



IJSRM

INTERNATIONAL JOURNAL OF SCIENCE AND RESEARCH METHODOLOGY

An Official Publication of Human Journals




Human Journals

Research Article


November 2016 Vol.:5, Issue:1

© All rights are reserved by Md. Rukunujjaman

Poverty Level of Bangladesh: Special Case, Rangpur and Rajshahi Division



IJSRM
INTERNATIONAL JOURNAL OF SCIENCE AND RESEARCH METHODOLOGY
An Official Publication of Human Journals



Md. Rukunujjaman

*Department of Economics,
Begum Rokeya University, Reangpur, Bangladesh.*

Submission: 5 November 2016
Accepted: 10 November 2016
Published: 25 November 2016



HUMAN JOURNALS

www.ijsrm.humanjournals.com

Keywords: poverty, economic growth, development disparity, income inequality

ABSTRACT

The level of poverty in Bangladesh is one of the highest in the world. Millions of people suffer from the hardship of poverty. Moreover, inequality afflicts the persistence of poverty. Poverty level of Rangpur and Rajshahi division is more than the other divisions. Therefore, this study has analyzed the poverty level of Bangladesh and focused various issues. Analyze the nature, extent and trends in growth, poverty and income inequality in Bangladesh. Document and examine relationship between economic growth, development disparity, income inequality and poverty in Bangladesh provide some policy suggestions to foster growth, reduces development disparity, income inequality and poverty in Bangladesh to achieve sustainable development. This paper is also focused on to decompose inequality and poverty by rural, urban and national level households. The study is based on the analysis of secondary information which has been collected from different sources. Since 1991-92, the incidence of poverty has decreased to 31.5 percent in 2010 from 56.7 percent in 1992. From the study, it is evident that the incidence of poverty is higher in Rangpur and Rajshahi division than that of the other areas. The analysis shows a clear picture of the current trend of poverty and inequality in Bangladesh.

INTRODUCTION

The incidence of poverty in Bangladesh is one of the highest in the world. Millions of people here are suffering from the imprecation of poverty. Bangladesh has been stereotyped as the archetypical theater of poverty and it was a subject of interest during the British colonial period (Jack, 1976; Siddqui, 1982). After that, it began to attract the attention of researchers after the famine of 1974 and the decade saw a number of studies mainly devoted to counting up the poor (Islam, 2010). Reduction of poverty is a fundamental challenge for Bangladesh. Although, Bangladesh has gained important achievements in fighting against poverty since the early 1990s but there is no room for complacency is there. The incidence of poverty in Bangladesh is one of the highest in the world. Millions of people are suffering from the hardship of poverty on the occasion (Titumir and Rahman, 2011). About one-third (31.5 percent) of its population is still living below the so-called poverty line (BBS, 2010). In this context, likewise many other countries, poverty is still a vital concern and challenge as well for Bangladesh.

Bangladesh has made commendable progress in respect of eradication of poverty and hunger. It has sustained a GDP growth rate of 6 percent or above in recent years that has played a positive role in eradicating poverty. The robust growth has been accompanied by corresponding improvements in several social indicators such as increased life expectancy and lower fertility rate despite having one of the world's highest population densities. This impressive performance is the result of persuasion of pro-poor and inclusive growth strategy. Inclusive growth has resulted in impressive poverty reduction from 56.7 percent in 1991-92 to 31.5 percent in 2010; the rate of reduction being faster in the present decade than the earlier ones. The latest HIES 2010 data show that the incidence of poverty has declined by an average 1.74 percentage points in Bangladesh during 2000 to 2010 against the MDG target of 1.20 percentage points. The poverty headcount ratio for 2015 is estimated to be 24.8 percent. Economic growth, employment and wages are three fundamental factors that helped reducing poverty in Bangladesh. Government policy directed towards economic growth, creation of employment and improving wages play a crucial role in reducing poverty. Among these policies, government expenditures on education, health, infrastructure, and agricultural development have been most instrumental.

Bangladesh with the population of 150 million and the land area of 148 thousand square km, extending 820 km north to south and 600 km east to west. It is bordered mostly by India, and the southern part of Bangladesh faces the Bay of Bengal. In 2010, the country is divided into 7 administrative divisions, and these divisions are further divided into 64 districts. In terms of socio-economic conditions and physical and human geography, there are large differences between regions. In order to formulate better policies to promote sustainable and equitable development, it is imperative to examine inequality and poverty in a spatial context.

