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## THE SUCCEEDING TRENDS AND DISPARITY IN POVERTY REDUCTION OF RURAL BANGLADESH

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### Abstract:

Bangladesh like other developing countries of the world has been striving to eradicate poverty after getting independence in 1971 and the country was considered as one of the poorest with about 70 percent poverty and only \$200 per capita income in 1973-74. The present study analyses various data on poverty from the period 1971 to 2019 and finds that the country has reduced its poverty significantly to 10.5 percent in 2019 with more than \$1909 per capita income. The poverty headcount ratio has decreased by more than 50% in the last 49 years. This study using National Households Income and Expenditure Survey (HIES) data of various years and also using other international organizations' poverty-related data tries to explore the poverty scenario of Bangladesh from 1974 to 2019 and to examine some new aspects of regional poverty in Bangladesh. The country has a great achievement in the absolute poverty reduction during these periods, but these poverty reduction trends are somewhat relatively lower than some neighboring countries (e.g India, Nepal, Bhutan). In addition, though the absolute poverty rate has been reduced at the national level (10.5% in 2019), the present study finds a huge disparity in poverty reduction at the regional level in Bangladesh. Poverty rates are still more than double as compared to the state poverty rate in some districts of Bangladesh. This paper shows that the regional inequalities, income inequalities, old aged people, widows, uneducated and unskilled labor, various tribal groups, and various forms of poverty throughout the life cycle are revealing disparity of poverty in the rural area of Bangladesh.

JEL Classification: I32, O15, O18, O57, Y10

**Keywords:** Poverty, Regional Poverty, Income inequality

### 1.0 Introduction:

Bangladesh has become the 8<sup>th</sup> most densely populated country in the world (World Bank, 2020) with 1.37 percent population growth per year (BBS, June 2015), and its per capita income is 1909 US dollars. It is now considered a rapidly developing country in Southern Asia with a 58.2 percent labor force, the average life expectancy is now 72.3 years and its literacy rate is 73.2 percent (people aged over 7 years) (BBS, 2020). Its GDP growth rate is now 8.2 (in 2019) and it has become the highest GDP growth earner country in South Asia according to the ADB (Asian Development Bank, 2020). Bangladesh has achieved unprecedented success in reducing poverty. After attaining the independence in 1971, it was the poorest country in the world with more than 70 percent poverty rate and only \$200 per capita in 1973-74 and now it has become a lower-middle-income country with 10.5 percent poverty in 2019 and more than \$ 1909 per capita income. The main objectives of this study are to describe the successive trends of poverty reduction in Bangladesh during the period 1974-2019 and provide a relative figure of present poverty scenario of

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Bangladesh with the South Asian countries and also find out some disparity of poverty in Bangladesh that can slow down poverty reduction trends.

The World Bank introduced the concept of the Global Poverty Line in 1990(\$ 1 PPP) and those whose daily income is below this line are valued as extremely poor. The World Bank redefined the 1.90 PPP dollars poverty line in 2015. That means those whose daily income is below 1.90 PPP dollars are marked as extremely poor (Jolliffe & Prydz, 2017).

Relative poverty is the situation where a particular group of people is poorer than the other people of the society in terms of the economic situation. "Relative poverty occurs when a households' standard of living falls short of what is generally considered normal or decent or acceptable in that culture" (Tsumori, Saunders, & Hughes, 2002, P. 5).

In Bangladesh, the government authority uses the Cost of Basic Needs (CBN) method to measure income poverty (BBS, 2010). CBN method is used to design the food and non-food poverty line. The food poverty line is determined based on the basis of the cost of food basket with minimum recommended nutritional intake. A non- food poverty line is calculated by estimating the cost of consuming a basic set of non-food goods. So, (i) extremely poor households are those whose total expenditures for food and non-food items are equal to or less than the food poverty line and this line is called Lower poverty line (LPL). (ii) the combination of food and non-food poverty lines are defined as Upper Poverty Line (UPL) and the households are called moderate poor whose total expenditures are equal to or less than UPL (BBS, 2010); (Hossain, 2014).

Direct Calorie Intake (DCI) is used to limit absolute and hard-core poverty. A household is considered absolutely poor if its per capita calorie intake is less than 2122 kilocalories per day and a household is hard-core poor if its per capita calorie intake is less than 1805 kilocalories per day (BBS, 2010, PP. 48-62, Hossain, 2014).

## **2. Objectives of the Study:**

The main objectives of this paper are:

- To find out the successive trends in absolute poverty reduction of Bangladesh from 1974 to 2019.
- To compare the recent poverty reduction trends of the neighboring countries with Bangladesh.
- To analyses some new disparity of regional poverty that can slow down the poverty reduction trends of Bangladesh.

