

Chapter II. Rural-urban and regional disparities

This study will not try to analyse and explain existing disparities between urban and rural areas and between regions within specific countries, but only to highlight and explain the broader issues of rural-urban and regional disparities. This chapter will present empirical data on disparities between urban and rural areas and between regions in countries of Asia and the Pacific. Poverty and disparities have many aspects, but this chapter will focus in particular on disparities in terms of income and access to infrastructure.

Poverty trends

Out of a total population of over 3 billion people, 800 million people in Asia and the Pacific, excluding Central Asia, live on less than \$1 per day, a global standard used by the World Bank to measure poverty (World Bank 2001: 65). Some 65.2 per cent of the poor in Asia live in South Asia and another 26.6 per cent live in China (World Bank 2001: 23). The number of people below this poverty line dropped from 947.5 million in 1990 to 796.8 million in 1996 in Asia and the Pacific. Poverty in Asia also declined as a percentage of global poverty from 75.4 per cent in 1987 to 66.8 per cent in 1998. Poverty levels in most countries of Asia and the Pacific for which comparative data are available. The most dramatic decline in poverty occurred in China where the number of poor people decreased from 360 million in 1990 to 210 million in 1998 (table 2.1). There was a relatively small increase of 3.5 million to 800 million poor in Asia and the Pacific between 1996 and 1998. It may have been the result of the Asian financial crisis that caused an increase in the number of poor in East Asia and the Pacific from 55.1 million to 65.1 million.

One way of assessing the disparities between urban and rural areas is to look at the percentages of the urban and the rural population that are living below the poverty line. The data show that, despite the drop in poverty, wide disparities between urban and rural areas remain in terms of the percentage of people below the poverty line. This study estimates that around 240 million poor people lived in the urban areas of Asia and the Pacific and 560 million poor people lived in rural areas in 1998. This means that the urban poor formed 18.5 per cent of the urban population, while the rural poor formed 24.3 per cent of the rural population. In many countries, 30 to 55 per cent of the rural population and 20 to 30 per cent of the urban population live on less than one dollar a day (table 2.2).

Table 2.1 Poverty in Asia and the Pacific, 1987-1998

	People living on less than \$1 per day (millions)				
	1987	1990	1993	1996	1998
East Asia and Pacific (excl. China)	114.1	92.0	83.5	55.1	65.1
China	303.4	360.4	348.4	210.0	213.2
South Asia	474.4	495.1	505.1	531.7	522.0
Asia and Pacific (excl. Central Asia)	891.9	947.5	937.0	796.8	800.3
World	1 183.2	1 276.4	1 304.3	1 190.6	1 198.9
Asia and Pacific as per cent of world	75.4	74.2	71.8	66.9	66.8

Source: World Bank 2001: 23.

Note: The poverty line is \$1.08 a day at 1993 purchasing-power parity.

Table 2.2 Population below the poverty line in urban and rural areas, 1990s

Country	National poverty line							
	Population below the poverty line			Population below the poverty line				
	Survey year	Rural %	Urban %	National Survey year	Rural %	Urban %		
Bangladesh	1991-1992	46.0	23.3	42.7	1995	39.8	14.3	35.6
Cambodia	1993-1994	43.1	24.8	39.0	1997	40.1	21.1	36.1
China	1996	7.9	<2.0	6.0	1998	4.6	<2.0	4.6
Indonesia	1996	12.3	9.7	11.3	1998	22.0	17.8	20.3
Kazakhstan	1996	39.0	30.0	34.6	..	..	..	..
Kyrgyzstan	1993	48.1	28.7	40.0	1997	64.5	28.5	51.0
Lao People's Democratic Republic	1993	53.0	24.0	46.1	..	..	..	..
Mongolia	1995	33.1	38.5	36.3	..	..	..	..
Nepal	1995-1996	44.0	23.0	42.0	..	..	..	..
Pakistan	1991	36.9	28.0	34.0	..	..	..	..
Philippines	1994	53.1	28.0	40.6	1997	51.2	22.5	40.6
Russian Federation	1994	..	..	30.9	..	..	..	..
Sri Lanka	1985-1986	45.5	26.8	40.6	1990-1991	38.1	28.4	35.3
Thailand	1990	..	..	18.0	1992	15.5	10.2	13.1
Viet Nam	1993	57.2	25.9	50.9	..	..	..	..

