

## The Impact of Social Safety Net Programmes on Poverty Reduction in Bangladesh: An Evidence from Old Age Allowance

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### ABSTRACT

*Poverty among the rural poor elderly people is a crucial issue for Bangladesh since most of the people live in a rural area and rural people are more poor and vulnerable compared to the urban population. The Old Age Allowance Program (OAAP), under Social Safety Net Programmes (SSNPs), is one of the initiatives and interventions of government to solve this problem. This study tried to explore the effectiveness of OAAP for reducing poverty among its beneficiaries, rural poor elderly people, through qualitative methodology by applying semi-structure interview and secondary sources. The findings of the present research showed that OAAP has a positive impact on reducing poverty among the rural poor elderly people. Especially OAAP ensures the access of its beneficiaries to improve food and calorie, including increasing their status within their families as well as in society. However, outcomes also suggested ensuring more transparency during the enlisting stage of beneficiaries along with increasing allowance money and coverage, involving local civil society during the primary stage of enlisting beneficiaries, more publicity program for raising awareness among the targeted people, reducing complexity during withdrawal of allowance etc. Therefore, allocation of this benefit can be distributed based on the area, and the demographic structure of a particular district and Upazila and age can also be reduced for the rural poor women.*

**Keywords:** Allocation, elderly people, impact, population, vulnerable

### INTRODUCTION

Bangladesh is a developing and densely populated country. Since its independence in 1971, the country has been fighting some problems, and among them, poverty is a crucial one. Therefore, Bangladesh has taken several initiatives for reducing poverty, and the Social Safety Net Program (SSNP) is one of them. The main objectives of SSNPs are to reduce vulnerability and the poverty rate of the country (Department of Social Services 2018). Provision of social security for citizens is in Article 15 (d) of the Constitution where it directs the government to take necessary measures for helping disadvantaged and elderly people. SSNPs are the government assistance programs of social security and protection towards the poor and vulnerable, in kind or cash, for reducing poverty and vulnerability. In this study, SSNPs means all the programs carried out by the government in cash or kind. Old Age Allowance Program (OAAP) is a cash transfer program under SSNPs for reducing poverty and vulnerability among rural elderly people.

Based on daily calorie intake, below 2122 kilocalorie a day, the poverty rate in Bangladesh is 24.3%. The total population of the country is 162.95 million (World Bank 2016). Therefore, 39.59 million people are still living in poverty. For this reason, one of the significant goals under the Millennium Development Goals (MDGs) was reducing developing countries' poverty rate to 15% from 30% by 2015 based on earning less than 1 dollar per day (Besley & Burgess 2003) and Bangladesh achieved this goal (MoF 2017),

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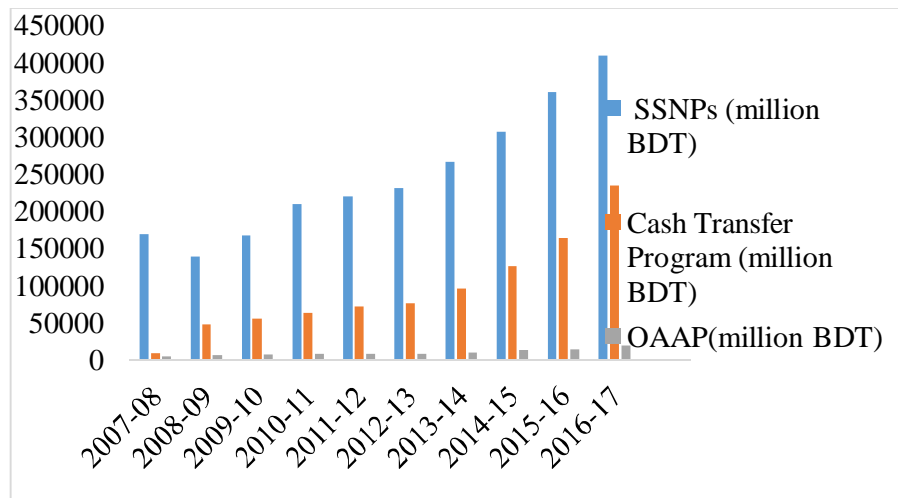
however, poverty remains a grave concern (World Bank 2016). Nevertheless, rural people are poorer than the urban inhabitants (BBS 2010). According to the Household Income and Expenditure Survey (HIES) 2005 and 2010, during 1991-92, 41.1% of the people, at the national level were living below poverty line whereas it was 43.8% in rural areas (BBS 2010). However, in 2005, the poverty rate in urban areas was 25.1%, whereas it was 28.6% in rural areas (BBS 2005). In 2010, it was just 17.6% and 21.1%, respectively (MoF 2016). Therefore, rural poor people cannot participate in social activities, which ultimately, leads them towards exclusion from society and develop a feeling that they are not part of mainstream society. A consequence of which, SSNPs have been designed for the poor as a mechanism for bringing them into mainstream society (Akter 2015). Uddin (2013) identified OAAP under SSNPs as one of the essential programs for reducing poverty. Therefore, every year the government is increasing the budget of SSNPs for instance in FY 2008-9, the government allocated 13845.27 crore taka (around \$1648.3 million) for SSNP whereas it was 45,230 crores taka in 2016-17 which is 13.28 per cent of the budget and 2.31percent of GDP (Ministry of Finance 2018). In the case of OAAP, the budget was 1,890, and the total beneficiaries were 3.15 million (MoF 2017). In Bangladesh, life expectancy was 72 years in 2016 whereas it was 58, 65 and 70 years in 1990, 2000 and 2010, respectively (World Bank 2016). In 2010, the population over 65 was 4.8% whereas it was 4.3% in 2005 (Uddin 2013). As a result, ageing is a crucial issue for Bangladesh, and the rate of poverty among the old is very high, around 43 per cent (World Bank 2006). The OAAP is one of the measures to reduce poverty of elderly people, and the government introduced this program in 1998 (Department of Social Services). Pradhan (2015) found multiple impacts of OAAP on its beneficiaries' livelihood and recommended increasing the amount. However, there are some drawbacks related to verifying and selecting the beneficiaries of SSNPs (World Bank 2006) such as the influence of local politicians and other elected (Uddin 2013). Therefore, the present study attempts to fill this gap regarding the selection procedures and its impact on reducing rural poverty.

