BRAC: A Pioneering Bangladesh Human Service Organization (1972-2009)

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"Our mothers, who spent their entire lives behind veils (purdah), remained illiterate and ignorant of so many things. They hardly ventured outside their homes. They did not work and were dependent on their husbands for everything. In fact, they did not even have the courage to talk to their husbands. We, on the other hand, are involved in BRAC. We are engaged in cash earning. We contribute to our households. Our husbands respect us and even ask for our opinions in many issues. We use safe water and hygienic latrines. We travel to different places. We are hopeful that just as we are better off than our mothers, our daughters will be even better off than us". - Members of Village Organization (VOs)¹

"We may not be able to take legal action if our husbands wish to remarry, but we can protest in other ways. We will not welcome the new wife or permit her to enter our homes. Our husbands are bound to us since we provide them with our BRAC loan money. So, if they do remarry, they will have to take their new wife and move somewhere else. This much power we have over them".

INTRODUCTION

While the women still may not be able to act against legal injustices, they have been able to acquire knowledge of property rights, inheritance laws, the legal marriage age, polygamy, dowry, divorce, and other legal matters based on the BRAC human rights and legal services program.

The BRAC was founded in 1972 as the Bangladesh Relief Assistance Committee in response to the humanitarian needs of thousands of refugees returning to their homes after Bangladesh's War of Independence. After initially establishing relief and rehabilitation operations, BRAC shifted its focus in 1973 from relief to long-term community development and was renamed the Bangladesh Rural Advancement Committee (BRAC). With its expansion to other countries, the name of the organization has been simplified to BRAC. The agency's mission is to bring about positive changes in the quality of life of the people of Bangladesh amidst extreme poverty, illiteracy, disease and other handicaps. Women and girls have been the primary focus of BRAC's

¹ The VOs extend small loans to members for income-generating self-employment. Besides, various development inputs are also channeled through these VOs.

anti-poverty approach, recognizing not only their vulnerabilities but also their strong motivation for change.

Today, BRAC operates in all 64 districts of Bangladesh that include 70,000 villages and 2000 slums, reaching three quarters of the entire population with an integrated range of services for rural and urban communities to combat poverty. It has over 7 million microfinance group members, 37,500 non-formal primary schools and more than 70,000 health volunteers. From a global perspective BRAC is one of largest NGOs with staff of 125,000 people and majority of them are women. It operates now in several countries including Pakistan, Sri Lanka, Africa, Sudan, Uganda, Tanzania and Afghanistan as well as Bangladesh.

HISTORICAL EVOLUTION

BRAC was founded by Fazle Hasan Abed at Sulla in the district of Sylhet as a smallscale relief and rehabilitation project to help returning war refugees after the Bangladesh Liberation War of 1971. By 1974, BRAC had begun providing microcredit as well as evaluating the usefulness of credit in the lives of the poor. In addition, BRAC concentrated on village development programs that included agriculture, fisheries, cooperatives, rural crafts, adult literacy, health and family planning, vocational training for women and construction of community centers. A Research and Evaluation Division (RED) was set up by BRAC in 1975 to analyze and evaluate its activities and provide direction for the organization to expand and evolve. In 1977, BRAC shifted from community development towards a more targeted approach by organizing Village Organizations (VO). This approach addressed the poorest of the poor – the landless, small farmers, artisans, and vulnerable women. Those who own less than half an acre of land and survive by selling manual labor were regarded as BRAC's target group. In 1979, BRAC entered the health field by establishing a nation-wide Oral Therapy Extension Program (OTEP), to combat diarrhea (the leading cause of child mortality). In 1985, BRAC expanded its programs to include the Non-Formal Primary Education Program that focused on drop-outs of the government and non-government primary schools. In 1986 BRAC launched its Rural Development Program that included basic education and training, credit operation, income and employment generation and support services. The Women's Health Development Program begun in 1991 and expanded in 1996 includes the Social Development, Human Rights and Legal Services Program designed to empower women with legal rights and assist them in becoming involved with community and political organizations. After 25 years of existence, BRAC established the Dairy and Food project in 1998 to provide a market for villagers who purchased cows with their loans and the following year opened the Information Technology Institute to train qualified IT professionals. In 2001, BRAC established BRAC University to create future leaders and the BRAC Bank was started to support primarily small and medium size enterprises. In 2002 BRAC launched a program called Challenging the Frontiers of Poverty Reduction – Targeting the Ultra Poor (CFPR-TUP) designed specifically for the extreme poor who cannot access conventional microfinance. It was the first organization in Bangladesh to establish, in 2004, the office of an Ombudsperson.

