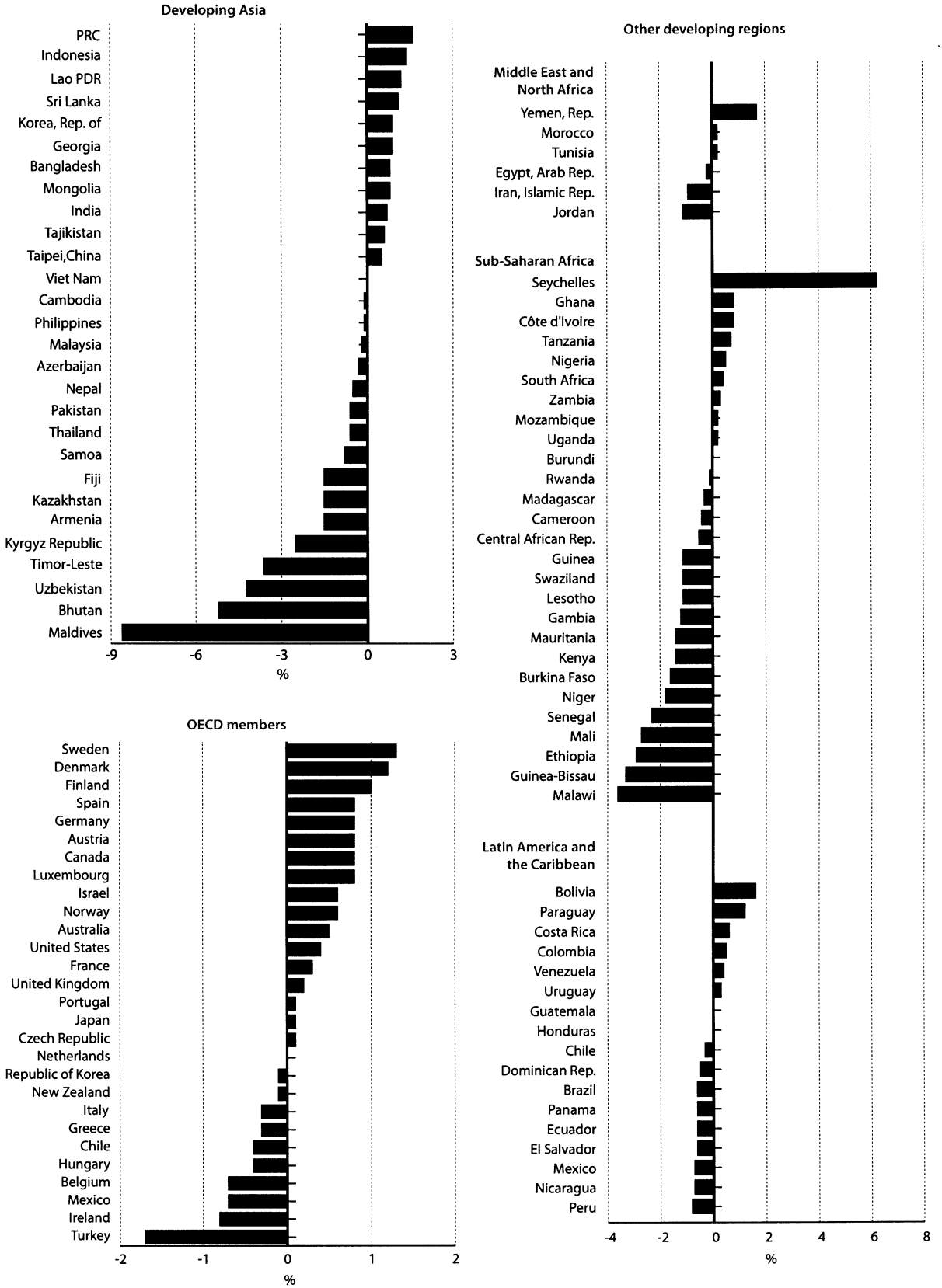
 SOURCE: KANBUR-ZHUANG CHAPTER IN ADO

2.2.8 Annualized change in Gini coefficient: Developing Asia and other regions

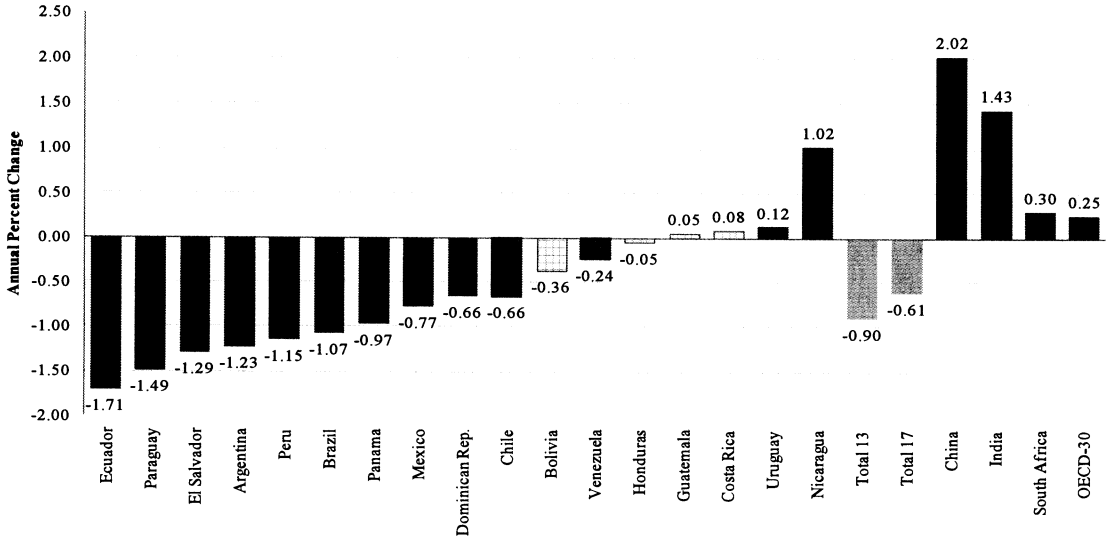


Lao PDR = Lao People's Democratic Republic; PRC = People's Republic of China.

Source: ADB estimates based on PovcalNet (accessed 9 March 2012), supplemented by household survey data for mostly Pacific countries, and publications of official statistics offices (Republic of Korea and Taipei,China).

