improvement should take into account the changing risk profile facing poor people in Bangladesh, aim to mitigate life-cycle-related drivers of impoverishment, and help reduce the risks involved in potentially profitable, yet risky, ventures.

*Keywords:* poverty dynamics, focus groups, chronic poverty, Bangladesh

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## **1. Introduction**

This paper presents the interim findings from 116 focus group discussions carried out in eleven districts in Bangladesh between June and July 2006. The study comprises the first of three phases of research in an integrated qualitative and quantitative study into poverty dynamics currently being conducted by the CPRC, IFPRI and DATA Bangladesh. One of the principal aims of the overall research programme is to combine qualitative and quantitative methods to examine poverty dynamics in Bangladesh, particularly over the last decade.<sup>1</sup> Findings from this first qualitative phase of the research should be seen as interim and were primarily intended to inform subsequent phases of the research. The second and third phases of research consist of a household survey of approximately 1800 households which had been previously surveyed between one and three times in the previous ten years, followed by in-depth life-history interviews of a sub-sample of approximately 160 of these households, exploring life-trajectory patterns and drivers of change.<sup>2</sup> The household survey was conducted over the winter of 2006-07 and the life histories in the spring and summer of 2007. However, the focus group discussions raise a number of issues that are worth presenting before the subsequent phases are complete.

Since most poverty studies in Bangladesh are still either exclusively quantitative or qualitative, with the former dominating policy debates on poverty reduction, it is hoped that this kind of integrated study will provide a more nuanced understanding of the complex social realities and drivers of change that lie behind observed aggregate trends in poverty. The integrated and sequenced nature of this study allows us to provide a deeper and more detailed picture than is usually possible with either qualitative or quantitative methods alone.

## **2. Approach and methods**

For the first phase of this research, four focus group discussions were carried out in each of twenty-nine sites across a total of eleven districts in rural Bangladesh, with the objective that findings might guide the subsequent phases of the research project. The locations of these sites are listed in Table 1. The sites varied from Manikganj District, with people's life chances strongly influenced by the nearby Dhaka metropolitan area, to much more remote Sherpur, Kurigram and Nilphamari Districts in the North and North West. Some sites were influenced by border areas close to India, such as Jessore, other sites were more centrally located, such as those in Mymensingh and Kishorganj Districts. A number of sites had significant problems associated with poor access, flooding, soil erosion and salinity. Overall the chosen districts provide a reasonable range of the living conditions of the rural poor in Bangladesh.

**Table 1: Location of focus groups**

<b>Division</b>	<b>District</b>	<b>Number of sites</b>	<b>Number of focus groups</b>
Dhaka	Manikganj	6	24
Dhaka	Mymensingh	3	12
Dhaka	Sherpur	2	8
Dhaka	Kishorganj	2	8
Chittagong	Chandpur	2	8
Sylhet	Habiganj	2	8
Rajshahi	Kurigram	2	8
Rajshahi	Naogaon	2	8
Rajshahi	Nilphamari	2	8
Khulna	Jessore	4	16
Khulna	Narail	2	8
<b>Total</b>		<b>29</b>	<b>116</b>

<sup>1</sup> See CPRC-IFPRI (2006) for an overview of the full study.

<sup>2</sup> See Davis (2006) for a discussion of the life-history approach to be taken

In each site separate focus group discussions were conducted with each of the following categories of people: poor women, poor men, non-poor women and non-poor men. Poor households were defined as those that had suffered food shortages due to poverty at some time in the previous year, and were selected during initial discussions with key informants. The focus groups had from 5 to 10 participants.

The central purpose of the focus group discussions was to explore the main reasons perceived by participants for decline or improvement in people's well-being in their village, and the hindrances to improvement for the chronically poor. A secondary purpose was to explore the extent to which various interventions, which had been the focus of the last round of the panel surveys, contributed to improvements in people's well-being. The interventions considered were the government food-for-education and cash-for-education programmes, microfinance programmes and agricultural technology-based programmes around vegetable production and fish farming. Focus group discussions were carried out among participants and non-participants of these programmes. This paper focuses on the discussions on causes of decline, improvement and remaining in poverty. The development interventions were also discussed, and while the outcomes of these discussions is reported here, it is not possible to make definitive statements about the efficacy of the interventions from the focus group discussions alone.

All focus groups were conducted by DATA<sup>3</sup> field staff. The audio recorded transcripts of the focus groups were translated from *Bangla* and then analysed using the qualitative data analysis programme QSR nVivo7.<sup>4</sup> The lessons learnt from the initial focus group discussions were used to inform questionnaire writing and the approach to be taken in the life history interviews; the latter to be conducted by the author and DATA in 2007.

Discussions of causes of decline and improvement provided an initial picture of the pressures and opportunities facing poor people in rural Bangladesh. Groups were first asked to list the main causes of decline in people's lives (using the *Bangla* word 'obosta' which roughly translates as 'life condition'). Participants were then asked to choose the three most important of the causes of decline discussed. A similar process was conducted for improvements in well-being and for the causes of remaining in poverty. This process allowed an initial open brainstorming discussion to take place followed by a consensus-finding exercise where the three most important causes of decline, improvement or stagnation were chosen by the group. Notes from focus groups concerning decline, improvement and remaining in poverty were coded in nVivo 7 according to categories mentioned by the groups. These frequencies appear in tables 2, 3 and 4. The analysis resembled an inductive grounded-theory process with categories emerging from the discussions themselves rather than being formulated in advance.

In the analysis, choices had to be made over which categories should appear. Some initial categories were merged with others if it seemed that they covered the same type of social phenomenon, others were separated out when they seemed to have distinctive elements, particularly if these distinctions seemed interesting. For example 'crop damage' and 'flooding' were separated since crops were also damaged by hailstorms and other causes and not just flooding, even though the biggest impact of flooding for many people was felt in terms of crop damage. In contrast, the categories 'lack of work' and 'low income' were eventually merged because they usually seemed to correspond to the same phenomenon when they were being discussed by participants. 'Business' and 'loans' were also overlapping categories in the improvements discussions but were left as separate codes. Thus, the formation of categories required common-sense decisions with some overlap between categories being unavoidable.

Therefore the descriptive quantitative data describing causes or decline or improvement should be treated with caution because the focus groups were initially not intended to be

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<sup>3</sup> Data Analysis and Technical Assistance Ltd, Dhaka, Bangladesh.

<sup>4</sup> See <http://www.qsrinternational.com/> for details of this programme.

sources of quantitative data; the percentages provided in the tables should be seen as indicators of the relative importance of the issues raised to help direct further research in the quantitative and life history phases of this programme. Also in real life, causes are very hard to attribute precisely. People have their own conception of causality which may be shaped by prevailing discourses, some explanations may be favoured in the focus-group setting because of expectations of what the facilitator wants to hear, and in most experiences of decline or improvement, cause and effect are intertwined. For example, a particular episode of decline in a person's life may have been 'caused' by low income but is also coupled with a bout of illness. In circumstances that are more benign this may have been coped with quite well, however, in adverse circumstances and when causes reinforce each other, a severe life crisis can occur. Thus, a final crisis can often have multiple or cumulative causation. Many serious episodes of decline in poor people's lives follow these patterns. Thus, the results reported in the following tables can only be seen as best estimates based on judgements made by discussants, field researchers and myself.

