8 The Daily Star DHAKA **SUNDAY MAY 4, 2014** 

# অতিদরিদ্রদের ইশতেহার **MANIFESTO** FOR THE EXTREME POOR

# 26 million people are extreme poor in Bangladesh. What sort of a Nation do we want?





Combatting poverty is not a party political agenda, it is a national cause that is supported across the political spectrum. The word "extreme" implies severe poverty but it is the nature as well as the depth of this poverty that is significant. Extreme poverty is multi-dimensional and rooted in multiple causes. It is not only about very low income but also an almost total lack of productive assets, poor health and nutrition, food insecurity, illiteracy, susceptibility to shocks and vulnerability in respect of citizen rights. Extreme poverty is often chronic, oppressing people throughout their whole life and being passed from one generation to the next.

The Manifesto is grounded in 40 years of experience in the design and implementation of poverty reduction policies and projects across Bangladesh and a wealth of research about the dynamics of extreme poverty. While Shiree facilitated the process of developing the Manifesto, building on experience of working with over 2 lac extreme poor households, the Manifesto belongs to the People of Bangladesh and it will only succeed if the People of Bangladesh make it happen. We are launching an idea. After reading this Manifesto, we ask you to take some specific actions. The solution is here, the choice whether to act is up to **YOU**.

This MANIFESTO makes one simple demand, the eradication of extreme poverty in all its forms and dimensions. It describes three actions needed to achieve this objective and presents five process principles that should guide these actions. If the Manifesto recommendations are implemented, and if robust economic growth continues, it should be possible to eradicate extreme poverty from Bangladesh by the End of 2021.



# One Demand: The final eradication of extreme poverty from Bangladesh by the 50th anniversary of our nation.

Why this demand?

- Because the progress of any nation should be judged first and foremost by how it treats the poorest members of society
- Because it is a worthy cause that resonates with the moral, religious and pragmatic sentiments of all Bangladeshis and can unite the nation
- Because the potential of the nation is being wasted by keeping millions of people in a state of low productivity through lack of education, poor health and exclusion from economic opportunities
- Because economic growth alone will not eliminate extreme poverty
- Because it can be done evidence shows that if extreme poor people are given support and opportunity they will lift themselves out of poverty
- Because Bangladesh is already leading the world in poverty reduction and has the potential to extend this lead by being the first developing country to totally eradicate extreme poverty

# The benefits of eradicating extreme poverty

- national solidarity and pride in success
- the elimination of severe hardship and suffering for 26 million fellow citizens
- establishing the base from which to achieve a poverty-free nation
- reducing the severe inequalities and divisions that feed political and social unrest
- enhanced economic benefits for all as productive potential is released
- leading the world and showing others how to achieve similar success
- regionally balanced development and mitigation of environmental risks

# What is the challenge?

- Government statistics show 17.6% of the population below the lower poverty line in 2010. This threshold is defined by reference to the expenditure necessary to meet basic daily consumption needs.
- In 2010 this represented over 26 million people or about 6 million families. Since then poverty has continued to decline and population to increase. To eradicate extreme poverty by the 50th anniversary of the nation will require lifting up to 1 million families out of extreme poverty every year from 2016 to 2021.
- Extreme poverty is often chronic in that it is long lasting, affecting people not only for their whole life but also passed down from one generation to the next.
- While immense gains have been made in reducing both moderate and extreme poverty over recent years, to continue this rate of progress will

become increasingly difficult as a larger proportion of those who remain extreme poor are also chronically poor. To eradicate extreme poverty, persistent chronic poverty must be addressed.

- The impressive reduction in extreme poverty that has been achieved over recent years is likely to slow for at least three reasons: (a) the proportion of chronic poverty with deep seated structural causes will increase, (b) more people will be catapulted into extreme poverty through the impact of economic, climatic and other shocks and, (c)many of those who rise out of extreme poverty will fail to sustain their ascent and slip back down.
- It cannot be assumed that the overall downward trajectory of extreme poverty will be sustained, a purposeful and well-resourced programme of action is necessary to accelerate the rate of reduction and achieve the final eradication of extreme poverty.

#### holds, communities and regions but consultation with the poor themselves identified the following 6 priority challenges. 1. Insufficient Economic Opportunities

What are the key issues that keep people in extreme

poverty and how can they be addressed?

