

The Effect of Integrated Safety Net Programs in Bangladesh and Uganda

Farzana A Misha

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International Institute of Social Studies
Erasmus University Rotterdam, The Netherlands

Abstract

‘Eradicating poverty in all its forms everywhere’ has been set as the first priority of the United Nations’, Sustainable Development Goals (SDGs). Poverty alleviation goes hand in hand with addressing other social challenges such as universal access to health, education, as well as addressing issues such as the consequences of climate change. In recent years, instead of single-component social-support programs, governments and non-governmental organizations have advocated integrated programs, that is, programs that combine different interventions, for instance, microfinance with training on health and sanitation issues or microfinance and assets transfers. This thesis which consists of three essays examines the effects of three integrated programs implemented by one of the largest international non-governmental organizations in the world, namely BRAC. BRAC is an NGO with its headquarters in Bangladesh but which now operates in eleven countries. Two of the integrated programs analysed in this thesis are located in Bangladesh and a third was implemented by BRAC in Uganda.

In the first essay, I evaluate the effects of an integrated program which targets marginalized populations living on small river-built islands (*chars*) along the southern coastal region of Bangladesh. Not only are these populations marginalized but they are also particularly vulnerable since they are exposed to recurring cyclones and seasonal storms. The analysis in this essay exploits a two-round panel dataset to measure the impact of an integrated poverty alleviation programme comprising several components including the construction of physical infrastructure and livelihood support (microfinance, health services, legal aid). The program is called the ‘Char development and Settlement program’ (CDSP). The study finds a 11 percent increase in per capita calorie consumption, a 9-percentage point increase in food security and a 0.34 standard deviation increase in legal awareness as a result of the program. The study also finds that the control group catches up with the treatment counterpart regarding recommended sanitation and hygiene practices and possession of sanitation and hygiene products. However,

while long-term effects are yet to be assessed, the evaluation shows that the program serves as an entry point to build resilient communities in environmentally and socially vulnerable settings.

In the second essay, I assess the effects of a similar comprehensive program in a different context. The essay assesses the impact of an integrated social assistance program, entitled Microfinance Multiplied (MfM), which was successfully executed in Bangladesh by a local NGO (BRAC) and then replicated in Uganda. The program combines microfinance with community health services and an agricultural extension program. I analyse a two-round panel dataset to assess the impact of the program on income, assets, consumption and days lost to illness. There are no statistically significant impacts of the MfM program. This is not surprising as a very small proportion of the sample, less than 10%, were enrolled in any of the program components. Considering that this is the first program implemented outside of BRAC's country of origin, the paper assesses the implementation and evaluation challenges faced and draws lessons for the successful transplantation of social support programs and accompanying data collection and evaluations from one developing country to another.

The third essay explores the long-term effects, over a nine-year period, of an integrated asset transfer program which targets the ultra-poor in Bangladesh.¹ The program called 'Challenging the Frontiers of Poverty Reduction: Targeted Ultra-Poor (CFPR-TUP) followed an asset transfer approach combined with multifaceted training over a two-year period.² The study examined the participants' employment trajectories using difference-in-differences techniques on panel data over the period 2002-2011. The analysis confirms earlier findings of the positive short-term impact of the TUP and shows that participants are more likely to switch from less productive occupations (maids, begging, day labouring) to entrepreneurship (10 percentage point). These effects are generally maintained in the medium-term. In the long term, however, a

¹ Per capita income of approximately \$0.60-\$0.70/day

² This third essay, co-authored with Wameq A. Raza, Jinnat Ara and Ellen Van De Poel, titled "How far can a big push really push? Long-term effects of an asset transfer program on employment trajectories" has been published in *Economic Development and Cultural Change* 68(1): 41-62, (2019).

substantial proportion of participating households – especially those starting as beggars or maids, those without adult sons, and those headed by males – switch back to their lower-income baseline occupation, causing the long-term impact to be substantially smaller (5 percentage points). This finding raises doubt about the strong claims that have been made about the sustainability of comprehensive anti-poverty programs and calls for further research on the causes for this reversal and the extent to which it is found in other settings.