The overall objective of the research is to find out the impact of Social Safety Net Programs on reducing rural poverty based on OAAP. Therefore, the specific objectives are to find out the contribution of old age allowance in case of reducing rural poverty; to see the selection procedures of beneficiaries of old age allowance in the rural areas, and to find out the challenges and issues related to the improvement of old age allowance.

## **AN OVERVIEW OF THE SOCIAL SAFETY NET PROGRAMMES IN BANGLADESH**

The government of Bangladesh is committed to reducing poverty, inequality (NSSS 2015) and SSNPs are a kind of social protection to address poverty and vulnerability for the poor citizens. The situation even worse for the poor people during the disaster, which severely affects their agricultural lands, corps, living home, etc.(Khuda 2011).The World Bank (2015) in its latest publication 'The State of Social Safety Nets 2015' defined safety net as non-contributory initiatives planned for poor and vulnerable people. The same report also mentioned that on average, developing countries maintain 20 different safety net programs and that, at present, 1.9 billion people are under them. The report found a positive and significant result of SSNP, especially cash transfer programs on enrolment of education of Sub-Saharan Africa (World Bank 2015). SSNP protects poor and vulnerable people from, two conditions: i) prolonged inability to work and earn and ii) minimum resource to survive (Subbarao et al.1997). The providing SSNPs can be broadly categorized into two types, such as Cash Transfer Program and Training and Food Assistant Program (Mohiuddin 2015). The

OAAP has a significant impact on maintaining social harmony since it gives some hope to the marginal and ultra-poor (Mohiuddin 2015). The research findings indicated that there are some problems relating to the selection of beneficiaries, along with less coverage. Since FY2011, on an average government has expended 3% GDP and 13% its budget allocation on SSNPs. As a result, poverty had declined from 56.6 per cent in 1991-92 to 40.0 per cent in 2005. In 2016, the poverty rate reduced to 24.3% whereas extreme poverty rate was 12.9% (BBS 2016). The following figure shows the overall budget trend of SSNPs and OAAP.



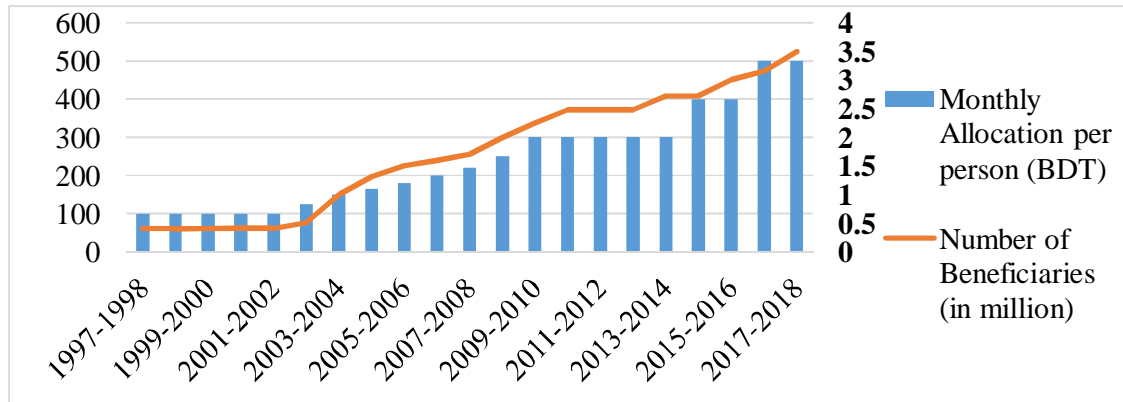
**Figure-2:** Year-wise trends of the total budget of SSNPs, Cash Transfer and OAAP (MoF & Department of Social Services 2018)

The SSNP has significant decisive role and impact in these cases (Rahman et al. 2011). However, this paper also mentioned about all SSNP not only the Old Allowance more accurately, but it even did not say anything about the selection procedure of the beneficiaries of SSNP. Nevertheless, the selection procedure is essential as political influences mainly occur during the selection procedure, even it involves bribery (Uddin 2013) Mohiuddin (2015) suggested involving the civil society in the selection procedure. OAAP under SSNPs ensures the status of its beneficiaries in the society and within their families, which act positively in reviving the traditional family system (Morshed 2009). This is why we need to address some issues to ensure the impact of cash transfer program instead of a food program though SSNP achieved huge success (Ahmed 2013). Over the last 15 years, the national poverty level has declined roughly 1% because of SSNP, but the study did not emphasize OAAP separately.