Expanding innovations related to poverty reduction is a major challenge faced by governments and NGOs in most developing countries and BRAC is now exporting experience, expertise, and values to other southern hemisphere countries to assist with poverty reduction efforts. BRAC Afghanistan was the first of BRAC's international initiatives that focused on relief and rehabilitation programs. In 2002, BRAC's assistance followed and now includes services in micro-finance, health, education, income generation, and small enterprise development in 23 out of 34 provinces of Afghanistan. In 2005 BRAC was invited to help Sri Lanka get back on its feet after the devastating Tsunami tidal waves. The entry into Pakistan in late 2006 brings the total of south Asian countries being assisted to four.

In Africa, BRAC is working in Tanzania and Uganda with 117,000 households and has expanded its effort to include Southern Sudan along with Sierra Leone and Liberia in order to help the citizens rebuild their lives after decades of destructive civil wars (PROCASUR, 2009).

PROGRAMS AND APPROACHES

Holistic approach to poverty alleviation

BRAC views poverty as not only a lack of income or employment but also a complex phenomenon that requires a holistic approach to poverty alleviation where micro-finance programs are combined with health, education and other social development programs, needed to promote livelihood and protection. As a result, BRAC works for the development of organizations of the poor, by building awareness related to mobilizing saving, children's education, health, gender equality, and human resource development where poverty is viewed holistically (Ahmed and Rafi, 1999).

Health services for the ultra poor

Ultra poor households are the most deprived segment of the population and often lack even the most basic necessities (e.g. adequate food, adequate shelter, resources to address extreme malnutrition and programs to prevent all forms of diseases). BRAC designed a more innovative and tailored approach to effectively reach these ultra poor households through the use of a stipend to support skill development training and health care. The strategies focus on the policies, structures and institutions reproducing and sustaining poverty and vulnerability. Health care of the poor is seen as a basic right with services that address the specific health needs related to prenatal care, immunization, nutrition education, safe water supply, sanitary toilets, family planning, TB control and basic curative services provided by specially-trained health providers along with essential drugs, equipment and supplies has been ensured.

An essential element of this strategy is to sensitize the community to health care needs of its poorest members by increasing access to basic health resources, ensuring security of their newly-gained assets and helping them during emergencies. Another dimension of the strategy has been to build partnership and referral linkages with the government and other health facilities to expand existing services (Hadi, 2004).

BRAC's programs can be viewed in terms of three program categories: core programs, support programs, and international programs.

1. BRAC Core Programs

BRAC's Core Programs include: (a) Economic development, (b) Education, (c) Health, and (d) Social development and legal services program.

2. BRAC Support Programs

BRAC support programs include: (a) Training, (b) Research and Development, (c) Human rights and Advocacy, (d) Public Affairs and Communications, (e) Publication and Audiovisual, (f) Administration and Special projects, (g) Finance and Accounts, (h) Internal Audit, (i) Monitoring, and (j) Human Resource Development.

3. BRAC International Programs

BRAC's international programs currently include: BRAC Afghanistan and BRAC Sri Lanka. To help with reconstruction and rehabilitation, BRAC interventions include microfinance, education, health, capacity building and livelihood programs (PROCASUR, 2009).

