

Social Safety Net Programme (SSNP) at Local Level of Bangladesh: Focus on Old Age Allowance Programme (OAAP)

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Abstract: Addressing poverty is the crucial challenge of developing states like Bangladesh. A number of programmes and policies are initiated by the government to halt the difficulty of poverty. Undertaking safety net programmes for the weaker segment of society is one of the supportive approaches of the government to reduce the difficulties of poverty. This paper examines the role of social safety-net programmes in Bangladesh administered by the government with special focus on the Old Age Allowance Programme (OAAP). The study was led to evaluate the efficacy of OAAP in terms of providing support to the recipients. Primary data were used for the study. The study findings reveal that regardless of the quantity of allowances, the beneficiaries found the transfer of resources through OAAP supportive to cope with the life cycle associated risk in a sound way and it besides increased their self-respect in the home and society. The findings of the study could benefit the programme more to take beneficiary friendly initiative for betterment of the beneficiaries.

Keywords: SSNP, OAAP, society, vulnerability.

Introduction

In the recent time, there have been a noticeable intensification in interest in social safety nets in developing nations. Though numerous critics have termed the social safety-nets as rather politically beneficial, pillorying and very insufficient to main concerns of the poor, the essentiality of such nets was never really rejected in practice. However, a new determination is currently evident in the discourse by way of safety nets and the wider scope of social protection is progressively being perceived as a key improvement issue (Rahman & Choudhury, 2012). SSNPs are considered as a set of public events, which a society offers for its

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associates to shield them from different kinds of financial and social adversities causing from a considerable degeneration in income owing to several types of eventualities, like crop failure, loss of cultivable land, river erosion, land and homestead loss, old age or death of earning household members, joblessness, illness and maternity. SSNPs are, thus, required to address: (a) risks, viz., tentative activities which may undesirably affect people's welfare; (b) poverty, viz., not having sufficient of something valued to raise income and conservation; and (c) vulnerability, viz., think for contemporary time, not having adequate for the future time. SSNPs are inspired by cooperation with fairness and effectiveness concerns. They are anticipated to support the less wealthy sections of the people and pursue to balance credit and cover market failures. Besides, in constructing a fairer society, SSNP may play a vital role in stimulating financial growth by: (i) facilitating in producing resources at personal, family and community level; (ii) assisting persons and families to safeguard resources when different sorts of shocks take place; (iii) assisting persons and families to utilize their prevailing assets more efficiently, and thus aiding them to manage the different sorts of risks; and (iv) raising financial growth rates directly by dropping inequality (Khuda, 2011).

Bangladesh is considered as one of the poorest states in the world with a vital segment of its population living below the poverty line. People from diverse marginalized groups experience immense depressions and distresses throughout their lifespan and on every occasion there are some shockwaves or adversities. Though all poor people are sufferers of poverty, amongst them divorced, widowed and abandoned poor women usually experience an incomparable amount of miseries and shocks. SSNPs have been followed by many governments as an efficient tool to fight against poverty and to get the troubled people into social insertion. Similarly, the Government of Bangladesh (GoB) has introduced some of these programmes, for instance OAAP, in the country.

Objectives

The major objective of the study was to explore the benefits resulting from the programme to the beneficiaries. To this end, the precise objectives of the study were to:

- investigate the benefits derived from the OAAP to the recipient;
- measure the effect of OAAP at the beneficiary level.

Scope

Cash transfer programme, principally OAAP, is considered as safety net programme and here we have taken into account local level household, particularly union level in the present study. Here, the household welfare indicates degree of capability of a household to meet the fundamental needs of family members, and vulnerability is defined as a level of capability to face crisis situations.

Methodology

The study incorporates both qualitative and quantitative data for materialization of the research objectives. Single method will be unable to produce appropriate outcomes of the study. For this reason, both primary as well as secondary data were used in doing the study. The implementation manual of the old age allowance programme, several articles, reports related to safety net programme, were studied for collecting secondary material. Primary data were collected from the beneficiaries by conducting the interview through a structured questionnaire.

Conceptual Framework

Safety nets are simply a part of a wider social protection arrangement that usually contains some amalgamation of different social assistance programmes. Social protection issues include people's disability, retirement and health insurances etc. which provide supports to lessen the effect of the shock. A State's safety net naturally contains some arrangement of cash and in-kind transferences, workfare, societal care services, aids and community based interferences (Blank, 2009).

Besley et al. (2003) defined Social Safety Nets- as those public interventions which are designed to serve two key functions: (i) to play a redistributive role in transferring resources toward the poorer members of society to bring them out of poverty, and (ii) to provide greater opportunities for individuals to mitigate risks from unforeseen contingencies.