## **3.0 Database and Methodology:**

This paper is prepared based on various secondary data and also this is a descriptive analysis of the poverty reduction trend in Bangladesh from 1974 to 2019. Data has been taken from the HIES of Bangladesh from various years, five-year plans, and other government statistical documents. For the discussion of absolute and relative poverty, data was sourced from various international organizations like the World Bank Group, United Nations, International Food Policy Research Institute, and also from the government of Bangladesh. This study is a secondary database analysis.

## **4.0 Literature Review:**

A good number of researchers have discussed poverty and its trends, its impact, and the determinants of poverty. Hossain (2014), McLeod (2007) Ali and Begum (2006), Murgai and Zaidi (2005), Islam (2004) have discussed the trends and the success of poverty reduction in Bangladesh.

Researchers like Pervez and Rizvi (2014), Cheema and Sial (2014), Edoumiekumo, Karimo & Tombofa (2014), Osmani and Latif (2013), Ogwumike and Akinnibosun (2013), Harttgen and Vollmer (2011), Githinji (2011), Achia, Wangombe and Khadioli (2010), Vyas and Kumaranayake (2006), Tandon and Hasan (2005), Geda, Jong, Kimenyi and Mwabu (2005) and Khalid, Shahnaz, and Bibi (2005) have discussed the impact and determinants of poverty.

Weber, Jensen, Miller, Mosley and Fisher (2005), Sen (2003), Rahman and Chowdhury (2012), and Chaudhry and Malik (2009) have mentioned the different aspects of rural poverty and the impact on poverty.

Hossain (2014) has discussed the poverty trend in Bangladesh during 1971-2013 and has identified that during these periods national poverty has reduced by 55.82 percent in Bangladesh and also identified that nearly 44 percent of people are still extremely poor (income less than \$1.25 per day) and 77 percent are moderate poor (daily income less than \$ 2).

Zohir, Harun, Farid and Huq (2007) discussed the improvement of the policy and programs to reduce the chronic poverty in Bangladesh and identify the areas where progress would be possible to improve the policy and programs related to poverty.

Azam and Imai (2009) have discussed vulnerability and poverty using the HIES-2005 data and identified that households without education or with an agricultural background are more vulnerable. Geographical location has diversified the vulnerability. It has magnified the ex-ante poverty and vulnerability of Bangladesh.

Titumir and Rahman (2011) discovered that poverty has decreased in Bangladesh on an average of 1.32% annually from 1991-92 to 2010 period. But an equal reduction trend of poverty is not followed in urban and rural regions of Bangladesh.

Osmani & Latif (2013) discussed the trends and patterns of poverty among different age groups and major determinants of rural poverty. They identified that though poverty was reduced during the 2000s decade the poverty reduction pattern was not the same for every year.

According to the World Bank groups, Bangladesh has halved poverty rates in a decade and a half, bringing out more than 25 million people from poverty. Between 2010 and 2016, about 8 million Bangladeshi were lifted out of poverty (World Bank, 2019).

Kona, Khatun, Islam, Mijan, and Al-Noman. (2018) has identified the socio-demographic aspects defining the urban and rural poverty in Bangladesh using a binary logistic regression model and found that the education, sex and age of a household head, household size, gender, women empowerment, and the highest position of education of the family members have a noteworthy role in alleviating household poverty.

Though many other researchers have discussed poverty in Bangladesh, its determinants, rural and urban poverty, various policies and methods to lift out of poverty, this study differs from other research papers as it paints a picture of the continued success of poverty reduction from the post-independence period to the present, and of Bangladesh's relative recent poverty with neighboring countries. In addition, the unequal reduction picture of poverty in different regions of Bangladesh has been highlighted which has been described as a new barrier to poverty reduction or a new dimension of poverty.

### **5.0 A Success Phase of Poverty Reduction:**

At the time of and just after the independence of Bangladesh, more than 70 percent of the people were poor. But in the recent decade, the poverty headcount rate has significantly reduced. It is

seen that due to the government's relentless efforts and continuous successes in reducing poverty, increasing the working population in the country, rapidly developing economic capacity, and other economic factors, Bangladesh has become the success story of poverty reduction. It has now become a lower-middle-income country with a per capita income of \$1909 that was only \$200 in 1973-74 (Cental for Policy Dialogue (CPD), 2008).

