

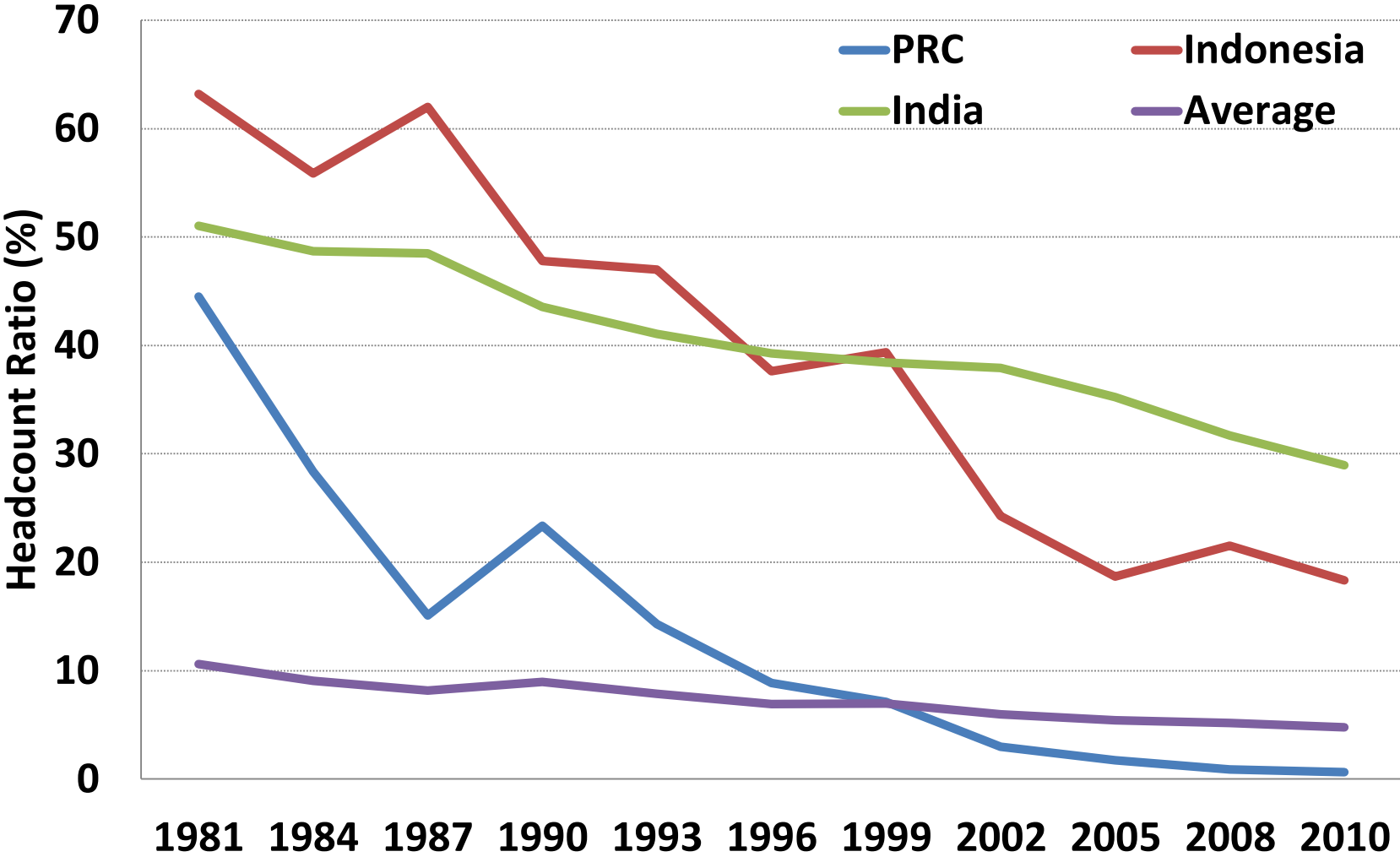
# Emerging Trends of Urban Poverty in Asia and the PRC

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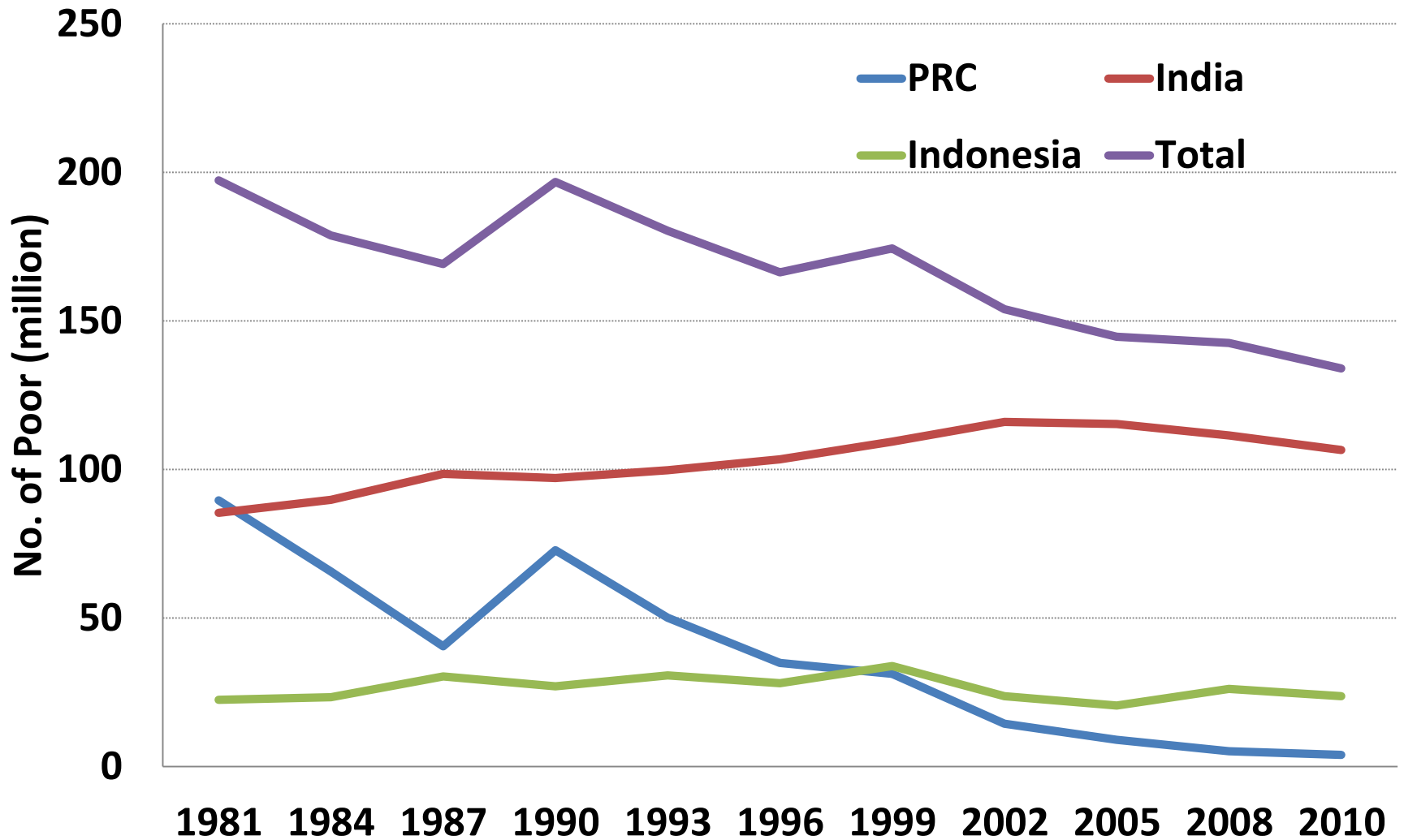
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# Asia's Urban Poverty Trend (%)



