The impact of Covid-19 on the poorest

Research Paper 1: Bangladesh

CONCERN worldwide

ENDING EXTREME POVERTY WHATEVER IT TAKES

The first case of Coronavirus disease (Covid-19) was identified in late December 2019; following rapid escalation in early 2020, it was declared a public health emergency of international concern at the end of January, and a Pandemic on 11 March, by the WHO[i].

A global pandemic unfolds in different ways in different countries, and it has become quite apparent that adopting a globally standardised set of interventions can have severe implications on the poorest people in the poorest regions. Of particular worry is how these interventions will work in high-density and low-resource settings, and with more than half the world's population living in cities, across the world the urban poor have been one of the groups worst affected by Covid-19 and the government responses. Forced to stay home for weeks under lockdown regulations, most informal workers have lost all their income, as they cannot work from home. Having no formal employment, they are not registered for unemployment insurance so they have no social protection to support them through this period of zero income. Where restrictions on mobility are severe, they cannot even ask friends and relatives for help.

In Bangladesh, the first three known cases of Covid-19 were reported on 8 March 2020. On 22 March, a 10-day shutdown effective from the 26th of the month was declared[ii]; subsequently government asked the army to enforce social distancing strictly, with teams of soldiers deployed across the country, leaving the streets empty in the capital Dhaka and most roadside shops closed. As of 18 June, there were 98,489 reported cases (with 26,853 recorded in Dhaka and 3,809 in Chattogram)[iii]. Bangladesh exemplifies the triple blow that many countries have suffered from Covid-19: domestic slowdown caused by the disease and the efforts to contain its spread; a sharp decline in exports, and a drop in remittances[iv].

In this Brief, we report on the experiences of a number of people in Dhaka and Chattogram on the impact of the pandemic and the subsequent response. All are currently included on Concern Worldwide's *Improving the Lives of the Urban Extreme Poor* (ILUEP) livelihood programme[v].

Methodology

A sample of 35 individuals were purposively selected from slum and pavement dwellers who are participants in Concern Worldwide's ILUEP programme. These households are part of a broader three-year study to explore how the programme affects the evolution of their livelihood trajectories, and specifically their potential to escape extreme poverty. All personally identifiable markers have been removed in terms of the response to ensure their anonymity. The research used a semi-structured questionnaire with several sections to allow for probing on a variety of areas, including on the impact of Covid-19. Because of travel restrictions, interviews were conducted by phone, rather than face to face, between late April and mid-May 2020. This means the responses are reflective of the early phases of the Covid-19 response, further data to be collected in June and July will provide more information on these experiences.

Findings

The initial response to the lockdown, which was communicated by Government as a holiday in Bangladesh, was a positive one, but the longer this was extended, the more challenges started to present themselves as it was vigorously enforced by law enforcement agencies.

> **"I was very happy to hear that the government had announced the first lockdown, thinking it's like a vacation … I thought that after the end of the public holiday, I will make up for the deficit by doing business. But you see that the lockdown has increased five times now. No one in the family could go to work during this time. Our groceries are all finished" (respondent, Dhaka).**

The immediate impact for those who had a job was that these were lost, as one slum dweller in Chattogram pointed out, the closure of the garment factories meant that those who were previously employed there were not paid. Those who depended on petty trading were no longer able to do this – as well as being physically stopped from trading there were no customers. One respondent from Dhaka highlighted "*It is not possible to sell. If you sit in the area, the people of the area say that there's lockdown you will not be able to sit here. Again, those who buy do not leave the house too much. The police say we are not allowed to sit on the street, saying there will be no trade here*". One woman, who ran a small teashop, told of how she had gone from earning 800-1,000 taka a day (between €8 and €10) to zero.

One theme emerging from our interviews was how the lockdown has been strictly enforced with the intention of containing the spread of Covid-19, at times with physical force and violence by some law enforcement officials. A squatter in Chattogram observed, "*If I will keep the shop open, people will talk to the police, the police will come and beat us*". Another person from the same area spoke of how that had recently reopened their business, but that the "*Police disturbs me a lot, they collect money from me multiple times a day and tell me to stop selling tea*". One of the pavement dwellers in Dhaka spoke of how her husband had driven a rickshaw for a few days, but that they had to spend "*1,000 taka for the treatment of my husband after the police beat him, and 2,000 taka was set aside to pay the fine for breaking the rules*". A number of similar incidents were reported and condemned at the local and national level during the early phase of the lockdown in April and early May, at the time these interviews were conducted. This initial response from a small number of police also drew criticism from police headquarters who have been quick to take action against those involved and change the focus of the response.[vi]

No income means no food

At a most basic level, the participants in our data collection highlight that having no income means that people have to change what and how much they are eating. One slum dweller from Chattogram explained how "*We can't light our stove for several days. We are eating bread flour. As there's no family income, we're prioritising flour because it's cheaper. At present it is 30 taka per kg of flour and 50 taka per kg rice*". A squatter from the same area reported how

they "*used to eat fish and meat every week, now I am eating mashed potatoes, fried potatoes, thin pulses. When the lockdown increased, I started reducing the family expenses. Whereas before I used to spend 20 taka, now I spend 5 taka*".

"We don't have any source of income right now. We are eating less, that's how we are coping with the lockdown" (respondent, Chattogram).

While others have observed how the lockdown has disrupted people's physical access to food; one pavement dweller in Chattogram stated "*We can't buy food as there is no shop or market nearby*", while a slum dweller from the same area told how what is available is also increasing in price "*since the lockdown began, vegetable supply has decreased remarkably. I can't afford to buy vegetables from the big market with rising prices*".

How are people coping?

One squatter in Dhaka told how "*No-one cares what we poor people are living on. If we can't start working in the future, we will have to starve*". This means that in addition to cutting back on what they eat, desperation has forced some informal sector workers to try to work illegally, contravening lockdown regulations. One slum dweller in Chattogram observed, "*It was forbidden to sell anything other than daily necessities, so we did not go out to sell fruits for fear of the army-police. At present there is no food in the house, so without caring for our lives we have started to sell fruits outside for the last seven days*".

"At present there is no food in the house, so without caring for our lives we have started to sell fruits outside" (respondent, Chattogram)

For some who were fortunate to have some small savings they have been able to utilise this. However, according to some respondents, institutions like banks were also affected by lockdown regulations, leaving some people unable to access their savings, which they needed to pay for their basic needs. Those who had saved in groups and had their money in common saving accounts were unable to withdraw them, while others reported how they "*can't go to the bank to collect money from my account. I heard that the bank is closed due to the pandemic. Now I have only 200 taka with me*".

Others have started to dip into the working capital of their small businesses; one pavement dweller in Chattogram identified how the shock has set her business back considerably, "*My business was starting to improve before the Coronavirus appeared. Now I am spending the money I saved during the past few months*", while a slum dweller from the same area talked about how "*The longer the lockdown lasts, the more business capital has to be broken off*".

Others have had to borrow money from people they know to buy food for their family, with amounts reported to range between 1,000 and 3,000 Taka. Of course, such loans have to be

repaid, and are not always available – as one squatter in Chattogram said "*Everyone we know is poor; they don't have the ability to help us*".

Who helps when 'there is no one to see us'

Overall, it seems that many have not received any assistance, nor do they have any understanding of where they could go for help. One squatter in Dhaka spoke of how they "*didn't get any help from anywhere, four or five days ago when I went to the market, an unknown woman on the street said that if I am a voter in Dhaka, then I can go to Shah Ali police station, they will give relief. When I went to the police station and talked to a policeman, he asked me to ask the commissioner for help. I went to the commissioner's house … The disciple of the commissioner asked me to contact [names deleted]. I wandered around all day and came back home without any help*". Part of the problem, as encapsulated by a pavement dweller from Dhaka, is that "*No one knows us. So we don't get any help from anywhere. In fact, there is no one to see us*".

A small number of those interviewed have received some external assistance. Those who received support from the government described a process that appears *ad hoc* and insufficient to meet the needs people face. One respondent in Chattogram noted how "*One night at 11 o'clock the army came to the slum and they gave us 2 kg of rice and 1/2 kg of pulses, oil, salt and potatoes*". While a squatter from Dhaka spoke of how "*Political leaders in the area also took photocopies of voter ID cards but we have not received any assistance from them so far. The local elected representative, at 11 o'clock at night gives food to people he likes, but not us*".

In the absence of a concerted Government response Non-Governmental Organisations have been trying to fill this gap. They appear to have a broader reach and better-organised distributions, with 10 people included in the research in Chattogram receiving food relief, though this also appears to be a one off and will only partially meet their needs.

What is Concern Worldwide, Bangladesh doing

Concern and their partners have adapted their existing programmes to provide:

- Continuous appropriate community mobilisation, information communication and knowledge transfer on Covid-19 prevention, alongside online and remote training for community volunteers on their roles in awareness-raising on social distancing, hand and respiratory hygiene and de-stigmatisation;

- Remote coordination with government authorities, the Dhaka and Chattogram City Corporations resulting in securing support for 8,247 households with food and non-food items, enough to last for between 15 and 30 days, alongside an unconditional grant worth 11,764 BDT or €18 for 680 households in April and May.

- From June to August, a once-off unconditional cash transfer to 5,266 households to meet basic needs and stimulate livelihood recovery.

- Installation of handwashing stations in 17 areas of high concentration of extreme poor and mobility that will be maintained by local administrations.

Most of those who receive assistance get it from their neighbours and better off individuals in the community, one pavement dweller in Dhaka highlighted how "*When I told one of my neighbours about the problem, he gave me 2 kg of rice, 1/2 kg of oil, 1/2 kg of pulses and two*

soaps" . A participant from Chattogram spoke about how "*Those who are wealthy locally almost always help us. I have received such help five or six times so far. In all, I have received rice for about 1 month*". However, quite a different opinion was expressed by one slum dweller in Dhaka "*Those who are rich in the area help occasionally but one in a hundred people get their help, their help is only for show*".

Conclusion and Policy Asks

The impact of the Covid-19 response has been all too predictable for the slum and pavement dwellers of Bangladesh. The loss of income earning opportunities has affected people's ability to purchase foodstuffs, travel restrictions have had an impact on the availability of fresh food and the strict implementation of the regulations has had a substantial cost for many. This is compounded by the sheer scale of the problem, one estimate[vii] is that there are now 53.6 million people living in extreme poverty, including those pushed into extreme poverty by Covid-19, and that amongst these 47.3 million people are facing high economic risk.

Government has been quick to enforce the lockdown, but has not matched this with a package of assistance; when people have looked for help it has been challenging for them to identify where to go. Where assistance has been provided, it is often variable in its scale and frequency of distribution. During a crisis like this, marginalised groups should be prioritised and treated with dignity and respect; instead, what we are seeing is that they are being doubly neglected. This has forced many who make their livelihoods as small traders back on to the street to try to earn some income, despite the risk this presents to their health in terms of potential exposure to Covid-19, and leaving them vulnerable to prosecution and harassment. The lack of expectation of assistance from the poorest, alongside their non-existent voice and representation is striking across the responses, with an acceptance they are being overlooked because they are the poorest.

Against this backdrop and as part of the response to the global pandemic we call for:

1. A greater response and exceptional political commitment at a global level to scale up funding to increase the immediate humanitarian response capacity and to support national governments to protect their citizens.

2. Ensure families have the means to feed their children to prevent them from becoming malnourished and to protect their health. The cost of doing nothing will be seen in a rise in malnutrition, rolling back recent progress globally. Cash assistance to urban communities with no other means of earning a living must be prioritised; in Bangladesh, cash transfers provide a viable option as the supply market for food, and basic necessities is still functioning.

3. Given that the impact of Covid-19 response on the extreme poor, local and national authorities must recognise the scale of the issue, be proactive in ensuring that where help is needed, it is provided in a safe, dignified, respectful, transparent and equitable way, and that law enforcement are duty bound to protect the poorest and help them access support.

4. In Bangladesh, where there are many fragmented support programmes (previous research from IDS and Concern identified 116 programmes), the Covid-19 pandemic and response has highlighted the need to develop a reliable, government led social

protection system to prevent households resorting to negative coping strategies and risking destitution, as soon as incomes are affected.

5. Beyond the immediate response, ensure a focus on scaling up activities to promote sustainable livelihoods as part of the economic recovery. There is an opportunity now to provide vulnerable groups with support to develop new skills and livelihoods.

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i WHO Timeline – Covid-19 available at https://www.who.int/news-room/detail/27-04-2020-who-timeline---covid-19

ii https://www.dhakatribune.com/bangladesh/2020/03/23/govt-offices-to-remain-closed-till-april-4

iii http://gis.corona.gov.bd/?fbclid=IwAR0CvFHzcspbrS3pklpmT7fwklLkkaTDTYwEYKfvj-6oThKY99EyESnzK54

iv https://www.imf.org/en/News/Articles/2020/06/11/na-06122020-helping-bangladesh-recover-from-covid-19

v Concern Worldwide's ILUEP programme is funded with the support of Irish Aid

vi The police have taken on many roles as part of the response to Covid-19 in Bangladesh, resulting in more than 7,000 police officers contracting the virus, at least 1,850 of them in Dhaka. As well as maintaining curfews, police officers have been disinfecting streets, distributing food and relief, and escorting people to hospital (see https://www.bbc.com/news/world-asia-53054785). Early criticism of the, initial response came from a number of quarters, including Information Minister Dr Hasan Mahmud (see https://www.dhakatribune.com/bangladesh/2020/03/27/covid-19-police-action-during-social-distancing-draws-flak)

vii https://www.brac.net/covid19/sitrep.html