Source—Lustig et. al.

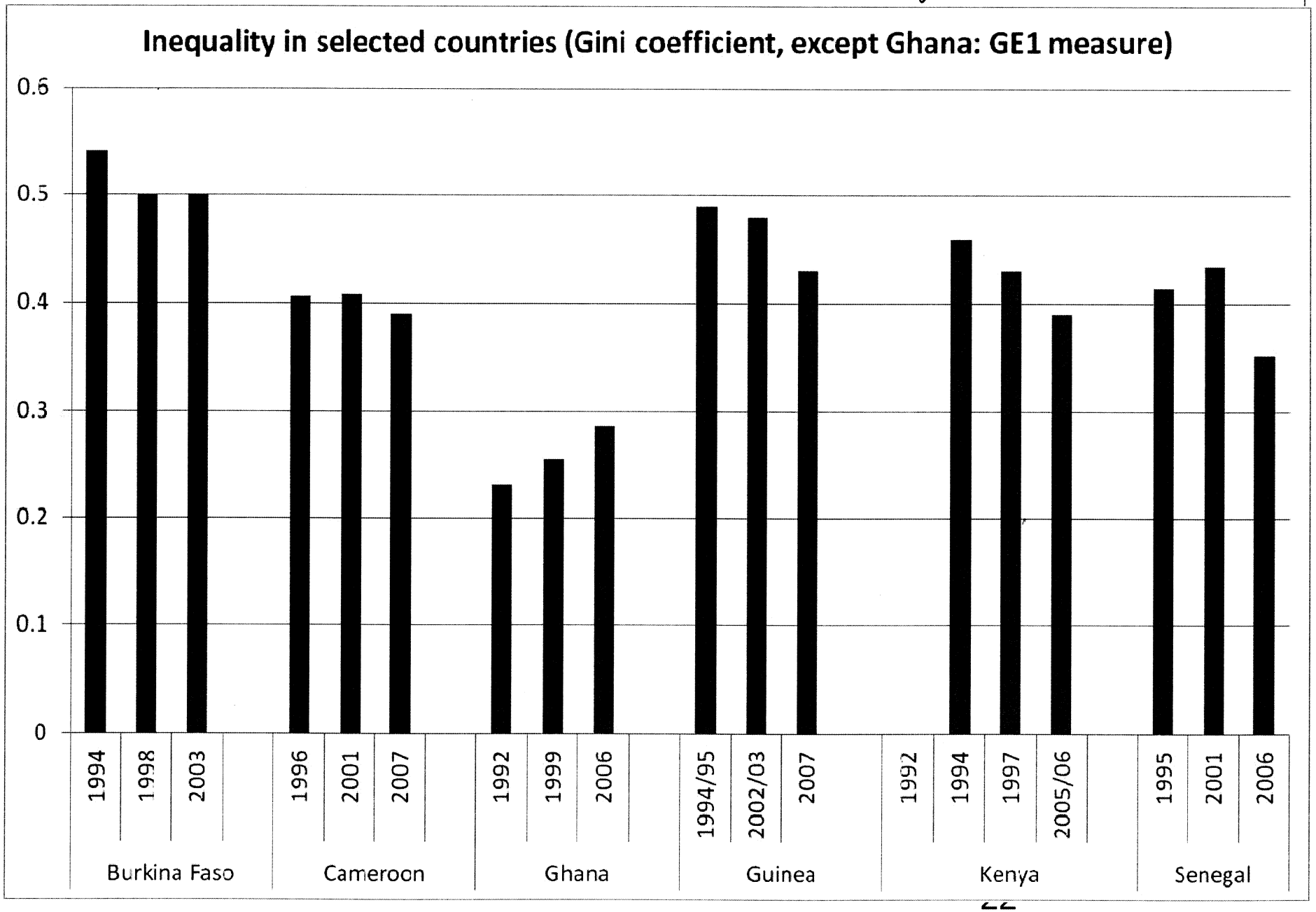
Figure 3 – Declining Inequality in Latin America by Country: 2000-2009 (annual % change in Gini)



Source: Authors' calculations based on data from SEDLAC (CEDLAS and The World Bank), March 2011 (http://sedlac.econo.unlp.edu.ar/eng/) for Latin American countries; and OECD (2010) for China, India, South Africa and OECD-30.

