

Category: **poor** Initial wealth ranking: **none: selected at random** Code: **DKM02**

IDPM FINANCIAL DIARIES: SUMMARIES

Bangladesh: Urban

interview taken by: Saiful Islam and S K Sinha date: 2 December 2000

Site: Manushpur

Principal respondent(s): Mr SU and Mrs K

We began by interviewing KI and his wife P, very young garment factory workers who have fallen on hard times. But in December 1999 they moved away from Manushpur to live with her parents. We decided, therefore, to carry on or interviews with Kamrul's father, SU, with whom the couple had been living. Kamrul's leg was broken in a fight some time back and SU is burdened with an expensive 15,000 taka debt taken to pay for treatment (though Kamrul helps to repay it). The family came from a village in Jamalpur after the 1988 floods had swept away their land. SU now buys molasses from the market and prepares a sweetmeat which he then hawks around the slum in exchange for rubbish which he sorts and sells. He nets around 70 or 75 taka a day. His wife K runs the house and they have a part-time paying guest, a brother who pays 20 taka a day for meals. The daughter, Sahana, Kamrul's sister, is 15 and is also a garments worker and gets 1,400 a month. She learned the alphabet at the factory but no-one else in the household is literate. After Kamrul leaves, SU takes over the full two rooms in their house and has to pay 500 taka rent. SU is in poor health and often unable to work, so life isn't easy and gets harder after Sahana gets married and leaves home, depriving them of the waged income. They resort to more borrowing. They are paying off two MFI loans which they manage more or less regularly. Their private loans are serviced more erratically. Towards the end of the research year they appear to get food subsidies from family members, perhaps disguised as payment for cooking services by K. They get by, just.

1. Initial household profile:

Name	Relationship to household head	Sex	Age	Highest school grade	Main livelihood activity/ies (or schooling)	Other economic activities
SU	self	m	52	none	sweetmeat preparation and rubbish sorting-and-selling	the two are interrelated: he exchanges the sweets for people's rubbish
K	wife	f	45	none	home housework	
Sahana	daughter	f	15	none (learnt the alphabet in the factory)	garments factory job	
there is also a paying guest						

2. Significant changes to household profile before and during research year: SU's son Kamrul and his wife and child left home in December 1999. Sahana marries and leaves home in May.

3. Residence: both from Jamalpur, came to Dhaka and to Manushpur in 1988 after the floods

4. Tenure: rented rooms (500 taka pm) in a slum on government land

5. Other identities: Muslim

6. Public entitlements: none

7. Food habits: mostly 3 rice meals a day, usually with small fish, meat once on two months

8. Significant assets:

Asset type	Description	Value (if known or estimated)
Homestead Land	none	
Farm land (state if irrigated)	none	all lost to river erosion
Home (equipment, furnishings etc)	timber bed	500 taka
Machinery	none	

Livestock	none	
Jewellery etc	nose stud, silver chain	320 taka
Other (state)	-	

9. Significant changes to assets during research year: bought a used ceiling fan (300 taka)

10. Income pattern:

Household member	Income source	Frequency	Scale	Comments
SU	sweetmeat preparation and sales and rubbish sorting and sales	daily	70 – 100 taka a day (1,000 in 15 days in February)	
Sahana	waged job in garments factory	monthly	1,400 taka pm	Sahana married and left in May
K	cooking for paying guest	daily, intermittently to June	20 taka a day (200 in 10 days in February)	her brother; stops in June
K	cooking for daughter and son in law	monthly	1,200 taka pm	not always paid or in full: from about April

11. Expenditure pattern:

Expenditure item	Scale	Comments
food	45 – 50 taka a day including fuel	
housing	none	
clothing	230 taka in the year	e.g. 110 taka for a <i>salwa kameez</i> for Sahana
education	none	
health	1,000 taka in the year	e.g. 500 for K and 100 for SU in March
other / occasional	3,000 taka plus 1,500 taka for watch and clothes for the new son-in-law (dowry)	entertainment for Sahana's marriage (funded by a howlat)

12. Financial services/devices used during research year:

Type	Number of instances	Value(s)	Comments
MFI savings	2	600 taka balance	Shakti
MFI loan	2	3,500 and 5,500 taka disbursed	Shakti
Mud bank	1 continuous	small deposits	
Interest free loans taken	8	200 to 3,000 taka	
Interest free loan given	1	110 taka	
Private loan taken on interest	1	15,000 taka	old loan still being paid off
Going into rent arrears	1 almost continuous	several months; e.g. 3,000 taka by July	
Musti chal	regular	1 kg a week	stored and used for guests

13. Cheating: no

14. Comments on financial services and devices: K says: ‘Financial services are hard to manage: take howlats for example – they are very hard to find and you can’t guarantee getting one when you need it; then they are troublesome to repay. But MFI loans are more reliable and we like Shakti very much. We can repay loans gradually week by week.’

15. Recording financial service transactions: by memory: since they are a liability, debts stay in the mind only too easily!

16. This year compared to previous years: same: no change in the main determinants

17. Notable events, opinions, behaviour:

Events: Son Kamrul and his wife leave home in December. Daughter Sahana gets married and leaves home in May, depriving the household of a major source of income. In June K’s brother stops eating with her, causing another income loss. Right at the end of the research year it looks as if Kamrul is coming back home, with his wife, both of them with garments jobs.

