## **FOREWORD**

*Key Indicators* 2007 is the 38<sup>th</sup> edition that presents a set of comprehensive social and economic annual data series on the Asian Development Bank's (ADB) developing member countries (DMCs). It is also the 7<sup>th</sup> edition that has a special chapter examining the measurement aspects of a key issue pervading the region. This year's special chapter is titled "Inequality in Asia."

This edition has 38 regional tables that compare indicators of the Millennium Development Goals and other key statistics across the 44 DMCs and 45 country tables, each with 8-year data series on social, economic, and financial statistics. The special chapter and statistical tables are also published on the ADB website (http://www.adb.org/statistics).

We value the contribution of DMC governments and international agencies that provided data and information for the *Key Indicators*. These data that we compiled were also uploaded to our central database – the Statistical Database System (SDBS). As part of ADB's role as a key knowledge bank for developing countries in the region and to support the development community and policy makers, we made available a subset of SDBS to the general public, through the Internet, beginning 16 May 2007 (http://sdbs.adb.org).

To further enhance the tracking of progress and understanding of the key issues affecting the region, household survey data, which are also the bases of some official statistics reported in the *Key Indicators*, were further analyzed in the special chapter. In particular, data on expenditure and income distributions were analyzed to describe trends in inequality. Factors accounting for inequality as well as increases in inequality were also identified using these survey data. Based on this analysis, the chapter finds that measures of relative inequality have increased in many DMCs over roughly 10 years, spanning the early 1990s to the early 2000s.

Significantly, the special chapter notes that increases in inequality have typically taken place alongside increases in average expenditures and incomes at all points of the distribution. Thus, the increases in inequality in Asia are not so much a phenomenon of "the rich growing richer and the poor growing poorer." Instead, a more accurate description of the situation is one where the rich have grown richer faster than the poor. The fact that the poor have also seen their incomes and expenditures increase has meant that poverty rates have been declining in the region despite growing inequality.

Nevertheless, rising inequality is of concern. In addition to the fact that it can dampen the beneficial impact of economic growth on poverty reduction, rising inequality can also weaken social cohesion and adversely affect prospects for economic growth. For these reasons, policy makers will need to pay considerable attention to ensuring that growth is inclusive.

The special chapter is a good example of how a complex issue such as inequality can be examined objectively through data-intensive research. We will continue to undertake such research and use new technologies to improve the *Key Indicators* so that it could be more responsive in tracking the development in the region.

Haruhiko Kuroda

President

### **ACKNOWLEDGMENTS**

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The special chapter was prepared by Rana Hasan, J. Salcedo Cain, and Rhoda Magsombol, with contributions from Duangkamon Chotikapanich and Prasada Rao (Section 4.2 and Appendix 1), Hyun Son (Section 4.5), and Dalisay S. Maligalig (Appendix 2). The chapter benefited considerably from the detailed comments and suggestions of Gary Fields. An interdepartmental review process within ADB further refined the chapter. We gratefully acknowledge the assistance of ERDI staff on a variety of issues, including procurement of household survey data sets used in this chapter, as is the research assistance of Arturo Martinez. Thanks are also due to Jesus Felipe, Aashish Mehta, Hyun Son, Ajay Tandon, and Juzhong Zhuang for very useful discussions. Nguyen Thang provided valuable advice on the Viet Nam Living Standards Survey data sets, and Guntur Sugiyarto and Asep Suryahadi, on SAKERNAS data from Indonesia. Copy editing was done by Jonathan Aspin.

