

# Coping Strategies of the Poor and Vulnerability in greater Rangpur: What Matters Most?

Tariq Md. Shahriar  
M. A. Baqui Khalily

Almost every year, the northwestern part of Bangladesh is hit by a seasonal famine-like situation locally called “*monga*” or “*ovab*” and literally termed as “*Mora Kartic*”. This situation occurs during the Bengali months of Ashwin and Kartic (mid September to mid November), a period between transplantation and harvest of *aman* paddy. This extreme situation occurs because of the lack of wage employment in agriculture, lack of diversified employment opportunities and too much dependency on agriculture. The situation is further accentuated during flood years. Despite this extreme situation, the people of this region have survived the onslaught of *monga* year after year, though only barely. The households in this area implement different *ex-ante* and *ex-post* coping strategies to combat the situation. These are the main topics of discussion in this paper.

The objective of this paper is to identify the coping mechanisms— formal and informal— available to the households in combating *monga* and assess the household characteristics influencing the decisions in undertaking coping strategies.

The analysis and understanding of the coping mechanisms as adopted by households are based on the data from PKSF-InM Census of Poor Households in Lalmonirhat district, 2006, and in Kurigram, Gaibandha and Nilphamari districts, 2007. The census was conducted as a part of the process of implementing the PRIME program of PKSF. The census enumerated 102,000 households in the entire Lalmonirhat district, 154,000 households in eight upazilas of Kurigram district, 126,000 households in four upazilas of Gaibandha district, and 57,000 households in three upazilas of Nilphamari district.

Households adopt different coping mechanisms during *monga*. These can be categorized into three— internal coping mechanisms, external support mechanisms and migration. The internal coping mechanisms are advance sale of labor and crop, sale of assets, and borrowing from informal sources. The external coping mechanisms include supports provided by governmental and non-governmental sources. Households may adopt these mechanisms singularly or use a mixture of different mechanisms.

From the perspective of the long-run impact, the coping mechanisms can be divided into two— erosive and non-erosive. Erosive coping mechanisms include internal coping mechanisms and migration, which are resource depleting and largely non-productive. On the other hand, external supports, consumption rationing and income smoothing strategies are non-erosive in nature. Though they are non-productive, they do not deplete resources to be used for future production. In our analysis, we have considered different household characteristics, namely, family size, age of household head, landownership, occupation, membership of MFIs, etc, which could influence

the coping decisions. Although target households are relatively homogeneous, their decisions vary. Moreover, it has been found that coping decisions vary by region. We have estimated the probability of adopting coping mechanisms by household characteristics based on the estimated parameters of the determinants of coping strategy. We used multinomial regression to estimate the determinants of different coping mechanisms adopted by households.

Table: An overview of Different Coping Strategies Used by Households in Greater Rangpur

Coping Strategy	Kurigram		Lalmonirhat		Gaibandha		Nilphamari	
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Advance labor sale	2,410	1.56	6,478	6.29	1,846	1.46	5,947	10.41
Advance crop sale	274	0.18	1,357	1.32	603	0.48	608	1.06
Asset sale	23,596	15.26	14,000	13.60	15,581	12.35	7,239	12.67
Savings	47,424	30.67	28,982	28.16	54,175	42.95	14,743	25.80
Migration	63,068	40.79	25,477	24.75	50,697	40.20	28,440	49.78
Borrowing (MFI)	44,916	29.05	10,186	9.90	2,922	2.32	13,710	23.99
Borrowing (individual)	10,528	6.81	26,024	25.28	5,815	4.61	9,725	17.02
VGD	2,277	1.47	11,647	11.31	7,048	5.59	921	1.61
Old age pension	2,037	1.32	3,294	3.20	2,147	1.70	1,070	1.87
Livestock support	1,112	0.72	910	0.88	646	0.51	478	0.84
Clothing support	2,977	1.93	2,997	2.91	773	0.61	2,443	4.28
Food support	43,474	28.11	41,098	39.93	35,245	27.95	11,847	20.77
Housing equipment support	211	0.14	461	0.45	192	0.15	291	0.51
Cash support	3,706	2.40	790	0.77	1,161	0.92	1,512	2.65

