



# **Ensuring that the Benefits of Growth are Shared Broadly—An Overview**

**March 19, 2012**

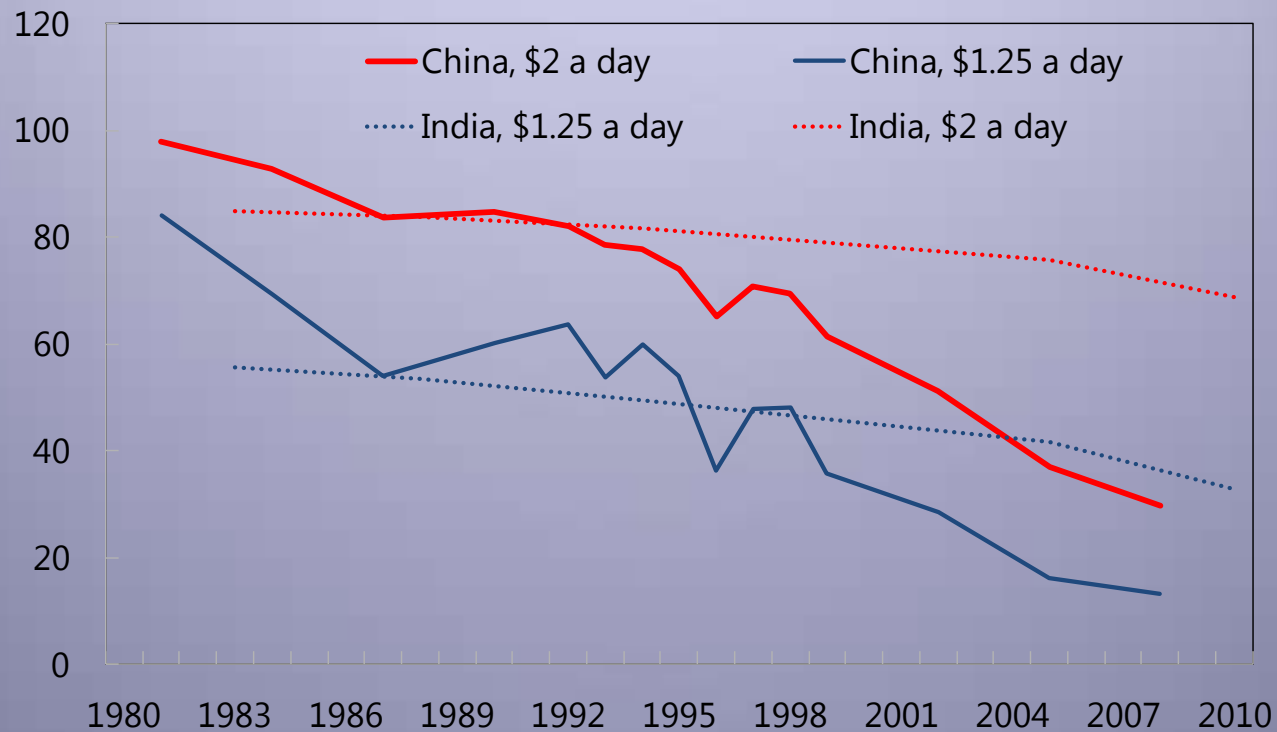
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**Assistant Director, Asia and Pacific Department**

# Both China and India have reduced poverty substantially.

## Poverty Headcount Ratio

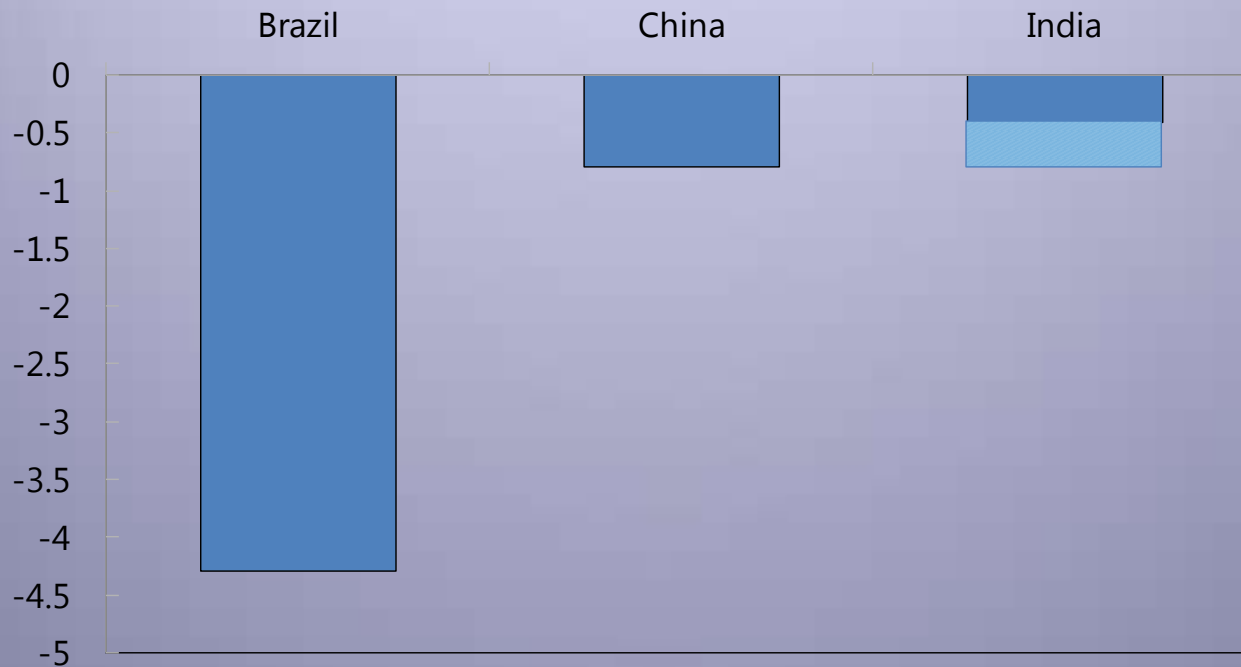
(PPP, in percent of population )



Source: World Bank, World Development Indicators.