To achieve the Millennium Development Goals, Bangladesh expected to reduce poverty by 1.2% every year, while in fact, Bangladesh reduced it by 1.74%. According to the Millennium Development Goals, Bangladesh has reduced the poverty Gap ratio to 6.5 against 8 as determined by 2015 (Ministry of Finance, July 2017). An analysis of the Households Income and Expenditure Reports (HIES reports of different years) shows that from 1973-74 to 2019 the degree of poverty decreased by more than 50 percent during this period. For example, in the year 1974, using the upper poverty line, the percentage was above 70 (UPL) and by 2019, this further reduced to 20.5 percent. During the same period and using the lower poverty line measure, the percentage changed to 10.5 percent (Fig. 2). And, the depth of poverty (poverty gap) using the upper poverty line (UPL) has become 2.3 percent in 2016 (Fig. 1). In last 25 five years (1991-92 to 2016), the poverty gap has reduced to 14.9%.

Fig.1 shows that the poverty gap in Bangladesh has declined rapidly. In the rural level, where 18.1 percent lived in the depth of poverty in 1991-92, the rate dropped to 2.6 in 2016. However, the rural poverty gap ratio has always been higher than the national poverty gap. A significant reduction of poverty is followed in the urban level that reduce 12% to 1.3% from 1991-92 to 2016 (selected years).

The following Fig. 2 shows an illustration of the achievements of poverty reduction in Bangladesh. Wherever it is seen, Bangladesh has succeeded every year in reducing poverty. Particularly after 1991-92, poverty continued to decline rapidly and its tendency to decline rapidly was noticed by 2016 and subsequently, although the trend was somewhat lower, it has remained.

Fig. 2 paints a picture of significant success in reducing poverty in Bangladesh. Where more than 70% people was below the poverty line in 1973-74, this rate was only 10.5 in 2019. In the 46 years from 1974-2019, poverty declined by more than 53 percent, with an average rate of 1.16 percent per year. If we compare the rates of poverty reduction in different periods, it can be seen that in the first 21 years from 1974 to 1995-96, poverty decreased by about 21 percent, i.e. about 1 percent per annum. And from 1995-96 to 2000 (5 years) poverty decreased by 3.28 percent (0.66 percent per annum). But in the late 1980s and early 1990s, the poverty rate increased. (Khundker, Mahmud, Sen, and Ahmed 1994; Hossain and Sen 1992; Ravallion and Sen 1996)

During the period from 2000 to 2010, that is, the 2000s presents the highest rate of poverty reduction at an average rate of 1.83 percent per year (total decrease to 18.3). The periods from 2010-2019, the percentage of poverty decreased to 11 or 1.22 on average. So, Bangladesh has been consistently successful in reducing poverty over the past and present decades, although the pace of poverty reduction seems to be slower than before. But it can be said that Bangladesh has achieved unimaginable success in reducing poverty.

## **6.0 Comparison with some other neighbouring countries:**

There is no doubt that Bangladesh has achieved unprecedented success in eradicating poverty. However, if a relative picture of poverty can be compared with the neighboring countries, especially with the South Asian countries, then it can be presented that Bangladesh is in line with other countries in poverty alleviation or not. In this regard, small efforts have been made to depict a picture of Bangladesh's poverty with various international poverty measurement indicators such

as the Global Hunger Index (GHI), Human Development Index (HDI), Oxford Poverty and Human Development Initiative (OPHI), and World Bank data.

### 6.1 Multidimensional Poverty Index (2019):

The international Multidimensional Poverty Index (MPI) was introduced by the Oxford Poverty and Human Development Initiative (OPHI) in 2010 with the help of University of Oxford and UNDP. It examines a person's deprivations across 10 indicators in health, education, and standard of living. It is compared with the poverty line of the international \$1.90 PPP a day and it is representing the nature and extent of overlapping deprivations for every person. To be multidimensionally poor, a person has to be deprived in at least a third of the weighted indicators (suffering deprivations in 33.33 percent of weighted indicators). A person who is deprived of 50 percent or more of the weighted indicators are considered severely multidimensionally poor. Bangladesh is ranked fifth among seven South Asian countries for poverty alleviation. Whereas only 1.88% of the people of the Maldives are Multidimensional poor, the rate is 47.33% in Bangladesh (whose per capita income is below \$ 1.90 (PPP)) (Global Hunger Index, n.d.) (Fig. 3).

Bangladesh ranks fifth among South Asian countries in achieving MPI followed by Pakistan and Afghanistan. This shows that despite success in absolute poverty reduction, Bangladesh is relatively somewhat slow in poverty alleviation.

