

Anti-Poverty Measures from Colonial Periods to Post-Colonial Period

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The relation between poverty and resources is a political and economic issue. This issue is linked with the role of the state in a peripheral society like Bangladesh. Again, anti-poverty measures adopted by the state from time to time focus on the role of the state during the colonial and post-colonial period.

State in the Colonial Period

Bangladesh became a part of an international economic system during the first colonial period: The British period.

This imposition of international economic system (bourgeois mode of production) on colonial Bangladesh and simultaneous integration of Bangladesh with the changing needs of systemic reproduction in metropolitan Britain blocked the pre-colonial development of Bangladesh society and transformed it into a complementary and subsidiary system attached to the metropolitan system.¹

The resultant relationships between the metropolitan Britain and the peripheral Bangladesh assumed the form of dependence. These relations of dependence were based on the one hand on unequal exchange and on the other on value transfer. This dependency produced one sided exploitation of the periphery.

The needs of the metropolis resulted in the exchange of goods which gave dynamism to the economic development and also led to differentiation of the economic structure of the periphery. Unequal exchange and transfer of value strengthened the metropolitan economy but it had opposite effect in the periphery.

The structural dependence is a functional subordination to the international production relation. This dependence also denotes differentiation, polarisation and pauperisation within the peripheral society.

Colonial Administration

Colonial administration, during the British period, played two roles:

a) The colonial bureaucracy's economic interests were realised through the state revenue and they promoted the process of value creation in the economy to provide a source of state finance. Their political interests were realised through safeguarding the state function by stabilising the ruling order in society. The means they adopted were repression, manipulation, concessions etc. This also involved maintaining the loyalty of the powerful social classes and fractions of classes.

b) The colonial bureaucracy acted as a medium for the distribution of the state income. This forced the bureaucracy to cooperate with the economically and socially powerful classes and sections.

¹ Hamza Alavi, India and the Colonial Mode of Production, The Socialist Register, 1975.

Combined these two roles established the dictum of 'law and order'. The imperial power built a strong administration and the chief features were: elitism, centralisation, and paternalism. Bureaucrats were the elites, power was concentrated in them and they exercised power paternalistically. On the other hand elitism produced disparity between the privileged and the non-privileged; centralisation created non-participation of the masses and the atrophy of local initiative; and paternalism resulted in dependency and 'a cult of prayerful petitions'.

Impact of Colonialism in Rural Areas

During the British period population increased in rural areas and reduced non-farm employment weakened the traditional status of peasants and artisans. Another phenomenon was: transfers of peasant holdings on a considerable scale. The continuous alienations of lands (mostly in the form of distress sales due to recurrence of famine and rural indebtedness resulted in a depeasantisation process. The loss of land gradually degraded the peasant owners to the status of landless agricultural labourers and acted as a factor in the 'depression' of agriculture.¹ The backdrop of alienations was largely due to the conditions of rural credit. Occasional famines added strains and stresses in the peasant economy. In most cases the indebtedness of the peasants tended to rise when the prices of the usual necessities other than food crops were much higher than the prices of food crops. The Datta committee investigated the origins and nature of the rising prices between 1895 and 1912 and aptly commented that in Bengal between 1895 and 1909 'the rise in the cost of living has been all along more than the rise in the agricultural income, showing that the cultivators in these parts have been adversely affected by high prices' and the 'conclusion' of the committee 'is that agricultural indebtedness has increased in the case of cultivators with small holdings, while another section, the larger tenants, has improved, and instead of borrowing money they often lend it to their fellows'.² The following table is an indicator of the situation:

Table I

Movement of Rural Agricultural Income, 1890-1909

	1890 to 1894	1895 to 1899	1900 to 1904	1905 to 1909
1. Average index numbers of agricultural income per head of population	100	107	102	116
2. Average index numbers of the retail prices at which an agriculturist generally purchases	100	101	109	126

Source: Report of the Datta Committee, i. para 435

¹ B.B. Chaudhuri, The Process of Depeasantisation in Bengal and Bihar, 1885-1947, in The Indian Historical Review, July 1975, Vol. II, No. 1.

² K.L. Datta, Report on Rice of Prices and Wages, para 389, 1914.

