

Essay on Poverty Alleviation : Planning and Success

Hints: Introduction, Different correlates of poverty, Macro Economics Policies, Poverty alleviation interventions, Policies: Rural development, Role of aid in development, Conclusion, and recommendations.

Introduction

Bangladesh has gone a long way since the country achieved independence in 1971. But still today Bangladesh is among the bottom few out of the 48 least developed countries of the world in terms of per capita income. Our total population is about 165.5 million – a large proportion of them are facing poverty. So now poverty is the main problem of our country's development. Poverty is an absolute as well as a relative condition. Those whose minimum basic needs are not fulfilled are absolutely poor. The majority of the population in Bangladesh especially in the rural areas are living below the poverty line. Our per capita income has grown \$750 but social indicators have improved a little. So, to make a developed country, we have to alleviate our poverty and the primary development object of the government is poverty alleviation.

Different correlates of poverty

There are many causes of poverty. Rapid population growth has long been recognized as one of the most binding constraints to alleviate poverty in Bangladesh. In 2008, our total population was more than 140 million, and at present, further more.

Land ownership and income distribution patterns reflect very high inequality between the rural poor and the rural elite, which poses a

serious threat to the traditional rural social structure. Millions of rural households have no land, or they have little. But it is not enough to feed the increasing number of their households.

The tiny elite class consisting of huge numbers of civil or military services, professionals, businessmen, politicians, and landlords use their social power and economic resources to acquire all the creature comforts and more and more assets, including the lands of the poor. Their children get a better education and in turn control the civil and military services, business, and politics. Inequality income both widens and deepens poverty. Bangladesh has been ranked the most corrupt country in the world more than four times by the best-known survey, conducted by TIB. So this corruption is also a cause of poverty. Besides, want of proper education, rural education, women education, want of employment and like these various things are responsible for our poverty.

Macro Economics Policies

Bangladesh is promoting structural adjustment in the context of sustainable development and social progress, requiring that growth be broadly based to offer equal opportunities to all. In the light of the above perspective, Bangladesh has taken important initiatives to promote market-oriented policies to increase the level and efficiency of investment. While the growth benefits may not trickle down to the poor, targeted programs for income generation and employment creation, as well as the social safety nets built up by the government, will ensure that the benefits of economic development are not shared equitably by all sections of the population.

Poverty alleviation interventions

Our government and different organizations have been taking many

programs for poverty alleviation. Some of these are described here:

A. Policies: The debate on poverty alleviation policies has, at times, been polarized between proponents of macro-level policies concerned with overall economic growth or redistributive measures and those believing in direct targeted interventions. But experience in poverty alleviation shows that there is a strong complementary between macro-level strategies and direct macro-level targeted interventions.

B. Strategies for poverty alleviation: Bangladesh is now at the final stage of preparing the proposed plan, as envisaged in the South Asian Association for Regional Co-operation (SAARC) Dhaka declaration of April 1993, which is being integrated into the fifth Five Year plan (1997-2002). Now Bangladesh is running on by sixth Five Year plan. Within the plan document the political process will be complemented by a social process which would imply that poverty, unemployment, and social degeneration would be attacked at the grass-root level through community organizations receiving direct support from, and regular monitoring and super-vision by strong local government institutions.

C. Current strategies for poverty alleviation: The following are the four major strategies for poverty alleviation:

1. Strategies for higher economic growth: These policies and programs may be implemented by stimulating investment. The indirect policies pursued poverty alleviation is supposed to benefit all groups of people together with the poorer groups, through the trickle-down process derived for high investments for growth.

2. Strategies for higher investment in the social sector: In our social sectors like education, sanitation, and health, women's development, rural development, etc. the government and NGOs should

invest more capital. To reduce or alleviate our poverty, more investment is essential in social sectors.

3. Target program for income generation and employment creation: We should create more job areas for employment so that the people can earn money. Now both the government and NGOs are running those types of programs extensively all over Bangladesh.

4. Social safety nets: The four main public sector programs related to safety nets are: (a) Food For Work Programme (FFW); (b) Vulnerable Group Development Programme (VGDP) (c) Road Maintenance Programme (RMP) and (d) Food for Education Programme (1-14EP).

D. Performance of government programs: Of all the programs undertaken by the government, the Bangladesh Rural Development Board (BRDB) is regarded as the most prominent government organization with the greatest potential for poverty alleviation.

E. Performance of NGOs: The NGOs in Bangladesh are mainly divided into two categories (a) foreign NGOs and (b) foreign-aided local NGOs. All the NGOs are playing an important role in our poverty alleviation from grass root level to top level.

F. Grameen Bank: The Grameen Bank provides loans without collateral for the following board categories of poverty alleviation activities: services, trading, peddling, live-stock and fisheries, collective enterprises, agriculture, and forestry, shop-keeping, and processing and manufacturing. Grameen Bank has already disbursed loans totaling about TK. 120 billion till June 2003 for poverty alleviation.

G) Local Government: The government has to create the institutional prerequisites for effective and accountable local government. Local government bodies and local institutions should be encouraged to

become active partners in the design and implementation of poverty alleviation programs.

H) SAARC initiative to eradicate poverty through a proposed plan: This initiative in the form of a macro policy for new economic planning was announced jointly by the seven Heads of Governments of SAARC countries at their seventh summit in Dhaka, in April 1993. The announcement came to be known as “the Dhaka Declaration” (on poverty eradication). We should try to make it fruitful.

Rural development

Bangladesh is a country of villages. The country's economy is predominantly rural and the planning emphasis has always been upon a strategy that gives high priority to rural development with the objectives of higher agricultural output and more gainful employment generation.

Role of aid in the development

There is an ongoing debate on the actual impact of aid in Bangladesh. There is a strong view that the progress of Bangladesh is today dependent on foreign aid. The truth is likely to be what foreign aid as needed, the country should mobilize domestic resources much more than has hitherto been the case so that aid does not become the engine but plays a supportive role. If we can use our foreign aid for good purposes and if we can monitor this, it will be very helpful for poverty alleviation.

Conclusion

Our total infrastructure development needs to be planned in a manner that is supportive inter alia of the non-farm sectors. Investment in

the poultry, live-stock, and fisheries sector should be encouraged. Because of its growing importance in rural poverty alleviation, integrated policy initiatives for the informal sector should be undertaken. Government programs are opened through its different agencies, while the NGOs function individually and there is no coordination between the two channels. So, coordination should be made. There is much talk about poverty alleviation in Bangladesh. Various plans have been already taken for our poverty alleviation. For poverty, alleviation emphasis should necessarily be placed upon human capability development and also the policy on science and technology should be emphasized. Bangladesh could become a middle-income country by 2020, but to do so effectively we have to attract substantial private investment and engage in a crash program to develop its human resources and enhance its efforts to reduce population growth. If we want to alleviate our poverty and make a self-sufficient country, we should work altogether to make our plan successful.