### 6.2 Global Hunger Index(GHI) of Poverty:

The GHI was introduced in Germany and the German Center Welthungerhilfe in the 2006 by the International Food Policy Research Institute. The GHI scores are calculated and are ranked on a 100-point scale where zero is the best score (no hunger) and 100 is the worst. (Global Hunger Index, n.d.)

According to the GHI index, the value of GHI is declining worldwide, which means that the degree of poverty has decreased. As a south Asian country, Bangladesh has reduced a significant point of GHI from 2000 to 2019. In that period Bangladesh has reduced GHI score by 28.5% whereas Pakistan and India have reduced GHI score by 25.6% and 21.9% respectively. Bangladesh ranks third among South Asian countries in the GHI rank, meaning that the GHI index still lags behind Myanmar and Nepal. Bangladesh has reduced its GHI score by 10.3 points from 2000 to 2019, which is a bigger achievement than Pakistan and India, but Bangladesh has lagged behind Myanmar, Nepal, and Afghanistan. (Grebmer, et al., 2019)

**Table 1: Reduction of GHI of South Asian countries:2000-2019 (selected years)**

Country	Rank	2000	2005	2010	2019	Absolute change (2000-2019)	% change (2000-2019)
Myanmar	69	44.4	36.4	25.9	19.8	-24.6	-55.4
Nepal	73	36.8	31.3	24.5	20.8	-16.0	-43.5
Bangladesh	88	36.1	30.7	30.3	25.8	-10.3	-28.5
Pakistan	94	38.3	37.0	35.9	28.5	-9.8	-25.6
India	102	38.8	38.9	32.0	30.3	-8.5	-21.9
Afghanistan	108	52.1	43.2	34.3	33.8	-18.3	-35.1

Source: GHI database

Note: Absolute change shows different between the value of the years 2000 and 2019 and % change shows its percentage value

### **6.3 World Bank Report (Povcal Net) of Poverty:**

World Bank researchers estimate absolute poverty using the Povcal Net computational tool. Recently in 2020, the World Bank published an estimate of global poverty from 1981 to 2018 based on 2011 PPPs (Fig. 4).

Although the World Bank did not use the same period data, it can be seen by analyzing the Povcal data that Bangladesh lags behind Myanmar, Nepal, Pakistan, and Bhutan in terms of absolute poverty alleviation.

### **6.4 Human Development Index (HDI):**

Bangladesh ranks 135 among 189 countries according to the Human Development Index in 2019. However, it ranks lower than Sri Lanka, India and Bhutan. Last year, Bangladesh ranked 136th. An increase in life expectancy, education, access to health care and reduction in poverty and economic development are attributed to this steady progress.

Bangladesh's HDI value for 2018 is 0.614, which puts the country in the medium human development category. Between 1990 and 2018, Bangladesh's HDI value increased from 0.388 to 0.614, a 58.3 percent (UNDP, 1990; Molla, 2020).

### **7.0 Disparity in poverty reduction:**

The present study shows that some disparity of poverty such as Poverty in different areas or regions, poverty based on age and ethnicity, the difference in poverty between educated and uneducated people, are highlighting a new aspect of poverty in this country.

For the discussion of different aspects of poverty in Bangladesh, there are various factors that have kept poverty in place. Inequality is such a factor. As the inequality in a country rises, the loss in the human development also rises. Between 1990 and 2018 in the HDI, Bangladesh loses 24.3 percent due to inequality. the average growth rate of HDI per year was 1.65 in Bangladesh in the last 28 years. But it has slowed down compared to 1990-2000 when the growth rate was 1.95 to 2010-2018 when it stood at 1.40 (Molla, 2020).

Besides, these positive figures of poverty reduction hide a worrying fact that more than 30 percent of the population are dependent on family members or the state. Because, according to the age structure of the population, 21.34 percent people are under 19 years old, 4.94 percent are above 65 years old and 6.94 percent people (male 6.27 percent and female 7.59 percent) are disabled. Additionally, it is found that the incidence of poverty among widowed/divorced women is more than the national poverty rate (windowed/divorced UPL poverty 27.4 percent, LPL poverty 15.2 percent) (BBS, June 2019). Although the percentage of poverty has dropped significantly, income inequality has not decreased within the reduction of poverty, it has increased.

The lowest five deciles of Households in HIES-2016 show the share of income only 19.24 percent of the total income, although they comprise 50 percent of the population which were 20.33 percent in HIES-2010 (BBS, June 2019). The percentage share of income of the lowest 5 percent of households has decreased from 0.78 percent in 2010 to 0.23 percent in 2016. And the share of income of the top 5% of households has increased from 24.6 percent to 27.89 percent in these periods. It also shows the same pattern of income distribution in urban and rural households.

