

UNDER THE MACROSCOPE



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**The confounding results of the Thai
referendum**

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How Google changed Rio

Thai referendum: Why Thais backed a military-backed constitution - BBC News

The result of the referendum on Thailand's new constitution has left many observers around the world baffled.

Why would an electorate, denied any say over who governs them since a coup two years ago, vote to approve a charter which offers them only a semi-democracy?

A charter which was condemned by human rights groups and by the two largest political parties as a means to entrench military rule for many years to come?

Unofficial results of the referendum showed more than 61% of those who voted approved the charter.

More than 58% also approved a controversial second proposal to give the now unelected Senate to right to help choose a potentially unelected prime minister. Turnout was low at around 54%.

But it was enough to give the military government, which has been losing popularity because of its erratic performance, a green light to implement its controlled return to a democratic form of governance.

Many factors have been cited for the result. The repressive climate that preceded it is one. All campaigning was banned, and dozens of activists who tried to criticise the constitution were detained and charged.

That meant that very few Thais were exposed to arguments about the charter's flaws and merits: few even saw a copy, and those that did were hardly likely to wade through its 279 articles.

So most voters went to the polling stations with little idea what was in the charter.

They had frequently heard the drafters' argument that it would address political corruption and help reform the country. But it was very difficult to hear an opposing view.

Some people believed in the military's project to restore a guided democracy. Others trusted the generals to do the right thing. But many voters were simply weary of Thailand's endless crisis, and saw this constitution as the only way back to some kind of normality.

The military had not said exactly what would happen if the charter was rejected, but made it clear they would remain in charge.

'Organic laws'

"This is not the standard of democracy we would expect in this day and age", Abhisit Vejjajiva, leader of the second largest party, the Democrats, told the BBC, "but I respect the wishes of the people who voted".

The first task now of the Constitutional Drafting Committee is to draw up ten so-called organic laws, which will govern the new political system.

No one is sure yet what will be in these laws, but the established political parties fear one may require them all to dissolve themselves, and reform, possibly leading to fragmentation into smaller parties.

The new proportional voting system will in any case make it harder for the larger parties to win an overall majority, resulting in weaker coalition administrations.

Once those laws are completed, ideally within eight months, an election can be held as early as the latter part of next year.

After a new government is elected, it will find itself subject to supervision by the 250-seat Senate, which will be appointed by the military and its allies.

It will also be held more tightly to account by other so-called constitutional bodies, like the top courts.

Impeachment of politicians will become easier. And there is every possibility a non-MP may become prime minister, given the likelihood of deadlock in multi-party coalitions; some even see this as a vehicle for the coup-maker General Prayuth to stay in the job as prime minister in the first elected government.

Future governments will also be required to adhere to the military's own 20-year reform plan for the country.

Losers

The military will remain a significant force in Thai politics for many more years.

The obvious loser in this system is the party of ousted Prime Minister Yingluck Shinawatra, Phuea Thai, which, under different names, has won every election since 2001.

The new voting system is likely to cost it 10-20% of the seats it has won in the past, and Ms Yingluck, the party's best vote-winner, has been banned from office for five years by the current military-appointed assembly.

Her brother Thaksin lives in self-imposed exile, after being convicted of abusing his power in 2008.

Even if Phuea Thai, or a reformed version of it, wins a plurality of the votes, the other parties could be organised, perhaps with quiet military involvement, as happened in 2008, into a coalition that denies it a mandate.

Thailand's military rulers have made no secret of their dislike of the Shinawatra clan, and it is hard not to see this constitution as primarily concerned to keep them out of office.

Overshadowing all these developments is the poor health of the ageing King Bhumibol Adulyadej.

This is a taboo topic in Thailand, but everyone here knows they will have to confront a future without the king soon.

During his 70 years on the throne, the king has been elevated to such an exalted status in the Thai hierarchy that he has become the essential source of authority for all power-brokers, the ultimate referee.

