

International Business News

Thai MPs approve \$22b stimulus loan

AFP, Bangkok

Thai MPs approved two government bills to borrow 22 billion dollars for an economic stimulus package, despite a walkout by angry opposition legislators, premier Abhisit Vejjajiva said Wednesday.

The opposition, many of whom are loyal to ousted former prime minister Thaksin Shinawatra, refused to take part in the vote for the second of the bills after one of their members was ejected for using "improper" language.

The government has said that the 800-billion-baht loan, mainly from local money markets, will fund stimulus measures worth 1.4 trillion baht over the next three years as Thailand grapples with recession.

The lower house Tuesday overwhelmingly passed the first 400-billion-baht tranche of the money, while the second tranche was adopted early Wednesday after the opposition boycotted the session.

"They wanted to show their opposition... but I hope that the opposition will not do that today in the budget debate," Abhisit told reporters.

The Oxford-educated prime minister's shaky ruling coalition, led by his Democrat Party, began presenting its budget to parliament later Wednesday.

The opposition has said the bills for the stimulus package lack details, but Abhisit countered that they must explain to the public why they had boycotted the vote.

Japan economy has hit bottom: Minister

AFP, Tokyo

Japan's economy hit bottom in the January-March quarter, Finance Minister Kaoru Yosano said Wednesday, as the central bank also slightly upgraded its views on the economy.

"We can firmly presume that the economy hit the bottom," Yosano told reporters, after the government upgraded its monthly economic assessment saying there were signs of recovery.

"But there are things that Japan alone cannot control. Naturally downside risks exist, depending on the trend of the world economy," Yosano said, adding that the first quarter was "clearly the bottom."

His comment came as the Cabinet Office lifted its assessment for the second straight month in June, saying the economy was expected to pick up soon as exports and industrial production improve.

"While the economy is in a difficult situation, signs of a pickup are seen in some areas," the report said in its Japanese-language edition.

Many private economists have already said the world's number two economy had probably hit the bottom and was slowly climbing out of its worst recession since World War II.

ASIAN ECONOMIES

Growth fuels climate change

AFP, Manila

Asia's rapid economic growth in recent years has contributed significantly to climate change and environmental pollution, the head of the Asian Development Bank (ADB) warned on Tuesday.

In response to this, "it is imperative that we escalate our efforts to put the region on a path of low-carbon growth," bank president Haruhiko Kuroda told an ADB forum on climate change.

"Rapid development has lifted hundreds of millions of people out of poverty while bringing the region as a whole to higher living standards. Along with this economic expansion, however, has been a rise in environmental pollution including greenhouse gas emissions," he said.

He said the developing countries of Asia now account for one-third of global emissions brought about by energy consumption, deforestation and land use.

"Unless measures are taken now, Asia's share of global greenhouse gas emissions could increase to more than 40 percent by 2030," he said.

The ADB was trying to address this and had provided almost 1.7 billion dollars for "projects with clean energy components," including wind power projects in China and India, he said.

Asian countries are also seeking ways to stimulate growth without hurting the environment, "including development of renewable energy and other environmentally sustainable technologies," he said.

Speaking at the same conference, Eric Hall, a spokesman for the UN's Framework Convention on Climate Change (UNFCCC) said there were "encouraging signals," that a historic pact on climate change would emerge on schedule in Copenhagen in December.

He said many developing countries had already made their own plans to cut emissions but that developing countries will want an equal voice with the wealthier nations on how the climate change can be mitigated without hurting their economic growth.

"We still have quite a way to go," Hall told reporters.

Meanwhile a group of protesters from environmental group Greenpeace picketed the forum.

They charged that the ADB was not really fighting climate change because it was still funding projects that use fossil fuels.



Rajendra Pachauri, chairman of the Intergovernmental Panel on Climate Change, gestures at a press briefing at the Asian Development Bank (ADB) headquarters in Manila yesterday. Pachauri said Asia-Pacific nations should be ahead of other regions in alleviating climate change because they could suffer the worst effects if sea levels rose because of the condition.

ADB to double clean energy investment by 2013

AFP, Manila

The Asian Development Bank (ADB) will boost its investments in "clean energy" to two billion dollars a year by 2013, doubling its current contribution, the bank's president said Wednesday.

Haruhiko Kuroda said he hoped the target could even be achieved before 2013 and noted the multilateral institution had provided a billion dollars last year.

Speaking on the sidelines of an environment conference at the ADB headquarters in Manila, Kuroda said the two billion dollars was "a fraction of the region's financing needs" to fight climate change and cut greenhouse gases.

