

The Impact of COVID-19 on Income Inequality in Bangladesh

**Rashed Al Mahmud Titumir
Md. Abdul Khaleque**

Email
rt@du.ac.bd
khaleque@du.ac.bd



WELCOME

To my
Presentation

Presentation Outline

- Various forms of inequalities in Bangladesh: income inequality, consumption inequality
- Impact of COVID-19 on labor market, health, and education
- The process of polarisation
- Conclusion

Various forms of inequality in Bangladesh

Income Inequality

<i>Household Income Decile and Gini Co-efficient</i>	<i>2016</i>			<i>2010</i>		
	<i>National</i>	<i>Rural</i>	<i>Urban</i>	<i>National</i>	<i>Rural</i>	<i>Urban</i>
Lower 5%	0.23	0.25	0.27	0.78	0.88	0.76
Top 5%	27.89	24.25	32.12	24.61	22.93	23.39
Gini Coefficient	0.483	0.454	0.498	0.458	0.430	0.452

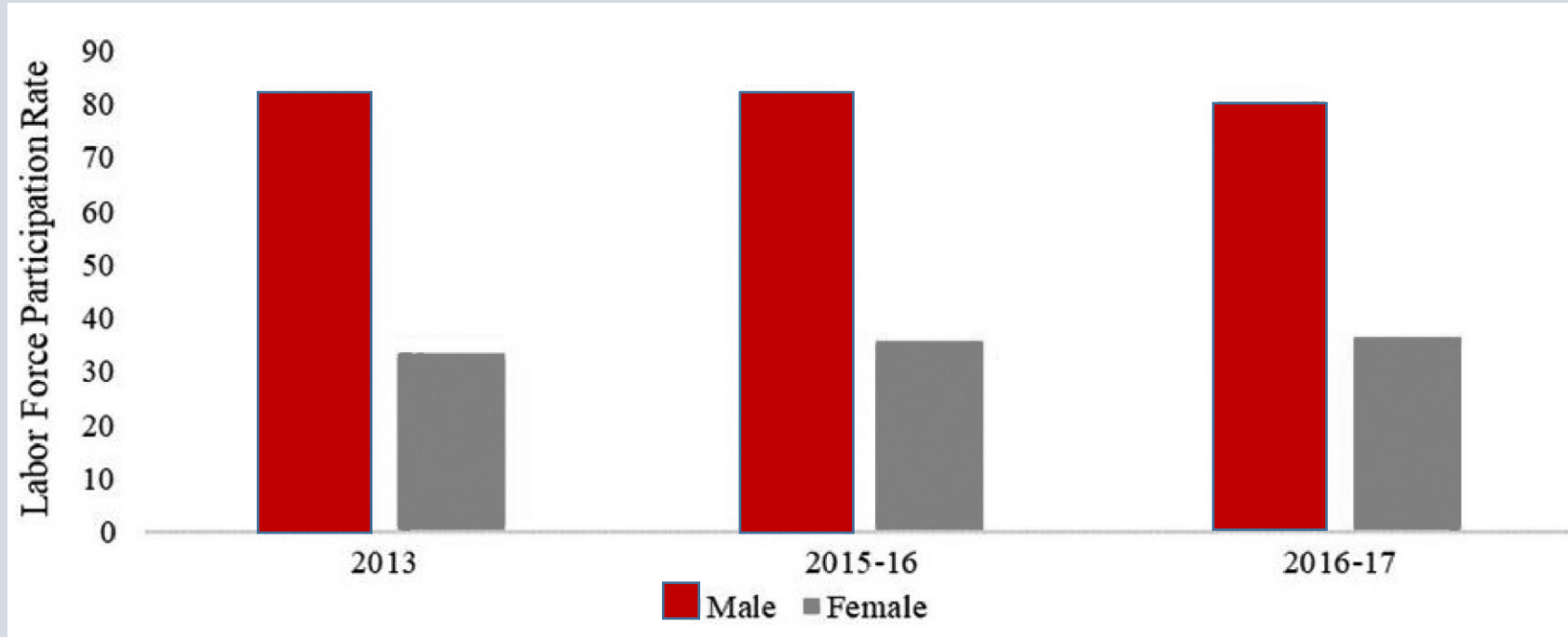
The percentage share of household income declined for the lowest 5 percentile group in 2016 compared to 2010 whereas it increased for richest 5 percentile group

Consumption Inequality

Gini Coefficient	<i>2016</i>			<i>2010</i>		
	<i>National</i>	<i>Rural</i>	<i>Urban</i>	<i>National</i>	<i>Rural</i>	<i>Urban</i>
	0.324	0.300	0.330	0.321	0.275	0.338

Various forms of inequality in Bangladesh

Sex and location specific discrimination



Wage Gap

	<i>Rural</i>	<i>Urban</i>	<i>Male</i>	<i>Female</i>
2013	10,294	13,605	11,621	11,136
2015	11,527	15,066	13,127	12,072
2016-17	11,608	15,912	13,583	12,254

The figures in the above table represent the average monthly income/wage. We can see a clear wage discrimination by location and by sex: the rural people earn less than urban people, and the earning of a male is higher than that of a female.

Impact of COVID-19 in Bangladesh

Informal Economy

Workers of informal sector were the first to lose their jobs

During the initial lockdown, 6 million jobs were lost nationwide, of which majority were women.

