

BANGLADESH FOOD PRICE REPORT 2012

Eating in a Time of Food Price Volatility

Year 1 findings from the Life in a Time of Food Price Volatility Study



Customer: 'Why you asking a higher price? The price has gone down on the global market.' Stallholder: 'Then go to the global market. Why have you come to the 'Kawran bazaar?'' Cartoon by Bipul Shah, printed in *The Daily Prothom Alo* (Bangla daily)

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EXECUTIVE SUMMARY

'Life in a Time of Food Price Volatility' is a four-year collective research effort that attempts to explore the effects of change in food prices in the lives of the marginal poor. Since 2007, the food, fuel and financial crises throughout the world have caused enormous suffering to marginal poor people who are unable to maintain decent living standards. While media reports provided enough evidence of such suffering, few systematic longitudinal studies have been conducted to help understand the intricacies of how people experience difficulties in maintaining their lifestyles and cope in different ways in an era of food-price volatility. The objectives of the research is to have a clear understanding of the ways in which food-price volatility affects poor people's lives and how they cope with its effects. More importantly, the study tries to understand how different occupational groups are differently affected due to changes in contexts and opportunities at micro (household), meso (community) and macro (national) levels.

In line with the research objectives, we have concentrated on four key issues: a. well-being trends, i.e. people's perception about what living well means in their context, and how far or close they are to their desired state of well-being, and why; b. coping strategies, i.e. how people are managing in difficult times, with a particular focus on how they are coping with volatile and rising food prices; c) support systems, i.e. an exploration of different types of support systems available to poor people that help them to survive; and d. perspectives on farming as a future prospect for young people, i.e. how price volatility is affecting the occupational choice of people who traditionally rely on agriculture.

METHOD AND APPROACH

The research project is being conducted in 23 communities in 10 low and lower-middle income countries: Burkina Faso, Ethiopia, Kenya, Zambia, Bangladesh, Pakistan, Indonesia, Vietnam, Bolivia and Guatemala. The project comprises food-security indicator tracking and integrated quantitative analysis using national-level data in addition to the qualitative research presented in this report for Bangladesh. A team of researchers at BRAC Development Institute, BRAC University, has been involved in a small-scale qualitative study in a poor urban and a poor rural community in Bangladesh since 2009, in partnership with IDS and Oxfam GB (in 2011). From 2012, the qualitative community case-study methodology is being extended to a third site in Bangladesh. All three sites will be visited each year between 2012 and 2015.

The three sites include an urban slum, an agro-based village and an agro-based village affected by a natural disaster and vulnerable to climate change-related events, most notably the 2009 cyclone Aila. As the impacts of and adaptation to climate change are extremely important for Bangladesh now, we hope to shed light on how disaster-affected people in climate-change hot spots in Bangladesh cope with food-price volatility when already dealing with post-disaster shocks. This report presents the qualitative findings obtained from the 2012 research conducted in the three communities.

WELL-BEING TREND

While defining the concept of well-being, people have largely attempted to do a need-based analysis.

As different groups of people are suffering from different types of problems and therefore have different types of needs, their definition of well-being varies significantly. For instance, to people living in the disaster-prone area, the concept of well-being is closely related with getting any job. In this particular area, the natural disaster has really shaken them up and has destroyed their homes and their usual ways of doing business. Whereas in the past, most of the people living in the area relied on agricultural production, natural disasters have destroyed agricultural land through salty water intrusion and these people are now finding themselves in a position where they lack any job to support their families. Facing a new, complicated and difficult situation, they are concerned about earning a decent livelihood through gaining access to work and as such their understanding of the concept of well-being is affected by this. The same pattern can be identified in the case of the other agricultural sites where, in most cases, agricultural production has failed to provide them with a decent livelihood. As such, they too are more concerned about the current situation and focus mostly on finding means to feed themselves and their family members. On the other hand, in the urban slums, even though people are concerned about food prices, they plan for the future and are concerned about their children. At the same time, their main concern is security: they are worried about their homes as they are living in constant fear of eviction, and health issues are also a major concern for them.

The study indicates that food-price volatility is affecting different occupational groups in different ways and people's occupational patterns play an important role in determining the level and extent of people's well-being. In the disaster-affected area, the natural disaster has completely changed the occupational dynamics of the area. In the agro-based rural area, agricultural production is no longer considered to be a profitable profession. Whereas the large-scale land owners are still doing well, the small-scale farmers and the agricultural day labourers are finding it very difficult to survive. As the price of agricultural inputs like fertilizer, oil, etc. is going up and the farmers are not getting a reasonable price from the market through selling their agricultural goods, most of them are thinking about moving towards a new profession. The policy focus of the government of keeping the price of staple foods low is not also helping these farmers. As such, these agro-based workers are also struggling in this volatile market and many have either changed occupation or claim to be considering doing so.

On the other hand, in the urban slums, people have plenty of options from which to choose their occupations. However, our study indicates that in the urban areas, the occupational groups which have a high demand in the market are doing better. From this perspective, the capability of workers in specialized sectors, such as electricians, in dealing with the volatile market is not surprising. However, what is important here is the emergence of a new sector which has opened up new job opportunities for urban poor people and migratory rural poor people: the construction sector. It is not currently clear how long this boom in construction will last but for now it is safe to argue that the expanding construction sector is helping poor people in dealing with their problems. The boom in the construction sector is actually replacing the demand in the two sectors which have been the traditional source of income for those who have migrated from rural areas: rickshaw pullers and daily labourers. However, in all cases, people who have a regular income are doing comparatively better in dealing with the volatile market price. Given that they have a secure and stable income, they are free from the uncertainty involved in the lives of the daily labourer or rickshaw pullers. Furthermore, they have also managed to survive the natural disaster in an effective and efficient way.

It has also been observed that the natural disaster in one site has resulted in significant social change. In general, this particular area is extremely conservative and, until recently, women were not allowed to work in public places and the tradition of *purdah* used to be maintained very strictly. However, the natural disaster has completely altered the scenario. As income-generating options

have become extremely limited and as employment-generating programmes and other projects provided by different NGOs strongly advocate women's participation, presently a large number of women have come out of their homes and are participating in different employment programmes.

COPING STRATEGIES

The research revealed a number of coping strategies adopted by rural and urban poor people which can broadly be categorized into three groups. They are: **the cost-containment strategies, the income generating activities and migration**. Of these three, cost-containment mainly refers to the strategies adopted by poor people that allow them to cut costs in the daily grocery shopping, substituting expensive food items with cheaper ones, to cut costs in the educational expenses of their children and to curtail recreational activities.

On the other hand, the income-generating activities demonstrate people's decisions to change their occupation or engage in more than one occupation (i.e. diversification in occupation) and encouraging other members of the household to be involved in the income-generating activities. The final strategy indicates that, when none of the above strategies work, people generally move to other places in search of better working opportunities.

However, the study also finds that people living within a price-volatility context utilize a combination of these coping strategies in order to deal with the difficulties imposed on them. In fact, poor people go through four different stages while attempting to cope up with adverse situations. The **first** of them is the **maintenance stage**, where people try to deal with the adverse situation by borrowing money from their relatives or neighbours while believing that they would soon get out of this condition. However, this particular stage is short-lived and failure to escape the situation forces people to move towards the **next** stage, i.e. the **advanced maintenance stage**, where people focus on cost-containment by cutting the costs of daily necessities and educational expenses. When the second stage fails to protect people from the volatile market, they usually move towards the **third** stage, i.e. **the survival level**, where they rely on a combination of two basic coping strategies: **cost containment and income diversification**. The **last stage** is adopted in a desperate attempt for **survival** where people combine three specific strategies: **cost-containment, income diversification and in-country migration**.

SUPPORT SYSTEMS

Based on the study, two basic support systems have been identified that are available to the people living in the study areas. These are: assistance/aid provided by the government through different social safety-net programmes (e.g. open market sale of rice, food distribution through test relief and gratuitous relief, and allowances for widows, elderly people and disabled poor people) and loans or grants supervised by different NGOs (e.g. micro-finance and asset-transfer programmes for ultra-poor people). In the context of Bangladesh, the role of the government in reducing poverty is well-recognized by the general population and, since its independence, successive governments have adopted a number of social safety-net programmes to protect society's most vulnerable groups and to provide them with different types of assistance so that they can live decent lives. The Social Safety Net Programs (SSNPs) managed by the government can be split into four groups:

- Employment generation programmes

- Programmes to deal with shocks and natural disasters
- Incentives provided to parents in order to facilitate their children's education
- Programmes designed to provide health services.

Of these four, the first two play the most important role in protecting poor people from price volatility. At the same time, in all these study areas, a number of other SSNPs, including Vulnerable Group Development (VGD), Old Age Allowance, and Widow Allowance are operating and these are helping the people. Simultaneously, a number of NGOs are functioning in all study areas and in almost all cases these NGOs mainly provide monetary assistance through the micro-finance programme. Overall, the following trends may be observed:

- In rural areas, both the government assistance and NGO assistance programmes mainly serve the survival needs of the people. In this time of extreme price volatility, this assistance is neither planned nor adequate enough to help the people to escape the poverty trap. As a result, these assistance programmes are short-term solution and do not really help the people that much.
- On the other hand, in urban areas, even though there are some NGO programmes that have been designed to help poor people to start income-generating activities, these programmes are inadequate in terms of bringing about any real, significant change.
- Moreover, the major SSNP programmes have become extremely vulnerable to political manipulation. In a number of cases, it has been reported that the VGD card has been delivered to relatively well-to-do people, whereas poor people did not get access to this service. In many instances, local political leaders provide government SSN support to poor people who are supporters of the ruling party. This practice helps them to develop and maintain their very own clientele groups.

FUTURE OF FARMING

The initial analysis – based on one study site where agriculture is still considered as the major source of living, and as such the findings cannot be generalized – indicates a bleak picture for the future of farming. In most cases, the youth are no longer interested in farming, preferring to go for other jobs, especially in the urban centres. This is mainly because the farmers are not getting a reasonable price for producing their crops. As the price of agricultural inputs and the wages of daily labourers are too high, their profit margins have remained low and they cannot really deal with price volatility. For the landless households, the decision is simple: they will migrate to big cities in search of jobs which allow them to earn more money. However, for the farmers who have a reasonable amount of land, decision-making is a little more complicated. In the end, even though they are continuing with the farming for now, they are encouraging their children to choose other occupations. For the rich farmer, the future may present an important problem; even though they have a good amount of land which could allow them to earn a profit, they may find themselves in a situation where there will not be enough day labourers or other share croppers interested in cultivating the land at current wage levels.

POLICY IMPLICATIONS

Food Price Volatility (FPV) has always remained a key area of concern for the government of Bangladesh. However, the issue became very important since the mid-2000s and, in 2006, they developed a multi-dimensional Food Policy (known as National Food Policy), which became the

country's main policy document in terms of providing food security. This particular document is considered to be an important departure from the past as it applied a 'comprehensive and integrated approach to food security, including the availability, access and utilization dimension of food security'.

Even though the development of this policy marks a departure from the traditional policy framework of the country, this study indicates that there are some key areas where further policy intervention may become necessary. The initial findings indicate that the policy makers should keep a close eye on the following issues:

- There is no effective price monitoring mechanism in place in rural areas and the development of an effective monitoring system at the rural level is necessary.
- The government policy makers have employed most of their efforts in keeping down the price of grain. As the research shows, this creates two different problems: at one end, due to the initial low price of agricultural products, the farmers do not get the appropriate price for their goods and, as such, they are producing crops either at a loss or for a minimal profit. On the other hand, due to the lack of an effective price-mechanism system, they are forced to buy products from the market at a higher price and they simply cannot make both ends meet with the profit made through agricultural production. So far, no successful policy attempts have been made to address this situation.
- The policy makers have so far mainly focused on controlling the market price of staple foods. As such, their concentration is on increasing the production of staple foods. Whereas this is important, a key problem of this approach is sacrificing quality in exchange for quantity, i.e. increasing food production will ensure people's food security only when the production of staple food is supplemented by the production of other necessary and nutritious food products. This should be an important focus of the food policy of Bangladesh, as in addition to helping the people in gaining food security, it may also encourage the farmers to diversify their agricultural production, which will increase their value in the food market.
- In most cases, evidence of the long-term economic effects of the SSNPs have not been found. For example, in the case of the employment-generation programme, when it ended, although the participants received some monetary or food-assistance, they were unable to build a sustainable livelihood. Little effort has been taken to provide adequate training to the people so that, once the programme is over, they can engage with or develop new income-generating activities. Therefore, the policy makers should concentrate on ensuring the long-term impact of these programmes.
- A key finding of the study is the participation of females in a number of employment opportunities. Whereas this is a good sign which in the long run may play an important role in women's empowerment, women are also facing a number of problems. For instance, women in paid work are also primarily responsible for the unpaid care of their households, including food preparation, sometimes procuring or producing food, cooking, feeding, cleaning, child-minding, and care of older and sick people. As men may also be working outside the home, inhibited by social norms about 'women's work', or too unskilled to do it, women in paid employment typically work a double shift.
- Even though the women have tried to rely on their neighbours or other family members, this does not offer a permanent solution. As a result, the policy makers have to focus on this particular issue, i.e. if their goal is to encourage women in participating in employment-generating activities, they also have to recognize and act to support their unpaid care responsibilities.

1. INTRODUCTION

At present, the increasing price of food is an important agenda for poverty-related research. Since 2008, the food, fuel and financial crises throughout the world have caused enormous suffering to poor people in managing a decent living. While media reports provided enough evidence of such suffering, few systematic longitudinal studies have been conducted to understand the intricacies of how people experience difficulty in maintaining their lifestyle and cope in different ways in an era of food-price volatility. In Bangladesh, in collaboration with IDS, Sussex and BRAC Development Institute of BRAC University, a team of researchers have been involved in a small-scale qualitative study in typical poor urban and rural communities of Bangladesh since 2009.

LIFE IN A TIME OF FOOD PRICE VOLATILITY

Major shifts in food prices are significant events in people's lives; in 2012 we started a four-year project to track the impacts of this volatility. This project, *Life in a Time of Food Price Volatility*, aims to monitor and record how FPV changes everyday life because so many of the social costs of managing change are invisible to policy makers. Nutritional or poverty measures may indicate that people living in poverty have coped well and appear to be 'resilient', but only because such measures often neglect the costs of this apparent resilience, including the increased time and effort required to feed and look after people; the non-monetary effects on family, social, or gender relations; mental health costs, such as stress, reduction in quality of life, and cultural issues, such as the pressure to eat 'foreign' fare, or food considered inferior. These issues tend to be neglected in nutrition and poverty impact studies, but they tend to matter a great deal to those affected.¹

Life in a Time of Food Price Volatility spans the period 2012-2015, and focuses on experiences from 10 urban/peri-urban and 13 rural locations, across 10 low- to middle-income countries (see figure 1). It comprises a collective of researchers tracking, documenting, and analysing how FPV affects the everyday lives of people on low or precarious incomes, and focuses on paid work, the work of care or looking after families and others, how relationships are being affected, and what is happening to the resources people have with which to cope. The project has three component activities, namely:

1. Food-security indicator tracking aimed at generating a picture of what has been happening to food security and food prices.

¹ See:

Espey, J., C. Harper, and N. Jones (2010) 'Crisis, care and childhood: the impact of economic crisis on care work in poor households in the developing world.' *Gender and Development* 18(2): 291-307.

Elson, D. (2010) 'Gender and the global economic crisis in developing countries: a framework for analysis.' *Gender and Development* 18(2): 201-12.

Heltberg, R. et al. (2012) 'Coping and resilience during the food, fuel, and financial crises', *Journal of Development Studies* 2: 1-14.

2. Qualitative research, with short annual visits to groups and households. Eight of the sites have been visited annually since 2009, so 2012 was the fourth visit; at the remaining 15 sites, research was initiated in 2012.
3. Integrated qualitative and quantitative (Q²) analyses of the impacts of food-price changes on well-being, drawing on nationally representative poverty data for each country. To date, an initial round of quantitative analysis has been completed for Viet Nam, and Zambia is currently in progress. This is not reported in *Squeezed* but will be presented in future reports.

More details of methodology are available in a paper on the Life in a Time of FPV website (<http://oxf.am/JaU>).

WHERE WE ARE WORKING

Ten countries were chosen, based on the following:

- they have significant problems of undernourishment;
- teams were already in situ, as in the case of Bangladesh, Indonesia, Kenya, and Zambia, where work with the Institute of Development Studies (IDS) on crisis-monitoring research has been conducted since 2009;
- Oxfam offices in those countries asked to be involved in order to improve their understanding of FPV impacts.

The 10 countries under study have been categorized according to their per-capita income levels and the prevalence of undernourishment (see figure 2).²

Figure 1: Country groupings

	Low-income countries	Lower-middle-income countries
'Severe' undernourishment	Burkina Faso, Ethiopia, and Kenya	Guatemala and Zambia
'Moderate' undernourishment	Bangladesh	Bolivia, Indonesia, Pakistan, and Viet Nam

² Income classifications follow those employed by the World Bank; undernourishment prevalence thresholds are subjectively set at 25 per cent of the population (above which undernourishment is adjudged to be severe), and 5 per cent (above which undernourishment is labelled moderate). Data sources: the World Bank, 'GNI Per Capita, Atlas Method (Current US\$)', <http://data.worldbank.org/indicator/NY.GNP.PCAP.CD> (last accessed 18 March 2013); and FAO, 'Food Security Indicators', <http://www.fao.org/economic/ess/ess-fs/ess-fadata/en> (last accessed 18 March 2013).

