

BANGLADESH RURAL ADVANCEMENT COMMITTEE

**MAIN FINDINGS REPORT OF THE
RDP IMPACT ASSESSMENT STUDY**

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RESEARCH AND EVALUATION DIVISION

The main authors of this main findings report are:
Mr. Shams Mustafa and Ms. Ishrat Ara.

The researchers of the IAS team included Mr. Shams Mustafa, Ms. Ishrat Ara, Ms. Dilruba Banu, Mr. Sarwar Jahan, Mr. Azmal Kabir, Mr. Abu Yusuf, Mr. Altaf Hossain, Mr. Md. Mohsin.

CDS staff assisting in the production of this report included:
Richard Montgomery, Angelika Brustinow, Julia Rees and Nigel O'Leary

The support of colleagues in RED is gratefully acknowledged. In particular Dr. A.M.R. Chowdhury and Ms. Gulrukh Selim.

RDP IAS MAIN FINDINGS REPORT

EXECUTIVE SUMMARY

1 Introduction

The 1993-94 Impact Assessment Study (IAS) of the Rural Development Programme (RDP) has been carried out by BRAC's Research and Evaluation Division, with consultancy assistance from the Centre for Development Studies, Swansea.

2 RDP's Impact on the Material Well-Being of Members

Overall, the IAS results indicate a consistent movement along the path to greater wealth and expenditure, according to loan size and membership age. While there are undoubtedly other non-RDP factors which influence the real level of wealth of different households, the main finding of the analysis is that when RDP households receive substantial amounts of credit over a long membership period significant changes become measurable. In addition, the results show that RDP is impacting on less well off (low endowment) households to a comparatively greater degree than better off households; and furthermore they imply that the focus on (generally poorer) female members is more effective in bringing benefits to BRAC's target group than would be the case with a higher proportion of male membership.

3 RDP's Impact on Vulnerability and Coping Capacity

Changes in the nature of household assets, with increases in the monetary value of productive (revenue earning) fixed and working capital, along with investment in housing structures, suggest both greater economic security and an improved standard of living for "older" members of RDP.

Such enhanced security is confirmed most clearly by the reduced seasonal fluctuations in income, expenditure, food consumption and stocks for those members who joined RDP more than two and a half years ago, and have received over Tk 7,500 of cumulative RDP loans. These findings clearly indicate that seasonal vulnerability of such households has decreased markedly.

In addition, the evidence concerning enhanced coping capacity is generally positive. There is a trend to "withdraw" from the informal credit market, the average amount of credit taken by "older" members declines, and the use of both RDP and informal loans for consumption or hardship purposes decreases with length of membership, just as households experience improvements in their material well-being and ability to weather seasonal lean and peak periods.

4 Changes in Women's Lives

While dramatic changes are not evident, there are some (more gradual) changes which BRAC has brought about in female members' lives. After receiving loans women's status has increased within the household. Some have experienced greater mobility. Many of the members involved in BRAC "sectoral" programmes have gained more control over their income, and the ability to decide about how (and how much) to save and spend on themselves and on their children.

However, from the experience of the case studies the majority of rural house-bound women have few opportunities to use loans by themselves without some assistance of male family members. Unless BRAC provides women with necessary support services close to the *bari*, they have few alternatives other than to hand over part or all of their loans to male kin, which often means they cannot exercise full control over their loans and credit based resources.

The length of involvement with BRAC appears to have little bearing on the degree of change that women experienced. It may be argued that RDP field staff can have little influence on what goes on within a household.

5 Institution Building

It is acknowledged that institution building is a lengthy and complex process. The main findings of the case studies are not very encouraging. High rates of turnover, confusion and dissatisfaction about savings and GTF rules and procedures, and the strong emphasis on credit operations and discipline has limited the extent to which members value their VOs as potentially autonomous support groups.

In general, discipline and enthusiasm is more evident in the newer and female VOs. This is due primarily to the fact that such discipline is seen as a pre-condition for applying for credit. Over time, such discipline declines, ideal procedures become less common, and meeting attendance becomes more erratic. VOs rarely undertake additional activities in a collective manner, or independent from BRAC's initiative, suggesting that they are not progressing to semi-autonomous institutions. Moreover, the frequent rule changes, combined with the frequent transfer of staff, have created a degree of uncertainty for members.

In many VOs, leadership has developed as an instrument through which field staff maintain repayment discipline. The operation of the peer group joint liability mechanism is commonly at the level of the whole VO rather than at the level of small 5-6 member groups (these rarely exist in older VOs). It is therefore apparent that VOs are primarily valued by members, and operate as, credit groups.

In the few cases in which VOs have acted as a collectivity in the past, their success appears to have been connected to high levels of staff motivation. One VO which had been established during the Outreach period - when staff interaction was more intensive - reported a history of attempting collective activities. These have ceased,

and many members have left, during more recent years under RDP.

6 The Non-Formal Primary Education Programme

After a second or third cycle of an NFPE school the degree of VO involvement (measured by the number and proportion of member-children attending) tends to decline.

However, VOs' retain a pride in, and link with school affairs, which implies that they remain a key benefit for VOs. The schools provide a highly valued service to poorer families; perceptions of school quality are overwhelmingly positive. Except for the issue of religious curriculum content, few criticisms were voiced during group interviews. Examples of conflict are rare. The key example of this is the need to ensure priority (or "first choice") to poorer households during school enrolment - which can be done by carefully organised and phased child selection.

However, the case studies also show that NFPE schools are not exclusively "poor peoples'" schools, but tend to include children from all wealth classes. This, in effect, is a result of the schools' perceived qualities - they are attractive to those outside of BRAC's target group.

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1 INTRODUCTION

1.1 Background to this report

The 1993-94 Impact Assessment Study (IAS) of the Rural Development Programme (RDP) has been carried out by BRAC's Research and Evaluation Division, with consultancy assistance from the Centre for Development Studies, Swansea.

Each of the following chapters summarises the main findings relating to the material well-being of RDP borrowers, changes in women's lives, institution building and NFPE. These findings are distilled from extensive data and a much larger draft report written by RED staff.

1.2 Methodology

The analysis which follows is based on data generated by three methods:

* a household survey using a pre-coded questionnaire focusing primarily on material well-being indicators, of non-BRAC and BRAC households, conducted in two rounds (November 1993 and February 1994) to capture seasonal variations in expenditure and income etc. The random sample was clustered in 15 different Area Offices, 10 households were interviewed in 150 RDP villages and 75 non-RDP villages; the RDP sample was therefore 1,500 households, the comparison group 750 households. The number of valid RDP-member household interviews used for the analysis below is 1,366 (some households in the sample frame have dropped out of RDP, or their age of membership was not clear). The RDP member-household sample are stratified into groups according to their length of RDP membership.

* a village profile using a structured questionnaire which was answered by a group of key informants in each survey location, providing information on local economic conditions, which is used in the following chapter.

* Village Organisation (VO) case studies using informal and a limited number of RRA techniques, to obtain both quantitative and qualitative information. These case studies were carried out in 16 locations, but included 24 VOs (some locations had male and female VOs which were connected in some way). RRA techniques such as wealth-ranking, timeline trees and focus group discussions were used to assess wealth differentials in the communities, perceptions regarding women's lives, VO development over time, and the importance of NFPE to RDP members. Each case study was carried out by a team of three RED researchers over a two or three day period. As in the case of the household survey, the VOs are divided by length of existence.

[For further information on study design and sampling procedures, see earlier reports on the IAS methodology.]

The IAS is based on one round of field data collection (in late 1993 and early 1994) and it provides a baseline for future impact assessment.

It does not, therefore, represent a simple "before and after" study. Instead, the following analysis assesses the economic and social status of different categories of RDP members according to their length of membership.

2 RDP'S IMPACT ON THE MATERIAL WELL-BEING OF MEMBERS

2.1 Key indicators implying major economic impact

Table 2.1 provides a breakdown of household survey interviews by length of RDP membership, the increasing amount of credit received by members over time, and key indicators of material well-being. Relevant comparison group (non-RDP) data is also included. Overall, the data suggests that RDP has achieved considerable impact.

Comparing those households which joined BRAC in the 11 months preceding the interview, with those households which joined more than four years ago, shows that the latter ("older") group have:

- * average gross household asset values which are 112% higher
- * average household revenue-earning (fixed and working capital) assets which are 100% greater in value
- * average weekly household expenditure which is 26% greater
- * average weekly per capita expenditure on food which is 15% higher

It should be noted that the comparison group households show lower average values in all economic well-being indicators than the recently joined BRAC households. However, while the differences appear marked (eg. see asset values and weekly expenditure), statistical tests show that these differences are not significant. In addition, the village profiles show that on average there are no marked infrastructural, market access or economic vibrancy differences between non-BRAC comparison villages and RDP villages. These results suggest the comparison group retains validity as a control.

Marginally higher levels of total household, and per capita food expenditure by "older" members are combined with marked differences in total and productive household assets. This asset-growth is suggestive of a structural change in the economic status of these households. Such structural change implies that RDP is having a significant impact on members over time.

2.2 Qualifications of implied impact

The comparison of different groups of RDP members according to their length of membership and credit received (to assess impact) is not conclusive on its own. Further statistical analysis is presented below.

In particular, there is some evidence to suggest that the average initial economic condition (ie. on joining RDP) of "older" members was better than that of members who have joined more recently. Analysis of membership groups according to initial endowment is carried out below (to compensate for such differences), and show that differences of a "before" and

"after" nature for groups with different initial endowments can be measured.

In addition, contextual (non-RDP) variables which may influence the performance and economic status of different length-of-membership categories need to be statistically controlled to qualify the degree of impact suggested by table 2.1. These variables include life cycle effects, local economic vibrancy and the educational status of households - which are also assessed in the latter section of this chapter.

The additional data presented below shows that the impact of RDP credit can be isolated; and while this measurable impact is less dramatic than the data in table 2.1 implies, it is undoubtedly significant.

Table 2.1: Sampled households by length of membership, trends in RDP credit received, and key indicators of material well-being

Household (H/h) Survey Interviews	BRAC Membership age in months (& years)					Comp. Group
	1-11 (< 1)	12-29 (1 < 2.5)	30-47 (2.5 < 4)	48+ (4+)	All BRAC	
Male Member	27	94	151	110	382	na
Female Member	467	168	238	111	984	na
ALL BRAC	494	262	389	221	1366	750
Indicators of RDP Inputs						
Percentage of members receiving credit	39.7%	91.6%	95.9%	95.1%	96.2%	na
Average total amount of credit (Tk) received	910	4,258	7,441	10,211	..	na
Average number of loans received by each H/h	0.5	1.4	1.7	2.0	..	na
Indicators of Material Well-being						
Average value of gross H/h assets (Tk)	10,959	14,037	20,282	23,230	..	7,250
Average % (& value) of assets which are productive (revenue-earning)	32.9% (3,606)	39.1% (5,488)	31.6% (6,409)	31.0% (7,201)	..	
Average H/h weekly expenditure (Tk), including peak & slack seasonal data	419	455	560	528	..	382
Average per capita weekly food expenditure	55.5	60.8	63.0	64.1	..	55.3

2.3 Verifying RDP's impact on members' material well-being: achieving "critical mass"

This section outlines findings which are summarised by the metaphor of achieving "critical mass".

Critical mass is defined as a combination of (a) length of membership and (b) amount of credit received. To achieve measurable impact the combination of receiving a large amount of credit over a long time period are both necessary, but neither is a sufficient condition on its own.

In other words, there are households which joined BRAC relatively recently which have borrowed substantial amounts of credit (as much as the average for "older" members), but for which changes in material well-being are not measurable. In addition, there is a minority of households which have been associated with RDP since its beginning in the mid-1980s, but have not taken significant amounts of credit, and for which changes in economic well-being are not measurable.

The finding that households which have benefitted most are those which have taken a large amount of credit over a longer time period suggests the conclusion that gradual (rather than sudden) impact is experienced by RDP members.

Statistical analysis has resulted a preliminary model of critical mass as: those members who joined RDP more than two and a half years ago, and have taken cumulative loans to the value of Tk 7,500 or more. Also, as "mass" (length of membership and loan amount) increases beyond this level the probability of greater improvements in well-being increases.

The above model of critical mass is statistically established by comparing key indicators of different groups, specifically:

- * those households which have been members of RDP for less than two and a half years, during which time they have received a maximum of only Tk 2,500 worth of credit;

and

- * those households which have received the highest level of RDP support according to length of membership (over two and a half years) and credit received (more than Tk 7,500).

Because there appear to be systematic differences in the economic statuses of male versus female member households, they have been disaggregated for the purpose of these tests. These differences suggest that male BRAC members tend to be selected from households which are economically better off than the female members. The results of the comparisons are presented in table 2.2 below.