### **3. Causes of decline**

#### **3.1 Introduction**

Table 2 below lists the causes of decline reported by the focus groups both in aggregate and by wealth and gender groups. These causes are ordered in order of frequency of appearance in the focus group discussions, and are discussed in the following sections.

#### **3.2 Dowry**

Half of the focus groups (50%) considered dowry to be one of the three most important causes of decline or impoverishment over the last ten years. 62% of poor female groups and 55% of poor male groups rated dowry in this way, compared with 38 and 45% for non-poor males and females, respectively. It seems that concerns about dowry occupy the minds of poor people more than the non-poor. Some focus groups estimated the proportion of their village that had been impoverished by dowry payments, with estimates increasing upwards from about 10%. Many groups claimed that it was impossible to arrange a daughter's marriage without a dowry. The dowries reported ranged from Tk. 20,000 to Tk. 150,000. In order to marry a groom who was a Higher School Certificate (HSC) graduate, a dowry at the higher end of the scale was demanded by the groom's family. Also, if a bride wasn't considered beautiful a larger amount tended to be demanded. It was reported that often a groom's family would pressure the bride's family to pay for an expensive wedding with numbers of guests specified. These wedding costs also add considerably to the expense of getting a daughter married over and above dowry costs and need to be included in research on the costs of marriage arrangements for families. Many groups considered that dowry and wedding costs had increased over the last decade with many families reduced to begging and destitution as a result.

In a number of cases a daughter had been married several times. For example one male focus group member had once worked in a jute mill but had lost his job. He managed to arrange his eldest daughter's first marriage with saved money. The dowry was Tk 60,000 but apparently because she had problems giving birth to her first child, she was divorced. She was married again with a Tk. 20,000 dowry but again sent home to her father's house three months after the wedding. She was then married again with a Tk. 30,000 dowry. In order to pay for the dowries all the parents' land (15 decimals) was sold leaving them in a very precarious position.

Dowry payments were often paid in instalments with divorce or violence threatened if the dowry wasn't paid in full. If a daughter is divorced then the parent's family is forced to arrange for an alternative marriage for their daughter, with further payments needed.

**Table 2: The most important causes of decline reported by focus group discussants**

Cause of decline	Frequency of inclusion as one of three main causes	Percent of total groups	Percent of poor male groups	Percent of non poor male groups	Percent of poor female groups	Percent of non poor female groups
dowry	58	50	55	38	62	45
illness and injury <sup>b</sup>	56	48	48	31	66	14
family size/ dependency ratio	52	45	45	62	38	34
flooding	29	25	21	24	28	28
lack of work	26	22	31	24	17	17
debt	26	22	31	17	21	21
increased prices of essentials	16	14	17	14	14	10
idleness	12	10	10	21	7	7
crop damage	12	10	7	10	17	7
lack of land	11	9	7	7	3	21
business loss	10	9	21	3	3	7
migration	8	7	3	3	14	7
lack of education	6	5	7	14	0	0
court cases	6	5	3	7	0	10
theft and cheating	5	4	0	0	3	3
gambling	5	4	0	3	7	7
death of family member	5	4	3	3	3	7
lack of irrigation	4	4	3	3	3	3
poor roads	3	3	3	7	0	0
old age	3	3	0	3	3	3
division of family property	3	3	7	0	0	3
polygamy	2	2	0	3	0	3
river erosion	2	2	0	0	3	3
death of livestock	2	2	0	0	7	0
abandonment	1	1	0	0	3	0
cost of education	1	1	0	3	0	0
drugs and alcohol	1	1	0	0	0	3
poor planning/ management	1	1	0	3	0	0
low prices of agricultural produce	1	1	0	3	0	0
poor soil	1	1	0	0	0	3

Households with assets often sell these to pay for dowries. Livestock, trees, land, furniture and household utensils are commonly sold. Assetless families are reported to go without food, withdraw children from school, and take out loans from moneylenders and NGOs. Those who have trouble repaying loans are then forced to sell their remaining assets, including land and homesteads.

The strong message coming from these focus group discussions highlights the serious damage caused by dowry in rural Bangladesh and the need for policy measures to prevent widespread impoverishment of families due to dowry and marriage costs. These could include increasing educational transfers to unmarried girls' families, better enforcement of anti-dowry legislation, and further economic empowerment of unmarried women so that their wage contribution to a future household can better offset the demand for a dowry. We also

<sup>5</sup> Of these, injuries were explicitly mentioned in 5 groups.

need to better understand why dowry has appeared to increase in recent years in Bangladesh (it was not common a generation ago) and whether it is likely to decline as employment opportunities for women increase.

Dowry (or ‘groom price’) in Bangladesh is a recent phenomenon, older people commonly report that no dowry was paid for their wedding or instead a bride price was given. Dowry as it exists today in Bangladesh is not a product of long standing ‘tradition’ but is more the result of fluid social norms interacting with vested interests in a setting where women’s income earning options are restricted. The prohibition of dowry has not been sufficient to prevent widespread dowry-driven impoverishment. The emergence of dowry as a recent phenomenon in Bangladesh does not fit with current economics models of dowry (see Botticini and Siow, 2003) which assume that dowry should decline and eventually disappear in these circumstances.

Subsequent household survey and life history research to be carried out in this research programme will seek to clarify the dynamics of dowry-driven impoverishment. It is already clear that payments of dowries by parents of daughters is a significant part of the life-cycle-related risk profile facing poor households in Bangladesh. It also often corresponds with the time in the life-cycle when other drivers of impoverishment are also likely to hit households hard, particularly the costs associated with illness and death of elderly parents. These multiple pressures, or double whammies, can cause irreversible decline and should be a priority target for preventative social protection measures. Much of the literature on the problems of dowry focuses on violence against women due to dowry. The associated problem of catastrophic impoverishment due to dowry payments should also be recognised as an additional serious and widely damaging outcome of this practice.

### **3.3 Illness and injury**

Illness was reported as one of the three most important causes of impoverishment in fifty-six (48%) of the focus groups. Of these five groups (4%) explicitly drew attention to cases of injuries – mainly traffic-related accidents. However, in most discussions it was not possible to distinguish between illness and injuries. Illness is often both a cause and a consequence of crisis. For example one focus group reported that crops, houses, trees and livestock had been damaged in floods two years ago. Loans were taken out to buy food with high interest payments demanded. In order to pay back loans, food consumption was reduced, children were taken out of school, and illness resulted. Again it was poor women who rated this highest (66%), followed by poor men (48%).

Many groups reported that as illness struck, loans were often taken out to pay for treatment. Often repayments were missed and a downward spiral resulted. The overwhelming importance of ill-health as both cause and outcome in crises draws attention to the importance of poor people’s health in poverty reduction, and the need for better policy focused research into health, illness and health-seeking behaviour.

In most of the focus group discussions it was not possible to distinguish concerns about illness from concerns about injuries. However, from previous work (see Davis, 2006) it is clear that accidents which cause disability and chronic conditions are common among the poor in Bangladesh. Accidents, by their very nature are unforeseen and therefore have the potential to leave families in severe difficulty. Relatively expensive emergency medical care is often needed, sometimes coupled with sudden losses of income. Families are left in a very vulnerable position when an accident is fatal and the victim is the primary breadwinner. Improvements in public safety and safety in workplaces could considerably reduce the frequency of accidents and in turn reduce the impoverishment that results from them, as would effective insurance, better emergency services, and better first-aid education.

