INSIGHT

Be prepared

Simon Tay warns that uncertainty in the global economy and political divisions are reasons enough for Asia to get ready for potential hardship ahead, not least by knitting a stronger social safety net

Problems in public finance in the United States and Europe have spooked markets. The debt ceiling debacle in Washington shows how divided politics has become. Riots first in Greece and now in Britain dramatically signal how governments struggle as downturns upend the expectations of citizens. Even as order is being restored, the outlook is for a potential recession in the West, and an accompanying political malaise.

Coming in the wake of uprisings in the Arab world, there are reasons to worry that, for too much of the world, spring is turning into a long and torrid summer. What of Asia? For much of the past year, most of the region has withstood contagion from revolutionary politics, and continued to grow rapidly. Some may trumpet this as another step in the decline of the West and the rise of Asia. These relatively favourable conditions are, however, subject to change.

Global interdependence continues and many exports from Asian factories still seek a final consumer in the West. Countries like the Philippines and India bank considerable remittances from workers abroad. A prolonged slump in Europe and the US will affect exports, industries and jobs across Asia.

What has buoyed Asian economies has been the China factor but now signs from the Asian giant must be watched. Growth is slowing, even as inflation rises and wage demands spiral. Rapid growth has been a lubricant for social and political frictions in the country, so this is more than an economic question. Unrest involving the Uygur minorities early this month may be a special case. But recent anger over the Wenzhou (温州) train crash shows a restive public sentiment. Since the turning point of the worker suicides at Foxconn and labour strikes across the country in mid-2010, labour costs and fewer jobs have also been a spectre.

China's domestic issues matter more today than ever before. If Beijing cannot maintain economic growth and political stability, then, bereft of the economic engines of the West, the impacts will be outsized across the region and for many multinationals.

Yet even if China is stable internally, its external influence is not always benevolent. Tensions have risen with other Asians over issues like the South China Sea, the Diaoyu/Senkaku islands and Korean Peninsula. Thus, even as some are concerned about an unstable Chinese economy, others fear an assertive Middle Kingdom attitude, especially if the US is sidelined.

In a messy world, Asians are not inured.

Many hope the West is going through only temporary disruptions, and that its economies will soon recover. Few are prepared, if the West is in sharp decline, for a global economic downturn and more political ruptures.

If governments cannot keep inflation down, problems can flare easily not only in the streets of Beijing, but also in Jakarta or Kuala Lumpur. If they give in to populist gestures and do not discipline subsidies and stimulus spending, macroeconomic conditions can change quickly in a world of financial turmoil.

Asia's elites and ordinary people must be prepared to co-operate and make sacrifices

If protests break out in Asian cities, governments' use of force may be tougher than some think legitimate, as seen in the crackdown on a demonstration calling for electoral reform in Malaysia. Protests may be exploited by rival elite groups, in attempts to unsettle each other, as seen in Bangkok. Violence and casualties can therefore spiral, as easily as we have seen across Britain – if not worse.

Social cohesion and political compromise will be the key factors to avoid such scenarios. For some countries, religion or nationalist institutions can provide such cohesion. Asia's elites as well as ordinary citizens must be prepared to co-operate and, indeed, make sacrifices. Such elements are not alien to Asia.

In times of downturn, workers in Singapore and elsewhere were not summarily laid off but instead co-operated with companies by staying at home until economic conditions improved. In the Asian financial crisis of 1997, many Thais followed the example set by monks to make donations of gold to the Bank of Thailand. Now, again, many will look to Thailand under new Prime Minister Yingluck Shinawatra to see whether promises of a minimum wage and infrastructure spending can be paired with some political accommodation.

Where finances allow, Asians should construct policies to provide better wages, and safety nets of basic welfare and health care. Regionally, economies should open up more to one another. This is not only for the benefit of free trade and investment; it can help Asians collectively deal better with global shocks than any one can do alone. If the world will get messier, Asia cannot presume its continuing rise. There are things that can and should be done, now in these relatively good times, to prepare for potentially worse days ahead.

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Out in force

Kay McArdle and Lisa Moore say the labour of Asia-Pacific's women is a resource that should be more fully tapped for our sustainable growth

On her recent visit to Hong Kong, US Secretary of State Hillary Rodham Clinton made an impassioned speech which underscored the importance of women in future global economic growth. With the backdrop of the US debt ceiling crisis and economic gloom in many other parts of the world, she called for greater openness, transparency, freedom and fairness among developed and developing nations as essential drivers for inclusive sustainable growth, and highlighted the importance of gender equality and equal access to opportunities for women for future global prosperity.

In making the case for gender parity, the numbers speak for themselves: according to the UN's Social and Economic Survey of Asia and the Pacific, Asia loses as much as between US$42 billion and US$47 billion annually as a direct result of women's lack of access to employment opportunities. In addition, Asia is losing US$16 billion to US$30 billion annually as a result of gender gaps in education.