Table 2.2: Means for key indicators by length of membership and RDP loan groups

INDICATORS (1)	Male Category		Female Category	
	Loan >7500 Length >2.5Yrs (2)	Loan <2500 Length <2.5Yrs (3)	Loan >TK7500 Length >2.5Yrs (4)	Loan <TK2500 Length <2.5Yrs (5)
	(n 154)	(n 37)	(n 153)	(n 496)
Density of Living Quarters (Sq ft/ Person)	52.2	52.5	57.65*	48.15
Livestock (Tk/Hh)	4,119	3,580	3,182*	2,297
House Structure (Tk/Hh)	17,635*	5,340	11,972*	6,362
All Assets (Tk/Hh)	32,236*	15,453	21,051*	10,172
All Assets (Tk pc)	4,477*	3,010	4,001*	1,974
Share of Revenue Earning Assets	35.79	44.27	30.54	32.12
Cash Earning (Per Capita/Week)	61.60	61.30	61.49*	44.9
Food Expenditure (Per Capita/Week)	69.82	69.12	66.16*	54.89
Consumption Expend (Per Capital/Week)	108	97	103*	76.9
Deficit Months (No.)	2.78	2.95	3.23	4.57
Food Stock (Meal Days/Hh Lean Season)	13.8	24.97	15.98*	5.36
Non - RDP Saving (Tk)	804	950	1,133	336
Food Stock in Peak Season	30.51	44.0	19.12	17.0
All Weather Roofing Material (No. & % of houses)	177(73%)	17(38.6)	146(71%)	286(49%)

Key: '*' = denotes $P < 0.05$ (statistical significance) for Col. 2 VS.3, and Col. 4 VS.5

The comparison of key indicators means for the different male/female - loan/length of membership groups in table 2.2 show that the achievements made by the households in the female category are greater than those in the male category; more specifically:

* for male member households: statistical significance tests to measure the differences between the two loan/length defined groups show that a high level of RDP support has generated few differences in terms of cash earning, expenditure, and food stocks. There is a marginal improvement in the value of livestock for the older/higher credit group, but this difference is not significant. However, the values of house structure and total assets are key indicators that support the critical mass argument in the case

of the male category. For both these indicators the differences are marked, and as denoted by "**", are significant. Because total asset and house structure values are undoubtedly crucial features of households' economic status, these results do support the critical mass argument.

* for female member households: tests produce significant results for nine key indicators. Not only total assets and housing structure, but also livestock, cash earning, expenditure, food stocks/security and living quarter values are all higher for the higher borrowing, longer membership households. While all these differences are significant ("*"), those for assets, house structure, food stocks and consumption indicate marked quantitative improvements in economic status.

The female category produces results which show that micro-credit for poor women will benefit the entire household, which appears to justify RDP's increasing emphasis on female membership since the late 1980s. This is further emphasised when the female / male households which have experienced the critical mass of RDP input, are compared.

Although the average values of key indicators of the male critical mass group are higher than those of the female group in eight out of 13 indicators (see columns 2 and 4 in table 2:2), statistical tests rule out these differences as being of significance ($P > 0.05$) in most cases (see annex table 1 for t-values). These statistical tests indicate that the female group is similar to their male counterparts in terms of material well-being.

In 12 out of 13 indicators, the odd one out is the value of household structure and effects, the female group has experienced greater improvements than their counterparts with a low level of RDP input, compared to the differences between the two male groups. A combination of membership length and credit from RDP has enabled the female category to make greater improvements than the male group with similarly large RDP input.

The analysis thus far raises the issue of the similarity (or not) in the resource endowment of the groups that have been used to assess the issue of critical mass, and the resulting conclusion that loans to female members have generated greater (comparative) impact. If the condition of the recently joined households in the female group is better than their male counterparts, the validity of the critical mass argument will be weakened. This is because the female category may be deemed to have started from a higher level than the males, and would therefore be expected to perform better.

A comparison between these two gender categories at the early stages of membership produces results to indicate that the females are worse off according to the indicators. The male group in the recently joined category is better off with respect to seven indicators that are statistically significant, and a further five on average.

Thus, these findings suggest that the female group which has joined RDP with a poorer endowment than male households generates greater differences - as it receives increasing amounts of credit over a longer period of time - and reaches levels of material well-being which are similar to their male counterparts.

It should be noted that the initial condition as used in the above discussion is the current

condition of the new members in the survey sample, and does not necessarily represent the condition of the older members on joining RDP. The term "initial endowment" is used below to mean the latter, and is defined with respect to their land ownership at the time of joining BRAC.

2.4 Initial Endowment Induced Impact?

The term "initial endowment" is used to refer to the original condition of households when they joined BRAC (ie. at the pre-RDP intervention, or "before" stage). Because the survey could not collect comprehensive data to assess the pre-RDP condition of households more than four years ago, the proxy indicator of initial endowment used here is the amount of household owned land at the time of joining (calculated on the basis of interview information about present landholding, accounting for any sale or purchase of land "since joining RDP").

It may be argued that households with larger land ownership on joining RDP will have been in a better economic condition generally, and therefore should have "performed better" than those of smaller endowment, but with similar inputs from RDP.

In order to test the robustness of the critical mass argument, it is necessary to show that the differences between the two levels of RDP inputs are as large in the case of high endowment households as they are for weak endowment households.

In order to assess the influence of initial endowment on the impact of RDP support, the landholding factor is used to define different groups. The membership length and RDP credit (as used above in table 2.2) are retained and the low (weak) and high (strong) initial endowment condition are specified as:

- * landownership of less than 0.25 acres is taken as indicating low endowment;

and

- * landownership of more than 0.51 acres is taken as indicating high endowment.

The low endowment group is likely to contain the worst-off amongst BRAC's functionally landless target group (and the degree of change in their economic status will therefore assess the effectiveness of credit for the poorer amongst RDP's membership).

Any upward pressure on the economic condition of the households emanating from non-land resources such as human or working capital are assumed to be equal in both of the groups. This assumption is based on the proportional distribution of household heads' occupation by landholding category which show broad similarities (see full draft report, in progress). The number of working age population is greater in the larger landholding groups than the smaller. Therefore, that smaller landholding groups' economic condition is improved through non-land resources is unlikely in the case of the present study sample.

Each endowment group is analysed separately to assess the difference made by large amounts of credit over a period longer than two and a half years compared to smaller amounts of

credit and shorter membership. Each gender category is analysed separately (because of the differences noted above).

The high endowment households produce key indicator values that are higher on average than the low endowment group. This is true for both male and female member categories.

However, the comparative differences between the two RDP loan/length groups are greater for those households with low initial endowment, in both male and female member categories, and the female category in particular.

In other words, the high endowment groups in both of the gender categories have achieved smaller comparative differences when the two input size groups are compared (see columns three and five in annex table 3).

These results suggest that RDP's impact on the low endowment female group has been more effective, and generated more dramatic changes with respect to material well-being, as and when their involvement with RDP goes beyond the critical mass level (compare columns three and seven in annex table 2, and columns 4 & 5 in annex table 3).

The results for tests in group means with respect to the key indicators are not statistically significant in the female categories' high endowment group (column 5 in annex table 3).

The results for the male member categories produce slightly larger differences (compare columns 1 & 2 in annex table 2, and column 3 in annex table 3). This difference is significant only with respect to wealth and one of its components - the value of house structure (column 3 in annex table 3).

The differences in the low endowment group of the female category are either equal or greater than that those of the high endowment group. Indicators which show such differences include: both household and per capita wealth (total assets), house structure value, expenditure on consumption generally and food in particular, food stocks in the lean season, food security in the previous 12 months, and cash earnings.

The gap between the high and low endowment groups which received a critical mass of RDP input (membership length and amount of credit), is narrower for the female category than for the male (columns 7 & 6 in annex table 3). The female categories' low endowment group may be narrowing the gap with their female counterparts in the high endowment group. This result is not conclusive because the differences are varied across the indicators.

In conclusion, there is little evidence to suggest that the households with high initial endowment are likely to better utilise RDP credit over time than their counterparts in the low endowment group. Indeed, the reverse is suggested by the tests: RDP's impact on poorer households' material well-being has been, in comparative terms, more notable.

2.5 Measuring the contribution of RDP and other variables to material well-being

This section compares the contributions of non-RDP variables to member households' material well-being. In particular, the contribution of loans/length of membership is compared to the influence of household life cycle effects, local economic vibrancy, and the aggregate educational level of households.

Regression analysis was used to determine the strength of RDP inputs and other factors in influencing the key indicators, wealth and expenditure. Definitions of these variables are given in box 2.1 below. For example, preliminary regression analysis, controlling for other variables, and comparing the cumulative loan amount received by different households indicates that (on average) a per Tk increase of RDP loan contributed Tk 0.46 to household wealth. This can be taken to represent the direct impact of RDP loans with respect to wealth of households in the sampled households. For expenditure the results indicate that the contribution made by RDP loans are of a higher level than initial endowment, and directly contributes to consumption expenditure.

Box 2.1: Definitions of "wealth" and "expenditure"

Wealth is defined as households' fixed productive assets (such as tools used in production, livestock, transport); business stock (net of trading liabilities); ownership of shares (in assets such as DTWs and power-tillers); money lent to mortgage-in land, savings (in cash, or in kind such as stored produce); dwelling structure and household effects such as furniture, utensils and items such as radios).

Expenditure of households is taken as the average weekly value of consumption (cash and own provision) during (winter) peak and (autumn) slack seasons. Further analysis of seasonal expenditure differences experienced by different types of households is presented in chapter 3 of this report.

Local economic vibrancy

Village profile data was used to create a composite indicator of local economic vibrancy, based on proximity to towns, types of market access, size and number of shops (see full draft report, in progress). This composite indicator defines RDP villages into high, medium and low vibrancy localities.

Results show that the fact of living in a high economic vibrancy locality is a significant determinant of household wealth. The mean wealth level of such households is Tk 3,786 more than low vibrancy areas. The opportunity for employment and other productive activities will be greater for households situated near and with easy access to towns and market places, offering greater opportunities for loan investment and higher returns per unit of loan invested.

The combined effect of high vibrancy locality and large RDP loan is particularly important in influencing levels of wealth. It was found that households in the high vibrancy locality and large cumulative loan amount (greater than Tk. 7,500) category increase their wealth level is larger by Tk 8,122 compared with the rest of the sample.

These results are supported by the case studies, which provide examples of VOs which had experienced marked increases in economic well-being due to access to good markets and

infrastructure, but others in old-RDP areas which have poorer access to such facilities, and have experienced less dramatic changes in material well-being.

Life cycle effects

The importance of household demography is also indicated by the survey results, specifically the number of working age population in the household. A per person increase of working age population in the household contributed an average of Tk. 1,680 to total wealth. This implies that a larger number of working age members facilitates more beneficial utilization of RDP loans, a factor which was commonly mentioned by group respondents in the VO case studies. Such additional household members also contribute to wealth by their expenditure saving activities, and the contribution of unremunerated family labour to the household economy is well known in such activities such as crop production and livestock husbandry etc.

For consumption expenditure also, the demographic dependency ratio was significant. An increase in the number of dependants (defined as those aged less than 15 and greater than 64 years) per 100 active population (aged between 16 and 63 years) was found to reduce the per capita level of household consumption, as again, more dependants imply more consumers in proportion to potential or actual earning and economically active persons.

Education

Family education was also found to have had a large contribution to the level of household wealth. A one unit increase in family's total education score raised wealth by Tk 1,480 on average. For households with the highest level of education (that is a household with six or more persons who can read or write, or persons whose years of schooling is equal to or greater than 12 years), the level of wealth increased for every Tk of RDP loan on average by Tk 1.10.

2.6 Conclusions on key indicators of material well-being

Overall, IAS results indicate a consistent movement along the path to greater wealth and expenditure, according to loan size and membership age. There are undoubtedly other non-RDP factors which influence the real level of wealth of different households, and these require further analysis (see final draft report, in progress).

However, the main finding of the above analysis is that when RDP households receive substantial amounts of credit over a long membership period significant changes become measurable. In addition, the results show that RDP is impacting on less well off (low endowment) households to a comparatively greater degree than better off households; and furthermore they imply that the focus on (generally poorer) female members is more effective in bringing benefits to BRAC's target group than would be the case with a higher proportion of male membership.

Annex Table 1: Length of membership and RDP credit, results of T-tests for differences in group means of key indicators

INDICATORS (1)	Loan >7500 & Length >2.5 years Vs. Loan <2500 & Length <2.5 years		Male Vs. Female Loan >7500 Length <2.5 yrs	
	Male (2)	Female (3)	(4)	(5)
Density of Living Quarters (Sq ft/ Capita)	- 0.05	2.94	- 1.44	0.63
Livestock Ownership (TK/Hh)	0.59	2.13	1.52	1.61
House Structure Value (TK/Hh)	5.30	2.98	2.11	- 0.78
Total Asset Value (TK/Hh)	3.99	4.19	2.82	1.79
Asset Per Capita (TK)	2.22	5.04	0.95	1.76
Share of Revenue Earning Assets (% of total assets)	- 1.64	0.70	1.90	2.47
Cash Earning (Week/Capita)	0.03	2.89	0.01	1.87
Food Expenditure (Week/Capita)	0.12	4.34	0.81	2.96
Consumption Expdr (Week/Capita)	1.18	3.92	0.63	2.69
Deficit Months (No. in Last Year)	- 0.42	- 4.83	- 1.44	- 4.38
Food Stock (Meal Days/Hh - Lean Season)	- 1.29	2.90	- 0.50	2.35
Food Stock (Peak Season)	- 1.16	0.57	1.78	2.61
Non-RDP Saving (TK)	- 0.38	1.89	- 0.71	1.82
All Weather Roofing Material	X ² =40.8 (P<0.01)	X ² =31.9 (P<0.001)	-	-

NOTE: The mean values are in Table 1 in the main text. The following pairs of columns from Table 1 - 2 Vs.3; 4 Vs. 5; 2 Vs.4 and 3 Vs.5 - are represented in Annex 1 Cols 2 to 5 respectively. The X² in cols 2 and 3 = chi-square.