Although the urban economy affected first, the entire economy entered in the stalemate state due to successive lockdown.

Impact of COVID-19 in Bangladesh

Health Sector

Prior to COVID-19, the health sector of Bangladesh was seriously deficient in delivering health services.

Crippled by inadequate budget allocation, and insufficient equipment, the sector was poorly prepared to respond to a global health crisis.

The rural people get vaccine facility later than the urban people.

Impact of COVID-19 in Bangladesh

Education Sector

In Bangladesh, 37 million children had their education disrupted by one of the world's longest pandemic school closures
-UNICEF

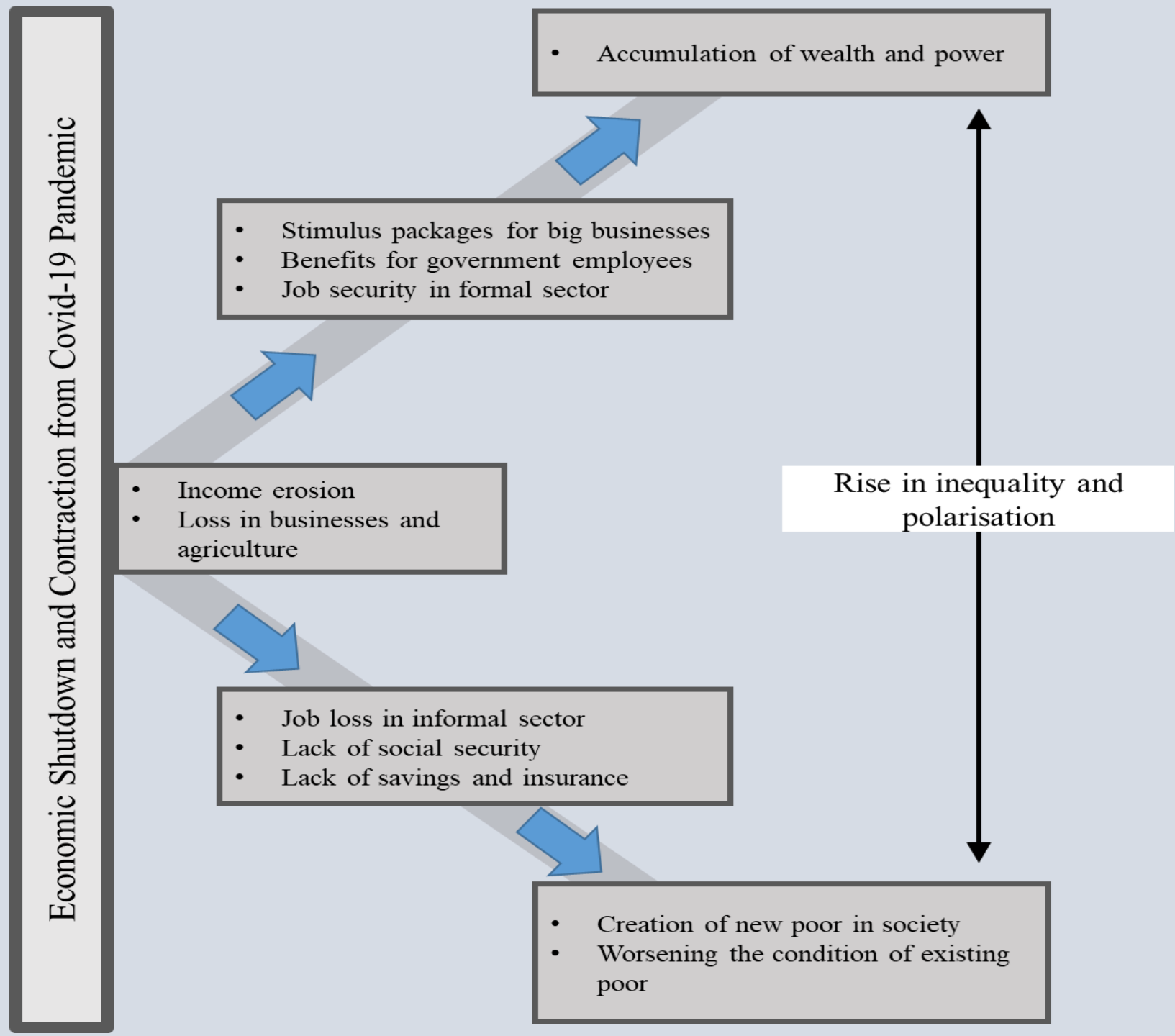
COVID-19: DURATION OF FULL SCHOOL CLOSURES IN COUNTRIES



Data as on 30 Aug 2021

Source: UNESCO

Process of Polarisation



Concluding remarks and recommendation

- The COVID-19 pandemic has revealed cracks in the structures of Bangladeshi society, well beyond the contraction of its economy.
- The pre-existing systemic faults in public goods provision, such as healthcare, social protection, education, and employment opportunities have further polarised the society.
- The fractures were exposed in the processes of dispossession and have triggered pauperisation.
- The route to resilience and eventual recovery for the economy in a manner that is inclusive, considering the inevitable losses and disparities, depends on a policy approach of active restraint.
- Equitable access to education, educational equipment, and health services by all people of the country irrespective of their sex, gender, location and position in the society is necessary to build a resilient society.

Thank
you