



Confronting Structural Inequality

Background

Structural Inequalities: Deep-rooted disparities within societal, economic, and political frameworks, affecting access to education, healthcare, and technology

Impact on Development: Disproportionately affect marginalized communities, women, and girls, hindering their well-being and progress toward Sustainable Development Goals (SDGs)

Addressing Inequalities: Multifaceted approach needed, involving equitable policies, cultural shifts towards inclusivity, and ensuring marginalized groups are represented in decision-making processes

Social Justice and Governance: Social justice is crucial for sustainable development, involving fair resource distribution, human rights protection, and addressing systemic inequalities, and requires transparent, inclusive governance

Widening Income Inequality

- **Rising Income Disparities:** Gini coefficient at **0.499 (2022)**, with urban areas experiencing a greater disparity (**0.539**).
- **Extreme Wealth Concentration:** The top **10% control 58.5%** of wealth, while the bottom **50% hold only 4.8%**.
- **Urban vs. Rural Divide:** Urban Gini increased from **0.452 (2010)** to **0.539 (2022)**, while rural Gini rose from **0.431** to **0.446**.

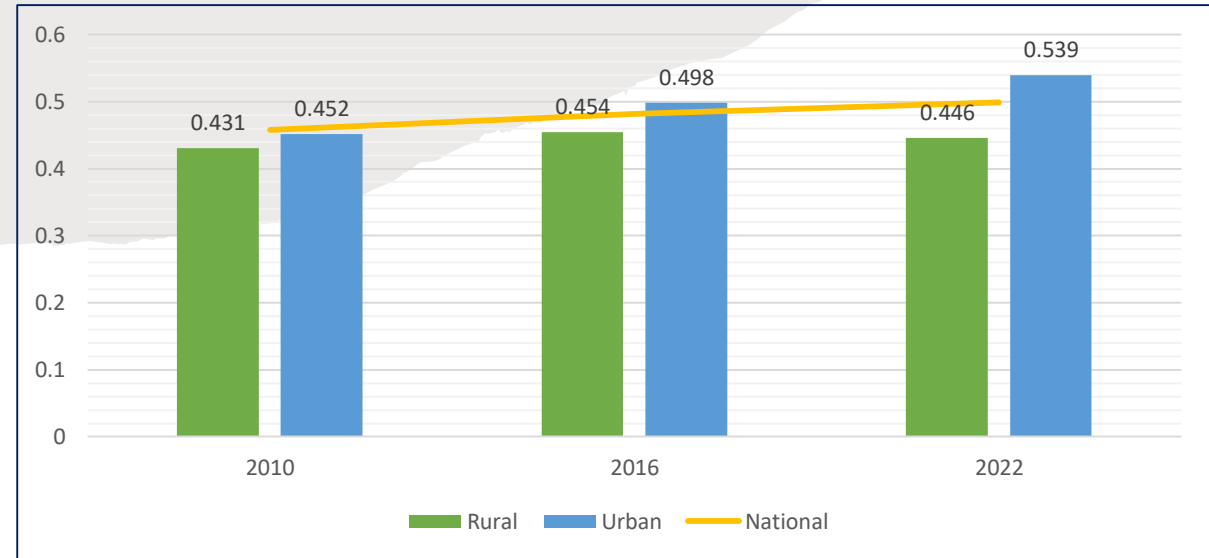


Figure 1: Income Gini Coefficient

Structural Drivers of Inequality



Urban-Centric Growth: Industrialization, infrastructure investment, and FDI benefiting urban hubs.



Informal Economy: 85% of the workforce is in low-wage, unprotected jobs.



Education Divide: Poor-quality education in rural areas limits upward mobility.



Regressive Taxation: VAT disproportionately burdens lower-income groups.