Annex Table 2: Group means for key indicators by length of membership, RDP credit received and initial endowment

INDICATORS	Male Loan >7500 - Length >2.5 years		Female Loan >7500 - Length >2.5 years		Male Loan <2500 - Length <2.5 years		Female Loan <2500 - Length <2.5 years	
	Land <0.25 (1)	Land >0.51 (2)	Land <0.25 (3)	Land >0.51 (4)	Land <0.25 (5)	Land >0.51 (6)	Land <0.25 (7)	Land >0.51 (8)
	n = 99	n = 42	n = 97	n = 29	n = 20	n = 11	n = 383	n = 53
Density of Living Quarters(Soft/Person)	45.1	60.0	52.3	72.0	48.1	59.8	47.3	56.1
Livestock (Tk/Hh)	1,915	9,508	2,433	6,176	1,965	6,695	1,697	5,937
House Structure (Tk/Hh)	11,273	31,410	10,263	15,348	2,357	12,422	5,331	11,157
Wealth of Household (Tk/Hh)	21,525	57,892	18,358	28,946	7,765	30,925	8,576	18,801
Wealth Per Capita	3,385	6,447	3,516	5,861	1,746	5,435	1,751	3,391
Revenue Earning Assets (% of Wealth)	33.5	43.9	28.4	41.9	35.1	52.0	30.7	43.8
Cash Earning (TK/Capita/Week)	61.3	64.5	63.5	39.4	56.3	73.7	48.9	31.2
Food Expenditure (TK/Capita/Week)	63.7	81.8	63.6	78.1	73.2	69.7	54.3	62.2
Consumption (TK/Capita/Week)	99.0	118.0	101.6	121.7	96.6	112.6	75.4	93.8
Food Deficit (Months Last Year)	3.02	2.48	3.43	2.55	3.3	2.55	4.66	4.08
Food Stock-Lean Season (Meal Days)	5.8	25.1	9.3	45.8	17.5	40.2	3.7	17.3
Food Stock-Peak Season	20.9	47.4	10.5	45.1	18.5	73.1	11.4	51.9
Non-RDP Saving (TK/Hh)	844	816	1,285	731	922	473	377	204

See annex table 3 for results of t-tests for differences in group means.

Annex table 3 : Length of membership, loan and initial endowment results of t-tests for differences in groups means of key indicators

INDICATORS (1)	Loan > 7500 & Length > 2.5 years Vs. Loan < 2500 & Length < 2.5 years				Large Endowment Vs. Small Endowment	
	Male		Female			
	Initial Endowment				Loan > 7500 & Length > 2.5 years	
	Small	Large	Small	Large	Male	Female
(2)	(3)	(4)	(5)	(6)	(7)	
Density of Living Quarters (Soft/Person)	- 0.22	0.01	1.48	1.45	2.79	1.85
Wealth of Households	3.84	2.59	3.45	1.60	4.19	1.59
Wealth Per Capita	2.96	0.61	4.91	1.58	4.11	1.58
Livestock	- 0.06	1.26	1.71	0.18	5.77	3.46
House Structure	5.47	3.03	2.53	0.97	3.60	1.15
Share of Revenue Earnings in Wealth	- 0.24	- 0.93	- 0.84	- 0.38	2.50	3.30
Food Expenditure	- 1.30	0.82	3.17	1.81	1.52	1.87
Consumption Expdr	0.19	0.29	2.89	1.78	1.20	1.29
Food Stock - Lean Season (Meal Days)	- 1.09	- 0.77	2.10	1.72	3.14	2.30
Food Stock - Peak Season	0.23	- 0.95	- 0.34	- 0.42	1.83	2.66
Deficit Months	- 0.49	- 0.10	- 3.51	- 2.49	- 1.14	- 1.58
Cash Earning	0.51	- 0.31	2.18	0.87	0.16	- 2.44
Non-RDP Savings	- 0.16	0.63	1.42	1.41	- 0.06	- 0.76

NOTE: The following pairs of column no. from Annex 2 are represented in Annex 3 Cols 2 to 7 respectively: 1 vs. 5, 2 vs. 6, 3 vs. 7, 4 vs. 8. 1 vs. 2 and 3 vs. 4

3 RDP's IMPACT ON VULNERABILITY AND COPING CAPACITY

3.1 Introduction

Chapter 1 outlined the main findings concerning key indicators of material well-being, which suggest that RDP is achieving a significant poverty reduction impact for its members. However, while the quantitative indicators of assets and average consumption expenditures are defining features of poverty, there are wider dimensions of deprivation which need to be assessed.

This chapter focuses on the main findings with regard to more "structural" determinants of the economic positions of RDP member households, by considering indications of their economic security, vulnerability to seasonality and their relative coping capacities in the face of stress and crises. By focusing on these more qualitative dimensions of poverty, using both household survey and case study data, a more in-depth assessment of RDP's impact on poverty is possible.

3.2 Changes in RDP households' asset profile

Table 2.1 shows that, on average, total household asset values increase with length of membership and amount of credit. More significant for household security is the fact that productive (revenue-earning) assets increase notably. Member households which joined more than four years ago have, on average, revenue-earning assets which are 100% greater in value than those members who joined recently (in the last 11 months). This implies that "older" RDP households have considerably more income earning potential, and their security in the face of economic shocks and crises has increased.

However, it is also notable that the proportional investment in productive assets does not increase with length of membership. This in turn implies a higher real investment in non-productive assets by "older" members. The main factor underlying these figures is a priority placed by members on assets such as housing structure and domestic goods. The case studies found, during wealth ranking exercises, that quality of housing is perceived as a key determinant of economic status within communities. After landholding, housing was the second most commonly mentioned criterion by which villagers judged household wealth. Nevertheless, these investment priorities do not detract from the main finding that changes in asset structure amongst RDP member households over time suggests that their economic security has been strengthened, and this finding is supported by several other indicators suggesting declining seasonal vulnerability and enhanced coping capacity.

3.3 Declining seasonal vulnerability of RDP members

Large numbers of the poor in Bangladesh are precariously balanced between subsistence and destitution, facing severe fluctuations in their income and consumption due to the seasonality of wage employment and other income earning opportunities. When such fluctuations are pronounced, the slack (or lean) season can lead to distress conditions, requiring asset sales which act as a downward pressure on the poor's (already minimal) economic status. The IAS

methodology was designed to account for seasonal variations in certain aspects of livelihood patterns, and this section reports the main findings on this issue.

"Traditionally, there have been two major periods of seasonal deficits, one in late September to early November and the other in late March to early May. With the widespread expansion of winter planting of rice, incidence of the early summer lean season has significantly declined. However, the autumn lean season, coming after the planting of the aman crop and with harvest time a month of more away remains very much a routine order of the day affecting nearly all parts of the country" (Rahman, 1992; emphasis in original).

The decline in the severity of economic depression in the early summer is contested by the findings of the case studies. The months of *Chaitra* to *Jaistha* (March to May) still entail declines in employment and income in many parts of the country and for various occupations. Unskilled labouring (both farm and off-farm), fishing and petty trading occupations are particularly affected during the early summer lean season. In these periods low agricultural activity - depressing incomes and demand - affects most parts of the rural economy (both the labour market and trading activities).

RDP's intervention hopes to decrease the seasonal vulnerability of members, by creating alternative employment and income generating opportunities through which member households are able to weather the traditional decline in the lean season quality of living.

Reduction in vulnerability to seasonality can be assessed by comparing the differences in key indicator values between slack and peak seasons, within different RDP groups (defined by length of membership). As the length of membership increases there should be decreases in the seasonal differences with respect to cash earning, consumption expenditure in general and food expenditure in particular, food stock and rice consumed.

These findings on these selected indicators of vulnerability (shown in annexed tables 1 to 4) show that overall, both male and female member households are less vulnerable to seasonality than the comparison group, and that such vulnerability decreases for those members whose length of membership exceeds two and a half years. These main findings support the critical mass argument outlined in chapter 1. Table 3.1 below verifies this argument by comparing households with a high level of RDP input with those with the lowest level. The results of significance tests for differences in means suggest that the critical mass argument also results in declining seasonal vulnerability.

This finding is more evident for the female member households. The small number of the male member households which have only recently joined appear not to be particularly vulnerable comparative to other groups because some of them are in a considerably better economic condition. (The results of statistical tests for the male category are not presented here, but are included in the final draft report, in progress).

Table 3.1: Comparative seasonal differences in key indicator values for female member RDP households, according to age of membership and cumulative loan values received

Indicators	Loan > Tk 7,500 & length > 2.5 yrs (n 153)			Loan < Tk 2,500 & length < 2.5 yrs (n 496)		
	Lean	Peak	t-value	Lean	Peak	t-value
Rice consumption (gm / week pc)	3,258	3,062	1.06	2,712	3,019	-3.16
Food expenditure (Tk pc)	64.7	67.7	-0.74	50.7	59.1	-3.90
Total consumption expenditure (Tk pc)	95.5	109.8	-1.19	69.4	84.4	-4.12
Food stocks (meal days)	16.0	19.1	-0.65	5.4	17.0	-6.12
Cash earning (Tk / week pc)	63.6	59.4	0.46	31.8	58.0	-4.44

The female category's more recently joined members have levels of rice consumption, food stocks and cash earning in the peak season which are similar to the "older" members that have received most RDP support (according to loan amount and length of membership). This may be partly due to the fact that peak season labouring in the agricultural sector commands higher wages, which are paid in kind as well as in cash. Thus, differences between the groups in terms of food stocks and rice consumption are likely to be less during this season.

This explanation is supported by the fact that when the two groups are compared with regard to expenditures on food and consumption, the "older" RDP member households have significantly higher levels during both seasons than the more recently joined households.

More striking are the results of significance tests on the differences between peak and lean season consumption expenditure, food stocks and cash earning. For all these indicators, female member households which have received the most RDP credit over time experience insignificant differences between the two seasons (see t-values in table 3.1). The reverse is the case for those households which joined more recently, and have received under Tk 2,500 of credit. These results clearly indicate that the seasonal vulnerability of the "older" members has decreased, whereas the more recently joined still experience highly significant fluctuations in all aspects included in the table, and particularly with regard to food stocks, consumption expenditure and cash earning.

3.4 Enhanced coping capacity

That these results on declining seasonal vulnerability are suggestive of more structural changes in RDP members' economic well-being are supported to a large extent by indications of enhanced coping capacity. These indications include access to and use of informal credit (in cash), the declining proportion of RDP loans used for consumption, and direct access to crop production on tenant or own land, correlated with length of membership and cumulative RDP loans.

The household survey data shows that nearly half of all households (47% and 41% of male and female member households, respectively) had informal debts at the time of interview in the (autumn) lean season of 1993. These aggregate figures cannot be interpreted at face value, since they hide various types of informal loans (including those taken from kin, friends and neighbours as well as moneylenders). Also, the case studies found that in five out of 16 locations VO members reported that (since joining RDP) they no longer had to go to the local *mohajans* who lent out small sums at very high interest rates. In another five VOs, members reported that local moneylenders saw them as having increased creditworthiness. These findings indicate the complexity of informal markets.

The indebtedness of households to informal sector moneylenders may be interpreted in two ways, depending on the nature of the informal credit. For some households, high interest loans may constitute dependence on exploitative moneylenders; while for other households access to certain types of informal credit may represent increased creditworthiness and coping capacity. However, in general the survey data suggests that "older" RDP member households have a reduced reliance on the informal credit market, which in turn suggests increasing economic security.

Indeed, the main findings suggested by the data are that (a) while there is no clear downward trend in the proportion of households taking informal loans as length of membership increases, (b) the average amount of informal credit taken per household declines as length of membership increases, and (c) in addition, "older" member households use a smaller proportion of their informal credit for consumption or hardship purposes - and instead use a higher proportion for investment purposes. These data for these main findings are illustrated in table 3.2 below.

Table 3.2: Number and proportion of RDP households with informal debts, and their mean size, by length of membership (male and female member households)

Length of membership in months	Male member households		Female member households	
	No (%) of households with informal debts	Average amount (Tk) of informal debt outstanding	No (%) of households with informal debts	Average amount (Tk) of informal debt outstanding
1-11	10 (37%)	6,090	192 (41%)	2,405
12-29	26 (28%)	2,321	68 (41%)	3,679
30-47	84 (56%)	5,945	99 (24%)	4,233
48-72	32 (54%)	3,869	33 (43%)	1,692
73+	27 (60%)	2,333	12 (35%)	1,244

However, a more complex picture emerges when analysing data for male and female member households separately. For male member households, as the amount of RDP credit increases, the amount of informal credit taken decreases slightly. For female member households, there is a small positive correlation between increasing RDP credit and informal credit. However, the correlation coefficients are small (-0.043 for male, and 0.001 for female member households), suggesting that these opposite "trends" are both extremely weak. Two interpretations may be offered to account for these results:

* given that male member households have, on average, been members for longer and have taken more credit than their female member counterparts, it is possible that female member households can be expected to follow the male "withdrawal" trend in the future, as and when their economic condition improves to a greater degree; alternatively,

* it is possible that female members' (slight) increase in borrowing in the informal market is because of the growth of women-based networks of small-scale moneylending, ie. loans taken from kin, friends and neighbourhood contacts. There is ample evidence from other studies to suggest that one effect of women's access to formal credit is enhanced creditworthiness, enabling greater involvement in "less exploitative" segments of the informal market.

