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Globalization and Exclusionary Urban Growth in Asian Countries

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Abstract

This paper overviews the debate on the relationship between the measures of globalization, economic growth and pace of urbanization, and speculates on its impact on the quality of life and poverty in the context of Asian countries. After experiencing moderate to high urban growth for three to four decades since the 1950s, most of these countries have reported a significant deceleration. This questions the postulate of the epicentre of urbanization shifting to Asia. It also lends credence to the thesis of exclusionary urban growth, which is linked with the formal or informal denial of entry to poor migrants and increased unaffordability of urban space of the rural people. An analysis of the policies and programmes at the national and regional levels shows that these have contributed to the ushering in of this era of urban exclusion.

The process of elite capture in the global cities has led to ‘sanitization’ and cleaning up of the micro environment by pushing out the current and prospective migrants and informal activities out of the city boundaries. Given the political economy of urban

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Keywords: globalization, urbanization, urban growth, URGD, exclusionary urbanization, inequality, poverty, small towns, small Asian countries

JEL classification: F5, R1, I0

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growth and the need to attract global and domestic capital into cities, governments would not interfere with 'elitist interests'. Asia, thus, is unlikely to go the same way as Latin America did in the second half of the last century.

To absorb incremental labourforce outside agriculture, many of the large countries may, however, promote the small and medium towns that have unfortunately reported economic stagnation and deceleration in population growth. Furthermore, a few among the small and less developed countries are likely to experience high urban growth, largely due to foreign investment. This would impact on the geopolitical balance on the continent despite the fact that expansion in the urban and industrial base in these countries would not make a dent on macro-level aggregates.

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Acronyms

UNPD	United Nations Population Division
UNFPA	United Nations Population Fund
URGD	urban rural growth differential
WUPs	<i>World Urbanization Prospects</i> (of UNFPA)
WPRs	<i>World Population Reports</i> (of UNFPA)

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1 Introduction

It is generally argued by policymakers, administrators and researchers that economic liberalization and associated structural reform lead to an acceleration in the pace of economic growth in less developed countries which in turn results in rapid rural urban (RU) migration, giving boost to the pace of urbanization. Academics and activists holding the opposite viewpoint are also quite vocal. They perceive urban development in the less developed world as not necessarily a developmental phenomenon but associate it instead with the accentuation of regional and interpersonal inequality, often resulting in increased poverty. The present paper begins with an overview of this debate and goes on to analyse empirically the relationship between urbanization and economic development and its impact on the quality of life and poverty in urban areas in the context of Asian countries. The second section of the paper critically analyses the controversy in the literature by drawing upon the empirical studies on the subject, focussing on Asia. The myths of ‘southward shift’ of the epicentre of urbanization and that of urban explosion in Asia are analysed with some empirical rigour in the following section. A detailed analysis of the correlates of urbanization across different countries has been attempted since 1950s, including the projected pattern in 2030, by incorporating a select set of socioeconomic indicators within the framework, in the fourth section. The next section examines the policies and programmes at the national and regional levels to determine how they are responsible for ushering in an era of exclusionary urbanization and deceleration in urban growth. The last section summarizes the findings of the study.

2 Urbanization and economic development: an overview of the debate

Increases in government and private sector investments in infrastructure and industries, often associated with measures of globalization and structural reform, backed by technological advancements in transport and construction sectors, are taken to be behind rapid urbanization. Linking of the cities, particularly those at the apex, with global economy is expected to bring in an inflow of capital from outside the country, thereby accelerating the pace of economic growth. This, in turn, would give further impetus to the process of urbanization since much of the investment and subsequent increase in employment are within or around the existing urban centres. Even when the industrial investment takes place in inland rural settlements or virgin coastal areas, in a few years the latter acquire urban status. There is, thus, an emergence of a virtuous circle connecting liberalization, investment and economic growth that is likely to accelerate the pace of urbanization in developing countries.

A recent report by UNFPA (2007) is very categorical about this relationship as it postulates that ‘no country in the industrial age has ever achieved significant economic growth without urbanization’. It argues further that even when the increase in manufacturing sector is export-based, leading to the development of industrial enclaves away from the mega cities, these in the long term become an integral part of the urban segment.¹ Durand et al. (1996) hold that income from migration stimulates economic

¹ In a similar vein, Cohen (2006) argues that in most cases, high urban growth rate is ‘an indicator of success rather than failure and most of the world’s largest cities are located in countries with the world’s largest economies’.

activity, both directly and indirectly, which leads to significantly higher levels of employment and investment. Adams and Page (2003) go a step forward and link migration and urbanization with poverty reduction. They demonstrate that an increase of 10 per cent in a country's share of international migrants, generally coming to large cities, leads to 2 per cent decline in \$1 a-day poverty.

Analysing the specific situation in Asian countries, Asian Development Bank (1996) argues that there is a 'well established correlation between development and level of urbanization in Asian region' since the countries that have urbanized rapidly 'in the last 10 to 20 years are generally those with most rapid economic growth'. It points out that:

macroeconomic changes within Asia, and the region's transactions with OECD countries—in particular emergence of global economy ... will further increase the role played by urban areas in these countries.

In a similar vein, Forbes and Lindfield (1997) argue that urbanization is:

an essential part of most nations' development towards a stronger and more stable economy over the last few decades. ... Most of the world's largest cities are in the world's largest economies, which is further evidence of this link between gross economic wealth and cities.

The above being the dominant perspective, it is no surprise that Douglass (1998) finds an overwhelming bias in the analysis of contemporary cities in treating these as 'economic engines of growth' rather than merely as habitat.

The opposite viewpoint has also been quite unyielding, although its ability to impact on the development policies has been limited. It sees the cities, endeavouring to become globally linked, not necessarily as 'machines for producing wealth' but also for 'expanding inequalities'. The outcome is noted to be alarming as the studies point to an increasing trend in the number of urban poor in these cities. Piel (1997) argues that the world's poor, once huddled largely in rural areas, have 'gravitated to the cities' in the modern world. In a similar vein, in a recent study, Ravallion, Chen and Sangraula (2007) suggest that it will not be many decades before a majority of the developing world's poor will live in urban areas. Anna Tibbajuka, Executive Director UN-HABITAT in her address at the opening ceremony of the FIG Working Week 2008 argues that:

95 per cent of urban expansion is taking place in those cities least equipped to negotiate the urban transition—the secondary cities of Africa and Asia. As a result we are witnessing the urbanization of poverty.

Overviewing the macro-level evidences, Homeless International and Asian Coalition for Housing Rights (2006) points out that in Asia's cities, around one in every three persons lives in slums. This number 'will only get bigger as rapid urbanization continues in Asia'. It further observes that one of the major paradoxes of urban areas is that the poor live in the cities and provide cheap labour that holds the key to the building of the city economies but enjoy no provision of safe existence or share of benefits from its development. Several other studies focus on the problem of employment generation in the formal urban economy which has been very low in Asia due to the capital-intensive

nature of industrialization.² Economic and Social Commission for the Asia and the Pacific attributes the high urban growth in the region to the expansion of low productive informal sector. Based on an exhaustive review of the literature, Waddington (2003) argues that migration into cities in Asia is dictated largely by rural poverty. The future urban scenario is predicted to be alarming as growing inequality and deficiency in basic amenities are likely to create problems of environmental degradation, as also of increased individual and group violence.