Perception of Rural problems

Colonial administrators of the British period perceived rural problems as four fold: (1) famine, (2) the inequity of land tenure, (3) peasant indebtedness and (4) rural disaffection with the government.

1. Famine

In the imperial era famine was a frequent phenomenon. A famine code, subsequently, was prepared which described when and how the dole should be distributed to save the disabled from starvation, or how to organise public works at 'test' wages for unemployed peasants, or to advance loans to the peasants for the next cultivation.

2. The inequity of land tenure

Colonial administration, in general, upheld the tenurial system based on permanent settlement. Nevertheless they expressed sympathy for the underprivileged, recommended a little more control over the landlords and planters and a few more rights for tenants. Through out the imperial era the administration discussed relentlessly about the tenancy reform but nothing was done in practice .

3. Peasant indebtedness

Colonial administration made some attempts to reduce usury and regulate moneylenders. Regulations were enacted, but rarely enforced.

4. Rural disaffection

Colonial administration imported the concept of cooperatives from Germany as an antidote to the distress of rural indebtedness and they imported the Anglo Saxon concept of local government, as a safeguard against the explosion of rural disaffection. They hoped that local government would generate feelings of participation and promote initiative. They also hoped that cooperatives would be able to protect the peasants from the excesses of merchant moneylender. But the concept of local government conflicted with imperialism and the central tenets of colonial administration: centralism, elitism and paternalism could not be reconciled with the concept of decentralisation and autonomy. And cooperatives could not function properly and flourished like pale flowers within the steel frame of the empire.

Challenges

The central points of the imperial ideology were: the superiority of Europeans, the benevolence of colonial rule and the white man's burden. New ideological

challenges were generated from two opposing quarters: nationalism and socialism. Both challenged the imperial ideology and denounced it a moral abomination and world grabbing capitalistic system. Nationalism related poverty with colonialism and socialism related poverty with capitalism and its offspring, colonialism.

The Colonial Response

The new challenges were met by the colonial administrators through evolving a comprehensive ideology of rural reconstruction. F.L. Brayne was the famous propounder of this ideology. He was a civil servant, a self-styled Socrates. “According to Bryne, the deplorable rural conditions were not the consequence of the imperial system, as the nationalists or socialist agitators suggested. No, the misery of the Indian villagers was due mainly to their own ignorance and bad habits, their folly and vices. Indeed, they were their own enemies. Bryne compiled a long list of their shortcomings: lazy farming, burning precious cow dung, addiction to the hubble-bubble (the hookah), poor hygiene, litigation, costly death and marriage feasts, female illiteracy, etc. The Socrates of the Indian villages, having diagnosed the disease, prescribed the cure. Quite logically it consisted in the acquisition of knowledge and the reform of vicious habits: learning and practicing better methods of agriculture, health, education, and social conduct. Bryne assigned a new role to the government officer, viz to be the missionary of enlightenment and reform, contrary to the popular stereotype of an arrogant and corrupt bully, the officer was to convert himself into a guide, philosopher, and friend of the villagers. He was also to inspire the loyal old collaborators, members of the gentry, to mend their ways and give a proper lead to the commoners. Bryne invested resounding rural reconstruction slogans – reform yourselves, help yourselves, and follow the official leader” (Akhter Hameed Khan, pp. 10-11, 1978, Ten Decades of Rural Development: Lessons from India, MSU Rural Development paper n. I).

Conceptual Legacies of Colonial Anti-poverty Measures

British colonial administration invented two parallel perceptions of rural problems and rural development: the departmental perception and the ideological perception. The departmental perception was based on local government, cooperatives, education, health, agriculture, irrigation, etc. The ideological perception enlarged the departmental perception and envisaged a role for the administrators and produced three conceptual legacies: (1) The peasants as ignorant and docile, (2) the officers as true guides and friends of the peasants, and (3) the rural elites as the government’s loyal standard bears and the peasants’ natural leaders. The succeeding governments and international agencies inherited the conceptual legacies and used the old approach an alternate to revolution, as a non-revolutionary ideology and technique of rural development, as an anti-dote to poverty.