Note: Solid bars represent cases where changes are statistically significant based on SEDLAC's estimates. Data for Argentina and Uruguay are for urban areas only. In Uruguay, urban areas covered by the survey represent 80 percent of the total population; in Argentina, they represent 66 percent. The average change in the Gini for each country is calculated as the percentage change between the end year and the initial year divided by the number of years; the average for the total is the simple average of the changes by country (thirteen countries in which inequality fell). The years used to estimate the percentage change are as follows: Argentina (2009-00), Bolivia (2007-01), Brazil (2009-01), Chile (2009-00), Costa Rica (2009-01), Dominican Republic (2009-00), Ecuador (2009-03), El Salvador (2008-00), Guatemala (2006-00), Honduras (2009-01), Mexico (2008-00), Nicaragua (2005-01), Panama (2009-01), Paraguay (2009-02), Peru (2009-01), Uruguay (2009-00), and Venezuela (2006-00). Using the bootstrap method, with a 95 percent significance level, the changes were not found to be statistically significant for the following countries: Bolivia, Costa Rica, Guatemala, and Honduras (represented by grid bars in the figure). The years used in non-Latin American countries are as follows: China (1993-Mid 00s), India (1993-Mid 00s), South Africa (1993-08), and OECD-30 (Mid 80s-Mid 00s).

SOURCE: ANDREW MCKAY



SOURCE: FOX-PIMHIDZAI, 2011

5. **While conflict is a precipitating cause of slower poverty reduction in the North, other factors drove the regional differences in poverty reduction.** The Central region simply outperformed all other regions in terms of average consumption growth during the past two decades. It also led in rising inequality. Growth incidence curves in Figure 4 and Figure 5 compare consumption growth of the Central region to that of all other regions at each point of the welfare distribution between 1992/93 and 2009/10. They show that consumption growth in urban areas in the Central region was above the national average at all points of the welfare distribution while consumption growth in other urban areas growth was lower than the national average for most households other than the richest 10 percent. Growth in consumption in Central urban areas was above that of all other urban areas at every point of the consumption distribution too. Consumption growth in Central rural areas was similarly higher than consumption growth in other rural areas at every point of the welfare distribution. Everyone in rural areas outside the Central region experienced a lower that national average growth in consumption and thus lost out.

Figure 4: Consumption growth in the Central Urban versus Urban in all other regions, 1992/93 – 2009/10

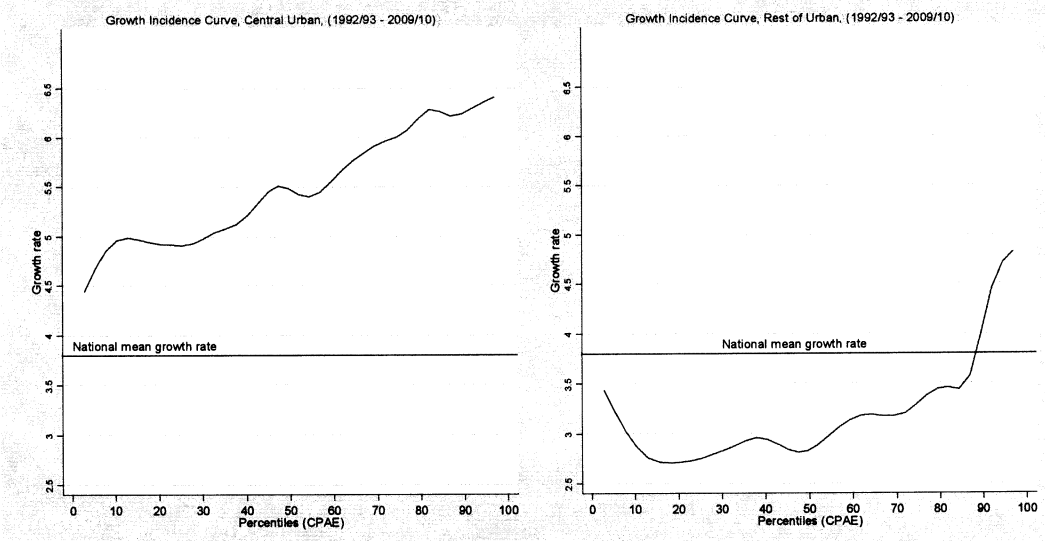


Figure 5: Consumption growth in the Central Rural versus Urban in all other regions, 1992/93 – 2009/10