Source: World Bank, 2000a.

While poverty levels are dropping, the absolute number of poor people in the urban areas may well be increasing. The absolute increase in the number of the urban poor is most likely the result of the migration of the rural poor to the urban areas. This is called the urbanization of poverty. It is visible in the poverty trends in India. From 1973 to 1994, the number of the urban poor declined as a percentage of the total urban population from 49 to 32.4 per cent. The absolute number of the urban poor increased over the same period from 60 million to 76 million (table 2.3).

Table 2.3 Poverty levels in India, 1973-1994

	Poverty ratio (%)			Number of poor people (millions)		
	Rural	Urban	Total	Rural	Urban	Total
1973-1974	56.4	49.0	54.9	261.3	60.0	321.3
1977-1978	53.1	45.2	51.3	264.3	64.6	328.9
1983	45.7	40.8	44.5	252.0	70.9	322.9
1987-1988	39.1	38.2	38.9	231.9	75.2	307.1
1993-1994	37.3	32.4	36.0	244.0	76.3	320.3

Source: Government of India 2000: 17.

The number and percentage of poor people below the poverty line paints only a very crude and static picture of the trend in poverty. It is often assumed that even under the best circumstances the rich get richer and the poor also become better off, but much less than the rich. In other words, all see their conditions improve, but disparities between rich and poor increase. The increase in disparity may be higher in rural areas than in urban areas, thereby increasing the disparity between urban and rural areas. Furthermore, changes in economic conditions benefit some population groups and disadvantage other groups. That means that some poor people may be able to improve themselves and escape poverty, while other erstwhile better-off groups join the poor owing to, for instance, changing labour demand (Sawant and Mhatre 2000: 99-100). It is, however, difficult to gauge these trends owing to a lack of data. Further study is necessary.

Access to infrastructure and services

Besides experiencing a lack of financial resources (money and assets), the poor in developing countries have difficulties accessing services such as clean water supply, health care and education. These services are essential for a healthy life, the acquisition of knowledge, employment and an adequate income. The reason for this deprivation may be that a given service is simply not available

Table 2.4 Incidence of poverty in Malaysia, 1995, 1997, 2000

	Incidence of 1995		1997		2000	
	Total	Urban	Rural	Total	Urban	Rural
Poverty %	8.9	3.7	15.3	6.1	2.1	10.9
Hard-core %	2.1	0.8	3.7	1.4	0.4	2.5
poverty						

Source: Mid-Term Review of the Seventh Malaysia Plan 1996-2000 (Kuala Lumpur, Percetakan Nasional Malaysia Berhad, 1999), p. 63.

Note: Malaysian citizens only.

or that the poor cannot afford the service where it is available. However, some urban and rural poor people cannot access the infrastructure or services because they are not entitled to them. They (or their house or their land) are not registered or they lack the necessary documents to do so. As a result, many poor people remain uneducated and in poor health and this limits their ability to improve themselves, even if they had the means and the opportunity. Some services, for example, water supply or health care, are so essential that the urban poor are prepared to buy them from private providers at much higher prices than the public sector charges the rest of society. By doing so, the poor increase their poverty relative to other population groups.

Access to safe drinking water, adequate sanitation and health care is a problem for the poor in many countries in Asia and the Pacific, but there is a clear distinction between urban and rural areas, as shown in table 2.5. The urban population has generally much better access to such infrastructure and services than the rural population. What the table does not show is the quality of the services provided. Safe drinking water may be available to a large portion of the urban population, but there may be frequent interruptions of water supply resulting in a deterioration of the water quality. Access to appropriate health services was defined as "available within one hour by local means of transport", but it is not always clear what "appropriate" means. It is also not possible to make comparisons between countries because governments have different definitions for safe drinking water and appropriate access to sanitation and health services.