The dynamic Bangladesh economy is creating many thousands of new jobs every year, but the extreme poor cannot access these opportunities. They may be in the wrong place or lack the necessary skills. They may be physically incapacitated or sick, too old or young, lacking secure shelter, part of a marginalised group or already caught up in an exploitative relationship that keeps them in poverty and debt. They will lack productive assets and are usually dependent on uncertain daily labour that barely provides for the daily consumption needs of their family. They have no surplus income with which to build resilience against the impact of shocks through accumulating savings or assets. Extreme poor households have a high dependency ratio with few earning members. Many are female headed and disability or chronic health problems are prevalent limiting the range of potential income earning activities.

The nature of poverty generally and of extreme

poverty has been much researched. The causes of

extreme poverty are specific to particular house-

## 2. Poor access to Public Services and Transfers

The nation provides a wide range of public services in Bangladesh and many social safety nets but the poorest of the poor, although entitled to receive these services and benefits, are often excluded. Why? They may live in remote areas that are very poorly served by public services such as the Hill Tracts or the NE Haors. They may be unable to pay the formal or informal fees that are charged for access to these services and transfers. They may simply be unaware of their entitlement or too fearful to make demands from public officials.

## 3. Vulnerability to External Shocks

The extreme poor suffer most and are least able to recover from major natural disasters. Community level shocks such as the repeated impact of river erosion push thousands into extreme poverty. The Southern coastal belt is especially prone to catastrophic natural disasters the risk of which is increasing with climate change. In urban areas the impact of "man-made disasters" such as slum evictions and fires is no less devastating than natural catastrophes.

#### 4. Health and Nutrition Vulnerability

Poor nutrition is a key mechanism for the intergenerational transmission of poverty. Untreated or inadequately treated chronic health problems are prevalent amongst the poorest and, together with the impact of illness and accidents, are the most common single cause pushing families into extreme poverty and keeping them there.

#### 5. Gender Inequity

Issues of gender inequity cut across and amplify the negative impact of the other challenges that cause and sustain extreme poverty. Hence women and girls will find it more difficult to earn a living wage or to access vital services. Female headed households are more likely to be suppressed in an extreme poor state while gender based violence and gender specific issues such as early marriage and dowry have a strong negative impact on women and their families.

#### 6. Marginalised Group specific risks and vulnerabilities

This is a broad category that includes the special challenges faced by a diverse range of marginalised and socially excluded groups. Some groups, such as harijans, dalits or adivasis, are historically disadvantaged facing the impact of discrimination in education, service access and employment opportunities. Other groups like street children or street dwellers are more recent but are no less excluded from the benefits of national economic development. Old age and disability are two causes of marginalisation commonly associated with extreme poverty.



# Three actions to achieve the permanent eradication of extreme poverty from Bangladesh

These three actions are not independent. They are all necessary. Taken together they represent an agenda for action that will not only eradicate extreme poverty

but also sustain this achievement as a step towardsthe ultimate objective of creating a poverty free Bangladesh.

# Action one: Scale up success

Design and implement a national programme of livelihood-transformative initiatives to rapidly eradicate extreme poverty from Bangladesh

## **Action two: Public service reform**

The systematic reform of public services and social protection transfers to prioritise the needs of the extreme poor

## Action three: Addressing the causes

Promoting the institutional, policy and behavioural changes needed to address the root causes of extreme poverty

# Timetable for action

Lift 1 million families out of extreme poverty a year for six years.

	Action	2014 - 2015	2016	2017	2018	2019	2020	2021	2022
-	ONE - Design and implement a national programme of liveli-hood-transformative initiatives to rapidly eradicate extreme poverty	Design the national programme to eradicate extreme poverty  Raise \$3bn resources for implementation	National programme for the eradication of extreme poverty implemented  Number of extreme poor families in millions (ref HIES lower poverty line)  6m 5m 4m 3m 2m 1m						Bangladesh free from extreme poverty
	TWO - Systematically reform public services and transfers to prioritise the needs of the extreme poor	Dialogue with all public service providers regarding service provision to the extreme poor	targeting and address issues of exclusion						A system in place that keeps people out of extreme poverty and supports the recovery of those who fall back
	THREE - Promote the institutional, policy and behavioural changes needed to address the root causes of extreme poverty	A national public policy dialogue about the type of society and economy that Bangladesh wants for the future—with a focus on issues of pro poorest income distribution, inclusiveness and gender equity						omy	National consensus and commitment on the principles and measures needed to establish a poverty-free nation