Note: PRC= People's Republic of China

# Asia's Urban Poverty Trend (in million)



Note: PRC= People's Republic of China

# Asian Urban Poverty: Latest (\$1.25 a day)

Country	Year	HCR (%)	No. of Poor (million)
Armenia	2010	5.08	0.10
Bangladesh	2010	20.97	8.18
Cambodia	2009	2.08	0.06
China, People's Rep. of	2010	0.64	3.85
Georgia	2010	6.85	0.49
India	2010	28.97	106.64
Indonesia	2010	18.33	23.61
Nepal	2010	8.88	0.47
Pakistan	2011	7.51	3.25
Papua New Guinea	2009	8.77	0.06
Philippines	2009	6.18	2.67
Sri Lanka	2010	2.73	0.08
Thailand	2009	0.02	0.00
Viet Nam	2010	1.28	0.33
<b>Total</b>		<b>11.61</b>	<b>149.79</b>

The 14 DMCs account for 92% of developing Asia's total population

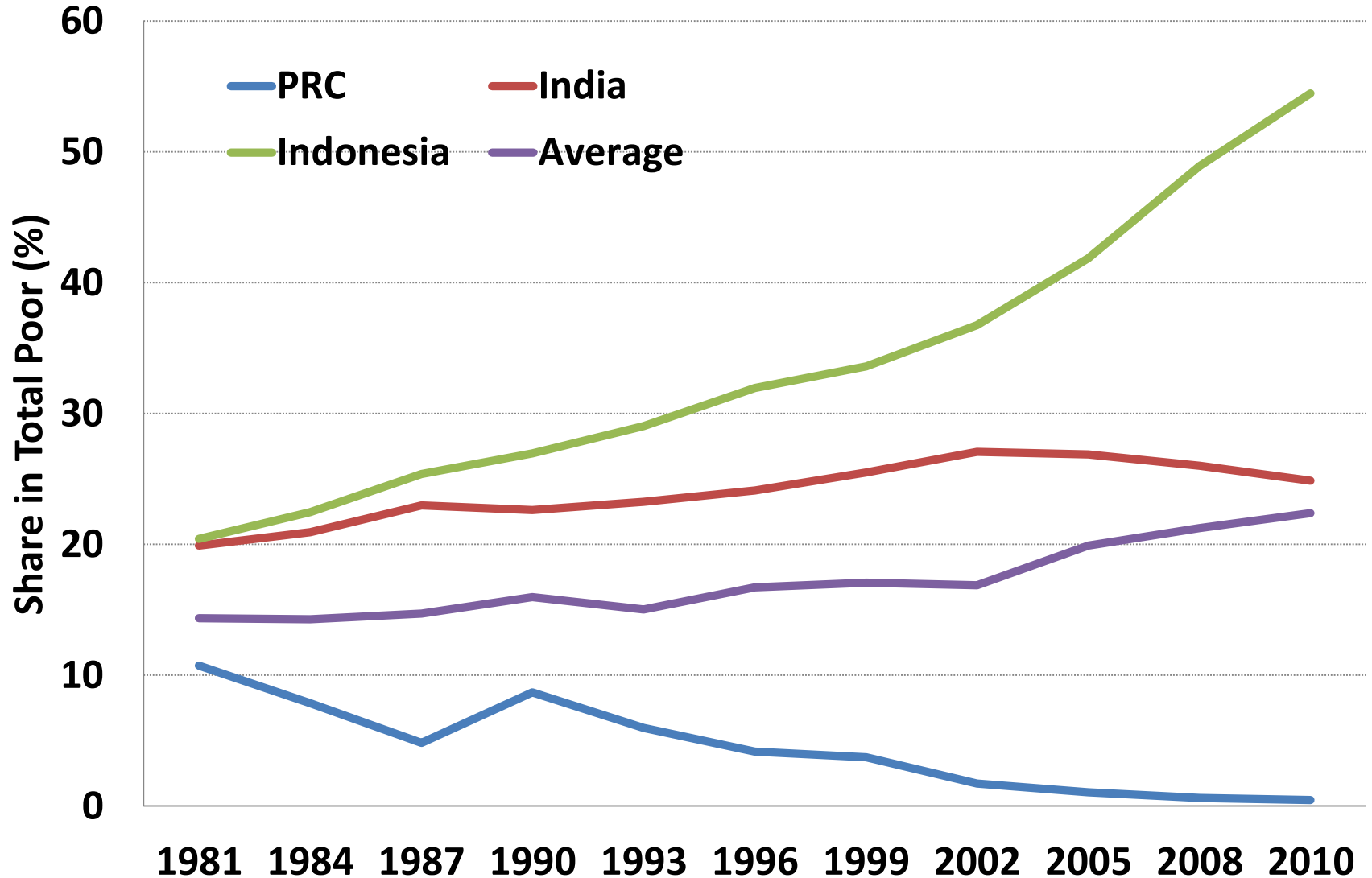
11.6% of Asia's urban population is extremely poor