The consequences of a lack of education and access to health care are visible in the differences in life expectancy and literacy levels between urban and rural areas in various countries. Studies of rural-urban disparities in India (table 2.6) show that the literacy level in the age group 6 years and above in urban areas is 60 per cent higher than in the rural areas. On average, children attend school for almost six years in urban areas, but only for three years in the

Table 2.5 Population with access to basic services, 1990-1996¹

	Percentage of population with access to ³ :									
	Safe drinking water			Adequate sanitation			Health services			
	Urban	Rural	Total	Urban	Rural	Total	Urban	Rural	Total	
Afghanistan	39	5	12	13	...	80	17	29		2
Bangladesh	99	96	97	79	44	48	...	...	45	
Bhutan	75	54	58	90	66	70	...	...	65	2
Cambodia	65	33	36	81	8	14	80	50	53	2
China	97	56	67	74	7	24	100	83	88	
India	85	79	81	70	14	29	100	80	85	
Indonesia	79	54	62	73	40	51	99	91	93	
Iran (Islamic Republic of)	98	82	90	86	74	81	100	75	88	
Japan	100	85	97	85	...	...	...	...	...
Kyrgyzstan	84	...	60	10	30	...	...	...	...
Lao People's Democratic Republic	60	51	52	98	16	28	...	...	67	2
Malaysia	96	66	78	...	...	94	...	...	...
Mongolia	100	58	80	100	47	74	...	...	95	2
Myanmar	78	50	60	56	36	43	100	47	60	
Nepal	88	60	63	58	12	18	...	...	...
Pakistan	82	69	74	77	22	47	99	35	55	2
Papua New Guinea	84	17	28	82	11	22	...	...	96	2
Philippines	92	80	86	88	66	77	...	...	71	
Republic of Korea	100	76	93	100	100	100	100	100	100	
Sri Lanka	88	52	57	68	62	63	...	...	...
Tajikistan	82	49	..	46	...	...	...	...	...
Thailand	94	88	89	98	95	96	90	90	90	2
Turkey	91	59	80	...	...	...	...	...	...

Source: WRI 1998: 251.

- Notes:
1. Data are for the most recent year available, within the range given.
 2. Data are for years other than noted, differ from the standard definition, or refer to only part of a country.
 3. Definitions of safe drinking water and appropriate access to sanitation and health services vary depending on location and condition of local resources; thus, comparisons can be misleading. In addition, urban and rural populations were defined by each national government and may not be strictly comparable.

villages. Infant mortality rates and child mortality rates are also much higher in rural areas than in urban areas.

Table 2.6 Rural-urban disparities in India, 1991-1994

Year	Literacy (age 6+) of schooling		Mean years of schooling		Infant mortality rate		Child mortality rate		Access to safe drinking water	
	1991	1994	1994	1991	1994	1991	1994	1991	1994	1991
Rural	44.5	3.04	80	26.1	63.6					
Urban	73.1	5.76	52	15.7	90.7					

Source: Dutta 1998.

A sample survey conducted in 1995 among 1 per cent of the population of China indicated that the adult literacy rates of people living in county capitals and rural towns was similar to that in the cities. However, adult illiteracy rates in rural areas were twice as high as those in cities, county capitals and towns (table 2.7).

Table 2.7 Adult illiteracy rates in urban and rural areas of China, 1995

	Population of 15 years and over (in 10,000)		Illiterate or semi-literate population (in 10,000)		Illiteracy rates (%)	
	Total	Men	Women	Total	Men	Women
Rural	62 959 31 730	31 229	12 379	3 519	8 860	19.66 11.09 28.37
County capitals/ rural towns	7 550 3 766	3 784	725 153	572 9.60	4.06	15.11
Urban	20 099 10 016	10 083	1 826	414 1 412	9.09	4.14 14.01
Total	90 608 45 512	45 096	14 930	4 086	10 844	16.48 8.98 24.05

Source: UNESCO 2000.