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Ifzal Ali Chief Economist

# STATISTICAL CONTACTS

Afghanistan - Central Statistics Office

Da Afghanistan Bank

Armenia - Central Bank of Armenia

National Statistical Services

Azerbaijan - National Bank of Azerbaijan

State Statistical Committee

Bangladesh - Bangladesh Bank

Bangladesh Bureau of Statistics

Bhutan - Ministry of Finance

National Statistical Bureau

Royal Monetary Authority of Bhutan

Brunei Darussalam - Department of Economic Planning and Development

Ministry of Finance

Cambodia - Ministry of Economy and Finance

National Bank of Cambodia National Institute of Statistics

China, People's Republic of - National Bureau of Statistics

People's Bank of China

Cook Islands - Statistics Office

Fiji Islands - Bureau of Statistics

Reserve Bank of Fiji

Georgia - Ministry of Finance

National Bank of Georgia

State Department for Statistics of Georgia

Hong Kong, China - Census and Statistics Department

Hong Kong Monetary Authority

India - Central Statistical Organization

Department of Economic Affairs, Ministry of Finance

Reserve Bank of India

Indonesia - Badan Pusat Statistik Indonesia

Bank Indonesia

Kazakhstan - Agency on Statistics

National Bank of Kazakhstan

Kiribati - National Statistics Office

Korea, Republic of - Bank of Korea

National Statistical Office

Kyrgyz Republic - National Bank of Kyrgyz Republic

National Statistical Committee

Lao PDR - Bank of the Lao PDR

Ministry of Finance National Statistical Center

Malaysia - Bank Negara Malaysia

Department of Statistics

Maldives - Maldives Monetary Authority

Ministry of Finance and Treasury

Ministry of Planning and National Development

Marshall Islands - Economic Policy, Planning and Statistics Office

Micronesia, Federated States of - Department of Economic Affairs

Mongolia - Bank of Mongolia

National Statistical Office

Myanmar - Central Statistical Organization

Ministry of National Planning and Economic Development

Nauru Bureau of Statistics

Nepal - Central Bureau of Statistics

Nepal Rastra Bank

Pakistan - Federal Bureau of Statistics

Ministry of Finance and Economic Affairs

State Bank of Pakistan

Palau - Bureau of Budget and Planning, Ministry of Finance

Papua New Guinea - Bank of Papua New Guinea

National Statistical Office

Philippines - Bangko Sentral ng Pilipinas

Bureau of the Treasury

National Statistical Coordination Board

National Statistics Office

Samoa - Central Bank of Samoa

Statistical Service Division, Ministry of Finance

Treasury Department of Samoa

Singapore - Department of Statistics

Economic Development Board International Enterprise Singapore

Ministry of Finance Ministry of Manpower

Monetary Authority of Singapore

Solomon Islands - Central Bank of Solomon Islands

Solomon Islands National Statistics Office

Sri Lanka - Central Bank of Sri Lanka

Department of Census and Statistics

Taipei, China - Central Bank of China

Directorate-General of Budget, Accounting and Statistics

Tajikistan - National Bank of Tajikistan

State Committee on Statistics

Thailand - Bank of Thailand

National Economic and Social Development Board

National Statistical Office

Timor-Leste - Banking and Payments Authority

National Statistics Directorate

Tonga - Ministry of Finance

National Reserve Bank of Tonga

Statistics Department

Turkmenistan - Central Bank of Turkmenistan

Ministry of Foreign Affairs

National Institute of State Statistics and Information

Tuvalu - Central Statistics Division, Ministry of Finance,

**Economic Planning and Industry** 

Uzbekistan - Cabinet of Ministers

Central Bank of Uzbekistan State Committee on Statistics

Vanuatu - Reserve Bank of Vanuatu

Statistics Office

Viet Nam - General Statistics Office

Ministry of Finance State Bank of Viet Nam

#### **International Organizations**

Data were also obtained from the following international organizations:

Economic and Social Commission for Asia and the Pacific (ESCAP)

European Bank for Reconstruction and Development (EBRD)

Food and Agriculture Organization (FAO)

International Labour Organization (ILO)

International Monetary Fund (IMF)

International Telecommunication Union (ITU)

Organisation for Economic Co-operation and Development (OECD)

Secretariat of the Pacific Community (SPC)

Third World Institute (TWI)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Educational, Scientific and Cultural Organization (UNESCO)

United Nations Population Division (UNPD)

United Nations Population Fund (UNFPA)

United Nations Statistics Division (UNSD)

World Bank

World Health Organization (WHO)

World Institute for Development Economic Research (WIDER)

World Resources Institute (WRI)

## **INTRODUCTORY NOTES**

Out of the total 45 country tables, 44 pertain to ADB's developing member countries (DMCs) and one unclassified regional member country, Brunei Darussalam. Each of the eight Millennium Development Goal (MDG) tables represents one MDG goal while the 30 regional tables compare the DMCs and Brunei Darussalam in terms of key social and economic indicators. The country groups in the regional and MDG tables are aligned with those of ADB's regional departments. The data series are compiled from two major sources, namely, the statistical contacts in ADB's DMCs and international statistics agencies. The data obtained from the DMCs are comparable to the extent that the individual countries follow the standard statistical concepts, definitions, and estimation methods that the United Nations and other applicable international agencies recommend. However, countries invariably develop and apply their own concepts, definitions, and estimation methodology to suit their individual conditions and these may not necessarily conform with the recommended international standards. Hence, although attempts are made to present the data in comparable and uniform format, they are subject to variations in the statistical methods used by individual countries. These variations are reflected in the footnotes of the statistical tables.