Further research may reveal more information to support one or other of the above interpretations. Yet whichever interpretation is found to be more justifiable, the results on the use of both RDP and informal debt for investment (rather than hardship) purposes, remain positive.

The survey data does show that the average amount of informal debt per borrowing household declines with length of membership (see table 3.2 above), which suggests a degree of "withdrawal" from the informal credit market by households which are, on average, better

off than those joining BRAC more recently. The smallest average informal debt is recorded for those RDP member households which joined more than six years ago.

These "older" member households are also using a higher proportion of such informal credit for investment purposes (ie. not for consumption or other hardship purposes). Table 3.3 shows the more complex picture presented by the data. In fact, there seems to be an increase in the proportion of informal credit used for consumption purposes by those members (mostly more recently joined) which have received smaller amounts of RDP credit. This is particularly evident in the male category. In the female category, an initial rise in the proportional use of informal loans for consumption (up to 67% of such credit by those households which have received under Tk 5,000 of RDP loans) is followed by a clear downward trend (amongst the high-RDP borrowing group) to using only 37% of such informal credit taken for consumption purposes.

Table 3.3: Proportion of informal loans used for consumption and hardship purposes, by RDP loan groups

RDP loan groups	% of male member households' informal loans used for consumption	% of female member households' informal loans used for consumption
0	35.7	64.9
1-2499	51.4	64.3
2500-4999	60.0	66.8
5000-7499	60.9	46.4
7500-9999	28.6	48.4
10,000	36.2	36.6
<u>All RDP (Average)</u>	46.2	59.2

These findings on the use of informal loans may be compared to those relating to the use of RDP loans taken; these results are shown in table 3.4 below.

Table 3.4: Percentage of the last RDP loan taken before the interview, used for consumption or other hardship purposes

RDP loan groups	% of male member households' RDP loans used for consumption	% of female member households' RDP loans used for consumption
1-2499	10.7	8.6
2500-4999	10.7	13.6
5000-7499	11.0	11.0
7500-9999	4.7	10.7
10,000	4.5	4.8

For male member households, the data in table 3.4 mirrors that in table 3.3, in other words that a decline in the consumption proportion of the outstanding informal loan at the time of interview is evident for those households which have received a higher amount of (cumulative) RDP credit. For the female member households, use of RDP loans for consumption purposes increases initially, but falls significantly in the highest RDP loan group (to a comparable level to the proportion used for consumption by male member informal borrowers).

In combination, the above data on informal and RDP credit used for consumption purposes suggest the conclusion that RDP member households continue to access informal credit during their membership, but the average amount of such debts decreases, and such loans are used more for investment purposes.

One additional indicator of the enhanced coping capacity of some households within the survey sample is provided by data on crop production, on either tenant or owned plots. The cultivation of *aman* paddy (harvested in mid November at the beginning of the peak season) is a major source of food stock. Table 3.5 indicates that as length of membership increases, an increasing proportion of both male and female member households have direct access to peak season paddy, providing food stocks for future months.

Table 3.5: Number and percentage of male and female member households involved in direct production of paddy, by length of membership

Length of membership (in months)	Number (and %) of male member households engaged in own production of staple paddy	Number (and %) of female member households engaged in own production of staple paddy
1-11	11 (40.7)	154 (33.0)
12-29	48 (51.1)	53 (31.6)
30-47	77 (51.0)	96 (40.3)
48+	59 (53.6)	42 (37.8)

In combination, the data discussed in this and the preceding section suggests that a reduction in seasonal vulnerability corresponds with enhanced coping capacity amongst households which have received higher amounts of credit over a longer membership period. However, there is one issue on which the survey data is ambiguous, and that is the matter of savings.

Table 3.6: The ratio of non-RDP savings to RDP savings deposits, by male and female member households and length of membership

Length of membership (in months)	Ratio of non-RDP savings to RDP deposits of male member households	Ratio of non-RDP savings to RDP deposits of female member households
1-11	4.9	2.7
12-29	2.2	1.8
30-47	0.6	(15.4)*
48-72	1.6	1.3
73+	0.4	0.6

Key = "*" should be discounted, due to probable data processing error

The data in table 3.6 is presented in terms of declining ratios of non-RDP to RDP savings over time amongst the membership. In monetary terms, RDP savings increase with length of membership, and non-RDP savings decrease. The increase in RDP savings is unsurprising - weekly deposits, and security savings deducted from loan amounts are requirements of VO membership. The implications of these findings are ambiguous, mainly because RDP savings themselves are not accessible in times of distress or severe need, and their inflexibility is a matter of concern to many members (see chapter 5 in this report). In short, RDP savings on their own do not contribute to short term coping capacity of households, and they can only

be considered a long term asset.

It is possible that households perceive less of a need to keep non-RDP savings, given (a) their increased access to RDP credit (a small proportion of which is used, in practice, for meeting consumption needs, even by the better off households), (b) more secure sources of income, and (c) the existence of savings in kind (including livestock and other household assets).

3.5 Conclusions

Changes in the nature of household assets, with increases in the monetary value of productive (revenue earning) fixed and working capital, along with investment in housing structures, suggest both greater economic security and an improved standard of living for "older" members of RDP.

Such enhanced security is confirmed most clearly by the reduced seasonal fluctuations in income, expenditure, food consumption and stocks for those members who joined RDP more than two a half years ago, and have received over Tk 7,500 of cumulative RDP loans. These findings clearly indicate that seasonal vulnerability of such households has decreased markedly.

In addition, the evidence concerning enhanced coping capacity is generally positive. There is a trend to "withdraw" from the informal credit market, the average amount of credit taken by "older" members declines, and the use of both RDP and informal loans for consumption or hardship purposes decreases with length of membership, just as households experience improvements in their material well-being and ability to weather seasonal lean and peak periods.

Annex Tables on Reduced Vulnerability to Seasonality

Table 1. Cash Earnings received per capita

Male Members categorised by length of membership (in months)

season	1-11	12-29	30-47	48-72	73+
slack	106.8 (1.84)	43.9 (-2.29)	55.3 (-1.01)	34.9 (-1.88)	42.5 (-1.16)
peak	48.9	68.8	66.8	53.6	74.5

Female Members categorised by length of membership

season	1-11	12-29	30-47	48-72	73+
slack	34.0 (-3.59)	38.3 (-2.74)	56.3 (1.19)	44.4 (0.03)	45.2 (-0.88)
peak	56.4	64.9	48.5	44.0	60.0

season	comparison group
slack	36.9 (-2.79)
peak	53.4

(t statistics in parenthesis)

The tables show that for the groups with a length of membership greater than 30 months (30-47, 48-72, 73+) vulnerability to seasonality decreases. In the female categories, the two younger groups (1-11, 12-29) earnings are significantly higher in the peak season. For the males the pattern varies slightly: in the second youngest group (12-29) income is significantly lower in the lean season compared to the peak season, indicating that this group is more vulnerable, as we would expect; however, in the case of the youngest length of membership group (1-11) there is not a significant difference between the two seasons, but this is explained by the inclusion of more well-off males in this category.

If we compare the results to those obtained for the comparison group, except for the youngest age female group (1-11), we can say that the Brac members were less vulnerable to differences in seasonal earnings, and that this difference is pronounced after membership age becomes greater than 30 months.

Table 2. Food Expenditure (Per Capita)

Male Members categorised by length of membership (in months)

season	1-11	12-29	30-47	48-72	73+
slack	65.7 (-0.89)	57.5 (-2.41)	64.8 (-1.76)	72.8 (0.85)	55.9 (-2.04)
peak	73.9	71.8	74.1	60.8	67.6

Female Members categorised by length of membership

season	1-11	12-29	30-47	48-72	73+
slack	49.9 (-4.33)	56.3 (-1.36)	54.7 (-2.51)	59.1 (-1.08)	66.9 (0.41)
peak	59.6	61.1	63.2	65.5	63.0

season	comparison group
slack	51.7 (-4.64)
peak	58.9

Considering expenditure on food for male members, a similar pattern emerged to that of the cash earnings indicator. The findings, except for the oldest group (73+ months), show a significant impact. The unexpected results for this category could be due to the fact that this is the pre-RDP group which entered the programme in its more experimental phase and this effected the size of the impact.

For the female group, there was a difference in expenditure for the middle category (30-47) but no significant difference for the second group (12-29). As expected there was a large difference for the youngest group. The comparison group fared worse than both the male and female members in all categories, although the difference between the two seasons that was marginally less than the youngest female group.

Table 3 .Total Expenditure (per capita)

Male Members categorised by length of membership (in months)

season	1-11	12-29	30-47	48-72	73+
slack	108.8 (0.53)	75.3 (-2.51)	107.3 (-0.85)	97.1 (0.21)	83.7 (-1.10)
peak	119.6	97.9	116.3	93.2	99.0

Female Members categorised by length of membership

season	1-11	12-29	30-47	48-72	73+
slack	68.4 (-4.70)	81.7 (-0.27)	80.3 (-2.39)	89.4 (-1.83)	89.1 (-0.22)
peak	86.2	83.8	101.5	114.1	92.2

season	comparison group
slack	72.4 (-3.84)
peak	83.9

Looking at total expenditure, the indicators support the pattern of reduced seasonal effects as length of membership increases for both male and females. For the male categories the difference was most pronounced for the second youngest category (12-29 months), as was found for the cash earnings indicator. For the female members, the difference between the two seasons total expenditure was larger in the first and third groups (1-11, and 30-47 months). Once again, the comparison group fared worse than all groups, except the youngest female category.

The findings from the selected indicators of vulnerability show that overall, both the male and female members are less vulnerable to seasonality than the comparison group, and that this vulnerability decreases for those members whose length of membership exceeds 30 months. This supports the 'critical mass' hypothesis put forward in the earlier chapter.

Table 4. Consumption of rice (gram per capita per week)
(home grown & purchased)

Male Members categorised by length of membership (in months)

season	1-11	12-29	30-47	48-72	73+
slack	3043 (-0.26)	2898 (-3.26)	2894 (-2.63)	2866 (-0.61)	2996 (0.90)
peak	2943	3877	3598	2978	2739

Female Members categorised by length of membership

season	1-11	12-29	30-47	48-72	73+
slack	2717 (-3.03)	2721 (-2.70)	2899 (-0.42)	3067 (0.78)	2631 (-1.05)
peak	3058	3163	2961	2890	3009

season	comparison group
slack	2802 (-3.0)
peak	3009

The difference in the consumption of rice, between the two seasons, follows a similar pattern to the other indicators. For the female categories there is a decrease in vulnerability after the 30 month mark, however, the decrease does not occur until later, until after 48 months. Once again the comparison group fares worse than the male and female groups overall.

Table 5. Seasonal Food Stock

Male Members categorised by length of membership (in months)

season	1-11	12-29	30-47	48-72	73+
slack	23.9 (-1.46)	9.5 (-3.23)	18.1 (-0.27)	12.4 (-2.55)	18.1 (-0.65)
peak	46.4	31.3	20.2	41.1	23.2

Female Members categorised by length of membership

season	1-11	12-29	30-47	48-72	73+
slack	5.5 (-6.1)	6.5 (-4.14)	10.1 (-2.44)	19.4 (-0.92)	14.3 (-0.70)
peak	18.5	24.0	17.6	27.3	19.7

season	comparison group
slack	5.2 (-4.81)
peak	11.9

For the seasonal food stock indicator, the results are as expected for the female group, while for the men an increase in vulnerability occurs in the 48-72 month category. (WHY ?). The large difference in food stock between the two seasons for the youngest female group, the pre-intervention group, indicates effective programme targeting. Except for this latter category, the groups, male and female groups perform better than the comparison group.

4 CHANGES IN WOMEN'S LIVES

Box 4.1: The position of women

"Women are particularly affected by poverty. Poor women in rural areas have the least power. Traditionally women in Bangaldeshi villages have few rights, little choice about the course of their lives, and almost no opportunities to change their situations. Women work nearly twice as many hours each day as men...they have little or no access to people or positions of influence; for the most part they are illiterate; they eat last and least. They are often deserted when husbands cannot find income in the villages and move away to pursue work." (Lovell, 1991)

4.1 Introduction

BRAC interventions under the Rural Development Programme are intended to have positive impacts on women's lives. RDP's financial services are intended to give women access to credit, raise their income and increase their control over resources. RDP's support services are complimentary to these material aspects.

Training aims to increase women's skills and knowledge; and regular attendance at VO meetings, visits to Area Offices (and TARCs) are expected to increase their mobility, widen their horizons, and change people's attitude towards women's involvement in public spheres. Increased awareness of domestic rights, basic literacy (eg. learning to write their names) are ways of building self-esteem and confidence. Such potential changes are undoubtedly difficult to analyse given the complex nature of gender relations which are influenced by various contextual (as well as RDP) factors. However, in combination, RDP activities are intended to enhance women's status, bargaining power and decision making roles within the household (and the wider community).

The focus of this chapter is on assessing the impact of RDP's activities based on four major aspects of women's lives in their households and wider communities, namely:

- * the status of women;
- * attitudes towards women's mobility;
- * women's control over income; and
- * their decision making roles.