North-West Bangladesh is the northernmost area of the country, known as greater Rangpur-Dinajpur in Rangpur Division. Its current working area covers 37 Upazilas (sub-districts) of 8 districts namely Dinajpur, Thakurgaon, Panchagarh, Nilphamari, Kurigram, Gaibandha, Lalmonirhat and Rangpur in the greater Rangpur-Dinajpur region in the northwest part of Bangladesh. Presently this includes 307 Unions – the lowest tier of local government and extends into the riverine belt to include the islands and sandbars in the River Brahmaputra. The area is generally very low-lying and crisscrossed by river systems. The total area is 5,498 sq. with a population of 6.2 million. The northwest Bangladesh is historically more neglected and poor. The soil tends to be sandy and water tables deeper than in other regions. Rangpur division is vulnerable to frequent natural disasters. People face catastrophe like cyclones during summer, floods and river-bank erosion in the rainy season, drought in summer, spring and cold wave in winter. Lacking any significant industrial development agriculture is the mainstay of the economy and main source of employment. The spread of irrigation has reduced the extent of the lean season but remains problematic.

On the other hand, Rajshahi is another administrative division of Bangladesh. It is also a metropolitan area among the nine and located in the mid-western part of Bangladesh. The mighty river Padma bordered Rajshahi division to the south and the Jamuna River bordered to the eastern part of Rajshahi division and Rangpur division to the north and to the west the division is bordered with West Bengal of India. It has an area of 18,174.4 km and a population at the 2011 Census of 18,329,000. Rajshahi Division also consists of 8 districts, 70 Upazilas (the next lower administrative tier) and 1,092 Unions (the lowest administrative tier). This division is characterized by its cheap labor force. It has an excellent rail and road communication infrastructure.

Though there has been a declining poverty trend in the recent past, a major emerging concern has been the growing regional disparity, between North -West and other parts of Bangladesh. Poverty level in North- West zone tended to be significantly higher compared to others zone in Bangladesh.

The average poverty rate in Rangpur division is 42% followed by Barisal with a poverty rate of 38.3%, Khulna 31.9%, Dhaka 30.5%, Rajshahi 27.4%, Chittagong 26.1% and Sylhet 25.1%, according to the Bangladesh Poverty Maps 2010.

Therefore, the present study has analyzed poverty level in Bangladesh especially in Rangpur and Rajshahi division and focused various issues. Analyze the nature, extent and trends in growth, poverty and income inequality in Bangladesh. Document and examine relationship between economic growth, development disparity, income inequality and poverty in Bangladesh provide some policy suggestions to foster growth, reduces development disparity and income inequality and poverty in Bangladesh.

Literature Review

Zohir (2011) states that the issue of regional differences was overshadowed by geographical targeting of the poor and more recent focus on Monga- affected people in the north- west. Thus, pockets of high ecological vulnerability (including river erosion) and higher incidence of poverty were identified- largely following exercises based on Household Income Expenditure Survey(HIES) data, and fine- tuned further with ‘small area’ poverty mapping under the initiative of the World Food Programme (WFP). Much later, commitments for monga eradication were voiced, more concertedly, by the Palli Karma Shahayak Foundation (PKSF). On both counts, prevalence of poverty in the northwest of Bangladesh has long been recognized. Prevalence of extreme poverty in the northwest Bangladesh has long been recognized. Prevalence of extreme poverty in the northwest was also accounted for in the WFP poverty and vulnerability maps which proved a basis for resource allocations.

Sen (2005) attempted to explain the variations of growth. The analysis included such factors as human capital (literacy rates), gender inequality and initial level of expenditure and asset inequality. Multivariate analysis in Sen (2005) points to the importance of such factors as human

capital, agriculture technology, urban dynamism and inequality. Much of Sen's analysis was constrained by data limitation- in particular; district- level GDP estimates by BBS have always been suspecting. Sen recognized that more remains to be understood about the "missing factors"; and these relate to the role of infrastructure, access to finance, and the quality of local/ regional governance.

The report from the Planning Commission (GED 2008) makes several observations, of which the following are noteworthy:

- The lagging regions are more dependent on agriculture and less industrialized;
- These regions received relatively less allocation of Social Safety Net Programs (SSNPs) as well as of Annual Development Programs (ADPs) funds in the past;
- The regions lag behind others in respect of some critical infrastructural facilities, such as transport & communication, electricity and gas

CPD (2008a) focus on that public expenditure allocation in Bangladesh has some inbuilt regional inequality features that if not addressed properly, may have adverse consequences for the homogenous development of the country in the long run.