A. Core Programs

Education

BRAC began its Non-Formal Primary Education Program in 1985 with 22 one-room schools and 726 students and has grown over twenty years to include 35,500 schools and over one million students (accounting for over 11% of the primary school children in Bangladesh). Re-named as BRAC Education Program (BEP) in 2003, it fulfills BRAC's stated goal of poverty reduction by providing access to non-formal primary education for those traditionally outside the system of formal schooling. Working mainly in rural areas, BRAC focuses on improving the quality of education services, management, and finance (Chaboux, 2006). While BRAC schools teach students the same competencies as the government schools, they enroll and retain a higher proportion of hard-to-reach children (such as girls, who make up 65% of the student body) (PROCASUR, 2009).

The importance of maintaining literacy outside the school setting has been addressed through the development of BRAC's 964 rural community-based libraries called Gonokendras, 185 are equipped with computers with Internet access and 8,016 centers for adolescents called Kishori Kendra that give access to a variety of reading materials (PROCASUR, 2009). BRAC also operates more than 800 schools for adolescent girls in rural Afghanistan.

Health

Health care has been an essential component of BRAC's service model from its early days in the form of preventive, curative, and rehabilitative grassroots health services delivered through four components: 1) BRAC's own programs, 2) partnership programs with the government, 3) facility-based services, and 4) pilot initiatives.

The health programs have evolved from small curative care to a large scale Oral Therapy Extension Program to fight massive diarrheal deaths in the 1980s (Ahmed and Rafi, 1999) and a women's Health and Development Program that includes Reproductive Health and Diseases Control Program and National Nutrition Program. BRAC is also actively collaborating with the Health, Nutrition and Population Sector Program of the Government of Bangladesh. These programs involve 29,736 community health volunteers called Shastho Shebikas who are members of the Village Organizations, trained to provide health education, sell essential health commodities, treat basic ailments, collect basic health information and refer patients to health centers when necessary (The Daily Star, 2006). Today, BRAC offers comprehensive health care to 31 million people and through its Tuberculosis control program it reaches about 83 million people.

Social Development and Legal Services

BRAC began its social development program in 1977 to promote greater awareness of social, political and economic issues related to: (1) participation of women in the political process (women's coalition groups) and (2) ensuring women's increased control over their bodies and lives within the country's legal and constitutional framework (Reza & Ahmmed, 2008).

BRAC believes that women need to be aware of their legal rights to protect themselves from discrimination and exploitation and to take action when their rights are violated. To take such steps, women often need external assistance of a lawyer or the police, either through legal aid clinics that help women report cases to the local police or get medical care in the case of acid attacks (PROCASUR, 2009).

BRAC Community Road Safety Program

The BRAC community road safety program was launched in 2001 to provide training to 22,000 field officers who undertake community road safety initiatives across the country in collaboration with various departments in the government of Bangladesh (Davis and Quimby 2003). This program includes the formation of community road safety groups, the deployment of student traffic cadets and road safety training for the students and teachers, local NGO executives, heavy vehicle drivers and rickshaw pullers (PROCASUR, 2009). Two well-researched training films and plays were developed and used for the training of local road users. Of particular note is the popular theatre program *Gono Natok* that depicts real life stories of road traffic accidents and how casualties impact the families (Davis and Quimby 2003). Globekids Inc, a US based company is extending the technical expertise of BRAC with funding from the World Bank to (PROCASUR, 2009).

Economic Development

The BRAC economic development program provides the foundation for all of BRAC's development work. It includes microfinance, institution building, income generating activities and program support enterprises. BRAC views micro credit as an important tool in breaking the cycle of poverty but also places equal emphasis on educating its loan recipients about income generating activities and facilitating their linkage with

consumer markets (PROCASUR, 2009). It uses an integrated approach to income generation and micro-enterprise creation that focuses on six sectors: poultry, fishery, livestock, sericulture, agriculture, and agro forestry (NextBillion.Net).