# The change in poverty per unit growth can vary a lot.

## Elasticity of Poverty Reduction to GDP per capita Growth

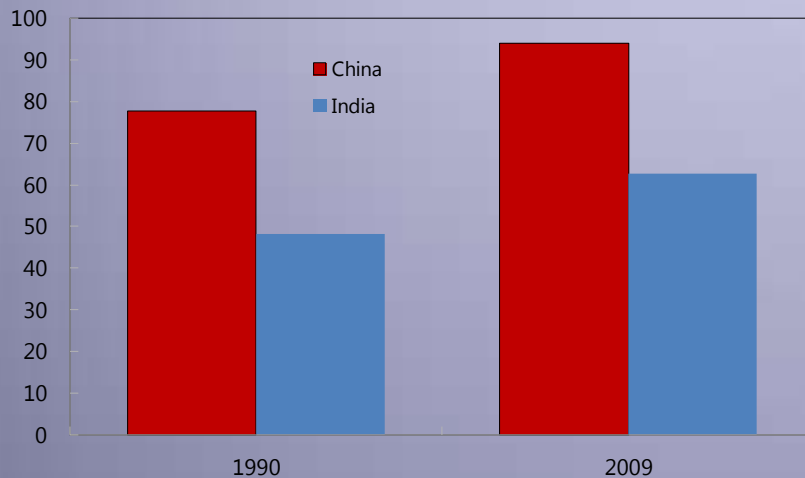


Source: Ravallion, M., A Comparative Perspective on Poverty Reduction in Brazil, China and India.

# Differences in human development indicators are important.

## Literacy Rate

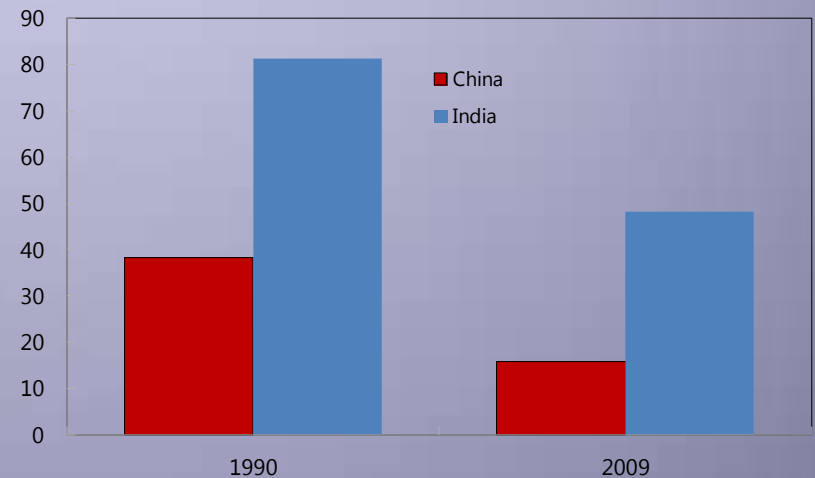
(People ages 15 and above in percent of total adult)



Source: World Bank, World Development Indicators.

## Infant Mortality Rate

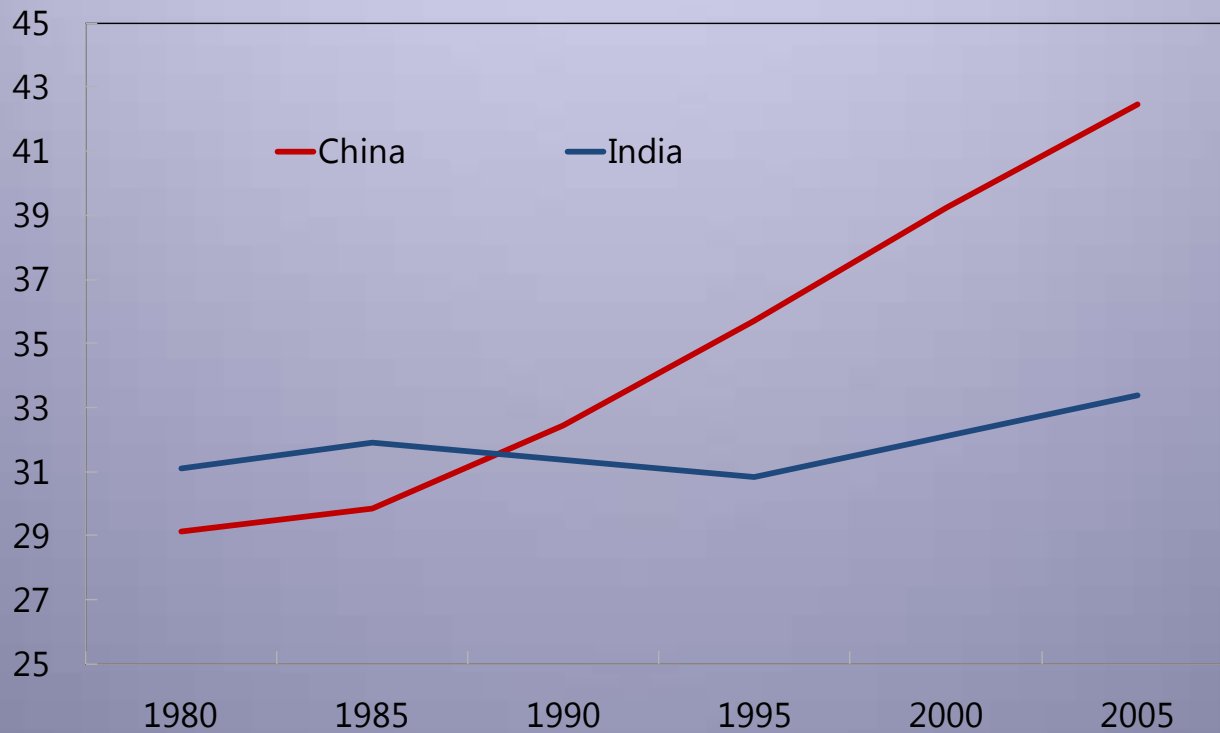
(per 1,000 live births)