The Gini coefficient of income in Bangladesh increased from 0.458 in 2010 to 0.483 in 2016. From the data, it shows that income inequality is in an alarming position in Bangladesh.

Some aspects of poverty are highlighted in the following discussion which reflects the disparity of poverty reduction in Bangladesh.

### ***7.1 Severe Poverty in some Divisions and Districts:***

Although poverty rates have declined at the national level, according to HIES data, the trends to reduce poverty are still severe in some districts and much higher than the national poverty reduction rate. The districts comprising the Rangpur division demonstrate this point. For example, the percentage of poverty of the Kurigram district of Rangpur division is 70.8, Dinapur 64.3%, Lalmonirhat 42%. Rangpur 43.8%, Gaibandha 46.7% whereas the national poverty rate is 24.3% percent in 2016. Besides, some other districts, namely Bandarban (63.2%), Magura (56.7%), Kishoreganj (53.5%), Jamalpur (52.7%) have a higher poverty rate than the national poverty rate (24.3) (BBS, June 2019). The regional inequality of national poverty reduction is an obstacle to our poverty reduction and economic development (Ali, 28 April 2019). In the case of divisional poverty, it shows that the upper poverty rate is higher in the four divisions (e.g. Mymensingh 32.8%, Rajshahi 28.9%, Rangpur 47.2%, and Khulna 27.5%) than the national poverty rate (24.3%). In the case of the lower poverty rate, three divisions- Rangpur, Rajshahi, and Mymensingh have higher than the national poverty rate.

### ***7.2 High Poverty in a Rural area:***

The percentage of poverty in rural and urban areas is rapidly declining in Bangladesh (according to various HIES). But in rural areas, poverty rates are still higher than the urban areas. The rural poverty has reduced from 58.80 percent 1991-92 to 26.40 in 2016, that is, in the last 24 years, the rural population who were living under the upper poverty line became more than half of the earlier estimate. And also, the rate of lower poverty in the rural area shows marked improvements as it was 14.90 percent in 2016 compared with 43.80 percent in 1991-92. This represents more than three times a decrease in this period. On the other hand, significant progress has been made in reducing urban poverty. For example, in 1991-92, 42.80 percent of the urban people lived below the upper poverty line that decreased to 18.90 percent in 2016 compared with 26.40 percent for rural people in the same year. So, in this comparative analysis of rural and urban poverty, it can be mentioned that the percentage of poverty in Bangladesh has dropped significantly over the periods, but the rural poverty still remains a challenge for development.

### ***7.3 Life Cycle Poverty Scenarios:***

In order to quantify poverty, it is necessary to measure scenarios of lifelong poverty. People fall into poverty due to various risks, traumas, and crises at different stages throughout their life cycle. According to the 2010 and 2016 HIES estimates, poverty rates are higher in households with children aged 0 - 4 years because many mothers have to give up their job to raise a child. About 57 percent of such families are either poor or live close to the lower poverty line (Planning Commission of Bangladesh, 2015).

Children aged 5-10 or school-going children who come from poor families show a higher dropout rate as the children get older. Two of the major causes of unemployment for young people are lack of technical skills and education which leads to poverty. Most children in poor families become unskilled and poorly paid laborers because they cannot complete secondary-level education. Rural unemployment and rural illiteracy are exacerbating youth poverty. (Planning Commission of Bangladesh, 2015)

Working-age groups face various problems. According to the Labor Force Survey (2016 -17), there are about 63.4 million working people in the country (aged 15 years and over) of which 2.7 million are not employed. (Male 2.7m and female 1.3m). In addition, 45.8 million people are out of the labor force. Thus, extreme dependence is also one of the causes of poverty (BBS, January 2018, p. Xii). In addition, the predominance of agriculture is also one of the causes of poverty (32.4 percent of the labor force are employed in the agricultural sector). (Planning Commission of Bangladesh,

2015)

A significant amount of poverty exists among people with disabilities in Bangladesh. People at different stages of life (for example, accidents, illnesses, etc.) may be disabled. About 8.9 percent of the total population of the country is registered as disabled, of which 1.5 percent is severely handicapped (5 percent male and 9.3 percent female).

Currently, about 5 percent of the total population is sixty-four years old, and the rate is expected to reach about 12 percent by 2030 and 23 percent by 2050. About 28.2 percent of people over 60 years old live below the poverty line, this rate is increasing steadily due to various threats and uncertainties (BBS, June 2019); Studies show that 65 percent of the ethnic minorities in Bangladesh are poor (Planning Commission of Bangladesh, 2015, p. 24).