Safety nets carry several assistances. They can reduce disparities and poverty; inspire investments that raise household earnings; lessen persons' necessity to sell important properties when disaster attacks; and reduce the possibility that helpless people undergo disastrous

losses that make them persistently poor. Governments can also plan safety nets to motivate social desired behaviors, for example, directing children to the school or calling a doctor or assisting to recover infrastructure smashed by natural calamities. Moreover to assist poor people to form human capital such as education and health, safety nets can support investments that raise the improvement of assets. Poor families frequently fail to recover their problems through income-generating activities which usually have more risks. Safety net programmes can support poor and vulnerable families to take benefit where there have greater risk chances (Ruelle & Rockmore, 2011).

Safety Net Programmes in Bangladesh

SSNPs in Bangladesh, identify the basic necessity of the individuals viz. shelter, food, education, cloth and health. The major programmes concentrated under SSNPs are: Vulnerable Group Development (VGD), Vulnerable Group Feeding (VGF), Food for Works (FFW), Old-Age Allowances, Allowances for Widow, Grants for Orphanages, Allowances for Retarded People and Distressed Women. Besides, there are allowances for freedom fighters, micro-credit programmes and so on. Populations mostly children, disabled persons and women have been given main concern in Social Safety Net Programmes. The SSNPs have been generally considered in two segments, such as Social Protection and Social Empowerment. They are executed over both development budget and non-development budget section. Social protection includes the food security, new funds for programmes and most importantly cash transfer allowances and cash transfer (special). Social empowerment contains the micro-credit, stipends, housing and rehabilitation, development programmes and miscellaneous funds (Raihan, 2013).

Since independence of Bangladesh in 1971, 70 percent of the inhabitants lived under the poverty line, the two key instruments of social safety nets exist here are called food supply and relief work that is involved in serving the people who are suffering from disasters and other natural catastrophes.

Noteworthy improvements in decreasing extensive poverty have been made by using cultured safety net events at the passage of time. The government of the state has been succeeding with a mixture of

direct and secondary safety net programmes for poverty alleviation under the management of different ministries (Ahmed et al., 2014).

Table1: Safety Net Programmes in Bangladesh

Type	Programme Examples
Cash transfers	Old Age Allowance
	Widowed and Distressed Women Allowance
	Disabled Allowance
Conditional cash transfers	Primary Education Stipend Programme
	Stipends for Female Secondary Students
Public works or training based cash or in kind transfer	Rural Maintenance Programme
	Food-for-Work
	Vulnerable Group Development (VGD)
	Employment Generation Programme (EGP)
Emergency or Seasonal Relief	Vulnerable Group Feeding (VGF)
	Gratuitous Relief (GR)
	Test Relief (TR)
	Open Market Sale (OMS)

Source: quoted in Raihan, 2013

Old Age Allowance Programme (OAAP)

OAAP is fallen under a cash transfer programme in which the recipients are the deprived elderly of the society. The World Bank (2013) Group defines “cash transfer denotes as the delivery of support in the method of cash transfer to the poor people or to the people who face possible risk, in the absenteeism of the transference, of dropping into poverty” (quoted in Choudhary, 2013). The management of the programmes is done by the Ministry of Social Welfare. The selection of the recipients is a vital issue. The upper limit of the amount of allowances is inadequate to cover all the poor elderly people. Ward committees select the potential recipients who are landless with per annum earning under 50 USD on the basis of age, financial condition and health position. The programmes are thus directed at the poor and deprived peoples. The ward committees comprised of the elected representatives, local elites, public officials and Social Service officer. But, the programme is inadequate to

cover in number of the targeted poor groups, and is inadequate in value as well to attract the recipients and keep them above the poverty line (Barrientos, 2008).

Table 2: Allocation of Old Age Allowance in the Budget of Bangladesh Government

Fiscal Year	Budget Allocation (Taka in crore)
2008-09	600.00
2009-10	810.00
2010-11	891.00
2011-12	891.00
2012-13	891.00
2013-14	980.10
2014-15	1306.8
2015-16	1440.00

Source: Ministry of Finance, 2015

In case of Bangladesh, allocation for Old Age Allowance in the budget is progressively growing over the years. However, the growth rate of the allotted amount of money for this purpose exhibits a healthy rising trend in the FY 2008-09 to 2015-16. The growth slows down in the following years. From the budget of FY 2015-16 the growth rate increases a bit compared with the previous years. The allocation for old age allowance in 2008-09, 2009-10 and 2010-11 are 600.00, 810.00 and 891.00 crore taka respectively. In 2011-12, 2012-13 and 2013-14, the allocations are 891.00, 891.00 and 980.10 crore taka consecutively. In the year 2014-15 and 2015-16, the allocations are 1306.8 and 1440.00 crore taka respectively.

Results and Discussion

The practice of Old Age Allowance of the government of Bangladesh is unquestionably an inspiring step on the way to the well-being of the elderly people. The old age has turned out to be a societal matter and owing to current remedial knowledge and demographic transformation, the number of elderly people is growing day by day. The huge mainstreams of old age individuals live under worrying situation, excepting those who are maintained by individual families. Agreeing with the developed nations, the

Government of Bangladesh has become worried about the safety of the older populations. To examine the welfares resulting from the OAAP of the beneficiary and to scrutinize the impact of Old Age Programme at the beneficiary level, primary data were collected. Table no. 3 depicts that, three unions were selected from Comilla District of Bangladesh namely No. 2 Durgapur (North) Union, No. 6 Jagannathpur Union, No. 5 Pachtubi Union. The total number of respondent is 100. 60 respondents from No. 2 Durgapur (North) Union, 25 from No. 6 Jagannathpur Union and 15 from No. 5 Pachtubi Union.

