Changes in Socio-Economic Condition of Ex-VGD Women: A review report

Nusrat S. Chowdhury

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BRAC
Research and Evaluation Division
BRAC Centre, 75 Mohakhali, Dhaka 1212, Bangladesh
Tel: 880-2-884180-87, 9881265, Fax: 880-2-883542, 883614
E-mail: general@bdmail.net, bracamr@bdmail.net
INTRODUCTION

The Vulnerable Groups Development (VGD) project is one of the largest poverty alleviation interventions in Bangladesh that exclusively target hardcore poor women. The programme began in 1975 by the name of Vulnerable Groups Feeding, and is supported by the World Food Programme (WFP), the Government of Bangladesh and bilateral donors. There was a progressive reorientation of the project in the 1980s, marked by a shift from providing relief to supporting development through sustainable ways of poverty alleviation. The project was renamed to outline the new development focus, and was given the broader objective of “increasing the self-reliance of the most disadvantaged women” (WFP 1997, 1998; as cited in Ahmed, 1999).

In accordance with this initiative, BRAC began a programme to ensure sustainable livelihoods for the vulnerable women. It is known as “Income Generation for Vulnerable Groups Development” (IGVGD). The programme supports the participants by offering training, credit and other inputs for income generating activities along with the monthly food ration. IGVGD is the largest programme of its kind in the country with more than 921,000 participating women. The women who are targeted in the programme are from the poorest of the poor and include those (a) who are landless with less than 0.5 acres of land; (b) with extremely low and irregular or no family income; (c) who own no production assets; (d) who have not received VGD wheat ration previously; and (e) who are disadvantaged in other ways because of divorce, desertion, husband’s death or disablement (BRAC, 1997).

To upgrade and sustain the economic condition of the IGVGD participants, BRAC continues the programme in conjunction with its mainstream Rural Development Programme (RDP), is where participation of the very poor is quite limited (Ahmed, 1997). At the end of the 18-month VGD cycle, these destitute women are being included in RDP where they are able to sustain themselves

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through income generation and credit, without the support of food assistance (BRAC, 1997).

Many studies have been undertaken to find out how IGVGD women’s lives have been changed in various ways due to programme interventions. Asset accumulation, participation in income generating activities, access to loan, and at a more social level, changes in mobility, control over assets, ability to take important decisions are all areas where changes are being discerned. This discussion will highlight some of these features as available in two research papers done by BRAC to illustrate how ex-VGD women are doing over time. The papers are “Poverty Alleviation of the Hard Core Poor in Bangladesh: A Study on BRAC’s Income Generation for Vulnerable Groups Development” (Ahmed, 1997) and “Rate of Dropout Among the IGVGD Participants” (Ahmed, 1999).

1.1 Income Generating Activities

Most IGVGD women are trained in poultry rearing. Different cadres of skill training included in the poultry programme (IGVGDP) are: key rearing, chick rearing, egg collection, feed selling, poultry hatchery and vaccination. Majority of the women (90.4%) interviewed in one of the studies had chosen poultry rearing activities and the training involved to ameliorate the economic condition of the household (Ahmed, 1997). This study collected data from the VO members associated with four High Yielding Variety (HYV) poultry rearing activities: chick rearing, key rearing, feed selling, and egg collecting. 493 respondents interviewed consisted of 360 active members of IGVGD and RDP and covered both ex- and current VGDs. Ex-VGD members, as defined by the two studies, are those programme participants who are no more entitled for wheat ration as they have already completed their ration cycle. Current VGD members of 1996-98 programme cycle, who were then enjoying the wheat ration, were chosen as “control group” for the study. Dropouts and inactive members (133 women) were also included. Respondents who are no more functionally related with the poultry rearing of IGVGD and RDP, but have not
yet completed the repayment of credit installment of BRAC, were referred to as inactive members.

