

THE MENA UPRISINGS – KEY ISSUES



Source: <http://www.guardian.co.uk/world/2011/jan/28/egypt-protesters-tanks-cairo>

Political-Economy Briefings

29 January 2011

Issue 001

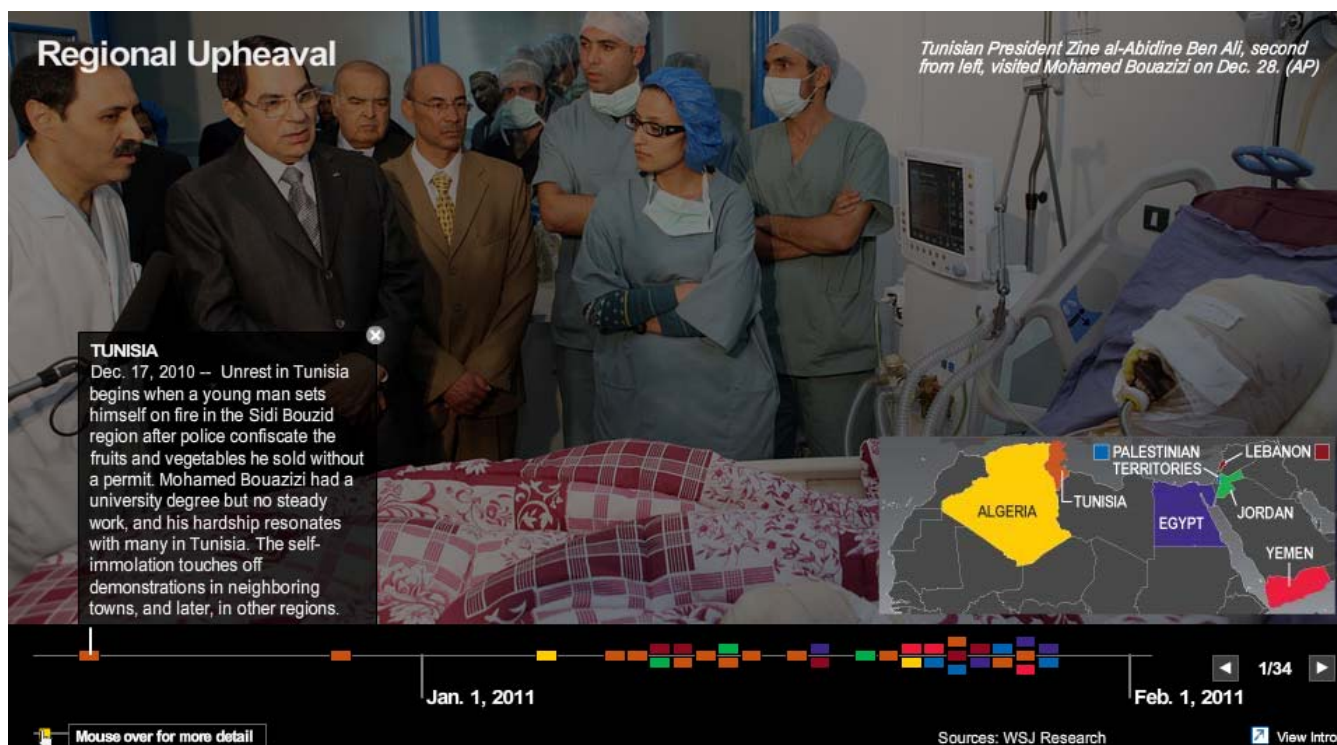
Jobs, food, Wikileaks, ageing autocratic regimes & deadly political protests

- an era of vulnerability, with soaring commodity prices
- ageing regimes face political unrest, deadly protests
- youth unemployment and social media play a key role, but protests spread to include all

Regional Upheaval

Tunisian President Zine al-Abidine Ben Ali, second from left, visited Mohamed Bouazizi on Dec. 28. (AP)

TUNISIA
Dec. 17, 2010 – Unrest in Tunisia begins when a young man sets himself on fire in the Sidi Bouzid region after police confiscate the fruits and vegetables he sold without a permit. Mohamed Bouazizi had a university degree but no steady work, and his hardship resonates with many in Tunisia. The self-immolation touches off demonstrations in neighboring towns, and later, in other regions.