Note: City population includes the rural population of the city, while county population is divided into those living in the county capitals and rural towns on the one hand and those living in the countryside on the other.

In countries with an economy in transition or undergoing structural adjustment, governments often allocate fewer public funds for education, health care and other social services, and introduce user fees. As a result of the lower budget for social services, the quantity and quality of service delivery declines.

This affects rural areas, in particular remote rural areas, more than the urban areas, and increases rural-urban disparities. The introduction of user fees creates more hurdles for the poor to overcome to access basic services, such as education and health care.

In addition to such difficulties, the poor often lack access to resources such as credit. Three factors play a role in the lack of access to credit: the distance to the nearest bank branch, problems of procedure and requirements, and the size of the loan. The rural poor face a particular problem because there are usually few bank branches in the rural areas where the spread of the population over a large area is not attractive for commercial banks.

Another aspect of service deprivation is the limited access of the poor to energy. In many rural areas, the most commonly used source of energy is still wood that is collected in the forest. However, forests are rapidly disappearing and are increasingly declared out of bounds for the collection of firewood because of fears of further deforestation. Lack of access to sources of energy has an impact on the living conditions of the poor (lighting, cooking etc.) as well as on their possibilities for economic development (both on- and off-farm). On the other hand, a reliance on wood as a source of energy has serious implications for the environment and thereby indirectly on the productivity of agriculture through erosion resulting from deforestation.

The poor lack access to knowledge and information that are essential for participation in contemporary society. Because they are not educated or informed, and live on the margin of society, the poor are vulnerable and easily cheated out of any assets they may have, such as their land. They become victims of harassment and extortion by criminals or by officials because they are not well protected by the law and this increases their poverty. The lack of recognition and protection of the poor can at least partly be attributed to a lack of participation by the poor in the political decision-making processes that affect their lives and could draw attention to their problems.

Lack of affordable transport in urban or rural areas deprives the poor of opportunities to take advantage of available employment and basic services, such as education and health care. In fact, lack of transport can have greater welfare implications for the poor than for the rich because basic social services and employment are critical for the livelihood of the poor. The effectiveness of direct targeted interventions, such as schools, health clinics and nutrition programmes, is substantially reduced without adequate transport infrastructure and services as complementary inputs. In addition, such infrastructure and services provide an opportunity to rural households to combine on-farm employment with employment in non-farm activities, improve their incomes and provide surpluses

for enhancing investment in agriculture (Gannon and Zhi 1997: 9-12; Sawant and Mhatre 2000: 102).

Social and political constraints

Some groups in society lack the possibility of improving themselves and developing their ability to participate in development because of social restrictions. These restrictions may limit their geographical mobility and, for instance, make it difficult for them to attend school or seek medical care. Restrictions may tie people to certain occupations and be an obstacle to any social and economic mobility. Labour bondage, the prohibitions against women going to school, working outside the home and owning property, and forced child labour are examples of restrictions experienced by the poor, particularly, though not exclusively, in the rural areas. Other examples include restrictions on certain population groups visiting places or taking up particular occupations, and on ethnic minorities accessing services because of a lack of citizenship. Rural migrants in the city are sometimes restricted in their rights by the fact that they are registered as residents of a rural district. Changing the registration may not be easy or worthwhile, but the lack of registration can make it difficult or even impossible for poor migrants to access certain services and to cast their vote. It also makes them more vulnerable to harassment by the authorities.

The rural poor, and rural women in particular, do not have a strong political voice (World Bank 2001: 29). Participation by the poor in local decision-making may be more extensive and more direct in rural areas than in urban areas owing to the presence of customary forms of organization and decision-making. However, the procedures are embedded in the traditional distribution of powers that does not benefit the rural poor. There may be little opportunity for the rural poor to present and defend their particular interests.