Second Colonial Period: Pakistan

India was partitioned in 1947 and Pakistan was created as an independent state comprising two wings: East and West Pakistan. The old problems remained unsolved, complicated and formidable. Along with these East Pakistan became a colony within a single state structure. The rulers opted for gradual reform, not revolution and maintained intimate relations with imperialism, especially with America. On the one hand Pakistan retained, almost unchanged, the political, economic and administrative colonial heritage. And on the other, by opting for reform Pakistan accepted the ideological leadership of America in the sphere of rural reconstruction and national development.

American Leadership

America from 1950 onwards became the leader of the 'free world'. Its policy was to arrest the expansion of radicalism and to bolster client nations. To achieve that end along with military aid, America started giving material aid in the shape of loans, grants, capital and consumer foods. Technical aid came in the form of experts, advisors, and foreign training, and ideological aid came in the guise of non-marxist economic and sociological orientation.

In this decade two anti-poverty programmes were sponsored by the Americans: agricultural extension and community development. The first one was designed to boost up production. And the second one was designed to build a harmonious community and to put an end to conflict. Both absorbed elements of colonial rural reconstruction and offered consensus as an alternative to radicalism.

The Politics of Anti- poverty Measures

Anti-poverty measures adopted by the various governments from the second colonial period to the post-colonial period have political and socioeconomic implications. "Since the public works programmes are frequently large in relation to GDP, always highly visible, and involve a decentralized implementation system, political factors are apt to be extremely important both in shaping their design and in determining what effects they will actually have on poverty and unemployment over time" (World Bank, p. 59). Bangladesh or former East Pakistan is a class-society with unequal access to income, property and power. Hence anti-poverty measures (or the works programmes) cannot be separated from class interests.

Here an attempt is made to identify the chief interest groups involved in the programmes.

In Bangladesh (or in former East Pakistan) four interest groups are (were) involved in the works programmes. They are (were):

- a) The international agencies
- b) The government and the bureaucracy

- c) The rural elites and
- d) The poor.

a) *The international agencies*

Among the international agencies we can make a distinction between the big donors and the small donors. In the big donors category the Americans stand supreme and their food aid policy and PL 480 grain shipments are the most prominent. They both together made the first RWP as well as the present FWP possible. The economic content of the PL 480 ‘was seen as a way to help low-income countries, which otherwise would constitute a market at all, to buy surplus American food while keeping the commercial dollar price up for higher-income countries. P.L. 480 meant that the US could have its cake and eat it too’ (Food First, p. 329). Again, PL 480 has succeeded in creating markets for wheat among the world’s original rice lovers’ (op. cit., p. 328). The implication is obvious; this strategy is now being proposed to the Bangladesh government by the World Bank and USAID. The political content of food dependency has a far-reaching consequences. Mettenry & Bird state that in Bangladesh food-aid policy was used by the Americans to stop jute export to Cuba (Food Policy No. 27/77 p. 82 ff.).

Food aid and works programmes, thus, are two sides of the same coin. Both are raw materials to build strategies for rural development. The aim of this strategy is to maintain stability in this area and to contain poverty. In the small donor category belongs Sweden, Holland etc. They regard works programmes as a direct way to reach the poor. They tend to think in terms of built-in-benefits for the labourers than short-term employment.

b) *The government and the bureaucracy*

Pakistan Period

The following table is a pointer to the advantages and disadvantages perceived by the decision makers in evaluating works programmes.

Works Programme in East Pakistan and the Comilla Model

In 1961 an agreement was signed between the Pakistan government and the American administration regarding deliveries of American surplus wheat under P.L. 480. The total value was 681 million US\$. The wheat was to be sold in the local market and the rupee-part to be used in projects approved by the USA. RWP was one of these projects. Comilla Academy conducted a pilot works programme the same year. In 1962 the Ayub regime introduced Basic Democracies. RWP funds provided grease to the new system of local government. Basic Democrats were, in most cases, traditional rural elites and generally speaking, rich peasants. The strategy was rewarding. Regime of the day obtained political support and the rural areas till then starved of resources, received more resources and attention. This conjunction, according to Sobhan: ‘our interim findings give us no reason to believe that the

programme to date is anything more than a slightly more elaborate welfare or relief measure introduced into the rural areas, along with the slightly more sordid motive of winning the allegiance of the narrow class of Basic Democrat's' (p. 238).

