The Forcibly Displaced Myanmar Nationals in Bangladesh: Evidence from Household Survey

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**EXECUTIVE SUMMARY**

In late 2017, a surge of Myanmar nationals fleeing violence in their country entered Bangladesh. This wave of more than 600,000 Rohingyas added to earlier inflows, so that by early 2018 there were an estimated 800,000 to 1 million forcibly displaced Myanmar nationals (FDMN) residing in Cox’s Bazar District of Chittagong Division in southeastern Bangladesh. The Rohingyas are a small, predominantly Muslim, minority ethnic group from the Rakhine State of Myanmar.

The migrants who arrived before August 2017 lived mainly in two registered camps in two upazilas (sub-districts) of Cox’s Bazar District—Ukhiya and Teknaf. The newer wave of Rohingyas primarily set up makeshift camps around the registered ones, leading to the creation of mega camps such as Kutupalong, the largest refugee camp in the world (Altman 2018). With the large influx of the FDMNs the ratio of the Rohingya to local population has become two to one in the two upazilas. The influx made both the Government of Bangladesh and the donor community concerned about the well-being of the displaced population. Another related concern was the potential adverse effects of the large inflow of FDMN on the short-term and long-term welfare of the host community. Against this background, the present study makes an attempt to assess the current welfare of the Rohingya population and the host community, as well as the potential impacts on the local economy. The specific objectives are to assess the consumption and nutrition, poverty and vulnerability, and income and employment of the Rohingyas. As the influx of the Rohingyas inevitably imposed direct and indirect costs on the host community, the conjoint objective is to assess their current livelihood conditions.
To fulfill the study objectives, the study adopts a mixed method approach. The quantitative method includes household surveys of the Rohingyas in the camps and of the host community based on a structured questionnaire. The household survey covers demographics, subjective wellbeing, consumption and expenditure, coping strategies, nutrition outcomes, livelihoods, income and employment profiles, and access to assistance. The total number of households that were surveyed was 1308 new FDMN, 781 old FDMN, and 504 host community. The qualitative survey covers 50 in-depth interviews of FDMN households embedded in the quantitative survey whose members had experienced unusual sufferings such as killing of members, severe injury, burning of homes, and so on.

The quantitative data has been analyzed by using both descriptive statistical methods and regression methods. While the descriptive methods (such as percentage, frequency distribution, mean, etc.) were used for assessing the current livelihood conditions, the regression methods (such as ordinary least squares, logit, or probit where appropriate) were used to delineate the correlates that propel or hinder the current outcomes.

The key findings of the study are summarized as follows:

Chapter 2: Experiences of Displacement, Deprivation and Discrimination of the Rohingyas

The FDMN were subject to unspeakable horrors in Myanmar, forced to live in internal camps and carefully segregated from the rest of the population. The latest exodus in August 2017 was culmination of a long awaited and carefully planned expulsion of the minority Muslim community in Rakhine following incidents of murder, rape, arson attack, abduction, and extortion. The Myanmar police allegedly led this genocide. In a desperate attempt to survive, the FDMN took the perilous journey to Bangladesh, while suffering greatly. Many died along the way. Those who managed to stay alive were rescued by the security forces of Bangladesh and subsequently moved to the camps. The FDMN found themselves officially recognized as “refugees” encamped in a foreign land. The camp inhabitants have been given food, medical support, temporary housing, and assurances of a safe return to their homeland. While remaining apprehensive of the return to Myanmar, they urge the international community to bring the perpetrators of crimes against humanity to justice, preferably at the International Criminal Court.
Chapter 3: Consumption and Nutrition

The analysis indicates that both new and old waves of displaced households have per capita lower consumption expenditure (food and total) compared to the host community. Comparatively, older migrant households report slightly higher levels of consumption expenditure than newer migrants. Levels of food consumption, in terms of calories and protein are adequate, but diets are monotonous with low levels of consumption of fruits, vegetables, and animal source foods.

Height and arm measurements of women and children in FDMN Households provide data suggesting that by most measures, nutritional status and child health have improved since REVA I. In particular, stunting prevalence has fallen by 12 and 8.4 percentage points in the Makeshift and Nayapara RC respectively. Nutritional status of children remains poor: Among children 6-59 months, in Nayapara RC, the prevalence of stunting is 36.0% and in the Makeshift camps, the prevalence of stunting is 32.1%.

Chapter 4: Non-Monetary Dimensions of Well-being

The non-monetary well-being in this chapter is measured on several dimensions such as multidimensional poverty index (MPI), poverty measured on a subjective wellbeing scale, dependence on credit to purchase food, the adoption of negative coping strategies (food and asset-based coping), and the share of population below median household dietary diversity (HDD). The analysis reveals older FDMN are in general better-off compared to newer FDMN. Aside from personal insecurity or risks, host community households are better off than FDMN’s in almost all non-monetary well-being measures.