4.2 Changes in women's status

This section considers RDP women's status within (a) the household, and (b) the wider community.

Changes within the household

82% of BRAC's target population are women and 74% of BRAC credit is received by them (RDP Statistical Report, 1993). However, the IAS case studies found that in most cases, male kin in female members' households utilize the loans received. For many women, it is difficult to use credit because of traditional "social sanctions" which do not allow women to venture into public spheres (eg. hath and bazar markets), or to undertake various types of "men's work". Employment opportunities for women, apart from household-based work and agricultural tasks on family plots, are very limited. In general, activities are subject to the rules of seclusion ("purdah") which, depending on the relative orthodoxy of the family (and surrounding community) limit their mobility to an extreme or moderate degree. In view of these pressures, a large proportion of female VO members let their husbands use all or part of their RDP loans.

In general, case study interviews and group discussions gave the impression that most husbands who use their wives' loans also repay the weekly instalments (handing the case over to their wives for the weekly meetings). In the few situations where husbands are reaping the benefits, but do not take responsibility for repayment, female members manage either by selling home based products, or by borrowing from fellow VO members or relatives. These women members experience a combined stress (ie. the pressure of repayment responsibility, the need to approach the husband for weekly installments, and from fellow members in the VO). While such conditions make these members more vulnerable, none of the respondents remaining with BRAC reported the need to liquidate their assets to meet loan repayments. This involvement of men in using female members' loans is a common, and widely accepted state of affairs.

Justifying the tendency to give BRAC loans to their husbands, many women explained that loans are usually considered "household" (rather than personal) income. As husbands are the main bread winners, and are usually more engaged in cash-generating activities, it is regarded as sensible for them to invest their wives' loans. One middle-aged woman who was interviewed said *"...everything I have belongs to my husband, so why should he not have a say in my 5,000 taka loan? If he does not invest this 5,000 taka then how am I going to repay the installments."*

Even if husbands have not been previously engaged in such activities, it is believed that the male family members are better placed to invest in new ventures (partly because of the restrictions faced by women). Since the men are handling the investment they effectively assume "ownership" of the loan and the business based on it. For example, ninety year old Ramjan called it "my loan" when describing the repayment status of the BRAC loan received by his 35 year old wife: *"These chick rearing units are in our wives' names only. We actually run this business. These are ours."*

However, during the field visits female respondents stated that their positions in their

families have changed. Members from seven case study VOs explicitly stated that their status has increased in their households as a result of achieving access to BRAC loans. (Members of three other VOs said that they had experienced few changes in their position within the household).

Generally, it was agreed that for a woman from an extremely poor household being the recipient of a large cash loan gives them a higher level of respect. The statement of one particular women illustrates this general finding: "*Now that we bring loan for our households, shameer shohug atey na (our husbands love us more).*"

In addition to the importance of receiving credit, the social awareness (functional education) courses do appear to enhance women's awareness about their status within the household. In particular, many women talked about oath no. 11 in their savings pass book (in which women promise to protest against husband's maltreatment). On this issue, women said that their husbands dare not abuse them and take second wives as was more common in the past.

In one VO, the husband of a member wanted to drive his wife away from their house so that he could take a second wife. All the group members combined to protest collectively, and were proud of their ability to support the aggrieved wife:

"If each of our fifty members taunt this man, then what will happen to him? We will ensure that this woman will stay in this house - if he likes he can build another house for himself!"

Social awareness (FE) also teaches VO members how to sign their names. In general, members believe that the ability to write their names enhances their self-confidence, and they are proud of such new skills. Some women respondents pointed out that their children have since then more respect for them: "*Our children give us somman (honour) when they see their mothers are writing their names correctly.*"

However, some women did not find this name signing very useful, apart from fulfilling BRAC's requirements for issuing loans, and therefore consider it a waste of their time. The ability to "read" and understand the entries in their saving books would be more of a benefit.

Changes in community-wide status

Most women acknowledged that their social status within the community has remained largely unchanged. However, some indications of gradual change were evident.

Female respondents believe that BRAC involvement has increased their credit worthiness in the eyes of *mohajans* (local moneylenders and traders). Some member households have managed to alter their socio-economic situation through repaying their overdue *mahajani* loans after receiving BRAC loans.

For some female VO members, involvement in BRAC organised sector programmes (or

the NFPE programme) has enabled them to provide their wider communities with important skills - such as paramedical and para-vet services. These services are used not only by fellow BRAC members, but also the better off in the community. Such para-professional women can provide services which gain them additional respect from their communities. However, in some communities such activities gain approval only as long as their greater "public" mobility is seen as appropriate to their personal circumstances. Such circumstances include an individual woman's degree of need. As one wealthy villager commented: *"It gives them a source of income, in the absence of which they would have been pushed into begging."*

However, these skilled job opportunities are restricted to very few women (usually not more than two or three per VO). In the case of NFPE teaching jobs, most go to women with secondary education, who are often already of higher status than the majority of VO members.

BRAC involvement has not resulted in any change in the position of female members in relation to the village *salish* - by convention females do not participate in such dispute settlement gatherings. Such an involvement would require fundamental social changes which are outside of the direct influence of RDP.

Thus, while there are some indications that women's status within their individual households has been enhanced by RDP involvement, there is little evidence of more general change in their community-wide status. As women's status is strictly regulated by socio-cultural traditions and religion, there are limitations to what BRAC can expect to achieve in a relatively short period of time regarding changes in the social identity of women and the perceptions of rural people about gender relations.

4.3 Attitudes towards women's mobility

In general, the way in which a VO is formed and operates is contrary to conventional social norms. Through their participation in weekly meetings, women's mobility and access to information increases. Confidence is gained as they go to meeting and other places by themselves. Moreover, they have more exchange with women from other locations, which contributes to their confidence and increases their exposure to new ideas. In short, through regular meetings, credit and skills development training, BRAC has paved the way for its female members to come out of their "*baris*" (household compounds).

Specific conditions like geographic location, the dominant occupations of a community, ethnic and religious affinity do influence the degree of women's mobility. One of the VOs studied is located in a village where the dominant occupation is fish trading. Men in this village leave their home early in the morning and return late at night. As a result, women are left with most of the household responsibilities. As one would expect, this community has a more positive attitude to women's mobility (out of necessity). Even so, when BRAC proposed to start a female VO in this village, initially the men still felt concerned about their women organizing into a special group and talking to outsiders (ie. BRAC staff), which might be seen as violations of their "*pardah*".

Despite opposition from some husbands, rich villagers and the male dominated communities in general, women are participating in VO activities. Indeed, the large majority of VO members do not encounter any problems in going to BRAC meetings or even to BRAC Area Offices to get loans, medicines or other support services.

In the case of two VOs, however, respondents reported that their husbands do not allow them to go away where they would be required to spend the night (eg. TARCs). Similarly, from the point of view of most villagers, while they have accepted women going to BRAC meetings or to BRAC AOs, they remain disapproving of women going to another place (outside of the village) for training that requires more than a short period of time.

Inconvenient timings for women without additional support in their families, and in certain circumstances, the perceived inappropriateness (usefulness) of training may also explain this opposition.

It also seems to be the case that female members do start to oppose some of the restrictions imposed by their husbands. They benefit from the support of other women in the VO and manage to help each other when individuals face resistance from their families. One male respondent noted that "*...women have become more powerful since BRAC came*"; and another joked that "*...after a whole day's work when we ask them to serve us our meal, they just snap at us.*"

However, even if villagers in general have accepted women's mobility, they usually relate it to survival needs. It is believed that it is good for poor women to join BRAC to get assistance, and their need justifies their public activities.

However, this outlook differs depending on the age of the woman concerned. For example, young women are criticized more frequently for doing work outside the *bari* than widows or older women whose domestic situation means that they are more independent. This criticism comes from people from all parts of the community: rich and poor, male and female. It is the dominant traditional perception of women's roles, behaviour and attitude which discourages women's creation of separate identities, networks of contacts, and information sources which might come from working outside of the home. To stay at home and maintain *purdah* is for many of them the main way to maintain dignity, even (or especially) when the economic condition of the household is very poor. The fear of losing their dignity in the eyes of co-villagers is a major obstacle for the types of income-generating activities and projects which require greater mobility.

For many women it is unavoidable to visit the BRAC AO. Yet when women see an alternative solution to moving out of their houses they prefer to take such options.

The mobility of BRAC's para-professionals - as stated before - is more or less accepted by the community. They face less criticism if they are middle-aged women from female headed households with few other opportunities to earn money for their survival.

Women are not criticised by the community if they can earn by staying within the house, enabling them to follow the rules of *purdah*. Such "decent" or "respectable" activities include embroidery, paddy husking and "*pitha*" (cake) making. Respondents from a 10 year old female group mentioned that with their BRAC loans, they make *pitha* and sell it to the market through their small children. Although they are relatively older women, they still do not feel comfortable about going to the market. This emphasis on the need for BRAC to provide respectable activities was marked in many VOs. As one female member said, with the approval of a larger group of women:

"The Area Manager said that the VO would be like our mother. The VO would give us whatever and whenever we want. But except for access to credit, our hopes were not fulfilled. We wanted a kantha centre in our village, but BRAC did not agree. We wanted to earn from such decent work by staying inside the house. We still hope to get this employment opportunity. We believe that it will attract more poor women to join BRAC." (our emphasis)

4.4 Control over income

Traditional female activities are labour intensive, normally using small amounts of capital (and often generating smaller returns than male activities). Consequently, as discussed above many women hand part or all of their loans to male kin, most often the husband, and control over this new component of household cash flow often is assumed by men; and the profits from loan assisted activities are also frequently used by male members for familial or personal expenses.

However, BRAC itself is demonstrating alternatives to activities which require or encourage (by social custom) the involvement of men in various stages of handling cash. BRAC's para-professionals (eg. poultry workers, paravets, shasthya sebikas and poor women employed by BRAC as mulberry tree care-takers) do have more control over their income. They are doing the work themselves, receive the cash or kind payments "in-hand" and do not have to depend on any male members of their household as intermediaries in such activities, because BRAC provides adequate support and supervision. The women involved in many of these sector programmes tend to be widowed, divorced or deserted by their husbands. Usually they are accepted to be more mobile than the general VO members, and can afford to go to distant places for their work (to receive training, to collect medicine, equipment etc). It was reported that as a consequence of greater mobility these women have more confidence in how to invest their money and how to supervise any loan money invested by others in their households. As a result, they have more control over their income compared to BRAC female members in general.

There are opportunities where women can maintain partial control over income from home based production by selling poultry, eggs, cow milk, *mushti chal* (handfuls of rice) etc if they can carry out the transactions of these goods without their husband's help (eg. selling to other women in their communities).

Women do not need consent from their husbands for day-to-day (minor) expenditures. But for buying clothing for children or themselves, or other larger expenditure decisions, women normally ask for the consent of males in the household (the reverse is rarely true). As far as spending income from their loan or loan assisted activities is concerned, women respondents said that while they can make such decisions, they claimed they needed to inform their husbands:

"If our husbands spend ten taka, we can also spend ten taka - we just have to inform our husbands".

Husbands on the other hand, spend without consulting their wives even if the money "belongs" to the wives.

However, despite these persisting gender differences in the way that expenditure decisions are made, many women felt that they had more "say" in financial matters of the households. Before joining BRAC the women had no say whatsoever about their husbands' businesses. Now women claim that they are considered more important to family maintenance, because they bring in credit. With this new economic role has come an increase in influence over household affairs. One male BRAC member acknowledged

this enhanced control over resources when referring to his wife (a member of the linked female VO):

"My wife has the right to buy toiletries and cosmetic jewelry on her own from the income of her loan, even though it is utilised by me. Last month she bought a cooking pot which cost taka 80. She said that it was essential for her kitchen. I did not argue with her about this necessity. But she would not have done this before receiving loans."

It can be inferred that women have control over that part of the income which they earn entirely by themselves, and in those circumstances where they do not have to seek help from their male counterparts at any stage. In addition, some do attain more influence over expenditure decisions. However, often they cannot use the money themselves for market-related activities - and this perpetuates the need for male kin for certain types of transactions. Thus, women can rarely attain full control over their income.

4.5 Decision making power within and outside household

Decision making power is an important indicator of women's status. However, it is a very difficult indicator to capture or "measure". Household decisions are rarely discrete events. Rather, there is a lot of prior discussion, argument or persuasion behind each decision made. Consequently, when we claim that a certain decision was made by a certain member of the household, there is a danger of ignoring the likely involvement of others. Although we are aware of this, in the following analysis we simply review the results of interviews with women (and men) on this issue.

In order to investigate whether the decision making power of women has increased (since becoming member of BRAC village organisation) we asked female respondents a series of questions concerning (a) decision making within the household and (b) decision making outside of the household.

Decision making within the household

Areas of decision making within the household include credit, sale or purchase of assets, expenditure, savings and children's education, marriage and so on.

The findings of the household survey show that 61% of the more recently joined female members (1-11 months) stated that they had sole decision making power over spending their own income, while 16% reported that their husbands exclusively made such decisions, and 21% said that such decisions are jointly made. By comparison, 47% of women who have been members for more than four years claimed to decide how to spend their income by themselves, 21% reported that their husbands exclusively made such decisions, and 30% stated that they made such decisions jointly.