In a research initiative under Kanbur and Venables (see Fan, Kanbur and Zhang 2010), spatial inequality is analysed in 58 developing economies, including a few from Asia, over the last two decades. The studies reveal that spatial disparities are high and rising³ in recent years, specifically in countries like China. Spectacular economic growth is accompanied by growing regional inequality. Importantly, this is happening precisely during the period when the countries are witnessing accelerated urbanization. A low rate of infrastructural investment in the public sector—necessary for keeping budgetary deficits low—is slowing down agricultural growth in backward regions in many of the countries in Asia (Kanbur and Venables 2007). This, coupled with open trade policy, is responsible for the lack of sectoral diversification in agrarian economy. These are resulting in ‘contraction of purchasing power’, causing high unemployment and exodus from rural areas. The rapid growth in urban population is, thus, attributed to the displaced rural migrants being absorbed within informal urban economy.

A report from the United Nations for Asia and the Pacific Commission notes that the pace of urbanization in Asia and the Pacific is resulting in economic growth but that it is increasing the level of poverty within cities as well. Releasing the *Statistical Yearbook for Asia and the Pacific for 2008*, Pietro Gennari, chief of ESCAP’s Statistics Division observes (UNESCAP 2008) that current growth of cities is having a ‘knock-on effect’ through the erosion of ‘people’s ability to access clean water and sanitation in urban areas. Consequently, ‘we see more and more people living in slums’. Further, urban growth is putting an enormous burden on the environment; Asia-Pacific’s carbon dioxide emissions going up from 1.9 tons per capita in 1990 to 3.2 tons per capita in 2004. If emissions are calculated per unit of gross domestic product, then the Asia-Pacific region has one of the highest carbon dioxide intensities in the world.

Despite these divergent perspectives, the protagonists of globalization, its critics and ‘dispassionate researchers’ seem to converge on the proposition that urban growth in the developing countries in the post-liberalization phase would be high. This is further confirmed by the projections made by various national and international organizations, although they assess the implications quite differently. Furthermore, there seems to be a general agreement that the centre of urbanization would progressively shift ‘from the predominantly northern latitudes of developed countries to the southern ones of developing countries; that is, the mean latitude of global urban population’ (Rakesh Mohan and Dasgupta 2005) would steadily be moving southwards. It is widely held that

² The uniqueness of the twentieth century Asian urbanization lies in the greater importance of ‘rural push’, the presence of a large informal sector, peripheral squatter settlements and violent internationally-linked criminal activity. This contrasts with the features of nineteenth century Europe and United States urbanization (Parai and Dutt 1994).

³ One may also mention the spatial disparity in Indonesia by Friedman (2005) and the transition economy of Tajikistan by Anderson and Pomfret (2005), countries characterized by rapid urban growth.

after the rapid growth of urban populations in Africa and Latin America during 1950-80, it is now the turn of Asia to urbanize at a fast pace. The region has already been flagged as a ‘rapidly urbanizing continent’ due to the acceleration in the growth of urban populations since the late 1970s, currently accounting for about half of the world’s urban population. Asia is projected to double its urban population during 2000-30, its share in global urban population going up from 48 per cent to 54 per cent.⁴ Further, in 1950 Asia had no city with 10 million people (the only city of that size being New York) but now 11 out of 19 of these cities are in this region. International organizations have projected that out of 23 such cities in the world, 17 will be in Asia by 2015.

The average rate of economic growth of the Asian countries has also been noted to be impressive—7 per cent per annum for the past half a decade till the global crisis hit them. Even in the worst year of the crisis, 2008-09, their growth rate declined by merely 2.5 percentage points, getting the credit for preventing global economic growth going to sub-zero level. A quick turnaround from the recession has brought praise from the UN and Breton Woods institutions and many of the Asian countries are considering rolling back their stimuli packages. The economies of China and India are projected to overtake that of the United States and most other large European economies, with a business-as-usual scenario in the next few decades. These stylized facts have been put forward to substantiate the claim that the continent would experience hyper urban growth over the next few decades. It would, therefore, be important to begin the analysis by examining the validity of the propositions that the region is currently exhibiting ‘unprecedented urban growth’⁵ and there will be ‘a dramatic shift of the fulcrum of urban populations from Europe and North America’ to the world’s developing regions like Asia (Forbes and Lindfield 1997).

3 A macro overview of urbanization trend: an examination of the ‘southward shift’ of urban dynamics

The demographic weight of Asia, accounting for over 60 per cent of the world’s population is so overwhelming that researchers, planners and administrators tend to derive their perspectives of urbanization based on the absolute magnitudes or magnitudes of change in relation to corresponding global figures. Often this has led to rash conclusions and sweeping generalizations. The postulates regarding Asia experiencing unprecedented urbanization in recent past or the trend to continue for the next few decades are based on absolute population figures and the share of the region in global totals that understandably works out to be high. The increments to urban population or net migration also tend to be very high for the region because of the high

⁴ As per this projected figure (UNPFA/DESA 2005), the implicit annual growth rate of urban population works out to be 2.3 per cent per annum. United Nations (UNPFA/DESA 2008) predicts that urban population would double between 2007 and 2050. This apparently impressive urban scenario implies that the growth rate would be only 1.6 per cent per annum, which is not very high as per the historical records.

⁵ ‘This phenomenon of such rapid urbanization is indeed unprecedented and it has changed human geography beyond recognition’ (Mohan and Dasgupta 2005).

base-year rural and urban populations. These unfortunately provide no basis for drawing inference regarding the strength of the forces behind urban development.⁶

The fact that the share of Asia in global urban population has gone up from 32 per cent in 1950 to 44 per cent in 1970 and to 50 per cent in 2005 must be analysed in the context of the increases in its share in total population, the corresponding percentage figures being much higher: 55, 58 and 60. The large shares of Asia in total or incremental urban population reflect the impact of rural and urban population in the base year that is responsible for the natural increase and sending out and receiving a large number of migrants. Furthermore, the number (or its share in global total) of cities above certain cutoff point (say, a million or five million) increasing dramatically in the recent past simply implies that a large number of cities existed just below the cutoff point in Asia and that the population growth here, which is partly due to high fertility, is higher than their counterparts in developed countries. If all the cities grew simply due to natural factors and not because of their growth dynamics, Asia would still have an increasing share in the number of mega cities simply because of higher demographic growth.

The facts that Asia has come to claim about half of global urban population in 2008 and that it would exceed the rest of the world's figure by 16 per cent in 2030 are significant and, at the same time, sensational. It could happen, and actually that is the case, when Asia has a lower percentage of urban population and is recording a similar or even lower urban rural growth differential (URGD) compared to several other continents or that of the world simply because the former claims over 60 per cent of the world population and is experiencing high growth in populations due to natural factors. The above milestone being achieved in the present decade is more a matter of historicity and can certainly not be attributed to any acceleration in urban growth or URGD.⁷

For understanding the 'dynamics of urbanization' in Asia, one would have to isolate the impact of population size from the absolute demographic magnitudes. Instead of focusing on the share of Asia, an attempt, therefore, has been made to analyse the growth rates of urban population and focus on the trends and regional variation in URGD which in certain sense articulate the factors behind urban growth or rural urban migration. In fact, URGD is a key indicator and not the growth rate of urban populations as there has been a decline in the latter across the globe, largely due to decline in population growth.