The rural population lives geographically dispersed. Rural communication networks and transport infrastructure are often inadequate. Rural people are, therefore, disadvantaged when it comes to organization and the articulation of their specific needs, priorities and preferences through political processes. Even with democratically elected representatives, the rural poor may not have an adequate say in the decision-making. Although elected by a rural electorate, the representatives are often living in urban areas and are more familiar with urban than rural problems. If they represent the rural areas, they are more likely to represent the rural rich and middle class than the rural poor. The electoral process in rural areas is often full of problems relating to vote buying, patron-client relationships and intimidation. Being short of money, lacking access to essential services and not being taken into account when policies are formulated, the poor are more likely to sell their vote for short-term benefits. The politician

who can help them individually and on the spot when they have a problem is more important to the poor than the one who can represent their long-term interests in a faraway parliament.

Without proper representation of the interests of the rural population in decision-making by the central, state or provincial government, development policies may not benefit the rural poor. Because the rural poor lack political power, decisions about rural areas are made without the consequences for the rural areas and the rural poor being sufficiently taken into account. Central governments tend to take decisions about the construction of dams on rivers to generate electricity for the city and industry, with only limited consultation with the local population, if any. While the urban economy benefits from the increase in power supply, the rural communities near the dam suffer the environmental and economic consequences. Many have argued that as a result rural areas have paid a disproportionately high share of the costs of development and received a disproportionately small share of the benefits.

Both urban and rural economies use natural resources such as land, water and air, and in the transformation process they both produce waste. However, being more dispersed and producing more organic waste, the rural population, by and large, has a smaller impact on the environment than the urban population does. Urban areas extract natural resources from the rural areas and after processing, return the waste to the rural areas in the form of solid waste, wastewater and air pollution. The "ecological footprint of the city" can stretch far beyond the immediate hinterland of the urban area and crosses national borders. The more developed the city, the greater its ecological footprint. Similarly, urban companies take away the forests and leave the land vulnerable to erosion and flooding.

If the voice of the poor is not heard or not listened to, their interests are not included in policies or the policies will not match their specific needs or conditions. Perhaps what is even more important than not being heard is being considered not worth listening to. Because many poor people, and the rural poor in particular, are illiterate and lack education, they are not expected to know and understand. As Fukuyama (1992: 292) points out, the real injury that is done to the poor is not so much to their physical well-being as to their dignity. Because they have no wealth or property, they are not taken seriously by society.

The urban poor usually have a stronger voice because they are more visible and play a more direct role in society. Cities would come to a standstill without their labour. Decision makers may choose not to risk antagonizing the urban poor in order to avoid problems, while politicians may look after their interests if they are entitled to vote. However, the influence of the urban poor should

not be overestimated. Many decisions that directly affect their housing and informal economic activities are taken without their involvement because they are part of the informal, unregistered sector and, therefore, considered illegal by the authorities. This situation has a serious impact on the security of their livelihood. Evictions from their land, demolition of their houses and confiscation of tools and wares are regular occurrences for the urban poor.

Regional disparities

Many of the disparities existing between urban and rural areas also exist between regions within a country. These disparities are caused by the same factors: natural differences, sociocultural conditions and policy decisions. A comparison of social and economic conditions in different regions of a country can reveal important inequalities. Table 2.8 shows life expectancy at birth, infant mortality and the per capita state domestic product for the 15 states of India during the 1990s. The table shows the wide disparity in female life expectancy between the states, ranging from 53.5 years in Madhya Pradesh to 74.4 years in Kerala. Male life expectancy follows the same pattern: 54.1 years in Madhya Pradesh and 68.8 years in Kerala. In almost all states, women had a higher life expectancy than men, but in the three states with the lowest life expectancy at birth (Orissa, Uttar Pradesh and Madhya Pradesh), the life expectancy of men was higher than that of women, indicating a particularly disadvantaged position for girls and women in those states. Infant mortality rates show a similar pattern. Orissa, Madhya Pradesh and Uttar Pradesh had high infant mortality rates and a life expectancy consistently well below the national average.

