"South Asia and Sub-Saharan Africa: An Economic Puzzle of Contemporary Urbanization"

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Abstract

The global urban population is forecast to increase from 4.22bn in 2018 to 6.68bn in 2050, with 95% of this increase occurring in countries of the global south. There is good reason for optimism. Historically, GDP per capita and urbanization have increased together. Countries that experienced an acceleration of economic growth, such as China after 1980, also experienced accelerated urbanization (Pritchett, 2014). Cities have historically been drivers of industrialization and economic growth. There are well-established theoretical and empirical reasons to link urbanization to explain these economic benefits – the agglomeration benefits of density.

Africa is urbanizing when strikingly poorer than other developing regions and in South Asia there is a relatively slow rate of urbanization. This research explores possible reasons to explain the puzzle of rapid urbanization in Africa and slow urbanization in South Asia. The economic hypotheses explored include 'Urban Pull', 'Rural Push', 'Institutions and the Ease of Building', 'Comparative Advantage', and 'Relative Rural Poverty'.

Explaining the pace of urbansiation will help policymakers think about how to help promote rapid, sustainable, and economically productive urbanization.