

## **PRCPB Working Paper No. 12: Abstract**

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Trapped in the realm between market failure and social justice, Bangladesh's objective of alleviating poverty is marred by its inability to mobilize enough domestic resources to launch large-scale anti-poverty programs. Moreover, this inability is further strained by the accumulation of large domestic, and more importantly, foreign debt, along with a declining share of concessional aid. Against the backdrop of such development constraints, this paper therefore addresses the question of affordability to finance poverty reduction programs in a dynamic context. In doing so, it stresses the need for approaching the problem from a human rights perspective, with particular emphasis on progressive realization of these rights. In reviewing the functions and performance of the existing safety net programs in Bangladesh, the paper argues that the resources for carrying out social protection programs for the economically and socially vulnerable individuals and groups need to be augmented by reducing the leakages and improving the appallingly low tax effort of the country compared to the potential of the economy. It also suggests that as a result of the scarcity of resources, although the per capita public expenditure on health and education sectors is increasing, it is nevertheless limited by South Asian standards (with the exception of Sri Lanka). Additionally, the potentials of local government in this respect are also discussed.