The extent of this disparity within a single country is perhaps better understood if the levels are compared with those of other countries in Asia and the Pacific or Europe. Male and female life expectancy in Kerala are at levels similar to those of a middle-income country such as Malaysia, where in 1997 male life expectancy was 74.3 years and female life expectancy 69.9 years. Life expectancy in Madhya Pradesh, on the other hand, is amongst the lowest in Asia and the Pacific, and the state would fall in the category of least developed countries, such as the Cambodia and Lao People's Democratic Republic. The infant mortality rate of Kerala (12 per 1,000 live births) is not uncommon in Europe, while the infant mortality rates in Madhya Pradesh, Uttar Pradesh and Orissa are typical of least developed countries in Asia. Infant mortality rates in the rural areas of these states are even higher.

With only 12 per cent of the population living in urban areas, Nepal is still very much a rural country, but there are serious disparities between the urban and the rural areas. Because public and private investments are concentrated in the urban areas and the urban population has much better access to social

infrastructure and a higher income per capita than the people in the countryside, the human development index (HDI) value for the rural areas is approximately two thirds of that of the urban areas. The disparities become even more evident when the country is divided into regions, as was done for the Nepal *Human Development Report 1998*(UNDP 1998).

Table 2.8 Health conditions by state in India, 1990-1995

States	Life expectancy at birth (per 1000 live births)				SDP 1 (Rs)
	1990-1992		1994-1995		
	Female	Male	Female	Male	
Punjab	67.5	65.4	57.0	51.0	14 534
Haryana	63.6	62.2	71.0	68.0	12 283
Maharashtra	64.7	63.1	59.0	47.0	13 368
Gujarat	61.3	59.1	69.0	62.0	11 810
Tamil Nadu	63.2	61.0	58.0	53.0	9 353
Karnataka	63.6	60.0	73.0	53.0	8 504
Andhra Pradesh	61.5	59.0	71.0	63.0	8 415
Kerala	74.4	68.8	17.0	12.0	7 578
West Bengal	62.0	60.5	66.0	55.0	7 436
Rajasthan	57.8	57.6	84.0	85.0	6 951
Madhya Pradesh	53.5	54.1	111.0	94.0	6 034
Assam ...	76.0	76.0	6	0	17
Orissa	54.8	55.9	120.0	96.0	5 369
Uttar Pradesh	54.6	56.8	98.0	85.0	5 339
Bihar	58.3	..	72.0	71.0	3 737

Sources: UNDP-IDF 1998; Government of India 2000a.

Note: 1. SDP = state domestic product.

Nepal has three broad ecosystems with a high level of cultural variation: the mountains, the hills and the plains or *tarai*. The *tarai* has the highest levels of economic opportunities, while the mountain region is an area of hardship and inaccessibility. There are also five development regions (far-western, mid-western, western, central and eastern). Physical and social development attributes are unequally distributed across these five regions, with the mid-western and far-western development regions noted for their ruggedness, low levels of public and private investment and very low levels of human and social welfare. The combination of three ecosystems and five development regions creates fifteen regions that are internally more homogeneous in a physical, economic and cultural

sense than the three ecosystems or the five development regions. They are also larger than the districts, whose delineation is often primarily political and administrative.

The people in the hills and the *tarai* consistently enjoy a higher level of human development than those in the mountains (table 2.9). The central hills region includes the highly urbanized Kathmandu Valley, whose development level raises the HDI score, which is 1.8 times higher than that of the lowest-scoring region, the mid-western hills. The eastern *tarai* and the eastern hills are other high-scoring regions. The mid-western mountains, far-western mountains and far-western hills have the lowest levels of human development. An analysis on the basis of the HDI Components indicated that the disparities are not due to extreme skews in any single component. They are due to an uneven distribution of all three HDI components life: expectancy, literacy and per capita income (UNDP 1998).