Urban extreme poor in Asia is about 12.3% of World's total poverty

# Urban Poverty in Total Poverty (\$1.25 a day)

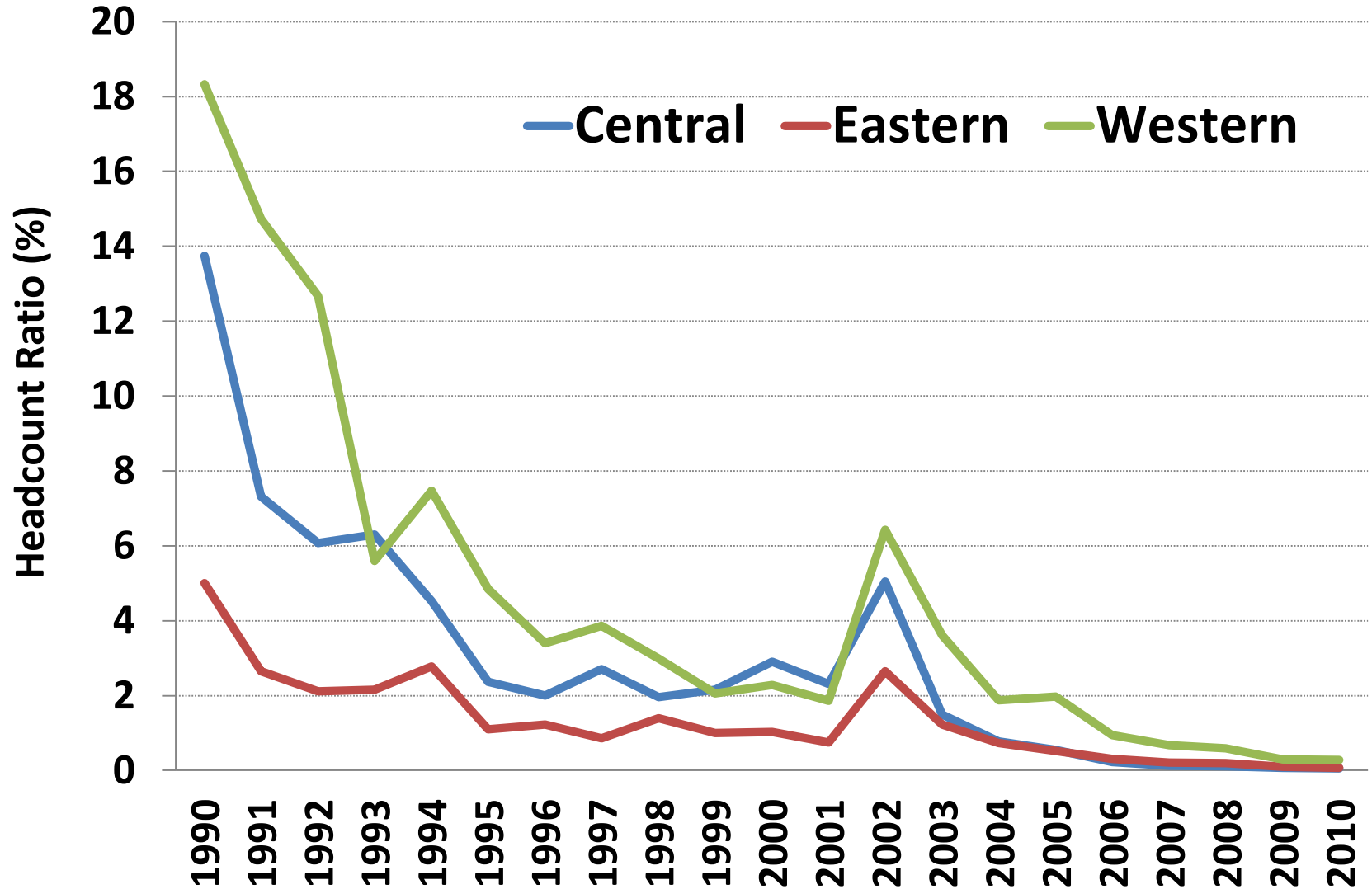
Country	Year	Urban Poor/ Total Poor (%)
Armenia	2010	65.67
Bangladesh	2010	12.60
Cambodia	2009	3.79
China, People's Rep. of	2010	2.47
Georgia	2010	40.82
India	2010	26.65
Indonesia	2010	54.50
Nepal	2010	5.93
Pakistan	2011	17.20
Papua New Guinea	2009	3.59
Philippines	2009	17.82
Sri Lanka	2010	8.79
Thailand	2009	2.80
Viet Nam	2010	5.00
<b>Total</b>		<b>20.86</b>