Jan. 1, 2011

Feb. 1, 2011

1/34

Mouse over for more detail

Sources: WSJ Research

View Intro

Source:

<http://online.wsj.com/article/SB10001424052748703956604576110314193537644.html#project%3DMIDEASTUPRISE110128%26articleTabs%3Dinteractive>

EDITORIAL

The youth is our future

Welcome to our very first Khor Reports' 'Political-Economy Briefings'! We look at the key issues in the recent Middle East and North Africa (MENA) uprisings. What does it mean for Southeast Asia today? We take a step 'up' from an industry or more narrow focus. We aim to delve into the bigger or macro issues in ways that our corporate clients, who are interested in Southeast Asia, would value.

Our Briefings series will differ from our Strategic Analysis newsletters (a series on the palm oil sector was launched in August 2010). In Briefings, we shall do our best to gather relevant and interesting news, data and commentaries from well-regarded sources. While this newsletter is light on our analytical comments, we hope that you find our selection and presentation of information to be handy. For in depth analysis, we offer our customized research services.

I was trained in political-economy at three universities. It has benefited my work in corporate and industry research and risk assessment. This perspective requires consideration of who gains, who loses, what changes and what doesn't. I also believe that solid information and a determination to look beyond the obvious are 'musts'.

What triggers widespread regional discontent and uprisings? In the late 1990s, the Asian 'miracle' turned into a financial crisis, as currency speculators attacked economies that had over-borrowed to spend without sufficient regard to financial returns. In MENA's case, refer to commodity speculators (pg.7) as a trigger?

The Asian economic headline data were looking fine, but the stresses were building (likewise MENA, pg.3 & 7). Naysayers like Paul Krugman (who delved into awkward details) were ignored. While growth was great, few cared about the nature of the political regimes and their increasing appetites. Indeed, authoritarianism came to be regarded as a key determinant for rapid economic growth.

The timing of the loss of confidence and hope is unknowable (but it seems to take longer than many would think – 'overshooting'?). Contagion seems to be common place, despite protestations of differences. Thailand triggered the Asian Crisis, but it was Indonesia that faced spectacular regime and economic collapse. Initially, the case studies taught in "socio-political movements 101" class bear out. Autocratic regimes did not allow space for opposition or a civil society. The vacuum is filled by the only functioning non-party structures – religious organisations. Islamist parties gained votes. After ten years adapting to and evolving a new socio-politico-economic system, Indonesians voted increasingly for secular parties, and their economy is the darling of investors in Southeast Asia.

The MENA uprisings seem to have come as a surprise (pg.3). The region is in a state of contagion (pg.5). Southeast Asia had / has in common with MENA some very long-lived one-party regimes. A difference is the geopolitical value of MENA to the Great Powers (pg.4). Its rulers have received many billions in aid over the decades.

Were they told to "buck-up" as much as trade-oriented Southeast Asia's leaders were? Why did MENA youth unemployment climb to 23.5% (pg.7)? 18-24 year olds are the vanguard of political change and economic innovation. We are seeing their frustrations unleashed (pg.3). For Southeast Asia & the Pacific, ILO pegs youth unemployment at 15% and measures 'youth inactivity' at 49% vs. 64% for MENA (pp.8). Asian governments have various initiatives to help (pp.9). As ever, we remain hopeful for hope.



Khor Yu Leng

We hope that you will give us your feedback and suggestions, so that our next issue can benefit from them. Email: khorreports@gmail.com

Inflation affects the poor disproportionately – as they spend the bulk of their money on food and basics, price inflation could drive them to the precipice. Money Week reminds us that "rapid price inflation has historically been associated with political instability and social upheaval. In China the hyperinflation of the 1940s was a significant factor in the success of the communists in the overthrowing the Nationalist government. More recently, the near-20% inflation rates seen in the late 1980s are widely cited as a causal factor behind the growth of the protest movement that culminated in the Tiananmen Square massacre in 1989." Food price inflation has brought much of the recent pressure. Those whose incomes have been rising steadily will cope better than those in poorer and/or stagnating economies. Source: Money Week (2011).