A little over 50% of FDMN households are MPI poor and the MPI index values of FDMN are significantly higher than host community households (22.1% vs. 8.7%). The percentage of MPI poor is higher among newer waves than older waves of displaced population, but the difference between the two groups is not gaping. About 69% of FDMN said that they are now poor as compared to 26% of 5 years ago. This percentage is higher among newer FDMN (75%) compared to older FDMN (59%). This indicates that, before the forced migration, all FDMN were in a better condition. Newer FDMN is self-evaluated themselves as being relatively worse off as they got only about one year to cope with the displacement shocks compared to older FDMN. About 47% of the host community households currently consider themselves as poor and this ration has gone up by 10 percentage points in the preceding 5 years.
All types of household members across all populations eat nearly three meals a day on average, however there is a slight preference toward younger members eating more meals than adults. Household may be food secure in terms of having three meals per day but are worse-off in terms of access to varieties of food groups because of low household dietary diversity (HDD) and women dietary diversity (MDD-W). Host community households, and specifically women, consume more diversified diets than FDMN households and women. More than three-quarters FDMN households had used at least one food coping strategy on at least one day of the previous week, compared to about half of host community households. Buying food on credit and borrowing money to buy food were the most common coping strategies for all populations. Food purchase was the main reason for obtaining a loan, followed by the need to pay for the health expenses. Borrowing for the food purchase is more prevalent among FDMN households compared to the host community households (59% as opposed to the 39%), and it is considerably higher among the newer waves (62% as opposed to 53%).

Several factors regarding the association between well-being measures and socioeconomic variables of FDMN households have been identified. First, past unfreedom and initial poverty status act as a dragging factor in current wellbeing. FDMN households who had freer mobility outside their own villages in Myanmar are faring better on a subjective well-being scale compared to the households who had restrictions on mobility. Similarly, widowhood is significantly and positively related to the population share below median HDD. This indicates the additional vulnerability of households devoid of main (male) earners possibly due to early violence. Initial poverty leads to lower current food expenditure and greater chances of being currently poor on a subjective well-being scale. Secondly, because of the greater variety as well as gaining of cash under e-vouchers, e-voucher recipients perform better than General Food Distribution (GFD) in attaining higher HDD. Thus, cash transfers improve access to food, reducing the likelihood that a household adopts negative food coping or negative asset coping. Third, access to income earning opportunities is found to be important for improving the non-income dimensions of the well-being of a displaced population. Higher per capita income is positively associated with higher HDD and per capita food expenditure, negatively associated with the likelihood of being subjective poor, and related to the reduced risks of adopting negative coping methods.

Chapter 5: Labor Force Participation, Employment, and Earnings
Labor rights are important to improve the welfare of the displaced population. The analysis finds that while the potential for labor force participation of the FDMNs is 8% higher than that of the host community, the probability of actual employment is about 34% lower for the FDMN vis-à-vis the host community. The FDMNs who could find work could supply 124% less labor days than their counterparts in the host community, and their wage earnings of the FDMNs are 31% lower than their counterparts in the host community.

The current lower supply of labor of the FDMNs vis-à-vis the host community is not sustainable in the medium- to long-run given that the FDMNs will remain in the camps and will sneak out to work, causing the aggregate labor supply curve for unskilled and informal activities to shift to the right. The current differential wage rates would be unified at a lower level of the current wage rates received by the host community and the adverse effect would be further accentuated since the probability of labor force participation rate of the FDMNs is 8 percent higher than that of the host community.

As policing of the FDMNs is administratively prohibitive, if it is not impossible to restrict the FDMNs in the camps, Bangladesh and development partners need to undertake policies that could forestall the plummet in wage rates that would adversely affect the welfare of the host community. The current level of livelihood of the FDMNs should not be compromised, and this could only be achieved if the current level of assistance is maintained and the potential short-term migration of the FDMNs in other countries can be arranged. Bangladesh government could facilitate this through special processes separate from the country’s migration policy for its citizens.

Chapter 6: Household Income: Level, Structure, Diversity and Drivers

The subsistence of the Rohingyas appeared to heavily rely on social assistance administered by the Government of Bangladesh, development organizations, and private charities. Almost all camp inhabitants reported to receive some form of WFP food assistance, which constituted the major share of their household income. Besides WFP assistance, 76% of the FDMN households reported to have positive income from sources such as farm activities, enterprises, labor market, remittance, and non-WFP transfers. Despite restriction on mobility outside the camp area, 42% of the FDMN households reported to have labor income. Approximately one third of these households report diverse sources of livelihood, leading to higher average yearly household income. However, there are stark differences in the level of such income across groups. The ratio of non-WFP-assistance
income of the households in the new wave of FDMN to that of host community is nine while that of old FDMN to host community is approximately 3.5.

The FDMN households who earn income rather than being completely dependent on WFP assistance enjoy relatively better well-being. Among the FDMN population, the per adult-equivalent expenditure of households with a positive income from sources other than non-WFP assistance exhibits a first order stochastic dominance over that of households with no such income. This pattern is persistent across food and non-food expenditure.

Since the absolute level of average non-assistance income for FDMN population is very low compared to host community population, especially for the households in new wave, there are untapped opportunities to improve their well-being further. Such opportunities can be exploited through increasing the size of assistance in the shorter term and employment opportunities in the medium to longer term. The evidence on the effect of household non-assistance income on other well-being indicators of FDMN households reinforces their appeal for introduction of income policies in addition to food transfer policies.

Chapter 7: Policy Recommendations

To summarize, the study finds that the displaced households are surviving but not thriving, that healing in post-conflict contexts takes time and requires both economic and confidence building measures, and that more could be done on the policy space to enhance their long-term capability and economic mobility.