A similar trend can be observed in relation to who decides when to take an RDP loan. 33% of female members in the recently joined (1-11 month) group stated that they had sole decision making power to take a loan, 45% said that it was the husband who had made the decision, and in 11% of interviews it was reported to be a joint decision. By comparison, 22% of the female members who joined more than four years ago claimed to make the loan taking decision by themselves, 47% reported it was their husbands decision, and 22% stated that such a decision was made jointly.

Generally, the length of membership corresponds with an increase in loan size. Therefore, more recently joined members usually receive smaller loans with more limited returns. This may be why expenditure decisions for this group are more commonly left to the wives. However, with an increasing loan size (and associated income) it appears that decision making power is shifting from women towards more joint decision making processes.

The survey data appears to suggest that women's exclusive decision making power over taking loans and expenditure of their own income declines with length of membership.

However, this decline does not mean that women are clearly losing influence. An increase in joint decision making (in the above examples from 21% to 30% for expenditure

decisions, and 11% to 22% for borrowing decisions) indicates that women may be gaining more recognition from their husbands, and they are increasingly consulted on matters of household cash flows.

Except for a few female headed households all the members from 12 out of 16 female VOs stated that they discuss the timing (of taking) and proposed use of loans with their husbands. Members from three other VOs told us that their husbands usually make the decision as to when to draw a loan, without any real consultation with their wives. Regarding the use of loans, husbands appear to have dominant authority, and make the key decisions.

This study confirms that in the case of minor household decisions, women's participation has become more important. In reply to our question about selling and purchasing poultry and livestock, women group members said that they could make decisions about whether to purchase or sell poultry.

However, in the case of purchasing or selling (larger) livestock they have to discuss such matters with their husbands. Two female VOs claimed that they themselves decided on whether to purchase or sell both poultry and livestock. In seven VOs, women stated that they consulted with their husbands on selling or purchasing such assets, while women in six others said that they were influenced by outsiders (e.g. BRAC staff pressuring them to buy poultry birds). Since most of the time women are directly involved in the management of poultry, this gives them more opportunity to participate in decision making.

After joining the VO women usually pay weekly savings from the sales of eggs, vegetables or accumulated *mushti chal* (it is a common practice for women to save a handful of rice before cooking a meal, as a type of "secret" saving for unforeseen crises). In these cases, women are making savings decisions which can be important for the subsistence of the family.

Another important observation regarding savings is that poorer women tended to report a greater degree of independence than those who are a little better-off than them. It is evident from our study that comparatively poor female members are more directly involved in different RDP programmes like sericulture where they function as mulberry tree caretakers and cocoon rearers, the poultry and RDP health programmes, women owned grocery shops, vegetable cultivation, small trading etc. Due to the nature of these jobs these women interact with various types of people which in turn increases their bargaining power. This power may result in the poorer members being more independent (within their households) than wealthier counterparts regarding their savings.

Regarding children's education, almost all the female group members interviewed stated that they were responsible for monitoring their children's education because they stay at home. As Madhuri, President of VO 'N', stated:

"Is it possible for any husband to look after the schooling of the children when he is out at work the whole day?"

Women also reported spending the small amount of money they save by selling eggs, poultry birds or *mushiti chal* to cover the costs of education. However, the final decision to send children to school is taken by the father. Women take responsibility of looking after their children's education once such a decision has been made.

In our study, almost all our female respondents said that they discuss their children's marriage with their husbands, though they admitted that the final decision is made by their husbands. On the other hand, dowry matters and the resources needed or to be used for such payments are handled entirely by men.

According to the women group members, they have greater power to oppose their husband's second marriage than before. In one VO (apart from the other case cited above) a woman successfully resisted such a case. When the husband wanted to throw her out of the house, women members opposed it by threatening "...if you want to marry again, it is you who should leave this house. It was built with your wife's loan money."

Decision making outside the household

If we look at the women's role in political decision making such as voting, there is little to suggest women are gaining more influence in their communities. Fourteen VOs stated that their husbands decide for whom they will vote. Only two VOs mentioned that they decided who they would vote for with their husbands in a consensual manner. The majority of female members, however, claimed that:

"The ways followed by the husband should be followed by their wives".

The VO itself provides another important arena of decision making. A number of early institution building activities like individual contacts, small and large group discussions that take place before a VO is officially formed, have a big influence on how the decisions to form a village organization are made. According to female members, while they consulted with their husbands, in most cases the decision of the woman was the final one. In some instances, the women were so eager to form a village organisation that they attended the meeting in an adjacent village several times in the hope of being included in this VO. The power exercised by the women in making the decision to form a formation represents a great step forward in terms of women's participation in the public sphere. Women also have the opportunity to make decisions about the formation and reformation of the management committee (though such decisions are largely consensual, as discussed in the section on institution building).

4.6 Conclusion

As discussed above, while dramatic changes are not evident, there are some (more gradual) changes which BRAC has brought about in female members' lives.

After receiving loans women's status has increased within the household. Some have experienced greater mobility. Many of the members involved in BRAC sectoral programmes have gained more control over their income, and the ability to decide about how (and how much) to save and spend on themselves and on their children.

Women participate in the decision making process of the VO, as well as influencing decisions regarding when to draw loans and how to use them. It is important to note, however, that this information was gathered through group discussions or quantitative survey data in which it is difficult to capture the complexity of decision making processes.

The question remains, should BRAC be satisfied with the degree of impact it has had on women's lives? The apparent shift towards joint decision making inside RDP member households needs further investigation if the nature of such a shift, and its significance for women, is to be understood. In many VO case studies, these changes were facilitated and enhanced by favourable locational and cultural factors (and not just RDP's impact).

Overall, the length of involvement with BRAC appears to have little bearing on the degree of change that women experienced. It may be argued that RDP field staff can have little influence on what goes on within a household; but this does raise the question: should BRAC go on expanding its women's credit programme without an enabling environment which allows them to use loans themselves?

From the experience of the case studies rural house-bound women have few opportunities to use loans by themselves without some assistance of male family members. Unless BRAC provides women with necessary support services close to the *bari*, they have few alternatives other than to hand over part or all of their loans to male kin, which often means they cannot exercise full control over their loans and credit based resources.

In the male-dominated society of Bangladesh, improving the position of women who are traditionally expected to assume subordinate positions requires tremendous social change. In order to bring about a change in social norms and practices, men and women have to be involved and influenced directly. The case studies imply that husbands, to some extent, use their wives as channels to get access to credit for them and the household, and that women can rarely be independent of such gender relations.

The study has shown credit provision for the wife contributes (to a certain extent) to an increase in her perceived value to the husband and household, which may undoubtedly be assessed as a positive effect. However, it is also true that women are more disciplined in loan repayments than men. Being more confined to the household and community they are more easily contactable by field staff. They are also easier to deal with because of their traditionally subordinate behaviours. For a minority of women, these pressures can contribute to women's experience of a high level of repayment stress and burden.

5. RDP INSTITUTION BUILDING

5.1 Introduction

RDP's institution building component aims to develop self-managed village organizations (VOs), promote self reliance, and enhance the capacity of the poor to participate in the national development process (RDP Phase II report, 1990-92). Institution building (IB) is a lengthy process involving a series of activities (described in box 5.1).

The components of the IB process suggest the following ideals: that a successful VO will exhibit strong organisation, management and discipline; its members will value the messages which BRAC is imparting, and value their VO as a support group; the VO will ultimately provide a basis for mobilisation of non-BRAC resources as well as RDP inputs, and also a basis for more effective participation (by members) in the social and political affairs of their localities - a practical expression of what is sometimes referred to as "empowerment".

Box 5.1: The components of RDP's institution building (IB) process, taken from the RDP Phase II Report, 1990-92, may be summarised as follows:

- * Forming VOs of between 20 and 55 members, each made up of a management committee and small joint liability groups (of 5-6 members each);
- * Encouraging organizational discipline (attendance at weekly meetings, regular depositing of savings & loan repayments, monthly issue-based discussions, & participation of members in VO affairs & decisions);
- * Building up members' self-esteem and awareness about rural power relationships - through social awareness (previously "functional education") and "issue-based" meetings;
- * Training of selected members in leadership, managerial & human relations development;
- * Encouraging the mobilization of both internal and external resources (eg. savings), and creating opportunities for income and employment generation; and
- * Motivating members to participate in local affairs and community decision making (eg. salish, local councils and other development opportunities).

As criteria for assessing the actual impact of RDP's IB activities, this section outlines findings from 16 case study locations (including 24 VOs) concerning:

- * the strength and stability of VOs over time
- * the extent to which VOs are perceived by members to fulfil their needs and interests, both as individuals and as a group (ie. the ways in which members value their VO).

* the nature and effectiveness of VO leadership and management.

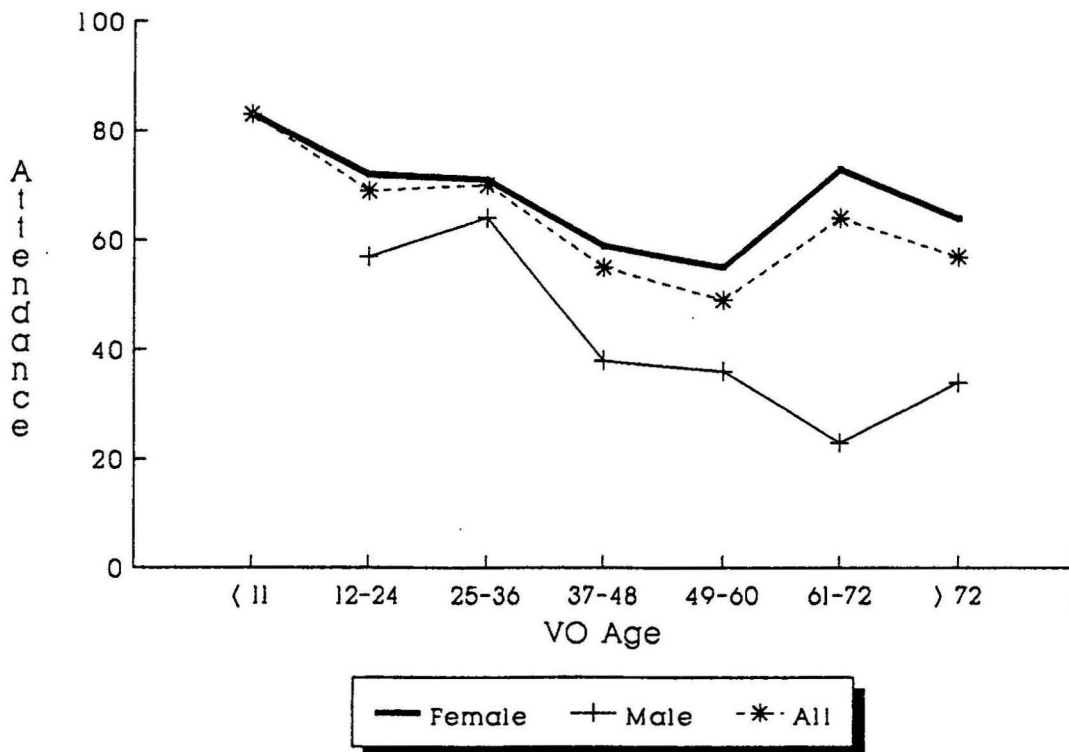
* group "autonomy"

5.2 Strength, stability and cohesion of VOs

During fieldwork the case study teams gained impressionistic evidence that older VOs are less disciplined than younger VOs, and that female groups are better organised than male ones. Such discipline in the younger groups was evident in the way they called meetings, sat in an orderly fashion (eg. each member sitting in lines behind their small group leader), and were generally more enthusiastic. Such impressions were followed up by an investigation of attendance levels, the drop-out and turnover of members in each VO and an assessment of the cohesion of each group.

A 1993 Monitoring Division study of attendance in 170 randomly selected VOs found more concrete results which substantiate the findings of the IAS case studies. The MD study found that attendance declined in older VOs, and that while the trend was the same for both male and female groups, the latter had higher rates of attendance.

VO Agewise Meeting Attendance



A decline in discipline over time is also implied by the findings on meeting procedures. Of the 13 case study VOs which were more than four years old, several departures from ideal procedures were evident. For example, members of two VOs ("K" and "I") said that they had stopped holding regular weekly meetings. Instead, members deposited savings with the VO president in their own time, or send their deposits and loan repayments to VO managers through their children or male kin. While these two VOs may be extreme cases, departures from set procedures and the use of intermediaries for financial transactions appears to be much more common in older VOs generally. Members acknowledged that the lack of regular, well attended meetings has a negative affect on the VO (*"Now that we do not have meetings anymore the VO has become disorganised"*).

Most VOs have experienced some drop-out of members and new members joining. RDP statistical reports for the last few years (1990-2, 1993) suggest an annual drop-out rate of between 14% and 17%.

Case study data suggests significant differences between VOs - some experience quite high drop-out rates, others much lower ones. This variable pattern of drop-out is complicated by a large number of different reasons for dropping out.

However, the case studies do suggest three main findings on this issue:

- * rates are higher in older VOs;
- * there are more drop-outs from the poorer wealth ranks of VOs;
- * the most significant single cause is unhappiness with rules and procedures.

The eight VOs which were between one and three years old lost 9% of their members since formation; the 13 VOs formed more than four years at the time of fieldwork had lost 28% of their members. In the latter category three VOs had lost more than 53% of their members, and the lowest drop-out was 7%. These findings suggest a high degree of membership instability amongst the older VOs, and that many of them do not remain cohesive groups.