An overview of the Tables 1 and 2 reveals that the speed of urbanization in Latin America including Caribbean (as per the classification and data given by UNDESA, Population Division) during the second half of the past century was spectacular, the percentage of urban population going up from 41 per cent to 75 per cent. Africa, too, registered an equally impressive URGD during 1950-70, the rate slowing down thereafter. Within Africa, the sub-Saharan region recorded even higher URGD, which continued throughout the half century, as is the case of South America within Latin America. It is argued that Asia now will replicate this experience.

⁶ Predictions, such as urbanization has taken long to get underway 'but is expected to accelerate dramatically in the 1990s, (Forbes and Lindfield 1997) have proved to be wrong.

⁷ Interestingly, UNPFA/DESA (2008) holds this to be 'a consequence of rapid urbanization in the last decades, especially in less developed regions'.

The second half of the twentieth century emerges as an exhilarating period for urbanization in modern history of Asia. The period is marked by the culmination of a prolonged cold war into disintegration of the ‘second world’ and leaving many junior partners of the Soviet bloc completely disoriented and disillusioned. The so-called victory of the ‘first world’ led to undermining the importance of global institutions and curtailing the state’s welfare measures internally. These two major shifts have serious consequences for all countries but these are more pronounced in the less developed Asia—dependent postcolonial countries. One of the major areas of impact is in terms of the trends and pattern of urban growth because of induced investments in western Asia as a part of cold war strategy and their subsequent withdrawal or their shifting to east Asia after the mid 1980s. Understandably, urbanization, considered as the bull work of development and modernization within the framework of the neoclassical economics, has completely different manifestations in Asia.

Table 1
Annual exponential growth rate of urban population and URGD for major regions of the world

Period	Growth rate of urban populations							
	World	More developed	Less developed	LA & Caribbean	South America	Africa	Asia	Asia, excl. China
1950-55	2.97	2.33	3.83	4.44	4.58	4.66	3.5	3.46
1955-60	3.06	2.27	4.02	4.36	4.41	5.01	3.64	3.50
1960-65	3.06	2.08	4.15	4.39	4.4	5.1	3.76	3.69
1965-70	2.75	1.76	3.73	4.01	3.94	4.65	3.44	3.89
1970-75	2.62	1.47	3.67	3.81	3.75	4.4	3.37	3.84
1975-80	2.73	1.19	3.96	3.53	3.56	4.43	3.8	3.76
1980-85	2.66	0.93	3.86	2.98	3.09	4.3	3.81	3.54
1985-90	2.69	0.94	3.75	2.67	2.72	4.16	3.8	3.29
1990-95	2.34	0.74	3.19	2.38	2.33	3.87	3.13	2.82
1995-2000	2.19	0.56	2.96	2.18	2.17	3.52	2.91	2.60
2000-05	2.07	0.61	2.68	1.86	1.95	3.38	2.62	2.38
2005-10	1.98	0.54	2.53	1.71	1.7	3.31	2.46	2.33
2010-15	1.91	0.52	2.39	1.51	1.48	3.23	2.31	2.29
2015-20	1.81	0.49	2.23	1.32	1.26	3.12	2.15	2.21
2020-25	1.7	0.46	2.07	1.14	1.07	3	1.97	2.12
2025-30	1.6	0.42	1.91	0.98	0.91	2.87	1.79	2.01
Period	Urban-rural growth differential							
	World	More developed	Less developed	LA & Caribbean	South America	Africa	Asia	Asia, excl. China
1950-55	1.7	2.45	2.2	3.04	3.3	2.88	1.94	1.93
1955-60	1.85	2.57	2.44	3.07	3.34	3.19	2.17	1.77
1960-65	1.67	2.52	2.37	3.31	3.58	3.27	2.02	1.91
1965-70	1.12	2.51	1.65	3.2	3.46	2.63	1.36	2.20
1970-75	1.07	2.05	1.77	3.35	3.74	2.28	1.46	2.15
1975-80	1.57	1.66	2.55	3.33	3.81	2.18	2.5	2.19
1980-85	1.54	1.14	2.56	2.66	3.09	1.98	2.66	1.92
1985-90	1.65	1.17	2.55	2.58	2.95	1.98	2.77	1.79
1990-95	1.43	1.01	2.13	2.38	2.67	1.88	2.24	1.38
1995-2000	1.51	0.88	2.17	2.4	2.96	1.65	2.32	1.45
2000-05	1.59	0.95	2.11	2.41	2.98	1.68	2.27	1.43
2005-10	1.61	1.06	2.07	2.18	2.63	1.73	2.26	1.57
2010-15	1.69	1.29	2.07	1.97	2.29	1.83	2.26	1.75
2015-20	1.77	1.5	2.09	1.83	2	1.96	2.3	1.95
2020-25	1.88	1.73	2.16	1.71	1.76	2.12	2.36	2.17
2025-30	2.03	1.92	2.26	1.7	1.69	2.26	2.46	2.39

Source: United Nations (2008).

Table 2
Urbanization scenario in major regions of the world and countries in Asia

	Percentage of urban to total population					Urban rural growth differential (URGD)			
	1950	1970	1990	2000	2005	1950-70	1970-90	1990-00	1990-05
World	29.06	36.01	42.96	46.60	48.58	1.59	1.46	1.47	1.51
Africa	14.51	23.60	32.00	35.95	37.89	2.99	2.10	1.76	1.73
SSA	11.06	19.52	28.22	32.76	35.00	3.34	2.42	2.15	2.10
Europe	51.21	62.77	70.53	71.42	71.92	2.37	1.75	0.43	0.46
LA & Caribbean	41.35	57.01	70.64	75.35	77.52	3.16	2.98	2.39	2.40
Central America	42.74	59.68	74.49	68.69	81.78	2.95	2.33	1.67	1.58
South America	39.24	53.81	64.99	79.46	70.16	3.42	3.40	2.81	2.87
North America	63.90	73.80	75.43	79.14	80.73	2.32	0.43	2.12	2.07
Australia/New Zealand	76.16	84.51	85.29	86.91	87.86	2.68	0.30	1.36	1.48
Asia	19.22	26.00	34.45	37.05	39.41	1.87	2.35	2.28	2.28
Asia, exc. China	16.77	22.66	31.91	37.72	39.74	1.95	2.01	1.42	1.42
Eastern Asia	16.47	22.81	33.00	40.42	44.48	2.02	2.56	3.20	3.24
South central Asia	16.44	20.45	27.21	29.46	30.63	1.33	1.87	1.10	1.11
Southeastern Asia	15.44	21.45	31.63	39.75	44.09	2.01	2.64	3.55	3.56
Western Asia	28.64	44.60	61.04	63.75	65.04	3.48	3.33	1.15	1.14

Note: URGD is defined as the annual growth of urban population less that in rural population.