Table II

Positive Response	Negative Response
<p>Politicians: Build new political support counter political opposition Reduce or prevent political unrest</p> <p>Reduce urban unrest by arresting migration Obtain foreign aid Reward political supporters Demonstrate new capability Permit local patronage rewards</p>	<p>Fear of mobilising poor peasants and increasing their expectations. Offered present supporters.</p>
<p>Bureaucrats: Expand operations and increase importance Implement pre-planned projected scope for corruption</p>	<p>Fear of loss of power Fear lowering technical standards Reject labour intensive technology Resist innovate program</p>

Source: World Bank, p. 55.

Problematic of Works Programme

The objective of Works Programme is to reconcile between large resources of unutilized labour and an enormous amount of work to be done. The contradiction lies here: while labour is unused it also lacks the basic means for its subsistence. This contradiction is the product of a skewed distribution of the means of production and purchasing power. Works programmes, are, thus means for investment to generate projects. Affluent groups are not interested in this sort of investment while the labourers are not in a position to perform it on voluntary basis. Thus, public works programmes, are strategies for mobilising resources and manpower within the existing structure. These strategies, needless to say, do also contain far reaching socio-political-economic consequences.

Comilla Model

The main features of Comilla model were:

1. Thana authorities were to act as coordinators and planners.
2. Union councils, were the mediums for popular participation in planning locally oriented projects.
3. Both civil servants and locally elected leaders were to be trained and educated.

4. Flood control, irrigation and drainage were to be the contents of the projects, and
5. Information and publicity were means for raising consciousness and for checking corruption.

Politics of the day torpedoed the intentions of the model. Local leaders were trained to build a political platform in the rural areas. In turn they grabbed the economic benefits, support was established between the government bureaucracy and the rural elites. From 1962 to 1970 3/4 of all RWP-funds were used for road constructions, and only 10% went to drainage and flood control. It is worth to quote World Bank: 'none of the public works programmes studied has been accompanied by measures to effect far reaching structural change in the direction of greater economic equality, in no case was a public works program' introduced in connection with thorough going land reform (P-43). Works programmes, thus, are not designed for structural change.

Post-independence Period

In the first Five Year Plan (1972-77) the importance of the TWP is stressed. RWP is 'to contribute to the attainment of food grain sufficiency by constructing and maintaining irrigation and drainage structures in the area of food grain concentration and to provide for landless labourers productive employment outside and inside the area of concentration' (the Plan, p. 162).

Five components of the RWP are:

1. Thana based integrated works programme
2. Reclamation of derelict tanks
3. Thana Irrigation Programme
4. Construction and maintenance of thana Training and Development Centre and
5. Development of rural market places.

Alamgir states: 'This is the first time in the recent history of RWP that the national authority linked it explicitly to the objective of attaining food grain self-sufficiency. As for employment generation objective, emphasis was clearly on direct employment expansion through increased output growth' (p. 13).

Political content of RWP is very pronounced now. Local government institutions, specially Union Councils, are being strengthened. The Government based on a military-bureaucratic support with political feathers is trying to create another power base. Rural elites are increasingly becoming the resources-channel and the government officials the promoters of development. Major difference from the previous works programmes consists in giving emphasis on FWP, where the poorest have been identified as the target-group.

(c) ***Rural elites***

Rural elites have a stake in the works programmes. They are composed of rich peasants, businessmen and political contacts. As these programmes are operating in the context of the existing pattern of resource ownership, landholding is a crucial element. 'Differential landholding patterns are particularly important in the political economy of rural works programmes, because of the overlap in the groupings (of interests): important landowners or employers of wage labour can be political forces, regionally or even nationally' (World Bank p. 56).

Benefits attributable to works programmes may be measured both from the standpoint of economics and politics.