Although Asia is increasingly leading the global economy, the recovery of Asia's labour market after the recent global economic and financial crisis has not kept pace. In some developing countries, job growth is back but the quality of jobs being created is a major concern. In particular, 45 per cent of the vast productive potential of Asia's women remains untapped, compared to just 19 per cent for its men.

In its 2010 Asia-Pacific Human Development Report, the UN Development Programme put an even higher figure – US$89 billion every year – on losses in Asia attributable to women's lack of participation in the workforce. In terms of regional differences, research going back to 1960 suggests that a combination of gender gaps in education and employment accounted for a significant difference in per capita growth rates between South Asia and East Asia. Since 1960, East Asia has made long leaps in life expectancy and education for women, while pulling a record number of them into the workplace – as a result, East Asia has been one of the fastest-growing regions in the world.

So how do we stem these losses and ensure that women can achieve their full potential? Clinton's answer was a call for leadership inspired by co-operation. The Asia-Pacific Economic Co-operation forum will host a three-day conference on Women in the Economy next month to discuss and draft key policy recommendations to promote women's economic participation in the region.

Gender equality must also be prioritised and embraced at a local level. While Hong Kong is among the most prosperous cities in the Asia-Pacific region and lauded for its open and transparent approach to trade, imbalances in women's economic participation persist across Hong Kong society. Our government and the private sector need to redouble their efforts to create and engage in innovative, inclusive strategies and policies that eschew direct or indirect barriers to any citizen, male or female, from fully fledged participation in the economy.

We have reached a point in history where we have the opportunity to take a different path – to pursue a new strategy for jobs and growth. Doing so can only serve to enhance Hong Kong's future.

Kay McArdle is board chair and Lisa Moore is research associate at The Women's Foundation. This article is part of a monthly series on women and gender issues, developed in collaboration with The Women's Foundation

Abode claim unfairly puts Hongkongers in a bad light

Lau Nai-keung says foreign helpers' demand for the right to stay is unreasonable

Victoria Park in Causeway Bay is one of my favourite places to take a stroll. On Sundays, the whole park is full of Indonesian migrant workers.

In the evening, after they have returned home, the park is full of rubbish. Yet, through the years, no one has complained.

A similar situation occurs in Central, where the perimeters of all A-grade office buildings are taken up by Filipino workers.

Instead of driving them away, we cordon off a section of one thoroughfare for pedestrians, just to accommodate them. Again, no one complains.

Why does no one make a fuss? Has it to do with the principle of human rights? No, we just feel like doing it, perhaps out of old-fashioned Chinese hospitality. These people come to the city from afar to help us, and we are happy to provide a convenient spot for them to meet their friends and relatives on their day off.

This is the Chinese way of doing things. If some of these migrant workers have a good reason for wishing to stay, we are happy to accommodate – again, out of common decency, not because of human rights.

But now, out of the blue, some of these migrant workers claim they have a right to permanent residency status, and that right has been denied.

This has infuriated a lot of people in Hong Kong because their claim puts us in a very bad light. We are viewed as bad guys who discriminate against these poor souls. How mean and wicked. This is too much for most of us to stomach.

Let's face it, foreign domestic helpers come to Hong Kong in the full knowledge that they will not become permanent residents, no matter how long they work here. If they do not like this, they can refuse to sign their employment contract or leave when it expires.

It is unreasonable to blame the other side; we have become the victims and feel we are being mistreated.

Ideally, everybody should have the right to travel anywhere and live anywhere. In practice, however, every country has an immigration policy with particular restrictions. This is simply how the world is governed and there is no discrimination involved, racial or otherwise.

Claiming right of abode in Hong Kong on human rights grounds is, therefore, somewhat far-fetched.

As I have said in a previous article, if there is discrimination, it seems to be targeted at mainland Chinese.

For one thing, mainlanders are not even entitled to apply to work here as domestic helpers. Talking about fairness and non-discrimination, the Chinese have this saying: put yourself in my shoes and tell me how you feel.

For the Chinese, legality is no more than common sense and natural justice is always the most important justice. For the case of the right of abode, as employers and as citizens of Hong Kong, we feel strongly that we don't owe migrant workers anything.

We have never treated them unfairly and never discriminated against them and will deny any such accusation. We are not the bad guys.

So don't give us this human rights defence. No matter how the court rules, this will not be acceptable to the general public here.

It is a matter of principle, and the ultimate number of migrant workers taking advantage of this loophole, which curiously has now become the focal point of public debate, is beside the point.

If there are no common ethics within the community and there is no mutual respect and trust, we will become like in the United States and have to rely heavily on litigation to resolve our daily conflicts.

