

## **Abstract**

This article uses a discrete-time multivariate duration model to study poverty transition in rural China between 1989 and 2006. The analysis identifies nonlinear negative duration-dependence for both exit and re-entry rates of poverty. There is significant difference in hazard rates of exit and re-entry associated with geographic location and educational level of households, but less related to gender, occupation or ethnic background of household head. The factors facilitating households' ending a poverty spell are found to be education, land ownership, asset accumulation, health insurance and out-migration, while larger family size and dependence ratio may reduce the chance of exit.

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**Keywords:** duration analysis, hazard model, persistent poverty, rural China

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