Source: World Bank, World Development Indicators.

# Inequality is rising.

## GINI Index

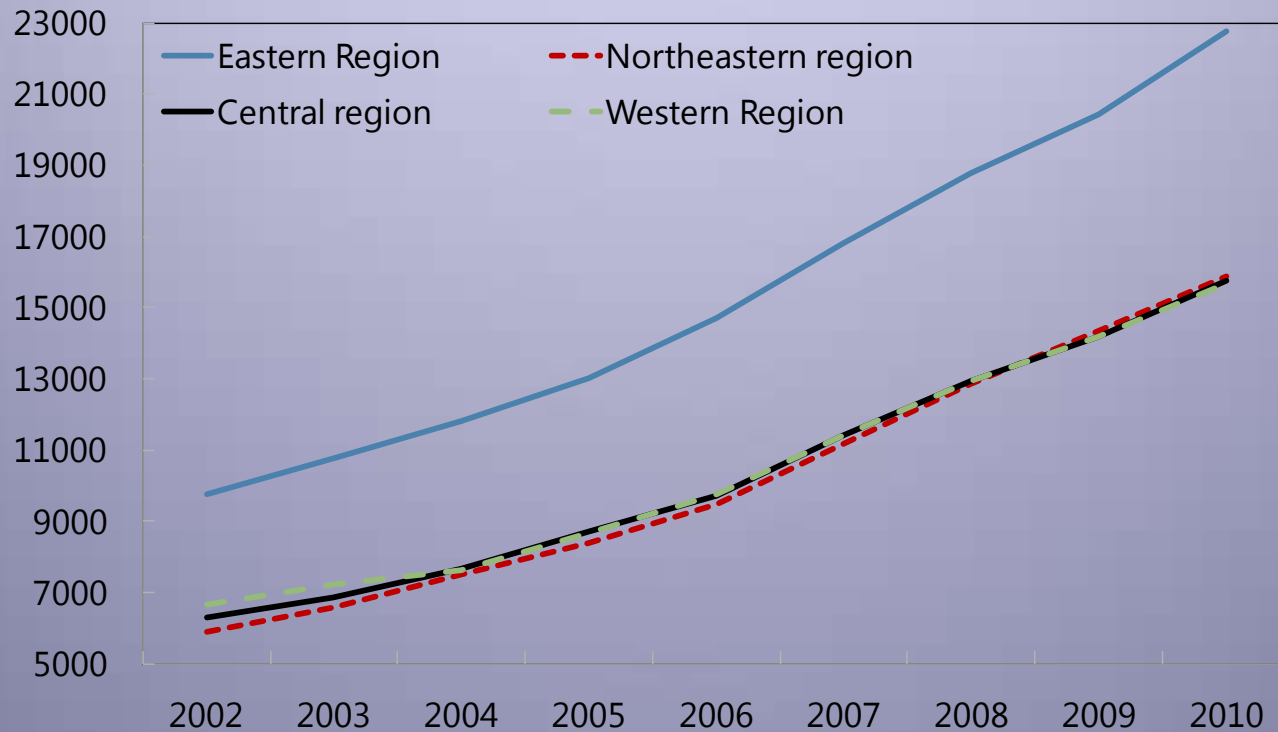


Source: World bank, World Development Indicators.