His eventual passing, and the accession of a far less popular son, will shake up the network of military officers, senior bureaucrats, tycoons and courtiers who currently wield influence at the top, with unpredictable consequences for Thailand's political stability.

The armed forces pride themselves on being, above anything else, defenders of the monarchy. They will not let go until the difficult succession has been completed.

Singapore now has a record 13,000 doctors, says SMC in its latest annual report

SINGAPORE - The number of doctors here hit a new high of 13,006 in 2015, with the addition of 930 newly registered doctors, the Singapore Medical Council said in its latest annual report published early August.

This brings the doctor to population ratio to 1:444, up from 1:640 a decade ago in 2005.

With a greater need for healthcare professionals as Singapore's population grows and ages, the authorities have been actively recruiting foreigners to fill the gap.

Nearly 20 per cent, or 2,366, of the doctors working here are foreign, with most working in the public sector. Only 201 foreign doctors are in private practice here. These numbers do not include foreigners who have become PR or citizens

The report said that of the 543 new doctors granted provisional registration - these are graduates doing their one year of Housemanship - 249 were from the National University of Singapore, 48 from the DukeNUS Medical School and 246 from foreign universities.

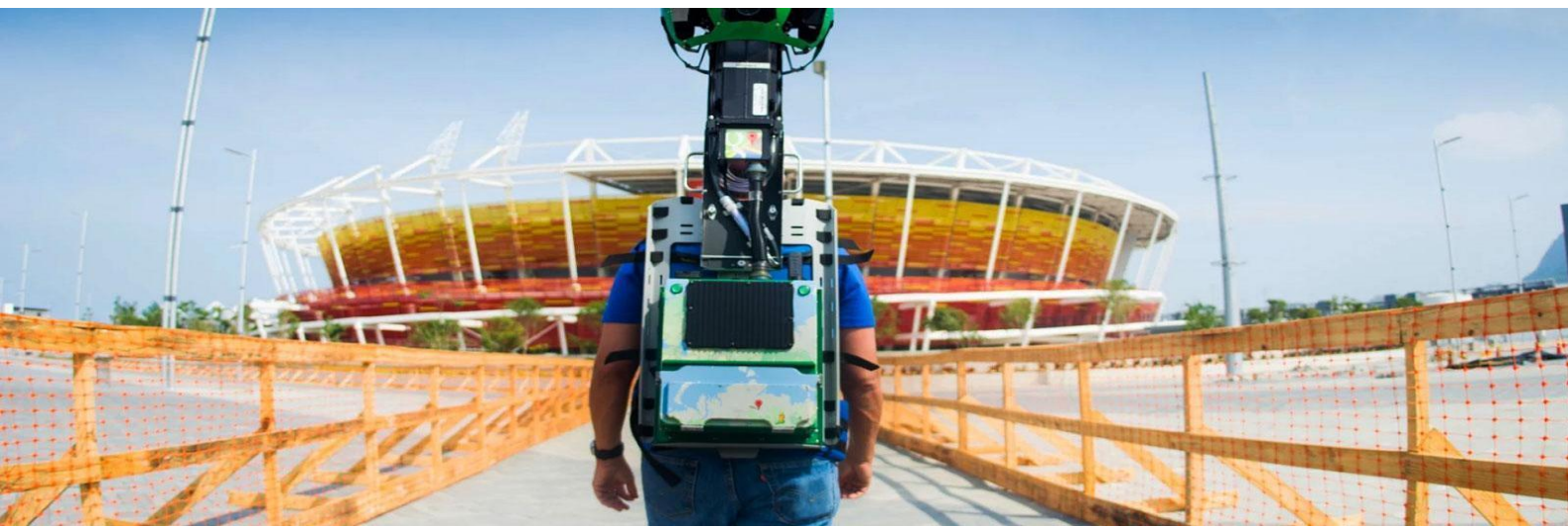
Of the newly registered doctors, 190 were overseas-trained Singaporeans or permanent residents who have returned to practise here. This is more than the 160 who returned in 2014.