As a result, the government has increased the budget and coverage of SSNPS during the global economic crisis in 2008-9 (Ministry of Finance 2016). Uddin (2013) mentioned that OAAP was introduced in 1998 to protect vulnerable older people. Therefore, one of the essential objectives of this study is to analyze the selection procedure and to find out how to make this program more effective. Bangladesh has the tremendous potentiality to address the vulnerability, and risk through cash transfer program like OAAP. So, emphasize was given on SSNP for achieving the vision 2021(IMF 2012). The government and NGOs are working for the unprivileged, unemployed, and the physically challenged people to improve their life strata though lack of coordination is there (Rahman & Choudhury 2012). Therefore, this piece of research is focusing only on one particular type of SSNP program, and that one is

OAAP. Since the inception of the program, it has been implemented through the Department of Social Services under the Ministry of Social Welfare, Bangladesh (Department of Social Services 2018).

The government introduced OAAP for achieving some specific goals. Among them the most mentionable objectives of OAAP are: i) ensuring social security and socio-economic development of elderly people; ii) increasing the dignity of the poor old people in their family as well as in the society and iii) taking care of their health and essential medicine for poor elderly people (Department of Social Services 2018). The crucial criteria for selecting beneficiary under this program are: i) requirement age is 65 and 62 years for poor male and female respectively; ii) economically vulnerable; iii) priority will be given to widow, divorce, person and iv) elderly person who have only 0.50 acre or less land with get priority (Department of Social Service 2018). Concerned committees such as the Union Committee, Upazila Committee are responsible for selecting beneficiary primarily and approved. For ensuring the security and dignity of the elderly, in terms of both economically and socially, the government introduced OAAP.



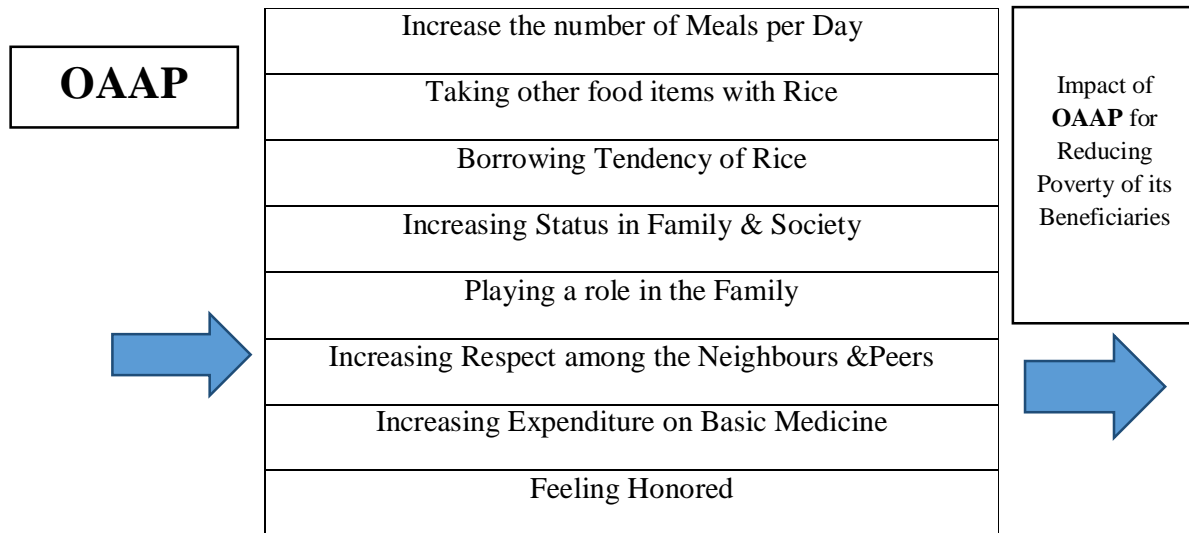
**Figure-3:** Number of beneficiaries and a monthly allowance of OAAP (Department of Social Services 2018)

## METHODOLOGY

The research study relied mainly on primary sources. The researcher used qualitative methods and techniques for conducting this research. Secondary sources were critically reviewed and analyzed. Among the thirteen interviews, three were conducted with beneficiaries, three with potential beneficiaries, three-concerned officials and four with local people representatives separately and individually. The *Yearpur* union of *Savar Upazila* under Dhaka district was selected as the study area purposively based on researcher access, economic condition, and vulnerability. This union has 18 villages (National Web Portal 2018). A semi-structured interview was done due to the nature of the research question. The data was collected from both primary and secondary sources. There were four types of respondents (n=13). Among them, three were beneficiaries, where, another three were potential non-beneficiaries. Three concerned officials were examined who were responsible for selecting and disbursement of the monthly allowance such as UNO, AC Land and Upazila Social Service Officer. Three local elected representatives of the concern Union such as

chairman, members were interviewed who were responsible for providing the list to concerned officials for this allowance (Manual of OAAP 2013).

For identifying the effect of OAAP, it was looked at the expenditure trends and food intake pattern of its beneficiaries as well as the role and status of beneficiaries in families and society after they enlisted. Our analysis focused on the lifestyle of beneficiaries, whether it was changing positively or not, through this program. Therefore, we used the following indicators for measuring the impact of OAAP on reducing poverty of its beneficiaries.



