

The Daily Star

Pandemic-hit groups need access to alternative livelihood options

M. Shahidul Islam
Fri Jul 30, 2021

The Covid-19 pandemic has become a protracted crisis and will be with us for an indefinite period of time. It has already caused unquantifiable loss and suffering. Citizens' confidence and strength have been shaken to the core, and many societal fault lines and fragilities have been exposed. Nevertheless, there has been a huge effort to explain many of the new phenomena by way of research. Recently, the Centre for Peace and Justice (CPJ) of Brac University published a report titled "Covid-19 Livelihood Crisis, Social Cohesion Challenges and Mitigation Options" which sheds light on some of the financial effects of this pandemic.

CPJ conducted its research in major urban areas of Dhaka division in December 2020. The findings show that about 20 percent of the 1,064 respondents were unemployed: of them, 81 percent lost their jobs due to Covid-19. The CPJ study shows that the mean income of low-income groups declined by about one-third compared to their pre-pandemic earnings. The returnee migrants experienced a staggering 67 percent decline in their income. Over 80 percent of surveyed households experienced an adverse impact on their savings and assets.

Given the limited nature of existing social safety net programmes (notably in urban areas), depletion of savings as well as accumulation of debt, 17 percent of the respondents said they depended on alternative sources of earnings. However, there is a considerable variation in opting for alternative livelihoods in terms of the respondents' profession, gender and educational level, amongst other factors.

Transport workers, for example, particularly struggled during the 2020 lockdowns, with 27 percent of them having opted for alternative earnings. One in four returnee migrants also explored alternative livelihood upon their return to Bangladesh. As for people belonging to other professions, 17 percent of day labourers and private-service holders, 15 percent of micro-entrepreneurs, and 11 percent of household aides tried to earn a living from alternative sources.

Various unstructured interviews show that while some of the household aides have managed to find alternative employment, a large number weren't re-hired after lockdowns. The returnee migrants who experienced the highest income loss amid the pandemic faced dilemma between remigration and alternative livelihood plans.

Nearly two-thirds of the returnees would like to return to their overseas jobs but they face various hurdles. On the other hand, many returnees are opting for alternative opportunities within Bangladesh. However, for many of them, payment and working conditions appear less than satisfactory compared with the benefits of employment abroad.

There is also a significant gender gap noticed in terms of the remigration and alternative livelihood plans of the returnees. For instance, less than 10 percent of male returnees explored alternative livelihood options, and 25 percent of them found jobs. In contrast, 48 percent of female returnees explored alternative livelihood opportunities but only 12 percent were employed.

Critical factors

What are the critical factors taken into account when it comes to securing alternative livelihood amid the pandemic? Returnee migrants opined that acquisition of new skills (94 percent), control of virus (88 percent), usage of individual savings and assets (85 percent), institutional support like bank loans (78 percent), and family support (74 percent) are critical to pursuing an alternative livelihood in Bangladesh.

The CPJ survey revealed that financial support is a critical factor in relation to alternative livelihood options. The survey shows that those in dire need of financial help amidst the pandemic found little support from formal institutions, such as banks and NGOs.

Another group in need of urgent support is the urban informal workers—85 percent of the 61 million people in the country's labour force work in the informal sector, according to Bangladesh Bureau of Statistics. Yet, their voices have been hardly heard during the pandemic. Of the government's 23 stimulus packages involving Tk 1,24,053 crore for the pandemic-hit people, most are directed to the formal sector. One practical problem in helping the informal workers is lack of database. Thus, addressing the data gap by taking advantage of information technology is critical. A reliable database can help international development partners and NGOs as well as in adopting innovative policies, which will facilitate alternative earnings for urban informal workers.

Provisions of alternative livelihoods have gained currency in many parts of Asia during the pandemic. There have been organised initiatives under the aegis of the International Domestic Workers Federation based in Hong Kong, India, and Sri Lanka. In the Philippines, "Move Up", an urban resilience project funded by a number of international development agencies, gives partner communities a chance to explore alternative livelihood options.

Given the limited nature of social protection facilities available in Bangladesh and financial constraints to support the poor and new poor, there is an urgent need for more institutionalised efforts to create alternative livelihood provisions, particularly for the urban informal workers. The protracted nature of the pandemic and repeated lockdowns and shutdowns will affect certain groups, as highlighted in this article, more than the better-off sections of society. This will result in greater inequality and

widening of gaps between various sections of the population. If such negative trends continue, social injustice and societal unrest will become major challenges.

Our policymakers need to pay careful attention to the various research findings and engage with the relevant stakeholders to address the issue of alternative livelihoods. The development partners, donors, NGOs, community organisations and academics should forge a united front to create realistic alternative livelihood options for the vulnerable sections of the population during their hour of need.

Dr M. Shahidul Islam is an economist and Research Fellow at the Centre for Peace and Justice (CPJ), Brac University. Views expressed in this article are those of the author and do not necessarily reflect the positions of Brac University.