

ECONOMIC AND SOCIAL SURVEY OF ASIA AND THE PACIFIC 2005

HIGHLIGHTS FOR THE MEDIA

- Despite the effect of the tsunami disaster, the rising price of oil, and the weakness of the dollar, ESCAP economies produced in 2004 an impressive economic performance that was broad-based in nature, with an estimated growth rate of 7.2 per cent, the highest since 2000, accompanied by generally low rates of inflation.
- Prospects for 2005 for developing countries in Asia-Pacific indicate a slowdown in GDP growth to an estimated 6.2 per cent as both the external and regional environment weakens, with a possible pick up in inflation if high oil prices remain for the rest of the year.
- China's rapid growth has provided impetus to regional growth with rapid increases in intraregional trade. Besides the performance of the US economy, the prospects for 2005 will be conditioned by the success of authorities in China in achieving a "soft" landing.

POLICY ISSUES AND CHALLENGES

- Dealing with an environment of continuing high oil prices, a falling dollar and easing of growth in world trade would form special near-term challenges for the region.
- Among longer-term development policy issues facing the ESCAP region are continuing challenges in poverty reduction and in the achievement of Millennium Development Goals in some countries. In this regard, the sharp increase in youth unemployment are a worrying feature. The region has nearly half of the world jobless youth.

DYNAMIC OF POPULATION AGEING

- The most important feature of demographic transition in the next 50 years is the rapid ageing of countries which are still developing, and do not have sufficient resources and capacity to face the challenges of old age poverty. The region will be home to over 1.2 billion people aged over 60 years and account for 63 per cent of the world total by 2050. The share of those will be more than double to an estimated 23.5 per cent. An important dimension is the rising share of women in the older aged groups.
- Such rapid ageing would require quick remedial action on areas such as pension provision, labour market reform, health service delivery and caring of the elderly to minimize the pressures of ageing on economic growth.

MICROCREDIT

- The *Survey* contains a special feature to mark the 2005 as the Year of the Microcredit in order to highlight meaningful ways to strengthen income and employment generation in Asia and the Pacific. A number of challenges facing countries in the region include financial sustainability of microfinance and ways to increase the depth and breadth of outreach to the poor.