Figure 2: Research locations in the 10 developing countries



PARTNERSHIPS AND PROCESS

Oxfam and IDS have come together to coordinate this four-year project with BRAC Development Institute in Bangladesh, Centro de Estudios de la Realidad Económica y Social (CERES) in Bolivia, Institut des Sciences des Sociétés (INSS) in Burkina Faso, researchers from the University of Addis Ababa in Ethiopia, researchers in Guatemala, Social Monitoring and Early Response Unit (SMERU) in Indonesia, Mpereeza Associates in Kenya, the Collective for Social Science Research in Pakistan, VietSurvey and the Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD) in Viet Nam, researchers in Zambia, and a researcher from University College Cork in Ireland.

Within each research location, the project also works with local officials, non-government organizations (NGOs), and community-based groups. The project is funded by the government of the United Kingdom, and, for the first three years, by Irish Aid. Oxfam provided funds in the first year, and BRAC Development Institute are supporting the project by paying costs in one research site.

This partnership grew out of earlier crisis-monitoring research by IDS with support from the British Government and Oxfam. It is in line with Oxfam's GROW campaign on food justice. From 2013, more researchers are being commissioned to undertake integrated qualitative-quantitative analyses of the effects of FPV on well-being at the national level. The project benefits from an advisory group to guide the research, analysis, communications, and uptake process.

While the three rounds of studies between 2009 and 2011 were conducted in two communities (one urban and one rural), in 2012, in addition to the two aforementioned communities, a post-disaster, prone to climatic variability, community has been included in the research. As the impacts of and adaptation to climate change are extremely important for Bangladesh now, we hope to shed light on how disaster affected people in climate change hot spots in Bangladesh cope with food-price volatility when already dealing with post-disaster shocks. This report presents the qualitative findings obtained from research conducted in three communities in Bangladesh. The report has five sections: after the introductory section, the second section deals with the research approach and methods; it also provides a brief overview of the study sites. Section three provides the food-policy contexts of Bangladesh to get a sense of the overarching policy environment within which poor people try to deal with food-price volatility. Section four presents the main findings along with analysis; this section is

divided into several sub-sections and addresses the issues of the present conditions of different occupational groups, how do poor people define their well-being, poor people's experiences in dealing with food-price volatility, their coping strategies and available support systems. A small sub-section also tries to present findings on poor youths' perspectives on agriculture and their plans for the future. Finally, section five concludes the report.

2. RESEARCH APPROACH: AGENDA, METHOD AND SITE SELECTION

2.1 RESEARCH QUESTIONS AND APPROACH

This research project aims to provide policy guidelines that will improve the food security of poor people living in different developing countries. As a part of this broad agenda, this particular study focuses on Bangladesh and attempts to identify the status of food security in Bangladesh and explores the ways through which the poor people of the country attempt to deal with the situation. In order to do that, we have mainly concentrated on the following research questions:

- What is the current status of food security in Bangladesh, i.e. if the price structure of necessary food items remains high and unpredictable, how does that affect the overall well-being of the people?
- What do people understand by the concept of well-being? How do they define it? What are the factors that affect their well-being and how closely is food-price volatility associated with the concept?
- How do people survive with high food-price volatility (FPV)?
- What are their basic coping strategies? How effective are they?
- What are the support systems that are available to poor people? How are they functioning, especially:
 - What type of public assistance is provided to them? How effective is it?
 - What type of NGO assistance is available? Is it effective?
 - How is FPV affecting the occupational pattern especially the future farmers? What are the issues associated with the future of farming?

As the research question indicates, we have concentrated on four specific themes:

1. Well-being
2. Coping
3. Social protection
4. Future farmers

Through answering these questions, we want to develop a deeper understanding of the dynamics of food-price volatility. Our goal is not only to encourage and facilitate public debate on various relevant issues but also to present the policy makers with policy guidelines so that they can address these problems in an effective and efficient way.

To achieve our goal, we have conducted high-quality research that attempts to get close to the realities of everyday life, and make sense of them within the wider economic and policy settings relevant to food prices. The study has adopted mainly participatory and qualitative approaches which require earning the trust of the people with whom we have worked, and properly valuing the data, which takes time and effort to collect. We have concentrated on:

- Collecting small amounts of high-quality data
- Prioritizing depth over breadth
- Experimenting with participatory and visual approaches for more grounded analyses that are also more persuasive than just words
- Developing case studies of communities as a whole, to understand system dynamics.

2.2 SITE SELECTION AND RATIONALE

In order to develop a better understanding of food-price volatility in the context of Bangladesh, we have decided to take into consideration three different situations:

- First, we have tried to explore how FPV affects the lives of people living in urban slums. As they are engaged in a number of professions, this helps us to understand the relation between occupational choices and effect of FPV. At the same time, it provides a direct contrast with the rural areas in terms of GO and NGO intervention. Furthermore, life in the slums is different to that of the rural areas and the societal value structure is also different. We wanted to see whether the variation in social structure generates variation in the coping strategies.
- Second, in contrast to the urban slums, we decided to select an agro-based rural area. In addition to the contrast, it will also allow us to understand the effects of traditional societal values in helping rural poor people to deal with adverse situations.
- Finally, we decided to select a research site which allows us to explore the impact of an additional shock (in combination with FPV) on poor people. We were especially interested in analyzing the dynamics of FPV in a disaster-affected area as it will show us how an “add-on” shock affects the lives and strategies of extremely poor people in dealing with FPV.

We argue that analyzing these various situations and identifying the differences and common patterns will help us to prescribe an overall policy suggestion. Keeping all these issues in mind, we have selected the following sites:

2.2.1 Urban slum

For the urban slum, we selected **Kalyanpur Notun Bazar Slum**, which was established in 1981 on land owned by House Building Research Institute. The first dwellers were the victims of river erosion from Barisal, Bhola, Pirojpur, Jamalpur, Noakhali, Mymensingh, Tangail and Naogaon. Since its establishment, the slum has regularly been subjected to eviction (1991, 2001, and 2007) and arson (1991, 2006, and 2011). These two types of incidents/shocks have severely affected the tangible assets of the poor slum dwellers. However, the residents have managed to re-establish the slum after each incident with the help of the government and private sectors and sometimes with their own efforts. According to a 2005 census, the slum has a population of 15,000 living in 3,000 households (CUS, 2006).

Most of the slum dwellers constructed small houses on small plots of land that they acquired. Some of

them have purchased the title to the land from others. This possession is locally and informally enforced, although it does not have any legal entitlement. Many households also live in rented rooms constructed by the possession holders. It is estimated that half of the present slum residents have their houses in their possession while the other half live in rental houses.

The main professions of the male slum dwellers are small-scale trading, rickshaw pulling, auto-rickshaw driving, begging, working in garment factories, daily wage labour, etc. Female slum dwellers work as maid servants, street beggars, garment workers, day labourers, etc.

The slum dwellers have access to piped water, sanitation, electricity and road construction facilitated by themselves or by NGOs and development agencies. An NGO named Dustha Shasthya Kendra (DSK) operates the water and sanitation facilities with a minimum charge of USD 0.32³ (25 taka) each month for sanitation and USD 1.27 (100 taka) each month for the water supply. The slum management committee manages the electricity supply with the help of the electricity supply authority. Each household pays USD 2.53 (200 taka) for their electricity connection. Urban Partnership for Poverty Reduction Project (UPPRP), managed by the UNDP and funded by DFID, has constructed alleys and footpaths in the slum.

2.2.2 Rural area

Dhamurhat, an Upazila of Naogaon district in the northern part of the country, with an area of 300.8 sq km, is bounded by West Bengal (India) in the north, Badalgachhi and Patnitala Upazilas in the south, Joypurhat Sadar Upazila in the east and Patnitala Upazila to the west. It consists of eight unions, 212 mouzas (In Bangladesh, a **mouza** or **mauza** is a type of administrative district, corresponding to a specific land area within which there may be one or more settlements) and 250 villages. The main crops are paddy, wheat, jute, eggplant, potato, vegetables, mustard seed, pulses, onion, garlic, and tamarind.

We selected Uttar (North) Jahanpur, a village of Jahanpur union, as it is a traditional agro-based rural area, situated in a corner of Dhamurhat Upazila, adjacent to the west corner of Joipurhat District and near to the Indian border. According to our findings from PRA, Uttar Jahanpur consists of 215 households. The village is situated in the poorest northern part of the country

2.2.3 Disaster-affected area

As a disaster-affected area, we selected **Koyra, an Upazila of Khulna district**, which has an area of 1775.41 sq km and is bounded by the Bay of Bengal and the Sundarbans in the south. The Upazila consists of seven unions, 72 mouzas and 131 villages. Koyra has a population of 192,534 (95,993 males and 96,541 females). The literacy rate among the Upazila people is 44 per cent (53 per cent male and 39 per cent female).

According to the BBS (2001), the main occupations in this area are agriculture and agricultural labour (63 per cent), forestry, and fishing. However, after Cyclone Aila in 2009, the agricultural lands were

³In this report, Bangladeshi currency (BDT) has been converted to USD (01 USD= 78.95 BDT as of 20 February, 2013)

severely damaged by salinity. As a result, a huge number of agricultural labourers had to change their livelihoods from agriculture to forest- and river-based (e.g. fishing) occupations.

The area was selected to explore how price volatility affects the livelihoods of extreme poor, how they cope with the emerging situation of price volatility and what new techniques they use to cope with such situations in an area which has been affected by a major disaster. It can be stated here that, even now, the area has not been able to recover its pre-disaster land, agriculture, and livelihood patterns.

2.3 METHODOLOGY

As we explained earlier, the goal of the research is to collect high-quality data that will help to explain the effects of food-price volatility in different settings. Consequently, we have given priority to depth instead of breadth and, in line with that, we decided to conduct a small-scale qualitative study. As described in the previous sub-section, we have limited our investigations to three specific sites. This emphasis on the small-scale study has helped us in the following way:

First, we have divided our research team into three groups and each group stayed at the research site for two weeks. Each research team consisted of three highly qualified and experienced researchers. All teams had ample opportunity to talk and interact with people of different occupations and other social groups and also succeeded in gaining their trust. This eventually helped us in data collection and to get a sense of the local context.

Second, this close interaction and application of participatory research tools helped us in developing an understanding the impact of the socio-economic and political context over the behaviour, action or inaction of the local people and allowed us to collect a huge amount of reliable data through applying the various research tools explained below.

Thirdly, as explained earlier, one of our key research goals is to explore the people's changing well-being trend, their coping strategies, analysis of the support systems available to them and explaining the perception of the future farmers of the country. Our research aims to address these key issues. In order to understand these different perspectives closely associated with food price volatility, we need in-depth data that will unearth people's understanding, perspectives, and attitudes. Henceforth, focus on three specific case-studies has allowed us to develop a better understanding of these concepts.

Fourthly, through focusing on these three study-sites, we have succeeded in tracing the process of change in the lives of the inhabitants over time. In two of three sites, we commenced our research in 2009 and completed three rounds by 2011. So, when we went back to these communities in 2012, it allowed us to capture how the standard of well-being of the people living in these areas had changed, how they are dealing with volatile situations, and how they are responding to changes. We plan to continue this process for the other study areas too.

However, we do admit that the study-areas that we have selected do not represent the whole of Bangladesh. Our focus is on developing a better understanding of the ways and means through which people deal with food-price volatility. As such, we have selected cases that would provide the best answers to our research questions. At the same time, we have made efforts to explore the effects of certain contextual factors – like urban set-up, rural agro-based set-up and a disaster-affected agricultural set-up – on the variation in well-being trends, coping strategies, and support systems available to the people living in these places.

The study used qualitative research methods to collect data from the three case-study communities. The research methods included focus group discussions (FGD) and key informant interviews (KII) at the community level. The FGD participants also participated in “market-based value chain” (prices of food items from production to retail market) and “well-being” analysis activities. Poor households’ cases were collected in order to understand coping strategies to address their food insecurity at household-level. A team of three researchers spent eight to 10 days in each of these communities to collect information using these participatory tools. The table below shows the numbers of FGDs and interviews that were completed.

Table 1: FPV activities and reports

SI.	Items	Dhaka	Naogaon	Khulna	Total
01.	FGD (community level)	03	05	05	13
02.	Individual Case Study	05	06	08	19
03.	Key informant interview	06	07	06	19
04.	HH Case Study	06	03	-	09
05.	Market Price List	01	01	01	03
06.	FGD (local market, food prices)	01	01	01	03
	Total	22	23	21	66
	Total Number of People who provided data	80	39	74	193

At the same time, it should be mentioned here that, while conducting each of these qualitative studies, we relied on some specific research tools carefully designed for this particular project which have helped us in unearthing different factors for understanding people’s well-being, coping strategies, and perceptions about various support systems.

For instance, in case of understanding people’s well-being trends we have used a well-being ranking, that is, we asked people to identify and list things that they think are important for their well-being. At the same time, we encouraged people to prioritize and, based on their listings, we asked them why these things were important to them, whether these things have always been important, and how far they were from their desired state of well-being. Their listings and these questions have facilitated our FGDs and KIIs. Another form of well-being ranking has also been used to understand these trends. In this particular case, people were asked to identify their occupation groups and their income, to compare their well-being with previous years and to explain why their state of well-being has changed.

Similarly, in order to analyze the coping strategies adopted by people, we have mainly used (among others) two specific tools: snake ladder and food-basket strategy. Snake ladder is a popular board game in Bangladesh and we used this tool to encourage people to identify significant events that have helped them to move forwards (ladders) or pushed them backward (snakes). Their detailed life history has also been collected to get a sense of how they have coped with different changes over time. The food-basket exercise is an interesting exercise that we have employed to analyze the cost-containment strategies of the people living in these areas. In order to do this, our researcher initially selects a participant and goes to market with him/her. The researcher asks him/her to show what their household consumes in a usual day. Then a second basket is put together to show what they recall consuming a year previously. These two baskets are then compared. The food-basket exercise is also complemented by detailed household interviews.

In analyzing the support systems, we have mainly relied on institutional analysis, KII, and FGD. A similar approach has been followed in exploring the perceptions of future farmers.

3. THE POLICY FRAMEWORK OF BANGLADESH

Before analyzing the current status of Food Price Volatility (FPV) and its impact on people's well-being, it will be helpful if we analyze the current policy framework for ensuring Bangladesh's food security. This serves two basic purposes: on the one hand, it will help us to understand the government's proposed response in dealing with crises, and on the other, it will help us to find out whether these policies are implemented as per expectation and how these plans are affecting the lives of the poor people.

Over the last decade, Bangladesh has been a study in contrasts. While there have been clear developmental gains, there remain alarming concerns, including high rates of poverty and food insecurity. Although the figure does fluctuate, in 2011, Bangladesh ranked 146 out of 187 countries on the UNDP Human Development Index.⁴ At the same time Bangladesh sits at 70 out of 81 countries on the 2011 Global Hunger Index.⁵ Bangladesh has been making progress in improving food security; recent Global Hunger Index reports (2011 and 2012) highlight Bangladesh's success in this regard.⁶ Food-grain production has improved, although other food sources such as fish and livestock are produced at less than adequate levels.⁷ It is recognized that the poor quality of food and lack of diversity in the habitual Bangladesh diet imposes enormous costs on the society in terms of ill health, lives lost, reduced economic productivity and poor quality of life.⁸ Again, there are concerns that food insecurity is much worse in specific regions with even more critical situations at the district or sub-district levels. The levels of child under-nutrition in Bangladesh are among the highest in the world. In the 1990s, progress was made in reducing all anthropometric measures of nutrition, such as stunting, underweight, and wasting, but progress slowed after 2000. Stunting continued to fall, reflecting the gains of the 1990s but child underweight rates barely changed, falling just two percentage points to 46 per cent from 2000 to 2007.⁹

Food Price Volatility (FPV) has always remained a key area of concern for the government of Bangladesh. However, the issue became very important since the mid-2000s and in 2006, the GoB developed a multi-dimensional Food Policy (known as National Food Policy), which became the

⁴ UNDP. Human Development Report, 2011

⁵ IFPRI. 2011 Global Hunger Index, 2011

⁶ See Global Hunger Index Reports of 2011 and 2012

⁷ Regional Consultation on Trade, Climate Change and Food Security in South Asia 20-21 December 2012, Nepal. Professor Mustafizur Rahman. SAWTEE

⁸ http://typo3.fao.org/fileadmin/user_upload/faobd/docs/In_Focus/New_food_and_nutrition_security_project_signed_by_Government_of_Bangladesh_and_FAO.pdf

⁹ <http://siteresources.worldbank.org/SOUTHASIAEXT/Resources/223546-1171488994713/3455847-1232124140958/5748939-1234285802791/BangladeshNutrition.pdf>

country's main policy document in terms of providing food security. This particular document is considered to be an important departure from the past as it applied a 'comprehensive and integrated approach to food security, including the availability, access and utilization dimension of food security'. The policy has identified three specific objectives:

- Adequate and stable supply of safe and nutritious food
- Increased purchasing power and access to food
- Adequate nutrition for all individuals with a special focus on women and children.

This policy document is important for a number of reasons:

1. It shows a clear linkage between availability, access and nutrition outcomes, mainly "in line with the definition of food security adopted by the World Food Summit of 1996". This document actually acknowledges that for ensuring food security, i.e. availability of food, increase in food production is not good enough as this particular aspect has to be supplemented by increasing the purchasing power of poor people as that will allow them to have access in the food market. Furthermore, the document also points out the significance of good-quality food and argues that food security can never be ensured until and unless nutritious foods are made available to the people.
2. The way this policy has been adopted is also important as it allows significant consultation with different groups, including think tanks, NGOs and representatives from different sectors.
3. The policy recognizes food security as a multi-dimensional concept and emphasizes the issue of coordination between different ministerial bodies.
4. The food security policy also emphasizes the necessity of integrating SSNPs with agricultural development. As the Food Security Policy brief of the GoB published on 12 November, 2012 points out, for the rural poor this integration is extremely important as "social protection schemes provide immediate access to food, thus helping to safeguard existing assets and human capital from stocks".