The average poverty rate in the division is 42% followed by Barisal with a poverty rate of 38.3%, Khulna 31.9%, Dhaka 30.5%, Rajshahi 27.4%, Chittagong 26.1% and Sylhet 25.1%, according to the Bangladesh Poverty Maps 2010. This is the third generation of poverty map in Bangladesh which is an important statistical instrument for estimating the poverty incidence up to sub-district (Upazila) levels. The maps display poverty condition of people in 544 Upazilas of 64 districts under the seven divisions. The Bangladesh Bureau of Statistics, the World Bank and the United Nations World Food Programme jointly developed the maps by applying a small area estimation technique on data from the household income and expenditure survey 2010 and the population census 2011.

Deb *et al* (2008) conclude that regional inequality is a growing concern in Bangladesh. Bangladesh during pre- independence period experienced serious regional inequality. They find two results: (i) higher the level of initial income, higher the level of current per capita

income and higher the GDP growth, higher the per capita income in the district; and (ii) proportion of landless household had a significant negative effect on per capita income level. If proportion of landless is viewed as an outcome, no new knowledge is derived from the exercise.

Afser Rita (2010) states that weak governance as a result of clientelism practice is often considered as the single- most important factor behind the growing inequality and persistent poverty in Bangladesh. Using rights- based approach (RBA), this article examines regional disparity, central- local relations and the scope for peoples' participation under the existing rules and practices. It also sheds light on the cultural aspects of governance constituted of trust, social solidarity and institutional connectivity using an empirical data set generated from a census of six villages in Bangladesh backed by a triangulation of the qualitative and quantitative research tools.

The World Bank report (WB 2008), with the sub-title, "Creating Opportunities and Bridging the East- West Divide", deserves more critical examination due to its apparent rigor and extensive use of HIES data converging to a strong assertion on "regional disparity". Several key findings of the WB report are:

- Changing pattern of regional inequality: while regional inequality in income/consumption in Bangladesh had been significant till the early 1990s. It is said to have been induced mainly by large differences between the greater Dhaka region and the rest of the country. It is suggested that most regions in the East moved closer to the greater Dhaka region in terms of incomes and poverty during the period between 2000 and 2005, while the West continued to lag behind.
- Presence and absence of growth poles: The eastern region benefited from integration with growth poles, namely Dhaka and Chittagong; in contrast, the West and Southwest remained isolated without a growth pole.
- Other aspects: In addition, a combination of factors contributed to stagnant incomes in lagging regions- relative lack of remittance income, inadequate public infrastructure like electricity and roads to markets, lack of growth poles within these regions and deficiencies in assets and endowments among households.

- Wage growth as the key determinant of income growth: Ninety percent of the growth in real income per capita is attributable to wage growth and rest to an increase in the share of working-age population in total population. Wages grew robustly in the eastern part of the country but stagnated in the West. While both East and West created employment to much the rise in working for age population, the East created much more jobs that are more stable (salaried), better paid and in a robustly growing non- farm sector.

- Intra- divisional factors explain most changes in poverty: Sectorial decomposition of changes in poverty headcount suggests that intra- divisional factors account for almost 90percent of the poverty change and not the inter- divisional factors (population shift and interaction effects).

Titumir and Rahman (2011) states that there is no denial that geography, culture and politics have been historically intertwined to result in differences across region. Therefore, a different result is also found in case of the incidence of poverty according to the division.

Zaman, Narayan and Kotikula (2012) narrowing the economic gap between the growing and lagging regions of the country would require interventions to improve endowments and returns to the endowments in the lagging parts of the country. To raise returns to endowments, improving the investment climate for non-farm enterprises in lagging regions would be crucial. This would require improving infrastructure including roads and electricity, improve links to markets, and more broadly, improve the links between the isolated parts of the country (primarily in the west and southwest) to the urban growth centers that are mainly in the east.

Since 2000 to 2010, the proportion of poor in the population declined considerably, but the incidence of poverty witnessed a slower pace during 2005-2010 than 2000-2005. According to the latest available national statistics on poverty, based on headcount rate (cost of basic needs method, CBM) and using upper poverty line, the incidence of poverty decreased to 31.5 percent in 2010 at the national level with an annual decrease rate of 2.46 percent from 1991-92 (HIES, 2010). If this trend of decrease continues, the incidence of poverty might fall to 22.9 percent by 2021(Rahman, 2012).