Source: United Nations (2008).

The growth in urban population and URGD on the whole has been modest with significant fluctuations over the decades. The rates were high during the 1950s and early 1960s but below the Latin American and African levels. The pace decelerated in the late 1960s but picked up marginally after a decade and remained high until the late 1980s. And yet the URGD never went up above that of Latin America. It was below that of the *less developed countries of the world* until the 1970s when the Asian rate got a boost. One may, however, note that many of the Asian countries fall into this *less developed* category. The crucial point which is missed by researchers is that the Asian figure declined significantly from 2.8 per cent during 1985-90 to 2.2 per cent during 1990-95. It is currently below that of all developing regions of the world except Africa. The African figure being below that of Asia since the mid 1970s can largely be attributed to decline in urban growth in the former, due to the surge in mortality linked to HIV. North America, Australia/New Zealand and Europe reporting lower URGD, however, is understandable, as here the rural population base, from where migrants come to cities and towns, is very low compared to Asia.

Two of the four Asian regions report dramatic decline in their URGD in the 1990s while the other two are able to maintain or marginally increase it (Table 2). The fastest urbanizing *region* on the continent during 1950-70 is western Asia which records annual URGD of about 3.5 per cent (Table 2). The 'induced urbanization' here has often been attributed to investments from USA and Europe to stall influence of the Soviet system during the cold war period, as noted above. The model of urbanization here is very different from that of the west as this is not backed up by indigenous industrialization and modernization. These inducements could not be continued for long and consequently URGD came down to 3.3 during 1970-90 and then dramatically to 1.1 in the 1990s. This deceleration coincides with the collapse of the overarching Soviet bloc and the end of the cold war; many of the countries in the bloc being classified as part of

western Asia by United Nations Population Division (UNPD). The decline in investments is understandably due to the dilution of political interest of the western powers to strengthen capitalistic development process in this region. Further, the Soviet system with its emphasis on the development of urban infrastructure was no longer in existence to attract rural populations nor to organize food supply to sustain them in their agrarian setting. The disruption of this integrated system is responsible for the destabilization of the economies in several countries, prompting migration out of the region and sharp deceleration in migration and urbanization within the region.

The scenario in southeast Asia, however, contrasts with that in western Asia. Here, the URGD is modest during the 1970-80s, ranging between 2 and 2.5, the figure going up to 3.5 in the following decade. A part of the explanation lies in western interest shifting from west to southeast Asia and also greater political and socioeconomic stability in the latter. The birth of the Association of Southeast Asian Nations, which impacts significantly on urbanization in the region, is also attributed partly to the western apprehension over the political orientation of east Asian countries.⁸ East Asia, too, records moderate to high urban growth during the entire second half of the last century. The URGD here fluctuates between 2.6 per cent and 3.2 per cent, except for the period of the late 1960s and early 1970s, when it sinks below the one per cent level, because of the slump in urbanization in China (which accounts for over 86 per cent of the population in the region) before the launch of its reform measures. Importantly, with the exception of China, all the other five countries in the region record deceleration in their URGD in the 1990s, like those in west Asia. The fourth region, the south central Asia, which includes India, shows modest to low growth. Here, the rate rises from 1.1 per cent in the 1950s to 2.2 per cent in the 1980s after which it declines. This basically is a reflection of the trends in India. It may be noted that all but four out of the 21 countries belonging to the last two Asian regions report declines in URGD.

The aggregate figures for Asia and its regions, however, do not provide great insights, as the changes in China and India determine the temporal shifts, as noted above. It is, therefore, important to analyse the trends and pattern across the countries within the regions. Such a detailed analysis reveals that of the 50 countries considered to be part of Asia in the UNPD reports, 35 record declines in URGD in the 1990s compared to the average of the two preceding decades. Details of the countries are given in Table 3. The number of countries where the growth rate in urban populations has decelerated totals over 40, Afghanistan, Lao PDR, Malaysia, Myanmar, Nepal, Singapore, Vietnam and Yemen being the only exceptions.

Is there, then, a basis for the view that Asia will experience unprecedented urban growth in the forthcoming decades, particularly when we note only a modest growth in urban populations in the last half century, a deceleration in recent decades and its current URGD being less than that of the average of all less developed countries except Africa? The URGD would be less than that of the world if the developed countries, where the possibility of further urbanization is limited, are excluded. Most importantly, the exclusion of China would bring down the Asian URGD much below that of non Asian developing countries of the world as well as the global average.

⁸ Tirtosudarmo (1997) believes that the fall of Soekarno and the collapse of Indonesian Communist Party in 1965 provided the momentum for the West to influence the political re-orientation of Indonesia which occupies a unique geo-political position in Asia.

Table 3
Countries by their pattern of change in URGD
during 1990s compared to the preceding two decades by the regions of Asia

	Decline in URGD during 1990-05 compared to 1970-90	Increase in URGD during 1990-05 compared to 1970-90
West Asia	Armenia, Azerbaijan, Bahrain, Cyprus, Georgia, Iraq, Israel, Jordan, Kuwait, Lebanon, Palestine, Qatar,, Saudi Arabia, Syrian Arab Republic, Turkey, United Arab Emirates	Oman and Yemen
Southeastern Asia	Thailand and Timor-Lest	Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Philippines, Singapore, Vietnam
Eastern Asia	Hong Kong China, Macao China, DPR Korea, Japan, Mongolia, Republic of Korea	China
South central Asia	Afghanistan, Bangladesh, Bhutan, India, Kazakhstan, Kyrgyzstan, Maldives, Pakistan, Sri Lanka, Tajikistan and Uzbekistan	Iran, Nepal and Turkmenistan

Source: Compiled by the authors based on data from UN (2008).

The deceleration in the rate of urbanization and URGD in Asia (except China) in recent years is a significant phenomenon, which unfortunately is neither incorporated in projection exercises nor receives adequate attention in the development literature. This has forced the United Nations Population Division (UNPD) to revise projections of urban populations for the Asian countries (also for many other developing countries) and cities in their successive WPRs (see UN 2003, 2007). This is because projections for the different countries are not made by incorporating the country-specific developmental indicators in the model but by employing some kind of modified logistic model. The latter is expected to reflect some kind of universal rationality, implicitly assuming that URGD would go up in the next few decades until a 50 per cent urbanization level is achieved. This framework, despite several modifications, gives figures much on the high side.⁹ Importantly, UN Habitat Report (2008) informs of the phenomenon of shrinkage of cities resulting in a loss of 13 million people in 143 global cities during 1990-2000, about 70 per cent of which concerns Asia. The Chinese cities that have been projected by the UNPD to maintain their population growth rates are affected the most, accounting for about 75 per cent of this population loss in Asia, as per this Report. Given this scenario, one can argue that the prediction of rapid urban growth in Asia would critically depend on China's trends and future policies, on which the information base is highly inadequate and debatable. However, even after allowing for high urban growth in China¹⁰ and a few other countries, the Asian URGD being above all other regions of the world in 2025-30 (Table 1) appears extremely ambitious.