For the purpose of this study, the more important document is the National Food Policy Plan of Action (PoA) which provides systematic guidance in implementing the food policy. The plan has been developed in line with the MDGs and it is to be followed for the period 2008 to 2015. The following are the basic characteristics of the plan:

First, in order to link the three policy goals, i.e. availability, access, and nutrition, the plan proposes to strengthen and effectively implement the targeted cash and food transfer programmes that will provide immediate access to food for the most vulnerable group of people and will allow them to engage in income-generating activities that will increase their buying capacity. At the same time, the PoA also explains a detailed plan for future research in the agricultural sector, including better fertilizers, seeds, etc. which will increase the overall production capacity. From this perspective, the PoA follows a "twin-track approach".

Second, "to facilitate implementation and monitoring, the Plan of Action also identifies responsible actors (government and non-government) and suggests a set of policy targets and indicators to monitor progress. The document provides a set of guidelines regarding inter-ministerial coordination, sectoral planning and budgeting and includes an outline of the strategy for monitoring progress".

Third, an important part of the PoA is the provision of periodical monitoring of the implementation process based on which the policy document may be adjusted over time. This monitoring is to be done by the Food Planning and Monitoring Unit, the Food Policy Working Group, and its Thematic Teams. The first of these monitoring reports was conducted in 2010 and it "identified areas in which

progress has been made and where further action is needed". Some basic points from the monitoring report are:

- That the recent decline in food prices presents a new challenge for the government. Where increase in price severely affects the poor consumers, decline in price actually reduces the incentives of the farmers to produce food. The report points out that this problem needs to be addressed and it can be done by carefully "tuning the agricultural input subsidy and public procurement program" (GoB, 2010: 36).
- That "Increases in food grain production can stem from an expansion of cropped area or an increase in yield, or both". The report calls for finding out cultivable land in the coastal area by way of newly formed silted lands that is a natural process in a delta (known as *chars*).
- As in rural areas, graduation from poverty depends on the household's ability to "diversify into more profitable activities". The report calls for intervention at "increasing productivity in labor intensive/higher value crops, especially through the use of high yielding/hybrid varieties". At the same time, it argues in favour of developing an agribusiness management system.
- While planning for food security, the possible impacts of climate change should be taken under consideration. From this perspective, the monitoring report argues in favour of government intervention in two specific areas: first, generating employment opportunities in areas like mushroom cultivation, sericulture, organic farming, bee keeping, etc. which take very small amounts of land and are more climate-resilient activities; and second, engaging rural poor people in various infrastructure-development activities, including maintenance and repair of irrigation infrastructure, river-bank protection works, etc.
- "Unemployment seasonality patterns should be better taken into account in the implementation schedule of programs". Women's participation in the public works program should also be strengthened by allowing them to work in flexible hours and providing catering/day care services for children. The report also calls for replacing the relief-based safety nets with productive ones as that will ensure the sustainability of poverty reduction programmes.
- The document also calls for special attention to deal with the vulnerabilities of the people living in disaster-prone areas.

Whereas these policy proposals, goals, and guidelines are really important and provide a specific plan for implementation, the real challenges lie in the actual implementation. The discussion provided in the later sections of this paper indicates in detail the status of implementation of these extremely well-developed policy plans.

4. CASE ANALYSIS

In this section we present our findings based on qualitative research conducted at three sites in Bangladesh.

4.1 WELL-BEING TRENDS

4.1.1 Defining well-being

While defining the concept of well-being, people have largely attempted to do a needs-based analysis. As different groups of people are suffering from different types of problems and therefore have different types of needs, their definition of well-being varies a lot. Our study indicates that people who are finding it extremely difficult to survive in a hostile environment, mainly rely on a materialistic analysis. Their definition and understanding of well-being is limited to the present context and as such they rarely have made efforts to express their aspiration or their hope for future. On the other hand, relatively well-off people have not only pointed out their current concerns but have also talked about what they are striving to achieve. As such, the definition of well-being depends largely on two factors:

- The current need
- The economic status (which relies on the occupational pattern and social status).

The influence of these factors in determining the variation in the definition of well-being can best be explained using a case by case analysis.

The case of Koyra, Khulna, provides an interesting example of how people's perception of need defines the concept of well-being. Before 2009, agriculture was the major source of income for the people of this particular locality. As one respondent reflects, "the people of this place were not rich. But they had enough to survive and production of agricultural goods allowed them to survive and live a peaceful life". However, everything changed in 2009, when *Aila* hit Koyra. Overnight, the dwelling places of the inhabitants were destroyed and their crops were washed away. Furthermore, "*Aila* destroyed the crops in our land and after that cyclone there has been no crop production in last three years." This natural disaster had a number of negative effects. First, as the natural disaster washed away all the crops, people had to go through the imminent threat of food insecurity. Second, the disaster had a long-term effect. Due to salt water intrusion, the land lost its cultivation power and, as indicated earlier, in the last three years the inhabitants could not produce any crops. This particular factor affected the inhabitants most: on one hand, it took away their employment opportunity and forced them to look for other job opportunities; consequently, many of them had to leave their native place in search of jobs. On the other hand, the lack of food production negatively affects the local market mechanism. According to one respondent, "previously, we used to export food grains to other places and people from Faridpur and similar places came here to participate in the agricultural work. However, as food production had become impossible, now we have to import food and buy food products at a much higher price". Finally, the loss of dwelling places also compelled people to live in an unbearable condition. When we asked the people of this locality about their idea of "well-being", all these issues became relevant in determining their perspective. As one participant of the FGD states, "we are day labourers and to us well-being means adequate work opportunities. If there is enough work opportunities the local people could earn their livelihood and at least have three meals a day".

Another participant elaborates upon the issue, “the thing is, by well-being we mean two meals a day and some decent clothes to wear. However, these two dimensions of well-being are closely related with our financial capability. The majority of the people of this area are day labourers but they don’t get the opportunity of working regularly”.

Overall, the FGD participants are of the opinion that, as *Aila* severely affected their agricultural production, they are struggling hard to manage the minimum food requirement for their households. Moreover, they lost their dwellings and they have no savings to repair and reconstruct them. At the same time, there are some respondents who pointed out that their concept of well-being also includes the availability of pure drinking water as that is one of the problems they are facing during the post-*Aila* period. As one respondent says, “scarcity of pure drinking water is also a major problem here. There are a very few tube wells in this locality so we have to bring drinking water from a distant place through big containers and each container costs USD 0.05. We store the rain water during rainy season but due to lack of enough big containers we can’t store as much as we needed”.

The female participants in the FGD also emphasize these three issues, i.e. two/three meals a day, availability of pure drinking water, and decent living places as necessary ingredients of well-being. One respondent actually provides a summary of their perspective of well-being,

“At first, people want to have three meals a day regularly. Then there should be enough supply of water including drinking water because here the water is salty. After Aila, drinking water from the ponds has become impossible. Now we have to store the rain water during rainy season. But as we don’t have any big container, we can’t store enough. Moreover it takes USD 0.25 if we want to bring one drum of water from the nearby market and the boat fare is an additional expense. We need good quality of houses to live in because our houses have been damaged by the devastating Aila. We need to make our new houses on the high land. Our communication system (roads and transports) needed to be improved. Most of our roads have become damaged after Aila. If we are provided with the above mentioned facilities then we would be in good shape and our life would become easier”.



Photo 1: FGD with female participants, Koyra, Khulna

However, they also point out that all of these things actually depend on one particular issue: “we need working opportunities on an urgent basis and by getting work we could live our life happily”. It is interesting to note here that only two of the respondents of our study have talked about any issues other than the aforementioned ones while defining well-being. The following table provides a comparison of the idea about well-being in Koyra, Khulna:

Table 2: Defining well-being by respondents’ occupation and gender

	Occupation	Well-being concept
FGD Participants (Male)	Mostly day labourer	Working opportunity, two/three meals a day. Dwelling place. Drinking water

FGD participants (Female)	Homemaker/day labourer	Same as above
Chairman, Mosque Committee	Business	Working opportunity, decent clothing, education for children, saving for future, proper meals, treatment
Chairman, Market Committee	Doctor	Working opportunity, two/three meals a day. Dwelling place. Drinking water
President, School Management Committee	Doctor	Economic solvency, food sufficiency, educational opportunity, drainage system and alternative means of income
President, Community Police	Business	Same as above plus disaster-management initiatives

Table 2 indicates an important pattern. For the day labourer, i.e. the people who usually depend on agricultural production and who are the most affected by *Aila*, their concept of well-being centres on the possibility of getting job in the future. In other words, their well-being concept is strategies of basic survival and they are not really bothered about future investments like spending for their children. On the other hand, the relatively well-off people are those who have an alternative source of income, i.e. agriculture is not their primary source of occupation and, while defining well-being, they can think about their future prospects and probably that is why they emphasized investment in educational institutions, social relationships, etc.

In fact, we have witnessed this particular trend in the other case study areas too. In Naogaon, where agriculture is the major source of income, people's perception of well-being is largely determined by issues related to agricultural production. During our FGD at North Nanaich of Dhamurhat, Naogaon, the farmers defined well-being in terms of the price they are getting by selling crops at the market. According to one participant, "we are producing crop but not getting a good price. You will understand our condition if you compare the current price of food grains with the price of other products in the market". In their discussion, they emphasized two issues: first, the price of other agricultural inputs like fertilizer, diesel, etc. which in the end determines their profit; and second, the price of other goods in the market which determines their overall standard of living. Regarding the first issue, one respondent points out, "earlier we could cultivate three *bighas* (147 decimal)¹⁰ of land with USD 190 but now, due to the increase in the price of fertilizer and fuel, the cost of cultivating the same amount of land has increased to USD 317–329. The thing is, the price of cultivation has increased but the quantity has remained the same". Another respondent states, "For not so well-off farmers, the wage of the day labourers is also a great problem. Right now, the wage of a day labourer is USD 2-2.53 (155-200 taka) but only few years ago, it was USD 1.52-1.65 (120-130 taka). Whereas the wage of the day labourer has increased as a response to price hike in the market, for us the problem is, cultivation has not increased, rather price of fertilizer has increased for cultivation". He concludes, "In this situation, how can you expect us living a 'good' life?"

For the average farmer, the second issue is even more problematic: "if the price of a product increases, it will never come down. With our limited income it is extremely difficult to keep up with the price hike of other products. After all, rice is not everything and you need curries with that and you

¹⁰ A decimal is approximately one hundredth of an acre.

also need clothes to wear”. Another respondent offers an interesting comparison, “The price of clothes is too high. You know what, the price of Saree and Lungi is actually equivalent to the price of 3 mound (1 mound = 40 kg) of rice. The fact is, we don’t want to be rich, and we just want to maintain a minimal standard”.

The above discussion indicates that, while defining ‘well-being’ in terms of this minimal standard, the farmers who do not have a large amount of land, do not really plan for the future. They have no savings plan, do not consider that much about providing educational opportunities for their children, and, from this perspective, for them the key issue is their survival. However, the situation is a little different in the same village for the farmers who are relatively well off. Whereas, like the marginal farmers and day labourers, well-off farmers are also concerned about the price of agricultural inputs; in addition they have further concerns about electricity, academic institutes, medical treatment, road infrastructure, etc. The cartoon on the front of this report illustrates popular feelings about FPV, as published in a local newspaper.

During our FGD, a number of respondents expressed their frustration with the lack of an electricity connection in their locality. As a result, they have to depend on lanterns at night and often cannot charge their cell phones and use them properly. It is interesting that the people of this particular area are planning to do something about it; they have decided to form an association and apply for electricity through it. Furthermore, we have observed that the people of Uttar Jahanpur are more concerned about the well-being and the future of their children. The people living here are not well-educated and they consider that a problem for their well-being. As a result, they are more than willing to provide educational facilities to their children and, even though they find it difficult to provide for educational expenses, they try their best. During our FGD, people also emphasized medical treatment because “...there is no good physician in this area. There are some medicine shops in Pollibala Bazaar and most of the times, we have to purchase medicine on credit. As such, shopkeepers do not give us medicine of reputed company’s and in case of critical diseases we have to go the Joipurhat. However, as Joipurhat is 15-20 kilometers away from our village, transportation is a big problem for us”.

The above discussion also reflects two different dimensions of well-being. For the poorest of the poor, survival is the main issue and, as a result of this, their main concern is about food prices and agricultural inputs. They do not really think about the future as the present keeps them really busy, tense and frustrated. On the other hand, there is a second group of people who, even though they are not really rich, have attained sufficient capacity to deal with the survival dilemma. They too are concerned about food prices and prices of other goods but in addition they have moved beyond the “minimal standard” envisioned by extremely poor people and have some plans and hopes for future.

However, our study indicates that there are significant variations regarding the definition of well-being between rural and urban areas. In Dhaka, the capital city of Bangladesh, the most important factor for well-being is the presence of a safe living place. As one respondent argues,

“A safe house to live in is our highest desire in life. We have migrated to this place due to a number of natural disasters like river erosion, cyclone and flood and as house rent in city is too high, we have no option but to live in this slum. However, the problem is the slum is situated in government property and we are living in the fear of eviction. Any moment, the Government can decide to build a high-rise building on this land and if that happens, we have to live under the sky. The living environment is also not good. This slum is a center for drug addicted people. There is always a stink of wastes and when it rains, water enters into our houses. We are living with tension of eviction. If we had our own place to live in, if we did not have to pay rents and if we could live without threat of eviction then we would have a decent life.”

Though both males and females living in a Dhaka slum agree about their number one concern, there is significant difference about the second issue related to their well-being. Men are of the opinion that, for their well-being, they need a job so that they can earn enough money to lead a decent life: “Earning money is a must. Your household members would die starving if you have no earning”. For the women, the second important issue is good health. They argue that, “we need good health and body for our work. If someone has strength in body, one can perform any work within the time. On the other hand, if we are not healthy or have no strength in our body, the work cannot be enjoyed by us”. For them, better working opportunities is the third important issue for well-being. Finally, almost all the people living in this slum agree that for a better future getting access to education and health services is essential.

4.1.2 Needs-based analysis

The variations in defining well-being may be explained if we adopt the need-based approach developed by Abraham Maslow. In his seminal work, “A Theory of Human Motivations” (1943), Maslow stated that human needs can be represented in an hierarchical way, where the most fundamental level of needs will be at the bottom and the need for self-actualization will be at the top. As per his model, the primary-level need of every human being is the physical need, also known as physiological needs. At this stage, human beings are concerned about their basic survival and concentrate on their need for food, water, etc. When these basic-level needs are fulfilled, human beings then move towards the next stage, i.e. they try to fulfill their safety needs, which include security of body, resources, property, etc. At the third level, people focus more on their emotional needs and try to develop a sense of belonging. The fourth level is the level of self-esteem, where people place more emphasis on respect from others. The final level is the highest one, also known as self-actualization. The following figure shows Maslow’s need hierarchy:

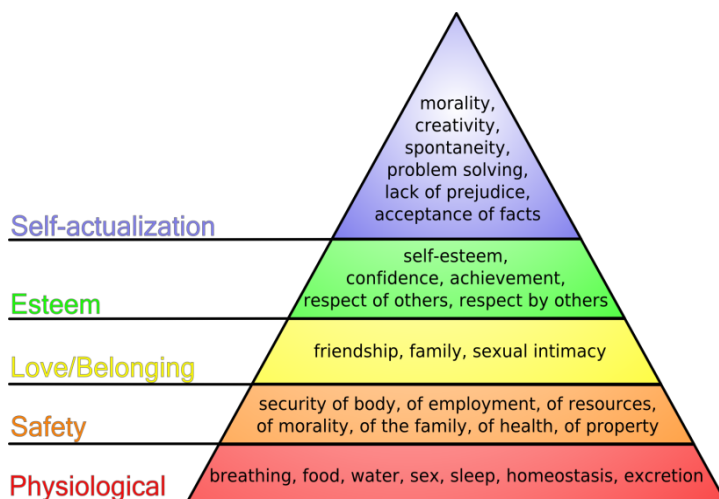


Figure 1: Maslow’s hierarchy of need, adapted from-<http://www.psychology-101.com/2012/09/maslows-hierarchy-of-needs.html>

Based on this discussion, if we consider the cases of our three study areas, a common pattern emerges. Even though people living in Khulna are concerned about jobs at the safety level, in effect, jobs are closely linked to obtaining food. From this perspective, people living in Khulna is emphasizing their physiological and safety needs. Given the situation within which these people are living, it is quite natural that they will concentrate more on these particular levels. The natural disaster has really

shaken them up and has destroyed their homes and their usual ways of doing business. Facing a new, complicated, and difficult situation, they are concerned about their physical needs and as such they are now at the physiological and safety levels of Maslow's need hierarchy. The same pattern can be identified in the case of Naogaon. Like Khulna, people here are also worried about their jobs and they are finding it difficult to maintain a minimal standard of living. They too are at the physiological and safety levels. On the other hand, in case of Dhaka, we actually observe a slight improvement. Even though people here are concerned about food prices, they are planning for the future and are concerned about their children. From this perspective, they are thinking about fulfilling their love/belonging traits. Gaining access to employment opportunities is not an issue for them, rather they are concerned whether their occupation will be able to allow them to maintain a decent life. At the same time, their main concern is security: they are worried about their home as they are living in constant fear of eviction and health issues are a big concern for them. Their perception about different types of needs indicate that they have moved to the safety need and right now are at a transitional phase: from safety to love/belonging needs.