EXCERPTS

On Tunisia and Egypt’s economies – WSJ says

<p>Some benign macro indicators belie big stresses in MENA</p> <p>#1 high youth unemployment</p> <p>#2 soaring food prices</p> <p>#3 ageing autocratic regimes</p>	<p><i>“...At one level, these economies have been performing well. Growth averaged 7% in Egypt and 5.3% in Tunisia from 2006-2008, according to Moody's; both countries comfortably avoided recession in 2009 and retained fiscal room for maneuver. Their banking systems largely have been untouched by the global crisis. But, as shown by the protests, there are strong reasons for economic discontent, including demographic factors that have led to high youth unemployment and high inflation, including soaring food prices....”</i></p> <p>Growth has not been fast enough</p> <p><i>“The problem is that growth hasn't been fast enough. In Egypt, Fitch notes, growth of 6%-7% is needed simply to absorb the 700,000 new entrants to the labor force each year.”</i></p> <p>Structural overhauls needed</p> <p><i>“But growth will require the kind of ambitious structural overhauls that autocratic regimes have failed to deliver. In Tunisia, former President Zine al-Abidine Ben Ali had pledged</i></p>	<p><i>in 2004 that the dinar would become fully convertible by 2009, but still was promising this in 2010, Citigroup notes.”</i></p> <p>Egypt has twin deficits & a subsidies problem</p> <p><i>“In Egypt, the government needs to deal with twin budget and current-account deficits, but has held off from cutting fuel subsidies and introducing a value-added tax; the crisis may entrench subsidies further.”</i></p> <p>Will political change make it better? Not initially.....</p> <p><i>“The question for investors is whether successor regimes will fare any better, given the overhauls needed to promote growth initially may cause even greater social dislocation. Markets may need to get used to protests becoming more common.”</i></p> <p><small>Source: Wall Street Journal (2010a)</small></p>
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Egypt, latest news

29 Jan: “A defiant Mr. Mubarak said, "We seek more democracy and freedoms." His address appeared to only heighten the gulf between Mr. Mubarak and the tens of thousands of protesters who took part in Friday's planned "Day of Wrath" against what they characterized as the regime's oppression, stagnation and lack of opportunity. Defying a nationwide curfew as night fell, protesters took over government vehicles, broke through security cordons to mass on Cairo's central Tahrir Square and set fire to the nearby headquarters of the ruling party.” Source: http://online.wsj.com/article/SB10001424052748703956604576109323492986438.html?mod=WSJ_hp_us_mostpop_read

“Embattled President Hosni Mubarak appeared on television for the first time since protests erupted demanding his ouster, saying he will press ahead with social, economic and political reforms.... He defended security forces' crackdown on protesters and asked the Cabinet to resign.... Protesters have seized the streets of Cairo, battling police with stones and firebombs, burning down the ruling party headquarters, and defying a night curfew enforced by a military deployment. It is the peak of unrest posing the most dire threat to Mubarak in his three decades of authoritarian rule.” Source: <http://online.wsj.com/article/SB10001424052748703956604576109323492986438.html?mod=djemalertNEWS>.

28 Jan: “Egyptian security officials say police have put Nobel Peace laureate Mohamed ElBaradei under house arrest, the Associated Press reports. Police stationed outside his suburban Cairo home told him he cannot leave the house after he joined tens of thousands of protesters in the capital Friday. Egyptian antigovernment protesters are clashing with police in Cairo, who are firing rubber bullets, tear gas and water cannons to disperse them. Authorities cracked down on Internet and other ways for protesters to communicate.” Source: <http://online.wsj.com/article/SB10001424052748703956604576109323492986438.html?mod=djemalertNEWS>.

“The Egyptian government's crackdown on protesters intensified Friday with access to all forms of mass communication, including the Internet, mobile and SMS, taken down. Activists had been using Facebook and Twitter to coordinate action across the country. The move came as thousands of antigovernment protesters clashed with police in Cairo on Friday. Police used water cannons against pro-democracy leader Mohamed ElBaradei and his supporters. U.S.-based Internet intelligence firm Renesys said the crackdown was much more severe than the "modest Internet manipulation" that took place in Tunisia. Meanwhile, Vodafone said all mobile operators in Egypt had been ordered to suspend services in parts of the country.” Source: <http://online.wsj.com/article/SB10001424052748703956604576109661160604954.html?mod=djemalertTECH>.

