Abstract

This study is an analysis of implications of two safety net programs in Bangladesh. The programs are the Old Age Allowance Program and the Allowance Program for the Widowed and Husband Deserted Distressed Women. The selection procedure of beneficiaries, delivery mechanism of allowance, political influence on these programs, coverage of these programs, and adequacy of allowance; all these issues are analysed in this study.

Under the Old Age Allowance Program the poor elderly of aged 65 years and above are provided with a monthly cash allowance of Tk.200. In the Allowance Program for Widowed and Husband Deserted Distressed Women, the widowed, divorced and husband deserted distressed women are also provided with a monthly cash allowance of Tk.200. The delivery of allowance is made through the public banks.

The study finds that in maximum cases programs have succeeded in reaching target groups. The leakage is low compared to food assistance programs. Furthermore the list of beneficiaries remained unchanged despite a change of political regime. This suggests that these programs are not abused as instrument of political patronage. There are several characteristics, which make the programs self-targeting. First, the target groups of the elderly, widow, divorced and deserted women are well-defined. Second, the coverage of these programs varies between 43 and 70 percent. Finally, low level of allowances makes it unattractive for rural elites. Thus the inadequacies of these allowances are sources of strength for these programs.