4.1.3 Occupational pattern and impact on well-being

Disasters affecting Khulna Region's poor people

In all the three sites that have been selected for the purpose of our study, we have seen different occupational and social groups adopt various strategies in order to deal with their changing quality of life. In all cases, the external environment, either in the form of disaster or severe price volatility forces people to change their occupations. However, in these three cases, the change is probably most visible in Khulna. In this particular case, people's ability to deal with different problems has been turned upside down due to the natural disaster, *Aila*. All of a sudden, the affected people have found that their previous occupation is no longer available or adequate and they have to look for new job opportunities to deal with the post-disaster era problems.

As one respondent points out, "before the *Aila*, the main livelihood in this area was agriculture. About 80 per cent of the total population of this area was engaged in agricultural work. Since *Aila* took place in 2009, there has been no crop production. Due to salt water intrusion, it has not been possible to produce any kind of crops. As a result, a large number of people were evicted from their traditional livelihood. This was a massive shock for the occupational pattern in this area." The people became helpless. Some migrated to their relatives' residences in other areas and changed their occupation. During *Aila*, the embankments were broken down and fishes from rivers and the sea came with the water. For this, some people primarily changed their occupation from cropping to fishing. Some people started cutting wood, collecting honey or catching crabs. Some others migrated to urban areas and became casual labourers or rickshaw poolers. A number of people migrated to work in brick fields situated both in nearby areas and in India.

Our study indicates that about half of the total working people are day labourers. In most cases, they work on the cultivable land of nearby areas or construction sites. Given that work opportunities are very limited due to *Aila*, they try to find work in nearby cities, including Khulna, Daulatpur, Batsara, Khalishpur, Bagerhat, Jessore and Narail. Their monthly income is about USD 50.67-63.33 (if they work outside the local area). The second most common livelihood is catching fish in nearby rivers and canals in the Sundarbans, the largest mangrove forest in the world (about 40 per cent or so of the total working males are engaged in fishing). However, as most of them do not have a boat of their own, they work as day labourers in others' boats. Each of them gets USD 25.33 for one *gon* (one *gon* equals 15 days). Usually they go to the Sundarban to catch shrimp, crab, Rui or other white fishes. Small businessmen comprise the third largest group of working males. In general, they go to the

Koyra bazaar to buy the necessary commodities for their shop and sell these in the Jhilighata bazaar. The auto-rickshaw drivers (these are also a means of popular transportation here; they are expensive compared to other forms of transport here but less time consuming) are in the fourth position. They usually drive motorbikes along the Koyra-Jhilighata-Koyra route. Servicemen are in fifth position; People belonging to this group are the most solvent ones as they have a regular monthly income which was not affected by the *Aila*. Van pullers are in sixth position.

As indicated earlier, about two-thirds of poor people had to change their occupation from agricultural production to casual daily labourers. These groups are the most vulnerable. The problem with this group is that, most of the time, they do not get the opportunity to work regularly. According to one respondent, "due to *Aila*, agricultural land has been destroyed completely and so there is no possibility for the daily labourers in terms of working in the cultivable lands. The only option available to them is to work in construction site but there are very few job openings there and the hiring is irregular. In effect, the daily labourers have two options: they can either sit idly praying for some aid from the government or NGOs or they can go outside of the area in search of job". As another respondent points out, many people are indeed moving towards other places: "about 75 per cent of people of one union (South Betkashi Union) have left their locality and went to other districts of the country such as Dhaka, Chittagong, Khulna, Jessore, Rangamati and various other districts in search of livelihood. There they work as day labourers and agricultural labourers". Another issue compelling people to migrate is low wages. Whereas in the past day labourers were paid USD 1.27 per day, there has been only a slight increase (to USD 1.9) which is inadequate for maintaining a minimal living standard.

There is of course another group of daily labourers and these are the people who go to the Sundarbans in order to catch fish or to collect wood. They are facing new challenges and belong to the most vulnerable group. Before *Aila*, a number of people who were engaged in these kinds of activities had their own boats, however, the disaster had severely damaged their boats and now they work as day labourers in others' boats. In fact, *Aila* has made it extremely difficult for these people to buy or construct new boats. Whereas in the past, a boat could be made by spending USD 63/76, due to the scarcity of wood, the price has risen to USD 152/177, which is beyond the reach of these people. The number of daily labourers in this particular sector has also increased, as people who were previously engaged in agricultural production have now shifted to this one. However, the involvement of more people in this particular sector has created job scarcity. Furthermore, the boat owners also make efforts to cut costs by taking their male household members instead of hiring a day labourer. As one respondent (a boat owner) said, "if you hire one labourer, you have to pay USD 25 per gon (1 gon = 15 days). In recent days, I try to take my sons with me which allows me to save the amount of money". In addition to the job scarcity, there are other risks associated with going to the Sundarbans. It is extremely risky as there are tigers and other wild animals. Furthermore, people who decide to go to the jungle have to deal with the dacoits too. In most cases, the boat owners have to make a monetary arrangement with the dacoits or they will simply rob them. The *Aila* has affected this monetary arrangement too: "due to *Aila*, we now have to pay more money to these armed groups. They informed us that as we are getting government help, we have to pay more given that they are not getting any additional income". The threat of the dacoits is a real problem for the people working in the Sundarbans. If the demand of these groups is not met, they kidnap the people working in the jungle and demand ransom for them.

Considering all these factors, the other groups, e.g. businessmen, auto-rickshaw drivers, van drivers, are actually in a better position than the day labourer groups. However, there exists an interesting pattern here as the livelihood of these three groups actually depends on the day labourers. One respondent explains this interrelation: "if the daily labourers fail to earn enough money, they lose their

purchasing capability. When that happens, the businessmen, i.e. the grocer, the van drivers and auto-rickshaw drivers all get affected as these people are their major source of income”.

Based on our FGD and KII, we conclude that of all these occupational groups, people who are engaged in different services like teaching, government jobs, etc. are the most secure. There are two basic reasons behind this: first, they have a regular income and their income does not depend on job availability or other external environmental factors; second, this group of people’s income has not been affected by *Aila*. Their job security actually protected them from a volatile situation. Even though, due to price hikes, their lives have also become difficult they do not have to look for other employment opportunities and do have a regular income to rely on.

We can also draw the following conclusions:

First, the most significant change in the occupational pattern of this *Aila*-affected area is the end of reliance on agricultural production. As described above, due to salt-water intrusion into the land, crop production has become impossible and, as our respondents pointed out, most of the people who relied on agricultural production (almost 80 per cent of the total population) are now looking for new jobs.

Second, most of these job seekers have eventually become casual labourers. In most cases, they try to look for jobs (as daily labourers) at a nearby construction site but as construction projects are not readily available here, they have to migrate to nearby areas.

Third, in some cases, unemployed daily labourers decide to migrate to big cities.

Fourth, a number of daily labourers are increasingly reliant on the nearby Sundarbans for their livelihood. They decide to go there to catch fish or collect wood.

Fifth, the key distinguishing characteristic of the four groups of people mentioned above is the degree of uncertainty involved within their livelihood. These people are not sure whether they will get adequate or any jobs. In fact, often they may remain unemployed and as such not only is their income meager but their income opportunity is also scarce. From this perspective, people drawing a regular salary are in a relatively better situation.

Another significant impact of *Aila* is the leveling of social status. As one FGD participant explains, “Earlier, there were some distinctions between us, some of us were rich and some were poor. But now, we all are equal: we all are poor”. In fact, our study reveals that the middle-class people of this area are suffering the most and actually this particular class is disappearing. There are three reasons behind this: first, the middle-class group was dependent on the cultivable lands and, as salt water has damaged the fertility and production capacity of their land, they are now finding themselves in a critical condition; they have lost their only source of income. Second, the situation becomes even worse when they are denied access to government or NGO aid. Due to their land ownership, they are not eligible for government or NGO grants while their lands remain barren due to salinity. Third, this particular area of Khulna is extremely conservative. Until recently, women were not allowed to work in public places and social status had played an important role. Due to this added emphasis on social status and prestige, the people belonging to the middle-class groups are facing another critical problem: on one hand they have no source of income and, on the other, they cannot engage in daily labour like the poor people as they have a certain social status to maintain. As a result “they are now working outside the area (in other districts) in secret”. Furthermore, “presently, they are trying to cope by initiating small businesses. They are selling and mortgaging their lands, borrowing money from relatives to manage the capital necessary for business. Some of them have sold their lands at a

minimum price and migrated to urban areas. Some of the landowners are still optimistic that their lands will become fertile again, while some others are using their lands for fish farming, leaving hope for crop production.”

Furthermore, *Aila* has significantly changed women’s position in society and in the work place. In this area, the tradition of *pardah* used to be maintained very strictly. Women worked inside their houses and their ‘boundary’ was limited to their neighbour’s yard. But at the present time, many of them are working as casual labourers on road construction. Many women of this area have been working in garments in Dhaka, or brick fields at home and abroad. The local economic crisis in the post-*Aila* period was the main force behind this social change.

Whereas *Aila* has significantly altered the occupational pattern in Khulna, while severely affecting the ability of different groups in maintaining the existing standard of living, the situation is not so severe in the other two places. One possible reason behind this is that in Khulna, the exogenous factor, i.e. the disaster, has clearly affected the overall societal pattern which in turn forced different groups to develop different strategies, whereas in the other two places, the change has been dictated by other factors, mainly price of volatility of different goods and products. As such, in Khulna, the nature of change is quite drastic and, in contrast, we have observed various symptoms of gradual changes in the remaining two sites. Of these two, the case of Naogaon is of particular importance as it shows how an agro-based society makes efforts to deal with the issue of price instability.

Naogaon residents trying to cope with high labor price and scarce job opportunities

The study area of Naogaon is an agro-based locality. However, in one part of the study site, especially in Uttar Jahanpur, many people are not engaged in agricultural work. As they do not have any agricultural land, they are mainly involved in different types of non-agricultural labour. There are a number of brick fields here where they try to find work. However, there are two factors that make their lives difficult: first, the brick fields do not offer enough jobs for all the working males, and second, these brick fields remain closed during the rainy season. As a result, “we go to other places in search of work. Our people go to Chittagong, Bogura, and Comilla and pull rickshaw”. The other occupations that people are engaged in are:

- Agriculture (cultivating own land)
- Agriculture (share-cropper)
- Agricultural day labourer
- Businessman
- Van driver
- Service holder.

Our FGD participants state that in this particular area, 70 to 75 per cent of the people are agro-based day labourers and 15 to 20 per cent are cultivating their own land. This indicates that 85 to 90 per cent of people in this locality are relying on agriculture. However, another respondent indicated that most of the agricultural lands are concentrated into the hand of a very small number of people. So even though a large number are engaged in agricultural work, only a few families can profit from agricultural production.

As we indicated earlier, price hikes, especially increases in the price of agricultural inputs and other food products, are severely affecting the people living in this locality. However, there are differences of opinion regarding which group is the most affected. The land-owners, especially the farmers who

own less than 490 decimal of land, have argued that they are the most affected. One respondent pointed out, “just look at the price of different agricultural inputs and you will get what I am saying. Last year one sack of Urea fertilizer was sold at USD 12.67 and this year the price has increased to USD 17.73; Diammonium Phosphate (DAP) was sold at USD 21.53 and today it is sold at USD 34.2. During the first rice cultivating season (IRRI rice), diesel was sold at USD 0.79 and during the *Aman* season (the second rice season) it is sold at USD 0.89. As the price is increasing, we have to invest more. But has the production increased? No and I am cultivating the same amount of land”. Another respondent argues, “There is another factor. We are selling rice at a lower price. If you investigate, you will find that price of rice has fallen if compared to the last year. So the situation is: we are investing more for the same amount of food grain and in effect are receiving less amount of money and are going to the market where different types of goods are being sold at a much higher price”. Considering all of these issues, they are of the opinion that daily labourers are in far better position. They have identified the following reasons behind this: first, the wages of daily labourers have increased and they are now earning USD 1.9-2.53 per day. Furthermore, if they work on a contract basis, they can earn even more, whereas the income of the land-based farmers has indeed decreased.

Moreover, whatever the total land size is for a typical farmer, the land is physically situated in different places in multiple small pieces, making cultivation more expensive. For example, one respondent explained, “in our area, there is a high demand of a plough set¹¹. The reason is the 245-490 decimal of land owned by a small farmer is not in one place. During the production season, all lands should be prepared for production at the same time. However, the small or medium farmers either do not have the plough set or they have only one or two which is inadequate. As a result, they look for daily labourers who own the set. If the daily labourers use their plough set, they also charge rent for it and as such can earn up to USD 5.07”. Second, the daily labourers have multiple working opportunities. They can work on different agricultural lands with different farmers. But the land owners have to be satisfied with their limited working hours. Third, for the land owner, social status is a big concern. Even when they are in a poor economic condition, for them it is unthinkable to be engaged in daily labour, which in turn curtails their earning possibilities. Fourth, daily labourers can also move to other cities to look for different kind of jobs, including masonry, rickshaw pulling, etc, and these options are unavailable to the land-based farmers.

However, the daily labourers we spoke to did not agree with the land owners’ opinion. One interviewee said, “it is true that our income has increased but is that good enough to survive in this volatile situation? It is not possible to purchase 250 ml soybean oil, a piece of wheel soap, fragrant soap, vegetables, salt, onion, garlic, fish, egg, milk, etc. with two US Dollars. So, no, we are not doing all right”.

Like the residents of Khulna, the people living in the Dhamurhat opine that, at the end of the day, people with a regular income are relatively better off. According to their analysis, their regular income allows them to survive and cope better. Though their salary often does not increase commensurate with the inflation rate, at least they have a certain monthly income, which is considered to be better than the variable incomes of self-employment, wage labour or agriculture.

¹¹ Plough set means one pair of bulls and a wooden plough which is used for preparing the soil for crop production. On the bottom of this wooden plough there is a piece of iron which is sharp and pointed and is used for digging the soil.

Dhaka residents facing additional urban challenges along with FPV

Whereas occupational patterns and choices are relatively simple and limited in the rural areas, in the urban areas the situation is more complicated. While people living in urban areas have multiple options available to them, most of these professions have significant hazards and, as such, often compel them to switch jobs. Our study indicates that people living in the urban slums have two different expenditure sets: on one hand, they have to incur regular expenses, which include paying for house rent, food products, clothes, educational expenses, health care, etc. The problem widely reported is that the price of all these products and services are fast increasing, and moving beyond their reach. One example is the amount of money paid to the room-owners of the slum. Only two years ago house rent in our studied slum was USD 10.13 (800 taka) per month but now, “with this rate, you cannot even rent a toilet” as one slum resident commented to us. This year, rent for a typical room in Kallyanpur slum has reached USD 19 (1500 taka) per month and the slum dwellers have no option but to pay this almost double amount. Whereas house rent has doubled and food prices have increased similarly, the residents’ income has not increased at the same rate. At the same time, a critical aspect of employment in the urban area is: “you have to pay money to earn money” (in other words, they have to pay bribes). Different occupational groups are facing different kinds of problems in order to perform their jobs and, as a result, their income is actually decreasing.

In slum we studied for this report, we found that people living here rely on the following jobs:

- Rickshaw pullers
- Construction workers
- Hawkers/vendors of fruits, vegetables, fish, etc.
- Domestic workers/housemaids
- Electricians
- Garments workers
- Beggars
- Tea-sellers (both stall holders or mobile)
- Grocers
- Recycled waste metal traders

All of these occupation groups have been negatively affected as a result of price hikes. For instance, in the past rickshaw pullers could earn USD 2.53 (200 taka) and after paying rent of USD 1.01 (80 taka) to the rickshaw owner, they had USD 1.52 (120 taka), which was sufficient for maintaining their daily costs. Today, after paying the rent, they can have USD 2.15 (170 taka), which is quite inadequate in meeting their needs. In fact, as indicated earlier, the doubling of house rents has made their living conditions unbearable. We tried to understand why this sudden rise in rent has taken place. According to one resident, “in the last few years, a number of slum dwellers were evicted from the slums and in those places high-rise buildings were built. As a result, the evicted slum dwellers moved to the remaining slums (which also are under threat of eviction) and due to the huge demand, the local political power holders who control these slums have increased the rent of these houses”. However, rising prices are not the only concern of the rickshaw pullers. Traffic jams are a huge problem for them. Due to heavy traffic congestion, rickshaw pullers can carry a lower number of passengers per day and, consequently, they fail to earn enough money. As the respondents point out, the situation is getting worse day by day. Three other factors have also created problems for them: first, in Dhaka city, a number of routes have been identified as VIP routes and rickshaws are not

allowed on these roads. As a result, the rickshaw pullers have to work within a confined area, which curtails their earning opportunities. Second, recently a new type of vehicle – the auto rickshaw – has been introduced, which charges a lot less than the rickshaw: “Fare from Kallyanpur to Mirpur 1 is USD 0.13 (10 taka) for Auto, which is USD 0.25 (20 taka) for rickshaw. Why should people pay more for rickshaw if they can use Auto with less expense? So people nowadays prefer Auto to rickshaw. Furthermore, these auto rickshaws can run on the VIP road”. Third, and most important of all, the number of rickshaw pullers is higher than required. In seasons when people find no work in villages, they migrate to Dhaka and rickshaw pulling has always been the most common job for them. In addition, river erosion also forces people to migrate to Dhaka city in search of a livelihood. But they have neither any guarantee of income nor any capital to start a business. As a result, they start pulling rickshaws: “rickshaw pulling is like a business that needs no capital. If you come from a village to the city, contact with your known persons. He would introduce you to a garage owner. Then your livelihood depends on how much labour you can give”. However, this large “supply” of rickshaw pullers has created a huge problem. At the same time, the rickshaw pullers often face harassment from the traffic police, and paying bribes to them is part of their daily expenditure. As a result of all this, “half of the people who used to pull rickshaw last year left the occupation. Many of them have become unskilled laborers in construction sites. They desire to become skilled construction workers in future. As the rate of building apartment houses has been increasing, the demand for construction workers has increased. Moreover, construction workers have a good wage rate. Some have joined in garment works because there is assurance of a regular monthly earning. However, people who could not or have not left the occupation are now pulling rickshaw in two shifts instead of one. Some are also trying to shift in diversified income generation activities like pulling rickshaw in first half and doing scrap metal business on the other half or taking the job to carry children of rich people from school to their home”.