On US-UK support, implications for SE Asia

<p>#4 US-UK supported regimes</p> <p>Indonesia urges 'home food gardens'</p> <p>Price controls spreading</p> <p>Suharto, Marcos were toppled by people's power movements</p> <p>Yang Razali Kassim: good governance & good economic mgmt needed</p>	<p>Geopolitics vs. change?</p> <p>"It was the day on which Egyptians lost their fear: of green armoured personnel carriers, which swayed and toppled before the unstoppable tide of human wrath; of plainclothes thugs who had plagued their lives; of the ruling party's headquarters, from where elections were rigged and parliamentary seats managed – it too went up in flames; of military curfews; of the entire apparatus of a regime which had crushed all political dissent for nearly three decades. "Even if the dogs could speak," one of the hundreds of thousands who flocked the streets told our reporter, "they would tell you that they are fed up with [Hosni] Mubarak. We have to have change."..."</p> <p>"The revolution threatens not only Hosni Mubarak's regime but the strategy the US and Britain have constructed in the Middle East.... Only two days ago (Hillary Clinton) said the US assessment was that the Egyptian government was stable and was looking for ways to respond to the legitimate interests of the Egyptian people. The primary importance of keeping a key Arab ally and Middle East interlocutor stable was also emphasised yesterday by Tony Blair, the Quartet's envoy. Faced with the conflicting needs to keep an Arab partner of Israel afloat and to respond to demands for democratic reform, the US would choose the first every time. After yesterday's events, Ms Clinton's calls to lift internet controls and respond to the grievances of Egyptians became more strident. But it was too little, too late. Ms Clinton's initial support for the Mubarak regime had not been lost on Egyptians battling for their freedoms."</p> <p><i>Source: Guardian (2011b)</i></p>	<p>Implications for Southeast Asia</p> <p>"...Indonesia announced steps to offset rising prices. Indonesians began to feel the pinch when the price of chili shockingly outstripped the price of meat. President Yudhoyono has urged Indonesians to deal with the food shortages by turning their houses into "home food gardens". The president has identified inflation caused by escalating food prices as one of the main challenges facing the country this year.... Thailand has told producers of major food items not to raise their prices while Vietnam has tightened control of rice exports and increased food stockpile."</p> <p>"The "Tunisian Scenario" is not exactly unprecedented in Southeast Asia in the political sense. In 1998, the long-serving authoritarian Indonesian leader Suharto was brought down by people power. Although there were many factors that conspired against him, one of the key triggers was rising fuel prices. Earlier in 1986, the unpopular Philippine president Marcos was also toppled by a people power revolt. In the 1990s and in more recent times, public rumblings were also seen in Thailand, Myanmar and Malaysia."</p> <p>"How Southeast Asia Should Respond.... food insecurity and volatile prices (caused by natural disasters, which in turn are the consequences of climate change), will be one of the immediate triggers of political instability in the region in years to come. In anticipation, Southeast Asian countries therefore must not fall short on good governance and good economic management. At the same time, ASEAN as a grouping must be galvanised to prepare well for future crises stemming from natural disasters and climate change."</p> <p><i>Source: Yang Razali Kassim (2011) of the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University, Singapore.</i></p>
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BACKGROUND

Key events & timeline – MENA uprisings

It started with the self-immolation of a Tunisian graduate – vegetable seller.

Copycat self-immolations reported in Algeria, Egypt, Mauritania and even Saudi Arabia.

Many regimes raised food subsidies & civil servant pay.

Protesters demand lower food prices – in addition to major political and economic reforms.

Tunisia, 17 Dec 2010: Unrest in Tunisia begins when a young man sets himself on fire in the Sidi Bouzid region after police confiscate the fruits and vegetables he sold without a permit. Mohamed Bouazizi had a university degree but no steady work, and his hardship resonates with many in Tunisia. The self-immolation touches off demonstrations in neighboring towns, and later in other regions.

Tunisia, 28 Dec 2010: Tunisia's president warns that rioters will be firmly punished after unusually violent demonstrations over unemployment. At least two protesters die, one shot by police.

Algeria, 6 Jan 2011: Riots over rising food prices and chronic unemployment spiral out from Algeria's capital, with youths torching government buildings and shouting "Bring us Sugar!"

Tunisia, 10 Jan 2011: Tunisia shuts down all of its high schools and universities.

Jordan, 11 Jan 2011: Jordan slashes taxes on fuel and foodstuffs to ease the country's economic burden as global food prices rise. It's believed that concern over deadly riots caused by joblessness and poor prospects for youths in Algeria and Tunisia might have helped spur the government move.