When health problems occur, medical treatment is a very significant expense. These tend to break down into: costs of medicine, medical fees, travel expenses and accommodation while seeking medical care. In addition, avoidable morbidity results in loss of income due to days

off work, loss of job, reduced productivity and income in small businesses, and not-being-called for day labour. In cases where ill-health leads to the death of an earning household member, further economic hardship follows.

Ill-health as a contribution to decline is very much related to the life-cycle of the family. A number of individual and household life-cycle patterns relate to quite predictable life events. Families with young children and elderly members are vulnerable to health-related crises and high medical costs. Often children's illnesses and deaths are likely to have been caused by poverty; for elderly people the causal direction is often the other way – causing poverty for those supporting them. Common 'double whammies' occur when more than one adverse life event occurs in the same phase of an individual or family life-cycle. When marriage of daughters corresponds with illness or death of parents the urgent nature of both demands often results in coping strategies which severely undermine the asset base of the household, and can lead to a long-term downward trajectory (see also Davis, 2006).

Since ill-health is a major causative factor in downward life trajectories, cheap, effective healthcare provision could be one of the most important poverty reduction and prevention strategies, alongside the support for the families of those afflicted. If cheap effective health care is not available, poor people often choose further impoverishment in order to access health provision for their loved ones, often in the form of expensive private clinics using NGO loans. While much preventable ill-health is exacerbated by poverty, particularly for children, there is also a need to acknowledge that periods of ill-health followed by death are an inevitable part of all human experience and economic development alone is not sufficient to deal with this problem.

The problem of development-induced impoverishment related to health crises has been recently highlighted by a number of authors (Ensor and Bich San, 1996; Bloom and Lucas, 2000; Gertler and Gruber, 2002; Meessen *et al.*, 2003; Bloom, 2005). It seems that socio-economic changes, including beneficial ones, can also produce a new risk profile where this problem becomes increasingly serious. In Bangladesh the combination of increasing use of private health services, the availability of relatively expensive medicines, raised awareness of the benefits of treatments, widespread access to micro-credit, and the ease with which assets can be sold to fund catastrophic health care expenditure, can all contribute to increased risk of impoverishment due to health crises.

Of course the opposite direction of causation also occurs: illness is an *outcome* caused by other forms of initial crisis, for example, when lack of income leads to lack of food, which in turn results in physical weakness or illness. In the past, poverty-induced ill-health may have been more important, as is reflected in reports of health crises in the 1970s during the war-famine years. In more recent years it is health-care-expenditure-induced impoverishment that demands more attention.

In Bangladesh, priority should be given to a double-pronged approach of improvement of public health services for the poor on one hand, and social protection measures which allow access to health care without undermining household assets on the other. Although government health expenditure is now relatively high in Bangladesh, poor quality of services and poor targeting of expenditure to benefit the poorest, still inhibit health outcomes, and fail to prevent impoverishment due to illness. Skewed health expenditure away from rural residents and poor access and poor quality in public health provision, are exacerbated by the widespread practice of government-employed doctors in rural areas devoting much of their time to their own more lucrative private clinics in larger towns rather than in rural-based government clinics and hospitals. In addition, for poor families coping with illness, little social protection is available apart from selling assets, using loans and seeking informal forms of help. When productive assets are sold and interest bearing loans are used to fund health crises, chronic impoverishment is a likely outcome.

### **3.4 Family size and adverse dependency ratios**

The third major category of decline highlighted by the focus groups was voiced in a number of ways, usually with reference to family size or population. The problem of having ‘too many mouths to feed’ with insufficient income was at the core of these discussions. It is notable that 62% of non-poor male groups rated this cause. For poor and non-poor females (38 and 34%, respectively) this cause was not seen as so important. When the discussions are analysed it became clear that participants were usually drawing attention to adverse dependency ratios in households, linked to a particularly vulnerable time in family life-cycles. Many groups spoke of life having been relatively comfortable in the period after marriage but once a number of children had been born the household faced a difficult period which sometimes led to catastrophic decline if assets were sold or loans taken out in order to fund shortfalls in consumption. The expenses mentioned were food, medical expenses, education-related expenses, clothes, and dowry – when there were daughters.

Children are much loved and desired by parents in Bangladesh and while the promotion of family planning has been successful, many poor families also see having children as one of the few routes out of chronic poverty. In previous life-history interviews (see Davis, 2006) and in these focus groups, it is clear that the advent of sons working is one of the few avenues of graduating from long-term poverty foreseen by parents. However, the years before children start working can be very difficult and sometimes a downward trajectory results. Having many girls also creates vulnerability to dowry-induced impoverishment from which there is often little chance of recovery, as already discussed.

Households with children and only one earning member are particularly vulnerable if that person becomes ill, dies, or leaves the family. Women are still very poorly remunerated in rural areas and female-maintained households were mentioned in this category when too-many-mouths-to-feed problems were discussed. Widowed, divorced or abandoned women, especially if they have dependent children, are likely to decline into unrecoverable catastrophe due to low income not meeting consumption needs.

Coping with the pressures of adverse dependency ratios in families commonly involved selling land, taking out loans, selling trees and livestock, and reducing consumption of food. All of these strategies tend to increase the vulnerability of the households concerned and undermine future prospects for improvement.

### **3.5 Flooding**

Flooding is a recurring problem for people living in flood-prone low-lying areas. Twenty nine focus groups (25%) listed flooding as a main cause of decline in their communities. Some groups living on, or cultivating, low lying areas, experienced problems every year. Others reported damage three or four times over the last ten years, with 1998 and 2004 reported as recent problem years.

Losses due to flooding were most commonly expressed in terms of crops destroyed. Other losses experienced were livestock (cows, goats, poultry) losses, trees damaged, houses damaged or destroyed, fish lost from ponds, canals destroyed, roads made impassable and lost income from agricultural day labour. Rickshaw and *van gari* drivers also lost income and there was often also a lack of fodder for livestock.

Catastrophic downward spirals due to flooding can occur particularly when loans are used to finance crops or other enterprises which are then damaged in the floods. The destruction of crops or other business ventures can make repayment very difficult, leading to sale of assets to repay loans and a long-term trajectories of decline. For example one focus group reported a man who had developed a fish-farming business using NGO loans of Tk. 70,000. At one stage he was successfully cultivating six ponds. However, in 2004 all his fish were lost in floodwaters with total losses estimated at Tk. 300,000. He is now unable to repay his loans and cannot afford to eat properly.

Twelve focus groups (10%) drew attention to various types of non-flooding crop damage as a cause of decline. Hailstorms were the most common cause of non-flooding crop damage followed by inadequate rain, persistent mist and pests.

### **3.6 Lack of work and idleness**

Twenty-six (22%) of the focus groups reported 'lack of work' or 'unemployment' as one of three major causes of decline. Many agricultural day labourers were not able to work all year round and in many villages there were few opportunities for other forms of work. Ownership of land can help ameliorate this problem. People with qualifications such as Higher School Certificate or above were also not willing to undermine their prestige by doing low-status work such as agricultural labour or selling produce. Focus groups also reported that in order to get a good salaried job (*chakri*) a substantial bribe was usually required.

It is also interesting to note that twelve focus groups (10%) considered idleness as one of the three most important contributors to decline; both poor and non-poor groups mentioned this although it was rated more highly by non-poor male groups (21%). People seen as idle were characterised as those who sold assets or took loans to fund consumption rather than working hard. A group of non-poor men considered that it was possible to live adequately if a poor person worked hard. When we consider that most of the routes to improvement mentioned demand hard work, it is not surprising that idleness is sometimes seen as a cause of decline. However, as we have already discussed, there are many other causes of decline that hard work can do little to ameliorate – such as serious ill-health.