# China: Regional Disparities in Income

## China: Disposable Income per Capita

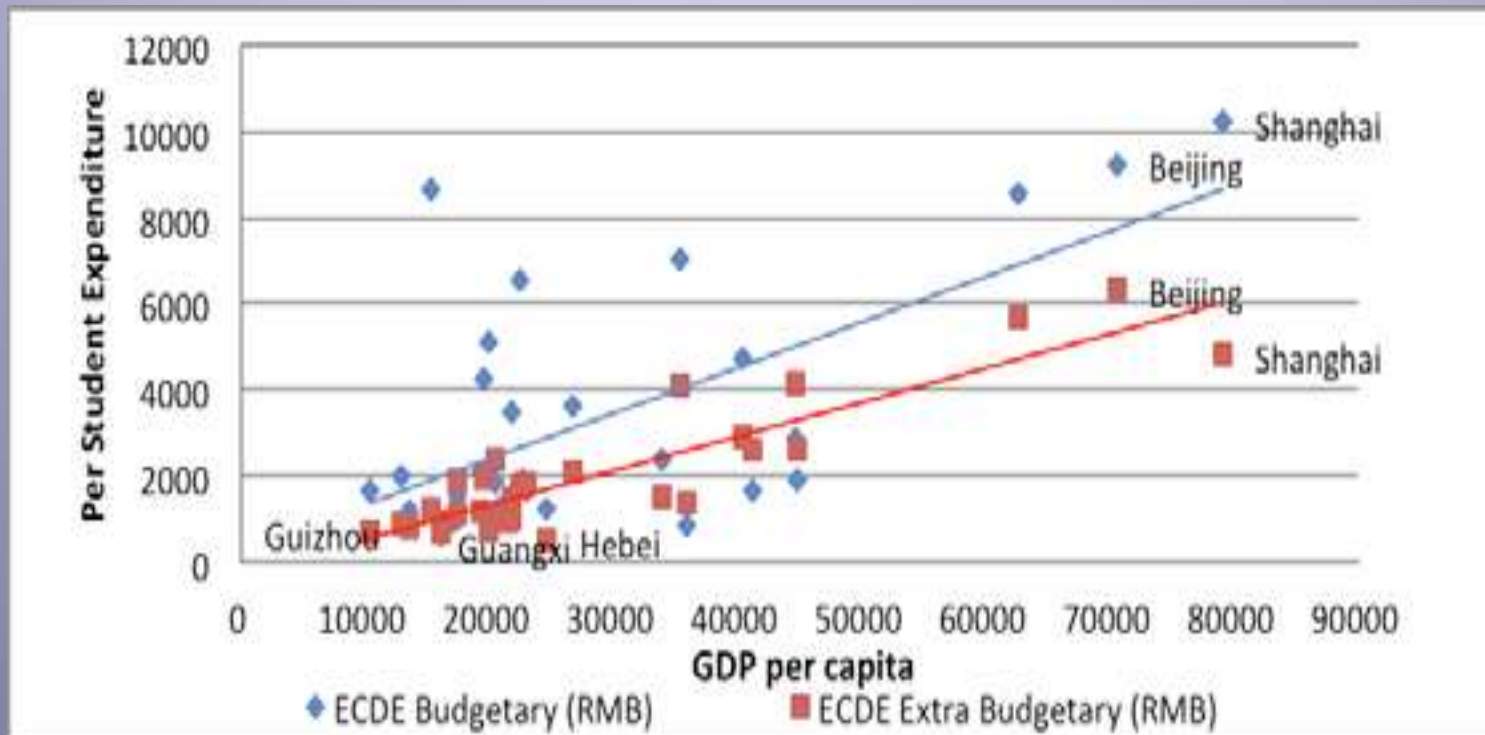
(In RMB)



Sources: CEIC Data Company Ltd.

# China: Regional Disparities in Social Spending.

Spending per capita on Education by Province, 2000 and 2008

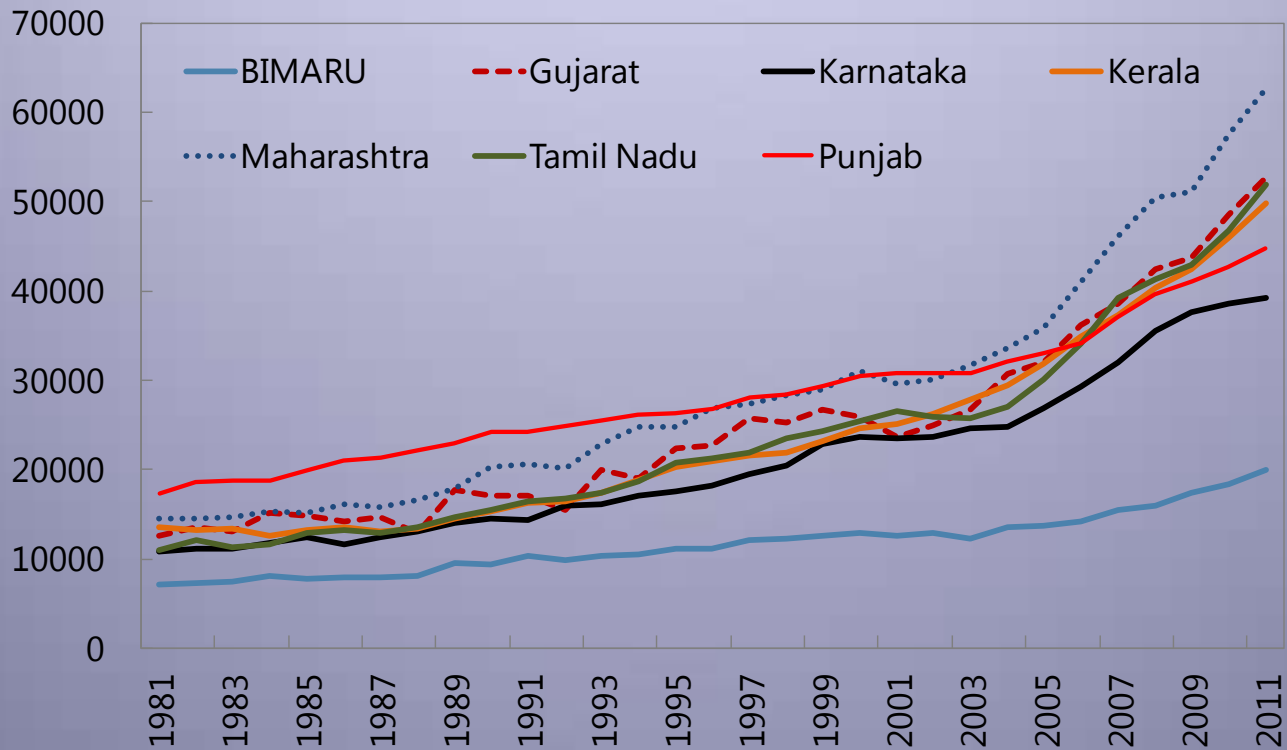


Source: China Statistical Yearbooks, in Brixi et al (2010). Diamonds (blue) = 2000; squares (red) = 2008.