**Figure-5:** Analytical framework measuring the impact of OAAP (Uddin 2013)

## FINDINGS

### Demographic Profile of Respondents

**Table1:** Demographic Information of the Respondents

| <i>Respondents Category</i> | <i>Position</i> | <i>Gender</i> |   | <i>Age</i> | <i>Employment</i> | <i>Edn.</i> | <i>Residential Status</i> | <i>Marital Status</i> | <i>OAAP Receiving Status</i> |
|-----------------------------|-----------------|---------------|---|------------|-------------------|-------------|---------------------------|-----------------------|------------------------------|
|                             |                 | M             | F |            |                   |             |                           |                       |                              |
| Concerned Officials         | UNO             | √             | - | 36         | N/A               | N/A         | N/A                       | N/A                   | N/A                          |
|                             | AC(L)           | √             | - | 32         | N/A               | N/A         | N/A                       | N/A                   | N/A                          |
|                             | USSO            | √             | - | 35         | N/A               | N/A         | N/A                       | N/A                   | N/A                          |
| Elected Representatives     | Chairman        | √             | - | 63         | -                 | HSC         | P                         | M <sup>1</sup>        | N/A                          |
|                             | Women Member    | -             | √ | 47         | -                 | G           | P                         | M <sup>1</sup>        | N/A                          |
|                             | Women Member    | -             | √ | 45         | -                 | HSC         | P                         | M <sup>1</sup>        | N/A                          |
| Beneficiaries               | Member          | √             | - | 59         | -                 | G           | P                         | M <sup>1</sup>        | N/A                          |
|                             | N/A             | -             | √ | 67         | UE                | NF          | P                         | M <sup>1</sup>        | 3+years                      |
|                             | N/A             | √             | - | 73         | UE                | NF          | P                         | M <sup>1</sup>        | 3+years                      |
|                             | N/A             | √             | - | 67         | UE                | NF          | P                         | M <sup>1</sup>        | Before six months            |

|                   |     |    |    |    |    |    |   |                |     |
|-------------------|-----|----|----|----|----|----|---|----------------|-----|
| Non-Beneficiaries | N/A | √  | -  | 67 | UE | NF | P | M <sup>1</sup> | N/A |
|                   | N/A | √  | -  | 69 | UE | NF | P | M <sup>1</sup> | N/A |
|                   | N/A | -  | √  | 67 | HW | NF | P | M <sup>1</sup> | N/A |
| Total             | 13  | 09 | 04 |    |    |    |   |                |     |

M=Male, M<sup>1</sup>=Married, P=Permanent, NF=Non-formal, UE=Unemployed, F=Female, G=Graduate, HW=Housewife

From the above table, it is clear that out of the total respondents, three were concerned officials, five were local elected representatives, three were beneficiaries, and the remaining three were potential non-beneficiaries. Among the 13 respondents, nine were male, and the remaining four were female. All the beneficiaries and potential non-beneficiaries were unemployed. Only one potential non-beneficiary had primary education.

### Impact of Old Age Allowance

To identify the effects of OAAP on the life of beneficiaries, the researcher asked several questions to the respondents. The table-2 shows the changes in food intake pattern of beneficiaries' after receiving the OAAP.

**Table-2: Food Intake by Beneficiaries**

| <i>Questions related to food intake</i>  | <i>Before receiving allowance</i> |     |     | <i>After receiving allowance</i> |         |         |
|--|-----------------------------------|-----|-----|----------------------------------|---------|---------|
|  | R-1                               | R-2 | R-3 | R-1                              | R-2     | R-3     |
| a. How many times do you take your food in a day?  | 2                                 | 2   | 2   | 3                                | 3       | 3       |
| b. How many items do you take in your every meal?  | 3                                 | 3   | 2   | 4                                | 4       | 4       |
| c. Do you take any other food items (like Biscuit, Puffed rice, cake, etc.) other than rice? | no                                | no  | no  | yes                              | yes     | yes     |
| d. If 'Yes', how often do you have this?   | -                                 | -   | -   | 2                                | 2       | 2       |
| e. Do you need to borrow rice?   | yes                               | yes | yes | no                               | no      | no      |
| f. If 'Yes' how many times do, you need to hire rice in a month?                             | 5                                 | 5   | 6   | no need                          | no need | no need |

All the beneficiaries have experienced a positive change regarding food intake. Before receiving the OAAP, they took meals twice a day but three times after receiving the OAAP. Calorie intake is one of the essential measures for measuring poverty (World Bank 2016). Generally, when people increase food intake from two times to three times, it indicates that they also improved their calories. Even, they have taken other food items, including their regular meals and can buy medicine or other necessities. Beneficiaries tended to borrow food item especially rice regularly from five times to six times per month before receiving OAAP, but after receiving OAAP, we have observed that they did not need to borrow rice to maintain their daily life.