Rahman (2009) discusses regional difference in wage and poverty. Drawing upon unit wages separately calculated from HIES 2000 and HIES 2005, the paper shows that wages had increased substantially in Khulna and had declined in Dhaka division, which is not consistent with the poverty trends in the two divisions. Unfortunately the paper does not attempt an explanation – instead, it presents regression estimates of wage equations from two separate exercises with 2000 and 2006 LFS data. Interestingly, estimate of the dummy for Khulna division, showing the scalar difference between wage rates in Khulna and Dhaka divisions, declined significantly over the two LFS years. Rahman (2009) failed to take into cognizance of this inconsistency in her findings as well as the fact that the sampled PSUs (and Upazilas) varied between the two survey years.

Objective of the Study

Thus the objective of this paper is to analyze the nature and the level of poverty in Bangladesh especially in Rangpur and Rajshahi division and to some policy, suggestions reducing poverty level and disparities in Bangladesh.

Relevance of the Study to National Development

Economic growth in Bangladesh in the last one and a half decades or so has no doubt improved the living standard of the population across the country. Analysis of poverty level has shown a consistent decline in poverty incidence, especially in rural areas. Bangladesh has enjoyed a credible record of sustained growth within a stable macroeconomic framework in recent years. Thus study of poverty level of Bangladesh is very important for the national development context. This study can give suggestion that what should be the government steps to reduce poverty level in *Rangpur* and *Rajshahi* division. The study is also important for national development because it will show the regional disparity among several divisions of Bangladesh.

Methodology

This paper involved analysis of secondary information collected from different sources and analysis of published results and reports on poverty in Bangladesh. The study is prepared mainly based on the data of household income and expenditure survey (HIES) of 2000, 2005 and 2010 conducted by the Bangladesh bureau of statistics (BBS), World Bank data, world

development reports, reports of WFP. A good number of pertinent journals, different statistical reports, periodicals, bulletins, books of abstracts, etc. were searched and reviewed for collecting relevant information.

In this study, analysis has been carried out the basis of available secondary literature and data. Important sources include secondary data in form of official statistical information collected from the Bangladesh Bank, Bureau of Manpower, Employment and Training (BMET), International Migration Report of IOM, World Bank Report, IMF Report, ADB Report, Journals etc.

Key Definitions:

Poverty:

There is no one single definition of poverty. One figure which has been suggested is that an income of half the national average indicates poverty.

According to *World Bank*

“The most commonly used way to measure poverty is based on incomes. A person is considered poor if his or her income level falls below some minimum level necessary to meet basic needs. This minimum level is usually called the "poverty line". What is necessary to satisfy basic needs varies across time and societies. Therefore, poverty lines vary in time and place, and each country uses lines which are appropriate to its level of development, societal norms and values.”

According to *United Nations*,

“Fundamentally, poverty is the inability of getting choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one’s food or a job to earn one’s living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living in marginal or fragile environments, without access to clean water or sanitation.”

In a word, poverty is a Condition where people's basic needs for food, clothing, and shelter are not being met.

Poverty is generally of two types: (1) Absolute poverty is synonymous with destitution and occurs when people cannot obtain adequate resources (measured in terms of calories or nutrition) to support a minimum level of physical health. Absolute poverty means about the same everywhere, and can be eradicated as demonstrated by some countries.

(2) Relative poverty occurs when people do not enjoy a certain minimum level of living standards as determined by a government (and enjoyed by the bulk of the population) that vary from country to country, sometimes within the same country.

Economic Growth:

Economic growth is an increase in the capacity of an economy to produce goods and services, compared from one period of time to another. Economic growth can be measured in nominal terms, which include inflation, or in real terms, which are adjusted for inflation. For comparing one country's economic growth to another, GDP or GNP per capita should be used as these take into account population differences between countries.

Economic growth is usually associated with technological changes. An example is a large growth in the U.S. economy during the introduction of the Internet and the technology that it brought to U.S. industry as a whole. The growth of an economy is thought of not only as an increase in productive capacity but also as an improvement in the quality of life for the people of that economy.

Trends of Poverty in Bangladesh

Bangladesh has been successful in achieving significant reduction in poverty since 1990. But the commendable performance in terms of poverty reduction at the national level has not been equally shared among its different components at the sub-national level. This is evident that the pace of poverty reduction differed among different divisions.

Table 1: Incidence of Poverty (Head Count Rate, using upper poverty line) by Divisions, 1995- 96 to 2010

	2010	2005	2000	1995-96
National	31.5	40.0	48.9	53.1
Barisal	39.4	52.0	53.1	59.9
Chittagong	26.2	34.0	45.7	44.9
Dhaka	30.5	32.0	46.7	52.0
Khulna	32.1	45.7	45.1	51.7
Rajshahi	29.8	51.2	56.7	62.2
Rangpur	46.2	-	-	-
Sylhet	28.1	33.8	42.4	-

Source: BBS, HIES Reports (1995- 96, 2000, 2005 and 2010)

From Table-1, the estimate of HCR of poverty by divisions using the upper poverty line in 2010 reveal that Rangpur division has the highest incidence of poverty (HCR) at 46.2 percent, followed by Barisal division 38.4 percent and Khulna division 32.1 percent. On the other hand, Chittagong division has the lowest HCR of incidence of poverty at 26.2 percent followed by Sylhet division at 28.1 percent and Rajshahi division at 29.8 percent.

