Analysis of poverty in Poland in 1997-2000 using hazard models

Natalia Nehrebecka *(University of Warsaw, Faculty of Economic Sciences, Departament of Statistics, National Bank of Poland, Poland, nnehrebecka@wne.uw.edu.pl)*
Agata Kocia *(University of Warsaw, Faculty of Economic Sciences, Poland)*

In this work, the size and character of poverty in Poland was studied based on a panel data from CHER (Consortium of Household Panels for European Socio-Economic Research) database for the years 1997-2000. The analyses have shown a low households' dynamic of income in this period. The sum of years spent in poverty as well as different sequences of entry to and exit from poverty suggest a permanence of this phenomenon in the population. During the period studied, the basis for the calculation of the number of years spent in poverty was the rate of entry to and exit from poverty. The calculations were made using a method of analyzing poverty based on hazard models, considering observed and unobserved heterogeneity of individuals in order to "explain" a chance of exit and return to the sphere of poverty.

Keywords: permanent poverty, hazard models, multi-time episodes, unobserved heterogeneity