Poultry & Livestock Program: In 1970, BRAC identified poultry as a potential source of income for poor women and started the poultry program. The program is composed of several components: poultry and livestock extension program, poultry farms and hatcheries, feed mills and feed analysis laboratories, bull station, and the disease diagnosis laboratories. Established in 1999, the Poultry Disease Diagnostic Lab provides disease management support to the six poultry hatcheries and three poultry feed mills that seek to meet the increasing demand for healthy chicks and quality feed in rural areas as well as to provide supplies to women trained in a variety of aspects of poultry rearing.

The livestock program was started in 1983 to protect village livestock from disease by developing skilled para-veterinarians and improving local cattle breeds by providing credit and appropriate technical support. It has also developed the successful 'Bangladesh Poultry Model' in collaboration with the governments Department of Livestock Services that involves more than 2 million women in the program.

<u>Sericulture</u>: In 1978, BRAC started its sericulture program as part of the Manikganj Integrated Project under rural development program. The main objective was to provide income generating activity and employment opportunities to poor, landless women. The sericulture program includes all stages of activities from planting of mulberry trees and silkworm rearing to production and dyeing of the finished silk product. Currently BRAC produces 40 tons of the total 60 tons that constitutes the country's total silk production.

<u>Fishery</u>: The BRAC Fisheries Program was started in 1976 as a way of generating income for the rural farmers. The focus of the fisheries activities is on pond culturing. The fisheries program consists of three different but supporting types of activities; namely, hatcheries, nurseries, culturing. The aquaculture activities have been extended to cover 277,000 households and 180,000 ponds.

Agriculture Extension Program and Agro Forestry: The program was started to increase agriculture production through technology transfer related to: 1) vegetable cultivation; 2) crop diversification (rice, maize, wheat, cotton, and sunflower cultivation). It has also established a modern soil testing laboratory to increase the production. In 1996, BRAC started producing high quality seeds for distribution to farmers. Today it has 23 seed production and processing centers. In 2007, 27,000 pounds of vegetables and about 1,674,000 tons of potatoes were exported.

In 1991, an agroforestry project was started on degraded and unoccupied private and government land (khas land) to produce wood, fuel, fodder, food, fruit and vegetables..

To date, BRAC's Economic Development Program has organized 4.96 million poor and landless people (mostly women) into 160,197 Village Organizations (VOs) to ensure

economic and social sustainability by offering credit as well assistance and encouragement to save (PROCASUR, 2009).

BRAC has invested substantially in commercial enterprises, such as Aarong (retail handicraft chain stores) that link poor rural artisans with the expanding urban markets. Similar enterprises include the BRAC Dairy and Food Project that is the second largest milk plant in Bangladesh and has an integrated system of milk procurement from rural dairy farmers to the production of quality dairy products. The poultry farms and feed mills help to meet the increasing demand for healthy chicks and quality feed in rural areas as well as provide access to women trained in a variety of aspects of poultry rearing(PROCASUR, 2009).

Research and Evaluation

The Research and Evaluation Division (RED) provides research support to BRAC programs related to poverty alleviation, socio-economic development, agriculture, nutrition, health, population, education, environment, gender, and related fields. Although RED concentrates its activities on BRAC programs, it also maintains strong linkages with government organizations, UN bodies, and a number of academic and research institutions at home and abroad. RED emphasizes the importance of effectively sharing research findings with its stakeholders (e.g. BRAC management, donors, field managers, and also policy makers and researchers at home and abroad). Research findings are disseminated through reports, monographs, annual reports, books and book chapters, journal articles, research compendium in multiple languages, and media articles. The research findings are also disseminated through presentations in national and international conferences, seminars, and workshops. Summaries of major findings and important activities are also posted on display boards placed at all the training venues of BRAC. RED researchers published 102 journal articles, 18 books, 75 book chapters and 40 media articles in newspapers and newsletters during 2001-2005 (PROCASUR, 2009).