For the hawkers/vendors, the situation is even worse. One respondent opined, “The hawkers are entangled in a vicious cycle and have largely been unsuccessful to come out of this cycle. They have no patrons in this city and move around like unclaimed dogs. They cannot run their business sitting beside streets and if they try to do that, the police will beat them up. Even if they manage to sit beside street, they have always remained a favorite target of the law enforcement officials as the police will regularly evict them during Eid or World Cup cricket in the name of ‘beautification’ of the city”. To avoid such harassment, hawkers bribe the police and if they sit in front of a shop, they have to pay a charge of USD 0.13 - 0.25 (10-20 taka) per day to the shop owner. Therefore, the hawkers actually have to buy a permit to run their stalls. At the same time, hawkers nowadays are earning less. The reason for this is simple: they receive less custom. “If you do not have money to buy food, how on earth will you manage money for buying other stuff?” As a result of all these factors, many hawkers are now leaving this occupation as the garment sector offers a handsome monthly salary.

The daily labourers also face a number of difficulties. For instance, in many cases, the jobs they perform have been mechanized, which is curtailing their job opportunities. Furthermore, they are mainly engaged in various assiduous jobs which cause severe health hazards for them. It is not possible for them to work continuously for more than three to four days. This lack of regular work prevents them from getting loans when required. As a result, they too are looking for other job opportunities and many of them are moving towards pulling rickshaws or getting a job in the construction sector.

In the urban areas, similar types of difficulties are also faced by the scrap metal businessmen, domestic workers, tea sellers, etc. in almost all cases, the problems faced by these different groups can be categorized into two types: first, money earned through these occupations is not good enough to maintain a decent living standard, and second, in all of these cases, they have to bribe different

groups of people to obtain a business permit. Because of all of these issues, the urban slum dwellers are moving towards other occupations and, according to them, there are four professional groups who are doing well even in a time of severe food-price volatility. Electricians are one of these groups. According to one respondent, “the condition of electricians is better as they do not have to stop their work in rainy days or for any other reasons. People may starve for one day but they cannot pass a day if any electric device like a tube light or electric fan gets damaged. They immediately call the electricians to repair the device. Again income of electricians increases seasonally. For instance, in summer electric fans get damaged frequently. People cannot tolerate scorching heat so electricians remain busier in summer”. However, despite these benefits, not many people are interested in choosing this profession. There are two reasons behind this. First, this particular job requires special skills and whereas “if anyone can obtain this skill once, he can earn his livelihood using this skill for the rest of his life”, developing the necessary skill set is difficult and requires training. Second, as one participant observant, electricians work in a high-risk environment and they can even die from accidents while performing their job.

On the other hand, most people are interested in joining the garments sector. There are a number of reasons for this: first, in the recent times, the salary of garment workers has increased from USD 25.33 to USD 50.67 and, as a result, they are coping with price hikes more effectively. Second, the job environment has improved significantly during the last few years. The garments workers are now considered as an important part of the national economy and as such everybody pays due attention to them: “If a garment worker farts, the officials engage in investigation to find out the reason. Even government is very prompt to solve the problems of garment workers”. Third, working in the garments sector has also become prestigious and, at the same time, the sector provides job security as well as salary increases over time. Thus, rickshaw poolers, hawkers and casual labourers with minimum ability are migrating to this occupation.

Our study also points out that, in the last few years, two other occupational groups have achieved the ability of dealing with price hikes in an effective and efficient manner. One group is those engaged in the fish business and the other group is construction workers. As the people living in the slums say, “there was a time when fish business was risky. If fish could not be sold during a specific time, those used to get perished. But now there are formalin and other medicines to keep fishes fresh. Earlier fishes were sold at a lower price in the evening as there was no way of preserving the fishes. But for last few years this tradition has altered. Price becomes higher in the evening because formalin can be used to keep the fishes fresh and the garment workers come to market after finishing their work at office. Some fishermen sell fishes travelling from one area to another so they do not have to pay the rent for shop also. Another thing is they never sell fishes below their buying price. So they always make profit. This is why they are in a better situation in this current price hike situation.”

At the same time, the condition of construction workers is better than in the past. As the rate of construction of large buildings has increased significantly, they now have a high demand in the market. Jobs for construction workers are available throughout the year and their wage rate has also increased, so they have been in a good position even in the current price-hike situation.

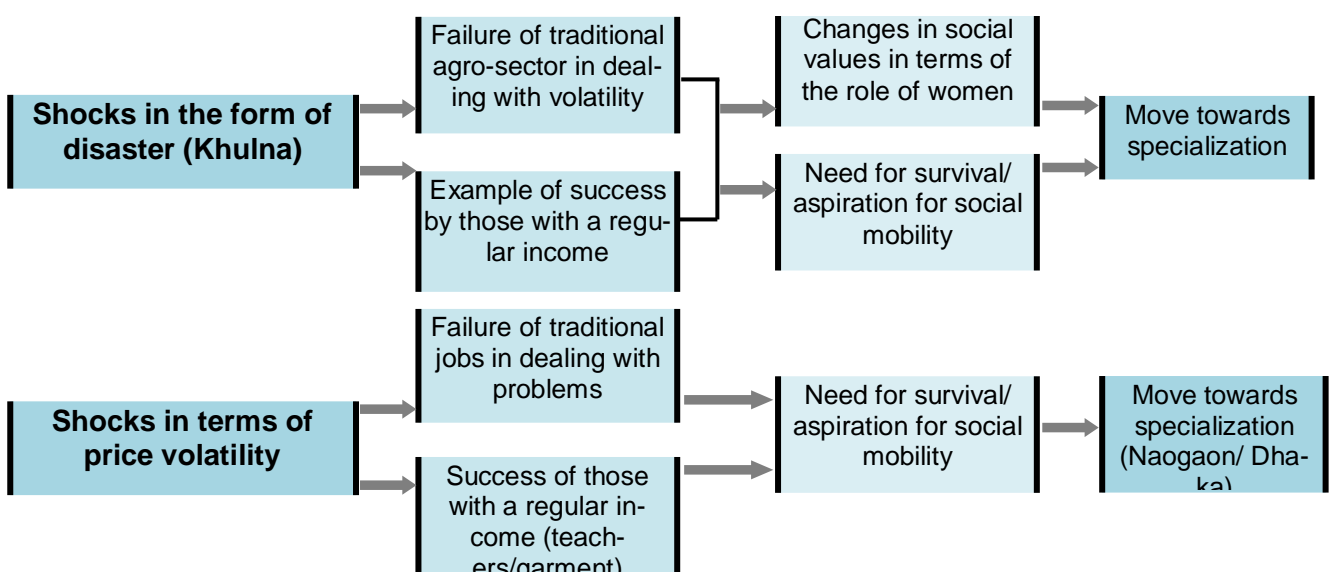
The above analysis raises three key issues: **first**, like in rural areas, people with a regular salary are doing better in coping with adverse situations. In this case, a good example is the garment-sector workers; as they have a regular income, they can deal with price hikes more effectively. **Second**, the occupational groups which have a high demand in the market are doing better. From this perspective, the capability of electricians in terms of dealing with the volatile market is not surprising. However, what is important here is the emergence of a new sector which has opened up new job opportunities for the urban poor and migratory rural poor, and that is the construction sector. At this point in time, it

is not clear how long this boom in construction will last but for now it is safe to argue that the expanding construction sector is helping the poor in dealing with their problems. **Third**, the boom in the construction sector is actually replacing employment in the two sectors which have been the traditional sources of income for people who have migrated from the rural areas: the rickshaw puller and the daily labourers. However, the construction sector might be vulnerable to financial shocks which cause lower demand for house buying.

Based on the above analysis, it is possible to identify a common trend: in all three study areas, be it rural or urban, we are witnessing a sharp increase in the significance of regular income or formal-sector jobs for the rural and urban poor. It is interesting to note that the traditional sectors upon which both the rural and urban poor relied for a significant amount of time did not require any specialized knowledge. Knowledge for agricultural production has always been transmitted from father to son and it is possible for anyone to attain this agricultural education without going through any specific training or without learning any “science”. Traditional inter-generational learning has always prevailed. Similarly, rickshaw pulling did not require any training; anyone and everyone can do this and all they need is good health and a rickshaw. As the figure below indicates, as price dynamics in the market are changing and as the prices increase significantly, the traditional job sectors are largely failing to keep pace with this accelerated change. Non-specialized knowledge has reached its peak and is no longer succeeding in offering the people an effective means of dealing with the problem. At the same time, people who so far have relied on this traditional rule-of-thumb knowledge are witnessing that those with specialized knowledge are doing better. In the rural areas, educated people are succeeding in getting jobs with a regular income and, in fact, they are able to maintain more than one job. Their specialized knowledge is offering them job security, which is unavailable to the rural poor. Consequently, societal values are shifting. In Naogaon, one young farmer did not hesitate in bashing agricultural production: “the thing is, this farming job as continued by our fathers and grandfathers is not working”. The change in focus is forcing them towards more specialized jobs and, as such, education is gaining importance and people are realizing that it is right now the only way to survive.

A similar trend is also observable in the urban areas. The rickshaw pullers, day labourers, domestic workers, and hawkers are finding out that their non-specialized job is not really supporting them while, on the other hand, the electricians, construction workers, and garment workers are doing better than them. As one respondent points out: “it’s all about skills; once you achieve that, you can perform till you die”. All in all, we are witnessing a movement towards more specialization and skills.

Figure 2: Understanding the occupational patterns of poor people in an era of food price volatility



4.2 COPING STRATEGIES

Based on our study, we have identified a number of coping strategies adopted by the rural and urban poor that can broadly be categorized into three groups: **cost-containment strategies, income-generating activities, and migration**. Of these, cost containment mainly refers to the strategies adopted by poor people that allow them to cut costs in their daily grocery shopping, substituting some items with cheaper ones, cut costs in their children's education expenses and curtail recreational activities. The cost-containment perspective has three different dimensions:

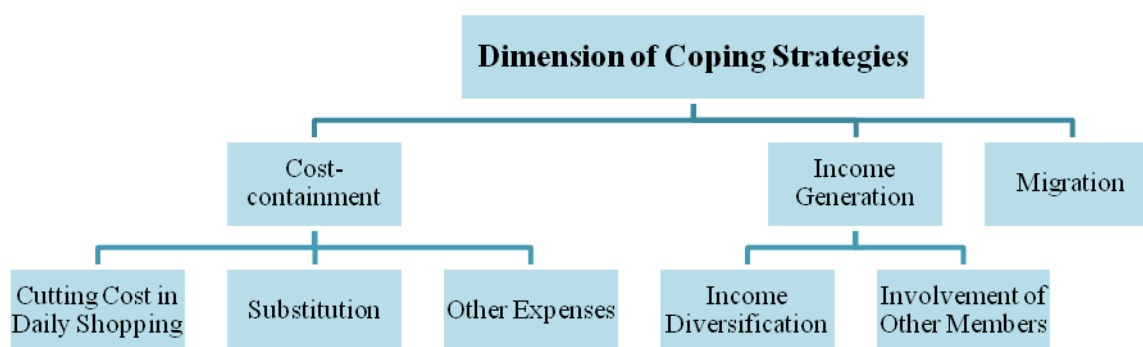
1. Cutting costs in daily shopping
2. Substitutions
3. Cutting other expenses.

On the other hand, income-generating activities indicate decisions to change occupation or engage in more than one occupation (i.e. diversification in occupation) and encouraging other members of the household to be involved in generating income. Therefore, this particular strategy has two different dimensions:

- Income diversification
- Involvement of non-earning members in income generation.

The final strategy is employed when none of the above strategies work: people generally move to other places in search of better working opportunities. The following figure shows different strategies people adopt:

Figure 3: Dimensions of coping strategies



These coping strategies, the process through which they are applied, and their impacts are described below.

4.2.1 Cost-containment

In all of our research sites we have observed that people have gone through a rigorous process of cost-cutting. They have adopted a number of strategies, including substituting food products, cutting costs regarding food intake, etc. The following case provides a brief summary of the strategies

adopted by households:

Fajar Banu's coping with FPV

Fajar Banu (30) is a resident of a Dhaka slum; she is an attendant at a school and has passed class five. The research team has been following Fajar Banu's household since 2009. She started her job as an attendant six to seven years ago. Then, her salary was USD 8.87 and it is now USD 29.13. Her husband is a driver by profession, but has been unemployed for the last three months. He used to earn USD 101.33 per month. Another household member, Fajar's niece, earns USD 57 by working at a garments factory (including overtime wages). The following table summarizes the household's income fluctuations:

Name of member	Age	Profession	Relationship with HHH	24/ 02/ 2011 (USD) ¹	19/ 07/ 2012 (USD) ¹
Fajar Banu	30	Attendant	Wife	27.87	23.13
Masumn Mia	33	Driver	HHH	76	-
Narmin	18	RMG	Niece	19	57 (With overtime)
Hamid Mia	12	Student	Son	-	-
Tahmuda	10	Student	Daughter	-	-
Rent from tenants ¹	-	-	-	10.13	12.67
				133	98.8

In 2011, the household's financial condition improved due to increased incomes of Banu, Mamun (when he became a private car driver), Nargis, and the extra house rent. However, expenditure also increased along with income. As the children have become older over the past year, their quantity of food consumption has increased. Furthermore, the children prefer better-quality foods, and often refrain from eating if they are served food that they do not like. As the table above indicates, this year the household is facing difficulty because, with a reduced income, they have to deal with a situation where "even though the price of rice has decreased a bit, the prices of all other goods, such as fish, lentils, leafy greens, eggplants, onions and chillies, are escalating, and hence, there is no scope of reducing expenditure". Furthermore, expenditure has increased for the household this year for tuition for the private tutoring of the children. In order to deal with the situation, Banu adopted the following strategies:

First, although Banu used to shop in larger quantities in order to run the household's food needs for two days, she can no longer afford to do so as she often does not have adequate cash in hand. As a result, she shops daily to meet each day's food requirements. Second, as prices have increased and incomes have decreased, the household has substituted and/or abandoned certain food items. For example:

- Previously, Banu used to cook using mustard seed oil, which costs USD 0.63 per 250 grams; however, now she has switched to soya bean oil, which costs USD 0.35 per 250 grams.
- The household used to consume relatively greater amounts of bitter gourds, tomatoes and coriander leaves since these food items are both nutritious and tasty. However, as the price of these vegetables has increased a lot, Banu has switched to cheaper ones. Even though she used to buy mostly tilapia and carp fish, now she generally buys piranhas (described by her as 'foreign pomphret').

- Last year the household could afford to consume a farmed or non-farmed chicken every 10 to 15 days. This year the household could not manage to buy chicken at USD 2.53 a kilogram.
- The consumption of fruits has drastically declined – the previous year, the household members had eaten at least 50 to 60 kilograms of mangos, but this year, they could afford only two kilograms of mangos each day for three days (total 6 kilograms). Also, the mangos they bought last year were fresh mangos sold in fruit shops, but this year, the mangos were bought from the fruit vans, and so, these were marked by dark patches and were also somewhat rotten.
- Even though the price of rice has subsided over the last two to three months, the household had to reduce the quantity of rice purchased in order to spend on other food items. Furthermore, the type of rice consumed has also changed. The household has substituted *guti* rice grains at USD 0.38 a kilogram, for *pari* rice grains at USD 0.43 a kilogram.
- Last year, printed cloth used to cost USD 0.44 a yard, but this year the price has gone up to USD 0.76 a yard. As a result, Banu could not afford a good set of clothes for herself (it costs about USD 8.87 to USD 10.13). Although the husband and wife did not buy any clothes, they managed to purchase only some clothes for their children



Figure 4: Fazar Banu from Kallayanpur slum, Dhaka

This case study raises a number of issues: first, it illustrates the vulnerability of poor people at a time of high price volatility. Even though an income of USD 133 is not enough for a family of five it allowed them to survive, and when that income level was reduced to USD 98.8, the family had no other option other than searching for new coping mechanisms. Second, it also points out that even though various types of strategy are available to the households, they actually do not go for one particular strategy, rather they try to “mix and match”. The initial strategy was to borrow money from their near and dear ones, expecting that the situation would have a short-term impact and that eventually they would revert to their previous status. When that did not happen, the household decided to cut costs. Third, the coping strategies are followed with a “step-by-step approach”. At the same time, while cutting costs, the family decided to prioritize their needs. For instance, in this particular case, the family has identified certain food products which are necessary and decided not to stop buying these products,

but instead consume them in moderation. Whereas there are some goods and services that they have stopped using. For instance, the HHH and his wife did not buy any new clothes and they tried to meet the needs of their children. Finally, substitution of food products has always been a useful strategy. The following table shows market expenditure of the same family in two consecutive years:

Table 3 Banu's food expenditure on 19/07/2012

SL	Product	Amount	USD
01.	Rice	2 kg	0.76
02.	Fish (iced piranhas)	750 g	1.14
03.	Cooking oil (soyabean)	250 g	0.38
04.	Oil (kerosene)	Little	0.06
05.	Salt (packet) (were used later also)	1 kg	0.38
06.	Eggplant	1 kg	0.3
07.	Chillies	100 g	0.1
08.	Potatoes	1 kg	0.3
09.	Ginger	Little	0.05
10.	Cumin powder	Small quantities	0.04
11.	Bitter gourd	500 g	12
Total			290

Table 4: Banu's food expenditure on 24/02/2011

SL	Product	Amount	USD
01.	Rice	2 kg	0.94
02.	Fish (iced Mrigel fish)	500 g	0.51
03.	Cooking oil (mustard)	125 g	0.22
04.	Oil (kerosene)	250 g	0.16
05.	Salt (packet) (were used later also)	500 g	0.13
06.	Tomatoes	1 kg	0.15
07.	Chillies	250 g	0.13
08.	Potatoes	1 kg	07.00
09.	Coriander leaves	Little	01.00
Total			184.50



Figure 7: Two-day groceries in 2011 that cost USD 2.34 but in 2012 cost USD 4.31, Dhaka



Figure 8: One-day groceries in 2012 that cost USD 3.67, but this would have cost USD 2.63 in 2011, Dhaka

In our case study, we have pointed out that, as the children are growing up, there is an additional demand for various types of food products and the family is facing a critical choice: they have to buy more food with a lower total income. As the table shows, there are two specific strategies that have been adopted here: first, as the price of food products has increased, the household has decided to buy them in smaller amounts. For instance, they are now buying kerosene oil, chillies, etc. in smaller amounts. Second, and most importantly, they have decided to substitute food products. For instance, in 2011, they used to buy Mrigol fish and now they have shifted to Piranha fish (which they consume despite knowing that these are not good for their health). They no longer use mustard oil, which has been replaced by soybean oil (interestingly, this substitution did not really cut costs that much and they are paying USD 0.16 (12 taka) more to buy this. Whereas they used to buy tomatoes and

coriander leaves in 2011, they can no longer afford these.

