

South Asia/Frontier Health Gaps and Long-Term Income Dynamics

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Abstract

We first use the catch-up index to examine the dynamics of South Asian (SA) countries' growth since 1951 using PWT 9.0 and compare it to earlier results. Only one-third of SA countries experienced catch-up in relative income over the US for at least one ten-year period that was not a growth recovery, as compared about 85% for peer countries; they do not clearly experience the stable growth phase (meaning neither catching-up nor falling back) experienced by other countries; they show catch-up/growth reversals every two decades; they do not experience acceleration-of-growth episodes, and income gaps from the US of even the "hills" (Pritchett (2000)) increased from 1960-1992. The SA countries exhibit poorer and more volatile catching-up than rest of the world and the conclusions using PWT 9.0 differ from those using the earlier generation PWTs.

Turning to health measures, we show there is very large variation in stillbirth rate among South Asian countries – with Pakistan's rate about nine times that of Sri Lanka's. Overtime, its rate of decrease is smaller than neonatal mortality's, its dispersion among SA countries increases and that in life expectancy decreases. Neonatal mortality decrease by itself "explains" only about 19% of life expectancy increase, but when the stillbirth rate is added to it, the said percentage rises to 31%. We define catch-up indexes for life expectancy, and stillbirth and neonatal mortality rates. Although the catch-up rates are positive, they are not related strongly to the initial levels. Relating the catch up rates in income and health, we find a better performance

in income is associated with a worse performance in early-child mortality and is only weakly related to better performance in life expectancy.

Key Words: Long-term income dynamics of South Asian countries
Early-child mortality and life expectancy trends
Catch-up indexes for health measures
Relationship between health catch up and income catch up

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