About 11.3 percent of the country's total married women are widowed, abandoned, or divorced. In addition, elderly women in poor families are forced to beg because of financial problems. The young children of abandoned women are likely to suffer from malnutrition and are often forced to work at a young age and as a result, are excluded from school and fall into poverty.

Families in Bangladesh are exposed to various traumas or injuries - such as loss of employment, illness, accident, natural disasters, epidemics, internal political crisis. In Bangladesh, most traumas are caused by natural calamities (e.g. environmental and climate change trauma) (15-18 percent) and the cost of marriage (e.g. dowry) is an important factor of poverty.

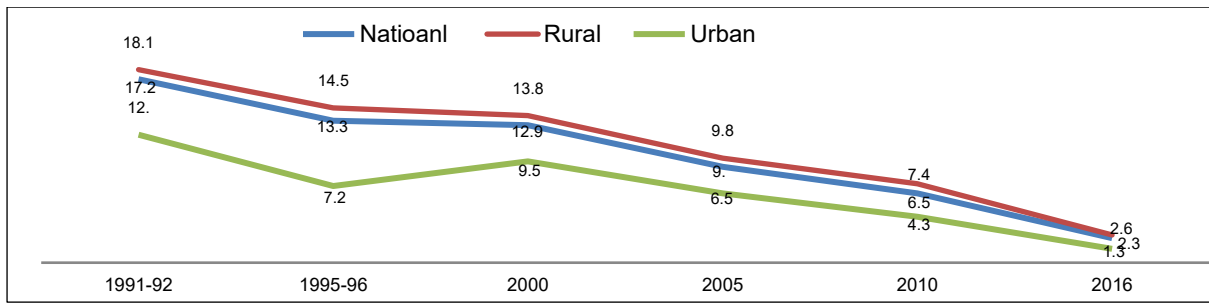
According to the various HIES, the national poverty rate is higher in illiterate people than in literate people, and data from 2005 showed that illiterate persons had 54.7 percent poverty during that time, which decreased to 42.8 and 29.5 percent in 2010 and 2016, respectively. And the percentage of poverty among literate people in 2005 was 23.0 percent which decreased to 10.3 percent in 2016. That is, the percentage of poverty among illiterate people is higher than that of educated people.

Seasonal poverty is one of the major causes of poverty in Bangladesh. People suffer from poverty during the middle of the planting and harvesting periods. Between the months of September and November, people suffer from seasonal poverty (especially in the Rangpur division) due to few opportunities for work being available. This poverty is exacerbated by an acute shortage of food caused by the impact of inclement weather on seasonal agriculture, and this results in seasonal famine, known as Monga. In addition, the fishery community also faces seasonal unemployment due to seasonal differences in fish harvesting, recession or inclement weather, and two monthly bans on hull fishing.

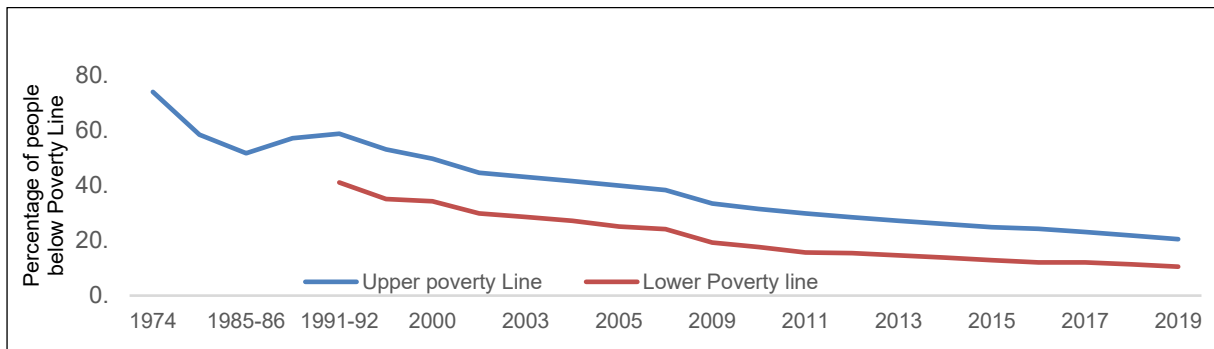
### **8.0 Some Important Findings:**

This study shows that National Poverty in Bangladesh decreased during the 1974-2019 periods. The percentage of poverty came down to 20.5 percent in 2019 from 74 percent in 1974 (53.5 percent decrease). However, calculating the total population and drawing a picture of poverty reduction based on it, shows that in 1974, 74 percent of the population lived below the poverty line, that is, the total poverty-stricken population was 5.47 crore (total population was 7.40 crore) (Planning Commission of Bangladesh, November 1973, p. 537). Currently, the percentage of poverty is low and the total poverty-stricken population is 3.54 crore (the total population 16.56 crore) in 2019.