B. Other BRAC Initiatives

BRAC University

Inaugurated in 2001 to foster national development by creating a centre of excellence in higher education that is responsive to the needs of society, this program was designed to develop creative leaders and actively contribute to learning and knowledge development. BRAC University began with less than 100 students and has currently 4200 students enrolled (VarsityAdmission.com). Recently BRAC University launched the James P. Grant School of Public Health to address the impending global health worker shortage. In 2008, BRAC Development Institute was inaugurated at BRAC University in Dhaka. The primary goal is to operate as a resource centre that promotes practical research and knowledge for the world's underprivileged.

BRAC Bank Ltd

BRAC Bank is a full service commercial bank focused on providing financial services to small and medium enterprises (PROCASUR, 2009). BRAC Bank began earning revenues in 2004 and in 2009 it has 56 full-service branches as well as 30 service centers in 429 unit offices to serve small and medium size enterprises. During 2008, the bank distributed over a billion dollars in loans to nearly 200,000 small and medium entrepreneurs and the customer base has expanded to 477,000 depositors and 186,000 advance accounts (http://www.bracbank.com/).

BRAC Afghanistan Bank has been operating in Afghanistan since November 2006. It with fifteen Units Offices and four Branches. It is Afghanistan's first commercial microfinance institution.

GOVERNANCE

BRAC has a governing board of thirteen members. Apart from the Chief Executive Officer, Fazle Hasan Abed, who is the founder of BRAC, all other members of the governing body are volunteers who have distinguished themselves in business and the professions who possess a pro-poor mindset and bring diverse skills and experience to the governing of BRAC. BRAC is currently evolving its governance structure to operate as a global organization and has started the internationalization of the board. The long term objective is to set up the global organization based in the Netherlands and operating in eight countries that will constitute its partner. Until the transition to the international governing body of BRAC is completed, Bangladesh will to be the headquarters for management control and oversight of all the operations.

The executive team consists of one Chief Executive Officer, one Adviser, one Executive Director and three Deputy Executive Directors and twelve Directors who manage various departments and programs (PROCASUR, 2009).

FINANCES

The origin of BRAC can be traced to the grants received from international donors for implementing its programs. Over time it has become increasingly self-sufficient by establishing social enterprises that support other programs and charging affordable service fees to program beneficiaries (Hossain 2008). Over the past 35 year, BRAC's budget grew from USD .78 million (100% of which was received as grants from donors) to USD 535 million in 2008 that reflects only 27 % from donors and approximately 70% is self financed (Appendix A).

FUTURE VISION

With one billion people in the world continuing to suffer from poverty, the task ahead is enormous. Even in countries that are making progress on economic growth and development goals, the following challenges continue: 1) the need to provide quality education for all, 2) the need to reduce maternal and neonatal mortality, 3) the need to

expand the frontiers of sustainable agriculture production, 4) the need to adapt to climate change and 5) the need to sustain and expand the gains made by the poor in a globalised economy. BRAC is working actively and in close alliance with civil society organizations, private sector, government and knowledge institutions to address these challenges.

CONCLUSION

This case describes the transformation of a country-based non-government organization into an international NGO. It is a pioneer in recognizing and addressing the different dimensions of poverty through a holistic approach to poverty alleviation and the empowerment of the poor using a range of core programs in economic and social development, health, education, human rights and legal services as well as disaster management. Facing a number of social, technical and organizational challenges throughout its evolution, BRAC's approach to learning and evaluating as it innovates has also been a unique feature of its evolution. During the last four decades of its existence, the organization has transformed itself from a recipient of foreign aid to a predominantly self-financed organization. BRAC is continuing to expand its range of services to the poor with greater effectiveness and efficiency not only in Bangladesh but also in other countries.

DISCUSSION QUESTIONS

- 1. Why is the holistic approach effective in the developing world?
- 2. What is the impact of self-sustainability on the effectiveness of an organization?
- 3. What are the main challenges identified by BRAC during expansion to other countries?

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Appendix A: Budget Trend Line