However, the table above also raises an important issue: the household is buying more food products and spending more if compared to the previous year and, therefore, where is the benefit of cost-cutting or substitution? This is an important question to answer in order to have a complete understanding of their coping strategies and the following tables provides that.

Table 3: Had the above food expenditure been made in 2011

SL	Product	Amount	USD
01.	Rice	2 kg	0.94
02.	Fish (iced pomphret)	750 g	0.51
03.	Cooking oil (soyabean)	250 g	0.38
04.	Oil (kerosene)	Little	0.04
05.	Salt (packet)	1 kg	0.25
06.	Eggplant	1 kg	0.20
07.	Chillies	100 g	0.05
08.	Potatoes	1 kg	0.09
09.	Ginger	Little	0.02
10.	Cumin powder	Little	0.02
11.	Bitter gourd	500 g	0.13
Total			5.27

Table 4: The above food items if bought in 2012

SL	Product	Amount	USD
01.	Rice	2 kg	0.81
02.	Fish (iced Mrigel fish)	500 g	0.89
03.	Cooking oil (mustard)	125 g	0.32
04.	Oil (kerosene)	250 g	0.21
05.	Salt (packet)	500 g	0.19
06.	Tomatoes	1 kg	1.27
07.	Chillies	250 g	0.25
08.	Potatoes	1 kg	0.35
09.	Coriander leaves	Little	0.06
Total			4.36

As shown in the table, if they decided to continue the shopping pattern of 2011 and bought the same food items, they would have to spend USD 4.36, whereas last year they spent just USD 2.34 to buy the same products. The table becomes even more interesting if we look at the prices of the items substituted by them: tomatoes were sold at USD 0.15/kg and in 2012, they are sold at USD 1.27/kg. Furthermore, the table also shows that if they maintained the shopping pattern of 2011, they had to spend only an additional USD 0.3 which was natural as the children are growing up and may have been manageable for them. But when the same pattern determines that they have to spend USD 2.03 more per day, it becomes really difficult for them and forces them to substitute food items or cut costs.



Figure 5: Boro Bazaar (a large market in Dhaka)



Figure 6: Kawran Bazaar (a large wholesale market in Dhaka)



Figure 7: Choto Bazaar (a small market in Dhaka)



Figure 8: Researcher collecting current food prices from market, Koyra, Khulna

This condition is not unique to Dhaka. In rural Khulna, devastated by *Aila*, we have identified the same pattern. For instance, let us consider the following case: we have initially observed Nazrul, a day labourer who works in the Sundarbans, do his daily grocery. After that, we asked him to buy things that he used to buy before *Aila* at the current market price. The following two tables show the contrast:

Table 5: Nazrul's typical one-off food groceries after Aila

Name of goods	Amount	Current price
<i>Onion + Garlic (jointly)</i>	1 kg	0.4 USD
<i>Salt (Super Salt)</i>	1 kg packet	0.2 USD
<i>Chilli</i>	50 g	0.13 USD
<i>Green chilli</i>	250 g	0.13 USD
<i>pointed gourd</i>	1 kg	0.25 USD
<i>Potato</i>	1.5 kg	0.30 USD
<i>Plantain</i>	1 kg	0.19 USD
<i>Tilapia fish</i>	500 g	0.32 USD
<i>Snake guard</i>	1 kg	0.13 USD
Total		2.05

Table 6: Nazrul's typical one-off food groceries before Aila, in early 2009 (price level remaining the same)

Name of goods	Amount	Present price
<i>Garlic</i>	1 kg	0.44 USD
<i>Onion</i>	1 kg	0.40 USD
<i>Salt</i>	1 kg	0.20 USD
<i>Chilli</i>	100 g	0.23 USD
<i>Green chilli</i>	1 kg	0.25 USD
<i>Pointed gourd</i>	1.5 kg	0.38 USD
<i>Potato</i>	3 kg	0.89 USD
<i>Plantain</i>	1.5 kg	0.28 USD
<i>Snake guard</i>	3 kg	0.25 USD
<i>Tilapia</i>	1 kg	0.76 USD
Total		4.1

The above table confirms the trend as described above. Nazrul had to significantly reduce his family's food consumption after *Aila*.

We witnessed another type of cost cutting in the rural areas of Khulna or Naogaon: cutting educational costs of children among all residents in general and among poor and extremely poor people in particular. However, there two different stages of cutting educational expenditure: at the initial level, parents try to deal with price hikes by cutting costs of educational equipment like pens, books, school dresses, etc. After that they stop paying for private tuition and, at the final stage, they stop sending their kids to school. The following case study shows how parents are cutting educational expenditure in Naogaon and Khulna:

School dropouts: a coping strategy

In Naogaon, a farmer describes his step-by-step approach: "I was really enthusiastic about educating my girl and made the best effort to provide her adequate opportunities. I used to buy her decent clothes and always paid for the all the necessary equipment. Furthermore, a private tutor taught her regularly and he was really good. He emphasized finishing the school tasks regularly and he also took regular exams. As a result, in the final examination of class six, she obtained 417 marks. However, over time it became really difficult for me to maintain all the costs. I stopped buying necessary equipment and at one point, I had to decide not to pay for private tuition. I really cannot afford it. I have to maintain the regular family expenses and also the rate of private tuition has increased from USD 2.53 to USD 3.8. It was just too much for me. Well, in the first term examination of class seven, my daughter obtained only 373 marks". Our researchers decided to talk with the teacher of this girl about her education and they confirmed that the lack of private tuition really hurt the girl. Other families of the area are also suffering from same problems. As another respondent points out, "my daughter also reads in class seven in Jahanpur School. Earlier she was taught by a schoolteacher at home privately. But now I can't afford it, and she is only getting lessons at school class. The exam is very close, I am afraid about her performance". Almost all the households are facing these types of problems. One of them says that she has to sell paddy to buy pens for her children.

However, for some parents, the situation is worse and they have to stop paying the educational expenses of their children and send them to other places in search of work. For instance, one of them points out that as the prices of necessary items escalated, she was forced to stop paying for the education of her daughter. Instead, after completion of her primary education, she was sent to Dhaka to work in the garments sector. It is important to note here that primary education is free in Bangladesh and the girl child can read up to class XII without paying anything. The problem is that their "free" education does not pay for clothes, copies, pens and private tuition and is inadequate for keeping the children in school.

4.2.2 Income Diversification

There are three different dimensions of income diversification: first, in some cases, the household head gets him or herself multiple jobs. Mainly those in white-collar professions and public-service jobs look for additional income sources. In Khulna, however, any job opportunity was rare, and in any case, manual labourers can rarely manage more than one job because of the physically demanding nature of their work, exacerbated by inadequate food.

Second, there are some households that go for short-term solutions. In their cases, they try to borrow money from the NGOs or their relatives and neighbours to maintain their day-to-day expenses. Borrowing money has been an important coping strategy, however, the amount borrowed is meagre and the households cannot invest the money in income-generating activities, but rather spend it to aid their consumption or cope with immediate one-off shocks. Furthermore, this particular action also creates additional pressure on them as they often face the pressure of paying back the money as soon as possible.

The third strategy is relatively more effective. As part of this strategy, the HHH encourages the other members of the family to engage in income-generating activities. This strategy has been applied more effectively and drastically in Khulna during the post-*Aila* period. As one respondent states, “Our area is really conservative and women have to maintain strong ‘purdah’. Their boundary has been determined by the society and any kind of violation is unacceptable”. However, the whole situation changed after *Aila*. As there were no income-generating activities, people found it difficult to survive. At this stage, when the government and different NGOs came up with the re-building local infrastructure project that offered jobs to the women, the long-lasting traditional values of women being at home was replaced by the necessity of solving immediate hunger and compelled the women to come out of their home and engage in different activities. In a normal situation, this would create social tension; however, “in a time of crisis, everything is acceptable”.

Another important strategy is employing the young boys and girls in income-generating activities. Especially in the rural areas of Khulna and Naogaon, we have seen that parents are now discouraging their children from going to the educational institutions and are employing them in different jobs.

4.2.3 Migration

This is actually the last resort for poor people living in the rural areas. When they find no other way, i.e. there are no jobs or income is too limited to meet their daily necessities, they decide to migrate. In general, in rural areas, people try to maintain their contact and relationship with their villages and as such the whole family does not migrate, rather only those who have earning abilities move to other cities. They send money back to the villages, which allows their family members to try to live decent lives. However, in some cases, the whole family migrates and starts a new life in a new place.

4.2.4 Combining the three: a step-by-step coping strategy

Based on our study, we argue that people living within a price-volatility context utilize a combination of these coping strategies in order to deal with the difficulties imposed on them by the external environment. In this section, we will try to show that the poorest of the poor go through four different stages while attempting to cope with the adverse situation. The following table summarizes our basic findings:

Table 7: Stages of coping in an era of food -price volatility

Stages	Coping strategy	Characteristics	Consequences
<i>First stage: the maintenance level</i>	Borrowing money from relatives or neighbours	At this stage, people try to deal with price volatility by borrowing money while considering that the phase will not last long and eventually they will succeed in dealing with the problems	This stage lasts for a really short time and eventually people come to a realization that they cannot survive in this way (this stage evident in all three sites)
<i>Second stage: the advanced maintenance level</i>	Combination of cutting costs of daily necessities and educational expenses	At this stage, people start to realize the severity of the situation and decide to respond accordingly. As such, they go through a rigorous cost-containment process. Their shopping pattern changes, including buying food items in smaller amounts, substitution of food items and cutting educational expenses	This particular level is prevalent mainly in the urban areas. As there are various types of job opportunities, in the urban areas people can eventually survive by adopting these strategies. However, any type of unexpected event can force them to move towards the next stage (mostly evident in Dhaka urban site)
<i>Third Stage: survival level</i>	Combination of cost containment and income diversification	When the advanced maintenance level fails to ensure the security of people, they are forced to move to this level. At this stage, the extent of cost containment is high as people have already cut costs in all the possible way and given that the cost-containment is not working, they concentrate on encouraging the other household members to engage in various employment opportunities. The concern about the future of their children or adherence to existing social values is no longer important.	We have witnessed this level in both Koyra, Khulna and Dahmurhat, Naogaon. However, the success of this level will depend on the extent of the problems facing them. If there are job opportunities available and the income of different family members allow them to survive, people will live at this level for a long time.
<i>Fourth Stage: the desperation level</i>	Combination of cost-containment, income diversification and migration	This is the ultimate level. When none of the previous strategies succeed in protecting the poor, they eventually move towards this last stage; that is, migrating to a new place.	Observed mainly in Koyra, Khulna.

4.3 SUPPORT SYSTEMS

Based on our study, we have identified two basic support systems available to the people living in the study areas. These are: different relief assistance and aid provided by the government and loans or grants supervised by different NGOs.

In the context of Bangladesh, the role of the government in reducing poverty is well-recognized by the general population and, since the country's independence, successive governments have adopted a number of social safety-net programmes to protect the most vulnerable groups of society and to provide them with different types of assistance so that they can live decent lives. In a recent study, Khuda (2011) divided the Social Safety Net Programs (SSNPs) managed by the government into four groups:

- Employment generation programmes
- Programmes to deal with shocks and natural disasters
- Incentives provided to parents in order to facilitate their children's education
- Programmes designed to provide health services.

In our study areas we have found that, of these four, the first two play the most important role in protecting the poor from price volatility. For instance, in the case of Khulna, we have seen that, after *Aila*, the government introduced the 40-days employment-generation programme that helped a lot of people deal with the initial adversity. At the same time, in all the study areas, a number of other SSNPs, including Vulnerable Group Development (VGD), Old Age Allowance, and Widow Allowance are operating and these are helping the people a lot. The way that these programmes are affecting the lives of the poor are described below.

Inadequacy of SSNPs at dealing with FPV

Sayma Khatun was born in the village of Protapnagar of Koyra Upazila. She got married at the age of 16 and moved to her husband's house at 3 no. Koyra village. Initially she had a decent life. Her husband used to work in a restaurant in Khulna and she assumed the role of the homemaker. However, everything changed in 2009 when the locality was struck by *Aila*. She described the changing status in the following way: "*Aila* forced me to get outside of my house. I used to plant vegetables in my homestead; there were fruit trees at my house; we ate the fruits and sold the rest at the market. But everything changed after *Aila*. At first, I started weaving nets for fishing along with my husband and then catching and selling fish. It continued for two years and after that I moved to Khulna with my husband. My husband drove a van there and I worked as a day labourer in the field, etc. We stayed like this at Khulna for a year. After saving some money, we came to Koyra and built a room poorly."

However, the return to Koyra did not solve their problems and, in fact, made matters worse for them. They could not find any work and without an income were struggling to survive. Sayma said, "After coming back, we saw stagnated salt water in the field and no vegetables could be produced on this inundated land. On the other hand, the price of vegetables, oil, fish and everything else was very high. There was no help and the people, who used to help us in our crisis, are worse off now. In such a helpless and jobless situation, we could not even buy our necessary goods properly." In the new situation, both her husband and she began to work again. Her husband started working in the Sundarbans, she started working as a day labourer and her son started fishing. However, this was never enough for the family: "We could barely afford three meals a day, no NGO assistance was available and every day we went to market with BDT 100 and all we could buy was 1 kg rice and 1 kg potato".

When the 40 days employment-generation programme was introduced, the Member of the Union Parishad selected them for the programme. The way they were selected for the programme is interesting. Sayma acknowledges, "Honestly speaking, there were poorer people than us but the Member selected us instead of them. The thing is, when the government provided an assistance of BDT 20,000 for each of the *Aila*-affected families, we were not selected. Even though the Member collected our information, it is not clear to us why we were not eligible for the

assistance. As a result, when the new initiative started, the Member told us that it would be an injustice if he did not give us the opportunity.” However, the programme was extremely labour intensive: “We had to start for the job at dawn and to walk about 10-15 kilometers to reach Gobra Ghatakhali. I had to walk back to my home also. Upon returning home, I could not utter a single word”. When she was asked about the nature of her work, she mentioned that they had to cut soil from lower regions and carry those to the place where WAPDA were increasing the height of the roads and then they had to level the pieces of the soil. For one day of work, they were supposed to get USD 2.22 each and for 40 days the total amount should be USD 88.67. But the payment was not made in a timely manner and it was paid in installments. And for them, it was problematic: “The payment was paid in three installments. It would be better if we could get the whole amount in one installment. I could have bought two goats but as the money was given in smaller installments, we could not really make the best use of it”.

While providing an overall assessment of the programme, Sayma opines that it at least allowed them to eat proper food for two months. She said, “We used the money earned through the programme for buying goods and necessary food items. We ate good foods because of this programme; we ate fish twice in a week and meat once in a month; we had no worries”. For her, the programme was a blessing: “Days could have been worse if I did not get the job of 40 days; my son seemed happy to get fish twice in a week and meat once in a month”. Although the work was very laborious, she considered it effective for them to cope with current market prices. She said, “There was no break during work; I had to start cooking right after Fajar Ajaan, say my prayers, and then put rice on the stove. Having breakfast (rice), I had to go for work after walking for two hours. After coming back from work, I had to take a shower, clean utensils, manage household, cook food and feed my husband and son. We could purchase things with that money. Otherwise, we had to buy 2.5 kg rice instead of 5 kg, eat 0.5 kg vegetables instead of 1 kg; we could eat one time and starve the other half of the day. With that money, we lived well and ate well with our child.”

4.3.1 40-days employment generation programme

Though income-generating SSNPs are not new in the context of Bangladesh, in 2008 the government of Bangladesh introduced a special programme aiming to deal with the problem of continual price hikes. The programme was named ‘100 days employment generation program’ and it specifically targeted extreme poor people and unemployed poor people. It was considered the largest employment-generation SSNP in Bangladesh. When *Aila* hit Khulna in 2009, the 40-days employment-generation programme was introduced following the basic principles of the earlier programme. However, the question is: how effective was the programme in protecting the extreme poor from the devastating effects of *Aila*? The following case study sheds some light on this issue:

The case study indicates that even though the income-generating programme was effective in providing the initial lifeline for the poor, it does not help them in graduating to better position. Sayma’s observation is significant: if money was paid in a larger chunk, it could have been more useful for them but with a small amount in a number of installments it helped them to survive but did not allow them to take charge of their lives. Another important factor is the selection process. Even though one can argue that the selection process is not completely fair, we should also acknowledge that local elected representatives actually have tried using the resources in a balanced way. The representative did not really engage in corrupt practices but tried to help them in his own way. It is probable that the election at the local level made him more responsive to the need of the people and that is why he keeps track of who is getting what type of assistance and when one door closes, he helps them in gaining access through another. After all, to him, “denying access to services is indeed an act of injustice”.