Analysis of drop-outs by their wealth category shows that some of those leaving BRAC are amongst the better off. They do not appear to leave because they no longer need credit, but because they find regular meetings and disciplined savings and credit installments too burdensome. In other words, they regard the BRAC system as incurring too high opportunity costs.

However, the majority of drop-outs come from the poorer amongst VO memberships. The data suggesting this conclusion is presented in Box 5.2 below.

Newer VOs appear to be more stable than older ones. This is due partly to the fact that members have received their functional education (social awareness) courses in the recent past; moreover, expectations are still high in the initial years, in contrast to older VOs which expressed more dissatisfaction.

In contrast, most VOs established several years ago have "forgotten" FE messages. While in theory VOs hold monthly issue-based meetings, such meetings are rare in practice, and FE messages are therefore not effectively reiterated once a VO has become an established savings and credit group. (None of the 24 case study VOs had taken part in an issue-based meeting in the three months preceding our field visit).

Box 5.2 Drop-out pattern & causes in age-wise categories of VOs

Category and No. of VOs	Drop-out since formation	Wealth categories of drop-outs	Main reasons given for drop-out
3 VOs less than 1 year old	5 out of 135 (3.7%)	Less poor none Poorest 5	* Unfulfilled expectations (not receiving loan quickly; failure to acquire VGD cards) * inability to make regular savings
8 VOs between 1 and 4 years old	36 out of 422 (8.5%)	Less poor 10 Poorest 26	* inconvenience of weekly meetings * inaccessibility of savings & GTF * repayment rule changes * default, & peer group pressure to leave
13 VOs more than four years old	163 out of 586 (27.8%)	Less poor 34 Poorest 129	* inaccessibility & confusions about the GTF * "frequent rule changes" * default and pressure to leave * inability to access loans or savings in emergencies * unfulfilled expectations
Explanatory Note: VO members were classified into different Wealth Ranks during PRA exercises. Some VOs divided the membership into four wealth ranks, others into six. Using key indicators, rankings made in different locations have been adjusted to generate two relative categories.			

In addition, members of longer established VOs stated that they are more interested in financial matters rather than social awareness activities. This situation is more pronounced in male VOs; but the same contrast in interest was found in female VOs.

Combined with the higher rates of turnover, and lower attendance in male VOs, these findings suggest that male groups are less strong and stable than female VOs. Impressionistic evidence implies that this may be due (partly) to the fact that field staff tend to concentrate on female VOs (since the policy shift away from a balanced male-female membership). Also, it was common for AO staff to mention that they find it "easier to deal with" women members. However, the difference in member-staff interaction is not just a matter of staff ability to impose discipline, it is also a result of the fact that women value their groups more than men, since they have few other options, apart from the VO, for large semi-public gatherings where they can all meet regularly.

5.3 The ways in which members value their VO

Amongst the case study VOs, wealth ranking exercises revealed that 18% of households have experienced a decline in their economic well-being since joining BRAC. Conversely, 47% have experienced positive economic benefits, and the remaining 35% merely stated that they had experienced little change. These mixed findings on the perceptions of members about the benefits which they are deriving from BRAC are further elaborated below with reference to the group discussions held on the subjects of rules and procedures, and the ways in which members value their VO.

The over-riding conclusion is that VOs are regarded by members primarily as credit groups. Other financial services are regarded negatively. In particular:

- * Many members are very unhappy about the closed savings system, and would prefer to have access to their savings in order to meet emergencies and make investments when opportunities arise;
- * Past rules changes concerning the purpose and reduced accessibility of the GTF has been a common cause of dissatisfaction and disaffection with BRAC (see box 5.3 below);
- * Several VOs have experienced problems with insurance cards. Many members do not know the exact date of the annual insurance renewal and when insurance lapses they are not always told - this led to several cases in which insurance was denied to the kin of a deceased. Members feel such situations are unfair, and are sceptical of the insurance system in general.
- * Changes in the loan interest rate have been made mid-way during individuals' repayment schedules - a situation which many members regard as a "breach of contract".

There is some confusion amongst members about interest rate rules, GTF and insurance policies. Looking at different age-categories of VOs, these confusions appeared to be greater in those more recently formed. It may well be that during RDP's rapid expansion and the declining quality of staff interaction with VOs (see below) the quality of communication and explanations of these policies has declined.

In general, members are unhappy that rules are too rigid. The most common cause of concern is the issue of needing small amounts of money to meet family crises from time to time. Members are unable to get access to savings or GTF deposits to meet such contingencies. Loans for consumption purposes are rare and are slow to access; and taking more conventional types of loans is too lengthy a process for them to be useful for emergencies. Box 5.4 provides an illustrative example. Without such access (to more flexible services), they are forced to turn to local (informal) moneylenders, offering credit at higher interest rates.

Box 5.3: Disaffection with the group trust fund

In one of the older male VOs, members said:

"Since we have no written document we cannot take BRAC to court (to get our original GTF money back). Without any documents we have no rights and BRAC can change rules any time. BRAC does not show written rules."

Amongst newer VOs the perception is less antagonistic, but remains negative. In one group discussion, a women said:

"The amount going to the GTF is not exempted from our loan money. We pay interest on it. But, at the time of receiving loans they made us promise that we will never ask for the GTF money. Then why should we pay interest on it?"

Box 5.4: Procedural inflexibility and individuals in distress

Sahida Begum, the president of the VO, had become seriously ill, and needed money to buy food and medical help. She could not get to the local AO to collect a loan which had already been sanctioned. The other women asked field staff to issue her loan in the village, which was refused. Then the members asked staff to refund some of her savings, a request which was also refused. This case was provided by members as an example of BRAC's inability to meet the special needs of individuals in distress.

Members in VOs established more than four years ago stated that if they could withdraw their savings when required then they would use this service to save more - for future contingencies.

On the issue of members' feelings about the extent to which RDP meets their interests few differences were observed in male and female VOs. However, there was a marked difference in the way these issues have affected more recently or longer established VOs. Those formed under four years ago have not yet come to view restricted savings as such an issue - while they recognise the system as inflexible, their main priority is achieving access to loans. In the 13 VOs established more than four years ago restricted savings, GTF rules and insurance policies are viewed as more problematic - possibly because many more members have had some experience of contingency needs during the length of their membership.

Staff-member interactions are not necessarily directly affected by such dissatisfaction, and VO members interviewed during the case studies did not blame individuals. Instead, they stated that because staff are transferred regularly, there is a lack of continuity and strong relationships with staff rarely develop. There is also strong evidence provided by the 13 VOs established more than four years ago that the nature of staff-member interactions has changed, such relations becoming more hierarchical and less flexible in the last few years.

This shift towards more hierarchical relations was evident from the fact that in old RDP areas members often referred to BRAC staff as "bhais" (brothers), whereas in the newer areas they are addressed as "sir", and even in the old areas newer members address staff as "sir". In the oldest VOs members complained:

"The previous bhais were better. They never felt uneasy to sit with us, chat with us or even smoke with us. But the present "bhais" are different. They do not want to talk to us. If we go to the office for any problem, they always tend to refer us to the PAs"

A large proportion of the dissatisfaction expressed by members is rooted in unfulfilled expectations. Such high expectations in the case study VOs were created during VO formation, by field staff making unrealistic promises of what benefits membership will bring.

However, field staff interviewed in the Area Offices also admitted that they have little opportunity to respond to specific needs. Their time is limited, and they also feel the rules are rigid. This underlies the statement made by one member in a VO formed several years ago that weekly meetings:

"...are for collection of savings and loan installments only. There is no scope for discussion between VO members and BRAC staff".

In another VO, a member said:

"BRAC staff used to advise us, guide us, encourage us, in every aspect of life but now they are only giving loan and recovering it from the group members"

The perceived rigidity of rules, and the limited value given to non-credit aspects of RDP's operation, combined with the nature of staff-member relations, mean that many members feel that BRAC is only partially responsive to their needs. These findings from the 24 case study VOs underlie the impression that, even in the older VOs, there is little feeling of "ownership", and more a perception that the VO is simply a credit group, run primarily by BRAC field staff, who have little flexibility to respond to local and individual needs.

5.4 Nature and effectiveness of VO organisation, leadership and management.

VOs are much less formally organised in practice than the ideal system suggests. In particular:

- * Although all VOs have a nominal management committee, in most cases they are dominated by one key member, and in many cases few ordinary members can name the additional committee members.
- * Members of most VOs were not able to tell us if they were divided into small (5-6 person) groups. Only in six VOs did members know the names of their small group leaders, and three of these were the most recently formed groups (within the last year). The small group system may have been disrupted by the high level of turnover amongst older members in recent years.

Thus, the case studies found that intra-VO organisation and leadership is much more simple than the original ideal of an institution structured by a management committee and small group leaders.

One particularly important observation arising out of these findings relates to the operation of the joint liability mechanism. In cases of defaulting members, peer pressure often operates at the VO level rather than the small group level (the latter being the theoretical joint liability group); this peer group pressure originates from field-staff interaction with the main leader/s of the VO rather than with the small groups.

In both male and female VOs leaders normally "emerged" by consensus, and were elected unopposed. However, differences in leadership patterns were evident in male and female VOs.

The PRA wealth ranking exercises showed that in male VOs it is more common for the leaders to come from amongst the better off households in the group. Out of the nine male VOs studied, five leaders came from the upper three wealth categories, and four came from the lower three.

In marked contrast, in the 15 female VOs 12 of the leaders came from the lowest wealth ranks; and the other two leaders were in the middle of the VOs' wealth hierarchy.

These marked differences in the economic status of leaders are explained with reference to various factors. In the male VOs some of the leaders without notable wealth did have other advantages - such as large kin networks which make them respected and influential within their communities. Thus, in general male leaders tended to have either economic or social status which differentiates them from most of the other members.

However, amongst female leaders the qualities which were seen as marking them out as "different" were more personal ones. In one VO, a woman said that "...we have elected those women as leaders who have 'mukh chalu' (outspokenness) and 'thang chalu' (those who are dynamic)." This pattern appears to be quite common. Amongst the 15 VO leaders met, six were widows, five others are the heads of their household. So it is apparent that

more independent women - often widows or deserted women who have to struggle for their existence - are often selected as leaders. They are mobile and extrovert, which makes them distinct from the general members.

In both male and female VOs the leaders spent considerable time on VO and BRAC affairs. This is understandable because many field staff communicate with VOs through the leaders, sending messages through them. This "mediating role" of leaders gives them higher status than the general members.

However, differences in leadership style in male and female VOs were observed. In most cases male leaders are more dominating than female leaders, who tend to be more "democratic". In some situations where male and female VOs in the same community are linked by kin relationships, the male leaders have a high degree of influence over the female VO.

Additionally, leaders are much more involved with activities such as training. For male leaders, mostly better off, leaving their household to go for training courses is less difficult than for poorer members, for whom a few days without work may mean starvation. For women leaders, it is more often the case that their independence within the household means that they can spend more time away from home without causing inconvenience.

Leadership development appears to be limited. Because small groups do not operate in most VOs there is no cadre from which to select obvious new leaders.

Only a third of VOs have had re-elections of leaders, even though they should ideally occur bi-annually. Many members (and some field staff) are unaware of the election requirements.

* Out of the 9 male VOs, only three had changed their leaders since they were formed (in 1982, 1989 and 1991), and each only once.

* Out of 15 female VOs, three had been formed within the last year so cannot be expected to have changed their leadership. In only five of the remaining 12 had leaders and committee members been changed completely since VO formation.

Most members were not disapproving of the lack of change in their VO's managers, for instance one person saying "*...if the leaders work well, why should we change them?*"

One of the main functions of VO leaders is to facilitate decisions about which loan applications should be agreed. Most leaders appeared to make such decisions with the broad consent of VO members, in agreement with field staff.

Alternatively, there seems to be less participation in deciding who should (a) receive sectoral programme benefits, and (b) who should go on training courses.

Selection of sectoral programme beneficiaries (eg. chick rearing, vegetable cultivation - activities which involve support additional to the loan) can be a matter of contention in

some VOs. Our impression is that AO field staff (with VO leaders) usually take it upon themselves to make these decisions rather than involve the whole membership in a participatory manner.

Regarding training, in most cases general members remain indifferent, and allow VO leaders to select trainees. Many leaders have received more than one type of training, and they often fill the places offered to the VO without dissent from ordinary members. This may be a sign of some indifference towards, or simply difficulties for, many ordinary members when faced with opportunities to attend courses at the AO, away from their everyday work.

One problem encountered in several VOs was the issue of VGD card distribution. Some VOs complained that there was a lack of fairness in their allocation. In some cases this accusation was levelled against VO leaders, in others it was BRAC staff who were perceived as being at fault.

In conclusion, there are differences between the stated ideal of developing participatory and revolving leadership in VOs, and the reality of VOs being led by key individuals, without active committees or small group leaders. VO leaders liaise closely with BRAC staff in selecting many types of beneficiaries, and do not always involve the rest of the membership.

Combined with the shift towards more hierarchical staff-member interactions (the shift from the "*bhai*" to "sir" culture), the leadership and management development process has been inhibited. This may be an important barrier to the process of institutionalising VOs as more effectively managed and independent groups. This leads the discussion of main findings on to the issue of group autonomy.

