

**Institutional Arrangements for Promoting  
Poverty Reduction in South Asia  
The Bangladesh Case**

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The recent years have witnessed substantial progress in poverty monitoring and analysis in Bangladesh. The government, NGOs, research and other civil society organisations have made conscious efforts to broaden and deepen the understanding of the process of poverty in the country. Such efforts are necessary to increase the effectiveness of anti-poverty policy making.

## **1. Poverty Monitoring and Analysis**

A number of efforts of poverty monitoring and analysis are being pursued:

### **◆ Bangladesh Bureau of Statistics (BBS)**

#### **- *Household Expenditure Survey***

In addition to conventional data, the Survey now collects additional information through specially designed modules (with assistance from the World Bank).

#### **- *Poverty Monitoring Survey***

The Survey generates panel data using multi dimensional indicators in both rural and urban areas with support from the Monitoring Adjustment and Poverty (MAP) project of CIRDAP. The poverty statistics will be generated at the subnational level (23 regions) from this year.

- Specific surveys e.g. health, nutrition, education and other surveys and EC supported study on urban poverty.

◆ **Bangladesh Institute of Development Studies (BIDS)**

- Analysis of Poverty Trends Project which generates information on rural poverty using multi dimensional indicators.

◆ **Other organisations**

Periodic poverty statistics generated by NGOs, research and other public and private sector organisations as well as analysis on poverty and related issues by national/international institutions.

In these efforts, several positive developments may be noticed.

- Broadened focus of poverty statistics;
- Reduction in the time period between collection and publication of information;
- Use of multiple indices of poverty incidence, along with alternative definitions and methodologies;
- Government efforts (through formation of a representative Committee of poverty statistics producers and users) to define the official poverty line and standardised indicators to be used for the purpose of official poverty monitoring;
- Continuous efforts by BBS to enhance the quality, reliability, comparability and other properties of poverty data with support from the donor agencies;
- Changes in government policy to provide access to unit record data collected by BBS;

- Improved quality and wider scope of poverty analysis e.g. identifying characteristics in terms of the heterogeneity of the poor; better understanding of the socioeconomic and structural elements that contribute to the poverty process; focus on multi-faceted dimensions of poverty e.g. economic insecurity and lack of control of the poor on socioeconomic environment resulting in their limited access to emerging opportunities; social discrimination and exclusion of the poor; and the need to enhance the social bargaining power of the poor through organisation and participation along with access to resources and sustainable livelihoods.

## **2. Institutional Arrangements for Mainstreaming Poverty Considerations**

While plurality and multiplicity in poverty analysis are desired goals which need to be further nurtured, effective dissemination of the results and utilization of the information by the policy makers and the civil society at large are important in mainstreaming the poverty agenda in the country. In this respect, the institutional arrangements which provide the links among the different actors are important. Although three sets of actors may be conceived e.g. the government (policy makers, programme/project designers etc.), civil society (NGOs, donors, etc.) and generators of poverty data (institutions, researchers etc.), there are substantial overlaps among these actors. For instance, the government is a major producer and user of poverty information. Similar observations may apply to other actors as well. Nevertheless, it is important to establish and strengthen the links among these actors to create conditions under which the poverty data and analysis may be shared and used by various actors.

Although there have been some improvements, these links are rather weak in Bangladesh. Some efforts have been made to establish links through forming Steering/Advisory/Technical Committees for specific surveys. But these remain mostly ad hoc in nature. Several underlying factors may be identified for the existing weak linkages e.g. low priority

attached to research inputs in policy making, nature of policy making process, low relevance of research outputs to policy making, and the perceived importance of donor-sponsored policy agenda in an aid-dependent economy with consequent neglect of indigenous capacity building in policy making. A number of other weaknesses may be also be identified.

Absence of any public/private institution which can act as an effective repository of poverty data/analysis for wider dissemination and use;

Absence of a mechanism to ensure institutional collaboration and coordination to integrate different efforts e.g. avoid duplication, identify/address existing gaps in information and analysis, and similar other concerns;

Absence of a regular forum to facilitate the interface between the policymakers and generators/analysers of poverty data;

Lack of adequate focus on critical policy-relevant issues in poverty analysis and on applicability of the poverty work;

Lack of effective capacity to internalise poverty analysis into policy making;

Absence of any comprehensive and regular publication/report which provides the status of poverty and reviews the causal links between anti-poverty policies/programmes and poverty indicators;

In order to overcome the above and related weaknesses, an effective institutional mechanism should be created. This may take the form of a Foundation or a Unit which should be autonomous and would serve specific purposes. The major aim should be to act as a bridge between the

users and producers of poverty data and bring about closer interactions between them and support anti-poverty policy making by providing access to poverty information and analysis from different sources and in ways that are of direct relevance and use by the policymakers. The specific functions could include

➤ **Promote institutional collaboration and coordination**

Repository of poverty information/analysis and a one-stop centre for access from different sources; a regular forum of interaction and feedback channel to transmit the needs and requirements; identify areas to increase quality and reliability of poverty statistics; conduct participatory dialogues to increase awareness and consensus on poverty reduction issues, dimensions and strategies.

➤ **Enhance applicability of poverty work**

Prepare poverty profiles and regular reports (e.g. annual) on poverty dimensions along with effectiveness of anti-poverty policies/programmes; policy briefs/research notes on successful government/NGO and other interventions; identify critical policy areas for poverty researchers; disseminate available information in usable forms to the policymakers and offer alternative policy options; provide emerging poverty scenario and possible approaches/strategies; identify potential/constraints to poverty reduction programmes/projects.