# Urban Poverty in Total Poverty: Trend

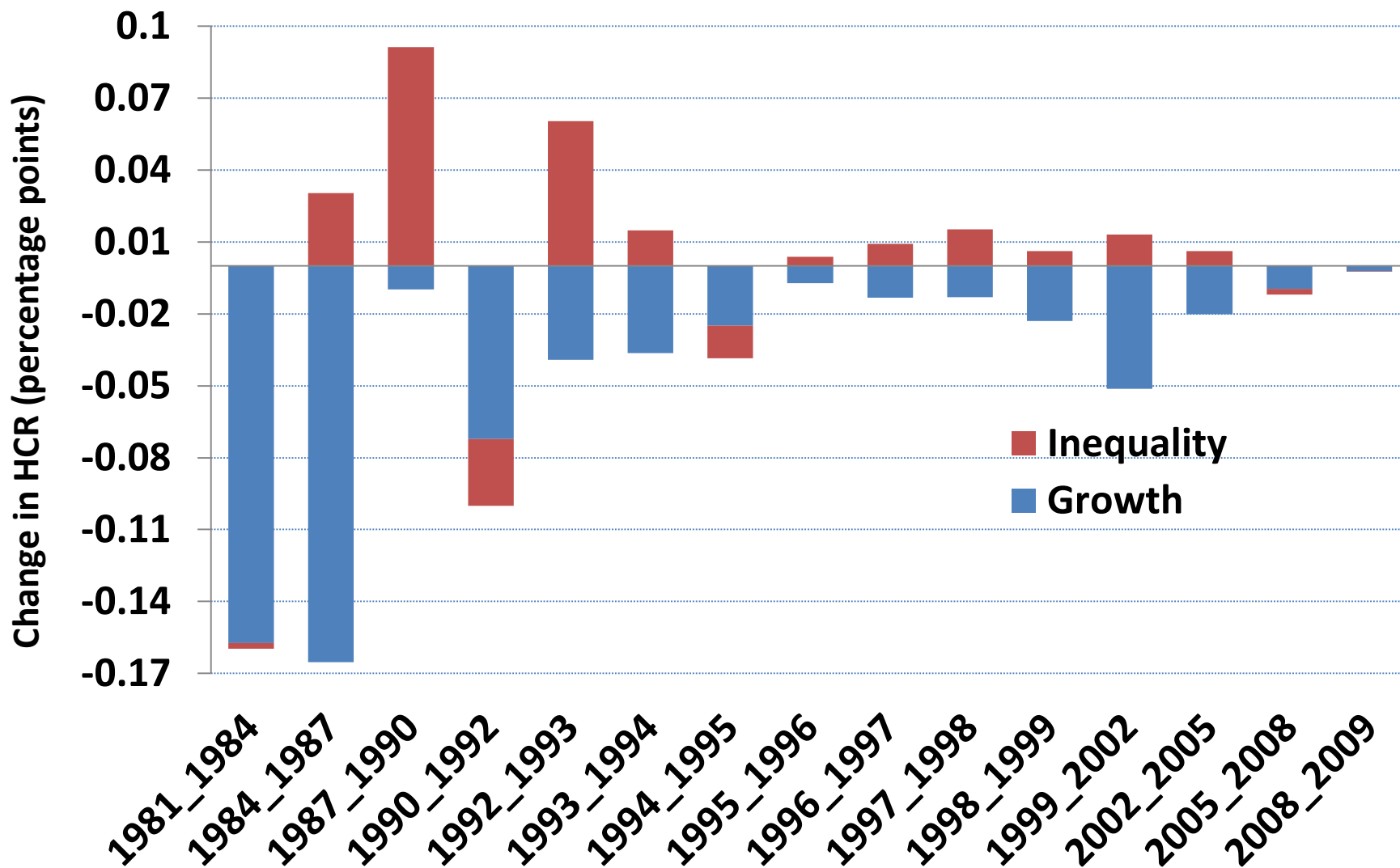


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# PRC Urban Poverty by Region (%)



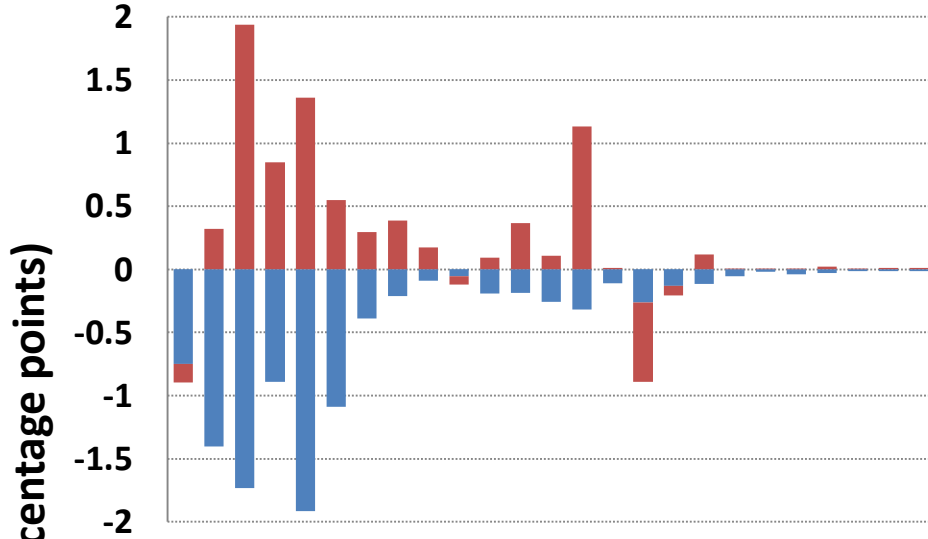
# Growth vs. Distribution (Urban PRC)