### **3.7 Debt**

The number of times loans were seen as a cause of impoverishment draws attention to the downside of the micro-credit boom in Bangladesh and the lack of more appropriate social protection for the poorest. In twenty-six focus groups (22%) debt was seen as one of the three main causes of decline. Discussants were not only talking about loans from moneylenders (referred to as *mohajans*) who usually charge very high interest rates, but also loans from NGOs. People accused of idleness were characterised as those who took loans to fund consumption rather than using the money to work hard. However, it seems that also households routinely use NGO loans to fund non-profitable consumption or emergency expenditures such as dowries and essential medical care for elderly parents and other family members. It is possible that new patterns are emerging in rural Bangladesh associated with what, in many other regards, has been a successful pattern of development. Private medical care is readily available but expensive; there are strong norms of care for family members, particularly for parents who are living longer; and loans are widely available from NGOs. The combination allows widespread impoverishment associated with loans taken out for costs such as medical expenses. These trends draw attention to the need for further research and policy attention into the changing risk profile facing poor people in Bangladesh and the need for policy interventions that are better attuned to life-cycle-related pressures and not necessarily based on loans with interest.

### **3.8 Increased prices of essentials**

Sixteen focus groups (14%) blamed increased prices of essential consumption items as a cause of decline. In many of these discussions other factors were also raised: issues of low income coupled with rising prices, people coping by eating two meals a day, or buying two kilos of rice when three are needed. The discussions highlight the narrow margins poor families operate within, and the effect small increases in prices of essential items can have on their ability to cope. Many poorer day labourers were earning around Tk. 70-80 a day and rice was costing about Tk. 20 per kg. If the household has many members and few earners, margins are very fine. When consumption outstrips income, a number of unsustainable coping strategies are used such as taking out loans, reducing food consumption, and selling

productive assets. These short-term coping strategies cause long-term damage and often contribute to a downward trajectory with multiple and cumulative causation.

### **3.9      Lack of land**

Lack of land was highlighted by eleven groups (9%) as one of the three main causes of decline. In these discussions lack of land seemed to go hand in hand with a lack of food. Poor landless people pursued a number of livelihood options. Some leased land from others to cultivate crops but this was seen as quite risky: if crops were damaged the lease had to be paid for anyway and this was done by selling other assets such as livestock. Work from agricultural day labour was often seen as insufficient to meet needs all year round as demand is seasonal. Many landless people were vulnerable to falling into downward spirals of taking loans to meet consumption needs and then not being able to pay them back. Many people had lost land in the first place through the abuse of loans, whilst many others were functionally landless due to diminishing plot sizes from division of family property among brothers.

### **3.10     Business loss**

Ten focus groups (9%) identified business losses or failed businesses as one of the three main causes of decline. Many poor households earn their livelihoods from small businesses and petty trading. These ventures usually work on very slim profit margins and are vulnerable to fluctuating prices, bad debts and cheating. Business losses often lead to very high levels of indebtedness. In some cases business failures are part of a composite crisis, often precipitated by ill-health. Productive assets are sometimes sold to pay for medical expenses or the ability to work in the business is undermined by poor health. Poor male groups were most (21%) concerned with business losses as a cause of impoverishment. It is understandable that this category of people would be the most aware of the vagaries of engaging in small business with small amounts of capital in a risky and competitive environment.

### **3.11     Migration**

Migration is an important route to improvement for many poor people, however, eight focus groups (7%) also considered it one of the three most important forms of impoverishment. This illustrates how migration is a risky venture for poor people. When arranging international labour migration poor people are less likely to have good network connections and are more likely to be vulnerable to unscrupulous agents. A job can be arranged overseas but when the worker arrives they don't have a job or work permit. People who cannot read or write are particularly vulnerable to being cheated. Poor women seemed to rate this cause more highly than the other groups (14%) suggesting that those left behind are sensitive to the downsides of international migration as a strategy for getting ahead.

Migration of various kinds can have both positive and negative impacts on people's lives and on social structure in general. For example, in the West Bengal context, Rogaly *et al.* (2002) show how labour migration is both an essential and regular form of coping for a large group of seasonal workers, but these groups also become excluded from rural development, health and education programmes, due to their mobility. The authors argue for more effective forms of social policy which acknowledge the special risks of mobile livelihoods.

Increased international labour migration is a growing trend in rural Bangladesh but is a risky business for poor people. For many the initial investment pays off; for example, one woman's husband went to the Gulf region in 1996 which initially cost Tk. 100,000. To raise this money, land and three cows were sold and a loan was taken out; his wife now receives Tk. 4000 per month in remittances. For others, the choice to invest in international labour migration ends in disaster. In 2000 a woman's son went to Malaysia at a cost of Tk. 120,000. In order to raise this money the family sold a cow and took out a loan. However, he was sent back because of his illegal work status and made a large loss in the whole undertaking. Due to the

loss incurred, this episode precipitated a declining trajectory in this woman's life. Currently about Tk. 200,000 is needed to arrange a job in the Middle-East or South-East Asia. This is a huge amount of money for a Bangladeshi villager. To break even the worker will have to be away from home for several years.

Other forms of labour migration are shorter term and involve moving to another location for a short period of time in order to earn more. One man interviewed worked half of the time in Dhaka as a rickshaw puller. He had done this since 1996 when, after his second marriage he received a Tk 3500 dowry and was then able to embark on a new venture. Through this he earned about Tk. 1200 per month profit after the costs of travelling to Dhaka and living there. This was the total income for his household which consisted of four members, his wife and a son aged nine and a daughter aged eighteen months.

In many districts agricultural workers move to areas where wage labour is better remunerated during peak agricultural seasons, and in particular when rice is being harvested. They usually travel in a group and stay away from home for up to about a month.

### **3.12 Other causes of decline**

Table 2 lists other causes of decline which six or fewer groups identified as one of the three most important and illustrate the variety of causes discussed. Lack of education restricts access to opportunities to improve; court cases are a common burden for poor people and are often expensive and drawn out; and poor people are vulnerable to theft and cheating, especially when they are weak in connections and coercive resources.

### **3.13 Causes of decline: a summary**

A relatively small number of categories of causation (dowry, illness, dependency ratios, flooding, lack of work, debt) account for much of the decline discussed in the focus groups. These help us to better recognise links between risk and patterns of impoverishment among susceptible groups of people. They also point to important areas for research and policy attention which are currently neglected in development thinking.

In particular costs associated with arranging marriages, mainly for girls' families, can permanently cripple households. We need to better understand why dowry has appeared to increase in recent years in Bangladesh (it was not common a generation ago) and whether it is likely to decline as employment opportunities for women increase. In addition the potential for policy initiatives aimed at reducing high dowry costs should be further considered. This is challenging because the introduction of unintended detrimental outcomes or 'perverse incentives' in these sorts of social policy is a real problem. However, better enforcement of anti-dowry legislation, rewards to villages or unions to reduce the incidence of dowry, and further economic empowerment of unmarried women through educational transfers or income generation may potentially contribute to reductions in dowry.

We also see that health problems are an important cause of impoverishment. Medical expenses, often for private provision of healthcare, form a significant proportion of poor people's household expenditure. Public programmes to mitigate the devastating impact of health problems and death of family members and improve the quality of public health provision for the rural poor are needed.