Jordan, 14 Jan 2011: More than 5,000 Jordanians take to the streets across the country to protest rising prices for fuel and foodstuffs and demand the prime minister's ouster.

Tunisia, 14 Jan 2011: Mr. Ben Ali flees to Saudi Arabia.

Egypt, 18 Jan 2011: Over two days, four men set themselves on fire in a wave of self-immolation attempts possibly inspired by events in Tunisia.

Jordan, 20 Jan 2011: Jordan's prime minister announces a surprise pay rise for civil servants

and expansion of a state subsidy program, days after Muslim opposition vowed more street protests to force the government to step down.

Yemen, 22 Jan 2011: Thousands of Yemeni protests gather inside the University of San'a and call for the ouster of President Ali Abdullah Saleh after 32 years in power. It appears to be to directly confront the rule of Yemen's president, something that had been a red line few dissenters dared to challenge.

Yemen, 23 Jan 2011: Yemen's president tries to defuse calls for his ouster, forcefully denying claims by opponents that he plans to install his son as his successor and raising salaries for the army.

Palestinian Territories, 26 Jan 2011: Thousands of cheering Hamas supporters in Gaza burn effigies of Mr. Abbas and his aides, as Al-Jazeera TV alleges that leaked documents show the Palestinian leader colluded with Israel and the US against Gaza.

Tunisia, 26 Jan 2011: Tunisia's government issues and international arrest warrant for Mr. Ben Ali, the ousted president, and six relatives, accusing him of taking money out of the country illegally.

Egypt, 27 Jan 2011: Nobel Peace Prize Laureate Mohamed ElBaradei returns to the country after a month abroad, declaring he is prepared to lead the opposition to a regime change.

Yemen, 27 Jan 2011: Tens of thousands of Yemenis demand the president step down in nationwide protests, vowing to continue until their US-backed government falls.

Palestinian Territories, 28 Jan 2011: Thousands of Hamas supporters protest in different locations across the Hamas-ruled Gaza Strip against Mr. Abbas and his government in the West Bank, the Western-backed Palestinian Authority.

Source: Quoted from Wall Street Journal (2010d)

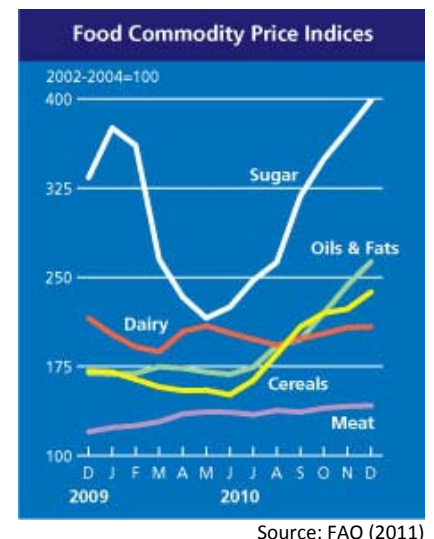
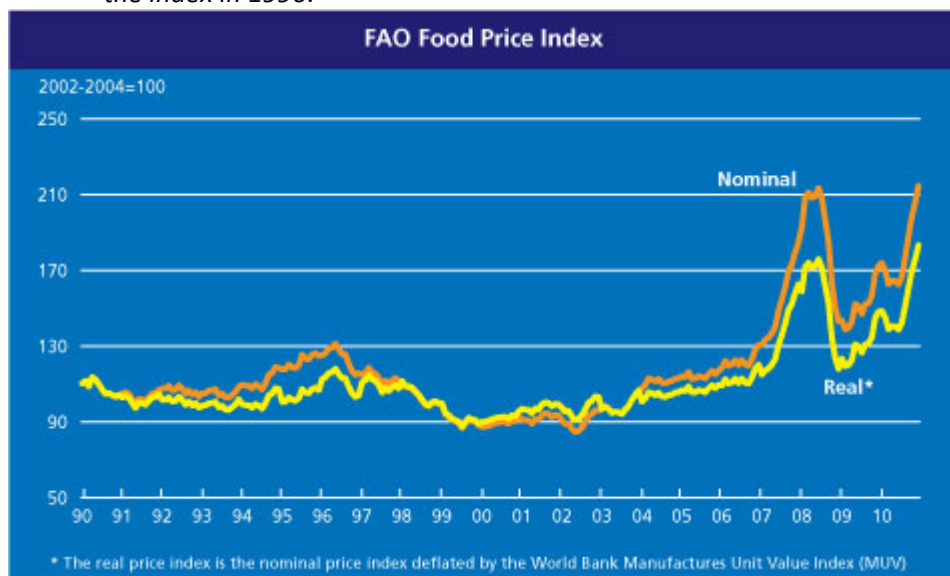
DATA & INFO