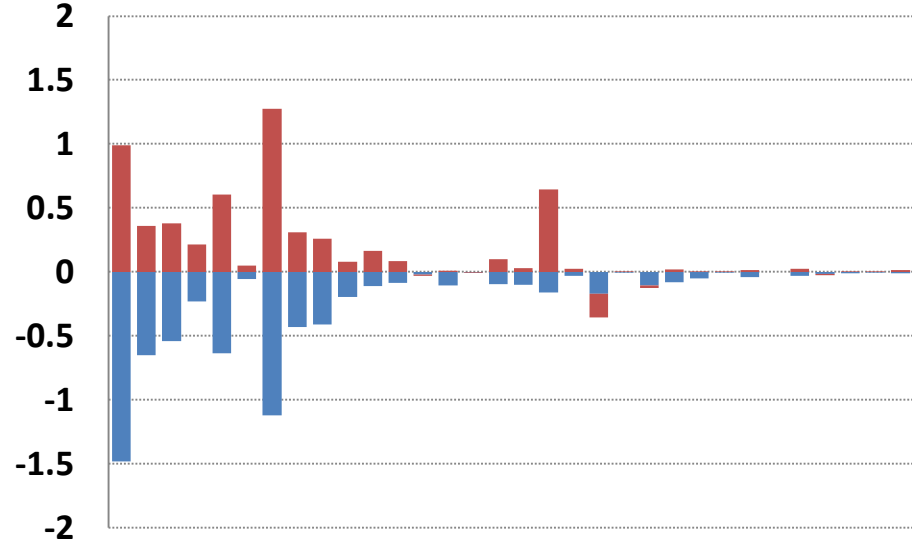


# Growth Vs. Distribution

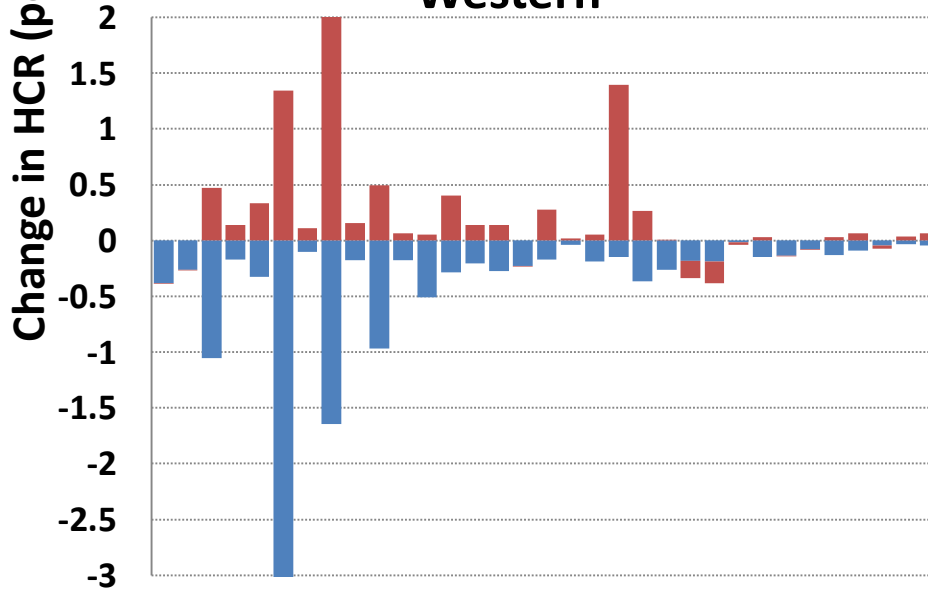
## Central



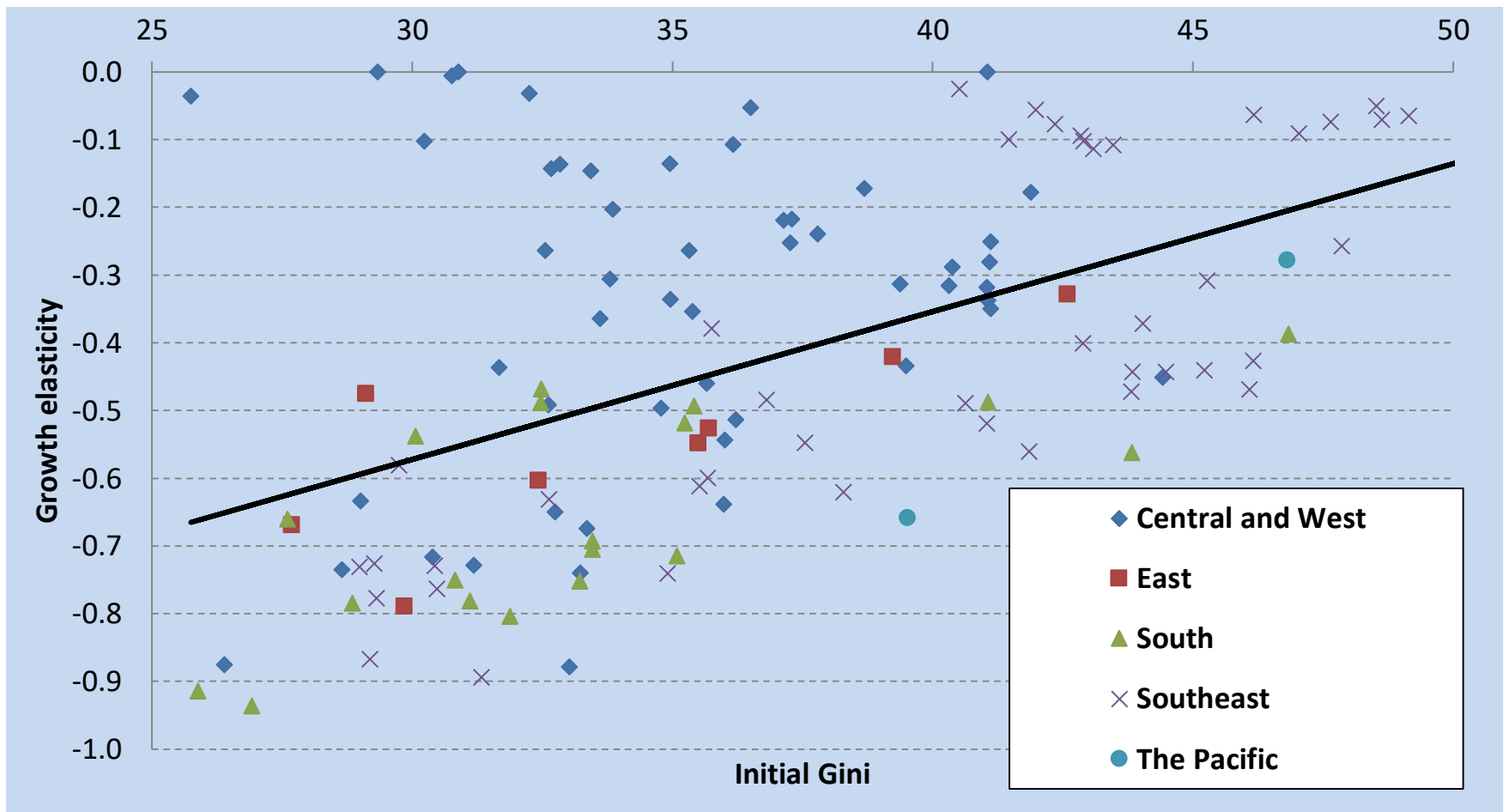
## Eastern



## Western



# Inequality Really Matters

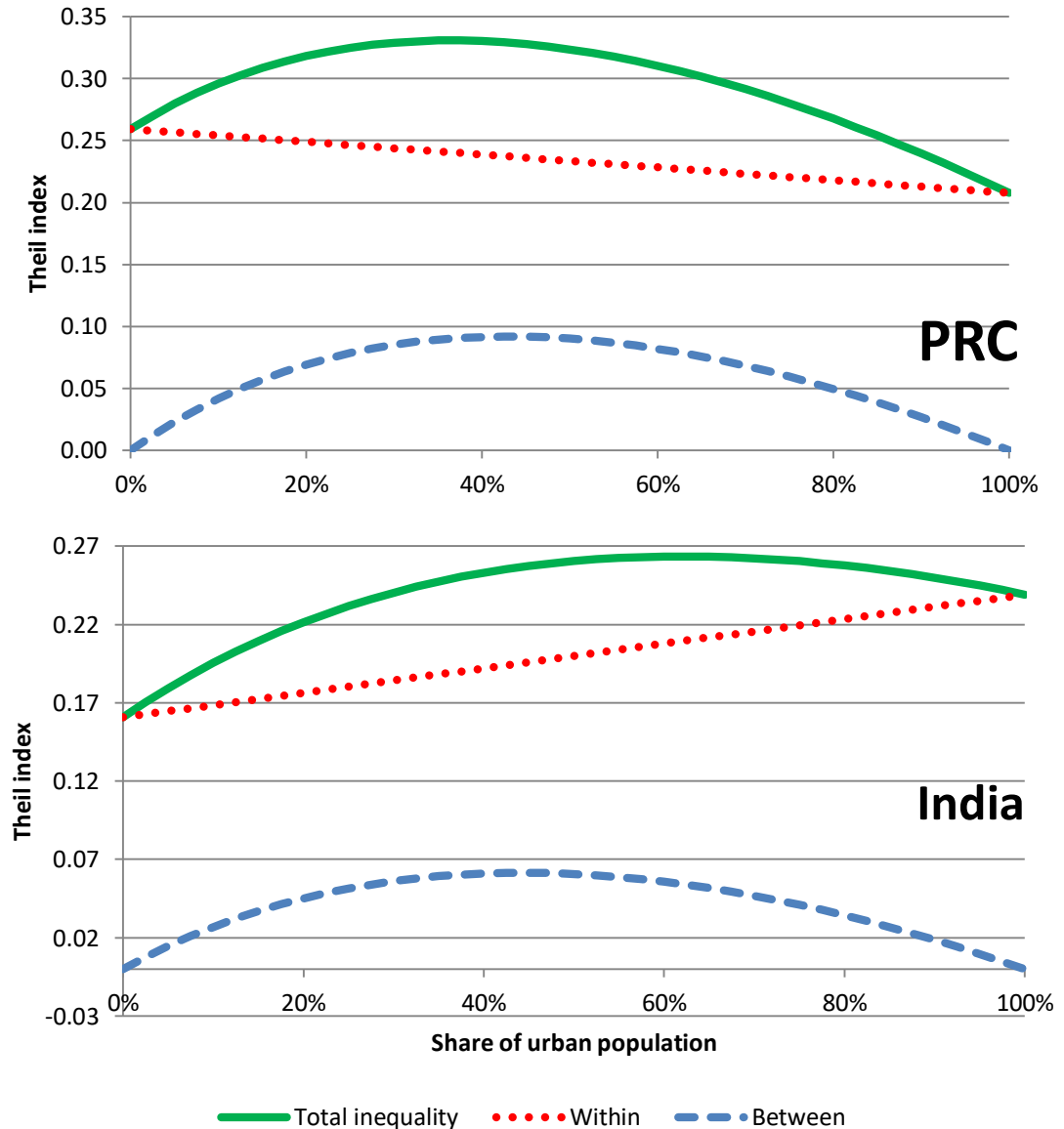