The predictions that Asia will claim a larger share of the total number of ten million plus cities (or their populations) may also be brought under empirical scrutiny. It is evident from Table 4 that there has been no increase in the number of ten million plus cities over the past decade or so. While Istanbul has been added to the list, Jakarta has

⁹ For a discussion on the methodological biases in the projection methodology of UNPD, see Kundu (2010a).

¹⁰ For a comparative analysis of the trends of urbanization in China and India and the underlying factors, see Kundu (2010b).

moved out of it, the latter being a unique case to record a decline in absolute population. In the case of Tokyo, Osaka and Delhi, there seems to be problem in the figures given by the UN's *World Urban Populations* (WUP) 1999 due to non-inclusion of their peripheral areas. The WUPs 1999 report lists the agglomeration as Osaka while the subsequent WUPs describe it as Osaka Kobe. Also, Tokyo is reported by the WUP 1999 to have 19.8 million people in 1975, while subsequent reports mention the figure as 26.6 in 1975, possibly by considering an expanded area. Delhi, too, seems to have this problem due to massive expansion in its area in recent years. One can argue that barring the two Chinese cities, all million plus cities have necessitated downward revision in their population projections. The estimates have been lowered as more recent demographic information has become available, suggesting that actual growth has been below the projected figure. There is thus no evidence to suggest that urban growth in mega cities would become unprecedented and extremely high in the coming decades.

Table 4
Population of million cities as projected for 2015 in different WUP revisions (millions) deficit

Cities in Asia	1999 Revision	2003 Revision	2007 Revision	Deficit as % of base-year projection
Tokyo	26.4	36.2	36.01	0.3
Mumbai	26.1	22.6	21.99	18.7
Delhi	16.8	20.9	18.54	12.7
Shanghai	14.6	12.7	16.83	-22.5
Kolkata	17.3	16.8	17.13	1.2
Dhaka	21.1	17.9	16.78	26.7
Karachi	19.2	16.2	14.80	29.7
Osaka Kobe	11.0	11.4	11.34	0.5
Beijing	12.3	11.1	12.51	-1.7
Manila	14.4	12.6	12.61	14.2
Istanbul	not given	not given	10.97	NA
Jakarta	17.3	17.5	8.79	96.8

Note: Deficits have been computed based on the difference between the 2007 projections and 1999 projections except for the cities in Japan and Delhi for which 2003 Projections have been taken as the base, due to a real expansion of the agglomeration.

Source: Prepared by the authors based on data from UN (2005, 2008).

4 Urbanization and economic development: implications in terms of regional inequality, poverty and socioeconomic deprivation

Given the alternate perspectives and conflicting empirical claims, as discussed in the second section, an attempt is made here to ascertain the pattern of interdependency of the indicators of urban growth and URGD at different periods with those of economic development and also access to civic amenities, poverty and socioeconomic deprivation. Using the data from the *Statistical Year Book for Asia and Pacific* (UNESCAP 2008), a set of 20 indicators is constructed for 33 countries. The first six indicators pertain to demographic dimensions of urbanization. The next two indicators are on the access of urban population to basic amenities and the remaining relate to different aspects of economic development including unemployment and poverty. The list of the indicators is presented in Table 5 while the matrix of correlation coefficients is in Table 6.

Table 5
List of the indicators identified for the analysis of developmental interdependencies with urbanization

Variable	Variable description	Year / period
X1	Urban rural growth differential (URGD)	1950-70
X2	URGD	1970-90
X3	URGD	1990-2005
X4	URGD	2005-30
X5	Percentage of urban population	2005
X6	Growth rate of urban population	2000-05
X7	Urban population (%) with access to improved water	2004
X8	Urban population (%) with access to improved sanitation	2004
X9	Average annual GDP growth rate	2000-05
X10	GDP per capita (1990 US\$)	2005
X11	Gross domestic investment rate as percentage of GDP	2005
X12	Value added (%) by industry	1990
X13	Value added (%) by industry	2005
X14	Growth in value added by industry	2000-05
X15	Unemployment as % of labourforce	2005
X16	% of population below national poverty line	latest
X17	Foreign direct investment stock as % of GDP	1990-95
X18	Foreign direct investment stock as % of GDP	2001-05
X19	Exports of goods and services as % of GDP	1990
X20	Exports of goods and services as % of GDP	2005

It is important that URGD and the growth rate of urban population¹¹ during the 1990s and subsequent five-year periods have no correlation with that of the 1950-70 period (Table 6). The former have no correlation also with the level of urbanization in 2005, the levels being high in countries that have experienced rapid urbanization during 1950-70. This implies that there has been a structural shift in the dynamics of urban development in Asia during the 1970s-80s. The correlations further reveal that the pattern of urban growth across countries during 2005-30, as projected by UNPD, will not be determined by the trend observed during 1950-70 or the level of urbanization in 2005. The future growth scenario will correspond partially with the pattern observed during the 1970s-80s but more strongly with that realized in the immediate past, during 1990-2005. Importantly, the countries projected as having high URGD in the next few decades would report high growth in urban populations as well, implying that the impact of differential demographic growth (affecting population growth in rural areas) will become less important in urbanization over time. The other significant point emerging from the analysis is that countries with a high level of urbanization also report a high level of economic development, measured through per capita income. These would not have high rates of urban growth or URGD (the correlation being negative and statistically significant) during the next two decades. As per the UNPD projections, the countries to record high URGD are Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Cambodia, Indonesia, Lao PDR, Myanmar, Malaysia and Philippines, all of which (except the last two) are less urbanized and less developed countries. China, the

¹¹ The correlation of URGD or urban growth for 1990-2000 with that of 1990-2005 is almost unity, implying that for many of the countries, the past census estimates have been taken as valid for the year 2005 as well, since they did not have any recent information.

Table 6
Correlation among select development indicators across 33 Asian countries