The occurrence of a number of common life crises are linked to life-cycle positioning of individuals or households. These include health problems in households with young children, division of households, dowry and marriage expenses for parents of teenage girls and ill-health in households with elderly members. Composite crises are more likely to occur at certain times in life-cycles than at other times and households can sometimes cope with a single crisis but when it coincides with another the effect is likely to lead to a serious decline. A better understanding of such life cycle patterns should help to clarify more effective social policy options aimed at reducing the incidence of life cycle related catastrophic crises.

It is interesting to note that poor-female groups recognised dowry and illness as key causes of decline more than non-poor male groups who seemed to be more concerned about family size. Non-poor male groups placed more emphasis on idleness than the other groups. Poor males were more concerned about lack of work, debt and business losses. These observed differences between gender and wealth groups illustrate the importance of who we talk to in ascertaining perceptions of causality in poverty dynamics studies.

## 4. Causes of improvement

### 4.1 Introduction

Table 3 provides a breakdown of the categories of causes of improvement reported by the focus groups. Again the divisions are difficult with many activities potentially falling into more than one category. The focus group discussions generally show how routes to improvement discussed involve hard work, are gradual and are often risky. The fact that loans, business, migration and livestock appear both as causes of improvement and impoverishment, depending on circumstance, suggests that there are risks as well as rewards associated with attempts to move out of poverty. Social protection policy should include measures to mitigate these risks.

**Table 3: The most important causes of improvement reported by focus group discussants**

Cause of improvement	Frequency of inclusion as one of three main causes	Percent of all groups	Percent of poor men's groups	Percent of non poor men's groups	Percent of poor women's groups	Percent of non poor women's groups
business	67	58	66	62	48	55
improved agriculture	48	41	45	41	28	52
loans	46	40	31	31	48	48
salaried work	45	39	24	48	41	41
labour migration	30	26	28	21	31	24
sons and daughters working	29	25	28	17	24	31
day labour and hard work	28	24	31	31	21	14
rearing livestock	18	16	17	21	17	7
fishing and fish farming	16	14	10	14	21	10
education and training	4	3	3	3	3	3
irrigation	3	3	3	3	3	0
receiving dowry	3	3	0	0	3	7
women's employment	2	2	3	0	3	0

### 4.2 Business

A large proportion (58%) of the groups identified ‘doing business’ as a major route out of poverty. The category ‘loans’ usually included people who had started small businesses, and the 58% in Table 3 may underestimate the number of groups who considered business to be one of the three most important causes of improvement. Much of the business mentioned involved petty trading in a wide range of agricultural and non-agricultural commodities. The establishment of new markets in some villages was seen to improve the ability of local people to engage in business and improve their lives. New forms of business are also emerging, such as mobile phone shops. However, the majority of types of business mentioned were of a more traditional kind: buying and selling agricultural produce, storing of grain or jute, bamboo trading, taking vegetables to market towns, dealing in fish fry, livestock,

setting up shops, and a host of other activities. Success in business often resulted in diversification and allowed land and other assets to be purchased, and often involved the use of credit from microfinance organisations.

#### **4.3 Improved agriculture**

Improved forms of agriculture appeared as one of the three main forms of improvement in forty-eight (41%) of the focus group discussions. This included improvements due to the use of high yielding (HYV) rice varieties and improved irrigation<sup>6</sup> where discussants reported that production had more than doubled compared with earlier non-HYV cultivation. The introduction of new crops such as maize has also been significant. Vegetable production was also seen as a route to improvement. Improved agriculture was often coupled with the use of loans to finance agricultural inputs. These were mainly seed, fertilizer, pesticides and irrigation. However, greater risk was also introduced because of higher input costs and greater potential losses when flooding or other forms of crop damage (e.g. insects and hailstorms) occurred or when there are fertilizer shortages .

#### **4.4 Loans**

Loans, mainly from development NGOs, were also seen as an important route to improvement, with forty-six focus groups (40%) including loans as one of the three most important contributors to improvement. The downside of loans was also emphasised in discussions (as discussed in the previous section). NGO loans were seen as a vehicle for moving from livelihoods based entirely on day labour to more profitable activities. Rearing livestock, buying rickshaws and *van garis*, sewing machines, small shops, mortgage or purchase of land, and lending money on at higher interest rates, were among the ventures mentioned by the groups. A number of groups also discussed how giving loans to others was also still a profitable enterprise with some borrowers from NGOs lending money on to others at higher interest rates.

#### **4.5 Salaried work**

The *Bangla* word *chakri* (often translated as ‘service’) refers to salaried work usually paid on a monthly basis as opposed to agricultural work, day labour, or small-business work. Forty-five groups (39%) listed ‘service’ as one of the three important causes of improvement. There are a number of advantages to this kind of employment: it is normally much more secure and a number of benefits such as provident funds and the ability to take advances on salary are available to help in times of need. In addition, these jobs are often seen as having higher status than small business employment or day labour. Enhanced status provides a number of benefits in daily life and can reap rewards such as higher dowries received for boys. ‘Service’ jobs include police, army or Bangladesh Rifles (BDR) positions, work in NGOs, government departments, banks, factories, textile mills, school teaching, work in the offices of private companies, and in Manikganj district, jobs in the nearby export processing zone (EPZ). Usually the improvement associated with holding these positions is gradual as salaries may not be high, but they tend to be much more secure than other sources of income. Considerable investments in education are often needed in order to secure these jobs, and for many salaried positions personal contacts and bribes are required. More recently, particularly for women, it has become possible to get work in garment factories, for example, without advanced qualifications.

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<sup>6</sup> Increased agricultural yields from irrigation were highlighted as one of the three most important reasons for improvement in three groups (two in Nilphamari in the north-west and one in Manikganj).

#### **4.6 Labour migration**

Thirty groups (26%) identified labour migration as one of the three most important causes of improvement. Most of these referred to international migration. Going overseas to work was seen as a high risk option which requires considerable upfront expenditure (discussants quoted around Tk 200,000 - 250,000 to arrange a job in the Gulf region). However, the returns from working several years overseas can be considerable: it was reported that workers can save about Tk 500,000 after spending Tk. 200,000. In order to raise the initial money needed, many workers sold land and other assets, took loans or used dowry money. Destinations discussed were commonly Saudi Arabia, Kuwait, Qatar, Dubai, Malaysia, Singapore, India and Pakistan; fewer went to the US, the UK or other European countries. However, poor, less-socially-connected and poorly educated people are often vulnerable to dishonest agents when arranging work overseas, adding considerable risk to this option. The importance of migrant labour for poverty reduction in Bangladesh provides a challenge for supportive policy innovations. There is clearly scope for making the negotiation of various aspects of labour migration less risky for poor people.

#### **4.7 Sons and daughters working**

Twenty-nine groups (25%) saw the advent of sons and unmarried daughters working as one of the top three contributors to improvement. It was usually sons which made the most difference: daughters tend to earn less and usually move away from their natal households once married. In sites closer to Dhaka, women's employment, such as in garment factories, is more common, and here daughters' work can currently have a more impact on parents' well-being than in more remote areas.

#### **4.8 Day labour and general hard work**

Twenty-eight groups (24%) considered that hard work, including in day labour, could lead to improvement. However improvement is at best gradual for day labourers: income often only just exceeds consumption needs, and only if other demands are manageable, such as dowry, medical expenses, or supporting children. In addition, in many areas demand for day labour is seasonal and work is not guaranteed all year round. When households are on an improving trajectory they tend to try to move from being entirely dependent on day labour to invest in other income-yielding assets. Buying livestock or mortgaging-in land were viewed as signs that a household was on an improving trajectory.