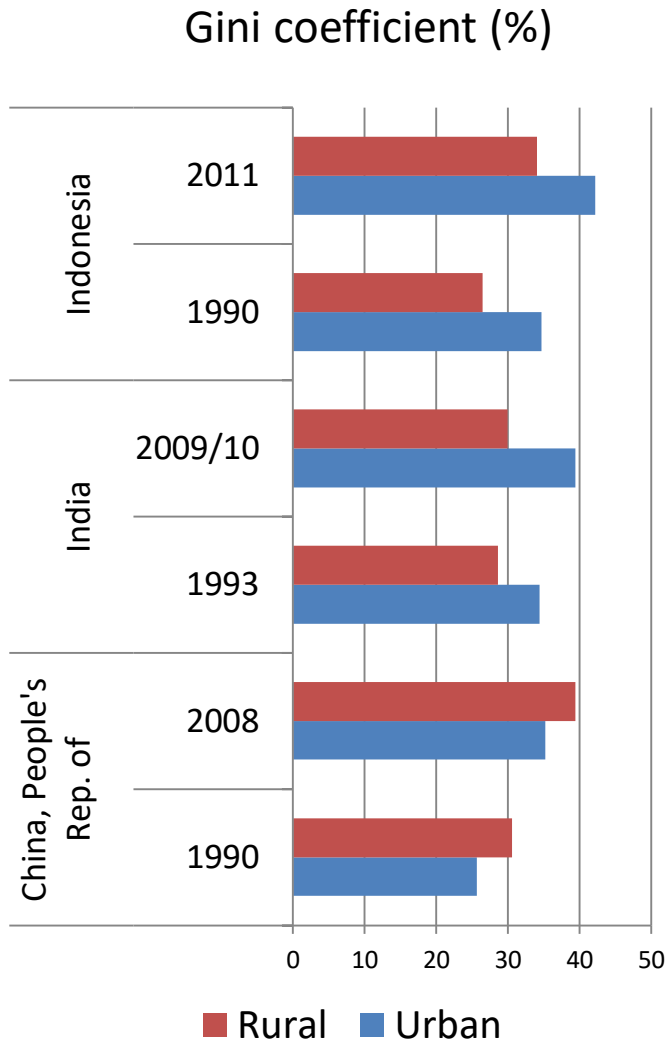


**No. of obs**                      124                                      **R-squared**                      0.2574

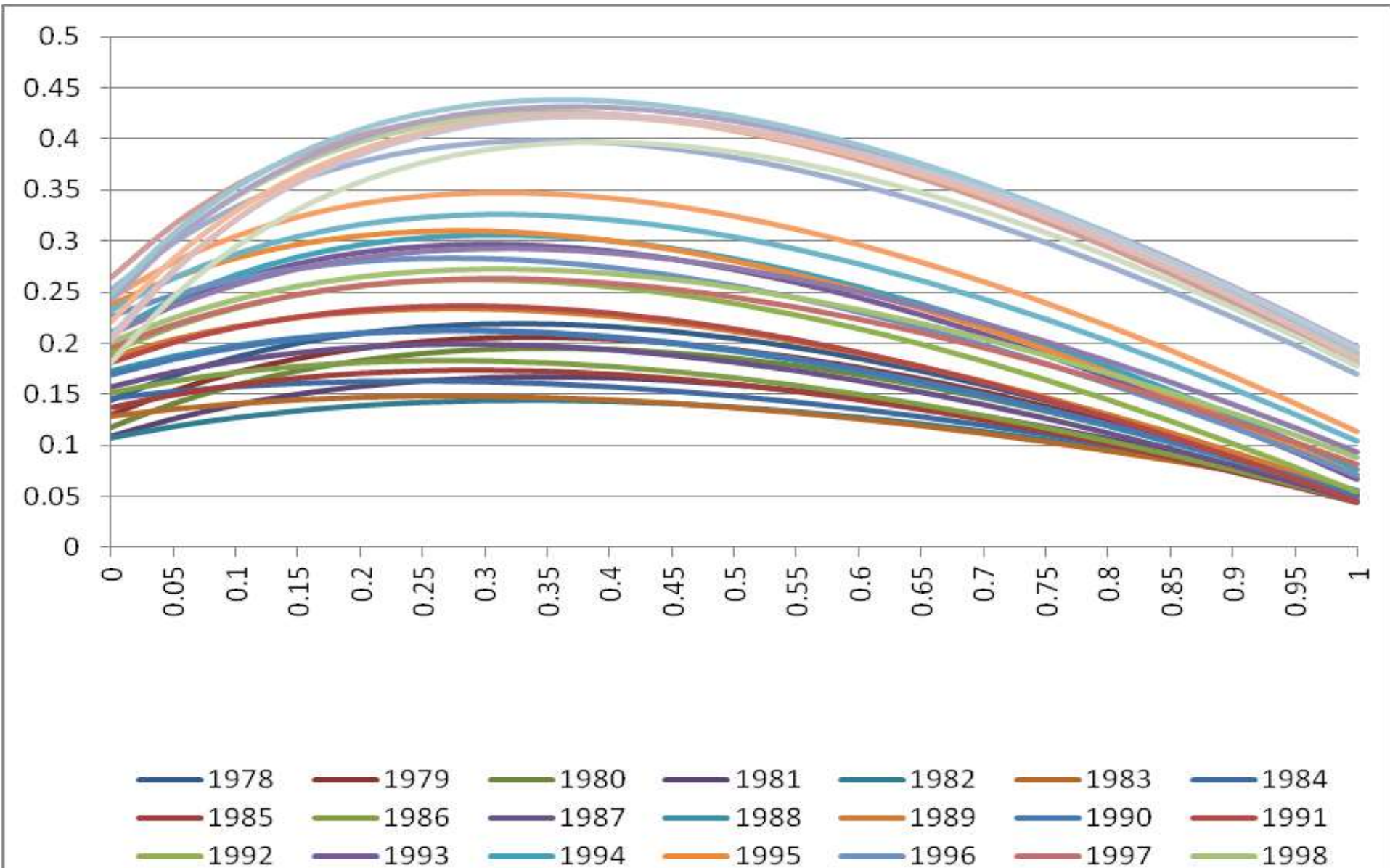
**Adj R-squared**                      0.2513