Table 2.9 Human Development Index by region in Nepal, 1998

	Far-western	Mid-western	Western	Central	Eastern	Total
Mountains	0.26	0.24	0.31	0.27	0.34	0.28
Hills	0.36	0.31	0.35	0.44	0.37	0.37
<i>Tarai</i>		0.33	0.31	0.35	0.31	0.38
Total	0.32	0.29	0.34	0.34	0.36	0.33

Source: UNDP 1998.

One of the main challenges faced by the Chinese Government is the unequal development among the provinces and in particular between the eastern, coastal part of the country and the western landlocked part. As table 2.10 shows, there were serious disparities in annual income per capita between urban and rural areas and between the eastern, central and western part of the country in 1998. The causes of these disparities are well known: industrial development and foreign direct investment are taking place in the eastern part of the country with its major ports and greater proximity to markets. The western part is landlocked, lacks infrastructure and is far away from major population centres and transport nodes. The disparities between east and west have caused massive rural-urban migration and a considerable flow of remittances by migrant workers to the western part of the country.

Education is one of the key components of human development, as it is a basic condition for human beings to develop their full capabilities. Reviewing

Table 2.10 Per capita annual income by province in China, 1998

Western region		Central region		Eastern region				
Province	Rural ¹	Urban ²	Province	Rural ¹	Urban ²	Province	Rural ¹	Urban ²
Yunnan	1 375.50	5 558.29	Hunan	2 037.06	5 209.74	Guangdong	3 467.69	8 561.71
Chongqing	1 643.21	5 322.66	Hainan	1 916.90	4 849.93	Shanghai	5 277.02	8 438.89
Xinjiang	1 504.43	4 844.72	Hubei	2 102.23	4 673.15	Beijing	3 661.68	7 813.16
Sichuan	1 680.69	4 763.26	Anhui	1 808.75	4 599.27	Zhejiang	3 684.22	7 358.72
Guizhou	1 298.54	4 441.91	Liaoning	2 301.48	4 518.10	Tianjin	3 243.68	6 608.39
Shaanxi	1 273.30	4 001.30	Jilin	2 186.29	4 190.58	Fujian	2 785.67	6 143.64
Qinghai	1 320.63	3 999.36	Henan	1 733.89	4 093.62	Jiangsu	3 269.85	5 765.20
Ningxia	1 512.50	3 836.54	Heilongjiang	2 308.29	4 090.72	Shandong	2 292.12	5 190.79
Gansu	1 185.07	3 592.43	Jiangxi	2 107.28	4 071.32	Guangxi	1 875.28	5 110.29
Tibet	1 194.51	..	Shanxi	1 738.26	3 989.92	Hebei	2 286.01	4 958.67
			Inner	1 780.19	3 944.67			
			Mongolia					

Source: *China Statistical Yearbook* (Beijing, Statistical Publishing House, 1998), pp. 332-347.

Notes: Income in yuan renminbi; 1. Rural net income; 2. Urban disposable income.

the achievements in education in a study for Oxfam International, Watkins (1999) observed that uneven progress in providing access to education has resulted in deep regional disparities within countries of Asia and the Pacific:

(a) The Philippines has achieved relatively high rates of net enrolment, but almost one million children were not in school and another three million children dropped out before completing grade 6 at the time of the study. Regional differences related to poverty and a lack of service provision accounted for much of this deficit. Four out of five students in central Luzon completed primary school compared to an average of one in three children in northern Mindanao, where poverty incidence was twice as high as in central Luzon;

(b) Indonesia's progress in education has been impressive. Gender differentials have narrowed at all levels and near-universal primary-school enrolment has been achieved, but regional disparities remain. At the time of the study, net enrolment rates varied from 100 per cent in Jakarta to 58 per cent in Irian Jaya. Drop-out rates were less than 5 per cent in Central Java, but 23 per cent in East Timor. The incidence of poverty on the Outer Islands was about 33 per cent, compared with 20 per cent in Java;

(c) India has some of the widest regional disparities in education. In Kerala, almost all children in the 10 to 14-year-old age group were literate at the time of the study, while one third of the boys and two thirds of the girls in Uttar

Pradesh were illiterate. In the states of Bihar, Rajasthan and Uttar Pradesh, the gender gap in enrolment was 25 per cent or more, while it was less than 7 per cent in Kerala and Tamil Nadu.

