

Growth, inequality and insecurity in Asian capitalism

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Abstract:

The Asian region is seen as the biggest beneficiary of globalisation, with China and (to a much lesser extent) India especially showing rising per capita incomes and declines in income poverty. But the reality is more complex. Despite big differences between them and the much more impressive performance of China, both countries show rising inequalities, greater fragility and insecurity of material life for a significant section of the population, environmental crises, insufficient employment generation and looming demographic challenges. In both countries, the limits of the current growth strategy are becoming evident, with India's development project in particular still very far from being completed. Other Asian economies also suggest similar trends. Growth trajectories that generate inequalities of different kinds could well create social and political pressures and instabilities similar to those in advanced capitalist societies.