Variable	Coefficient	Std. Error	t stat	P-value
Gini	0.0218	0.0034	6.5	0.000
Constant	-1.2277	0.1247	-9.84	0.000

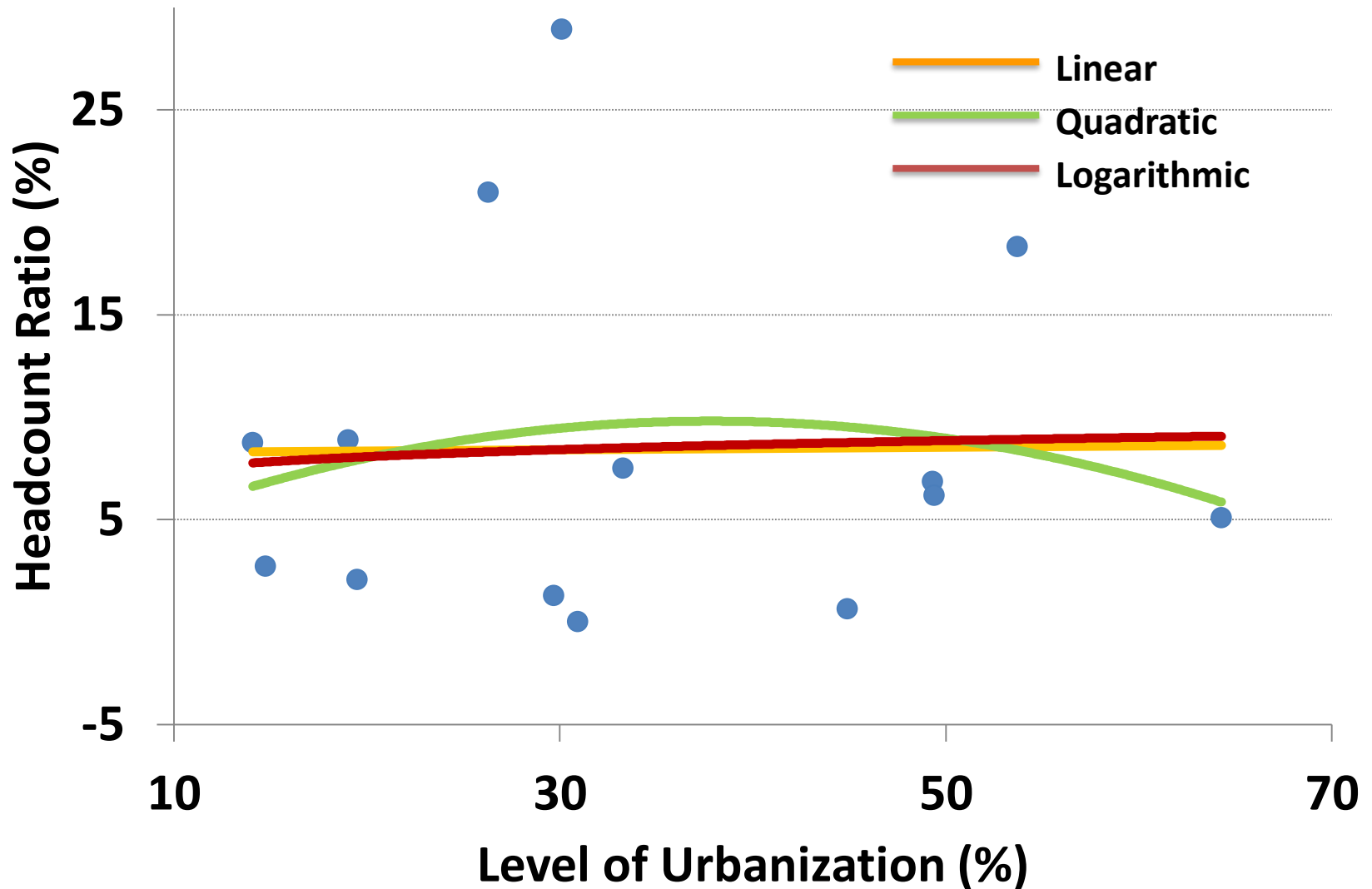
# Inequality usually higher in urban than in rural areas; urbanization may/may not help



