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## Targeting the extreme poor: field experience from Dimla, Bangladesh

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### Introduction

The international NGO, Concern Worldwide, has been working in both rural and urban areas of Bangladesh since 1972. Concern in Bangladesh sees its commitment to the poorest and most vulnerable groups as its defining characteristic. To address the challenges of working with the extreme poor living in the environmentally vulnerable remote areas, Concern is presently implementing Integrated Rural Development Projects (IRDP) in four such locations.

Concern's approach to IRDP is to promote the development of sustainable community-based organisations, formed and run by the extreme poor. These organisations serve as structures through which members can organise certain services for themselves, and secure others from the government and NGOs.

In early 2002, Concern decided to assess whether its IRDPs are reaching the extreme poor. Concern's management chose Dimla as the site of a participatory research study which asked two questions:

- Who are the extreme poor?
- Is Concern's Dimla project reaching the extreme poor effectively through its existing activities?

### A brief overview of the Dimla project

Dimla is a sub-district of Nilphamari, which borders the

**Char area of Dimla. The river has a significant impact on people's well-being.**



Indian state of West Bengal to the north. To develop irrigation and control flash floods, the Water Development Board built a barrage (dam) on Dimla's main river, Tista, in 1993. This barrage has created three distinct agro-ecological areas:

- *char* areas (remote islands)
- riverbank and embankment side areas
- *kaim* areas (areas protected by the embankment).

After launching an emergency programme in the flood-affected areas of Dimla in 1998/99, Concern decided to launch a five-year development project targeted at the extreme poor of remote (*char*) areas of Dimla.

**Table 1: Classification of households living in the working areas of Dimla project**

Column 1	Column 2		Column 3		Column 4 = (col3 / col2)*100
Classification of households	Distribution of total households in the working areas		Distribution of Concern member households in the working areas		Distribution of total households covered by Concern in the working areas
	Number	%	Number	%	
Rich	266	5%	0	0%	0%
Middle	499	10%	0	0%	0%
Poor	1672	32%	908	43%	54%
Extreme poor	2800	53%	1212	57%	43%
Total household	5237	100%	2120	100%	41%

Using rapid rural appraisal (RRA), social maps were prepared in 16 target areas in order to develop clear demarcation lines and identify demographic profiles and physical resources. A detailed well-being grouping exercise was then conducted in every target area to classify all households into four categories<sup>1</sup>: rich, middle, poor, and extreme poor (see column 2 of Table 1).

Initially it was planned that the project would only target the extreme poor. However, after the well-being grouping exercise, the project team recommended targeting some poor households as well due to their extreme vulnerability and likeliness to fall into the extreme poor category anytime. As a consequence, Dimla project started to work with 2120 families (see column 3 of Table 1).

The project organised the target households into community-based groups to pursue activities that would improve their human and material resources, and develop their understanding of their legal rights. The key project activities were savings and credit, awareness raising and skills training, non-formal education, tree planting, and rural infrastructure development. In early 2001, the project team started to advocate for the allocation of government land to homeless households. Despite strong protests from the local elite (who illegally occupied the land), the project team succeeded in mobilising government land for about 100 extreme poor households by the end of 2002. Advocacy activities are still going on.

### The research process

The researchers started by analysing the information

<sup>1</sup> The criteria used to identify the households in each category were: food security, landholding status, housing status, ownership of moveable assets like cattle and poultry, state of clothing, access to credit markets, number of economically active adult males, number of dependants, respect in society, and ability to bear the cost of medical treatment.

**Table 2: Distribution of study participants by sex and membership**

Sex	Membership with Concern	
	Member	Non-member
Men	5 sessions	5 sessions
Women	5 sessions	5 sessions

presented in Table 1, and then undertook participatory rural appraisal (PRA) with households that had been identified as the extreme poor in the project social maps. Twenty PRA sessions were conducted and on average 12 persons participated in each session. Table 2 presents the distribution of participants in each session by sex and membership.

In each PRA session, participants conducted a well-being ranking exercise, followed by livelihood analysis, dream analysis<sup>2</sup>, and analysis of the involvement of the extreme poor in project activities.

### Findings

#### Coverage of the extreme poor in targeted areas

As column 4 of Table 1 shows, 54% of poor households have been covered by the project, but only 43% of extreme poor households. This indicates that the project team has been more successful in reaching the poor than the extreme poor.

#### Categories of extreme poor households

The research also showed that there are significant variations in the well-being of the extreme poor in terms of availability/use of human capital.<sup>3</sup> The community divided the extreme poor into three major categories: beggar class, helpless poor, and moderate poor.

