

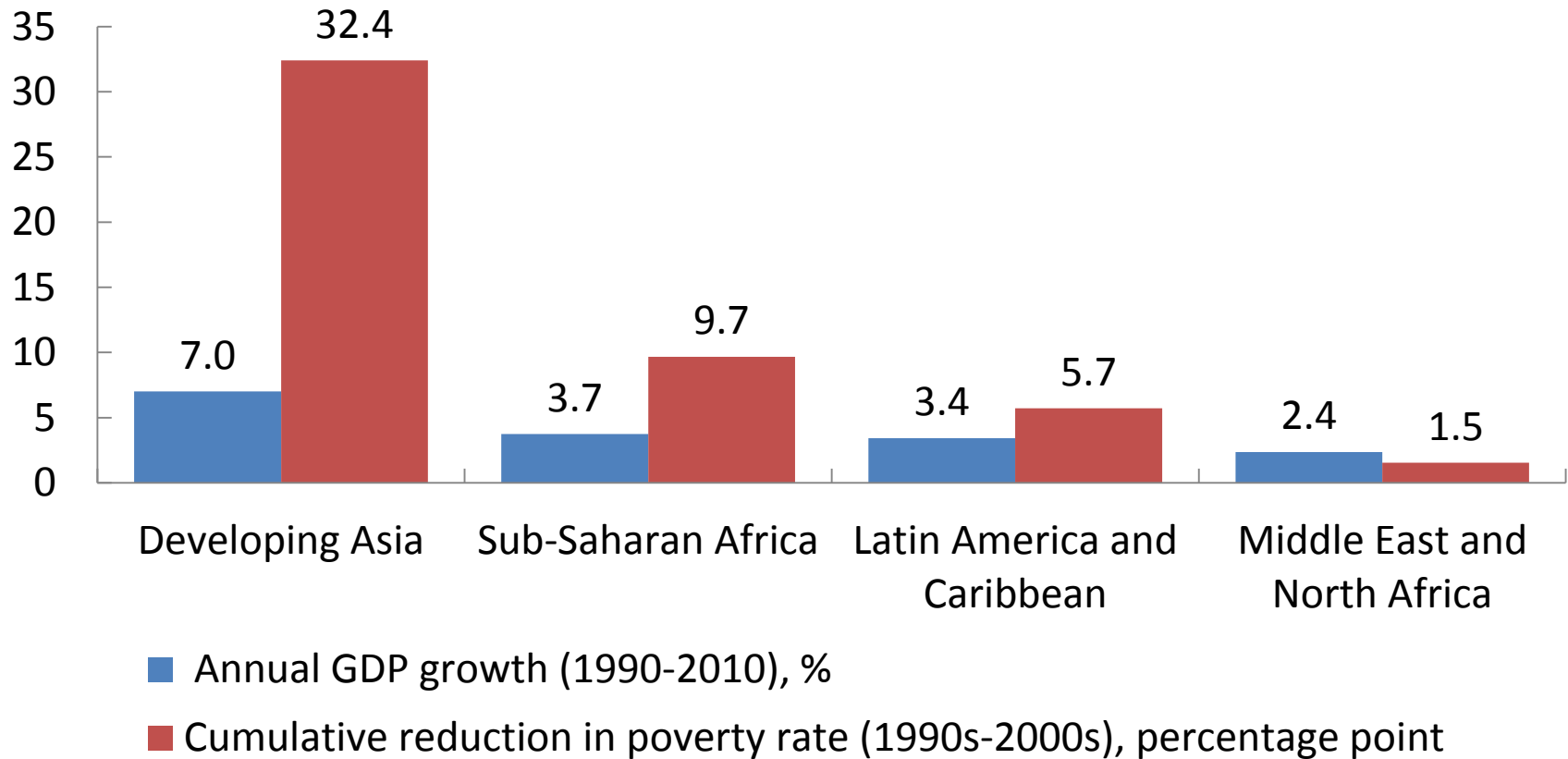
ADB Approach to Inclusive Growth

Juzhong Zhuang
Deputy Chief Economist
Economic Research and Regional Cooperation Department
Asian Development Bank