# India: Regional Disparities in Income

## Net State Domestic Product per Capita

(In Rupee)



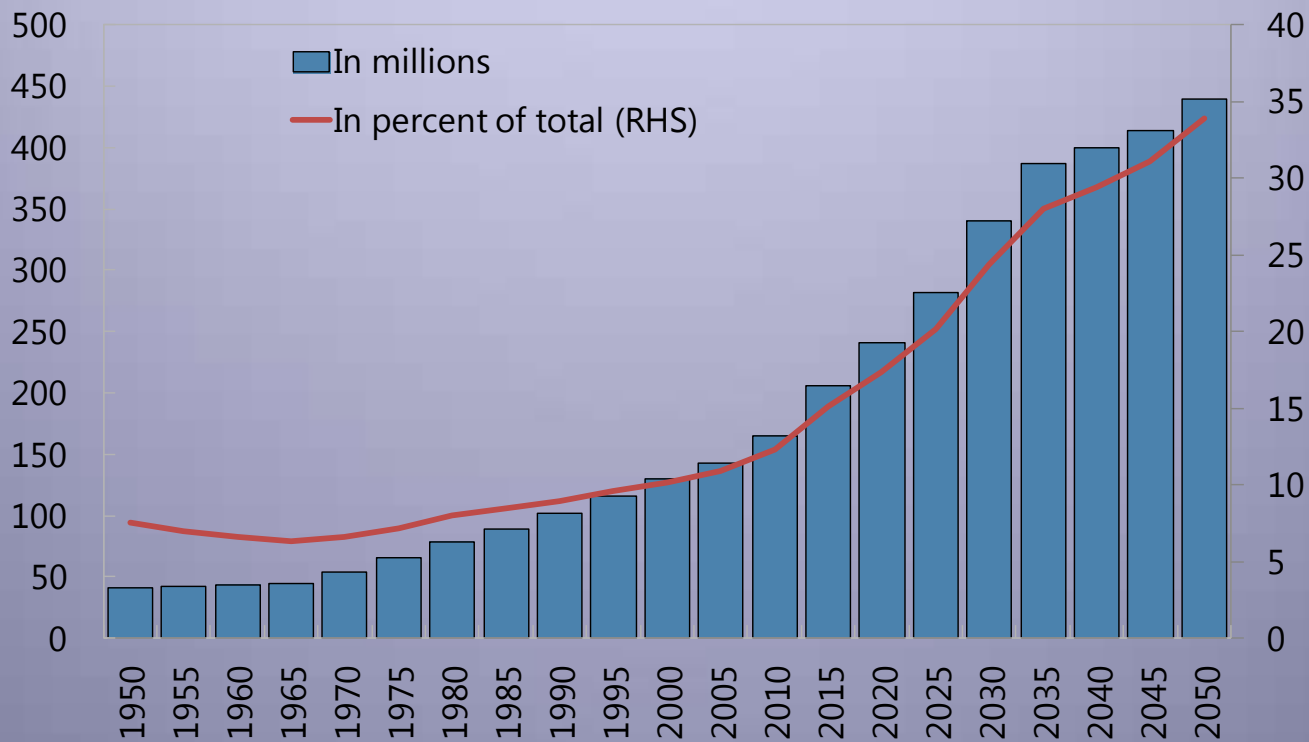
Sources: CEIC Data Company Ltd; and IMF staff estimates.



# Demographics

## China: Dependency ratio will increase

China: Number and Share of Population 60 and Over



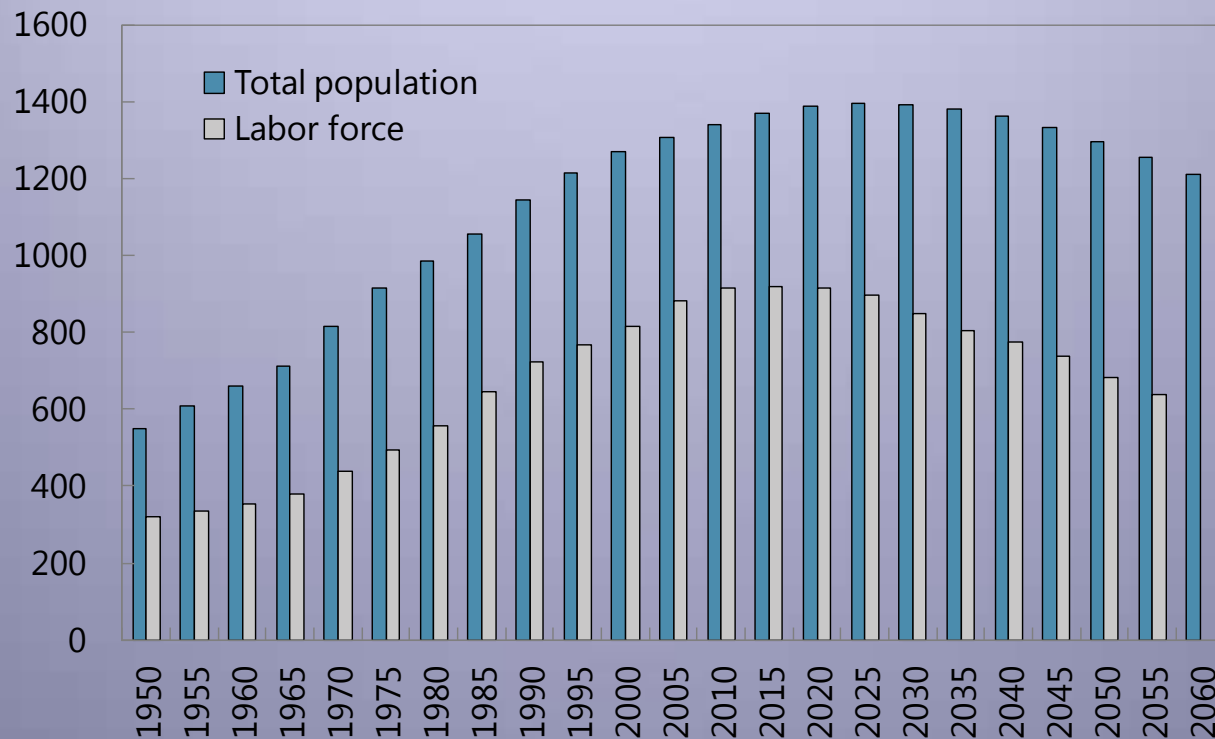
Sources: United Nations, World Population Prospects.