Macro-socio indicators & policy on youth jobs

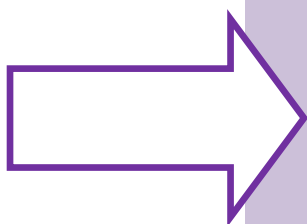
Food prices

The current problem of volatile food prices takes us back to the 2008 global food crisis and riots. Global food prices have now exceeded those levels. The FAO says:

- In December 2010, the FAO Food Price Index (FFPI) surpassed (slightly) its peak in June 2008, reflecting increases in world prices of all food commodities. The FFPI averaged 215 points in December, up 4 percent from November and 25 percent from December 2009.
- The FAO Cereal Price Index, which includes staples such as rice, wheat and maize in its composition, rose to 238 points in December 2010, up 6 percent from November and as much as 39 percent from December 2009. The December average was the highest since August 2008 but still 13 percent (or 36 points) below its peak in June 2008.
- Beside cereals, international prices of other commodity groups in the FFPI, with the exception of meat and dairy products, also recorded sharp increases in 2010. The FAO Oils and Fats Price Index jumped by 55 percent in 2010 and in December 2010 averaged 263 points, up 8 percent from November and the highest since its June 2008 peak of 283 points. The FAO Sugar Price Index rose 19 percent in 2010 and in December 2010 averaged 398 points, up 7 percent from November and the highest (in nominal terms) since the start of the index in 1990.



Key facts...



25% rise in food prices

From Dec 2009 to Dec 2010. Cereals +38%, oils & fats +55%, sugar +19%.

13% global youth unemployment

The youth have been particularly vulnerable in the recent economic crisis.

But it is 23.5% in MENA

In SE Asia and the Pacific, the youth unemployment rate is 14.7%, in East Asia 8.9% and South Asia 10.3%.

MENA vs. SE ASIA – key indicators for selected countries

- Youthful populations and mid-poor income distribution in both regions.
- Tunisia and Egypt have higher unemployment and inflation rates; Malaysia’s headline inflation rate is low.
- Public debt is high in the selected countries, but notably lower in Indonesia.

		TUNISIA	EGYPT	INDONESIA	MALAYSIA	NORWAY
Population	millions	10.6	80.5	243.0	28.3	4.7
Median age	years	29.7	24.0	27.9	26.5	39.7
Population growth rate	% (2010 est.)	1.0	2.0	1.1	1.6	0.3
Urban population	% of total	67.0	43.0	52.0	70.0	77.0
Life expectancy at birth	years	76.0	72.4	71.1	73.6	80.0
Literacy	% of total	74.3	71.4	90.4	88.7	100.0
Education expenditure	% of GDP	7.2	3.8	3.5	4.5	6.7
GDP - real growth rate	% (2008 / 2009 / 2010 est.)	4.6 / 3.0 / 3.4	7.2 / 4.6 / 5.3	6.0 / 4.5 / 6.0	4.7 / -1.7 / 7.1	1.8 / -1.4 / 1.5
GDP per capita (PPP)	USD (2010 est.)	9,500	6,200	4,300	14,700	59,100
GDP - composition by sector	% (agric / ind / services)	10.6 / 34.6 / 54.8	13.5 / 37.9 / 48.6	14.9 / 46.8 / 38.3	9.1 / 41.6 / 49.3	2.1 / 40.1 / 57.8
Unemployment rate	% (2010 est.)	14.0	9.7	7.1	3.5	3.7
Population below poverty line		3.8	20.0	13.3	5.1	-
Household income or consumption, highest 10%	% share	32	28	32	29	23
Gini index (distribution of family income)		40	34	39	46	25
Investment (gross fixed)	% of GDP	26.1	18.4	30.8	20.1	18.6
Public debt	% of GDP	49.5	80.5	26.4	52.6	47.7
Inflation rate (consumer prices)	% (2010 est.)	4.5	12.8	5.2	1.8	2.4
Oil - production	bbl/day	91,380	680,500	1,023,000	693,700	2,350,000
Oil - consumption	bbl/day	89,000	683,000	1,115,000	511,900	204,100
Oil - proved reserves	million bbl	425	4,300	4,050	2,900	6,680
Telephones - mobile cellular	million	9.8	55.4	159.2	30.4	5.3
Internet users	million	3.5	20.1	20.0	15.4	4.4
Military expenditure	% of GDP	1.4	3.4	3.0	2.0	1.9