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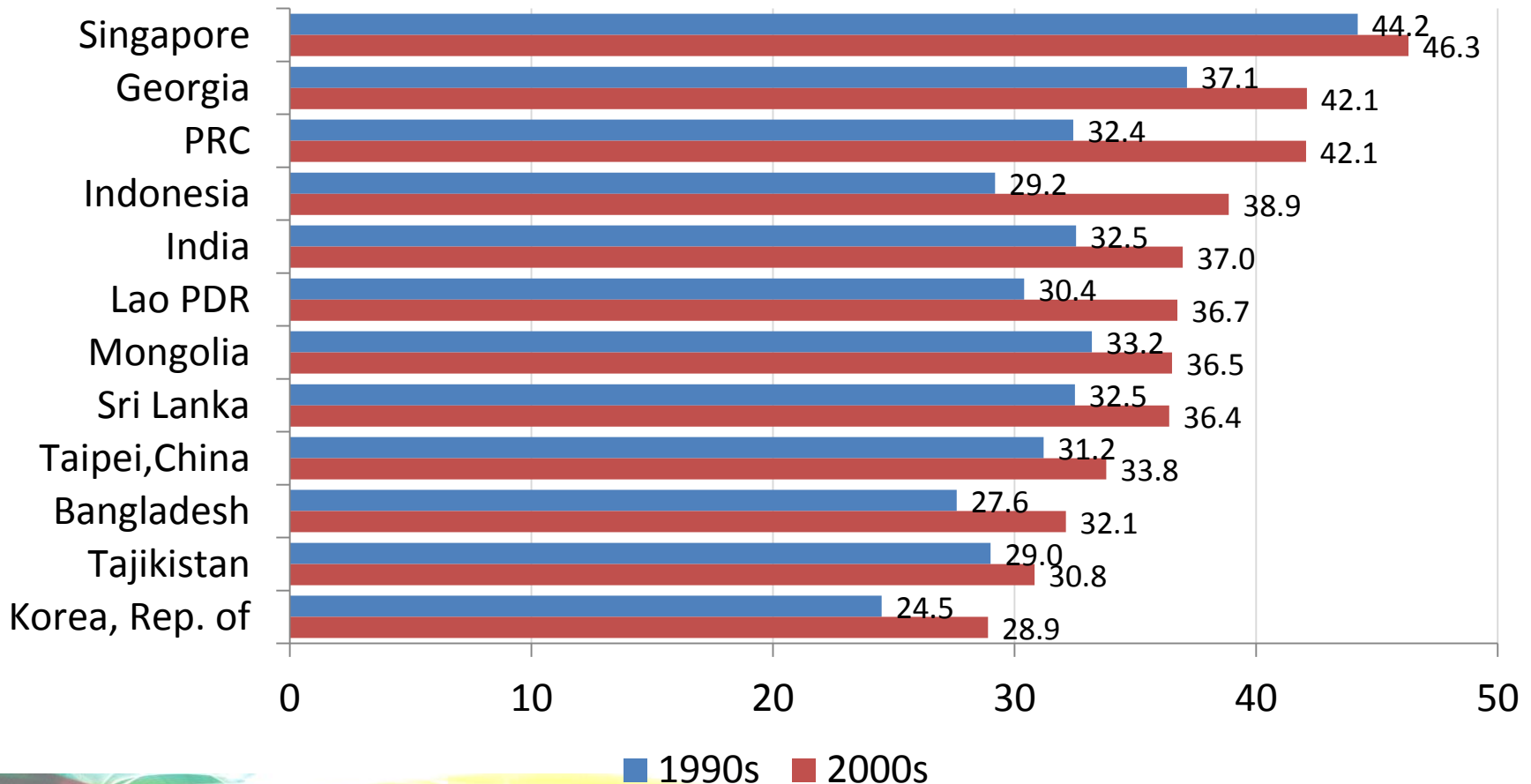
Asia's high growth has led to large reductions in poverty ...