Having a reputation for being hard working was also valued in other ways by the discussion group members. Hard work has a moral value: those who improve their lives through consistent hard work were singled out as deserving the improvements they enjoyed. People with a good reputation for working hard were also seen as worthy to mediate in disputes and informal village hearings (*shalish*). Poor people who had advanced due to successful participation in the development interventions discussed also mentioned enjoying enhanced social standing and being included more readily in community activities.

#### **4.9 Rearing livestock**

Rearing livestock, particularly cattle, was seen as an effective means of slowly accumulating assets as well as receiving regular income from those assets – in the form of offspring and milk. Eighteen groups (16%) saw livestock rearing as one of the three main causes of improvement. A cow can produce one calf a year which can be sold, milk can be sold to help pay for food, and some milk can be drunk by the family. Stories were told of poor people with very few assets starting with rearing a goat, making a profit by its sale and then moving on to buying a cow, and then more valuable assets.

Examples of this process were given by a number of groups. A group from Kishorganj District reported on a landless day labourer who sold a tree for Tk. 3000 and was able to buy a calf. This was reared and sold for Tk. 12,000. Then two more calves were bought. After a year,

one was sold for Tk. 14,000 and replaced with a new calf bought for Tk. 9000. With the remaining money he was able to mortgage-in land to cultivate. According to the group this began a slowly improving trajectory.

Similarly, a landless rickshaw driver was reported to have started an upward trajectory by buying a share in a goat. When three kids were born he received two of them as his share and he was able to buy a calf when the kids were sold. The calf was eventually sold for Tk. 15,000 and he was able to buy another calf and mortgage land in as well as repair his house.

Women were also active in livestock (poultry, sheep, goats and cattle) with many using loans available from NGOs to buy livestock. Older people can also use income from livestock (such as milk from a cow) to support them when other forms of work are too arduous. However, some risks are unavoidable in livestock production with the loss of a cow for instance having a large impact on the economic position of a poor family.

#### **4.10 Fishing and fish farming**

Fishing and fish farming were singled out in sixteen discussion groups (14%). Those who discussed various forms of fishing and fish farming seemed to be very positive about its impact. Benefits from training were also singled out as having had a very positive effect. In one focus group the input of a DANIDA project was particularly highlighted as promoting profitable fish production. The input of the Upazila Fisheries Officer was also mentioned in several groups as having been instrumental in encouraging people to produce fish in ponds and in helping people gain the knowledge and skills needed.

#### **4.11 Education and training**

Education and training were singled out as one of the three most important causes of improvement in four discussion groups (3%). Examples of increased profits from vegetable production or fish farming directly resulting from NGO and other practical training were discussed. When people spoke of higher education the benefits were seen much more in terms of access to 'service' (*chakri*) type jobs – those paid with a monthly salary – and facilitating benefits from network resources associated with having high status. For example, higher education was cited in being instrumental in being included in a local mosque committee and being invited to wealthy people's houses or being included in resolving village disputes in informal tribunals (*shalish*).

#### **4.12 Causes of improvement: a summary**

A variety of business activities and improved agriculture were seen as significant ways of moving out of poverty by a large number of groups. Access to micro-credit also contributed to the ability to participate in business and improved agriculture. In addition, salaried work, labour migration (particularly to the Middle-East and South-East Asia), sons and daughters working, day labour, rearing livestock and fish farming were seen as common routes to improvement in people's lives. All of these routes involve hard work and the benefits are usually quite gradual. Many of them also involve risk. Crop and fish losses occur in floods, losses are sometimes incurred in international labour migration, and livestock can get ill, die or be stolen. Salaried work can be less risky but, even here, people can lose their jobs or become ill. Many poor people place their hope of improving their lives in their children and particularly in their sons. The receipt of dowry appeared in only three groups as an important cause of improvement with dowries used to buy land and to fund labour migration. This contrasts with dowry being seen by half of the groups as the most important cause of decline for families with girls.

There is scope for supporting the various strategies people use to improve their lives and especially in reducing the risks associated with business, migration and improved agriculture. These could be in the form of various forms of insurance – of crops, businesses and for other ventures. Groups who saw women's employment as one of the important causes of improvement (only two groups) saw the new opportunities for women's income generation to

be related to recent changes in society. However, in rural areas women are still very poorly remunerated compared with men (for agricultural day labour they often receive half the wages that a man gets) and opportunities are often limited to work around homesteads. Even though women's work may not feature as strongly as other causes of upward mobility, it is still of vital importance as a coping strategy for many very poor families. Income and food from women's work in rural areas often functions as a safety net in times of family crisis.

## 5. Remaining in poverty

### 5.1 Introduction

Focus groups were also asked to discuss the reasons why they thought people remained in poverty, which is slightly different to reasons for decline *into* poverty. Due to the overlap with the idea of decline these discussions did produce some confusion and as a result the findings were not as rich as discussions of decline. It is also possible that participants had started to tire or were avoiding repetition in this part of the discussion. It is interesting to note, however, that the ranking of reasons for remaining in poverty that emerged is different from those for decline. In particular dowry and illness do not feature as strongly, probably because they tend to be seen as more abrupt and idiosyncratic problems rather than chronic or structural constraints – groups seemed to interpret 'remaining in poverty' in this way. These conditions, such as adverse dependency ratios, lack of land, low income and lack of employment, all featured more prominently here than in discussions of decline.

**Table 4: The most important reasons for remaining in poverty reported by focus group discussants**

Cause of remaining in poverty	Frequency of inclusion as one of three main causes	Percent of all groups	Percent of poor men's groups	Percent of poor women's groups	Percent of non poor men's groups	Percent of non poor women's groups
adverse dependency ratio	44	38	44	45	38	45
lack of land	42	36	40	38	28	38
lack of income	29	25	36	24	21	24
lack of employment	20	17	16	10	28	10
idleness	18	16	20	17	14	17
Illness	15	13	24	14	0	14
death of spouse	7	6	0	10	0	10
lack of knowledge	6	5	4	7	3	7
lack of assets	5	4	12	3	0	3
loans	4	3	0	3	3	3
dowry	3	3	0	3	7	3
household division	3	3	4	0	3	0
lack of change	3	3	4	3	3	3
lack of education	3	3	0	3	3	3
extravagant spending	2	2	4	0	3	0
natural disasters	2	2	0	0	7	0
gambling	1	1	0	3	0	3
increased prices of essentials	1	1	0	0	3	0
no electricity	1	1	0	0	3	0
old age	1	1	0	3	0	3
polygamy	1	1	0	3	0	3
poor roads	1	1	0	0	3	0

## **5.2 Adverse dependency ratios**

Here the emphasis tended to be on the lack of working or income generating family members so that income does not meet consumption needs. This leads to an inability to save, build up assets and consequently an inability to emerge from chronic poverty. Expenses commonly mentioned were food, clothing, educational expenses and medical expenses. The problems associated with having more daughters than sons was also repeatedly discussed.