This is not very effective, and not the Chinese way, which relies more on common sense, empathy and inclusiveness.

We will have to place more trust in our officials and let them exercise their discretion in their decision-making, especially in handling case work.

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The tragedy of India's unwanted daughters

Rakesh Mani says legislation and radical measures must be considered as sex ratio dips to 60-year low

Ernest Hemingway's collection of stories, *Men without Women*, examines tense gender relationships. In a particularly poignant story, a young man convinces his partner to have an abortion, viewing their unborn child as a hindrance. Frustrated, the woman gives in.

That story, published more than 80 years ago, remains relevant today in India, where female fetuses face severe risks. According to the 2011 census, the sex ratio of the country's children has dipped from 927 females per 1,000 males to 914, a 60-year low.

Despite being illegal, ultrasound sex-determination tests are being used across India to identify for abortion extraordinary numbers of healthy female fetuses. There are serious concerns about legal operations, too. Genitoplasty – a sex-change operation on newborn girls – is a mushrooming, and deeply disturbing, business.

There's only one word for it: gendercide.

Indian couples have a strong cultural preference, bordering on obsession, for sons over daughters. Education and wealth have nothing to do with it; the real culprit might be Indian culture and tradition itself.

The expenses and pressure of the dowry system, and the fact that, in most joint families, only sons inherit property and wealth contribute, to this favouritism. Perhaps just as important is that sons typically live with their parents even after they are married, and assume responsibility for parents in their old age. Daughters are viewed as *amanat* – someone else's property. In short, sons represent income and daughters an expense.

Niall Ferguson, the British historian, cites scholars who attribute Japan's imperial expansion after 1914 to a male youth bulge, and who link the rise of Islamist extremism to an Islamic youth bulge. "Maybe the coming generation of Asian men without women will find harmless outlets for their inevitable frustrations, like team sports or video games. But I doubt it," he writes.

Unfortunately, there is no instant solution. Saving our girls will require radically altering some of Indian society's family arrangements, traditions and attitudes. Legislation alone won't help, for tradition is a law unto itself.

Nonetheless, India does need new laws – direct and enforceable – that clamp down on the cultural practices that underpin destructive traditions. A more radical measure would be direct intervention, with the state providing benefits for families with more girls.

India imagines herself as a woman – *Bharat Mata*, or Mother India. The irony is that, unless far-reaching changes are made soon, Mother India could eventually be the only woman left in the country.

Rakesh Mani is a former investment banker and Teach for India fellow. Copyright: Project Syndicate

Let's not lose our head over this English mob

Jonathan Power says history shows recent riots were not as out of control as some seemed to think

There we go again. Riots and mayhem in London. The mob takes to the streets, breaks and burns and then retreats. The press magnify it. Our discernment wanes. Perspective is non-existent. A poll says that a large majority of the gentlemanly British with their deep attachment to law, due process and human rights think live bullets should have been used against the rioters.

Are we mentally back in the times of the Peterloo Massacre when in 1819 the cavalry with drawn swords charged on demonstrators demanding reform in parliamentary representation? Judging from the outcry, one may be excused if for a moment one thinks so. The press overdid it. But, certainly, for 24 hours the mob had seemed out of control and the police inept. But it wasn't as socially polarising as the Notting Hill riots of 1958, or the Brixton riots of 1981 and 1985. Most of the mayhem was pretty low-level. Compared with the Los Angeles riots of 1992, when 53 people died, it was small beer.

We should go back to the 18th century to gain some perspective. London was a teeming rabbit warren of a city – narrow streets replete with filthy, smelling tenements with whole families in a single room. For want of elbow room, people poured onto the overcrowded streets to socialise, to drink, to rob and sometimes to protest.

The "mob" could coalesce in a minute over some slight or a wrong. Rioting was a regular event. Much of the time, there was a remarkable degree of toleration of public disorder by the authorities.

In the 1770s, the propensity to take to the streets began to decline. But when riots did happen, they came with a bang – as with the Gordon Riots of 1780. It began peacefully with a march by Protestants on the House of Commons to present their petition against the Catholic Relief Act. Stirred up by an incendiary speech by Lord George Gordon, Catholic chapels were attacked. Many liberal observers blamed the severe economic climate for the riots. The rioters shook the city to its core. The army was called in and 285 people were shot dead.

Riots may have been less frequent but those that did occur became more violent. The police became tougher. As a result, radical reformist leaders turned their energies to the voluntary society and public meetings. The workers started to form incipient trade unions. Policing was gradually professionalised. A new fabric of social stability was woven. By the end of the century, the age of the mob was over.

Is rioting in the British blood? Not at all. As rioting in the 18th century was diminished, so can that of the present day be. Some stick, some carrot – and a better perspective, especially by the press.

Jonathan Power is a London-based journalist