GDP growth and poverty reduction



...but has been accompanied by rising inequality in many countries

Gini Coefficients, Selected Economies, 1990s and 2000s



Why does inequality matter?

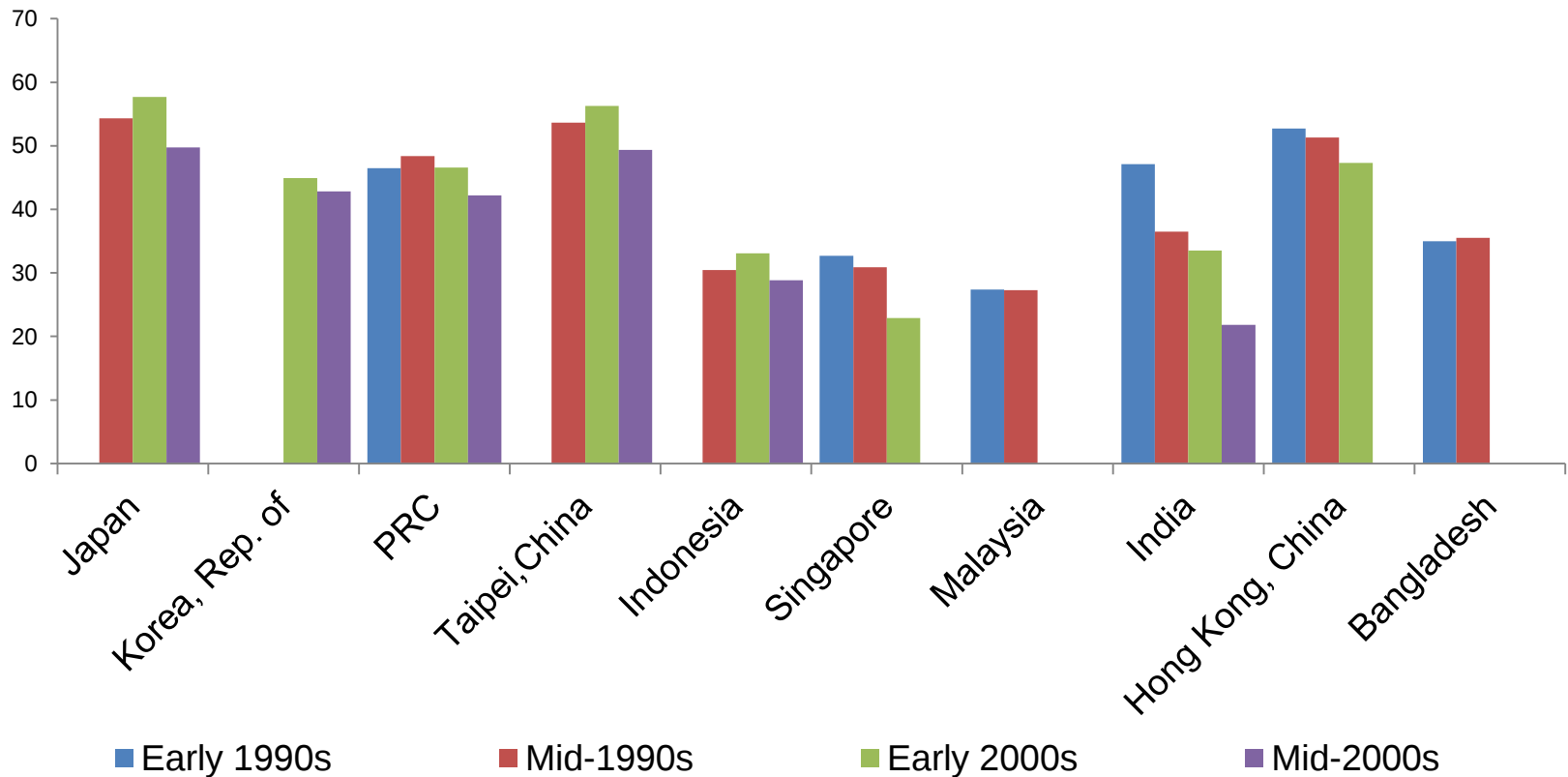
- Rising inequality slows down the pace of poverty reduction
 - If inequality had been stable, additional 240 million Asians (6.5% of Asia's population) would have been lifted out of poverty
- Inequality can weaken the basis of growth by affecting human capital, social cohesion, middle class, and quality of governance
 - Empirical studies show lower inequality is associated with longer growth duration. A 10-percentile decrease in inequality increases the expected length of a growth spell by 50% (IMF 2011)

Why has inequality risen?