1. Works programmes have increased land values. The measure of this benefit rests on the size of land owned.
2. Projects have made increased production possible. This benefits are permanent, and of course, accrue primarily to the landowners according to landholding size.
3. Works programmes have diversified occupations within the affluent rural families. In 1964 one out of seven Union Council member was a businessman or a contractor. We do not mean that all contractors represent the rural elites. But they have linkages with the affluent rural households. Through this linkages substantial part of total project-costs paid to the contractors reach the affluent households.
4. Works programme have made possible better transportation. This has increased commerce and larger flows of supplies. Between 1962-67, the cost of transportation of paddy decreased by over 60% due to improved roads and the use of buses etc. (Thomas, p. 209). Rich peasants with a surplus to sell have gained. Again transportation sector has become attractive for investment and the rural rich have started investing in rickshaws, carts and buses. On the other hand, in response to better communications, markets get growing. Rural rich take advantage of better communication network and get greater scope for marketing in urban areas.
5. Since works programmes have not designed for structural change, all projects born out of them have strengthened the existing power structure and increased wealth of the dominant families. Works funds have strengthen their holds on the poor dependent beyond the narrow limits of the village. They are now in the arena of electoral process and national politics and this placement has increased their bargaining power in the context of state power structure.

(d) ***The poor***

The following table gives a definitive picture of the poor in the USAID/CARE sponsored Food for relief Work Programme.

Table III

Sex	:	99% male	
Age	:	Average 32 years under 15 years:	1
Married	:	84%	
Family size	:	6.2	
Dependency ratio	:	3.8	
Migrant labour	:	9%	
Illiterate	:	76%	
Studied 5 years or more	:	10%	
Main occupation	:	Day labour	: 84%
		Farming	: 12%
Nutrition	:	Under full calorie intake	: 84%
		Under full protein intake	: 52%
Annual cash earnings	:	Under 2.5000:/year	: 77%
Main source of income	:	99% get 65% or more from day labour	
Landownership	:	Completely landless	: 57%
(Farm land) More than 1 acre	:	14%	
Average size of land	:	Less than 0.5 acres	
Debts	:	64% indebted, average debt	: Taka 320
Reason for working in FWP	:	No other job available	: 54%
		Job pays more	: 24%
Alternative to FWP	:	No alternative	: 27%
		Other work	: 51%
		Borrowing	: 40%
Annual employment	:	More than 250 days/year	: 75%

Source: Economic and Nutritional Effects of Food for Relief Work Projects, pp. 2-8, 1978, Institute of Nutrition and Food Science, University of Dacca.

The labourers involved in FWP do hard work for a short period. The wages they get are usually less than market wages. This programme, undoubtedly, helps them live. The work is a temporary relief, not a new opening. Long-term effects of the programme are minimal.

From another standpoint this programme is worth analysing. Sometimes it is argued that mass labour sites might provide a base for common bargaining and action and generate class-consciousness. Beating-up of contractors and labour sardars, gheraos of corrupt officials are near common phenomenon. These actions are indicators of class solidarity and consciousness. Since the projects are temporary, consciousness pointed above sometime dwindles and mobilization slackens. Every thing contracts again, actions become counterproductive, and militants feel the pinch of the Establishment.

But in a broader sense, there is an impact. Development issues have been brought down to the village level. Corruption of the local leadership is being exposed

through the projects, the opinion of the landless and the poor peasants about the local leaders and the officials are sharp and pointed (BIDS/SIDA Survey, April 1978).

Works Programmes have another dimension. The undertone of them is to contain the dissatisfaction of the poor (ibid.). The programmes are devices to make people dependent on the government, and arrest the growth of initiative. On the other hand, they are an indicator that the government and the rich are not that indifferent, that they are doing something positive to better the condition of the poor.

Works Programmes as Employment Policy

The second important objective of RWP is creation of employment opportunities. And this is also the foremost objective of FWP. Employment effects which are documented refer to employment during the project. Permanent employment is seldom quantified.

Below is placed a table containing employment figures created by RWP from 1962 to 1977 along with official figures for employment within FWP.

Table IV
Employment Generated by Workers Programmes
(million man-days/year)

Period	RWP	FWP	
		Official	Estimated
1962-1967 (5 yrs average)	35		
1968-1971 (4 yrs average)	32		
1971-72	13		
1972-73	17		
1973-74	12	11	9
1974-75	16	75	43
1975-76	17	80	82

Source: RWP, Alamgir, Table 19; FWP: Bangladesh Times 6-12-77

FWP on an average till 1971 created 136.000 man-years every year. But during the post-liberation period it has created only 56.000 man-years. In the Two-years plan, it has been suggested that through RWP only 36.000 man-years will be created using about one-third skilled labour. This point to the comparatively high content of building material and technical components. Compared to RWP, FWP is more successful and the success is the result of massive allocations and a high content of unskilled labour content.