Urban Rural Disparities



Food Consumption Disparities: Per capita food expenditure in urban areas is 54% higher than in rural areas with a diet pattern that lacks protein



Education Gaps: Urban adult literacy is 74%, compared to 63% in rural areas with rural students having lower digital access & higher dropout rates



Healthcare Inequities: Lower immunisation rates (78%) & maternal care access in rural areas while 89% of urban children receiving complete immunisations



Infrastructure Disparity: Stark contrast in electricity consumption & economic activity with Urban electricity consumption being nearly three times higher than in rural areas.



Economic Opportunities: Rural economies heavily dependent on low-productivity agriculture employing 40% of the workforce but contributing only 14% to GDP

Drivers of Urban Rural Disparities

Biased Development Strategies:

Policies favour urban areas, concentrating resources with more focus on urban industries (esp. RMG sector) and unequal health & education funding

Rural-Urban Migration:

Urban-centric industrial policies lead to rural-urban migration leading to Overcrowded urban slums, informal jobs, low wages, and limited schooling for slum children

Remittance-Driven Inequality:

Remittances create disparities between receiving and non-receiving rural families, reinforcing a dual economy and financial vulnerability to global market fluctuations.

Property Rights and Land Acquisition:

Weak property rights exacerbate rural poverty through large-scale land acquisition, inadequate compensation for displaced rural communities, forcing migration

Gender inequality: Labour Force Participation

Labour Force Participation Rate: Women's participation rate is 42%, compared to 80% for men

Informal Employment: Approximately 85% of working women are in the informal sector, lacking security and benefits.

Sectoral Representation: Women constitute 58% of the agricultural workforce and 60% of the RMG workforce

Gender Pay Gap: Men earn 35.8% more per hour than women on average, with women earning 30% less in the RMG sector and 30-40% less in agriculture

Education and Leadership: Women are underrepresented in STEM fields and hold a small fraction of managerial roles