- People of the **beggar class** (*Vikuk Sreni*) are extremely poor. They cannot work and are not supported by any family structure, e.g. the disabled, physically or mentally ill or chronically sick people, old people beyond working age, abandoned children. They are excluded from the project target group because the project team believes that only charities (as opposed to any other development activity) can move them out of poverty.
- The **helpless poor** (*Ashohai Gorib*) households also live in extreme poverty. These households either have only one

<sup>2</sup> Editor's note: this is a type of analysis which looks at 'hopes and fears' or 'ideal futures'.

<sup>3</sup> Human capital represents the skills, knowledge, ability to labour, and good health that together enable people to pursue different livelihood strategies and achieve their livelihood objectives. At a household level human capital is a factor of the amount and quality of labour available. This varies according to household size, skill levels, leadership potential, health status, etc.

**Table 3: Distribution of extreme poor households of Dimla**

Position in the ranking chart	Name of the newly categorised extreme poor households	Main characteristics	% distribution of newly categorised extreme poor households		% distribution of all extreme poor households
			Concern Member extreme poor	Non-member extreme poor	
Bottom	Beggar class	Extreme poor persons without capacity to work and not embedded in supporting family structures	0%	3%	1.5%
Middle	Helpless poor	Extreme poor households having very low human capital	55%	40%	47.5%
Top	Moderate poor	Extreme poor households having relatively better human capital	45%	57%	51.0%
Total			100%	100%	100.0%

adult earning member, who is often a woman, or the adult members are not in a position to use their existing human capital for various reasons such as having childcare duties or due to sickness.

- Households with more than one adult earning member – one of them often a man – are referred to as **moderate poor** (*Nimno Maddhym*) households. Key earners of these households have relatively better economic mobility and can maximise the use of their human capital in the existing labour market. In the socio-economic context of the char areas, these households are not extremely poor.

#### A note on terms: social respect comes first

The most common local terms for the moderate poor were *Nimno Maddhym*, *Durbal Maddhyatar*, and *Saman Saman Jay*. In the triangulation session, the community unanimously chose the term *Nimno Maddhym* as a standard name for this category. This is because the word *Maddhym* is associated with social respect. 'Moderate poor' is actually the literal translation of *Nimno Maddhym*.

*Ashohai Gorib* and *Vikuk Sreni* were the most-used local terms for households belonging to the middle and bottom categories respectively. 'Helpless poor' and 'beggar class' are literal translations of these words. When the terms were presented at the triangulation workshop, they caused uneasy reactions among some participants. They pointed out that the terms bear strong negative connotations and suggest that the community has unsympathetic attitudes to the poorest of the poor, whilst in fact they are often respected. Despite strong reactions, most of the participants

wanted to retain these terms because they encapsulate the feelings of the poorest groups about their position. They also highlight the social position of the poorest of the poor.

Table 3 shows the distribution of households between the three categories.

From the last column of Table 3, it can be seen that over 50% of 'extreme poor' households do not live in extreme poverty though they have been identified as extreme poor households by the project team.

As people of the beggar class are excluded from the project target group, they have also been excluded from other parts of the research. We focus here on the helpless poor and the reasons why they often are not able to participate fully in the project.

#### Helpless poor households

Helpless poor households are deprived of basic needs. They are identifiable by their very poor clothing and physical conditions. Unlike other poor households, going hungry is not seasonal or sporadic but perennial. Members of these households look upon themselves as the most insecure in society. They have very low interaction with other social groups and people just ignore their presence in the community.

These households have little human capital. Their food security mainly depends on the earnings of only one adult member of the household. They are often female-headed (either widowed, divorced, or abandoned) and have dependent small children. Older children (age eight and above) are important assets. There are also male-headed

A group of men carry out well-being ranking



Women analysing the involvement of the extreme poor in project activities



households where the man is aged, disabled or ailing, and the household is dependent on his wife's earnings for sustenance.

Helpless poor households usually cannot seek loans – institutional or informal – because of lack of collateral. They usually do not have cultivable land, cattle, or draught power. If they do have access to land, it is often unproductive. According to participants, cultivable land and draught power are the most important assets for sustainable livelihoods because both can be rented out to provide income, even if households do not have sufficient human resources or land to farm themselves.

Because of the very poor communication and transportation systems in the *char* areas, the economic mobility of the earning members of these households is very low. In addition, government services such as health and education are almost absent.