A quick overview on the data of coping mechanisms reveals that in all the districts the pattern of mechanisms used are quite similar. This is probably because of the homogenous socioeconomic characteristics of the households. The major coping mechanism employed throughout the region is migration. Members of around 50 percent of the households in Nilphamari district migrate during the *monga* period. Except for Lalmonirhat, the incidence of migration is above 40 percent in all the districts. The second important mechanism (an average of twenty percent households) adopted are advance sale of labor and standing crops, and sale of assets. So, we can see that there is a tendency on the part of the households to employ erosive coping mechanisms. These mechanisms need to be explored further.

Internal coping strategies are the most erosive in nature but they are also the most potent sources of cash liquidity available to households. Although the households realize that they will be worse off in future, their need of quick cash compels them to adopt internal mechanisms. The use of internal mechanisms is the highest in Lalmonirhat (42 percent), followed by Nilphamari (28 percent), Kurigram (25 percent) and Gaibandha (17 percent). Age of household head is a major determinant of internal coping mechanisms. Probability of employing such internal strategies increases with age. For example, in Lalmonirhat, the probability of employing internal strategies for the households with head younger than 30 years is 0.15, but the probability rises to 0.25 for the households with head of age 70 years or more. A similar pattern can be seen in all the other districts. Membership of micro finance institutions (MFIs) is also seen to be a major determinant of adopting internal mechanisms. In all the districts, the probability of implementing internal mechanisms is positively related to MFI memberships. In Lalmonirhat district, the probability of adopting such mechanisms is higher among the MFI members than that among the non-members by 9 percentage point. The difference of probability stands at five percentage point for Kurigram, two percentage point for Nilphamari and one percentage point for Gaibandha.

Although migration happens to be a major coping mechanism of *monga*, the main reasons for migration are unemployment and landlessness of the people. This is evident from the fact that except for Lalmonirhat district, the probability of migration for the landless is above 0.40. We find that the probability of migration is higher among the households with younger heads. In Nilphamari, the probability is as high as 0.68 among the households with head of age 20 years. The probability to migrate for the similar group is above 0.40 in all other districts. Occupation-wise, day laborers are likely to migrate more than the people of other occupations. The probability of migration among the day laborers is 0.47 in Kurigram and 0.44 in Lalmonirhat.

The other major sources of coping in this region are external supports. These supports are provided in the form of cash, clothing, food, etc. by various governmental and non-governmental organizations. These support programs are largely random in placement and are not dictated by household decisions. So, with the available data, we shall try to evaluate the nature of placement of such programs. In all the districts the probability of availing of the external supports significantly increases with the age of household head. In Kurigram and Gaibandha districts, the probability of receiving support for the households with head of age over 70 is 0.22 and 0.25, respectively. But, in all the districts the recipients of VGD/VGF cards and old age allowances are also the higher probable receivers of external supports. So, it can be said that although the support programs are relatively well targeted, they are not distributed equitably.

The significant finding from this paper is that, despite an understanding of upcoming hardship and shock, the households in the region are forced to implement resource erosive coping strategies to combat *monga*. This indicates two things: first, there is lack of the supply of formal insurance mechanisms and second, there is market failure. It is true that formal insurance mechanisms have not penetrated the market as one should hope for. But it is also true that micro finance have been filling the void quite appreciatively over the last few years. On the other hand, market failure is quite prevalent in the region but there is no significant steps made to rectify such failures. So, policy considerations should be made not only to provide adequate insurance mechanisms in the region but also to address the issue of market failure, so that the more vulnerable and destitute people in the region could overcome the severe hardship of *monga*.