## **5.3 Lack of land**

Land is an extremely important productive asset as well as a source of food, fodder, firewood, social status and security, and the lack of land was emphasised in these discussions. Having no land in a rural area reduces the chances of emerging from poverty considerably. Day labour tends to be poorly paid and work is not available all year round, so if land is owned a supplementary form of income can be available. In addition, land ownership confers many other benefits. It is very hard for rural people to save money as there are immediate demands on available cash, such as providing hospitality for relatives. Thus, less-liquid investments can provide much needed security for the long term. Land and livestock are also important for those suffering from chronic illnesses or disability as work as a day labourer can be too demanding but lighter work tending livestock or vegetables on one's own land can be more easily undertaken. There is also more likelihood of women being involved in home-based and livestock-based income generation if land is owned.

## **5.4 Lack of income**

In these discussions lack of income also featured prominently. Examples of people who spent what they earned without having any scope for saving or accumulating assets were again given to describe the condition of people who were chronically poor.

## **5.5 Lack of employment**

In many areas lack of employment opportunities were blamed for not being able to emerge from poverty. The male groups tended to cite these reasons more. There did not seem to be a marked difference between remote or non-remote sites, but the discussions were slightly different between a more peri-urban setting such as Manikganj where work all year round was not available in a tobacco factory and suitable work for high school graduates was scarce. In more remote sites agricultural labouring work was the main form of employment available and it was also not even available all year round (for example in one of the Chandpur sites this work was only available from January to June).

## **5.6 Other reasons for remaining in poverty**

Idleness featured more strongly as a cause of remaining in poverty (16%) than as a cause of decline (10%) and illness featured less strongly here (13%) than in the discussions of decline (48%). It is interesting that none of the non-poor men's groups rated illness as one of the top three causes of remaining in poverty. It was also notable that 10% of women's groups considered the death of a spouse to be one of the three most important reasons for remaining in poverty whereas men's groups did not mention this at all. A number of other reasons for remaining in poverty were also discussed as listed in Table 4.

## **5.7 Causes of remaining in poverty: a summary**

Remaining in poverty was discussed slightly differently from decline into poverty, with illness and dowry not featuring as strongly in remaining-in-poverty discussions. It is likely that the idea of remaining in poverty was linked to more chronic or structural hindrances to improvement than to what are seen as one-off or idiosyncratic shocks. Causes of decline and remaining in poverty are conceptually difficult to separate and seemed also difficult to separate in the discussions that occurred. With hindsight it may have been more useful to

combine discussions of causes of remaining in poverty with the discussions of causes of decline.

## **6. Discussions about the impact of interventions**

### **6.1 Introduction**

The three types of intervention (food for education/cash for education; vegetable and fish farming inputs; and microfinance) were discussed by focus groups who contained both participants in the programmes and non-participants. The overall research programme builds on three surveys conducted by the International Food Policy Research Institute (IFPRI) and associates in Bangladesh to evaluate the short-term impacts of microfinance (1994), the new agricultural technologies (1996-97) and the introduction of educational transfers (2000 and 2003). These are described in Zeller *et al.* (2001), Hallman, Lewis and Begum (2003, 2007) and Ahmed (2005).

Food for Education (launched in 1993) attempted to address the problem of poor children not attending school because their families could not afford either the direct schooling costs or the opportunity costs of children's work – inside or outside the home. Its objectives were to increase attendance rates and to reduce dropout rates. Participating children received monthly rations of wheat or rice if they attended at least 85% of their primary school classes. In 2002 the programme was replaced by Cash for Education. See Ahmed (2005) for a description of this programme and also Morely and Coady (2003) for a review of research on these types of interventions, including the Bangladesh programmes.

The vegetable interventions consisted of the provision of credit, training and improved varieties of seed to women NGO members in marginal households in Manikganj District. The particular programme being discussed started in 1994. The fish-farming interventions consisted of the provision of training and credit to men and women in the Mymensingh (from 1990) and Jessore Districts (from 1993). In the Jessore area groups of women received training and credit and were able to lease ponds. For a description of the vegetable and fish-farming programmes see Hallman, Lewis and Begum (1996, 2003, 2007). Microfinance programmes discussed in the focus groups included a range of NGO cooperative based programmes similar to the Grameen Bank model (see Zeller *et al.* 2001).

**Table 5: Location of interventions**

Intervention	District	Number of focus groups
Food for Education/ Cash for Education	Chandpur	8
	Naogaon	8
	Narail	8
	Nilphamari	8
	Sherpur	8
Agricultural technology	Manikganj	8
	Mymensingh	8
	Jessore	16
Microfinance	Habiganj	8
	Kurigram	8
	Manikganj	8
	Mymensingh	4

On the whole the discussants were more positive than negative about the long-term impact of all three of the intervention types, and most groups linked the interventions with reductions in poverty, and with many other benefits for poor people. All three of the categories of intervention also had negative impacts but these did not come across as strongly as the benefits in the majority of discussions. It is not appropriate to translate findings from focus

groups into quantitative data on positive versus negative impact or to ascertain which interventions were most effective in reducing poverty – that task can only be attempted once quantitative data and life history data are also available. However at this stage it is useful to discuss the range and relative importance of issues that arose in the focus groups concerning the way the interventions impacted poor people's lives.

Tables 6 and 7 list a number of topics of conversation in the focus groups. I have ranked these in order of frequency of citation in the focus group transcripts. However, since we are dealing with data derived from unstructured discussions the same caveats apply about the use of 'quantitative data' derived from these qualitative accounts. The non-structured approach of the focus group discussion has the advantage of allowing categories and topics to arise from the groups rather than from researchers. The categories themselves are findings, frequencies merely indicate their relative importance for the various groups and raise questions for further research.

**Table 6: Positive impact of interventions**

Positive impact	Percent of FFE/ CFE groups	Percent of agricultural technology focus groups	Percent of MF focus groups	Percent of all focus groups
overall economic gain	68	77	64	71
literacy rates, education and training	73	58	68	66
improved family relationships	60	42	75	56
improved social status and better community relations	50	48	71	54
improved nutrition and health	58	40	50	48
benefits to the poor more than rich	43	25	75	43
positive gender impact	0	46	82	39
school attendance and motivation	63	0	0	22
access to credit and improved business prospects	5	21	68	28
education costs	48	0	0	16
asset accumulation	0	0	43	10
livestock purchase	0	0	36	9
better parental care	25	0	0	9
access to better seeds	0	17	0	7
improved confidence	0	0	29	7
land	0	0	25	6
ability to use private tuition for children	18	0	0	6
more employment	5	8	0	5
access to fish fry	0	8	0	3
security	8	0	0	3
help with dowry	0	0	7	2
access to fertilizer pesticides etc	0	2	0	1
independence	0	0	4	1
migration	0	0	4	1
better hygiene	3	0	0	1
improved marriage prospects	3	0	0	1

**Table 7: Negative impact of interventions**

Negative impact	Percent of FFE/ CFE groups	Percent of agricultural technology focus groups	Percent of MF focus groups	Percent of all focus groups
exclusion and non-participation	13	25	25	21
repayment problems	0	0	68	16
use to fund non-business	0	0	57	14
corruption or unfair practice	23	6	11	13
benefits rich more than poor	13	15	7	12
economic decline or stagnation	13	6	18	11
management problems	3	2	18	8
asset loss	0	0	25	6
damaged family relationships	0	0	25	6
adverse gender impact	0	8	0	3
natural disasters	0	6	4	3
misuse of money	0	0	11	3
business loss	0	0	7	2
damaged social status	0	0	7	2
poor information	0	4	0	2
short term programme	0	4	0	2
resistance to programme	0	2	7	2
debt burden	0	2	0	1
dependence	3	0	0	1

## 6.2 Economic gain, employment, business

The majority of the discussion groups thought that the interventions had resulted in economic gain for the participants involved. Overall, 71% of focus groups raised this in their discussions as opposed to 11% who discussed cases of economic loss or stagnation due to the interventions. In the Food for Work programmes the grain received helped families to raise their nutrition levels and cover education costs (such as books, exercise books and stationary, clothes, and fees for private tutors). Also benefits received were seen as being linked to children so that extra money derived tended to go to child-related expenses. Groups also mentioned Food for Education grain being sold allowing productive assets such as poultry or goats to be bought. A total of 77% of the groups in the agricultural technology intervention area and 64% of the groups in the microfinance areas also considered that economic benefits had resulted from the projects.