4.3.2 Vulnerable Group Development (VGD)

The VGD is probably the oldest and longest-running SSNP in Bangladesh. The programme was introduced in 1975 and is a “nationally targeted food-aid programme aimed at improving the lives of the poorest and most disadvantaged women in rural Bangladesh”. Each beneficiary receives 30 kg of wheat or rice and can remain part of the programme for a period of 18 months. At the same time the beneficiaries are also supposed to receive some training and “cash savings, deposited in a bank, which they can access at the end of the programme”. The following case study helps us to understand how VGD is performing in terms of providing safety and security for rural poor people.

A case study on VGD

Sri Ripongkor Chandra Baidya (57) was born in the village of Koyra. Ripongkor’s household consists of five members including him, his wife and their three children. His struggle for a livelihood started when he was studying in class X as he had to leave his school due to poverty. He started working in an engine room on a boat in exchange for a mid-day meal and BDT 300 per month. After five years of working, he started a grocery shop in the local market. After three or four years, he had close down his shop as the law enforcement agencies accused him (rightly) of keeping tax-evaded goods. Then he started selling vegetable seeds in the Zhilighata bazaar, which he brought from Koyra bazaar. This was indeed a difficult time for them: “I could not afford three meals a day. In the morning, instead of rice, I used to eat *chira* (flattened rice) and drink a lot of water as that was the only thing that I would eat before night.” However, at one point, he started cultivating land and mortgaged a portion of it. As seeds were cheaper in the rainy season, he used to plant paddy seeds then. He did not have to buy rice from the market for his family and, slowly, he started to become solvent. But *Aila* swept away all his dreams. It destroyed his house and his crops got washed away. After two months of *Aila*, they took shelter in his sister-in-law’s house at a nearby village which was not affected by the disaster. However, as they were dependant on their brother-in-law, it was quite humiliating for them to stay there too long. Furthermore, the local UP member from Zhilighata informed him that he would not get any government or non-government help if he did not reside in the locality permanently. Considering all of these factors, they returned to their village after 4 or 5 months.

After returning, Ripongkor joined the road restoration programme conducted by an NGO named Solidarity. He used to get BDT 150 per day as wage. His wife also joined in a training programme run by the same organization. She got guidance on health, cleanliness, human rights, what to be done during disasters, etc.. She received BDT 150 a day to attend the training programme. In addition, they received BDT 20,000 from the government and 20 kg rice per month for one year. This helped him a little to cover the loss caused by *Aila*. However, two years after *Aila*, government assistance stopped. The NGO’s projects also came to a halt, leaving Ripongkor with no source of income. As there was no work and the price of daily necessities was increasing a lot, it became difficult once again for them to survive. As he said, “the price of all kinds of vegetables increased significantly in the last 1 to 2 years. Potatoes are now sold at BDT 25 per kg which was BDT 10 per kg in the previous year. The traders say the price increased due to the reduction in production. Price of all kinds of oil increased in the local market as a consequence of a price hike in the international market”. As vegetables are no longer produced locally after *Aila*, they have to buy vegetables from the adjacent areas. It costs a lot. Due to the price hike in the wholesale market, the price of lentils increased to BDT 10 per kg this year. As no food grains are produced in the area and no assistance was available, they now have to buy rice from the market.

As a result of all this, they decided to apply for VGD. As the respondent said, “One and a half years ago my wife got a VGD card which has validity for two years. I had to request the local UP

chairman and members a lot to manage this facility. I had to give information in detail regarding my present situation, including details of house, lands and other belongings.” Ripongkor had been informed that the local UNO office secretly collected information regarding his condition from local inhabitants. As all the prerequisites were met, his wife got the card. As a participant of the programme, every month they are supposed to get 30 kg rice. However, in reality, they actually receive 25 kg. Provided with different excuses, such as transportation costs, rotten rice, etc. they are given a lower amount of rice. Is this helpful for them? Ripongkor says, “Each month we need 60 kg of rice for the family, and without the VGD card, we had to starve. Now I can buy fish and vegetables, but if I did not get the card then I would have to spend all my income for buying rice only.”

This case study raises a number of issues: first, just like the 40-days employment-generation programme, the VGD does not offer a permanent solution. It is a stop-gap method and does not help people graduating from their vulnerable status. Second, even though the selection procedure is fair, it is important to note that maintaining an inter-personal relationship with the local power elites is still important. In fact, Ripongkor came back to the village after receiving information from the local representative that unless he were present in the village he would not be eligible for the programme’s benefits. Furthermore, he had to request the representative to include his wife in the VGD list. Third, even though the beneficiaries are supposed to get 30 kg of rice, in effect they are receiving only 25 kg. Two issues are important here: first, there is no effective complaint mechanism through which the beneficiaries can raise questions about the programme, and second, as reflected in Ripongkor’s attitude, the beneficiaries are not interested in complaining. They try to make peace with whatever they are getting and in general they accept the excuses provided by the authority.

During our interview with Ripongkor, he also raised some important questions about the government programme. First, he points out that the government SSNPs are too “slow” to cope up with the problem. As he states, “even though USD 253.32 and 20 kg rice per month for one year is helpful, the problem is, in order to get this benefit, we have to wait for four to five months. As a result, even though we needed that assistance just after *Aila*, it was not available to us immediately”. Second, he argues that from this perspective, the NGO assistance is more effective as they deliver goods and services immediately. Third, he is also concerned about the long-term effects. According to his observation, even though the NGO assistance that his wife received had a training component in it, the government assistance does not include any long-term planning.

However, despite all these limitations, it can be argued that the VGD program has allowed people to survive and deal with the price hike in an effective way and the selection procedure, especially in the case of Ripongkor, was quite fair. However, our experience of Naogaon indicates that he actually got lucky and nepotism and corruption still plays an important role in the distribution of VGD cards.

For instance, in Naogaon, we found out that the wife of one of the richest men was selected as a VGD beneficiary. As the beneficiary herself admitted, “my husband actually talked to the chairman and managed the card for me”. In fact, our study reveals that the beneficiary’s husband is a businessman who has his own bike and he is also involved in part-time cultivation. During our interview, one resident of the locality says, “it is ironic that there are two people who have been selected as VGD beneficiaries and one of them is the richest person of this locality and the other one is his employee who really deserves the card”. We met a number of people who were not happy about the selection. When we asked the beneficiary how the VGD helps her, we received an interesting answer: “Well, we do not really eat this rice. This is very low-quality rice and we cannot eat it. In fact, we feed this rice to our cows and indeed this card was really helpful for us”.

This contrasting scenario of VGD card distribution indicates that, whereas it can indeed help people to survive, the eventual benefit and effectiveness of the programme depends on how it is being distributed. A relatively fair distribution allows Ripongkor or people like him to receive the benefit, otherwise, 25 to 30 kg of rice will be used to feed the cows.

4.3.3 Other SSNPs

As indicated earlier, at our research sites we have seen two other SSNPs in operation: old-age allowance and widow allowance. Our study indicates that these two SSNPs operate in a relatively fair way and benefits are distributed quite effectively and efficiently.

In Naogaon, for instance, we interviewed one beneficiary of the widow allowance who informed us that, in order to get the card, she just had to submit a photograph to the woman ward councilor of the area who took care of the rest of the formalities. She receives USD 11.4 every three months and has not really faced any problems collecting the money. She also told us that she gives the entire amount to her son:

“I live with my son’s family and he is my only son. He has always taken care of me. Three months ago, I had dysentery and he hospitalized me. He spent a lot of money for me and my daughter-in-law is also very caring. At the same time, I love my grandchildren and they too are fond of me. As this is the situation, what will I do with this money? Furthermore, I have always wanted the success of my son and as he is doing a new business, he needs money. I just want to help him as much as I can”.

Our interview with an old-age allowance beneficiary from Khulna reflects the same scenario. In this particular case, Mr. Anwar Gazi is a 66-year-old man who has been unemployed for a long time. Over time, he became a “burden” for his family and it became extremely difficult for his son to afford all the costs of a family of eight members. For him, the benefit he is receiving is extremely helpful. He receives USD 22.8 every six months and this little amount of money serves two basic purposes: first, it helped him to regain his sense of self-respect and allowed him to contribute in meeting the family expenses.

“I always try to fulfill family demand with my stipend. If there is any debt in a shop, I want to repay with my income”. As a result he no longer considers himself as a burden and he can really contribute. Second, this old-age allowance has opened up new opportunities for him. In his own words, “After getting the first payment of the old-age stipend, I started thinking about ways to contribute more for my family and, as a result, I started making handicraft goods at my own home”. Now, he can earn USD 6.33-8.87 per month by selling these goods. He concludes, “This really is an inspiration for me”.



Figure 9: Anwar Gazi, old-age allowance beneficiary

Therefore, even though the amount of money provided through these two SSNPs is really small, it serves a number of purposes:

- First, as one respondent argues, “in this time of crisis, no amount of money is insignificant. I want to contribute as much as I can and even USD 3.8 per month can provide a huge relief.”
- Second, as indicated earlier, it also allows people to enjoy a sense of self-respect.
- Finally, as the case of Anwar Gazi shows, the poor can use even this small amount as capital and

invest it in other income-generating activities.

In the urban slums, these types of SSNPs are also available. However, we did not observe any significant contribution made through these allowances. A possible reason behind this can be the difference through which the requests for these benefits are processed. As indicated above, in the rural areas, these types of benefits are easy to get and the local representatives help the old and poor people to get these benefits. The situation is not the same in the urban slums. According to one respondent, “even though the old-age allowance, widow allowance and disability allowances are available here in the slum, in order to receive these, you have to spend a lot of time convincing the local leaders that you do need this help”. The respondent made an interesting comment: “you have to remember one thing: any grant/assistance approved by the minister/MPs does not at the end of the day reach to the poor as the local leaders work as the middle-men and they will always try their best to make a profit out of these assistances. If anyone tries to feed the poor, these local leaders will try to interrupt the assistance by capturing the whole procedure without considering the situation of poor people”.

This observation raises an important question: why does this difference exist in terms of providing the old-age/widow allowances to the beneficiaries between the urban and rural areas? Though our current study does not really answer this question, based on current literature on informal accountability, it is possible to provide an explanation. Hossain (2010) argues that the existing social values in the rural areas generate an informal accountability. As part of this informal accountability structure, the existing societal values determine the minimally acceptable behavioral set of the elected representatives. As such, even though corruption in the VGD is to some extent “acceptable”, taking benefits away from the poorest, elderly or persons with disabilities is not acceptable. It is possible that in the rural areas, the elected representatives are aware of these expectations and they try to abide by this rule for two simple reasons: first, at the end of the day, the arrangement is beneficial for them and with spending a little, they can reap the maximum profit. Second, as they are also members of society, they know very well the outcome of the violation of the existing social values. On the other hand, in the urban “industries”, the customary social norms have weakened and collective-orientation has been replaced by individual-orientation (Riggs, 1957; Parson, 1966). In such a situation, it is highly unlikely that informalism will play any role in regulating the behaviour of the people. Though this is just an observation, this argument requires further testing.

4.3.4 NGO assistance

In all these study areas, we have observed that a number of NGOs are working to help the people in coping with the adverse situation. However, our study reflects contrasting views about the effectiveness of NGO operations running in these localities.

First, the NGO beneficiaries have informed us that in cases of loan disbursements the NGOs are more effective than that of their government counterparts. They operate quickly, efficiently and smoothly in providing loans to the people. A number of respondents told us that in Khulna, during the post-*Aila* period, the NGOs were quite effective in providing the initial help. The “solidarity” project initiated by one NGO not only provided them with food and monetary benefits but also trained them in a number of income-generating activities. At that point in time, this kind of help was necessary for their survival. Our interview with NGO officials supported this claim. As one BRAC official explained, “With the support of the European Union, 2500 vans have been distributed among the inhabitants of Koyra Upazila. These people have found a way of income through this effort. Additionally, USD 63.33 has been provided to each of 200 families for shrimp cultivation. After the *Aila*, saline water entered into the ponds of this area and made the ponds optimal for shrimp cultivation. These families are now

able to earn money from shrimp cultivation and purchase commodities from the market.”

Second, whereas the people acknowledged the initial help provided by the NGOs, they do not really think that the NGOs are providing a long-term solution and in fact, the loans or credit programmes initiated by these NGOs are creating a vicious cycle. As one respondent said, “the thing is, we are using these loan programmes for survival only. We take a loan from one NGO but cannot really use it as investment and spend it for our daily necessities. As such, when we have to pay back, we take a loan from another NGO and in order to pay back their loan, we borrow money from another one”. When we asked them what happens when all the options are exhausted, we got an interesting answer: “a number of people left the village and moved to other places”. For NGOs working in this area, this is a common problem and they are well aware of it. As a result, they have placed special emphasis on loan repayment and adopt every action available to them for this purpose. When we were talking to the UP chairman of one study area, a local resident came to meet him with a complaint: when he failed to pay back one installment, he was slapped by an NGO worker. However, even these actions and the introduction of stringent rules in terms of loan disbursement could not really allow the NGOs to reduce the number of loan defaulters. For instance, we found out that in North Jahanpur, Naogaon, “from the year of 2010, BRAC’s micro-finance programme is losing members in 215 unions and 50 per cent of its members are now loan defaulters”.

Third, we have also witnessed an interesting perceptual change in terms of the behaviour of the NGO officials working at the local level. Whereas one of the key ingredients of NGO philosophy is to help people living in extreme poverty to graduate from their current status, in the rural areas we found no evidence of implementing this philosophy. For the NGO officials, success of the NGO is determined not through identifying the people who have successfully moved up to a higher social status but through keeping the number of loan defaulters low.

As a result of all these factors, we have observed that NGO assistance is not able to provide a long-term solution for poor people. For the rural poor people of Naogaon and Khulna, the most critical issue is the need for survival and for that they need to have money which will allow them to buy food at the market price. As a result, they depend on all the assistance available to them. As NGOs can show efficiency in loan disbursement, they consider it as a plus point. However, as the supply of money through various assistance programmes or loans is not abundant, at one point they have to exhaust all of their options. Consequently, the final outcome is migration to a new area.

On the other hand, in urban areas we have observed a slightly different trend. As the people are now at the second stage of their need-hierarchy, they have hope and expectation for moving out of poverty and they actually look for capital which they can invest in their desired project. There are few NGOs which try to respond to their needs. As one respondent living in the slums of Dhaka commented, “People living in the slum don’t have enough money/capital to run their business. Considering these specific conditions, UPPR granted USD 63.33 for extreme poor households in the slum by classifying people living in the slum. They only helped the extreme poor people. But, one thing we should remember is that we have little difference between extreme poor and poor; and the poor people are also in hardship to maintain their family. Furthermore, the amount is too little to make any significant change in the lives of people”.

Overall, we observed two different trends: in the rural areas, both the government assistance and NGO assistance programmes mainly serve the survival needs of the people. In this time of extreme price volatility, this assistance is neither planned for nor adequate enough in helping the people to escape the poverty trap. As a result, these assistance programmes are short-term solutions and do not really help the people that much. On the other hand, in urban areas, even though there are some

programmes that have been designed to help poor people to graduate, these programmes are inadequate in terms of bringing about any real, significant change.

4.4 THE FUTURE OF FARMING

Out of the three areas selected for the study, Khulna and Naogaon are well known for agricultural production. However, of these, Khulna has suffered from *Aila* and this natural disaster has significantly altered the occupation pattern of the study area. As agricultural land has been affected due to intrusion of saline water and as crops have been washed away, it is not possible at this point in time to explore the impact of food-price volatility on farming as a profession. Therefore, we are left with only one study area and here efforts have been taken to analyze how food-price volatility is creating an impact on the future of farming. As most of the people living in this area depend on agriculture, it will allow us to see whether the extensive food-price volatility is changing, reaffirming or challenging the role of agriculture in determining the living patterns of the people. However, one thing should be kept in mind at this stage. Naogaon is just one place and it is in no way representative of the whole country. As such this particular section provides trend analyses of one village and caution should be taken in developing a generalized conclusion.

For the purpose of this analysis, Uttar Jahanpur village under Ward no. 2 of Jahanpur union, Dhamurhat, has been chosen. In this particular study area, there are up to 215 households. With the help of PRA, we have tried to collect information from each household. Based on this, we have divided the households into five categories:

Category 1

Households in this category have more than one earning member and more than 490 decimal of cultivable land. The fluctuation of food prices has relatively little effect on them.

Category 2

These households have nearly 490 decimal of cultivable land. In most cases, households belonging to this category have at least one member who is working in the garments sector in order to provide financial support to the family. These households have felt the effect of price hikes.

Category 3

As per our analysis, households belonging to this category have almost 245 decimal of land. Price fluctuations deeply affect the lives of the family members who try to cope (at least at the initial level) by borrowing money from their relatives or other sources with little or no interest.

Category 4

Households in this category have up to almost 98 decimal of farmland. Some members of these households work on other people's land as day labourers. Food-price volatility has indeed made a tremendous impact on them as they cannot afford to meet the whole year's food requirement with the crops grown in their fields. Consequently they take loans from the money lenders. Again many of them run their family and buy agricultural inputs by taking loans from the NGOs. Those who work as day labourers besides farming can repay their debt more easily but those who do not work as labourers face a lot of hardship and become defaulters in paying off their loans. Some sections of this group of households go to the big towns to pull rickshaws for some days and return home as soon as

the cultivation season begins.