**Table-3: Ranking by the Beneficiaries**

| <i>Sectors</i>  | <i>Strongly Agree</i> | <i>Agree</i> | <i>Neither</i> | <i>Disagree</i> | <i>Strongly Disagree</i> |
|---|-----------------------|--------------|----------------|-----------------|--------------------------|
| a. How much do you feel honoured that the government is taking care of you                | 3                     | -            | -              | -               | -                        |
| b. How much do you think neighbours respect you as a beneficiary of OAAP                  | 1                     | 2            | -              | -               | -                        |
| c. How much OAAP has increased your importance and acceptance to the peers and associates | 2                     | 1            | -              | -               | -                        |

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| d. How much the benefit has influenced the increase in the number of your friends | 3 | - | - | - | - |
|---|---|---|---|---|---|

Most of the respondents, two out of three, mentioned that they agreed with this notion. One respondent ranked neither agree nor disagree. Therefore, respondents feel gratefulness whenever they get the benefit. On the other hand, regarding the influence of OAAP for increasing the number of friends or well-wishers in society, all the respondents said that they agreed with this statement. They also identified increasing dignity in the family, family members taking care more than before, and they can buy minimum basic needs after receiving the allowance. This indicates that OAAP has a positive impact on increasing the dignity of the beneficiary. However, beneficiaries also identified some problems regarding the OAAP such as amount is very low and the problem of withdrawing the money. For withdrawing the money, they have to visit *Upazilla* headquarters, which requires transportation cost.

### The Selection process of Beneficiaries

Beneficiaries were asked about the procedure of the beneficiaries of OAAP. The following table shows the responses of the respondents about the above question.

**Table-4:** Responses about how do Beneficiaries know on OAAP

| <i>Question 3.1</i>                      | <i>Response by Officials</i>  | <i>Response by Elected Representatives</i>  | <i>Response by Beneficiaries</i>                      | <i>Response by Non-Beneficiaries</i>                  |
|--|---|---|---|---|
| How did the beneficiary know about OAAP? | From Upazila Parishad monthly meeting   | Through <i>Union Parishad</i> and local people representative   | <i>Union Parishad</i> and local people representative | From local people representative                      |
|  | Usually, beneficiaries know about OAAP by the awareness programs run by the department of women affairs and social service in the Upazila | <i>Union Parishad</i> , local people representative, online Local people representative and <i>Union Parishad</i> | From local people representative                      | <i>Union Parishad</i> and local people representative |
|  | From local chairman and member  | Through <i>Union Parishad</i> and local people representative   | <i>Union Parishad</i> and local people representative | <i>Union Parishad</i> and local people representative |

The beneficiaries generally know about OAAP from the local elected representatives and *Union Parishad* meeting. It indicates mainly one communication channel is dominating to inform the beneficiaries about the OAAP. However, *Upazilla* social service officer mentioned the awareness activities of them to educate people.

**Table-5:** Responses on what Aspect should consider for Selection of Beneficiary

| <i>Question 3.2</i>  | <i>Response by Officials</i>                               | <i>Response by Elected Representatives</i>                                     | <i>Response by Beneficiaries</i> | <i>Response by Non-Beneficiaries</i>             |
|--|--|--|----------------------------------|--|
| What aspect should consider during the selection of beneficiary of OAAP? | Age: M65/F62, Landless, Poor family condition              | Age: M65/F62, Landless, Poor family, not under other social safety net program | Based on age, land, and poverty  | Age over 65 for male and 62 for female, landless |
|  | The economic condition, family condition, health condition | Age: M65/F62, Landless Poor  | Age, sex, land                   | Age 65 for male and 62 for female, landless poor |
|  |  | Age: M65/F62, Landless Poor  |                                  |  |

|   |                             |                                   |  |
|---|-----------------------------|-----------------------------------|--|
| Bangladeshi, Age: M65/F62, Landless, Poor family, not under other social safety net program | Age: M65/F62, Landless Poor | Extreme poor over 65 years of age | Age over 65 for male and 62 for female, landless |
|---|-----------------------------|-----------------------------------|--|

From the responses to this question, mentioned by the respondents, almost all the respondents irrespective of officials, elected representatives, beneficiaries, and non-beneficiaries, they emphasized age, health and poverty condition of the beneficiaries. The main criteria identified by the respondents were age and extreme poverty.

**Table-6:** Responses on how and why or why not Some People Enlisted as Beneficiary

| <i>Question 3.3</i>                      | <i>Response by Officials</i>   | <i>Response by Elected Representatives</i> | <i>Response by Beneficiaries</i>                 | <i>Response by Non-Beneficiaries</i> |
|--|--|--|--|--------------------------------------|
| How was the beneficiary of OAA enlisted? | No response  | No response                                | Landless poor over 65 for male and 62 for female | No response                          |
|  | No response  | No response                                | Land less poor over 65 years                     | No response                          |
|  | Enlisted by chairmen and member and primary selection process by the union committee | No response                                | Landless poor                                    | No response                          |

USSO mentioned that the Union Committee headed by Union Chairman is making the first selection. On the other hand, beneficiaries stated that as they are poor, landless and age over 65 and 62, so they enlisted as beneficiaries. However, all the respondents other than USSO remained silent in this case.

**Table-7:** Responses on Relationship of Beneficiaries with other stakeholders

| <i>Question 3.4</i>  | <i>Response by Officials</i>  | <i>Response by Elected Representative</i> | <i>Response by Beneficiaries</i> | <i>Response by Non-Beneficiaries</i> |
|--|---|---|----------------------------------|--------------------------------------|
| Relationship of beneficiaries with people representative, political leaders & officials? | Some people have a relation with a local representative   | -   | Good relationship                | Need to have a good relation         |
|  | As the benefits are not possible to give all the beneficiaries, some people try to keep a relationship with the local representatives. So far it is potential | -   | -                                | Good relation                        |
|  | -   | -   | -                                | Good relation                        |
|  | -   | -   | -                                | Good relation                        |

In response to this question, all the officials, other than USSO, have given their opinions in favour of maintaining good relationships with the representatives, concerned officials and with the political leaders. They also argued that as they cannot provide benefits to all the potential candidates, therefore, some old people and their relatives try to keep good relation with a concerned member of the *Union Parishad* and officials. On the other hand, all the potential non-beneficiary mentioned that good relation, especially with the representatives, is necessary for primary enlisting.