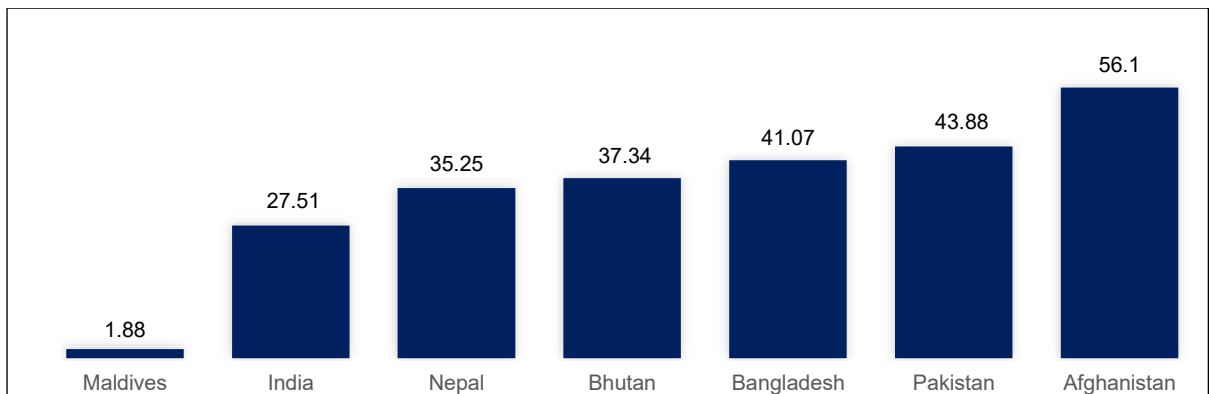




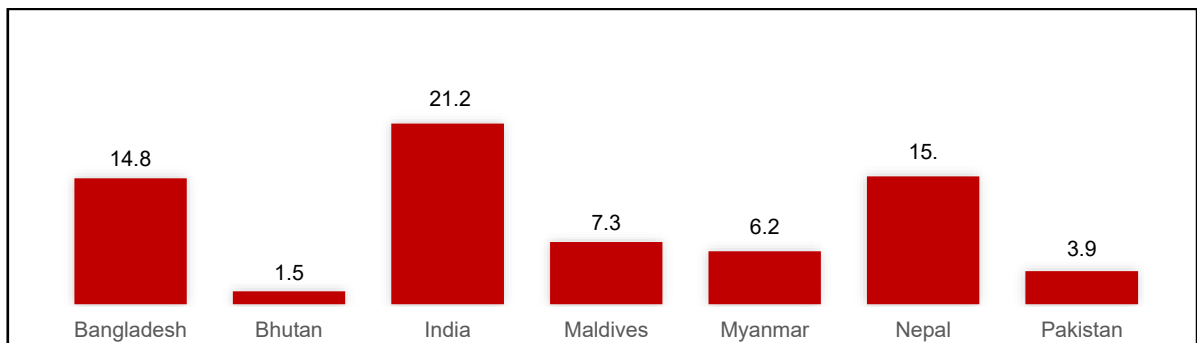
**Fig. 1: Reduction of poverty Gap Using UPL : 1991-92 to 2016 (selected years)**  
(Source: HIES of different years)



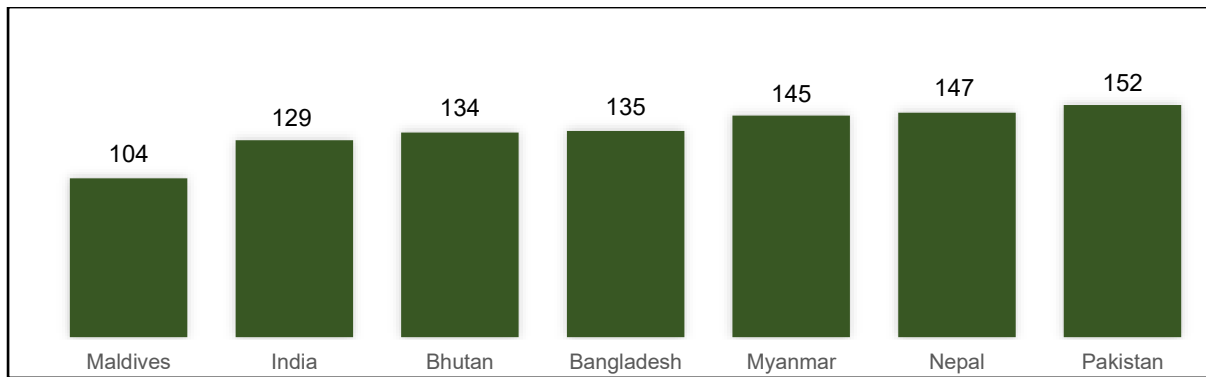
**Fig. 2: Poverty Reduction trend of Bangladesh: 1973-74 to 2019 (selected years)**  
(Source: HIES of various years, six and seven five years plan of Bangladesh)