On the negative side some groups thought that interventions had caused decline or had no impact. In the case of Food for Education and Cash for Education a small number of groups thought that the intervention may have encouraged school attendance but the effect was too small to have any lasting economic impact. In the agricultural technology sites economic losses occurred more in the fish projects than in the vegetable projects. These losses were due to fish being lost to floodwaters and a lack of profit due to fish not doing well due to lack of food or poor pond conditions. In the microfinance projects economic losses were most associated with poorer people who used the credit to fund consumption and then later ran into repayment problems.

## 6.3 Impact on education, literacy, school attendance and training

Many of the groups (66%) cited improvements due to education, literacy, school attendance and training. The education programmes had most impact on school attendance, motivation, and literacy for children (63% of FFE/CFE sites mentioned improved school attendance and motivation); the other programmes provided training for adults in various forms but also had indirect benefits on children's education. In the discussions about microfinance it was quite clear that there were a number of indirect benefits. Groups discussed how those who were

members of cooperatives linked to NGOs also had different attitudes: women were more confident due to dealings with outsiders, children were attending schools – many of them run by NGOs, and they were enjoying higher social status. In the agricultural technology sites, training was given but also groups discussed how children were attending school when they were not previously, especially when women's conditions were improved through the project.

#### **6.4 Impact on social status, marriage, family and community relationships**

Across all three of the interventions, discussants commonly mentioned improved social status for poor people – especially women – due to involvement in the projects. This was linked to more confidence, improved education, improved economic standing, holding more assets, children going to school, and greater participation in community activities as a result of the project. This was particularly marked for women involved in microfinance groups but also occurred for the other interventions. In the education programmes, groups discussed how poorer children were attending school and mixing with better-off children leading to more interaction between the poor and not-so-poor. They also learned how to speak using higher-status language. Parents (mothers especially) also gained confidence through greater interaction with the schools concerned, and were more likely to be invited to community functions. It was also mentioned that girls who have been to school are able to be married into higher-status families. In the agricultural technology and microfinance sites it was also common for the groups to cite that social status – particularly for women – had improved due to families becoming more solvent, having received training, and having more mobility and confidence to interact with people in offices, banks and other places.

Relationships within families was also seen to have improved due to all three types of intervention. In many cases the money that women gained from involvement in the projects allowed them to spend on children with less negotiation with their husbands. Many groups reported less quarrelling between husbands and wives due to the project. In some cases, however, the opposite was reported, particularly in the micro-finance sites. In these cases it was usually over disagreements over loan repayments – the husband using the credit but being reluctant to pay instalments. In a small number of groups violence and marriage breakdown due to misuse of credit and refusal to repay loans was reported. In other cases relationships between women and their in-laws was also discussed: in-laws objected to women moving more freely in public due to the project. However, in-law relationships were more often reported to be improving than declining because women were seen as financially contributing to the household. In the debates about the empowerment of women in the microfinance literature<sup>7</sup> the significance of in-law relationships often gets overlooked due to emphasis on husband – wife relationships. The discussions here suggest that these relationships can also be quite significant.

#### **6.5 Impact on health and nutrition**

About half of all the focus groups mentioned improved health or better nutrition as a direct result of the interventions. Nutrition was discussed much more than health, with groups frequently saying that people can now eat three meals a day when before they could not. In the case of the vegetable and fish projects the impact on nutrition was more direct: vegetable and fish were consumed by those cultivating them. Some wheat in the food for education projects was consumed but it was also sold. In the education programmes discussants also mentioned how parents were more likely to take better care of their children due to the intervention. If children lost too many days at school then the benefit would be lost. As a result they were more attentive to children's health and more likely to take them to see a doctor if they became ill. The impact of microfinance on nutrition and health was seen as less

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<sup>7</sup> See Kabeer (2001) for a useful review of the debate on the empowerment potential of microfinance in Bangladesh.

direct and linked to general economic improvement associated with income generating activities.

## **6.6 Management, corruption and fairness**

Most of the groups considered that the various interventions had been run in a fair way and that corruption and bad management were not too significant. Groups that had not been included in the interventions often complained that they did not enjoy the benefits of participation and that their circumstances would have improved if they had been included. Some groups also felt that the rich had benefited more than the poor although this was not the majority opinion. In some of the fish project sites, groups complained that only those who had ponds were able to participate and therefore the poorest were excluded.

Complaints of corruption and unfair practice were highest in the education interventions (23% of the groups). Correct amounts of wheat were not distributed with officials taking wheat instead of distributing it to beneficiaries. It was also considered that lists had been drawn up in a biased way with non-poor families receiving the wheat instead of the poor. There were also cases of bribes being given in order to ensure eligibility for the programmes. In some cases teachers salaries were generated from scholarship funds.

## **7. Concluding remarks**

Patterns and causes of decline discussed in focus groups help to reveal the profile of risk facing poor people in rural Bangladesh. Dowry, illness and adverse dependency ratios in families, were all seen as very important causes of decline in a large number of groups and draw attention to the need for a better understanding of life-cycle related pressures on poor households. In the next phases of the research programme we will endeavour to further understand how these pressures influence life trajectories across a larger sample (through the panel survey) and in more detail (through the life history interviews).

The discussions here suggest that the poorest people, and those not well-endowed with other important forms of social power, are likely to be most affected by the many common causes of decline identified. These people are positioned so that they are more exposed and vulnerable, and less insured and resilient in the face of many of the pressures described.

There are clear opportunities for improvement too, and various forms of business activities, improved agriculture, microfinance loans, salaried work, labour migration, and sons and daughters working were all seen as significant. However, changes for the better are nearly always gradual, are usually the outcome of hard work, and tend to have an element of risk. Since this risk tends to be heightened for people with few economic and social assets, the reduction of risks associated with efforts to graduate from poverty should also be a priority in poverty reduction strategies. These could take the form of insurance for business, agriculture or migrants. Insurance-type interventions could also target the other important downward drivers: illness, medical and other costs in old age and dowry.

The various interventions explored suggest – at this interim stage at least – that they have had a more positive than negative impact on poverty reduction in a variety of dimensions of wellbeing in people's lives. These positive impacts have contributed to virtuous spirals when economic advancement is coupled with enhanced social status, better community relationships and improved gender outcomes. However, there are downsides to these interventions as well. Some may be minimised by better management and community relations, but others are still an unavoidable consequence of poor people embarking on risky ventures.

Public action to prevent decline and support improvement should therefore take into account the changing profile of risk facing poor people, as well as the sets of opportunities they can realistically pursue. The interim findings in this paper begin to outline a number of patterns of

risk and opportunity which have potential implications for public action, and focus our attention as our research continues.

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