As a result, these households have very little coping capacity against adversity and critical economic situations. The community believes that the prospects of the helpless poor for moving out of extreme poverty are bleak, not only because of very low level human capital and environmental vulnerability but also because of high levels of uncertainty in the labour market, exploitation, very low social capital<sup>4</sup>, breakdown of extended family, inability to join NGOs, lack of involvement in NGO activities, and few opportunities to develop human capital.

#### Reasons why helpless poor households are excluded

The assessment clearly shows that helpless poor households are either excluded from the project or have a lower level of

involvement. They are often unable to join training or adult education programmes as their participation in these programmes prevents them from working. As they do not have regular savings, other group members do not want to give them loans and this makes it difficult for them to join micro-credit activities.

The selection criteria used by Concern to define target households, e.g. stability in the settlement, age below 45, regular savings requirement, can actually bar the helpless poor from benefiting from the programmes since these are characteristics which they often do not share.

#### Key learning from the participatory research

- In terms of methodology, we found that the well-being grouping exercise was useful to get an idea of the number and characteristics of well-being groups in the community. It also gave a rough proportion of the different groups within the community. However, the well-being ranking exercise was the best method for identifying households living in extreme poverty. We could only use it after building a good rapport with the community.
- For various reasons, the Dimla project directly and indirectly bypasses the extreme poor, or they cannot participate fully in the development of its activities. Therefore, Concern needs to look at the extreme poor issue separately and with special attention. A **pro-poor strategy** is not effective in reaching the extreme poor. A specifically targeted **pro-extreme poor strategy** is required.

If Concern wants to work with the extreme poor, it should evaluate their existing human and social assets and develop the programme accordingly. The prime goals of the programme should be the protection of existing human capital and ensuring the secure use of human capital for sustainable livelihoods. As there is a strong relationship between human capital and social capital, the protection

<sup>4</sup> Social capital means social resources upon which people draw in pursuit of their livelihood objectives. These are developed through networks and connectedness, membership of more formalised groups, and relationships of trust, reciprocity, and exchange.

**A triangulation session at the end of the research. The poorest people sat at the back of the room and did not participate. A second session was arranged to ensure their participation**



and optimal use of human capital would enhance and strengthen the social capital of the extreme poor.

- Finally, the financial services provided by the Dimla project failed to reach the extreme poor because of a fault in the system. Credit is mostly 'promotional' instead of 'survival' and 'protectional'. Loan for promotional measures allow the better-off poor to expand their businesses. But the poorest of the poor badly need credit for survival and protectional purposes. Concern needs to adopt new policies: small and flexible loan size to suit the extreme poor; longer, flexible repayment plans; closer supervision; and possibly linking micro-credit to safety net programmes, such as skills training and food aid.

### Learning shows the way ...

A big challenge for Concern's management team is to reach the extreme poor effectively given the experience discussed above. Concern has already taken some steps in this regard:

- Conducting more research on extreme poverty to gain a clearer understanding of the vulnerabilities and livelihood assets of the extreme poor is expected to contribute significantly to developing pro-extreme poor strategies, as well

as to designing effective projects for the extreme poor.

- Reviewing project policies to identify their impact on the extreme poor. For example, the removal of the age bar on group membership and more flexible saving systems have provided scope to include more extreme poor households in the participating groups.
- Making it mandatory for all Concern projects to make a list of the extreme poor households in the project area through well-being ranking with group members.
- Working with other organisations to mobilise resources for the extreme poor, e.g. another international NGO, World Vision, is helping organise tree planting activities.
- Putting special emphasis on advocacy to mobilise government land for landless extreme poor families, and on increasing the extreme poor's access to government food aid programmes.

Despite these positive steps, there are many other issues that need to be resolved. For example, some managers think that food aid is essential to reach the extreme poor effectively but some other managers think that it will create a relief mentality among the extreme poor families. There is also a wide debate among Concern managers on the issue

The triangulation session which was organised in the open field. Iqbal is facilitating the session



of flexible credit for the extreme poor. While some managers are in favour of flexible credit (interest-free loans), longer repayment plans etc., other managers are opposing it for the sake of the sustainability of community organisations.

Taking into account these debates and the learning from

the assessment study, Concern's management team is now working to develop a long-term, location-specific, and multi-pronged pro-extreme poor strategy in order to address the challenges of reaching the extreme poor and improving their socio-economic status.

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#### ACKNOWLEDGEMENTS

We gratefully acknowledge the contribution of villagers and the project team in giving their valuable time at every stage in the research process.

#### FURTHER READING

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