18. Transaction summary for **SU OF MANUSHPUR (02)**

MFI services:

MFI savings:

A: Shakti. Wife K has been in Shakti since 1998 and has a savings balance of 600 taka. She saves 23 taka in early Jan 2000; 46 late Jan; 21 early Feb; 46 late Feb from SU’s income; 46 early Mar; 46 late Mar; something in early Apr; 23 late Apr; 23 early May; 46 late May; 23 early Jun (lack of cash); 46 late Jun; 46 early Jul; 46 late Jul; 46 early Aug; 46 late Aug; 46 early Sep; 46 late Sep.

B: Shakti. SU’s older daughter (who is married and lives elsewhere) is also a Shakti member and sometime before Feb takes a loan of 3,500 taka which she gives to her parents and her father pays repayments and savings. Note that we can’t see the passbook so we’re not sure how much of the 88 taka he gives each period is composed of loan repayment and how much is savings. Nothing after early Aug as the loan is paid off, but she remains a member and her savings remain in the MFI.

MFI loans:

A: Shakti. K has a loan from Shakti of 5,500 taka, taken in 1999 for various uses including son’s medical treatment, repaying howlats, consumption and for her husband’s business. She repays 100 taka in early Jan 2000, out of the daughter’s garments salary (one week was closed for Eid); 200 late Jan from husband’s income; 200 early Feb; 200 late Feb from SU’s income; 200 early Mar; 200 late Mar; ? in early Apr; 100 late Apr; 100 early May (from howlat C); 200 late May; 100 early Jun from loan-in B; 200 late Jun; 200 early Jul; 200 late Jul; 200 early Aug; 200 late Aug (from howlats); 200 early Sep; 200 late Sep.

B: Shakti. SU’s older daughter (who is married and lives elsewhere) is also a Shakti member and sometime before February took a loan of 3,500 taka which she gives to her parents and, from February, her father pays repayments and savings. In this way he spends 88 taka in late Feb; 176 early Mar; 176 late Mar; something in early Apr; 88 late Apr; 88 early May; 176 late May; 88 early Jun from loan-in B; 88 late Jun; 88 early Jul. Note that we can’t see the passbook so we’re not sure how much of the 88 taka is composed of loan repayment and how much is savings. 176 late Jul. 176 early Aug and this finally pays off the loan.

Private savings:

Mud bank:

A: K is a long-time mud bank user. Right now, in early Feb, there’s only a few coins in it. 8 taka more go in during early Feb; 25 in early Mar; nothing in Apr (too poor); and nothing more in the research year.

Reciprocal transactions:

Interest free loans (howlats) taken:

A: In late Apr SU borrows 500 taka from the owner of the recycling business where he now

works, used to make NGO payments. Repaid early next month.
B: In early May K borrows 200 taka from a neighbour in order to pay NGO dues, but manages to repay during the fortnight.
C: In early Jun SU borrows 500 taka from the buyer of the recycling goods: used to pay NGO dues. Repaid late Jun.
D: In early Jul K borrows 3,000 taka from her oldest son in law to pay for entertainment given to many guests who came after the daughter's marriage. In late Jul K says she'll pay back by forgoing the food subsidy that the son often gives her. SU repays 1,500 in late Aug and the remainder in early Sep.
E: In late Jul K borrows another 500 taka from a neighbour, just to cover household costs. Repaid early Aug.
F, G and H: In late Aug K takes 3 more howlats from neighbours, of 100, 100 and 310 taka, to pay her MFI dues. All repaid late Sep.
Interest free loans (howlats) given: A: Wife K makes a 110 taka howlat to a neighbour in late Jan; she got it back in Feb and bought a <i>salwar-kameez</i> for her daughter.
<u>Private savings and loan services:</u> Private loan taken on interest: A: When son Kamrul broke his leg in early 1999 SU took a 15,000 taka loan for treatment. He has been paying it off gradually. By late Jan he still owes 6,000 and the lender is now saying he doesn't need any more interest but he wants his principle back as soon as possible. Most of the repayments have been made from the daughter's garments income. So in early Feb another 1,000 gets paid from her salary; 1,000 taka more of this is repaid in late Apr 2000, from daughter Sahana's wage. 800 repaid in late Jul (from son Kamrul's garments wage) and now 1,400 remains outstanding.
<u>Land- or housing- related:</u> Going into rent arrears: A: They go into arrears on rent: by early Aug rent is owing from March onwards.
<u>In kind transactions:</u> <i>Musti chal</i> A: K holds back about a kilo of rice a week and stores it for guests and emergencies

Note: 18. Transaction summary for Kamrul Islam (SU's son), Oct 99 to Dec 99 is as follows:

<u>Private savings:</u> Saving on the person: A: Kamrul keeps spare cash in his shirt pocket: not at home because of lack of security
Mud bank: A: Popi puts 80 taka (from her father) into a mud bank in early Nov 99. Not our influence because she already had this practise.
<u>Reciprocal transactions:</u> Interest free loans (howlats) taken: A: In late Oct Popi takes 50 taka from her younger sister, who will never ask for it back and won't mind if it isn't paid back.
B: At the same time (late Oct) Kamrul takes 150 from Popi's father and regards it more as a gift than a howlat. Her father, still employed with a government job, regularly helps the couple. She gets a similar howlat/gift of 100 in late Nov.
Interest free loans (howlats) taken: A: in early Oct Kamrul had given a howlat of 35 taka to a friend, which was repaid in late Nov.