# Demographics

## China: Labor force will decline after 2015

### China: Total Population and Labor Force

(In millions)

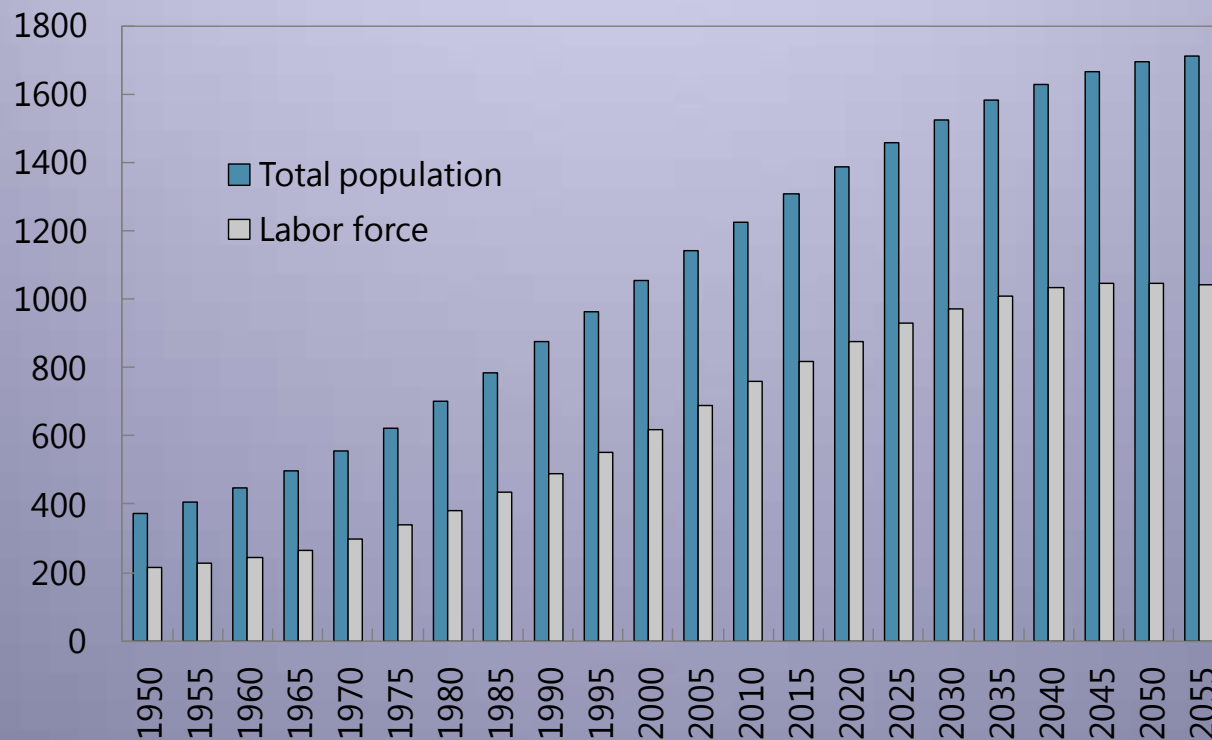


Sources: United Nations, World Population Prospects.