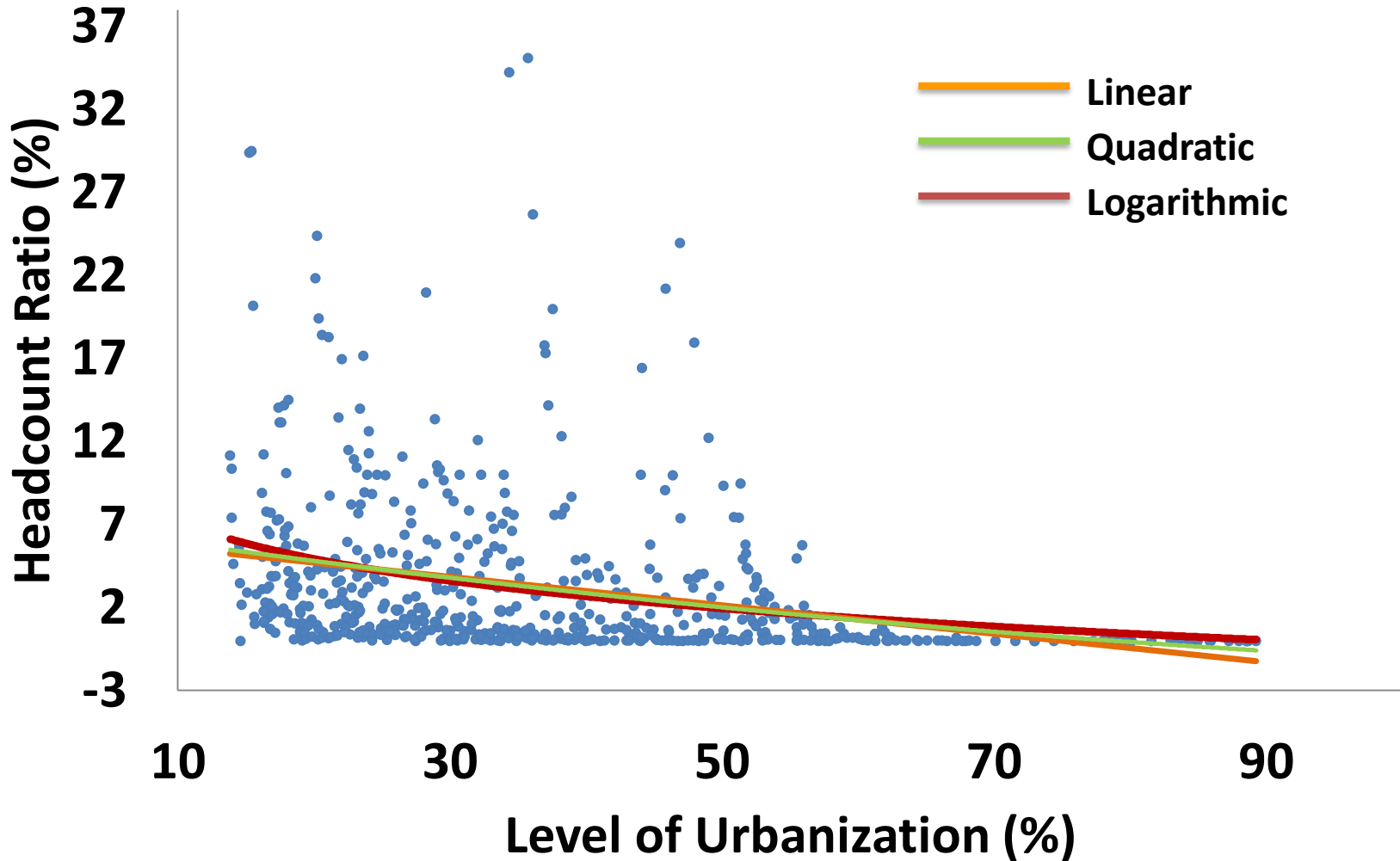
# Inequality-Urbanization: PRC



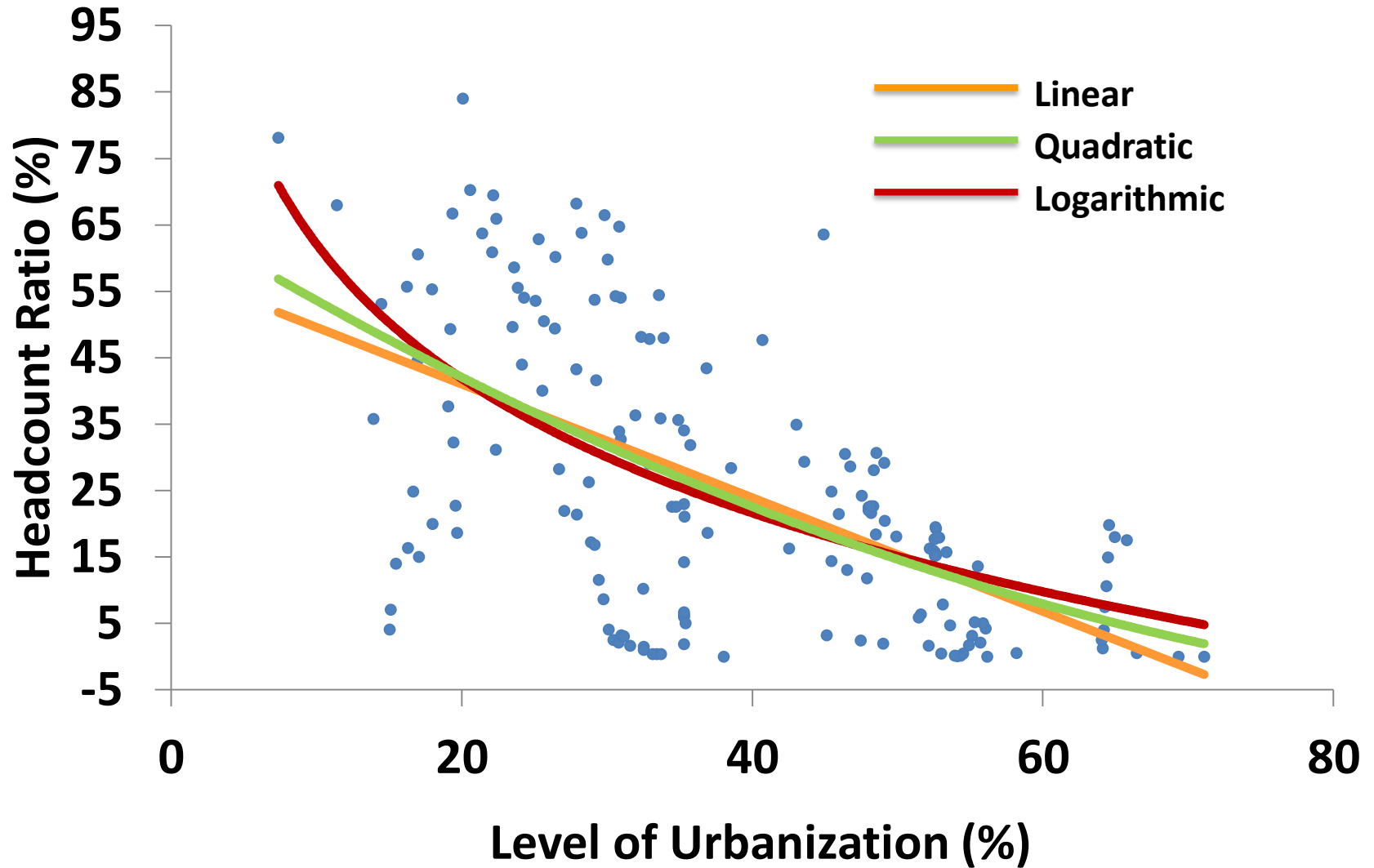
# Urban Poverty-Urbanization: Asia



# Urban Poverty-Urbanization: PRC



# Total Poverty-Urbanization: Asia



# Tentative Conclusion

- **Urban poverty has become a serious issue in Asia**
- **Inequality is as important as growth for poverty reduction**
- **Urbanization may lead to higher inequality, offsetting its growth impact on poverty**
- **But overall, urbanization is good for poverty reduction in Asia**



# **Policy Implications for PRC**

- **Fast urbanization is win-win: growth + distribution**
- **The key is to control within-urban inequality**