- Technological progress, globalization, and market-oriented reform have led to rapid growth in Asia, but working together they have favored:
 - capital over labor
 - skilled over unskilled workers
 - cities/coastal regions over rural/inland areas.
- These have been compounded by unequal access to opportunity due to social exclusion.
- Rising income inequality increases wealth inequality, which in turn contributes to rising income inequality.

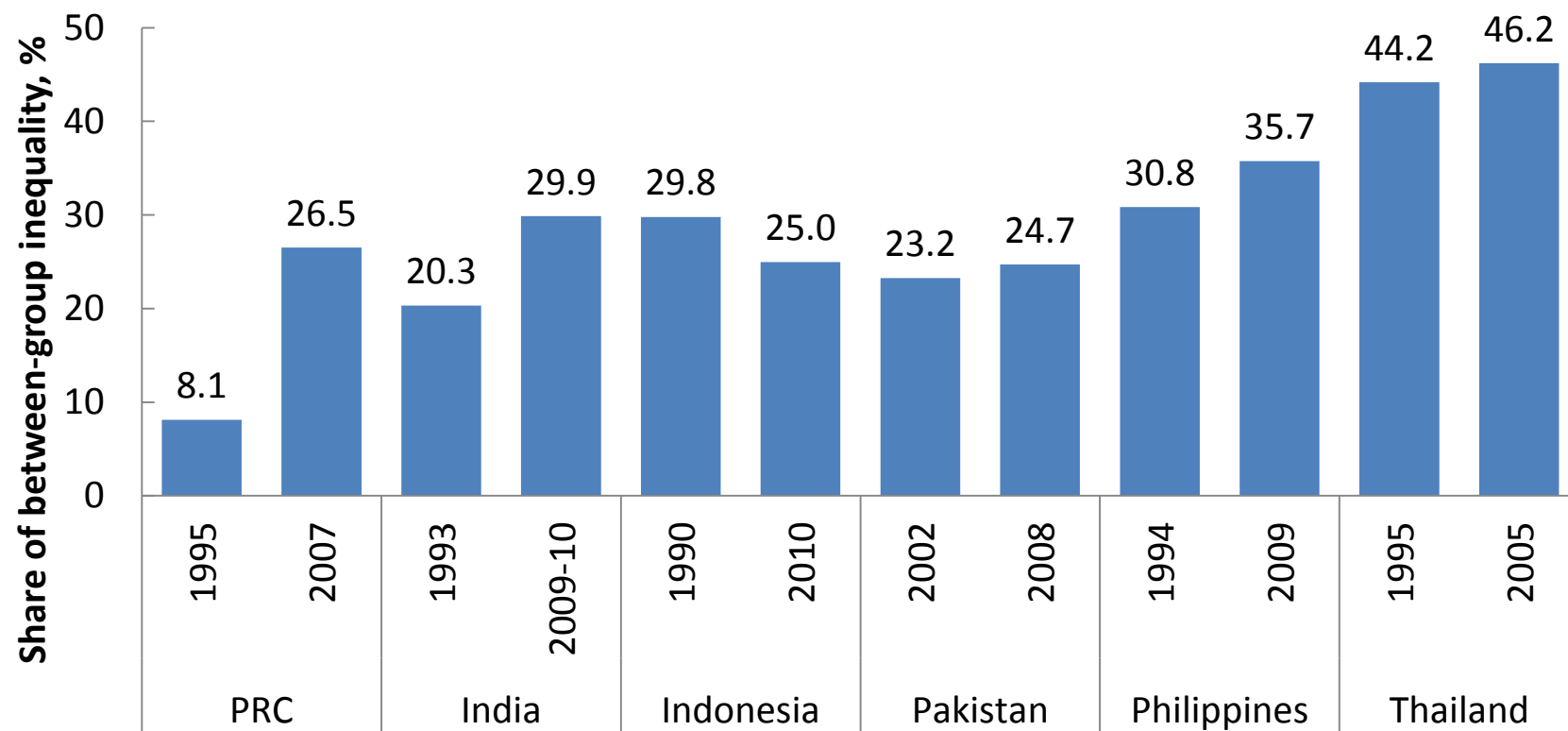
Share of labor income declined while share of capital income increased