Between 2005 and 2000, the poverty headcount rates fell less rapidly for the divisions of Barisal, Khulna and Rajshahi and in some categories, these rates even increased. This is in sharp contrast to the case of other three divisions, namely, Dhaka, Chittagong and Sylhet, which have experienced faster poverty reduction. Among all the divisions the poverty rate is highest (46.2percent) in Rangpur division. The trend in poverty reduction rates between 2005 and 2010 suggests that regional disparity observed in previous household surveys with respect to headcount poverty has narrowed significantly.

A conventional way to measure poverty is to establish a poverty line, defined as the threshold level of income needed to satisfy basic minimum food and non- food requirements and determine the number of households (People) below that line as a percent of the total households (Population). This Head- count Index (HDI) is a measure of the incidence of poverty.

This measure is easily understood by general public and hence is popular with policymakers and development practitioners. The limitation of the measure is that it is insensitive to change in the level and distribution of income among the poor. The other measures of poverty commonly used to take into account the distribution issue are a) the Poverty Gap Index and b) the Squared Poverty Gap Index. The Poverty Gap Index measures the average (of poor and non-poor households) of the percent of income gap of the poor households from the poverty line and is used as a measure of intensity of poverty. It measures the percent of total income needed to be transferred from the non-poor to poor households to lift the poor above the poverty line. However, if the society is averse to inequality in the distribution of income among the poor, the poverty measure must be sensitive to income transfers from the moderate to the extreme poor. It means that higher priority must be given to the improvement in the economic conditions of the extreme poor compared to the moderately poor. The Squared Poverty Gap Index satisfies this condition and is used as a measure of the severity of poverty.

Poverty situation at the national and regional level is reported in Table- 2. Poverty Gap and Squared Poverty Gap by seven administrative divisions are presented in this Table.

Table 2: Poverty Gap and Squared Poverty Gap by Divisions

Poverty Line and Division	Poverty Gap in percent (using upper poverty line)	Squared Poverty Gap in percent (using upper poverty line)
National	6.5	2.0
Barisal	9.8	3.4
Chittagong	5.1	1.5
Dhaka	6.2	1.8
Khulna	6.4	2.0
Rajshahi	6.2	1.9
Rangpur	11.0	3.5
Sylhet	4.7	1.3

Source: BBS, HIES (2010)

The Poverty Gap (PG) estimates the depth of poverty of the population. The HCR of poverty gives only the percentage value of poverty incidence, but it does not measure the distance of the poor households from the poverty line. Using the upper poverty line, at the national level recorded the PG at 6.5 percent in 2010. The same was highest for Rangpur division at 11.0percent in 2010.The Squared Poverty Gap (SGP) measures the severity of poverty. Using the upper poverty line, at the national level has recorded the lowest SPG which was 1.3 percent in 2010. The same was highest for Rangpur division 3.5 percent and in Rajshahi division, it is 1.9 percent which is better than Rangpur.

If we can analysis the poverty map, the poverty scenario will be clear for these two regions.

In figure 1 we can see that almost 50 percent of poor people are live in Rangpur division but the percentage of poor people is 16-27 percent in Rajshahi division under upper poverty line.