Category 5

The households included in this category are landless. They usually work as labourers on different cultivable lands. Most of them are associated with one or several NGOs. When they have no work, they try to manage by taking loans from the NGO. When they fail to pay the loan installment, they go to another NGO and by taking a loan from the new NGO they pay the installment of the previous NGO. Some people pull rickshaws or vans while others work as day labourers. Needless to say, food-price volatility affects them badly. They have to change their food habits in times of food crises and often they migrate to other cities in search of work. For instance, about 100 households have already migrated to Dhaka and Chittagong over the past five years. At the same time, they did not pay back their loan with the NGOs.

We have made efforts to place the 215 households in each of these categories. The following table reflects our effort:

Table 8: Households by category

Category	Number of households
1	3
2	10
3	41
4	65
5	96

The table above indicates that about 84 per cent of the households have been categorized as extremely affected by food-price volatility, 13 per cent as somewhat affected, and only six per cent have been categorized as not affected by the price hike. The following table provides a detailed analysis of cultivable land ownership by the different households:

Table 9: Distribution of land holdings in Jahanpur village

Size of Cultivable Land (Decimal)	Number of Households
0	109
3-9	9
10-25	28
26-30	2
40-49	11
50-99	22
100-149	10
150-199	6
200-249	6
250-299	1
300-349	1
450-499	4
500-549	1

550-599	3
800-849	1
1150-1199	1

The table shows that out of the 215 households, 109 are landless. It indicates that the number of households having 0 to 0.49 acre of land is 158, which is 73.48 per cent of the total households. Furthermore, only 10 per cent of the total households have 0.98 to 2.45 acres of land. And those who have 1.96 to 2.45 acres of land are confined to a vicious circle. In general, the six per cent of the households who have more than 4.90 acres of land concentrate on cultivating their own lands. For the rest, the amount of their owned cultivable land is not adequate enough to meet their demand for food. As such, they either work as share croppers or day labourers on other people's land. In normal conditions, this arrangement was acceptable for everyone. There are a number of reasons behind this:

First, generally, the landed class residing in the area lacks manpower. At the same time, their children (i.e. the second generation) have either already migrated to the cities or are not interested in farming. In a number of cases, they have finished their studies and have found a well-respected job in the city. At the same time, there are a few who are studying in different educational institutions in the city and are not really interested in farming. As such, the local elites who still depend on agriculture as their major source of income have to depend on the other farmers (those who are either landless or have an insignificant amount of land) for cultivation.

Second, for the farmers who have 0 to 490 decimal of cultivable land, lack of manpower within the local elite families present a unique opportunity. The amount of their own land is not enough for them and they are willing to work on the rich people's land as that will allow them to have some additional income.

Therefore, we see the development of a win-win situation which is acceptable for everyone. However, for the farmers who have only a little over 490 decimal of land, the situation is little complicated. This amount of land cannot be managed by the farmer alone and if his children are not really interested in farming that creates a difficult situation for him. However, he can manage by share cropping or by engaging day labourers when the market is not that volatile.

However, if this is what happens in normal circumstances, what is the impact of a volatile market, i.e. what happens when the price of food products and other agricultural inputs fluctuate? How does that affect the future? In order to have an understanding of this, we interviewed four different household members who belong to categories 2 to 5. We have mainly selected young people in order to explore their perception about farming activities, as that will allow us to determine the future of farming. After that, we match our information with the first generation farmers to find out the validity of our information. The following table provides a brief summary of our findings:

Table 10: Future farmers projection

Basic characteristics	Name and household pattern				
<i>Name and age</i>	Swadhin (28)	Mamun (22)	Nazmul (17)	Samiul (14)	Tauhid (24)
<i>Members of household</i>	4	5	6	4	5
<i>Quantity of cultivable land (decimal)</i>	490	0	490	220	392
<i>The amount of paddy yield (KG)</i>	80000	0	7200	3200	6400
<i>Other sources of income</i>	No other source of income than agriculture	Driving scooters (owner), rearing cows	Father and brother are farmers. He works in garments in Dhaka	Father is a farmer and a businessman. He read up to class VIII	His father is a teacher in a Madrasa
<i>A description of other members of the family</i>	Swadhin and his brother literate in family. Family's decision taken by his illiterate father; as he grew up Swadhin took more decisions as the eldest son. He decided what his career would be. His younger brother helps him in leisure time	His father was day labourer before. Can't work now. His elder brother is a van driver	His father has no education and his brothers read in the primary school.	His younger sister reads in class V	His younger brother studying in a university and sister reading in class X
<i>Occupation</i>	Cultivation	Driving scooters	Job (non-govt.)	Student	Service (non-govt.)
<i>Loan</i>	Nil	Nil	Nil	Nil	Nil
<i>Mortgage</i>	Nil	Nil	Nil	Nil	Nil
<i>Education</i>	Failed to obtain graduation degree. Younger brother studying in madrasa, a student of Alim class.	Nil	Class V	Lower-middle class	Masters passed
<i>Status of his family</i>	Middle class	Lower-middle class	Middle class		Middle class

The table above shows that of all these young people, only one is still engaged in cultivation. However, his case is really interesting. In his family, he is the eldest son. The family has almost 490 decimal of land and he always considered it as his duty to help his father. His education was not that important and there was no pressure from his parents regarding his educational development. Through our interview with Swadhin, we found out the following, which is important for the purpose of

this study:

1. Swadhin was not that excited about farming. At one point he actually migrated to Dhaka in search of a new job and he found one in a garments factory. However, he was not happy with the working environment there and suffered from diseases while he was in Dhaka. Furthermore, the behaviour of the supervisor in his factory was insulting so due to all of these reasons he decided to return from Dhaka. Therefore, it can be argued that farming was not his first choice. He finally decided to take it as his profession when no other options were available to him. However, he argues that, "I returned to the village as my father was getting old and somebody needs to look after our lands. I am the eldest son and I do have some responsibilities". At the same time, he admits to us that he is thinking about enrolling onto the degree course in the Bangladesh Open University and his aim in life is to become a teacher.
2. In the current situation, Swadhin is finding it difficult to survive. He says, "The price of paddy is low and this year we will not get much profit from cultivation. We may survive but our situation will not improve. The thing is, the price of agricultural inputs like fertilizers and oil has increased so much that production cost is almost equal to the selling price of the final product. Furthermore, the wage of the daily labourers is increasing and market prices of other goods are escalating at an alarming rate. With the income made through selling paddy, it is becoming extremely difficult to live a decent life". According to his argument, in such conditions, agriculture will not remain a lucrative occupation.
3. There is another issue: "People always talk about natural disasters but they forget about the man-made ones. We have more than 588 decimal of land. But in order to manage the cost associated with my sister's wedding, we have to sell 98 decimal of land. So, think about it, we now have less amount of land to live our livelihood."
4. The bleak future of farming is reflected through the attitude of Swadhin's younger brother. Even though he is willing to help his brother, he does not really consider cultivation as his choice of occupation and, in fact, he is already searching for other options.

The above discussion indicates that young farmers, or potential farmers, belonging to category 2 are already losing interest in farming. Even though there are a few who are coming into this profession, price volatility, the high price of agricultural inputs and labour are making them think about their choice of profession.

For others, taking decision about farming is less complicated. For instance, Mamun's family has already moved away from farming. Whereas his father was a daily labourer who worked on agricultural land, neither of two sons chose his profession. The fact that they had no cultivable land actually made their decisions easier. As he said, "I do not think that agriculture is a profitable occupation. We could lease land for production like our father, but with that income it would not be possible for us to survive. As a result, I think other professions are better".

The issue of profit is also a big concern for Nazmul. He considers farming as "not a profitable occupation" especially when other options are available. He argues that farming is not a prestigious job and that is why, "I have decided to go to Dhaka to work in the garments sector. My income is good and I am self-reliant. And look at me, I wear jeans not some other clothes and these things have made me different from the other people. I do not think that agricultural work would allow me to earn this much".

On the other hand, Tauhid is influenced by his father who is a teacher-cum-farmer. He cultivates his land by employing labourers and he maintains his family with the income from his job. Farming is his additional source of income. Tauhid thinks that he and his brother will get jobs and let their land. He

also thinks that he and his brother are educated enough to get a good job.

We have found out another important thing: it is not only young people are losing interest in agricultural work, the third generation, i.e. those who are now studying in primary or secondary schools, have no knowledge or interest about agriculture. For instance, whereas Samiul's father still concentrates on farming, Samiul never really showed any interest in this occupation. In fact, his parents also do not want him to grow up as a farmer. His mother made it clear to us: "Please, advise my son to study hard. What will he do in the future if he doesn't study now?" When our researcher asked Samiul what kind of crops grow in this locality, he failed to provide us any specifics other than saying jute and paddy. In fact, in the future he plans to get a job in the service sector.

The first generation, i.e. the older farmers, have already realized this trend. They have pointed out to us that if the production does not increase and the price of agricultural inputs does decrease, there is a pretty good chance that the future generation will lose all interest about farming. In fact, as they point out, "we cannot really blame them. If the income is not enough in relation with the high price of different products in the market, what option do you have? We have to agree with them and, in fact, we also encourage moving into other professions. After all, in this volatile market only the servicemen, i.e. people with a regular income, are doing well".

The above discussion presents a bleak picture for the future of farming. The basic reason behind this is the fact that the farmers are not getting a reasonable price for producing crops. As the price of agricultural inputs and the wages of daily labourers is too high, their profit margin has remained low and with this profit, they cannot really deal with price volatility. For the landless households, the decision is simple: they will migrate to big cities in search of jobs which allow them to earn more money. However, for the farmers who have a reasonable amount of land, decision-making is a little complicated. In the end, even though they are continuing with farming for now, they are encouraging their children to choose other occupations. For the rich farmers, the future may present an important problem: even though they would have a good amount of land which could allow them to earn a profit, they may find themselves in a situation where there will not enough day labourers or other share croppers interested in cultivating the land.

We cannot really conclude that this is the trend all over the country. However, one thing should be pointed out here: the policy documents developed by the government of Bangladesh have not yet identified the inertia of the young farmers in terms of engaging with this profession. If this is indeed a national trend and if the government fails to address this quickly, the country will be in big trouble in future.

5 CONCLUSION: THE FUTURE AND THE POLICY PRESCRIPTION

In this concluding section, we have tried to perform two specific functions: based on the policy framework of Bangladesh, we have tried to explore the areas where further policy intervention is necessary, and second, we have tried to identify the problems with implementation.

In identifying future areas of policy intervention, we have focused on two issues: first, we have attempted to identify policy areas that are directly related to food-price volatility which include monitoring of food prices, price determination, etc. and second, we have concentrated on issues that can protect people from food-price volatility and allow them to survive more effectively and efficiently.

Policy recommendations directly related to food prices

First, our studies indicate that in rural areas, there is no effective mechanism in place to monitor the prices of different food products. Whereas in the capital city of Dhaka, there is at least a government unit in place to monitor the market price, we have not witnessed the presence of any such unit in rural areas. As a result, even when price is determined by the government, that news does not travel to the rural areas and people have almost no access to this information. Furthermore, in the absence of an effective monitoring system, rural poor people have no idea where to complain about the price volatility and, as our study indicates, rather than challenging the system, they try to cope as best they can. The development of an effective price-monitoring system at the rural level will help the people by keeping the price of the necessary goods low.

Second, the government policy makers have employed most of their efforts in keeping the price of food grain down. As our research shows, this creates two different problems: on one hand, due to the initial low price of agricultural products, the farmers do not get an appropriate price for their goods and, therefore, they are producing crops either at a loss or at a minimum profit level. On the other hand, due to the lack of an effective price-mechanism system, they are forced to buy products from the market at a higher price and they simply cannot make both ends meet with the profit made through agricultural production. In fact, as we have shown in the policy framework section of this report, the government policy makers have identified this problem. However, so far no successful policy attempts have been made to address this situation. Based on our study, we argue that this can be done through two possible ways:

- Our study indicates that farmers in general are not directly linked with the market and in most cases, they have to access the market through a number of middlemen who reap most of the profits at the expense of the farmers. Therefore, it is necessary to develop a policy mechanism that will ensure the direct access of the farmers to the market.
- It is surprising that in all of our study areas, we did not find any reference that the Upazila (sub-district) agricultural officers play any effective role. We have seen that the farmers are facing different kinds of problems, including the high price of agricultural inputs like fertilizer and oil, or the low price of the end product, but in none of the cases, we have seen them contacting the government officials with these problems. At the same time, the local-level government officials do not make any effort to talk to these farmers, to understand their problems or to deal with these effectively. There is almost no contact between these officials and the farmers and, in most cases, the farmers have no idea where to go to in times of trouble. The policy makers should immediately

address this problem and conduct a careful study regarding the appropriate role of local government officials and how their roles and responsibilities can be directly linked with the needs of the farmers. We argue that this will serve two basic purposes: first, it will open up a channel for the local farmers where they can complain and demand services, and second, it will help them to understand the importance of the role they are performing for the economy of the country which will boost their self-esteem. As our study indicates, agricultural work is losing its prestige, which, in turn, is discouraging the youth to come into this profession. Specific policy intervention is required to address this problem.

Third, the policy makers have so far mainly focused on controlling the market price of staple foods. As such, the concentration is on increasing the production of staple foods. While this is important, a key problem with this approach is sacrificing quality in exchange of quantity, i.e. increasing food production will ensure people's food security only when the production of staple food is supplemented by the production of other necessary and nutritious food products. This should be an important focus of the food policy of Bangladesh as, in addition to helping the people in gaining food security, it may also encourage the farmers to diversify their agricultural production, which will increase their value in the food market.

Policy recommendations aiming at protecting people from price volatility

In our study areas, we have seen the government design and implement a number of Social Safety Net programmes that aim to help people to cope with price volatility. A number of employment-generation programmes have been implemented in the disaster-prone and other rural areas where these programmes have played a significant role in protecting people, at least in the short term. At the same time, we have also witnessed the contribution of other SSNPs, including VGD, in helping people. Whereas the efforts taken by the government are fruitful and useful, we propose certain modifications to these programmes:

First, in almost all cases, these programmes have failed to create any long-term effect. In fact, in the case of the employment-generation programmes, when the programme ended, people were left with nothing but some monetary or food assistance. No effort has been taken to provide adequate training to the people so that, once the programme is over, they can engage with or develop new income-generating activities. In a few cases, where people could successfully transform these programmes into stable livelihood-generating opportunities, they have done this on their own, without receiving any proper assistance from the government. Therefore, the policy makers should concentrate on ensuring the long-term impact of these programmes. They should not only provide poor people with assistance or employment that just requires physical labour, but also focus on providing them with adequate training so that they can be an expert in a specific area once the assistance period is over. One way of doing this is to link the SSNPs with different programmes initiated by the NGOs.

Second, our research shows that in a number of cases, the SSNP benefits are awarded to people who are not at all in a destitute condition and who do not really need the help from the government. Therefore, the monitoring systems of these SSNPs' implementation should be stronger. At the same time, we have seen that even though the distribution of benefits often made the rural poor dissatisfied, they did not protest, mainly because they have no idea how or where to protest. As such, the successful implementation of the SSNPs requires the establishment of an effective complaints mechanism.

Third, a key finding of our study is the participation of the female members in a number of employment opportunities. While this is a good sign which, in the long term, may play an important

role in women's empowerment, they are also facing a number of problems. For instance, the female workers have to consider who will undertake their unpaid care responsibilities, including all aspects of food preparation, caring for children, older people and sick people, and other household work. Even though they have tried to rely on their neighbours or other family members, these do not offer a permanent solution for them. However, it is important to mention that one NGO started a day-care centre in Kalyanpur. This centre served the working women very well. But, due to funding constraints, this service was discontinued in mid-2012. As a result, the policy makers have to focus on this particular issue, i.e. if their goal is to encourage the women to participate in employment-generating activities, they also have to take measures to facilitate this participation. This can be done in the following ways:

- The government policy makers may make efforts to provide high-quality childcare facilities for working mothers.
- Other policies or policy goals are also directly involved in ensuring women's participation in the workforce. For instance, ensuring security both at the workplace and at home plays a huge role in boosting women's participation in the workplace.
- At the same time, we have not seen any government officials have a consultation meeting with the female workers to understand their problems and to work with them in solving these problems. Given that the Ministry of Women and Children Affairs plays a huge role at the rural level in implementing various SSNPs, their role should be clearly specified in ensuring women's participation in the various social protection programmes.

Policy implementation problems

Our study reflects that in a number of cases, policies are not being implemented as designed. For instance:

- Even though the monitoring report has placed a special emphasis on the coastal and disaster-prone areas, suggesting that people living in these areas should be encouraged to engage in diversified food production and infrastructural development, in the case of Khulna, we have not seen any such attempts. As people are looking for job opportunities, training them with these new programmes would have been a welcome initiative that people would definitely embrace. However, we have not seen any attempts to do that.
- The report also calls for introducing productive SSNPs as that will increase people's capacity and will help them to develop their own businesses or other initiatives. As our study shows, in all of these areas, SSNPs are just a means of initial survival and, once the assistance stops, people bounce back to their previous status. Furthermore, we have observed the presence of a significant amount of corruption and nepotism in a number of SSNPs which are negatively affecting their overall development.
- Even though a proposal has been made for introducing flexible hours and catering services for the women, we have not seen any attempt at introducing these facilities.
- In order to provide job opportunities for the marginal farmers and landless farmers, the monitoring report argues in favor of introducing labour-intensive/high yielding crops. Our study shows that this is indeed a fruitful solution, as a number of our respondents pointed out that even though the price of agricultural inputs has increased, production has remained the same. If this particular suggestion of the monitoring committee was followed, it would probably be possible to deal with this problem.

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