Access to Services

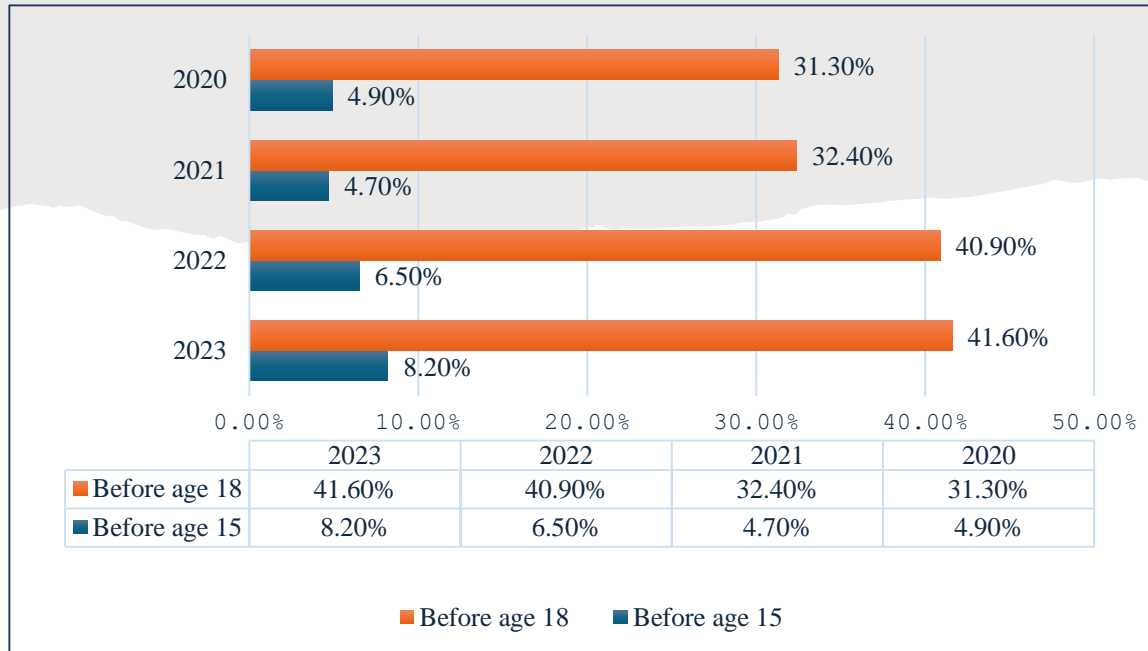


Figure 2: Trends in Early/Child Marriage among Women from 2020-2023

- **High dropout rates and gender disparities in education:** Higher primary enrolment rate of girls (109.83%) than boys (100.71%), but their secondary dropout rate is consistently higher, largely due to early marriage (41.6% of girls marry before 18), societal pressures, and safety concerns.
- Only 37% of students in tertiary education are female
- 66.6% of female university students have experienced cyberbullying, discouraging higher education participation

Barriers to healthcare access for women:

- Despite making up 52% of registered physicians, female doctors face high attrition rates due to societal pressures.
- Teenage childbearing has declined from 30% (2011) to 24% (2022), but early marriage still limits women's health and autonomy.
- Rural women have poorer access to maternal healthcare, with financial constraints, distance, and gender norms restricting their ability to seek care.

Drivers of Gender Inequality

1

Land Ownership

Gap: Only 12.1% of rural women own agricultural land compared to 69.3% of men; less than 13% of women have legal title deeds and just 4-5% have authority over the land

2

Financial

Exclusion: Women's mobile financial service (MFS) ownership dropped from 48.3% in 2019 to 41.8% in 2023. Though women hold 49.71% of the total agent banking accounts, they receive only 13% of agent banking loans.

3

Entrepreneurship

Barriers: Bangladesh ranked last in the 2021 Mastercard Index of Women Entrepreneurs. Their participation in e-commerce is rising, but the mobile internet adoption rate is just 24% for women, compared to 40% for men, limiting digital financial access.

4

Workplace

Insecurity: women feel unsafe in public spaces, avoid reporting workplace harassment, unaware of safety committees

Economic Concentration

- Dhaka & Chittagong dominate economic activities, leaving other regions underdeveloped
- Over 90% of industrial & service jobs are concentrated in Dhaka which comprises only 15% of the national workforce despite having only 11% of the population
- GDP loss of over 10%, or approximately USD 32 billion annually, due to overconcentration in Dhaka
- Public expenditure disproportionately favours Dhaka. Barishal and Khulna receive nearly half the public expenditure compared to Dhaka