But he expressed hope the bank's contribution would have a "catalysing" effect and leverage additional resources from the private sector.

Kuroda warned that many Asia-Pacific countries, particularly in Southeast Asia, would be the most affected if sea levels rose as a result of global warming.

At the same forum, Rajendra Pachauri, chairman of the Intergovernmental Panel on Climate Change, said such a problem meant Asia-Pacific nations should be ahead of other regions in alleviating climate change.

The officials cited the Maldives, Thailand, the Philippines and Malaysia as countries that could suffer seriously.

Also at the forum, Yvo de Boer, the Executive Secretary of UN's Framework Convention on Climate Change (UNFCCC), said in a statement that climate change was threatening the economic growth achieved by Asia in recent decades.

"Climate change impacts will be overwhelmingly severe for Asia. They will exacerbate existing vulnerabilities and they have the potential to throw countries back into the poverty trap," he said.

CAREER

Tough job market drives teens to alternatives

EVE TAHMINCIOGLU msnbc.com

With the economy in the dumps this past year, you'd think the nation's teens would be falling all over themselves to get jobs this summer. Well, that doesn't seem to be the case.

The Bureau of Labor Statistics' most recent data shows a continued decline in the number of teens participating in the job market. In April, 38.1 percent of teens ages 16 to 19 were in the labor force, down from 41 percent in the same month last year.

"Over the year, the number of teens not in the labor force rose from 10,063,000 to 10,575,000," says labor department analyst James Walker.

So is it just lazy teens coddled by their parents who, despite a recession, still won't get off their butts and go out and do an honest day's work?

There may be some of that. But the numbers don't tell the whole story. Some are bypassing paying jobs to volunteer. Others are starting their own businesses. And still others are creating their own work arrangements, such as babysitting for family members.

There seems to be more to life than a minimum-wage job at a mall or resort.

Take Kira Goldsmith, 15, of Ossining, N.Y. She figured there would be many adults desperate for work this summer, so she decided to not even bother applying for a paying job. But that doesn't mean she won't be working.

She'll be volunteering in July at the Farm Sanctuary in Watkins Glen, N.Y., where she'll be cleaning barns and feeding animals. She also has plans to volunteer at an animal shelter and a center for disadvantaged kids.

"I looked in the Penny Saver for jobs, but I thought there are people who needed jobs more than me," she says. "I thought volunteering is more worthwhile than getting paid for something."

Tyler Paaverud, 18, also won't show up in workforce participation numbers.

Paaverud, who lives in Shakopee, Minn., started his own landscaping business last summer called Valley Yard Services because he didn't want



Young people are the most marginal workers in the labour force, the first to be let go and the last to be hired.

to work a minimum wage job like many of his friends. He estimates he now makes about \$22 an hour. He also employs his twin 17-year-old sisters and some of his buddies.

"My sisters and I were in the same boat," he says. "We didn't go out and look for a job because of how much work you have to do only to get a few dollar bills at the end of the day."

It's not surprising that teens are looking to a variety of work alternatives given how they're typically treated by employers, says Harry Holzer, a professor at Georgetown University and former economist for the Department of Labor.

"Young people are the most marginal workers in the labour force, the first to be let go and the last to be hired," he says. "If they think the odds aren't good for getting a job, they may not try. Upper-income kids may think enrichment opportunities, where low-income teens may just get discouraged and not bother at all."

For teens, venturing out to find a job right now may be daunting. The jobless rate among the 16-to-19 crowd jumped to 21.5 percent in April, up from 15.4 percent in April 2008.

Simone Thompson, director of

operations at Covenant House New York, which helps homeless youth gain independence and employment, says it is taking teens four months or so to find jobs right now, where it used to take less than a month. "The kids want to work, but they're having trouble finding work," she says. "Our major issue is they are not getting full-time employment or are seeing their hours cut back."

The difficulties in finding work reach across all income levels. Lindsay Gumma, a 17-year-old from a middle-class family in Barrington Hills, Ill., has been looking for a summer job for months with little luck. She tried a local day care, a smoothie shop, and even a Starbucks, but came up with nothing.

"It's tough now," she says. "One of my friends worked at a chocolate shop, but they closed it down, so she's out of a job. And my boyfriend doesn't have a job and can't find one, and he just graduated."

Gumma told her sister, Tina Brandts, about the difficulty she was having, and Brandts came up with a suggestion.