# Demographics

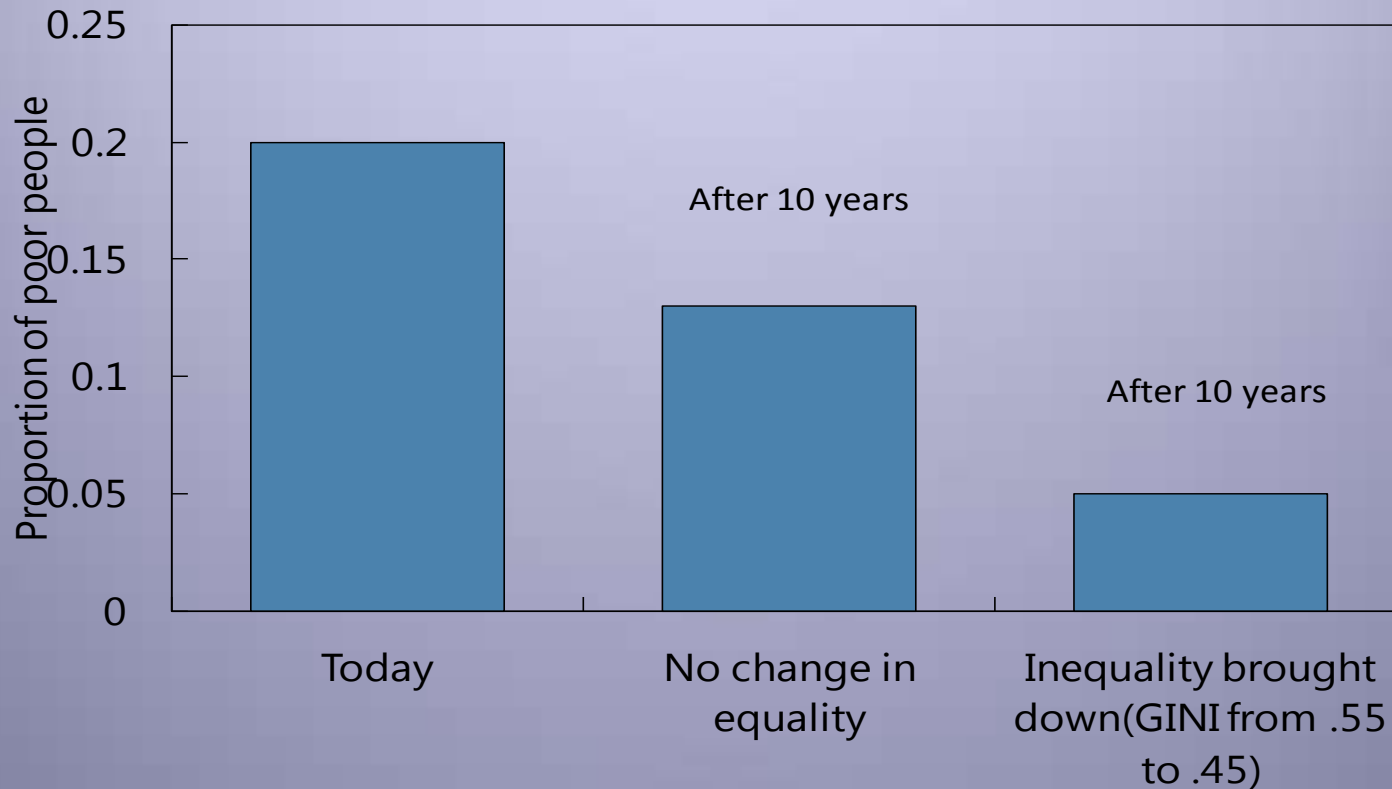
## India: Labor force will increase

**India: Total Population and Labor Force**  
(In millions)



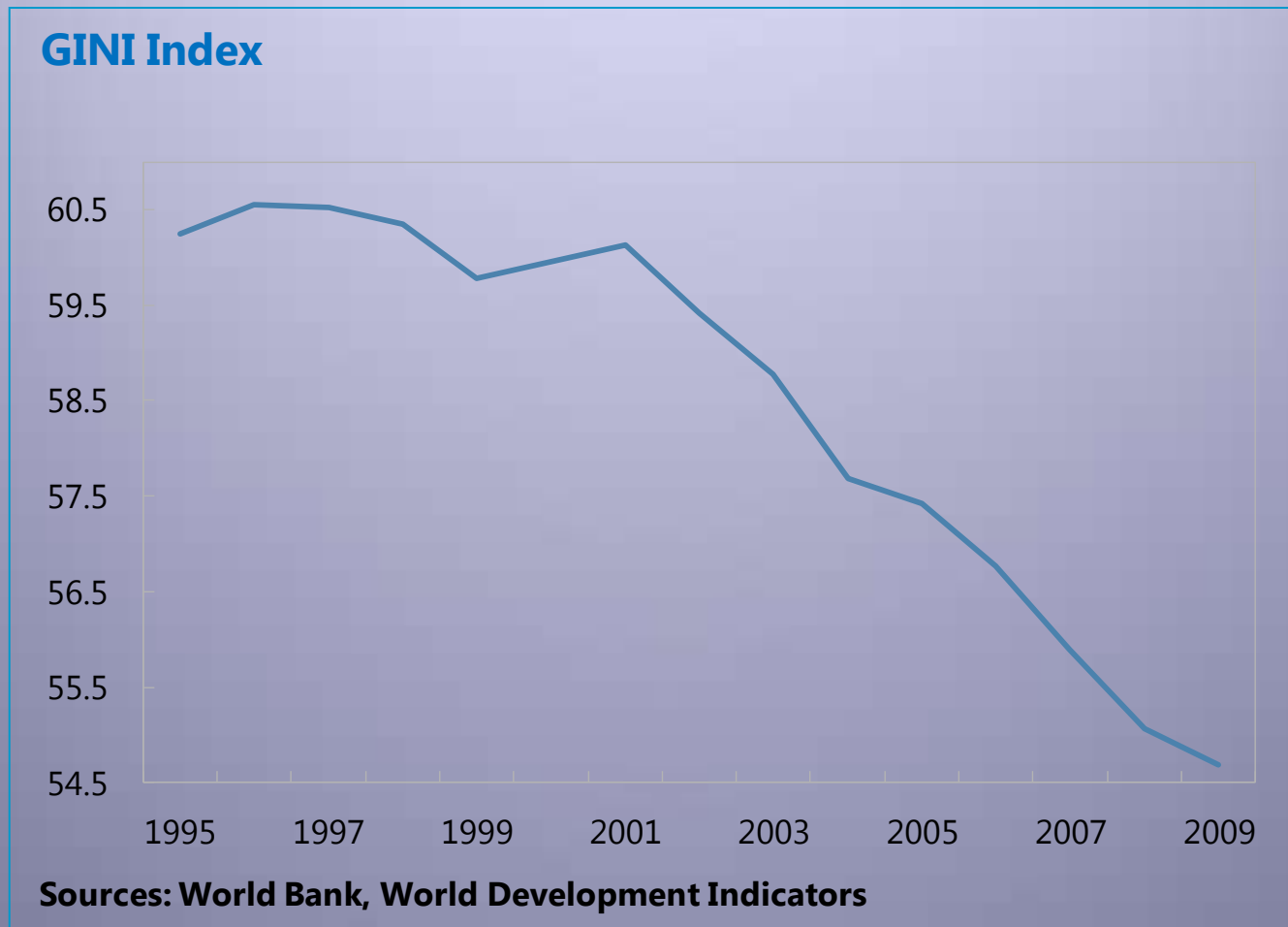
Sources: United Nations, World Population Prospects.