	X1	X2	X3	X4	X5	X6	X7	X8	X9	X10
X1	1	0.189	0.122	-0.199	0.443 (**)	-0.024	-0.024	-0.138	-0.103	0.439 (*)
X2	0.189	1	0.586 (**)	0.385 (*)	0.137	0.362 (*)	0.014	-0.084	-0.211	0.186
X3	0.122	0.586 (**)	1	0.777 (**)	-0.031	0.741 (**)	-0.279	-0.223	-0.249	0.146
X4	-0.199	0.385 (*)	0.777 (**)	1	-0.539 (**)	0.739 (**)	-0.406 (*)	-0.282	-0.108	-0.33
X5	0.443 (**)	0.137	-0.031	-0.539 (**)	1	-0.413 (*)	0.459 (**)	0.444 (*)	-0.144	0.705 (**)
X6	-0.024	0.362 (*)	0.741 (**)	0.739 (**)	-0.413 (*)	1	-0.605 (**)	-0.496 (**)	-0.208	-0.14
X7	-0.024	0.014	-0.279	-0.406 (*)	0.459 (**)	-0.605 (**)	1	0.640 (**)	-0.253	0.289
X8	-0.138	-0.084	-0.223	-0.282	0.444 (*)	-0.496 (**)	0.640 (**)	1	-0.021	0.388 (*)
X9	-0.103	-0.211	-0.249	-0.108	-0.144	-0.208	-0.253	-0.021	1	-0.266
X10	0.439 (*)	0.186	0.146	-0.33	0.705 (**)	-0.14	0.289	0.388 (*)	-0.266	1
X11	-0.073	0.411 (*)	0.135	0.328	-0.181	-0.007	0.215	0.076	0.148	-0.169
X12	0.447 (**)	-0.07	-0.279	-0.555 (**)	0.600 (**)	-0.467 (**)	0.520 (**)	0.171	-0.107	0.303
X13	0.440 (*)	-0.053	0.026	-0.234	0.476 (**)	-0.254	0.375 (*)	0.127	0.082	0.3
X14	-0.1	-0.187	-0.214	-0.026	-0.128	-0.261	-0.161	-0.053	0.850 (**)	-0.269
X15	0.04	-0.149	-0.286	-0.271	0.108	-0.183	0.05	0.062	0.129	-0.321
X16	0.257	-0.107	-0.403	-0.388	0.196	-0.403	-0.116	-0.029	0.314	-0.38
X17	-0.008	-0.059	0.159	-0.146	0.414 (*)	0.032	0.224	0.431 (*)	-0.164	0.646 (**)
X18	0.213	-0.308	-0.096	-0.337	0.461 (**)	-0.131	0.129	0.354	0.056	0.633 (**)
X19	0.192	-0.076	-0.184	-0.301	0.411 (*)	-0.329	0.439 (*)	0.516 (*)	0.217	0.186
X20	0.122	-0.188	0.034	-0.269	0.550 (**)	-0.134	0.22	0.398 (*)	-0.196	0.744 (**)

	X11	X12	X13	X14	X15	X16	X17	X18	X19	X20
X1	-0.073	0.447 (**)	0.440 (*)	-0.1	0.04	0.257	-0.008	0.213	0.192	0.122
X2	0.411 (*)	-0.07	-0.053	-0.187	-0.149	-0.107	-0.059	-0.308	-0.076	-0.188
X3	0.135	-0.279	0.026	-0.214	-0.286	-0.403	0.159	-0.096	-0.184	0.034
X4	0.328	-0.555 (**)	-0.234	-0.026	-0.271	-0.388	-0.146	-0.337	-0.301	-0.269
X5	-0.181	0.600 (**)	0.476 (**)	-0.128	0.108	0.196	0.414 (*)	0.461 (**)	0.411 (*)	0.550 (**)
X6	-0.007	-0.467 (**)	-0.254	-0.261	-0.183	-0.403	0.032	-0.131	-0.329	-0.134
X7	0.215	0.520 (**)	0.375 (*)	-0.161	0.05	-0.116	0.224	0.129	0.439 (*)	0.22
X8	0.076	0.171	0.127	-0.053	0.062	-0.029	0.431 (*)	0.354	0.516 (*)	0.398 (*)
X9	0.148	-0.107	0.082	0.850 (**)	0.129	0.314	-0.164	0.056	0.217	-0.196
X10	-0.169	0.303	0.3	-0.269	-0.321	-0.38	0.646 (**)	0.633 (**)	0.186	0.744 (**)
X11	1	-0.194	0.089	0.337	-0.211	-0.18	-0.089	-0.127	0.137	-0.127
X12	-0.194	1	0.653 (**)	-0.161	0.046	-0.04	-0.019	0.111	0.544 (**)	0.119
X13	0.089	0.653 (**)	1	0.193	-0.11	-0.105	0.029	0.369 (*)	0.663 (**)	0.189
X14	0.337	-0.161	0.193	1	0.05	0.312	-0.188	0.12	0.22	-0.182
X15	-0.211	0.046	-0.11	0.05	1	0.552	-0.288	-0.197	0.13	-0.301
X16	-0.18	-0.04	-0.105	0.312	0.552	1	-0.297	0.305	0.27	-0.183
X17	-0.089	-0.019	0.029	-0.188	-0.288	-0.297	1	0.716 (**)	0.560 (**)	0.900 (**)
X18	-0.127	0.111	0.369 (*)	0.12	-0.197	0.305	0.716 (**)	1	0.590 (**)	0.807 (**)
X19	0.137	0.544 (**)	0.663 (**)	0.22	0.13	0.27	0.560 (**)	0.590 (**)	1	0.694 (**)
X20	-0.127	0.119	0.189	-0.182	-0.301	-0.183	0.900 (**)	0.807 (**)	0.694 (**)	1

(**) Correlation is significant at 1% level of significance; (*) Correlation is significant

largest country with a relatively high level of urban industrial development, however, emerges as a major exception to this. It may, nonetheless, be pointed out that the present and future growth estimates of urban populations here have considerable ambiguity and would depend on the policy perspective that the government would decide in future.

The interdependencies of URGD and urban growth indicators for the 1990s and subsequent periods with those of economic development such as per capita GDP, per cent value added by industry, level of investment, export share and percentage of urban population, etc. turn out to be *not* very significant (Table 6). Further, the correlations of per capita GDP with foreign domestic investment and exports (as a proportion of GDP) are significant but none of these relate positively with the present or future URGD. These reconfirm the proposition that the relatively developed and urbanized countries would not be in the forefront of urbanization in future years. It would nonetheless be erroneous to hold that future urbanization would be driven by poverty and push factors or would be limited to countries reporting no growth. This is because the growth in GDP, which relates strongly with the growth in industrial value added, exhibits no correlation with poverty or unemployment. One would infer that several of the small countries that are currently at a low level of urbanization and of economic development would become linked to the global capital markets and report high urban growth, backed by growth in income and industrial value added. The growth rates would be high here also because of their low urban base, which can be significantly affected through a few large global projects. Despite these developments not affecting or altering the aggregative figures at the macro level, the geopolitical situation in the continent is likely to change with this changing pattern of urban industrial investment and penetration of global agents.

Access of the people to improved water sources and sanitation facilities tends to be high in countries with high *percentage of urban population*, the corresponding correlation coefficients being statistically significant (Table 6). Unfortunately, the *urban growth* and URGD exhibit no correlation with improved urban sanitation and water supply; these also work out to be negative and non-significant. One would infer that the small and less developed countries experiencing high urban growth in recent years have not been able to have commensurate investments in basic amenities, except possibly in their global cities. This problem is likely to remain with them in future decades. The correlations of unemployment or poverty with urban growth URGD are negative (both present and projected) but not significant. Based on this empirical evidence, it is not possible to hold that current and future urban growth, despite being linked in some way with industrial and income growth, would make a definite and distinct impact on unemployment and poverty.

5 Policies and programmatic interventions affecting migration and urbanization: an overview

A review of the programmatic interventions by different countries in Asia is attempted here by classifying these into three categories: (i) promoting a few globally linked cities with the objective of benefiting from scale economies, (ii) stabilizing agrarian economy to check RU migration and (iii) promoting the welfare of urban migrant workers and their families.