Source: CIA (2011)

Youth unemployment

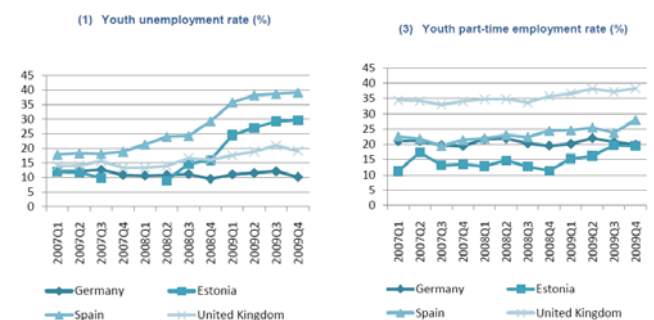
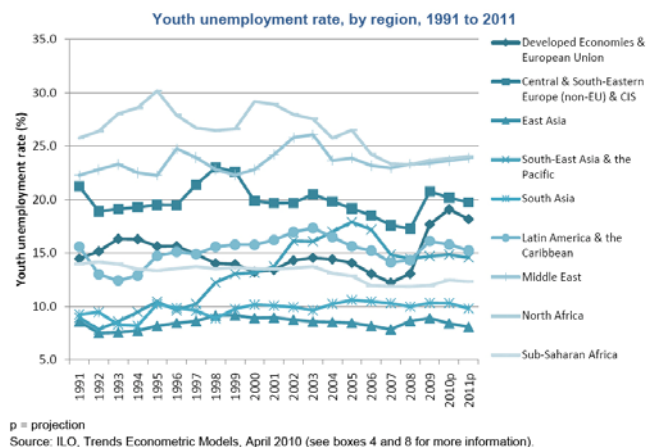
Of 620 million economically active 15 to 24-year-olds, 81 million were unemployed at the end of 2009. The UN’s ILO agency says that this is the highest number since records began in 1991. That put the global youth unemployment rate at 13%, up from 11.9% just before the global downturn in 2007.

ILO data shows that the highest unemployment rate in the world is the Middle East’s at 10.3% in 2010. Youth unemployment there is about 3.5x more than the adult rate.

The number of jobless and under employed youths is also a source of worry across much of the developed world. Employers have tightened their belts and scaled back on graduate recruitment.

For almost all regions, slight improvements are forecast for 2011. Only in the Middle East and North Africa are youth unemployment rates expected to continue on an upward path.

Sources: Guardian (2010), ILO (2010, 2011).



ILO: Job recovery still lags in Asia-Pacific region

25 January 2011, Philippine Daily Inquirer article

Despite a sharp rebound in the economies of many countries, job recovery in the Asia-Pacific region continues to lag behind growth, the International Labor Organization (ILO) said.

The agency foresaw “little change” in unemployment in many Asia-Pacific countries which are enjoying rapid economic growths in 2011. It pegged the global unemployment rate at 6.1 percent, or 203.3 million people without jobs.

“Overall, the employment outlook is uncertain, with youth unemployment, vulnerable employment, working poverty and a lack of social protection among concerns facing policymakers,” the ILO said in its “Global Employment Trends 2011: The challenge of a jobs recovery” annual employment trends survey.

In Southeast Asia and the Pacific, the crisis affected the quality of employment more than the quantity in some economies, it said. “Although unemployment is now below or at pre-crisis levels in some countries, regional unemployment has only edged down slightly, from 5.2 percent in 2009 to 5.1 percent in 2010, and is expected to show little change in 2011,” it said.