A focus on regions within countries also provides a better insight into the conditions of population groups that are small in number on a national rural-urban scale, but form a sizable group within a region (Watkins 1999):

(a) The highland region of the Arakan Valley in the eastern part of Mindanao Island is the ancestral land of the Manobo. They value education for their children, not least because they learn skills which are useful in negotiations with traders. While the Philippines achieved near-universal enrolment in primary school, many schools in this region were inaccessible. In one settlement covered by an Oxfam research project in 1997, the nearest school was a four-hour walk away over rough and steep trails. As a result, more than two thirds of the children were not in school;

(b) In China, enrolment and completion rates in the 25 provinces and 5 autonomous regions with the largest ethnic-minority population were below the national average. Similar problems existed in Viet Nam. The remote, mountainous and poorer areas with high concentrations of ethnic-minority groups, such as the northern uplands and central highlands, had lower rates of enrolment and completion than wealthier regions, such as the southeast. Although these groups accounted for only 13 per cent of the population, they accounted for half of the children who were not in school. Children of ethnic minorities made up less than 4 per cent of the school population;

(c) Members of the 1,091 scheduled castes and 573 scheduled tribes in India have a serious educational disadvantage. Because of their physical and geographical isolation, they have lower enrolment rates, higher drop-out rates and wider gender gaps. The literacy rate for scheduled castes and tribes was more than 30 per cent lower than the national average. Disparities are narrowing, but at a slow pace. The enrolment gap between scheduled castes and tribes and the rest of the population was 15-17 per cent. The drop-out rate for scheduled tribes was 17 per cent higher than the national average. A district survey by Oxfam in Gujarat showed that enrolment rates for 5 to 10-year-old children in the Dangs district, where over 90 per cent of the population belong to scheduled tribes, were 8 per cent below the state average. More significantly, four out of every five children had dropped out of school by grade 5, even though the overall completion rate for Gujarat is 50 per cent.

A UNDP report (UNDP-IDF 1998), reflecting on disparities in human development between states and districts in India, identified the 13 most backward

districts in terms of female literacy in the 7+ age group on the basis of the 1991 census data. The districts in question were all located in just five states: Bihar, Madhya Pradesh, Rajasthan, Orissa and Uttar Pradesh (table 2.11).

Table 2.11 Districts with the highest female illiteracy in India, 1991

Districts	State	Female illiteracy (%)	1991
Barmer	Rajasthan	92.32	
Jalor	Rajasthan	92.25	
Maharajganj	Uttar Pradesh	89.72	
Kishanganj	Bihar	89.62	
Bahraich	Uttar Pradesh	89.27	
Jaisalmer	Rajasthan	88.72	
Jhabua	Madhya Pradesh	88.48	
Siddharthnagar	Uttar Pradesh	88.16	
Gonda	Uttar Pradesh	87.42	
Budaun	Uttar Pradesh	87.18	
Koraput	Orissa	86.91	
Nagaur	Rajasthan	86.71	
Banswara	Rajasthan	86.58	

Source: UNDP-IDF 1998.

Conclusion

A comparison of conditions in urban and rural areas and regions within countries shows that after five decades of development efforts, wide disparities still exist. The available data provide only a limited and rather static view of these disparities and do not show the dynamics of poverty and the positive and negative impact of various approaches on the disparities. The data show the net result of economic growth, human development and poverty alleviation, but, as the next chapter will show, the results of policies and programmes are rarely straightforward. Usually, the better off and the more powerful benefit more from development interventions than the poor, resulting in increased disparities. Some poor people will probably gain more than others, and some may in fact lose ground. It is important to understand these dynamics better and to identify who benefits from development interventions and is able to escape the poverty trap and who suffers and falls into poverty, and why this is so.