5.1 Promoting globally linked cities and their scale economies

Several of the less developed countries are attempting to build quality infrastructure in a few large cities and connect these with global markets for attracting international capital. The state and city governments are trying to attract national and multinational companies by simplifying the legal and administrative procedures for resource mobilization in capital markets, in addition to opening up land markets. The objective is also to maximize macroeconomic growth in the country by reaping economies of production in these agglomerations. Despite governments putting forward a positive and liberal perspective on urbanization and migration, they have gone in for ‘sanitization drives’, pushing out ‘low valued’ activities including slum colonies from the city core to the peripheries, to create space for these companies and their executive staff. The fiscal regime brought about through newly created regulatory authorities and credit rating agencies has encouraged these cities—with strong economic bases and high capacity for generating tax and non-tax revenue—to mobilize sizeable resources from institutional sources, using innovative financial instruments. A strong lobby has emerged in these cities for letting them function relatively independently of state and central level controls. Decentralization of planning responsibilities, sought to be ushered in under the UN perspective, is also helping the lobby, resulting in the privatization of many civic services and withdrawal of public subsidies, thereby pushing up their price. All these are having a dampening effect on migration into the cities.

The Global Report on Human Settlements suggests that ‘beautification’ projects, immediately prior to global summits, sport or cultural events, are common justifications for slum clearance programmes (UNCHS 1996). The examples of China and India may be cited as illustrations. China has seen fast growth of ‘urbanizing villages’ (Song, Zenou and Ding 2007) in and around large cities for the 2006 Olympic Games or other major construction work. Migrants are allowed to stay in these settlements for the simple economic reason of being a source of cheap labour. However, when their utility is over, these settlements are systematically demolished.¹² Similar is the modus operandi of the projects in India for the Commonwealth games and infrastructure development. Unfortunately, there is no regular provision for giving plots or flats to the evicted squatters, pavement dwellers and *hawkers* whose land is taken over for the project. Even when such provisions are there, not many of the affected families receive the benefits. Also, most of those who are allotted plots are not able to hold on to these due to their acute short-term requirements, such as rising land values and relaxed legal and administrative environment.¹³ In most west Asian countries, governments have promoted planned growth of their global cities by controlling, through their immigration policies, entry of foreign labour who generally settle in large cities. They have restricted

¹² The village of Zhejiang with 100,000 migrants and thousands of enterprises was demolished in December 1995 at the insistence of local authorities. Similarly, 171 informal settlements around the Olympic stadium, lying within the fourth ring road were demolished as per plan for Olympic construction projects (Westendoff 2008).

¹³ The major concern in the scheme for Rehabilitation of Slum and Hutment Dwellers, currently being implemented in Brihan Mumbai, for example, is not to ensure that the poor hold on to their land but to prevent future encroachment in central areas. The Study Group (1995) set up for this purpose observes that ‘(e)ncroachment of any land needs to be firmly and quickly removed. For this purpose action needs to be taken as the first signs of unauthorized construction surface. Machinery needs to be established and strengthened wardwise with police force which should be well equipped’.

immigration of foreign labour through changes in their migration policy. Countries like Saudi Arabia, Oman, Qatar, etc. have passed specific legislations, limiting the absorption of non-citizens into their large cities. In southeast Asia, too, governments have launched city-level initiatives making it difficult for migrants to become legal residents of the city. For example, in Indonesia, cleaning up the city of Jakarta¹⁴ and reducing its population growth have been taken up as a national goal and the government is desperately trying to promote reverse migration.

An important component of the strategy to promote global cities with high quality infrastructure is to contain their demographic growth through the *development of satellite towns*. Webster (2004) underlines the importance of peripheral development around metro cities for understanding urbanization in less developed countries. He argues that peri-urban areas have experienced rapid economic growth as these can more easily absorb the migrants and provide space for new manufacturing structures. In addition, 'large segments of the existing poor, living in urban cores, are being pushed to the periphery by land market forces or drawn there by employment opportunities'. More important, informal activities along with other pollutant industries are also being shifted out to the 'degenerated periphery'. All these measures have most certainly decelerated the demographic growth in metropolitan cities and also brought down the overall rate of urbanization in many of these countries.

5.2 Stabilizing agrarian economy and discouraging migration

As per the United Nations study (2000), 44 per cent of the world's countries, of which 88 per cent are in the less developed regions, consider their settlement patterns to be a matter of national concern. Faced with the problems of metropolis based growth, these countries have tried to disseminate infrastructure and basic facilities into rural areas and to promote development there. Understandably, settlement policies have become synonymous with measures to reduce or reverse RU migration through balanced regional development. China, for example, has launched measures for employment generation and industrial dispersal in rural areas and reducing rural urban inequality within the framework of a 'socialist market economy'. This is accompanied by reforms in the taxation system that had earlier favoured the cities (Riskin 2007). Under the new pro-rural policies for building a 'new socialist countryside', cities are expected to support rural areas and agriculture is to support industry. More importantly, anti-poverty programmes are being radically modified since 2003-04 and supported with rural credit and land reform measures. All these are helping to slow down migration from villages. Scholars like Reuters (2005), Kahn (2005), Chan and Buckingham (2008) argue that there is a good deal of rhetoric in the reforms aimed at abolishing the *hukou* institution and that it continues to be the major factor preventing China's rural population from settling down in cities. In a way, they confirm the postulate of Wang (2005) that *hukou* stands 'adapted and adjusted' but is very much 'alive and well' as a part of reality in China, which maintains rural-urban 'apartheid'. Westendoff (2008) holds that the state would never allow large-scale formal RU migration in order to avoid pressure on urban

¹⁴ In 1966, the Indonesian government declared Jakarta a special metropolitan district. The city had attracted a huge inflow of people, resulting in Jakarta urban agglomeration expanding into the adjacent province of West Java, known as Jabotabek. Population of the Jabotabek region totalled about 25 million in 2000 despite the government's strong measures, launched in the early 1970s, to control population growth by prohibiting the entry of unemployed migrants.

infrastructures and social security system, despite the decline in agricultural employment that tends to push up the floating population.

Vietnam, too, has an elaborate and complex system of controlling migration into large cities through migration policies and household registration system (*ho khau*), despite economic renovations (*Doi Moi*) launched in 1986 officially abolishing much of this system (Dang 1999). Indonesia, which does not have a formal scheme regulating population mobility, announced a big bang decentralization policy in 1999 to restrict RU migration by re-directing workers to rural areas or provinces that have labour shortages (Munir 2002). The national government of Thailand has adopted a two track strategy of local self-sufficiency and selective global engagement to stall hyper-urbanization. Malaysia reports decentralization of industrial areas and the opening up of new development corridors, including a 270 square kilometre multimedia super corridor, and setting up a new capital. Mongolia launched a programme in 2001 devolving all government functions to the city (*kota*) and district levels with the objective of developing growth centres as an alternative to Ulaan Bataar. Philippines has the longest history of decentralization in east Asia with the introduction of the Local Government Code in 1991. It has subsequently launched the Medium-Term Philippine Development Plan 2001-2004, thereby encouraging the location of industries and large educational facilities to a distance of 50 kms or more from metro Manila.