#### **General Guidelines**

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The cut-off date for the data to be included in this issue was 30 June 2007.

Nineteen countries have varying fiscal years not corresponding to the calendar year. Whenever the statistical series, e.g., national accounts or government finance, are compiled by fiscal year, these are presented under single year captions corresponding to the period in which most of the fiscal year falls, as follows:

	Developing Member Country		Fiscal Year	Year Caption
(	Afghanistan Cook Islands (before 1990) Cook Islands (after 1990)		21 March 2006–20 March 2007 1 April 1990–31 March 1991 1 July 2005–30 June 2006	2006 1990 2006
]	Hong Kong, China India Myanmar Bingapore	}	1 April 2006–31 March 2007	2006
]	ndonesia (until 1999)		1 April 2000–31 March 2001	2000
]	Bangladesh Bhutan Pakistan Bamoa Fimor-Leste Fonga	$\left. \right\}$	1 July 2005–30 June 2006	2006
-	Γaipei,China (until 1999)		1 July 1999-30 June 2000	2000

Nepal	16 July 2005–15 July 2006	2006
Lao PDR Marshall Islands Micronesia, Fed. States of Palau	1 October 2005–30 September 2006	2006

## **Key Symbols**

... Data not available at cut-off date
 – Magnitude equals zero
 0 or 0.0 Magnitude is less than half of unit employed
 \* Provisional/Preliminary/Estimate/Budget figure
 I Marked break in series

Unless otherwise specified, "\$" refers to US dollars.

#### **Measurement Units**

bbl	barrel	lb	pound
bn	billion	m	meter
С	cent	mn	million
cu. m	. cubic meter	m.t.	metric ton
ha	hectare	pc	piece
kg	kilogram	sq km	square kilometer
kgoe	kilogram of oil equivalent	sq m	square meter
kl	kiloliter	'000	thousand
km	kilometer	toe	ton of oil equivalent
kWh	kilowatt-hour		

#### **Abbreviations and Acronyms**

ADB	Asian Development Bank
BOP	balance of payments
c.i.f.	cost, insurance, and freight
CEO	chief executive officer
CEPD	Council for Economic Planning and Development
CPI	consumer price index
CPS	Current Population Survey
DAC	Development Assistance Committee
DHS	Demographic and Health Surveys
DMC	developing member country
EBRD	European Bank for Reconstruction and Development
ESCAP	Economic and Social Commission for Asia and the Pacific
f.o.b.	free on board
FAO	Food and Agriculture Organization
FIES	Family Income and Expenditure Survey
FISIM	financial intermediation services indirectly measured

FY fiscal year

**GDP** gross domestic product **GE** generalized entropy **GFD** gross fiscal deficit GIC growth incidence curve **GNI** gross national income **GNP** gross national product GO generalized quadratic HDI human development index

HIES Household Income and/or Expenditure Survey

HSC harmonized system classification
ICP International Comparison Program
ILO International Labour Organization
IMF International Monetary Fund

LGU local government unit

MDG Millennium Development Goal MPCE monthly per capita expenditures

MPS material product system
MRP mixed recall period
n.e.s. not elsewhere stated
n.i.e. not indicated elsewhere
NAS national account statistics

NFA net foreign assets

NIR net international reserves NSS National Sample Survey

OECD Organisation for Economic Co-operation and Development

p.a. per annum

PEGR poverty equivalent growth rate PPP purchasing power parity SDR special drawing rights

SITC standard international trade classification

SNA system of national accounts

SPC Secretariat of the Pacific Community

UN United Nations

UNDP United Nations Development Programme

UNESCO United Nations Educational, Scientific and Cultural Organization

UNICEF United Nations Children's Fund UNSD United Nations Statistics Division

URP uniform recall period

US United States

VHLSS Viet Nam Household Living Standard Survey

VLSS Viet Nam Living Standard Survey
WAIR weighted average interest rates
WHO World Health Organization

WIDER World Institute for Development Economic Research

WIID World Income Inequality Database