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### ***Workshop Presents New Findings on Why Some Households in Rural Bangladesh Stay Poor, While Others Move Out of Poverty***

**Dhaka**—Bangladesh’s high economic growth during the last decade has resulted in significant reductions in poverty. However, 36 million people—about one quarter of the country’s population—still face acute poverty and hunger.

Addressing this challenge is the focus of the workshop, “Understanding Chronic Poverty and Poverty Dynamics in Rural Bangladesh,” starting here today. Government officials, researchers, and civil society representatives will discuss new findings on why some households and communities in rural Bangladesh remain trapped in poverty, while others have successfully moved out. These findings will help identify key factors that keep people poor.

The workshop is organized by the Chronic Poverty Research Centre (CPRC), Data Analysis and Technical Assistance Ltd. (DATA), and the International Food Policy Research Institute (IFPRI).

Drawing on information collected from 1,800 households across rural Bangladesh, the study found that while close to half the households surveyed moved out of poverty, around one-fifth remained chronically poor and a small percentage fell into poverty. These households were found to be extremely vulnerable to unexpected shocks, such as illness, dowry and wedding expenses, and floods.

The study focused on three key aspects of poverty in rural Bangladesh: poor people's perceptions of what makes them poor; the factors that create and perpetuate their poverty; and the patterns of loss and gain that they directly experience.

“Unlike previous studies, this research integrates two types of important data—household survey data and individual life histories—to provide a deeper understanding of the causes of chronic poverty in rural Bangladesh.” said Bob Baulch, coordinator for the poverty dynamics and economic mobility theme at CPRC.

The study found that those households that have lower education levels, own less land, hold fewer non-land assets and livestock, and have many young children and elderly members, face the most difficulty escaping poverty. Unexpected shocks, such as injuries, illness and livestock deaths, significantly increase the likelihood of chronic poverty. Dowry payments and wedding expenses are a heavy burden for most households.

“This study makes it clear that rural households are particularly vulnerable to crises,” said Md Zihadul Hassan, managing director of DATA. “The impact of a crisis, however, greatly depends on how much schooling the head of a household has received, whether property has been divided, and household ownership of livestock and other assets.”

Additionally, the study documented eight types of life trajectories based on accounts by people of their direct experiences of moving in and out of poverty. Many of these life trajectories displayed a “saw-tooth” pattern in which improvements in people's lives are reversed by illnesses and large medical expenses, wedding expenses, and legal disputes.

“The life histories collected for this study reveal how improvements in poor people's lives tend to occur gradually, while declines occur suddenly,” said Peter Davis, lecturer at the University of Bath and co-researcher of this study. “People's lives follow upward and downward patterns, not a smooth pattern of either progress or decline which is often suggested by more conventional research approaches.”

The households in the study are based in 102 villages located in 14 of the country's 64 districts and were originally interviewed between eight and 14 years ago. The researchers revisited the same households in late 2006 and early 2007 to assess the changes in poverty and well-being that occurred over time.

“Unexpected shocks keep people in poverty and prevent them from moving out,” said Agnes Quisumbing, senior research fellow at IFPRI. “This study provides a better understanding of these issues and can guide the design of more effective social protection systems for poor people in rural Bangladesh.”

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*The Chronic Poverty Research Centre (CPRC) is an international partnership of universities, research institutes, and NGOs established in 2000. The central aim of CPRC is to create knowledge that contributes to both the speed and quality of poverty reduction, with a focus on assisting those who are trapped in poverty, particularly in sub-Saharan Africa and South Asia. [www.chronicpoverty.org](http://www.chronicpoverty.org)*

*DATA was founded in 1994 as a research consulting firm that applies its technical expertise in support of finding solutions to pressing social and economic challenges in Bangladesh. Its uniqueness as an organization stems from the honest devotion, efficiency, and high quality work of its staff and the prioritization of client satisfaction over profit. [www.databd.org](http://www.databd.org)*

*The International Food Policy Research Institute (IFPRI) seeks sustainable solutions for ending hunger and poverty. IFPRI is one of 15 centers supported by the Consultative Group on International Agricultural Research, an alliance of 64 governments, private foundations, and international and regional organizations. [www.ifpri.org](http://www.ifpri.org)*