Labor Income Share
Manufacturing



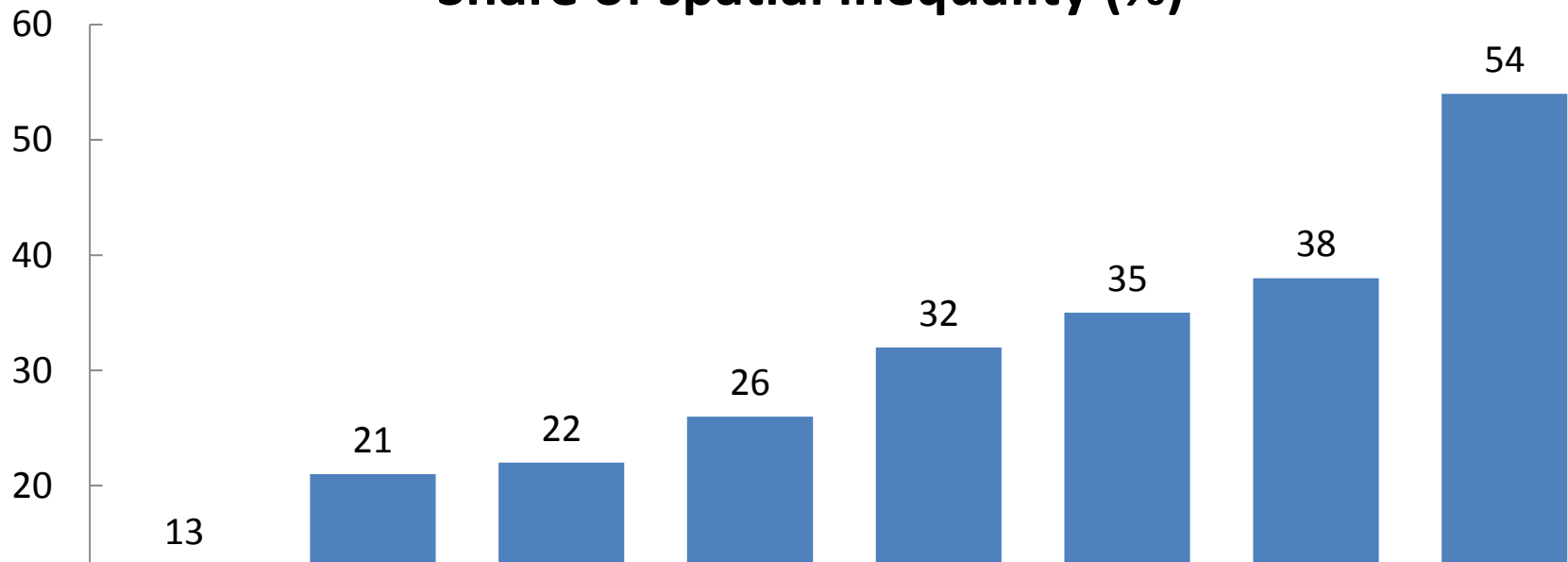
Skill premium has risen; education inequality accounts for 25–35% of total inequality

Income inequality decomposition by educational attainment of household head



Spatial inequality—urban-rural and inter-province combined—accounts for a large share of total inequality

Share of spatial inequality (%)



预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_4261