Table 3: Union and Beneficiaries

Union	Number of Beneficiary
No. 2 Durgapur (North) Union	60
No. 6 Jagannathpur Union	25
No. 5 Pachtubi Union	15
Total	100

Several variables were considered to measure the changes in status within the household of the beneficiaries in terms of the respect to elder members of the household due to the old age allowance, role in decision making, warm behaviour from a household member, respect from young members and good behavior during the time of illness from the member of the household.

Table 4: Changes of Status within Household

Variables	Increased	Decreased	Same
Respect to elder member of the household due to old age allowance	79	5	16
Play a role in decision making	50	3	47
Warm behaviour from household member	76	1	23
Respect from younger members	42	10	48
Good behavior during the time of illness	65	8	27

Forgetting the old age allowance the respect for the elder members of the household increased to 79 beneficiaries, decreased to 5 and

same to 16 respondents. Role in decision making increased to 50 beneficiaries, decreased to 3 and remained same to 47 beneficiaries. The warm behavior of household member increased to 76, decreased to 1 and remained same to 47 beneficiaries. In the issue of respect from younger members of the household increased to 42, decreased to 10 and remained same to 48 beneficiaries. The final response regarding good behavior during the time of illness increased to 65, decreased to 8 and remained same to 27 beneficiaries.

Table 5: Changes of Status within the Society

Variables	Increased	Decreased	Same
Respect from Society people	35	15	50
Role in making decision	10	25	65
Attainment of support from the society during illness	30	19	51
Chance to get credit	15	39	46
Capability of borrowing from neighbors	65	12	23
Buying capacity on credit	70	10	20

Table 5 focused on the response regarding the status within the society. 35 respondents expressed that respect from people of the society increased, 15 said decreased and 50 respondents expressed that the conditions were same. In the matter of role in taking decision were increased to 10, decreased to 25 and 65 respondents expressed about the same condition. About the attainment of support from the society during illness, 30 expressed increased, 19 expressed decreased and 51 expressed about the same. About chance to get credit, 15 respondents expressed increased, 39 expressed decreased and 46 expressed about the same. In the issue of capability of borrowing from neighbors, 65 respondents expressed increased, 12 expressed decreased and 23 expressed about the same. The final issue regarding buying capacity on credit, 70 expressed as increased, 10 as decreased and 23 expressed about the same.

Findings

- OAAP is supportive to cope the life cycle.
- It has a positive impact on changing the status in the household.

- It has a positive impact on changing the status in the society as well.
- A significant number of beneficiaries got better condition than the past.
- Beneficiaries were able to improve their importance in their family and society.
- A significant number of beneficiaries get respect from the family and society as well.
- The programme increases the purchasing capacity of the beneficiaries.
- Society does not provide support for the deserving old age people during illness significantly.
- In the family level, role of those people in decision making has been not increased sufficiently.
- In social level decision making capacity also has not been increased satisfactorily.

Recommendations

- The government should give focus on more coverage in providing old age allowance.
- The rate of allowance should be increased on the basis of analyzing the rate of inflation.
- A database needs to be created in every union regarding the old aged vulnerable group.
- It is necessary to focus on the easy access of the fund to the old-aged people.
- Community people need to be made aware about the fundamental needs of old-aged people.

Conclusion

It is essential for an all-inclusive macroeconomic policy measures for SSNPs to work better and to reduce vulnerability. Measures should be taken on financial maintenance strategies which will help to achieve their objectives to serve the deprived population of the society. Moreover, it is crucial to improve the worth of elementary health and education facilities (Khuda, 2011). Bangladesh as a least developing state has insufficient capability to raise more SSNPs expense as per requirements. The scarce resource is a main difficulty

to make the extension of SSNPs. However, a wider viewpoint of short-run and long-run effect of SSNPs is desired to lessen the poverty rates more efficiently. The short-run support is required to shield the individual and families affected by the shocks. In the long-run support, it is required to keep the poor families' consumption along with refining their productive influence (Pradhan et al., 2013). Threats and vulnerability are part of older people's regular life. However, the influence on the poor and other disadvantaged groups, for instance, the old and disabled section is frequently more frightening than those met by others in the world. The confrontational influence of threats is more harmful to the poorer than individuals more affluent in the matter of income, mental and physical welfare and long term social improvement. SSNPs can play a significant role in assisting families to cope with the threats and manage the fatalities. The OAAP is an absolute cash transfer programme in the shade of SSNPs. The present study is a simple effort to assess the effects and consequences of this programme on recipients. It is exposed that the recipients of the programme have an affirmative effect in shifting the status within the family and society as well.

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