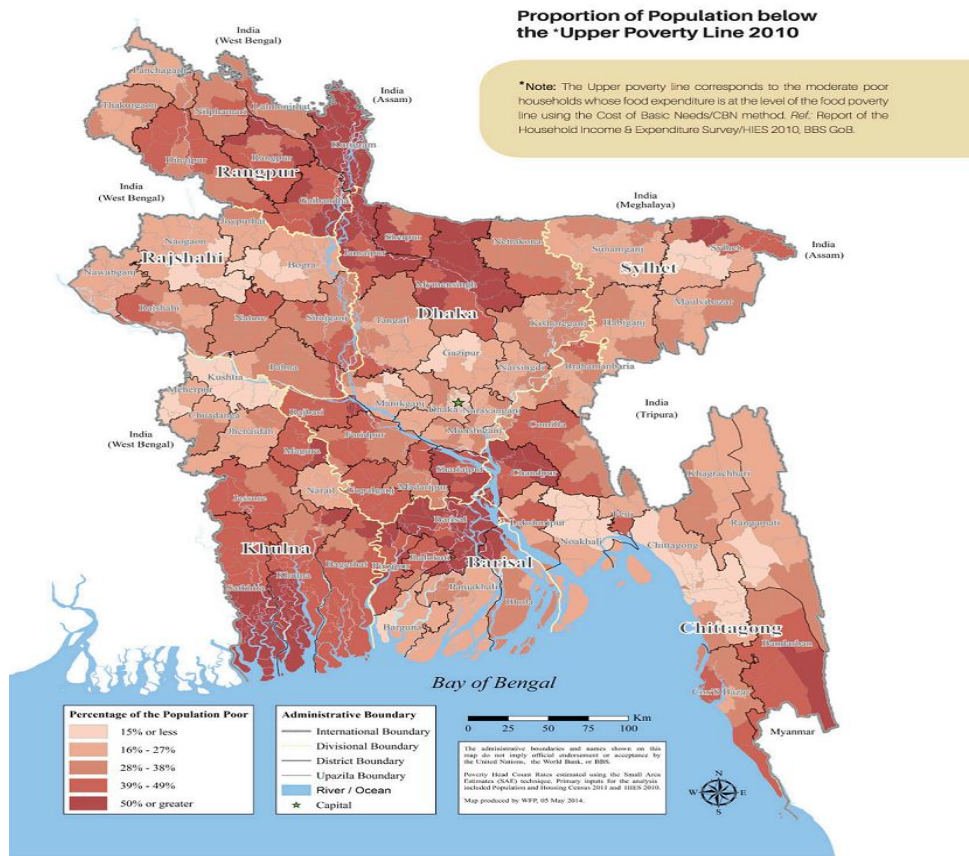


Figure 1: Proportion of poverty line below the upper poverty line 2010

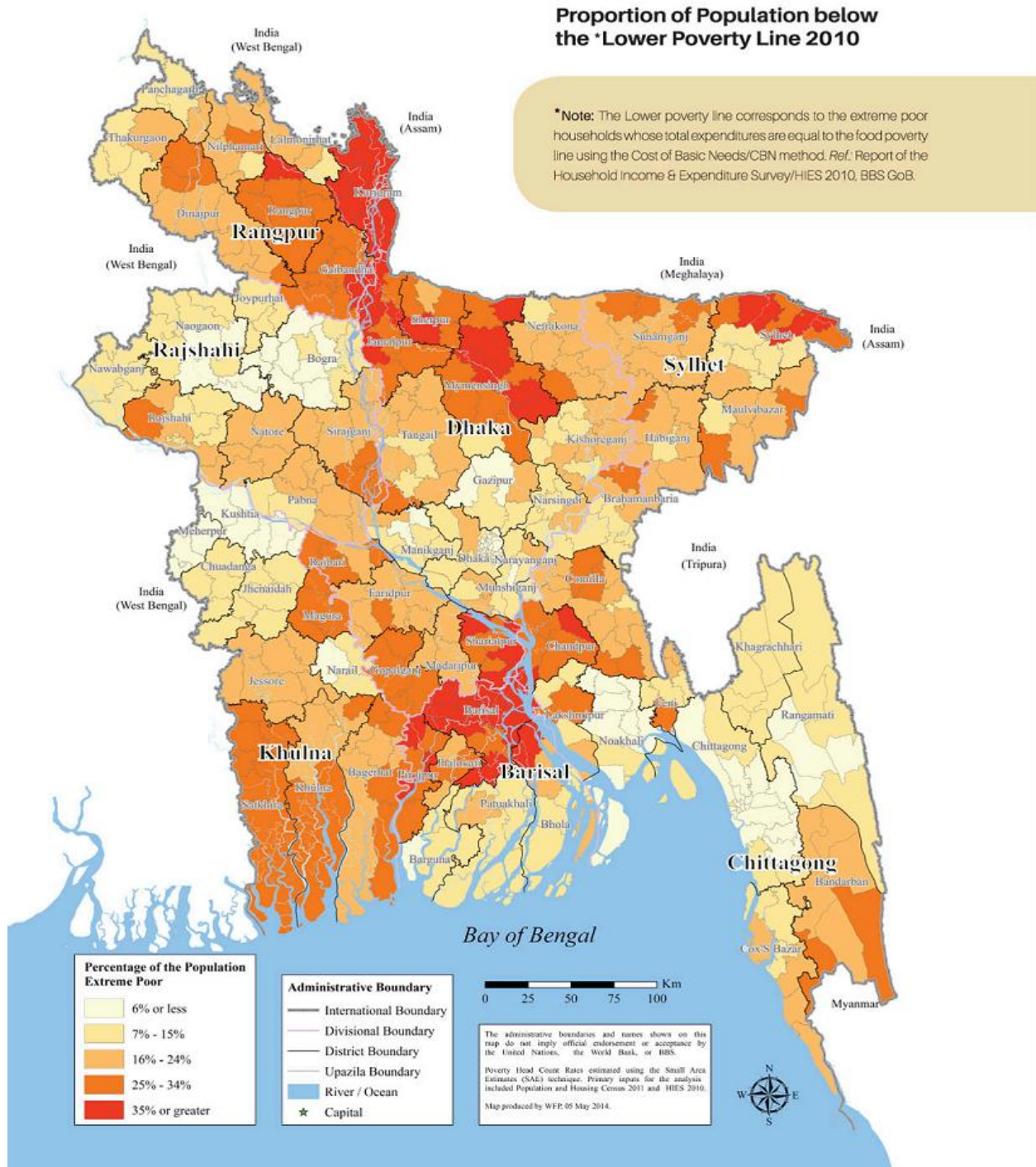


Figure 2: Proportion of population the below poverty line 2010

Figure 2 shows the higher percentage of extreme level poverty in Rangpur division and lower percentage in Rajshahi division.

Income and Expenditure of Households

The highest average monthly household nominal income was recorded at Tk. 14092 for Chittagong Division followed by Dhaka Division at Tk. 13226 and Sylhet Division at 11629 and all of these exceeded the national average of Tk.11479 in 2010. The four Divisions, which recorded monthly household income below the national average, were Barisal Division at Tk.9158, Khulna Division at tk. 9569 and Rajshahi Division at Tk.9342 and Rangpur division Tk.8359 (Table 3).

Table- 3: Monthly Household Nominal Incomes and Consumption Expenditures by Divisions- 2010

Division	Income (Taka)	Consumption Expenditure(Taka)
National	11497	11003
Barisal	9158	9826
Chittagong	14092	14360
Dhaka	13226	11643
Khulna	9569	9304
Rajshahi	9342	9254
Rangpur	8359	8298
Sylhet	11629	12003

Source: BBS. HIES (2010)

The highest average monthly consumption expenditure was recorded in Chittagong Division at Tk. 14360 followed by Sylhet division at Tk. 12003 and Dhaka division at Tk. 11643 and their income exceeded the national average of monthly household consumption expenditure at tk.11003 in 2010. On the other hand, the average monthly household expenditure of Barisal Division, Khulna Division and Rajshahi division and Rangpur Division fell well below the national average and were estimated at Tk. 9826, Tk. 9304 Tk. 9254 and 8298 respectively.