Table V presents the yearly allocations to RWP since its inception.

Table V
Allocation to RWP
(million Taka, current prices)

Year	Allocation	Share of Dev. Budget (%)	Share of GDP (%)
1962-1967 (5 yrs average)	142	8.8	0.6
1968-69	128	4.8	0.4
1969-70	115	3.7	0.3
1970-71	164	N.A.	N.A.
1971-72	103	N.A.	N.A.
1972-73	160	3.5	0.4
1973-74	126	2.7	0.1
1975-76	270	2.8	0.2
1976-77			
1977-78			

Source: Alamgir, table 14; Statistical Pocket Book.

Allocation for FWP are more difficult to assess, because quantities allotted and actually used are problematic. Table VI presents available figures and rough estimates.

Table VI

Year	Wheat allotted ¹ (tons)	Grain used (tons) ²			Rough value incl. transport ³ (million Taka)	
		Wheat	Rice	Total	Allocated	Used
1974-75	32.000	N.A.	N.A.	32.000	91	91
1975-76	209.000	66.000	2.500	68.500	596	193
1976-77	220.000	156.000	47.000	203.000	627	578
1977-78	263.000	192.000	6.000	198.000	749	564

Source: 1. 1974-77: Bangladesh Times 6-12-77; 1977-78: Interview USAID office in April 1978.

2. Ministry of Food.

3. According to USAID 142 \$/mt. corresponds to world market prices plus transport in 1978

No doubt taken together the two programmes from 1975-76 have created more employment. Since both the programme are seasonal (from December to April), the job opportunities offered by them amounts to around 10% of the supposedly idle

labour force. If we compare it with the total unutilized labour in agriculture in a whole year, the impact shrinks to 3-4% of total unemployment. The agricultural labour force is estimated to slightly over 20 million people. In 1975/76 total agricultural employment is calculated to around 12.8 million man-years,¹ indicating a rate of unemployment of about 35 per cent. This means that some people are underemployed most of year, most people are underemployed part of the year. Man-days wasted is an average being 35 per cent. The demand for agricultural labour is highly seasonal, April-May is the peak period when daily labour requirements accounts for around 70 per cent of total agricultural employment. This problem, at present, is accentuated. The structure of the labour market and payment systems are in a state of transition, and the supply of labour has began to outstrip the demand throughout the year. Migrant labourers are increasingly becoming an important source of labour during harvesting and transplanting season. Wage-labour relations in place of patron-client relations on the rural labour market is spreading. This process, though in its initial phase, has accelerated due to the rapid increase of landless or near landless, has tended to erode the high wages during the peak season and reduced the labourer's share of the agricultural produce. All these have contributed to the impoverishment of the rural poor.² Real wages of agricultural labourers in Bangladesh, according to estimated based on official statistics, were between 30 and 40 per cent lower in 1972-75 than in 1949.³

In the other hand urban employment situation is an extension of rural scenario. The urban population has increased by over seven per cent. 'Past rural-urban migration has merely shifted part of the unemployment and poverty problems to the towns'.⁴ Over 80 per cent of the total population works within the agricultural sector. If we presume that urban activities will expand, it will have even then, marginal effect in solving the employment problems of the rural poor in the foreseeable future.

Employment Policy

It is time to analyse the governmental role vis-a-vis the employment policy.

What are the effects of employment creation by works programmes on rural-urban migration?

Works programme have a depressing impact on wage rates (Clay BDS 76: 4). Workforce of RWP" is generally the migrant labourers. In most cases they are experienced labour. And the programmes are heavily dependent on professional labour-contractors.

¹ Edward Clay & Md. Sekander Khan, Agricultural Employment and Underemployment in Bangladesh: the Next Decade. Mimeo. Dacca, June 1977.

² Edward Clay, Institutional Change and Agricultural Wages in Bangladesh, BDS, October, 1976.

³ Edward Clay, Institutional Change and Agricultural Wages in Bangladesh, p. 424, BDS, October, 1976.