**Fig. 3: Population in multidimensional poverty (Headcount Ratio: % of Population)**  
(Source: Prepared by the authors from MPI databank)



**Fig. 4: Percentage of People who live below \$1.90 PPPs**  
(Source: Prepare by the authors for world bank Povcal Net data (World Bank, 2020)  
Note: Data was not taken from the same year according to Povcal Net data)



**Fig. 5: HDI Rank- 2019**

Source: Prepared by the authors from HDI database

So, a good number of people are also suffering in poverty. To compare Bangladesh with other neighboring countries in South Asia, the analysis of data from various international organizations shows that Bangladesh is still lagging compared to some neighboring countries. For example, according to the Multidimensional Poverty Index (2019), Bangladesh ranks fifth among seven South Asian countries followed by Pakistan and Afghanistan. According to Global Hunger Index, Bangladesh ranks third among seven South Asian countries, meaning that the GHI index is still lagging behind Myanmar and Nepal. World Bank analyzes using the PovCal data that Bangladesh lags behind Myanmar, Nepal, Pakistan, and Bhutan in terms of absolute poverty alleviation. In addition, Bangladesh climbed to 135 among 189 countries in the HDI of 2019, but its ranked lower than Sri Lanka, India, and Bhutan.

Besides, Poverty in different areas or regions, poverty based on age and ethnicity, the difference in poverty between educated and uneducated people, are highlighting the disparity of poverty in this country. The Gini coefficient rose to 0.483 in 2016 from 0.458 in the year 2010; the Percentage share of income of the lowest groups decreased from 0.78 in 2010 to 0.23 in 2016; the percentage of poverty of some districts such as Kurigram (70.8%), Dinajpur (64.3%), Bandarban (63.2%), Magura (56.7%), Kishoreganj (53.5%), Jamalpur (52.7%), Gaibandha (52.5%), Rangpur (46.7%), Lalmonirhat (43.8%) is more than double the national poverty rate.

## 9.0 Conclusion:

The present study reveals that the absolute poverty rate has significantly declined in Bangladesh but the poverty in rural areas of Bangladesh particularly in the northern part of the country remains a challenge before the country. The paper found that the disabled, old aged, childbearing families, minority groups, working-aged unskilled people, illiterate people are still facing poverty in rural Bangladesh. Natural calamities, seasonal monsoon, and many other factors have stood as new factors against poverty reduction. The government has been trying to implement multifaceted steps to reduce the poverty in rural Bangladesh. The government has decided to take up priority projects in the poverty-prone districts of the north. Under the social security program, old age allowance, a special program for the northern region, widow allowance, disability allowance, allowance for Dalits, and many other government programs have been taken up to reduce the poverty in Bangladesh.

It is to say in a few words, the poverty scenario in Bangladesh has significantly decreased and the unimaginable successes are evidenced from the surveys or data of various international organizations. Bangladesh's HDI index has risen, Bangladesh is no longer an Alarming Hunger Country in the Global Hunger Index and is now classified as a lower-middle-income country.

## 9.0 Policy Prescriptions:

Firstly, although the poverty rate has decreased, income inequality continues to rise. So, the government can take policy measures to reduce income inequality and take steps to improve the income of the poor. Arrangements can be made for creating employment opportunities for the poor, providing them with credit facilities, encouraging their participation in economic activities, and ensuring equitable distributions of resources.

Secondly, the study has shown that the higher the poverty among the uneducated and marginalized population, so the more attention can be paid to the development of appropriate and efficient education and technical education system and in addition needs to create tolerant jobs for the elderly, the disabled, and the poor.

Thirdly, in areas where the poverty rate is still high, the authority can build up infrastructure, develop agro-based and market-oriented industries on a priority basis because it is noticeable that poverty is higher in the agricultural districts.

Fourthly, since a large portion of the population falls into poverty every year due to various kind of illness and malnutrition and they need medical treatment. Therefore, the health system of the government should be brought to the doorsteps of the people and free medical services should be provided to the helpless, poor, and marginalized people.

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