

### Post-Socialist India: A Ten Year Report

A special survey published in the June 2, 2001 issue of *The Economist* assessed India's economy ten years after it launched major economic reforms, including lowering trade barriers, devaluing the rupee, and abolishing industrial licensing, which dictated to businesses just how much of a particular product they could manufacture. The conclusion was "On most measures, the reform was a triumphant success." Economic growth during the 1990s made India one of the world's fastest-growing economies. Foreign investment increased from "next to nothing" to over \$2 billion per annum. India's share of world exports rose from 0.4 percent in 1980 to 0.7 percent in 2000. India now has accumulated \$40 billion in foreign exchange reserves, after nearly defaulting in 1991 on its external debt. Furthermore, price inflation has declined from 14 percent in 1991 to 4 percent in 2000.

Yet, in spite of these successes, *The Economist* survey concluded that serious problems threaten the future of India's economic growth: "There are grounds for questioning India's international competitiveness, the integrity of its institutions, the quality of its infrastructure and its zeal for further reform."

Source: *The Economist*, June 2, 2001, pp. 3-7.

Jana Eaton, of Unionville High School in Kennett Square, Pennsylvania, contributed the above factoid.

### China and the Global Economy

China's international trade has more than quadrupled between 1989 and 2000, rising from \$112 billion to \$474 billion. China is second to the United States as the world's leading recipient of foreign direct investment. Between 1996 and 1999 China accrued \$126 billion in FDI, more than six times that of Japan.

Source: *Foreign Affairs*, July/August 2001, p. 29.

### Brunei: The Ups and Downs of Oil

- Petroleum products account for about 90 percent of Brunei's exports.
- Since oil was first struck off the coast of the sultanate more than 70 years ago, Royal Dutch/Shell and Brunei's absolute monarchy have been pumping up to 350,000 barrels a day.
- The government's Economic Council recently announced that petroleum reserves will run out by 2050.
- Brunei allegedly lacks an entrepreneurial class. Approximately 75 percent of Brunei's workforce have jobs provided by the government and funded by oil.
- There is already an economic downturn as the probable decline of the oil industry is causing rising unemployment.

Source: *The New Republic*, May 21, 2001, pp. 17-18.

### A Capsule Biography of Gloria Macapagal-Arroyo, New President of the Philippines

- Macapagal-Arroyo is 54 and was a classmate of Bill Clinton during her two years at Georgetown University.
- Her father, Diosdado Macapagal, was President of the Philippines.
- She holds a doctorate from the University of the Philippines and was also a lecturer at UP.
- Her past government posts include under-secretary of trade and industry, senator, vice-president and secretary of social welfare.
- Her priority is to "win the battle against poverty in the next ten years."
- She has a reputation as a persuasive, non-nonsense pragmatist. Macapagal-Arroyo cites Margaret Thatcher, Golda Meir, and Queen Elizabeth I as heroines because of their strength.

Source: *Far Eastern Economic Review*, June 14, 2001, pps. 18-21.

### The Sociology of Karaoke

In his chapter, "A Karaoke Perspective on International Relations" in *Japan Pop!: Inside the World of Japanese Pop Culture*, author Hiro Shimatachi makes the following points:

- Although karaoke has become part of global popular culture, it is more popular in Asia than the West.
- For Asians, karaoke is an electric geisha—an invention that serves a socializing role traditionally performed by a hostess, who would employ entertainment skills to draw out guests and promote camaraderie.
- Westerners, by contrast, see karaoke as a talent contest rather than as an opportunity to foster communications.
- Differing conceptualizations of karaoke illustrate different cultural approaches to parties: people entertain themselves at Western parties by conversation or dancing, while at Japanese parties, there are often activities such as singing that allow guests to display hidden talents.

Source: *Japan Pop!: Inside the World of Japanese Popular Culture*. Timothy J. Craig, ed. Armonk, New York: East Gate, 2000.

### Japanese Teens Keep in Touch

A survey on "Youth and Mobile Telephones," conducted by the Japanese Management and Coordination Agency in December, 2000, found that 60 percent of Japan's second-year high school students own their own *keitai*, or mobile phones. *Keitai* ownership is probably more than just a passing fad. Students value them because they are an innovative means of communicating privately with friends, with-

out having their conversations overheard by their parents, as is often the case when using the home phone. It is now possible to send brief e-mail messages using the *keitai*, as current models sport this feature. Many young users have also become adept at substituting *chakumero*, or ringer melodies, to supplant the commonplace ringing tone. These tunes are readily available on Internet Web sites and can be downloaded or installed by following the directions in readily available *chakumero* guidebooks. As in the United States, *keitai* etiquette has become a real issue, particularly regarding loud conversations on crowded trains.

Source: *The Japan Forum Newsletter*, No. 21, June 2001, p. 4. Contributed by Jana Eaton.

### The Economics of Tiger Hunting

The destruction of Asia's tiger population is a major environmental problem. While many Asian countries, including Cambodia, are taking impressive steps to combat tiger hunting, the economic incentives are strong for this practice to continue.

- A Cambodian tiger hunter pays villagers \$50.00 if they can lead him to tracks.
- Each tiger he kills brings the hunter \$1,500-\$2,500.
- A skin can be sold for \$900, a canine tooth goes for \$125, and a claw, \$10.00.
- The most lucrative parts of the tiger are the bones, which sell for \$400 a kilogram. They are used to combat rheumatism, and customers for this alleged cure are wealthy old people in Korea, Taiwan, and Japan.

Source: *Far Eastern Economic Review*, June 21, 2001, pp. 74-76.

### More Dire Japanese Economic Statistics

- In 1999 Japan came in third to last in the OECD's table of industrial nations' growth, ahead of Turkey and the Czech Republic.
- The Japanese Foreign Ministry estimates that for the 2001 financial year ending last March, central and local government debt will have exceeded 140 percent of GDP.
- Sixty-five percent of government revenue is required just to service debt.
- Japanese households possess the world's biggest pool of unused capital, the equivalent of \$13.7 trillion. Most of the money is deposited in very low yielding (average 0.8 percent interest) local postal savings accounts.

Source: *The American Enterprise*, July/August 2001, p. 49.

**Editor's Note:** *EAA* readers are invited to send material for this column. Please include a source for your "Factoid."