⁴ Edward Clay, Employment Effects of the HYV Strategy in Bangladesh: A Rejoinder. Bangladesh Agricultural Research Council, Dacca, March 1978, Mimeo., p. 4.

FWP, on the other hand, offer below market rate wages. For this reason FWP attract mostly destitute labour force. Again in FWP workers are mostly local, only 9% are from the outside (Nutritional Survey, p. 61).

Transfer of Income

In this section an attempt will be made to evaluate the problematic of income and purchasing power of the target groups.

‘During 1962-68 RWP allocations amounted to an average of 0.7% of the GNP, out of which wages constituted some 60.65% that is 0.4%-0.5% of GDP. In the rather un-monetized East Pakistan economy this corresponded to 5% and 3% respectively of total money supply. In an average the wage transfer amounted to some 8-9 taka per household or less than 1% of average annual household income. These figures certainly become more impressive if we look at the target groups or the families actually participating in the works programme. As an example we can choose as the target group the poorest 38% of the rural households and the 19% of the urban, roughly corresponding to landless labourers and urban lumpen proletariat. In 1966/67 these groups received 15% of the national income. If the RWP wage funds were concentrated on this group, total income transfer would have amounted to nearly 5% of their annual household income (calculated from Alamgir in BDS 74: 4, p. 347). If we further limit the impact to the families actually participating the transfer in 1966/67 could be estimated to something like 18% of the annual income of the roughly half a million households involved’ (Daniel Asplund, the Public Works Programmes in Bangladesh, 1978, MSS).

Recent trend can be measured also. Total wages paid in RWP and FWP 1977/78 were roughly some 550 million taka. 2% of their annual income is the share of the target group. For participants, we find that 1.6 million households in 1977/78 got an increase of 410% of their annual income. The benefits are better spread than the 1960’s.

But is it enough for investment? ‘It is normally unlikely that such wages will be sufficient to enable them to make investment that will yield comparable levels of income in the future’ (WB p. 48).

Income Transfer to Other Groups

1. Contractors and labour leaders and government officials

Works Programmes are income-augmented projects for other groups too. Contractors and labour leaders, and government officials generally speaking, appropriate large amount of the funds.

2. Rich peasants

Works Programmes are meant for rebuilding physical structures. These structures potentially can be used productively. In 1977/78 RFP spent some 450 million taka on projects relating to improvement of land (Bangladesh Times 6.12.77 and Appendix B in 2-year plan draft). A substantial part of it, more or less has become private property, of the rich peasants, some has remained state owned' nominally. But all these increased the value of land.

Could be consider WP as an attempt to transfer income from advantaged groups to disadvantaged groups? The answer points to the national power structure. The programmes are not an attempt to mobilize resources from the affluent sections of the society in favour of the disadvantaged groups. Since the funds are from the foreign donors, the programmes are not devices to transfer resources from the rich section. Rather the aid from the foreign countries are used to strengthen the existing power structure with fringe benefits to the poor section.

Works Programmes vis-a-vis Self-reliance

Self-reliance and independence regarding food production is the foremost target of the strategy for rural development.

How far Works Programmes have contributed to achieve that target?

Works programmes are techniques for mobilising local resources. But this resource mobilization depends heavily on foreign sources. This learning has created more dependency, both politically and economically.

It is true, apart from finance WP have few built-in dependency links. The programmes depend on minimal imported raw materials. But if we look closely at the impact of WP, we find that improved practices in agriculture, new roads, improved marketing net work all increase the dependency on imported resources.

At the village level WP have increased dependency. Development resources and bureaucratic initiative have increased passivity and political loyalty; the new technology and the surplus production have strengthened commercial links with the urban and international economy.

Works Programmes vis-a-vis Economic and Social Equalization

WP instead of economic and social leveling have contributed rapidly to increase inequality.

The rich peasants are getting the long-term benefits. Since the contributions of the rich peasants are minimal, and a substantial part of the programme fund invested by the international and national agencies are a device to transfer resources to them, the 10% rich ones receive some 40-50% of the benefits initially. Since there is no government measure to counteract the trend, it will not be far from truth to conclude that WP as rural development strategies do increase poverty than eradicating it.