# Inequality hinders poverty reduction



Sources: Bourguignon, F., The Poverty Growth Inequality Triangle, 2004

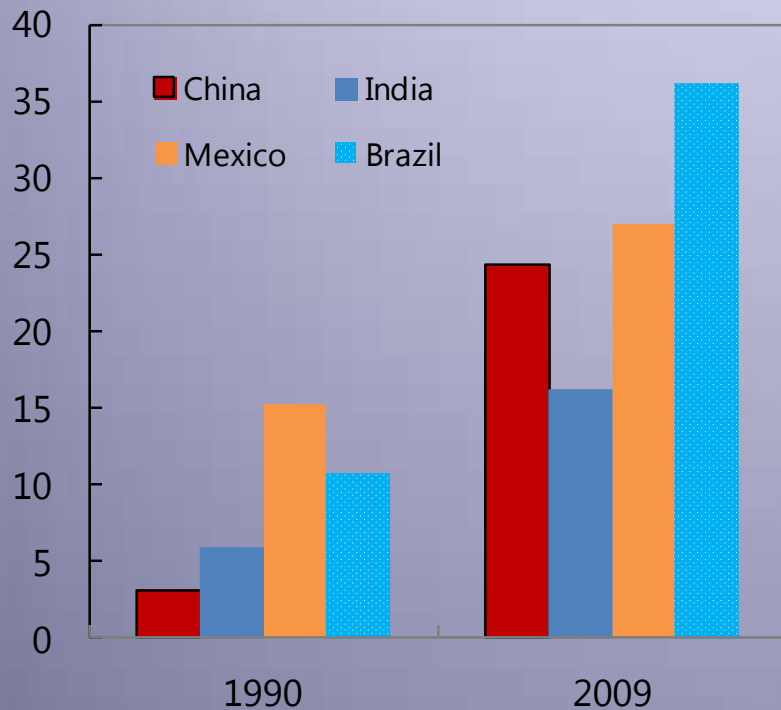
# Conditional Cash Transfers have reduced inequality in Brazil



# Conditional Cash Transfers have improved human development indicators in Brazil and Mexico

### Tertiary School Enrollment

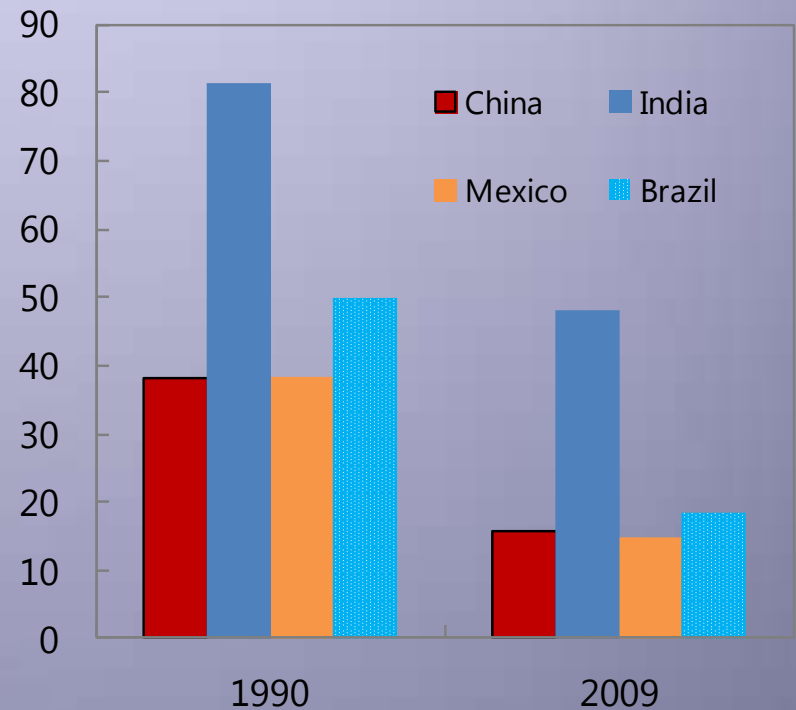
(In percent of gross)



Source: World Bank, World Development Indicators.

### Infant Mortality Rate

(per 1,000 live births)



Source: World Bank, World Development Indicators.