**Table-8:** Responses on Selection Procedure of Beneficiary

| <i>Question 3.5</i>   | <i>Response by Officials</i>                     | <i>Response by Elected Representatives</i> | <i>Response by Beneficiaries</i>                 | <i>Response by Non-Beneficiaries</i>                 |
|---|--|--|--|--|
| Selection procedure of Beneficiary from the eyes of respondents | Landless poor over 65 for male and 62 for female | Age: M65/F62, Landless, Poor family,       | Landless poor                                    | Landless poor over 65 and 62 for (Men, female        |
|   | I do not know                                    | -  | Landless poor                                    | Landless poor over 65 years of age                   |
|   | Primarily selected by the union committee        | -  | Age: M65/F62, Landless Poor                      | Landless poor over 65 for male and 62 for female     |
|   |  |  | Landless poor over 65 for male and 62 for female | Landless poor over Age 65 for male and 62 for female |

From the respondents' responses, one can see that the concerned committee selected beneficiaries based on their age and economic conditions. USSO mentioned that the Union Parishad committee makes the first selection.

**Table-9:** Responses on why some people are not selected as the beneficiary

| <i>Question 3.6</i>  | <i>Response by Officials</i>                     | <i>Response by Elected Representatives</i>                      | <i>Response by Beneficiaries</i>        | <i>Response by Non-Beneficiaries</i>                   |
|--|--|---|---|--|
| Why some people are not chosen as beneficiary though they are eligible | -  | Because of their extreme poverty                                | Landless extreme poor                   | Because some are extremely poor                        |
|  | There is no proper database and perspective plan | Because they are deserve  | Because I am landless and over 65 years | Don't know   |
|  | Because of their condition                       | They are living under the poverty line and over 65 years of age | -                                       | I am not in the excellent book of local representative |
|  |  | Landless poor   |   |  |

In response to why some people are not selected though they have eligibility, concerned officials stated that while beneficiaries are choosing based on criteria but that there is no proper database and long-term plan. On the other hand, representatives expressed that only extremely poor, poor landless is recommended primarily as beneficiaries. However, non-beneficiaries stated that those who have good relations with concerned officials and representatives, generally, get priority for enlisting as beneficiaries.

**Table-10:** Responses on Influences of Representative and Political Leaders in Selection

| <i>Question 3.7</i>  | <i>Response by Officials</i>                          | <i>Response by Representatives</i> | <i>Response by Beneficiaries</i> | <i>Response by Non-Beneficiaries</i> |
|--|---|------------------------------------|----------------------------------|--------------------------------------|
| Influences of representatives & political leaders in the selection procedure | They have some influences                             | -                                  | No biases                        | They have a strong influence         |
|  | They are very much influential about this issue       | -                                  | They are unbiased                | They have some influences            |
|  | They have a strong influence on the selection process | -                                  | They are right                   | Some influences                      |

Regarding the influences of people's representatives' respondents mentioned that they have some influences on this issue. All the officials said that in the selection procedure, representatives and poetical leaders have strong roles and influences. However, beneficiaries

argued that there is no bias regarding the selection. On the other hand, non-beneficiaries opined that elderly people, who have good relations, get priority for enlisting.

**Table-11:** Responses on Involvement of Speed money, Corruption, or Nepotism during the Selection Procedure

| Question 3.8  | Response by Officials   | Response by Elected Representatives | Response by Beneficiaries | Response by Non-Beneficiaries |
|---|---|-------------------------------------|---------------------------|-------------------------------|
| Involvement of speed money, corruption or nepotism in the selection procedure | No need   | No need                             | No need to pay            | No need to pay                |
|   | I think there is no involvement of speed money or corruption in this process. Local representative tries to use this as their political agenda. | No need                             | No need                   | No need to pay                |
|   | No need to give speed money   | -                                   | No need to give           | No need we think              |

All the respondents, in this case, including non-beneficiaries except one, mentioned that there is no involvement of bribery, corruption or nepotism related to the selection procedure.

### Challenges

For identifying the challenges and issues for further improvement of the effectiveness of OAAP, the researcher asked respondents several questions which can help the government to understand the problems and issues related to the efficiency of OAAP, so that the government can design OAAP more effectively.

**Table-12:** Responses to most Challenges of OAAP

| Question 4.1            | Response by Officials  | Response by Elected Representatives                                     | Response by Beneficiaries                                  | By Non-Beneficiaries                                       |
|-------------------------|--|---|--|--|
| Most Challenges of OAAP | Complex Process and Lack of Update Database  | Number of eligibles is huge and Identify the most eligible is difficult | Allowance collection procedure and amount is small         | A large number of eligible OAAP deserver                   |
|                         | Selection Process and Lack of Update Database (No database)                          | Difficult to identify, Small amount and Mistake in NID                  | OAA money collection procedure and a small amount of money | Increase the number of OAA and Correct NID                 |
|                         | Huge Population, Small amount of money and the psychological issue of beneficiaries. | Huge eligible beneficiaries but the allocation are small                | A small amount of money and Mistake in the NID             | Allowance collection procedure and a small amount of money |

In responses to the above question, all the concerned officials mentioned about the complex selection process, lack of up to date database related to potential beneficiaries, the amount and coverage is not sufficient compared to the enormous demand, and price hike of commodities especially rice. They also mentioned some printing mistakes in the National ID card of the potential beneficiaries. Beneficiaries need to go to *Upazila* headquarter and Bank for collecting money, which is very tough.