WP vis-a-vis Relations of Production

Works Programmes are being used as an alternative to radical changes in existing landholding patterns and relations of production. WPs as anti-poverty measure were and still are used from colonial periods to post-colonial period. Attempts all through made and still are made by all the state structures to separate and absolutize one aspect of the contradiction relations/forces of production. The consistent attempt to emphasise productive forces by using international resources is a necessary feature of capitalist production and must be kept alive to insure the normal reproduction of class relations. The attempts made so far to separate the forces from the relations of production and absolutizes the former. The essence is to minimise or contain the relations of production — the class struggle and to strengthen the forces of production and thus to create more work and a little higher wages.

Conclusion

Thus, in our brief overview we find that the dimensions of poverty are various. The road chosen in Bangladesh to arrest poverty and to improve employment situation raises questions about the strategy. We should keep in mind that the number of landless has increased two to three times as fast as the agricultural labour force between 1961 and 1977. The peasants are becoming landless and near landless. This indicates that the demand for labour needs to be expanded by 2.1 per cent in order to provide employment for the growing number of proletarianized peasants. But we should also keep in mind that ‘proletarianisation’ does not automatically expand the home market. Kalecki, in this context, has pointed out, paupers do not constitute a market (M Kalecki, *The Theory of Economic Dynamics*, 1965, p. 161) and secondly, the bulk of wage payment especially in FWP” is in kind.

The road chosen, thus, is not the proper road, and it does not lead to an improved employment situation for the rural poor 1977 Agricultural Mission (Selected Policy Issues, p. 3) calculated that the extent of agricultural employment is ‘estimated to be around 9 million man-years in 1985 ... compared to the 1975/76 estimate of roughly 7 million man-years’. And again: ‘Bangladesh’s priority economic option of food self-sufficiency ... cannot meet the country’s broader social objectives’ (pp. 3-4).

The Clay Khan study is equally explicit: ‘The available evidence points to the unambiguous conclusion that the agricultural employment situation has been deteriorating and that a production oriented strategy even with the present largely non-mechanized technology will not improve the situation in the foreseeable future. It is likely to deteriorate further unless priority is given to a strategy which is based on employment creation and the reduction of poverty rather than agricultural growth objectives’ (1977, p. 36).

the emphasis on 'employment creation and the reduction of poverty' is crucial. At present, in Bangladesh some four-fifths of the rural population are estimated to live below the poverty line, and over forty per cent are regarded as 'extremely poor. Both point that people in Bangladesh are poor and inadequately employed. Employment and income are interrelated, and increase in employment and increase in average income can only be achieved through an increase in the productivity of labour and a decrease in the exploitation of the rural poor. And this leads us to the problematic of state character.

The fundamental question is: who is in power to do what.

In the present day state power in Bangladesh attempts have always been made to contain the relationship of forces within the state apparatuses. Since power is a series of relations among the various social classes, in its ideal form, 'power is concentrated in the State, which is thus itself the condensation of a particular class relationship of forces' (Nicos Populanzas, *Towards a Democratic Socialism*, p. 81, *New Left Review*. 109, May-June 1978). To modify the relations of power means to shift the relationship of forces on the terrain of the state itself. This also means to integrate the masses within power structure, since the present day power structure in Bangladesh is urban biased (B.K. Jahangir, *Nature of Class Struggle in Bangladesh Economic & Political Weekly*, December 12, 1977, p. 2065) and bureaucratic (Sde Vylder, *Development problems*, 1978, MSS) and encapsulated in and supported by international capitalism there is little scope of a decisive shift in the relationship of forces, because the existing power structure is a stumbling block towards spreading, developing, reinforcing, coordinating and directing the diffuse centres of masses within the state networks. Thus, the masses are not becoming the real centres of power on the strategic terrain of the state. It is therefore not a question of a straight choice between reformism and radicalisms.

Reform, at any event, in the context of Bangladesh, means a stage of real breaks, not successive reform in an unbroken chain, to reorganise the relationship of forces on the strategic terrain of the state over to the masses. And revolution does mean the same thing. Otherwise poverty will increase; unemployment will increase and the gap between Bangladesh's potentials and her actual level of production will increase too.