RESULTS AND KEY FINDINGS

Bangladesh has a very small economy in terms of per capita gross domestic product (GDP) and gross national income (GNI). Since 1991-92, the incidence of poverty has decreased to 31.5 percent in 2010 at the national level with an annual average reduction rate of 1.32 percent. It is evident that the incidence of poverty is higher in rural areas than that of the urban areas and the rate of decrease of poverty is also higher in rural areas (1.24 percent) than that of the urban areas (1.13 percent) (HIES, 2010). Gini co-efficient of income has increased from 0.451 to 0.458 at national level with a growth rate of 0.16 percent during the same period. Furthermore, general inflation and food inflation are positively associated with income inequality of population. This indicates an increase in both general inflation and food inflation which has been contributing to rising income inequality in Bangladesh. There is a strong argument that persistent and fair economic growth helps in poverty reduction. The poverty situation in Bangladesh has seen a little different scenario, as the country had a steady growth since 2000, but the poverty situation has not improved as it should be. In Bangladesh, the number of people living in poverty has increased due to rising disparities in the distribution of resources within the country. Unequal growth pattern has a weaker poverty-alleviating effect and has been shown to be harmful to growth. Therefore, reduction of poverty is hard to pin down without addressing inequality. In Rajshahi and Rangpur division poverty is higher than other divisions of Bangladesh. It has also seen that Rangpur is poorer division than Rajshahi or any other divisions.