**Table-13: Responses to Some Problems of OAAP**

| Question 4.2          | Response by Officials   | Response by Elected Representatives   | Response by Beneficiaries   | By Non-Beneficiaries  |
|-----------------------|---|---|---|---|
| Some problems of OAAP | The amount is very low<br>Complex Administrative Procedure                                  | Small Amount<br>Complex Administrative Procedure  | Complex withdrawal procedure,   | Lack of availability of sufficient information                        |
|                       | Lack of Knowledge of the Beneficiary<br>Coordination & Coverage Problems                    | Coverage problem  | Amount is small, Coverage problem   | The amount is small, Coverage problem                                 |
|                       | Lack of Knowledge of the Beneficiary<br>Coordination Problems<br>Coverage is not sufficient | A small amount, Complex Administrative Procedure, Coverage problem<br>Amount & Coverage Problem | Complicated procedure related to the allowance<br>The amount is small, Coverage Problem | Lack of adequate information<br>The amount is small, Coverage problem |
|                       | Small amount & Coverage Problem<br>Difficult administrative procedure                       | Small amount & Complex procedure, Coverage prob.  | The amount is Small&Critical procedure  | Lack of availability of sufficient information                        |

According to respondents, the complicated administrative procedure to select beneficiaries and withdrawal of allowance, a small amount of money, coordination problems among field level concerned authority of OAAP, lack of awareness of beneficiaries especially about the procedure of OAAP and lack of availability of information related to OAAP are the main problems associated with OAAP.

**Table-14: Respondents' suggestions and recommendation for overcoming challenges**

| Question 4.3  | Response by Officials  | Response by Elected Representatives   | Response by Beneficiaries  | Non-Beneficiaries                                  |
|---|--|---|--|--|
| Suggestions and Recommendation for Overcoming Challenges & Problems | Need to update the database  | Increasing the number of Beneficiary and amount<br>Easy process for giving Money                          | Easy procedure of money collection<br>Increasing the monthly allowance | Increasing the number of Beneficiaries             |
|   | Prepare a database and Providing Smart Card  | Increasing the number of Beneficiary & Update National ID Card<br>Making easy of administrative procedure | Easy procedure of money collection                                     | Necessary correction of National ID Card           |
|   | The government should increase money and population size<br>Make the process easy for giving money | Increasing the amount by 1000 tk.   | Easy procedure of money collection                                     | Increase the number of beneficiaries and allowance |

Respondents suggested to update and maintain a database of beneficiaries and potential non-beneficiaries, provide a smart card to all the citizens if not possible all citizens then for the elderly, innovate some easy administrative procedure related to the selection of beneficiaries and withdrawal of monthly allowance, increasing the monthly allowance and cover more beneficiaries.

**Table-15:** Suggested Steps to be taken by the Government and concerned authority to ensure the effectiveness of OAAP

| <i>Question 4.4</i>   | <i>Response by Officials</i>                                  | <i>Response by Elected Representatives</i>                                     | <i>Response by Beneficiaries</i>                | <i>Non-Beneficiaries</i>                           |
|---|---|--|---|--|
| Necessary steps need to take by the government to ensure the effectiveness of OAA | Finding the proper way to make the process easy               | The government can give money through bkash or mobile account                  | Easy procedure of money providing               | Increase the number of beneficiaries               |
|   | Baseline survey to make the policy sustainable                | Making money receiving procedure easy<br>Making money receiving procedure easy | Easy procedure of money providing               | Increase the number of beneficiaries               |
|   | Simplify the procedure and increasing the amount and coverage | Simplify the procedure as much as possible                                     | The government can increase the amount of money | Increase the number of beneficiaries and allowance |

In response to this question, they mentioned some necessary steps, which can make this program more effective and sustainable such as carry out some baseline survey or research, increase the monthly allowance along with a number of beneficiaries, providing money through mobile banking or any other easy way are the primary necessary steps government and concerned authorities can take to make OAAP more effective and sustainable.

### Discussion

From the data, we can categorize the findings into followings thematic areas.

***The significant contribution of OAAP to improve livelihood:*** OAAP provides access to its beneficiaries to food, essential medicine, increase the dignity in the family and therefore, they can take more food and buy some necessary medicine compared to before getting the allowance which helps to increase their consumption and incomes (World Bank 2006). Uddin (2013) also found in his study that OAAP empowers the beneficiary, and Hassan et al. 2013 observed a significant impact of OAAP.

***Long-term Impact on the Beneficiary:*** Some beneficiaries used the monthly allowance to buy domestic animals such as goats, cows, and poultry for business purpose, which has a long-term effect to the beneficiaries (Begum & Majumdar 2001).

### RECOMMENDATIONS AND CONCLUSION

The OAAP is one of the crucial factors in sustainably reducing rural poverty. Since elderly people, especially rural poor, cannot work; risks and vulnerability are a widespread phenomenon for them. The present study tried to assess the impact of SSNP on reducing rural poverty based on OAAP. Different researchers found the impact and effectiveness of the OAAP, some of which were discussed earlier. The study reveals that overall food intake in terms of daily food intake pattern; food items in each meal, and taking any other foods other than rice of the respondents have increased significantly. On the other hand, based on the finding, borrowing tendency of the rice, and staple food has decreased suggestively.