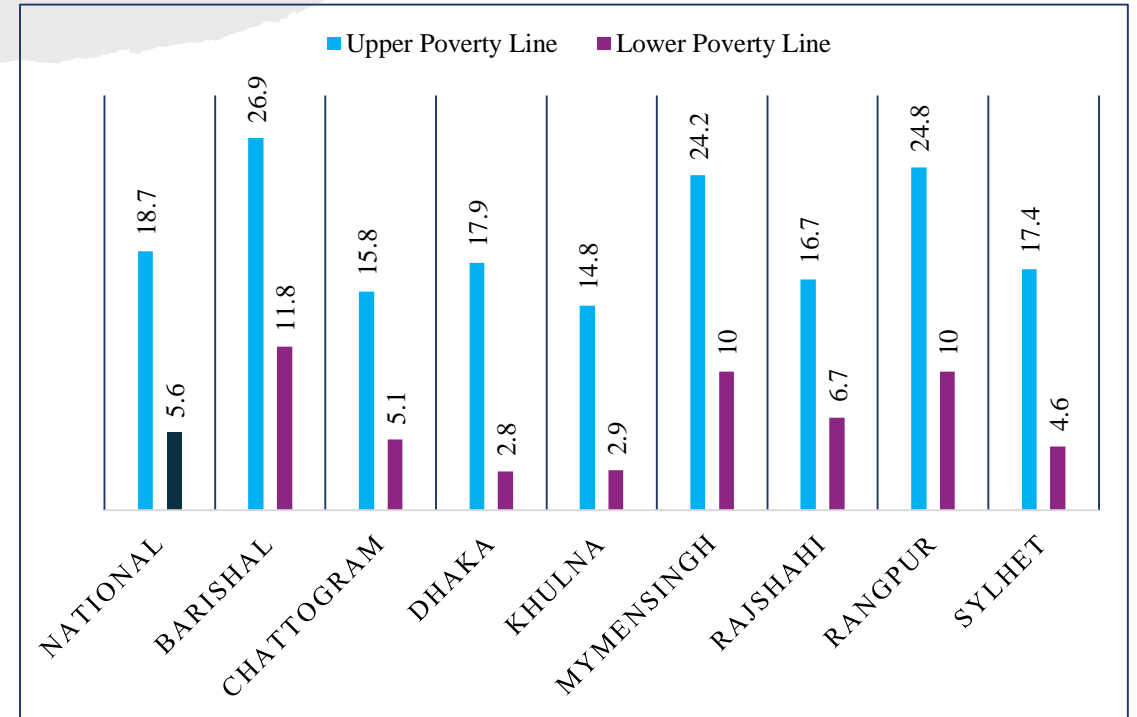


Figure 3: Incidence of Poverty (Head Count Ratio) by Division in 2022

Regional Disparities in Health, Education & Climate Resilience

Health Gaps:

- 66% of the population in rural areas faces inadequate healthcare.
- Tea garden workers:
 - 40% maternal deaths due to poor healthcare access.
 - 80.9% suffer musculoskeletal issues from poor working conditions.

Education Barriers:

- Sylhet's lowest primary enrolment (due to poverty & school shortages).
- 44% dropout rate in flood-prone areas.
- 3.54 million children engaged in hazardous labour.

Climate Impact:

- 25% of households in the northwest region face food shortages during the dry season.
- 62% of coastal land affected by salinity.
- Floods impact 10 million people annually.

Recommendations: Addressing Income and Wealth Disparities

Fair Taxation & Wealth Redistribution: Implement progressive taxation on wealth and inheritance, ensuring compliance to prevent tax evasion and reduce wealth concentration.

Education & Economic Empowerment: Expand access to quality education, vocational training, and financial inclusion to support SMEs, especially for disadvantaged groups.

Social Protection & Labour Rights: Strengthen welfare programs, introduce universal basic income, enforce fair wages, and support labour unions.

Inclusive Development & Governance: Invest in regional infrastructure, involve marginalized groups in decision-making, and ensure transparency in public resource allocation.

Technology & Public Awareness: Promote digital skills, support innovation for marginalized communities, and raise awareness on inequality and social cooperation.

Addressing Gender Inequality

Enforce Legal Protections: Strengthen equal pay and anti-discrimination laws with regular audits and penalties.

Enhance Skill Development: Expand vocational training for women in high-growth sectors like ICT, renewable energy, and healthcare.

Promote Workplace Support: Encourage flexible work policies, childcare facilities, and parental leave to boost women's workforce participation.

Drive Awareness & Advocacy: Challenge cultural barriers through education campaigns and community engagement.

Support Women Entrepreneurs: Provide financial incentives, mentorship, and market access to empower women in business.

Addressing Regional Disparity

Decentralise Economic Activities: Establish special economic zones (SEZs) and incentivise rural investment through tax breaks, subsidies, and access to low-interest loans for business

Enhance Infrastructure: Expand transport, electricity, and digital networks to bridge regional gaps and spur growth.

Improve Health & Education Access: Build healthcare facilities, schools, and vocational centres while incentivising professionals to serve rural areas.

Modernise Agriculture: Promote agro-industries, provide modern farming technology, and improve rural credit access.

Strengthen Local Governance: Empower local governments, encourage participatory planning, and ensure transparent resource allocation.



Thank You