In IGVGD areas, the percentages of trained current VGD women in chick rearing, feed selling, and egg collection were smaller than those of the ex-VGD participants. However, in areas where IGVGD had merged with the mainstream Rural Development Programme (RDP) of BRAC, a reversal of this trend was discernible. The percentages of current VGD women in the cadres mentioned above were higher compared to ex-VGDs. This implies that IGVGD focuses more on the skill development of the key rearers than others at present. It may be due to programme policy mentioned by a concerned staff. Irrespective of areas, all participants thought that poultry rearing was profitable and that they could benefit from it by both home consumption and commercial use.

Apart from poultry rearing, 75.8 percent ex- and current members of IGVGD and RDP were involved in other income generating activities such as, cattle rearing, vegetable cultivation, small training, rice husking and selling, kantha (embroidered quilt) sewing, biri (local cigarettes) making, thread spinning, cloth starching, basket making, cooking in mess/working as domestic helper, weaving, earth digging, and so forth. The ex-VGD women were found to be more active (77.9%) in these activities. On average, the performance of ex-VGDs was better compared to the current VGDs in almost every sphere. In IGVGD and RDP areas, 81.9 percent and 77.9 percent of ex-VGD members respectively participated in income generating activities other than poultry rearing. A majority of women (69.21%) mentioned “economic well-being of the household” as their primary reason for engaging in various work projects.

**1.2 Income of the Participating Households**

The study assessed the income of the hardcore poor following the findings of BRAC’s Impact Assessment Study-II (IAS-II). In measuring poverty, IAS-II considered poverty’s economic aspects based on household expenditure on food and non-food durable goods and services. The poverty line expenditure
was determined by the cost of basic needs method. A normative consumption bundle of food items that gives a per capita intake of 2112 kcal and 58 grams of protein was considered. The upper and lower poverty line expenditure thus calculated was Taka 6,896 and Taka 5,289 respectively (Husain, 1998). This lower poverty line was used as the cut off point for hard core poverty level in the present study.

The per capita income of the IGVGD and RDP households participating in poultry programme was Taka 4,663 and Taka 7,095 respectively. The study found that the ex-VGDs earned more than the current members. Although the difference between the per capita income of current and ex-VGDs was not statistically significant, the IGVGDPP helped the ex-VGDs to exceed the hard core poverty level by creating opportunities for income generation. Their per capita income of Taka 6,447 was higher than Taka 5,289, whereas the current VGDs' per capita income of Taka 5,165 was below this cut-off point. It indicates that the long-term effect of the IGVGDPP enhanced the income, as well as the economic condition, of the participating households. The differences in per capita annual income of the graduated households and the dropout members of IGVGDPP were statistically significant.

1.3 Landholding among the Graduated Participants

Landholding status of the ex-VGD participants irrespective of areas (IGVGD and RDP) who already graduated into the mainstream of rural development of BRAC was higher than the cut-off point of 0.10 acres of land of hard core poor determined by this particular study. The study further found an increase in landholding (0.19 acres) among the ex-VGDs compared to the mean size of 0.17 acres of land of all the participants of IGVGDPP from both IGVGD and RDP areas.

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2Mean size of land (acre)
1.4 Credit and its Utilization

The long-term development strategy of IGVGDPP is to offer loan for poultry rearing. The participants are provided with credit support on behalf of BRAC for facilitating their income generating activities as well as their income. In IGVGDPP the first loan is essentially given for poultry related activities and the second loan for other purposes including small and rural trading, cattle rearing, chick rearing, feed selling, agricultural development programme, irrigation, fish culture, rural transportation, restaurant management, housing, and so forth. The largest group of participating women (34.4%) received loan for small and rural trading.

More ex-VGD women were engaged in small and rural trading and cattle rearing than current VGD members. On the contrary, the percentage of current VGDs (42.2%) for poultry related activities was higher than that of the ex-VGDs (19.1%). This shows that the participants preferred small and rural trading and cattle rearing over poultry related activities in the succeeding years. Since the first loan in IGVGDPP was essentially given for poultry related activities, current participants had no choice but to receive loan for that purpose. For the second loan, however, more options became available. Most women could choose their purpose of activities as well as the loan according to their need, aspiration and capacity. Therefore, the percentage of poultry related activities had decreased among the ex-VGDs.