Since the country's main economic goal is to alleviate poverty, policymakers should consider OAAP under SSNPs as a vehicle to achieve this goal. The data shows that both the quality and quantity of food of the beneficiaries have improved. From the findings, it is clear that the beneficiaries of the program can fulfil their minimum requirement of necessary medicine from the allowance. The study also reveals that the status of the beneficiaries has

also increased in terms of decision making in the family. Therefore, we can say that the quality of life of the respondents has improved considerably. All of the respondents mentioned the positive impact of the OAAP except for some procedural problems related to the selection of beneficiaries. As a result, it could say that though the amount of allowance is small, it has significant impacts on the beneficiaries. Moreover, we can also observe that a number of factors such as interference of local government and political representatives, wrong selection of beneficiaries and operational difficulty in bank accounts by the beneficiaries negatively affect the successful operation of the program. From the data and other relevant studies, the following recommendations can be promoted for ensuring the effectiveness of the old age allowance program.

***Increase of allowance amount:*** Now beneficiaries are receiving 500 taka, which is very small. Therefore, the amount can be increased by at least 1000 taka. Previous researchers also found the relevancy to increase the allowance (Uddin, 2013 and Ahmed & Islam 2011). For example, the Old Age Allowance Program Implementation Manual (Revised) 2013 indicates that every year, the government has planned to increase the amount along with the coverage of the program.

***Increase of coverage:*** The government should increase the coverage of the program which previous studies also concluded (Uddin 2013 and Ahmed and Islam 2011). The government, in its policy guideline and relevant documents, acknowledge this.

***Good selection:*** The main objective of the OAAP program is to protect poor elderly people from risks and vulnerability in their old age. Therefore, the correct beneficiary selection is a crucial issue for ensuring the maximum effectiveness of the program, which is very important for ensuring efficiency (Uddin 2013).

***Withdrawal of allowance:*** Currently beneficiaries, receive their monthly allowance through a bank account. Therefore, they have to encounter some problems as we discussed above. If the allowance money disburses through mobile banking, then the beneficiaries could be relieved from such problems.

***Reduction of the complexity and administrative procedures:*** Presently three to four committees are responsible for selecting the beneficiaries and implementing the program, including MP. For ensuring the effectiveness of the program, it is better if the government reduces the administrative complexity.

***Community participation:*** Community participation is another essential factor to improve any program, especially involving the stakeholders during the selection procedure. It could ensure the overall implementation of the OAAP (Uddin 2013).

***Awareness programmes:*** The government, as well as concerned committees and officials, should carry out some awareness programs by media even by the local meeting (World Bank 2006 and Uddin 2013) All respondents identified some challenges and problems for instance; the government needs to take appropriate actions for increasing amount and coverage as well as reducing the complicated administrative procedure. On the other hand, concerned officials and local representatives should ensure the right selection, better coordination and awareness of the beneficiaries. However, targeted beneficiaries should be aware of their rights. Based on the field data and critical review of the secondary sources, the following policy intervention can be put forward for the consideration of concerned authority, including central government.

***The allocation should be based on the Poverty Index:*** Poverty is decreasing in the country. However, there are some districts and regions where poverty is not reducing conventionally; even poverty is increasing in some districts. For instance, in the Northern part of Bangladesh, poverty has grown over the last six years because of Monga (seasonal famine-

like situation). Therefore, the government should allocate benefit (OAAP and other programs based on the poverty index of the regions (Daily Prothom Alo 2018, BBS 2018).

**Targeting Criteria Need to Rationalize:** The government needs to change and modify the current targeting criteria (land and geographical location) of beneficiaries since those sometimes mislead to identify beneficiary (World Bank 2006). For overcoming this problem, the government can target beneficiaries based on income and occupation other than land.

**Coverage Need to Increase:** Though there are several programs for the poor and vulnerable for reducing poverty still, the coverage is not enough compared to the demand. Currently, the government can assist only 4 to 5 million poor people under SSNPs which is not more than 10% of poor whereas the number of poor people in the country is around 39.59 million (World Bank 2016).

**Allocation of OAAP based on Population Density:** Though generally, Bangladesh is a densely populated country, the population is not evenly distributed. Therefore, the government should allocate more OAPP compared to less populated area/sub-districts.

**Ensure Proper Coordination among different Agencies:** The government should maintain a proper database for ensuring better coordination and develop a monitoring mechanism since various agencies involve in the process (World Bank 2006).

**Ensuring Proper Monitoring and Evaluation:** The government can reduce the problem of misallocation and wrong selection through effective monitoring and evaluation regularly (World Bank, 2006). The government can constitute a committee, members from local civil society and head of educational institutions, based in the Union to look after the issues.

**Expenditure Need to Increase on SSNPs:** Bangladesh is expending less than two per cent of GDP on SSNPs compared to other countries and regions (World Bank 2006). Bangladesh should increase its expenditure on SSNPs in general and especially on OAAP as the country is proceeding towards an ageing society.

**Age Criteria Should be Relaxed Rural Elderly People:** In Bangladesh, the situation of the rural elderly poor is miserable and vulnerable. Therefore, the age limit of OAAP for the rural elderly people should be lowered up to 60 ages for getting this benefit irrespective of sex.

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