"I offered her the opportunity to take care of my 9- and 7-year-olds during the summer while I work," she says. "It will save me

\$800 per month by not having to put them in summer camps, and she will earn \$250 per week, which isn't bad pay for sitting at the pool and playing at the park."

The arrangement is working out for all involved.

"It's nice to be with my niece and nephew, and I'm helping my sister," Gumma says.

These types of private arrangements will typically not end up in any job-market statistics.

One thing's for certain: The decline in the number of young people in the job market is not just a function of the recent downturn. The labour force participation rate among teens has been declining since the 1970s. Some economists point to a growing desire among parents to have their children concentrate on school work and enrichment activities instead of a minimum-wage job as a big reason for the decline.

Jeremy Roy, the owner of 11 Great American Cookies franchises and one Pretzelmaker store in Texas, believes this is the reason he doesn't have a large number of high-calibre teens to choose from even during a recession. "Those teens typically come from families that have money that don't allow them to work," he says. "They do

extracurricular or volunteer work."

But keeping teens out of the labour force may not be the best idea.

Jeylan T. Mortimer, a professor of sociology at the University of Minnesota, has followed high school students into their 20s and found that working during the teen years helped kids learn about time management and develop better interpersonal skills. Those who worked ended up with the highest levels of educational attainment.

For teens looking for a traditional job this summer, the competition will be fierce. However, there are some recent hopeful signs, says Shawn Boyer, CEO of SnagAJob.com. In the last two months, he says, jobs postings from employers are up 13 percent on his job site.

Despite a few bright spots, teens will still have to find ways to set themselves apart. "The most important characteristic is not experience, but a positive attitude and flexibility in your schedule," he says.

Teens should make sure everything is grammatically correct when filling out an application and should list all experience, even extracurricular activities or leadership positions held.

Also, don't show up in packs, says cookie franchise owner Roy. He recommends that teens come to fill out an application by themselves, dressed in clean, neat and appropriate attire.

"One thing I require from our applicants is that they have an ink pen," he says. "If they don't have a pen, then they're not prepared."

It's also important, even for teens, to work their contacts. That includes family and friends.

Natalie Geisler, 16, from Bethesda, Md., got a gig this summer as a camp counsellor for a sports day camp called KidBall.

"I got the job because I built up a relationship with them," she says. "My parents know the people that run it, and they got to know me."

Geisler will be working for \$10 an hour, and she's happy to have the cash.

"I like clothing and shoes," she says. "I like it to the point where my parents say, 'If you want it, you have to buy it yourself.'"



Fiat International Financial Marketing Officer Silverio Bonfigliocci and Fiat India CEO Rajeev Kapoor pose with a Fiat Grande Punto car during its launch in New Delhi yesterday. The model is the company's latest offering in the premium hatchback segment for the Indian market priced at 400,000 to 611,000 rupees (\$8,330 to \$12,760)

Singapore key exports fall at slower pace in May: Govt

AFP, Singapore

Singapore said Wednesday the decline in its exports eased in May, raising hopes that demand for goods from the export-dependent economy may have bottomed out.

However, the good news was tempered by the fact that the figures were buoyed by the volatile pharmaceuticals sector, while the island-state's other main exports continued to plummet.

Non-oil domestic exports (NODX) were 12.1 percent lower year on year.

The figure was slower than the 19.2 percent fall recorded in April and the 17.3 percent drop in March, according to the data released by International Enterprise (IE) Singapore, the government's trade promotion body.

It was also better than the 16.6 percent drop expected in a Dow Jones Newswires poll of analysts.

On a seasonally adjusted basis, NODX rose 5.6 percent month on month in May following a 1.4 percent drop in April, IE Singapore said.

Sri Lanka growth slows to 1.5pc in Q1

AFP, Colombo

Economic expansion in war-battered Sri Lanka fell to 1.5 percent during the first quarter of this year, as the global recession hurt exports, official data showed Wednesday.

The slowdown contrasted with 6.2 percent growth in the first quarter of 2008, though hopes of long-term development have risen since the government's defeat of Tamil rebels last month after decades of conflict.

"The global turmoil has directly or indirectly affected the local economy," the head of the government's statistics office Suranjana Vidyaratne said.

The growth rate was the lowest in Sri Lanka since 2003, with the industries sector, which includes key shipments of garments, growing by only 1.9 percent against 6.0 percent in the same period in 2008.

Service industries, which include telecom, banking and shipping, grew by 1.0 percent compared with 6.4 percent in the same quarter last year.