CONCLUSION

The eradication of poverty and inequality and meeting of basic needs are the primary goals for any government. However, achieving a reduction in poverty and inequality is a fundamental challenge in Bangladesh. Despite considerable trust on poverty alleviation in all plan documents since the independence of Bangladesh, a significant number of people are still living below the poverty line. Most of the labor force is engaged in informal low productivity and low-income jobs. The access to secondary and tertiary education is limited and the quality of education at all levels is deficient. The poor group of the population is severely disadvantaged in terms of ownership of assets and has inadequate access to institutional finance as well as to basic services including quality education, healthcare, water and sanitation. High price of food and high food inflation bring miserable sufferings to its population especially those who have no or little

income. Along with focus on economic growth and employment, substantial attention needs to be given to reduce the growth of population. Inequality emerges from a combination of greatly unequal distribution of physical assets as well as human capital.

Broadly speaking, the Divisions of Rajshahi and Rangpur show higher poverty and lower income growth than the Divisions of Chittagong, Dhaka and Sylhet. Bangladesh needs adequate state intervention programs and strategic policies to improve the current poverty situation. Theoretically, there are some of the strategic documents and policy papers are seemed to be implementable to reduce the poverty situation in Bangladesh. However, without proper monitoring and evaluation, the implementation of all these policies, strategies and programs seems useless.

To stimulate investment facilities and employment opportunities in the Rangpur division special incentives will not be enough. Along with these support in the form of adequate infrastructure, access to utilities, services and other forms of support will be required to be provided to the Rangpur division. A comprehensive plan for exploitation of natural resources such as coal resources of the Rangpur division is needed.

Higher rate of public expenditure and extended coverage of social safety net programs in the Rangpur division should be the norm. Ownership of productive assets by low income and landless households will need to be supported and opportunities will need to be created for them to take part in income generating activities. Micro- credit facilities should be expanded to the sharecroppers in the Rangpur division. Construction of gas transmission line to the Rangpur division would be expedited.

REFERENCES

1. BBS (2010), Report of Bangladesh Household Income & Expenditure Survey- 2010, Bangladesh Bureau of Statistics, Ministry of Planning, Dhaka.
2. BBS (2005), Report of Bangladesh Household Income & Expenditure Survey- 2005, Bangladesh Bureau of Statistics, Ministry of Planning, Dhaka.
3. BBS (2000), Report of Bangladesh Household Income & Expenditure Survey- 2000, Bangladesh Bureau of Statistics, Ministry of Planning, Dhaka.
4. CPD (2008), "Regional Disparity in Bangladesh: An Emerging Concern", CPD Policy Paper 2.
5. CPD (2008a), "Addressing regional Inequality Issues in Bangladesh Public Expenditure, CPD Occasional Paper Series, Paper 71, Centre for Policy Dialogue, Dhaka.

6. GED (2008),” A Strategy for Poverty Reduction in the Lagging Regions of Bangladesh”, General Economic Division, Planning Commission, March.
7. Hassan Zaman, Narayan Amber and Kotikula Apchichoke (2012), “Are Bangladesh’s Recent Gains in Poverty Reduction Different from the Past?” Bangladesh Development Studies, Vol.XXXV, March 2012, No. 1.
8. Bangladesh Bureau of Statistics (2009). Updating Poverty Maps of Bangladesh. Bangladesh Bureau of Statistics, Dhaka, Bangladesh.
9. Islam, M. S. & Das, R. K. (2012). The Comparative Growth of Service Sectors in Bangladesh. Research Journal of Finance and Accounting, 3(5), 178–187.
10. World Bank, (2008), Poverty Assessment for Bangladesh: Creating Opportunities and Bridging the East-West Divide. The World Bank, Washington DC, USA.
11. World Bank, (2010), The Poverty Map of Bangladesh. The World Bank, Washington DC, USA.
12. Zohir (2011),”Regional Differences in Poverty Levels and Trends in Bangladesh: Are we asking the right questions?” Institute of Microfinance, Dhaka.
13. Sen Binayak and Zulfiqar Ali (2005), “Spatial Inequality in Social Progress in Bangladesh”,PRCB Working Paper No. 7, Bangladesh institute of Development Studies, Dhaka, Bangladesh.
14. Md. Shafiul Azam and Katsushi S. Imai (2009), “Vulnerability and Poverty in Bangladesh”, ASARC Working Paper 2009/02.
15. Sajjad Zohir (2011), “Regional Differences in Poverty Levels and Trends in Bangladesh: Are we asking the right questions?”
16. Macroeconomic Wing, Finance Division, Ministry of Finance: Poverty and Inequality in Bangladesh: Journey Towards Progress (2014-2015).
17. Centre for Policy Dialogue (CPD) (2008): Public Expenditure, Employment and Poverty in Bangladesh: An Empirical Analysis.
18. Shantana R. Halder (2003): Level of Food Insecurity and Poverty in Bangladesh: An Agro-economic, Social and Vulnerability Analysis.