5.5 Group "autonomy"

A fully autonomous institution must have the capability to survive and continue its work without external assistance and resources. BRAC's ideal IB process includes the aim that VOs should gain a degree of autonomy, even if total independence is unrealistic for many groups of poor people. One indicator of autonomy is the undertaking of activities, by the VO, which are independent of staff initiation and leadership.

Amongst the three youngest (female) VOs, none have undertaken any independent activities during their short existence. Two regarded BRAC as a "donating" organisation, and hope mainly to get loans to improve their condition. Members of the third VO in this age-category talked of BRAC as an employment providing organisation. All these three groups are too young to carry out activities without BRAC's help. Most of the members are yet to understand any of the broader objectives of group formation and IB, and they think of BRAC as an organisation from which they can expect "*shahajhya*" ("relief").

Amongst the eight VOs formed between one and four years ago, there were two examples of group activity and mutual support occurring. One female VO said that they collectively nominated and elected a Union Parishad member who they thought would protect their interests. In another (male) VO, there was another effort to mobilise the group to vote in such a collective manner. However, in none of these villages was any significant change in community social relations evident as a result of VO collective actions. (For example, the UP elections were not successful, for various reasons; and practices such as dowry are seen as unavoidable and remain unaffected in reality, despite the FE courses and the economic difficulties faced by individuals raising such dowries).

Amongst the 13 oldest VOs, formed more than four years ago, there were more cases of collective activities being attempted. But few were successful, and most had been discontinued. For example, one VO had attempted a group lease on a "*pukur*" (pond) for fish cultivation; but this had been discontinued after disagreements within the group. Several VOs had participated in UP elections as a voting block. One VO managed an informal fund for meeting members' emergencies (ie. money deposited by members, not recorded in the VO financial records, but used by members to meet unforeseen crises and loan repayments).

In only one of the older VOs did some form of cohesion and notably independent initiative occur several years ago. Formed originally during the Outreach period (the early 1980s), BRAC withdrew from their area for six months, but the VO continued to meet regularly. Together with a neighbouring VO they undertook cultivation of approximately 60 acres of barren land. This project ran successfully for two years, but collapsed due to internal conflict within the VOs. This Outreach VO also took part in FFW pond-excavations, and took part in two local elections as a united group. Unfortunately, this VO is no longer a cohesive and fully sized group - some members having left in recent years.

In general, most members perceive BRAC's benefits in concrete terms (loans and the potential for economic advancement) rather than in terms of the wider development goals such as VOs becoming mutual support groups. Collective activities are rare, and a notable

degree of independence from BRAC is not evident in any of the older VOs.

5.6 Conclusions on the institution building process

It should be acknowledged that institution building is a lengthy and complex process. The main findings of the case studies are not very encouraging. High rates of turnover, confusion and dissatisfaction about savings and GTF rules and procedures, and the strong emphasis on credit operations and discipline has limited the extent to which members value their VOs as potentially autonomous support groups.

In general, discipline and enthusiasm is more evident in the newer and female VOs. This is due primarily to the fact that such discipline is seen as a pre-condition for applying for credit. Over time, such discipline declines, ideal procedures become less common, and meeting attendance becomes more erratic. VOs rarely undertake additional activities in a collective manner, or independent from BRAC's initiative, suggesting that they are not progressing to semi-autonomous institutions. Moreover, the frequent rule changes, combined with the frequent transfer of staff, have created a degree of uncertainty for members.

In many VOs, leadership has developed as an instrument through which field staff maintain repayment discipline. The operation of the peer group joint liability mechanism is commonly at the level of the whole VO rather than at the level of small 5-6 member groups (these rarely exist in older VOs). It is therefore apparent that VOs are primarily valued by members, and operate as, credit groups.

In the few cases in which VOs have acted as a collectivity in the past, their success appears to have been connected to high levels of staff motivation. One VO which had been established during the Outreach period - when staff interaction was more intensive - reported a history of attempting collective activities. These have ceased, and many members have left, during more recent years under RDP.

6 THE NON FORMAL PRIMARY EDUCATION PROGRAMME

6.1 Introduction

Using case study material we have assessed the role of NFPE as part of RDP's integrated package. Specifically:

- * coverage of VO members' children;
- * targeting, and the wealth profile of NFPE clientele
- * members' perceptions of, and involvement in the schools

These issues are significant for assessing the importance of NFPE schools as part of the RDP package, and may shed light on the issue of establishing schools outside of RDP villages.

The IAS was not designed to assess the educational outcomes and impact of NFPE schools. Alternative studies designed for such purposes have already been carried out by RED several times in recent years. However, some positive findings on the educational effectiveness of NFPE schools can be reported on the basis of parental statements (see Box 6.1 below).

6.2 NFPE coverage of VO members' children

Out of 16 case study locations, 12 had at least one NFPE school, and some had access to several (both within and neighbouring to the villages). The following main findings therefore relate to 12 VO locations.

On average, just over 20% of the total households in the 12 communities had sent (in the past) or were sending their children to a BRAC school by the time of the interviews.

On average, just under 50% of VO member households had children in a BRAC schools. (Note that some VO member households may not have had eligible children).

Coverage of VO member households was highest in the two more recently established VOs (61% of households had at least one child in an NFPE school established in the previous year).

The percentage of VO members sending children to NFPE school declines over time. In VOs established between one and four years ago, 46% of member families had a child in school at the time of interview, while for the VOs established more than four years ago; the percentage was lower (43%).

Some VO members did claim that there were problems in getting their children into school (see below), however the average decline of the proportion of member children in school appears to be "natural". In the second or third cycles of an NFPE school there are relatively fewer eligible BRAC member-children to admit. Therefore the enrolment pattern shifts to including more children from non-BRAC households in the village. This does not appear to be a cause for concern in educational terms - as box 6.1 below suggests.

In one VO established more than four years ago there were only 50 children eligible for the four NFPE schools in (and next to) the village. Naturally, these households could not take up a majority of the schools places - most of which were taken by non-member households.

Box 6.1 Suggestive findings concerning NFPE's education impact on VO member children.

While the IAS cannot provide any detailed assessment of NFPE's qualitative educational impact, survey interviews of VO member households in the case study locations enabled the collection of additional data on the literacy of 120 8-16 year old boys and girls within those locations. According to this source there are significant differences between the literacy rates of members' children in VOs established more than four years ago, and those VOs formed more recently.

Specifically, VOs with NFPE schools which have run for more than one three-year cycle claimed that 56% of their boys and 70% of their girls within the 8-16 year age group can read and write; in VOs recently established, in the middle of the schools' first cycle, literacy rates were 50% for boys and 33% for girls. These findings suggest two main conclusions: (i) over time NFPE schools are having a major impact on the number of VO members' children attaining higher educational abilities, and (ii) while this impact is small in the case of boys, it is extremely marked in the case of girls.

6.3 Targeting, and the wealth profile of NFPE clientele

Despite the generally effective coverage of BRAC member households by the NFPE programme, the case studies found that the overall wealth profile of school clientele reflected that of the community as a whole. In other words, NFPE schools are not "poor peoples' schools", but "community schools".

Wealth ranking of all households in the communities (irrespective of membership) showed that, on average 40% of the school children come from the poor sections, and 60% from the non-target group. These percentages reflect the proportion of BRAC-eligible (target group) and non-eligible households found in these 12 localities.

In five out of 12 VOs complaints were voiced about the number of children from richer households gaining access to the NFPE school. In one place, they said:

"This is our school, so our children should read in it. But the children of rich households are selected more. When selecting children the NFPE PO and teacher consults with the village leaders, who are better off and more powerful. They ignore our opinion."

This quote suggests that there can be tensions between the idea of the school as "owned" by the VO, and the reality of the schools' more inclusive approach to enrolling children from all sections of the community. (While NFPE policy emphasises targeting, it does not limit enrolment to VO members only).

However, in some of these five VOs in which complaints were voiced, there appeared to be practical reasons for including certain better off children. In one school, a Union Parishad leader threatened to oppose the school unless his relative's daughter was enrolled.

Members in several localities also commented that richer people want to send their children to the NFPE school because they run more smoothly, with smaller class sizes and better teaching than the local government primary schools. These observable differences mean that there is demand from all sections of the community to gain enrolment in NFPE for their children. Excluding some children may also generate unwanted conflict in the community.

However, in the other seven VO schools, there was no conflict or tension over the issue of who is enrolled. In these cases, selection criteria appeared to be applied more rigorously, and poorer children were given priority. It was only when all (poorer) eligible children were enrolled that children from other (better off) households were accepted. This suggests that when the phasing of enrolment, to ensure poorer households are given "first choice", is carried out carefully, confusions and conflicts over the enrolment of better off children can be avoided.

6.4 Members' perceptions of, and involvement in NFPE schools

Box 6.2 NFPE's promotion of parental involvement in schools

Ideally, the selection of sites, teachers and running hours are made with the consent of parents and a four member school committee (including two parents, the teacher and one leading member of the community). This committee organises monthly parent meetings, encourages regular class attendance, maintains school buildings and liaises with the wider community to solve any problems or conflicts. Ideally, NFPE schools are closely linked to the VO, these members playing key roles in the running of the school.

This section discusses findings relating to members' perceptions of NFPE schools, and their involvement in school operation. Such involvement includes the creation process (eg. site and teacher selection), and decisions such as the fixing of school hours. In addition, some incidents of conflict are mentioned.

There is no doubt that schools are perceived positively by parents: in most of the case study locations VO members listed common characteristics which distinguish them from government primary schools: the class size is smaller, the teachers more punctual and diligent, the hours are (in most cases) more flexible, and the schools are closer to the concerned households. Opinions about teaching quality were also favourable in 11 out of 12 locations, and parents generally appreciated the fact that they are invited to be involved in school affairs.

In addition, there were many comments from groups interviewed which suggest that VOs feel that the schools are "owned" by them, and that they acquire considerable symbolic significance for groups who are disadvantaged in relation to formal primary school access. As one member stated:

"The people of this village consider our BRAC school to be a symbol of good fortune and advancement."

The one significant criticism of NFPE schools which was raised in the several places was that they should include religious studies as part of the curriculum. Rumours about BRAC's lack of religion, or even the threat of conversion to Christianity are not uncommon in areas in which religious "fundamentalists" have influence. The concern with curriculum content, where raised, appeared to express a hope that such fundamentalist fears could be undermined by including more evidence of BRAC's commitment to Islamic orthodoxy within the NFPE programme.

Many of the NFPE schools in the 12 case study locations had been established partly because the VO members themselves had pressured the AO staff to set one up in their village. The operation of the NFPE programme in neighbouring areas gave rise to such demands. In some VOs the request for a school involved impressive organisation by members - not only did they identify an appropriate site, but they also drew up a

comprehensive list of eligible children, to indicate that they had a realistic proposal. This willingness to become involved in school creation was evident from VO histories in the majority of case study locations.

The majority of VO members and parent groups participated in decisions regarding site and teacher selection. Six out of 12 VOs said they agreed on the school's running hours. However, in the other cases members claimed that BRAC staff set the hours with the teachers, and that there was little consultation.

Parent meetings, while commonly held, are normally conducted either by a PO or by the teacher (in seven out of 12 VOs). Parents' roles in such meetings therefore appear to be limited. Three of the five VOs who claimed more pro-active participation in running meetings were in the four years established age-category. This finding suggests that older VOs can retain a close and successful involvement in the running of schools, even if BRAC member children are a declining proportion of the total clientele.

In the two VOs in which there were stories of conflict concerning the NFPE school, they may be summarised as:

- * attempts by better off households to impose a decision about the school site (which provides the plot-hut owner with a rental income) and who the teacher should be (from the family of one of the better off and influential households). In some cases, such impositions are difficult to refuse (because of high degree of influence which such households can exert), and BRAC field staff are understandably reluctant to allow conflict to develop.

- * conflict between two VO members who each wanted to rent out their own land for the school.

These two cases may be regarded as relatively minor indications of potential problems to avoid - they do not represent the majority of cases studied, in which no overt conflicts were reported during fieldwork.

6.5 Conclusions

After a second or third cycle of an NFPE school the degree of VO involvement (measured by the number and proportion of member-children attending) tends to decline.

However, VOs' retain a pride in, and link with school affairs, which implies that they remain a key benefit for VOs. The schools provide a highly valued service to poorer families; perceptions of school quality are overwhelmingly positive. Except for the issue of religious curriculum content, few criticisms were voiced during group interviews. Examples of conflict are rare, and some can be avoided. The key example of this is the need to ensure priority (or "first choice") to poorer households during school enrolment - which can be done by carefully organised and phased child selection.

However, the case studies also show that NFPE schools are not exclusively "poor peoples'" schools, but tend to include children from all wealth classes. This, in effect, is a result of the schools' perceived qualities - they are attractive to those outside of BRAC's target group.

In relation to the issue of isolated NFPE schools (ie. ones without linkage to a VO) the above main findings raise certain issues.

VO member involvement appears to provide a high level of guarantee that poorer children are enrolled. It may be hypothesised that for schools without this VO support, such successful targeting may be harder to attain. The main findings also suggest a need for NFPE staff to pay close attention to applying rigorous and phased enrolment criteria in non-RDP areas. However, since the IAS was confined to RDP villages, these hypotheses are issues for further research.