Current VGDs used BRAC loans more for buying assets than for income generation, food purchase, or housing. The ex-VGDs tended to do the contrary. According to the author, it could be contended that current participants were better-off economically compared to ex-VGD members, as a person primarily invests money in purchasing food, and then in housing and accumulation of assets. This, however, cannot be generalised as current members purchase certain assets as condition for receiving loans, which does not necessarily imply that they are better off economically.
1.5 Participation and Dropping-Out of Members

This section discusses the rates of dropouts of IGVGD members and the reasons behind deterioration of household condition, measured by decrease in landholding and amount of land under agricultural crop production, changes in food habit, availability of food items, etc. The study conducted in 1997 finds that, out of 383 respondents from 1994-96 VGD cycle who graduated and joined RDP in July 1996, 21 percent dropped out by the end of May 1997, within ten months of their joining (Ahmed 1997). Only 1.6 and 1.2 percent of them dropped out just after completion of their VGD cycle from IGVGD and RDP respectively.

Another study (Ahmed, 1999) comments on the present economic condition of 6,281 participating women, the data for which was collected in two phases. The first phase obtained information from the participants of four Village Organisations (VO) of each thana (sub-district). The second phase collected information from two particular women of each thana who belonged to the extreme points of better-off and worse-off households in terms of their economic condition as defined by the participants of phase one. It reveals that the trend of participation of the members has been decreasing gradually over time (Ahmed 1999). The author contends that it is due to the emergence of other NGOs in the rural areas and their facilities offered to the members, such as loan disbursement and repayment policy, opportunities and commodities provided during training, and so forth. Some members in the study area commented on the higher amount of relief material (in cash or kind) given by other NGOs to their members. Many BRAC village organisation members expressed frustration due to a lack of similar benefits from BRAC.

Members interviewed in both the studies stated many reasons for their dropping out or deteriorating condition. Of the worse-off households that had been changed (either improved or deteriorated) by programme interventions (37%), the condition of 21 percent claimed to have deteriorated (Ahmed, 1999). Husband’s second marriage, desertion, selling of property for repaying loan, husband’s torture in case of wife’s refusal to lend him money were some of the
factors behind worsening economic condition (1999). The reasons behind dropping out are equally varied. Dropouts were categorized primarily by self exclusion of members, or their expulsion from the programme. The reasons for self exclusion were insincerity of and harassment by IGVGDPP staff, load of household chores, difficulty for repayment of credit installment, distance of village organisation, misbehavior of VO leaders, and others including termination of wheat ration support, lack of family labor, small size of loan, less profit given by BRAC staff, lack of suitable room for chicks, bad odour of chicks, and allurement of other NGOs. The members stated irregular repayment of loan installment and dissolution of village organization as reasons for their expulsion or exclusion from the programme.

CONCLUSION

The two studies mentioned here report some changes brought about by the programme in the participating households. In terms of per capita income, irrespective of RDP or IGVGD areas, current members of IGVGDPP were under the "hard core poverty" level (Taka 5,165); the ex-VGDs, on the other hand, were doing better in this regard, as their per capita annual income was above this level. The ex-VGDs had also increased their income over the two years of VGD cycle. This is indicative of the benefits of participation of the poorest of the poor in the IGVGDPP. One of the studies also found 21 percent of the members dropping out from the programme for various reasons. In the study area, 92 percent of the drop out happened willingly because of mismanagement, misbehaviour of programme staff and the leader, or because of their own socio-economic problems. The remaining 8 percent were expelled from IGVGDPP due to irregularity of loan repayment and dissolution of village organisation. The dropout members, however, represented the worst off group among the participants.
References:


