

Role of Different NGOs for Socio-economic and Infrastructure Development of Rural areas in Bangladesh

Mazed Parvez, Sanjid Hossain, Ayesha Siddika

Abstract— Non-Government organizations and their impact play a very vital role on development activities of a country. NGOs work on socio-economic and infrastructure development as well as rural development. Bangladesh is a developing country with a huge amount of population. Most of the population of the country lives at the rural area. Numerous numbers of NGOs are working now days at the rural areas of Bangladesh. This study aims at finding out the role of NGOs in socio-economic infrastructure development. With this particular aim, the study has also explored the lacings of NGOs activities where more effort should be done. The study has selected one ward Sonakhuli , Jhunagachha Caphani Union of Nilphamari district where five NGOs have been operating incense programs. This study has both qualitative and quantitative methods. Result suggests that programs undertaken by NGOs are capable of having positive contributions in socio-economic development program to a certain level. The fact is that the program implementation, where the efficiency of the NGOs employees is a program indicator of success factor and development. The research is empirical and is expectedly fill the gap of literature.

Index Terms— *Non government Organizations (NGOs), Socio-economic development, rural development*

1. INTRODUCTION

Bangladesh is a developing country and almost 680000 villages are present now days in the country. Almost 80% people live in these villages [1]. So for the development of the country and its economy there is alternative without the improvement of this rural area. This study totally emphasize on the rural development which can't be done without the help of NGO. Micro-credit finance, Socio-economic infrastructure development and the life living standard development of rural are the main role played by the NGOs. Moreover, mother and child care, reducing superstition likely: these type of works are being done by the NGOs over past couple of dictates But, till now some other issues where NGOs can work besides government organizations for the betterment of the rural people.

Bangladesh is a member of the world's least developed countries, having increased population density, unemployment, illiteracy, child mortality, socio-communal unrest and many more. The country has also been facing massive challenges of feeding the rapidly increasing population or even to support their livelihood in a sustainable manner. In addition, the continuing pressure of urbanization with reduced cultivable land areas are creating pressures on the government and the entire economic set up. Because, the traditional agricultural sector has failed to fully support the national economy.

In general, agriculture has so far appeared as the main source of livelihood for more than half of the entire population of the country. But this sector has arguably failed to create ground, sustainable development. Other than this, the sector has been constantly facing pressures due to its typical vulnerability to natural hazards.

Increasing numbers of landless populations caused by river erosions is also adding pressure to the national economy. Visibly, the overall situation shows the limited capacity of the government for improving the existing situation and for creating more opportunities. However, the non-governmental organizations (NGOs) have been playing supportive roles with the government. In some cases, they are considered as more effective to get attached with the grass-root-level developmental initiatives. The roles and initiatives played by the NGOs in Bangladesh have been considered as having positive impacts on poverty alleviation among the rural poor population. In areas where the poverty situation remains intense, activities of the NGOs typically get more important. The target groups for these initiatives are mostly hard core poor who have very little access and opportunities for improving their living status and standards. Most of the rural peoples rarely own resources and capacities to fight against the poverty and to get employment. The very basic and important activities of the NGOs are to organize these peoples, to help to create awareness among them, inspiring them and through all of these efforts transforming them to become conversant with development. Most of such organizations tend to work with an aim of meeting demand of these poor peoples. Because, these peoples traditionally are kept out of the mainstream development initiative. Through all of these comprehensive efforts, these NGOs work in accordance with the national-level-developmental planning process. In addition, as a developing country, Bangladesh has remained far behind in comparison with other developing nations regarding the up gradation of sustainable poverty alleviation.

Bangladesh has been perhaps the most important heart on the globe for NGOs (Non-Government Organizations). Some estimates place the number of NGOs in Bangladesh in excess of 20,000. There are many types of NGOs in the country, but most focus on development or poverty alleviation [2].

2. STUDY AREA

Dimla a Upzilla of Nilphamari district is located at 26.1278°N 88.9250°E . It has 36, 440 households and a total area of 326.8 km². It is bordered by West Bengal, India on the north and Jaldhaka Upazila on the south. Dimla Upazila is located in Nilphamari District. Jhunagachha Capanai is a Union of Nilphamari district of

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Bangladesh. Total area of the Union is 4533 sq. K.M. and total number of population of the area is 48136. Among them 24016 is male

and female is 24120 [1].

3. METHODOLOGY

Conceptualization was the first step of methodology. Then the study area was selected. After that at methodology data collection (primary and secondary) was determined. Primary data were collected from the field by Household Interview Survey (HIS), Focus Group Discussion (FGD) as well as by personal interview survey. Secondary data were collected from different NGOs, Municipality offices. Finally at methodology step data analysis and findings with some recommendations were determined.

4. DATA ANALYSIS

4.1 Analysis of Data from Local Residents

Data which are acquired from Local Residents has been analyzed in this part of the report. Data on below categories are being collected from the local residents:

- I. Loan giving NGO
2. Purpose of taking loan
3. Loan Range
4. Repayment Procedure
5. Satisfaction level
6. Saving system
7. Socio-economic involvement of NGO

4.1.1 Loan giving NGO's

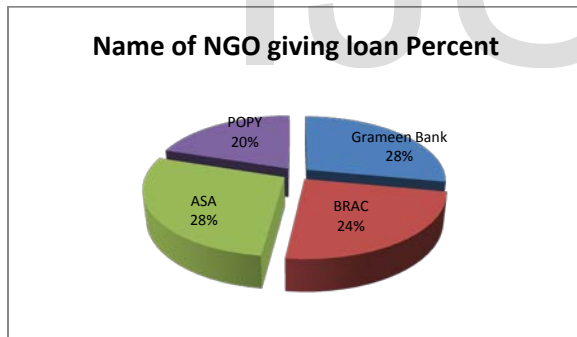


Figure 1 Loan giving NGO's of the study area

4.1.2 Purpose of taking loan

For the improvement of life style and development local people take loans from various NGO's. In rural level NGO give loan with a certain interest rate and a competitive repayment procedure without any complexity. In the other hand, if any rural people want to get loan from any bank there must have been a lot of paper works. So NGO are giving loan and help the rural people for their development.

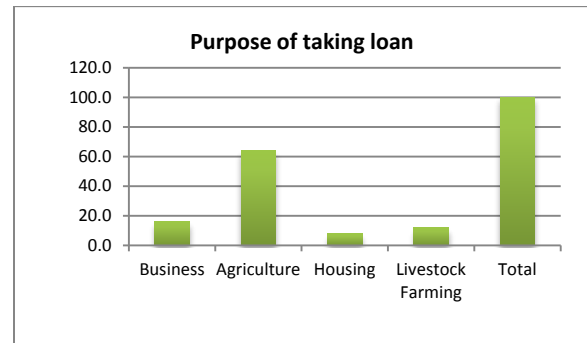


Figure 2 Purpose of taking loan by the stakeholders

It is being seen clearly that stakeholders are mainly taking loan on agriculture as most of the local people mainly earn their livelihood by agriculture. So they take loan for harvesting, buying fertilizer, seeds etc. Also a vital amount of loan is taken at livestock farming. A lot of people in the study area are involving at livestock farming. A very product able sector for livelihood earning and village women can earn easily by this sector. Then a vital amount of loan is taken at business sector. Various cottage industries, grocery shop is very much familiar at rural area. At the study area it is being seen that rural women are involving in small business like: making bucket, Nokshi Katha, making toy and such other things. The loan gives them capital for starting small business and very much helpful for rural and rural women development.

4.1.3 Loan Range

All the NGO of the study area give loan starts from 10000 taka. A stakeholder can take loan up to 1000000 taka. But stakeholders prefer to get loan up to 200000 taka generally.

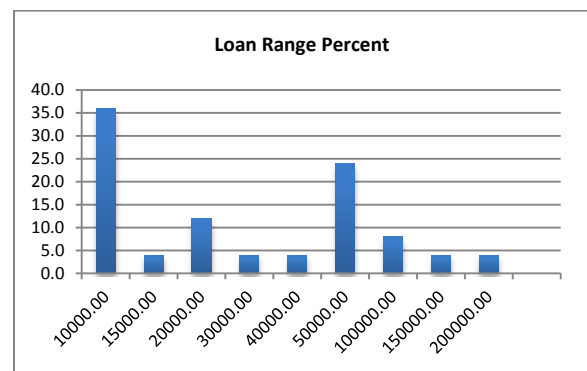


Figure 3 Loan Range

4.1.4 Repayment procedure

There are different types of repayment procedure like: weekly, 15 days, monthly, six month or annually. But from the survey data two types of repayment system are found which are preferred by the stakeholder.

They are:

- ✓ Weekly

- ✓ Monthly.

Mainly, monthly repayment procedure is preferred by the stakeholders. A simple cause is lying behind this fact. The cause is maximum people of the study area is engaged with agriculture and business. A numerous number of people are also engaged with services. So that, people get money at the end of the month from their salary. So, maximum stakeholders prefer the monthly repayment procedure rather than weekly repayment procedure. The stakeholders think that monthly procedure system is much easier rather than weekly repayment system and it carries no burden to them.

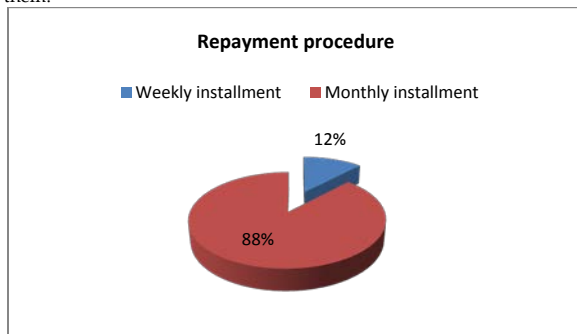


Figure 4 Repayment procedure

4.1.5 Satisfaction level about loan system

From the satisfaction level the performance of NGO can easily determine. Five categories were determined to evaluate the user satisfaction level of NGO loan giving system. Excellent, good, fair, bad and very bad are the five categories. From the survey it is determined that user are well satisfied about loan giving system.

- ✓ No claim on difficulties of getting loan (like: Time consuming) aren't found from the stakeholders after the survey.
- ✓ Again, No claim on difficulties of repaying loan aren't found from the stakeholders after the survey.

It is being seen at the study area that there are no complains about loan giving system. The stakeholders prefer NGO sectors loan giving system rather than Banking sector loan giving system because there is no fear about court cases or like these things at NGO sector loan giving system. But banking sector needs to keep the deeds of agriculture land as security and also make civil cases on stakeholders for not repaying loan in times. But NGO sectors don't have these kinds of problems.

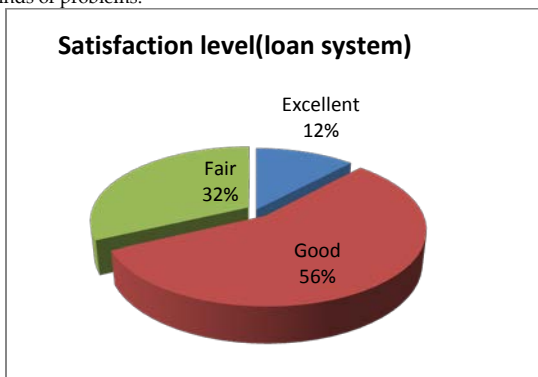


Figure 5 Satisfaction level

4.1.6 Saving system and Procedure from the NGO

The stakeholders of the study area make savings of their money. There are two types of savings:

1. Savings on repaying the loan

2. Savings for future

Also there two types of savings are found from the study area:

1. Weekly
2. Month

Source: Field Survey, 2018

In the study area most of the people repay their loans by their savings at NGOs. Only few have savings system for future which is known as GPS. It is seen from the field survey that most of the stakeholders prefer 100 taka per month savings. It is very easy and not burden for the low income people as it is mentioned earlier part of the study that most of the people of the study area not so upper class. So it is obvious that most of them have savings at 100 taka. Then a vital percentage of savings is 1000 taka. 40% of people under the field survey have savings of 1000 taka. A numerous number of people are involved at teaching, service and business at the area after agriculture. So these people have upper level of savings.

Table 1: Saving system from the NGO

Type(in taka)	Percent
100	32
500	8
1000	40
1100	12
2000	4
total	4

From the study area it is found that all the stakeholders have two kind of procedure of savings systems. They are:

- ✓ Monthly savings system
- ✓ Weekly savings system

But it is seen from the field study that most the stakeholders prefer monthly savings rather than weekly savings. In fact all the stakeholders under the study is being seen that all of them prefer monthly savings system. No one prefers the weekly savings system

4.2 Analysis of data from NGO workers

4.2.1 Comment of NGO workers on effectiveness of loan for the rural people

There are some specific points that are pointed out by the NGO works which indicates the effectiveness of the loan that is given to the rural people. They are given below:

- ✓ Development of agriculture by giving agriculture loan. They can buy agricultural seeds, fertilizers for seasonal harvesting.
- ✓ By giving loan on livestock farming rural people can add additional money to their daily income.
- ✓ Rural people can start new small business like: grocery shop, and can change their level of life standard
- ✓ Fisheries is now becomes a very potential sector in rural area. NGOs give loan fisheries and by this the rural people can earn their livelihood and change the lifestyle.

Simple cottage industry helps the rural women to become self-sufficient as well as works for the development the whole rural area

4.2.2 Social Service and NGO

NGO sector performers some social services. For the study those social services are classified into five categories. They are: Education program, Awareness program, Health program, Relief program, and Social infrastructure development and relief programs.

From the field study it is observed that only BRAC conduct all the social services including Education program, Awareness program, Health program, Relief program, and relief programs except Social

infrastructure. Schooling of BRAC is a vital program in educational sector. Also BRAC has universities and hospitals for the people.

Grammen Bank works on Education program, Awareness program, Health program and Relief programs but not likely BRAC. Grammen Bank only provides scholarship programs to the students. But a vital fact is that Grammen Bank has their own education loan system for the students. The organization doesn't have schooling facilities for the student as like as BRAC. It raises awareness among mothers by its seventeen programs. Every stakeholder should memorize and work on seventeen programs. Seventeen programs include mother and children awareness, social tree plantation, mother and children health care etc. In relief programs at sever crisis moments like: flood or cycle, Grammen Bank's worker contribute their one day salary to the vulnerable.

Asa and POPY don't have too much social activities as well as RDRS. It is found from the study that maximum NGOs likes to contribute micro-credit program rather than social services.

4.2.3 Comment of NGO workers on effectiveness of social services to the rural people

There are some specific points that are pointed out by the NGO works which indicates the effectiveness of the social services that is given to the rural people. They are given below:

- ✓ Providing the education to the rural children.
- ✓ Awareness builds up to the mother about their own health and children health and prevents the death of mother and children.
- ✓ Adolescence and social development program helps to develop the mental health of teenagers and help to develop themselves.

4.3 Analysis of Data from Focus Group Discussion (FGD)

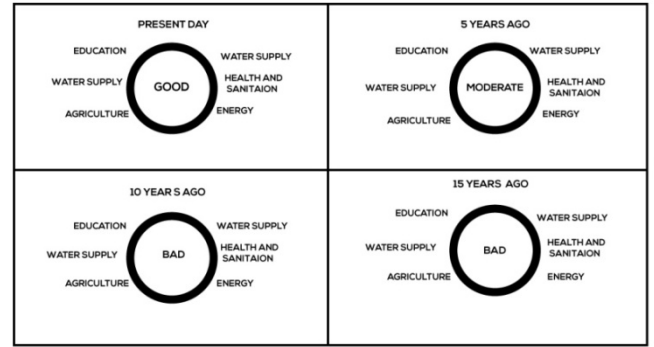
4.3.1 Satisfaction level

It is being seen at the study area that there are no complains about loan giving system. The stakeholders prefer NGO sectors loan giving system rather than Banking sector loan giving system because there is no fear about court cases or like these things at NGO sector loan giving system. But banking sector needs to keep the deeds of agriculture land as security and also make civil cases on stakeholders for not repaying loan in times. But NGO sectors don't have these kinds of problems. So that no stakeholder has any kind of problems with the loan giving or repayment system

4.3.2 Service facilities provided by NGOs

Table 2: Service facilities by NGOs

Sectors	NGO name
Water supply	RDRS
Education	Grammen Bank, Asa, BRAC, Popy
Sanitation	RDRS
Agriculture	Grammen Bank, Asa, BRAC, Popy, RDRS(loan only)
Health care	BRAC, Asa(free checkup, medicine)
Energy sector	RDRS
Housing	Grammen Bank, Asa, BRAC, Popy, RDRS(loan only)



4.3.2 Impact of NGO on social and infrastructure between years

Day by day the impact of the NGO on social and infrastructure

Figure 6 Impact of NGO's at social service and infrastructure between years

development is improving. Six sectors were fixed to year wise impact of NGOs. They are Education, Agriculture, Housing, Water Supply, Health and sanitation and energy. The field data finds the satisfaction level of the stake holders. At Present Day all the stakeholders express that all those six sectors are at good condition. But at five years ago it was at moderate condition and ten years ago it was at bad condition. And finally fifteen years ago the condition was very poor.

5. Findings

- ✓ NGOs of the study area give loan on five sectors. At agricultural sector most of the stakeholders take loans. They take loan for harvesting, buying fertilizer, seeds etc. Also a vital amount of loan is taken at livestock farming. A lot of people in the study area are involving at livestock farming. A very product able sector for livelihood earning and village women can earn easily by this sector. Then a vital amount of loan is taken at business sector. Various cottage industries, grocery shop is very much familiar at rural area. At the study area it is being seen that rural women are involving in small business like: making bucket, Nokshi Katha, making toy and such other things. The loan gives them capital for starting small business and very much helpful for rural and rural women development.
- ✓ For taking loan stakeholders need granter but need not give their deeds of land to the NGOs as like as the banking sector. For this stakeholders prefer NGO sector rather than banking sectors
- ✓ NGOs giving loan ten thousand taka to fifteen lacks taka. But stakeholders prefer to take loan in a range of ten thousand to two lacks taka. The cause to taking loan at this range is the mid and low income level of the study area. The stakeholder prefers mostly ten thousand loan scream and one lack taka loan scream.
- ✓ Most of the stakeholders of the study area like the monthly repayment system rather than weekly repayment system. As stakeholders find disturbance to repay money in every week. The service holders of the study area prefer the monthly repayment system as they receive their payments at the end of the month.
- ✓ No complains was found from the stakeholders about loan repayment system. The stakeholders asses the

interest rate of the NGOs preferable. They assess the repayment system as excellent, very good and good. No negative impacts were found from the stakeholders.

- ✓ Similarly of loan repayment system, no complaint was found from the stakeholders about the savings system. Stakeholders find NGO system better than the banking system for savings. Most of the stakeholders prefer the monthly savings system of hundred taka and five hundred taka amounts.
- ✓ Socio-economic involvement of the NGOs is not too much satisfactory. Only BRAC among the five NGOs work on education directly. The organization has schooling programs as well as scholarship system. Grammen Bank only provides loan and scholarship but doesn't have any direct involvement about education system. At health programs only BRAC has direct involvement, otherwise no NGOs have any kind of impacts. No social service activities aren't performed by any of the NGOs.
- ✓ It is being seen that all the NGOs give higher priority mainly on micro-credit programs. Mainly NGOs deal with this sector. Also a sector where NGOs give high priority is awareness development programs like: seventeen programs taken by Grammen Bank, where every stakeholder needs to memorize those seventeen programs. Those seventeen programs have some vital issues like: mother and children health care, social tree plantation, using hygienic toilet etc. This program helps a lot to the rural people for developing their awareness. Almost all the NGOs work on awareness programs. Agriculture development is also a place of priority by the NGOs. Also poverty reduction, creating working opportunities is high priority sectors for the NGOs. But NGOs are guilty of not working on Human rights, democratic governance, rule of law, Environment, sustainable management of natural resources, infrastructure etc.
- ✓ Day by day the NGOs working range on social services are increasing. At present day, stakeholders think that the condition of social services is good. But before five years the condition was moderate and ten-fifteen years earlier the condition was too poor.

6. Recommendations

- ✓ According to Global Health Council: Vaccines for all: Ensuring and extending the vaccine cold chain to the most vulnerable populations in remote parts of the world utilizing the mobile phone industry in the private sector, the Ministries of Health in the public sector and energize the Chain in the NGO sector. Medicines for all: Accelerating the discovery and development of medicines that impact global health by addressing basic and translational research needs, regulatory mechanisms, affordable access, ethical marketing and equitable distribution, all of which cross public, private and NGO sectors. [5] But unfortunately from the study and data analysis it is being seen that no such action is being taken by the NGOs. So, in this sector NGOs should be more involved.
- ✓ NGOs make the poor aware of the causes of their poverty, dependence and domination and put emphasis on the critical need to unite together. NGOs set different criteria for enrolment limited to only those people for whom the organizations had been formed. Criteria for enrolment of members usually related to (a) age, (b) gender, (c) land holding size, (d) occupation, (e) income

and (f) asset [5]. But from the study and FGD it is being seen that now a day's NGOs are more preferable to give loan to the people who have well income. But they should more focus on poor people

- ✓ Remarkable contribution in promoting appropriate technology for the betterment of the poor. The treadle pump and the bamboo tube well development by RDRS, the solar dryer development by MCC and Mirpur Agricultural Workshop and Training School earned great appreciation both at home and abroad [5]. But no such activities are being seen by the other NGOs. So, other NGOs should come forward.
- ✓ In disaster management and relief program no NGOs except BRAC take any measures. Like: BRAC conducted one of the largest NGO responses to Cyclone SIDR which hit vast areas of the south-western coast in Bangladesh in mid-November 2007. BRAC distributed emergency relief materials, including food and clothing, to over 900,000 survivors, provided medical care to over 60,000 victims and secured safe supplies of drinking water. BRAC is now focusing on long-term rehabilitation, which will include agriculture support, infrastructure reconstruction and livelihood regeneration so; a strong recommendation comes out to work more on this sector by NGOs [4].
- ✓ A very significant thing that no activities on social infrastructure development work is being seen. So, more involvement should be coming from the NGOs.

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