Chapter 7
Urbanization and Socio-Economic Growth in South Asia Region

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ABSTRACT

Urbanization in the South Asia Region (SAR) stood at 34% (2014) and is relatively sluggish when compared to that of the World at 54%. The World Urbanization Prospects (2014) and World Bank Report (2016) reveals that the future urbanization globally will be concentrated in Asia and predominantly in the select countries of SAR - Bangladesh, India and Pakistan. The chapter analyses the demographic and socio-economic characteristics of the select countries, which are indicative of the quality of life of citizens, benchmarking it with that of Asia and the world. The analysis reveals the slow, messy and hidden nature of urbanization in the region which is required to be addressed. The conclusions recommend large investment and policy imperatives which should bring about sustainable urbanization ensuring basic urban services resulting in improved demographics, Human Development Indices and other socio-economic characteristics of the people in the region.

INTRODUCTION TO URBANIZATION IN SOUTH ASIA

The world is more urban since 2007, with more than 50% of the population living in cities, having increased to 54% in 2014 (United Nations, 2014) and is projected to rise to 66% by 2050, with Africa and Asia contributing 90% share of total increase of urban population (The World Bank, 2016). While African and Asian countries are typically rural, accounting for 40% and 48% respectively of their urban population, it is significant that Asia accounts for a 53% of the world's urban population. Further, by 2050, Asia and Africa will see their urban population increase to 64% and 56% respectively; however, the region will still be less urbanized compared to the rest of the world (Roberts, 2016).

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The Asian continent accounts for 30% of the world's land and 60% of the population, with South Asia Region (SAR) alone accounting for more than 23% of world's population and 15.7% of world's urban population in 2011 (Roberts, 2016). South Asia is one of the least urbanized regions in the world, with 27% urban population in 1999 (South Asia Association for Regional Cooperation Statistics, n.d.), adding 130 million to its urban population between 2000 and 2011, and has been projected to increase to 250 million by 2030 (Roberts, 2016). While in percentage terms in 2014, 33% of SAR was urban, lower than Sub-Saharan Africa which stood at 37%, but in number terms at 561 million, it was much higher than the latter, being 363 million (World Bank, 2016).

The present chapter discusses urbanization and its impact on socio-economic growth in SAR, with a focus on - India, Pakistan and Bangladesh in the region. Further, the chapter considers the eight countries in the region – Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka and excludes Iran which is a part of SAR according to the UN classification. It has been observed that together the select three countries accounted for 87.7% of the urban population in the region in 1990 and 2014 and this is likely to increase to 89.2% by 2050 (United Nations, 2014). Further, the nations are presently ranked amongst the world's top ten most populated countries, and the same will be observed in 2050. (Population Reference Bureau, 2016).

Table 1 shows Pakistan (38.3%) as more urbanized than Bangladesh (33.5%) and India (32.4%), with levels of urbanization in SAR placed below Asia and World figures. While Table 2, reveals the continuous decline in the average annual rate of change of urban population across the regions. The future projections uncover 1.37% average annual rate of change of population for SAR by 2045-2050, while Asia will slow down to 0.72% per annum, with India and Pakistan being projected at 1.41% and 1.51% respectively. Thus the select three countries will be at the epicenter of urbanization in the future.

BACKGROUND

An analytical perspective of the comparatively low levels of urbanization in SAR reveals, that the varied definition of urban and the differing census years across the three countries pose constrains in understanding and comparing the real levels of urbanization. While Bangladesh and India conducted their census operation in 2011, Pakistan's last census was conducted in 1988, with the next census operation likely to be carried out in 2017 (Business Standard, 2016). Further, urban settlements as defined in Bangla-

Table 1. Percentage of urban population

Country/ Area	Urban Population (Percentage)		
	2000	2010	2014
World	46.61	51.64	53.6
Asia	37.47	44.77	47.5
South Asia Region (SAR)	29.06	32.75	34.4
Bangladesh	23.59	30.46	33.5
India	27.67	30.93	32.4
Pakistan	33.16	36.60	38.3
Source: SAR and World Bank Database (The World Bank, 2016)			