“Vulnerable employment has increased and youth unemployment is an issue,” the ILO added. The report said the growth in employment had not matched that of the economy “and full and productive employment needs to become a core macroeconomic policy goal.” Moreover, it said, focus should be made on job quality, “in particular creating a stronger link between productivity growth and wage growth.”

The report cautioned countries in the region that the huge inflow of foreign capital “is a key challenge to both growth and jobs, bringing dangers, such as asset bubbles and inflation.”

“In spite of a highly differentiated recovery in labor markets across the world the tremendous human costs of the recession are still with us,” ILO Director-General Juan Somavia said on the eve of the World Economic Forum in Davos, Switzerland.

“There is one common challenge; we need to rethink our standard macroeconomic policy mixes and make quality job creation and decent work a central target of macroeconomic policies, alongside high growth, low inflation and balanced public budgets,” Somavia said.

“We must not forget that for people the quality of work defines the quality of a society,” he added.

The ILO said 78 million young people (aged 15-24) were unemployed worldwide in 2010, or well above the 2007 pre-crisis level of 73.5 million but down from 80 million in 2009. The global youth unemployment rate was 12.6 percent in 2010, 2.6 times the adult unemployment rate.

“Policymakers should remember that the future competitiveness and sustainable development of their societies depends on creating opportunities for young people today,” said Sachiko Yamamoto, ILO Regional Director for Asia and the Pacific.

Source: Quoted from

<http://www.inquirer.net/specialfeatures/jobs/view.php?db=1&article=20110125-316449>

- ***In Southeast Asia and the Pacific, the crisis affected the quality of employment more than the quantity in some economies.***
- ***Vulnerable employment has increased and youth unemployment is an issue. Ratio of youth-to-adult unemployment rate is 4x for this region, and the youth inactivity rate is 48.6% (vs. 63.5% in MENA).***
- ***For people the quality of work defines the quality of a society. Policymakers should remember that the future competitiveness and sustainable development of their societies depends on creating opportunities for young people today.***
- ***Youth unemployment and underemployment is increasingly recognized as a potential trigger for social instability.***

ILO: Crisis response interventions for youth employment, East & SE Asian countries

Country inventory of crisis response interventions directly affecting youth employment

China:

- Launch of graduate trainee programmes, including income support for graduates. Enhancement of technical training for graduates from vocational schools with a “double certificate” programme. Schools help students get vocational qualification certificates when they leave school, in addition to their graduate certificates. Training on Internet usage for young students (Hong Kong, China).
- Financial incentives for private companies to recruit more graduates. Subsidized internship programmes for university graduates (Hong Kong, China). Government small guaranteed loans were increased to RMB50,000 for those starting a business after graduation. Hiring companies eligible for tax breaks and loans.
- Public employment and income support. Subsidies and social insurance to those who are willing to work in villages and local communities, and help to those who work in remote areas or join the army to settle their student loans. Students taking up remote jobs have university fees refunded. Cities to waive residency requirements.

Japan:

- Rural Labour Squad: US\$13 million government-supported training programmes for underemployed urban youth to work in sectors that have historically suffered labour shortages, such as rural labour.
- Strengthening of career counselling and placement services.

South Korea:

- Extension of existing state-supported Youth Internship Programme until the end of 2010. Increase in vocational training programmes.
- New wage subsidies for SMEs for hiring interns on regular contracts at conclusion of internship.

Malaysia:

- Government is buying places to train youth in private training institutions (200 million Ringgit Malaysia (RM)). RM100 million for youth Rakan Muda projects targeting youth and training them in soft-skills (leadership, citizenship, workplace behaviour) have been allocated. On-the-job training programmes for unemployed graduates have been started.

Philippines:

- Extension of support for high school graduates to complete college education. Private sector pays tuition fees and a minimum wage.
- Strengthening of public employment service offices, providing career guidance and employment facilitation to jobseekers, especially youth.
- Youth Employment Summer Programme - 6,000 short-term jobs during the summer break for students, some jobs are specifically targeting green initiatives.

Singapore:

- A total of 2,500 new traineeships, accompanied by a stipend (targeting graduates). Additional traineeships will be available for graduates in technical subjects (SGD100 million available for the latter).
- Additional income support for needy students.

Thailand:

- Financial support for vocational schools and apprenticeship schemes and environmental reforms. Vocational training in addition to recruitment services.
- Subsidy to the insurance premiums of the newly employed.

Source: Excerpts from ILO (2010)

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