Inequality in Asia and the Pacific

Inter-regional Expert Group Meeting
Placing Equality at the Centre of Agenda 2030

Patrik Andersson
Chief, Sustainable Socioeconomic Transformation Section
Social Development Division
United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)

Santiago, 27-28 June, 2018
Key Findings from Asia-Pacific
Fastest growing region & impressive reduction of poverty...

Population in poverty in Asia and the Pacific, 2000 and 2013

... With Large Gaps in Access to Basic Opportunities ...
... and Increasing Income Inequality ...

**Gini coefficient, 1990 and 2014**

<table>
<thead>
<tr>
<th>Region</th>
<th>1990</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia-Pacific</td>
<td>32.7</td>
<td>38.1</td>
</tr>
<tr>
<td>Europe</td>
<td>43.6</td>
<td>45.0</td>
</tr>
<tr>
<td>Western Asia</td>
<td>46.4</td>
<td>45.7</td>
</tr>
<tr>
<td>Africa</td>
<td>47.6</td>
<td>46.9</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>49.6</td>
<td>48.6</td>
</tr>
</tbody>
</table>

Note: Regional Gini. Population weighted average.
Main Reasons for this Development
Stubbornly High Levels of Vulnerable Employment …

Share of vulnerable employment in Asia and the Pacific, 2016

... and Low Coverage of Social Protection & Healthcare

Social protection and health expenditures as share of GDP, latest year

EU-average
Also, taxes are mainly Collected on Consumption

Total tax revenues in Asia-Pacific as share of GDP, 2015

Source: International Center for Tax and Development (2016) and OECD (2013) revenue statistics. For all countries, the most recent data entries between 2011 and 2013 were reported.
So, What’s the Impact?
Asia-Pacific is still Home to Almost Half of the World’s Poor

- **Sub-Saharan Africa**: 51%
- **Asia and the Pacific**: 43%
- **Rest of the world**: 1%
- **Latin America and the Caribbean**: 4%
- **Eastern Europe and Central Asia**: 1%
- **South and South-West Asia**: 77%
- **East and North-East Asia**: 6%
- **South-East Asia**: 11%
- **North and Central Asia**: 5%
- **Pacific island developing States**: 1%
Missed opportunity to Lift Another 140 Million People from Poverty

Impact of income inequality on extreme poverty

Population in millions

-3.8 -2.7 -2.3 -1.5 -1.4 -0.7 -0.5 -0.3 -0.3 -0.2 -0.1 0.0 0.0 0.0 0.0 0.2 0.2 1.2 2.4 8.0 15.1 71.5

Pakistan Russian Federation Thailand Kyrgyzstan Nepal Azerbaijan Turkey Kazakhstan Philippines Malaysia Armenia Bhutan Mongolia Singapore Republic of Korea Tajikistan Sri Lanka Viet Nam Bangladesh Indonesia India China
Progress has been Uneven

Access to electricity
Access to prof. help during childbirth
Access to clean fuels
Access to secondary education

Average access rate  ▲ Access rate of the worst-off group
Income Inequality Remains High in Most of Countries

Gini coefficient, 1990 and 2014

Increased inequality

Decreased inequality
Key recommendations from Asia-Pacific
- Harness the potential of economic growth to create decent jobs
- Broaden social protection coverage
- Provide universal access to basic services
- Promote gender equality and women’s economic empowerment
- Enhance financial inclusion
- Ensure social inclusion of vulnerable groups
Thank you!

www.unescap.org/our-work/social-development

www.socialprotection-toolbox.org