India, while not implementing direct controls on population movement, has a number of policies for rural development which are expected to slow down migration. National Rural Employment Guarantee Programme, which promises 100 days of wage labour in unskilled work to one adult in every rural household is a major new initiative at the country level, and is expected to check out-migration. Similar policies and institutional actions have been proposed by the government of the People's Republic of Bangladesh (2003) in its 'National Strategy for Economic Growth, Poverty Reduction and Social Development'. It delineates programmes to reach out to the poor and remote rural areas that are vulnerable to adverse ecological processes, particularly through micro-credit programmes as promoted through Grameen Bank. In west Asia, the government in Bahrain, instead of directly restricting RU migration, provides housing facilities and civic amenities in rural areas and connects the latter by roads to facilitate commutation of workers and discourage permanent shifting. Saudi Arabia, too, has designed measures to disperse population to second- and third-order urban centres and rural areas as well as settle the nomadic population through programmes of agricultural development and establishment of industrial zones (Sheikh 2007). Qatar is stimulating industrial growth in second-order urban centres and improving health and educational facilities in rural areas. Israel is encouraging the growth of cities with over 70,000 inhabitants and the preservation of open space between urban centres. Most of the less developed countries in Asia can thus be seen as trying to channel private investments to designated areas and removing subsidies that previously favoured locations such as the mega cities or the national capital. The idea behind this approach is to create a 'level playing field' in backward regions whereby at least certain locations in the countryside become attractive for investors and migrants.

5.3 Welfare programmes for migrant families

Many governments in Asia have launched programmes at state and local levels to improve the micro environment in slums and squatter settlements. Civil society

organizations and human right activities, too, have occasionally succeeded in forcing the government to provide basic amenities in these settlements through the intervention of the court. Unfortunately, however, resource availability for such programmes and their spatial coverage have gone down in recent years under the new systems of governance that reduce subsidies to social sectors. Withdrawal of the state and local governments and their becoming increasingly dependent on capital markets have also affected their capacity to extend services to the poor. Economic downturn of the 1990s and the more recent one during 2008-09 have weakened government commitment to these policies. Often central government support has become contingent on the regional and local governments accepting measures for reforming land and capital markets and creating enabling conditions for private investment in city infrastructure and basic services. Concerns of affordability, cost recovery and participation of resident associations in better-off areas have been responsible for ushering in a process of elite capture. This has enabled upper- and middle-income households to corner a large chunk of the resources made available by national and international agencies that were meant for the poor.

There has been an avowed concern for the socioeconomic upliftment of workers in the unorganized sector that absorbs the migrants in most countries, and yet nothing concrete has developed in terms of programmatic interventions. The lukewarm response of the private sector to the provision of civic amenities, too, has contributed to the dilution of the pro-poor and pro-migrant thrust in policies. Civil society organizations have become active in stopping illegal encroachment of public spaces, including parks, pavements etc., through public interest litigations and the judiciary is increasingly upholding the rights of 'formal citizens'. All these have led to poor migrants being pushed either into marginal lands within the city or to degenerated peripheries, resulting in increasing disparity in the quality of micro environments, segmentation of urban space and reduction in the percentage of poor in urban areas.

6 A summary of findings

The projections of urban populations made by UNPD and accepted by other international organizations, national governments and most researchers have generally turned out to be on high side in the case of several Asian countries. This is largely due to the methodology adopted by UNPD based on an exponential model. An overview of the trends and pattern of urbanization suggests that most of the Asian countries, after experiencing moderate to high urban growth and URGD for three to four decades since the early 1950s, have reported a significant deceleration. This puts a question mark on the postulate of the epicentre of urbanization shifting to Asia. A few of the east Asian countries and China, however, are currently reporting rapid urban growth, making a significant departure from the general pattern. It would, however, be important to probe into China's urbanization and its projected growth scenario by taking into consideration—in addition to the problems of data comparability—its policies and programmes for the floating population and that of extending urban *hukou* to 'illegal migrants'. Based on an overview of the macro statistics, one can put forward the thesis of exclusionary urban growth in most Asian countries that is linked to the formal or informal denial of entry to prospective migrants and increased unaffordability of urban space and basic amenities of the rural poor.

The percentage of urban populations and urban growth rates in many of the countries in the next couple of decades will be significantly below the projected figures. This is corroborated by the fact that the employment elasticity of fast growing global sectors is low and the governments are desperate to create quality cities through massive infrastructural investment and eviction of slum settlements. These are likely to bring down the URGD in China and east Asia considerably below the projected levels. In most other countries, these rates have already slowed down (along with the decline in the growth of their large cities) and there seems to be no basis to assume that there will be a dramatic reversal in the next few decades, as stipulated by the UNPD model. Despite this decline, the spatial scenario of urbanization, as projected by UNPD, may materialize within the small and less developed countries recording high urban growth and URGD. These countries have shown rapid urban industrial growth in recent years, backed by foreign and domestic investment. Due to their low economic base, a few big projects from national or global corporate agencies can push up the growth rate of the urban population. Urbanization patterns in Asia would therefore become diversified, shifting away from the more developed countries. This is likely to impact on the geopolitical balance in the continent despite the fact that expansion in the urban and industrial base in the small countries does not make a dent on macro-level aggregates. Pushing the urban growth rate, many of the large countries may, however, shift the thrust of development to small and medium towns that unfortunately have reported economic stagnation and deceleration in population growth. This change could become a political necessity due to tensions linked to the accentuation of regional inequality and rural poverty acquiring serious proportions. This would imply a paradigm shift in the settlement policy in these countries.

An overview of the pattern of interdependencies among select development indicators suggests that the *level* of urbanization relates strongly and positively with the *level* of economic development, as well as with domestic/foreign investment, export base, etc. These indicators, however, do not have much impact on the *growth* of urban populations and URGD or even GDP growth. This suggests that a high rate of economic growth in a country does not and will not bring labourforce into urban centres. High rates of domestic and foreign investment do not encourage urbanization through the immigration of the poor and unemployed labourforce, as the former does not exhibit positive or negative correlation with the rate of poverty or unemployment. This could possibly be due to high skill requirement and low labour-intensity in global sectors. These would strengthen the process of elite capture in the global cities that has ushered in the process of 'sanitization' and cleaning up of the micro environment by pushing current and prospective migrants beyond the city boundaries. The exclusionary nature of urban growth is manifest in policies and programmes adopted by the state and city governments to discourage entry of the poor and unskilled migrants from rural areas as also from outside the country, especially those coming with their dependents. Given the political economy of urban growth and the need to attract global and domestic capital into these cities, governments are unlikely to interfere with 'elitist interest' and will continue to adopt a restrictive attitude towards poor RU migrants. There exists no definitive evidence to suggest that urban growth has resulted in increased access to basic amenities such as drinking water and sanitation for average people. The correlations turn out to be negative, implying that urban growth, to some extent, has put a strain on the availability of these amenities. All these would dampen the pace of urban growth and question the proposition that the urban dynamics would shift to Asia in the next few decades, notwithstanding the magnitude of absolute figures of increment that

are large, due to the pure demographic weight of the region. Asia is unlikely to go the same way as Latin America did in the second half of the last century.

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