The Ministry of Health has been trying to get locals studying medicine overseas to return, with pre-employment grants of up to \$50,000 a year to pay for tuition fees for up to three years. On their return, these students are bonded for three to four years, including the one-year Housemanship training.

There were a total of 4,788 specialists at the end of 2015, accounting for 37 per cent of all doctors. The specialties with the most practitioners are paediatric medicine (356), diagnostic

radiology (320) and obstetrics and gynaecology (316).

The SMC received 141 complaints against 161 doctors in 2015. The report said this was a six-year low. While it is significantly lower than the 213 complaints received in 2014, it is only slightly fewer than the 172 complaints lodged in 2013.



How Google changed Rio

Eight years ago, when Rio submitted its bid to host the 2016 summer Olympic Games, Christiano Bento was a 27-year-old drug dealer in a Rio *favela*, or slum, called Chapéu Mangueira making about 15,000 reals a month, roughly 20 times the national average. He sold mostly synthetic drugs, like ecstasy and methamphetamine, and had risen high enough in the favela hierarchy, since starting at age 17, that he could refer to himself as a drug lord.

Did you know?

Brazil, which imported 40% of all the slaves bought to the Americas, was the last nation in the western hemisphere to abolish slavery, in 1888.

In the mid-19th Century, favelas were founded in the hills surrounding Rio to house the recently freed slaves that no other neighbourhood would have. Since the beginning, the government and police had taken a violently adversarial approach to them, a holdover from the standard, rights-free treatment of slaves that has persisted as both a racial and a class problem in Brazil. Stories of police brutality and extrajudicial executions were common, and the *favelados* had long since relied on drug bosses to maintain a version of law and order.

That all started to change in 2008, when Eduardo Paes was elected mayor and introduced a system he called “pacification”, or community policing. After working to oust drug bosses,

police set up outposts in the favelas, creating a permanent presence that emphasized not only law enforcement but also community engagement. It started to work, giving people like Bento a future beyond the drug trade.

Today, more than one in five of Rio's 6.5 million people live in favelas, but to those outside, these neighbourhoods have essentially been terra incognita – blank spaces on the map due to perceived danger and general lack of interest. However, as the Olympics approached, starting in 2014, Google partnered with Rio-based arts and aid organization AfroReggae and turned to 100 locals – including Bento – to chart 26 favelas, in a project called *Tà no Mapa* (In the Map). While some favelas remain unstable, the ones chosen were deemed safe for tourists and fellow *cariocas*.

Forgoing its usual Street View cars, Google trained the favelados on its user-based mapping app called Map Maker, equipped them with smartphones and paid them minimum wage. The mappers, using their local knowledge in addition to interviewing business owners, added more than 3,000 points of interest.

“At the first stage, it is mapping the streets,” Bento said. “We were mapping anything that could be a point of interest: schools, banks, churches, day cares for kids, public spaces like parks, soccer fields, skate ramps...”

In the beginning, many locals were hesitant to have their businesses mapped. However, once the mappers began to explain in detail what the project was all about, the noes turned into yeses – and the yeses often turned into real enthusiasm.

“Everyone was looking and asking each other how they felt about being on the map,” Bento said. “They were excited about the mapping process. They followed the mappers into the community, since it was local people who were doing the job.”

Soon, people from other parts of Rio started coming to the favelas, as these places had suddenly popped up on their phones for the first time. Bento offers an example of Padaria Vitoriosa (Ladeira Ari Barroso - Leme), a bakery that many had no idea existed. “They were going to the city to get their cakes, but now they’re getting them inside the favela,” he said.

Many mapped points of interest – including shops, bars, restaurants and hotels – saw a boost in business from Rio’s annual Carnival, and locals expect to see similar success during the Olympic Games, for which the city is expecting half a million visitors. Bar do David in Chapéu Mangueira (Ladeira Ari Barroso 66 loja 03), for example, has already received press from the New York Times and Time Out for its traditional favela dishes, and is being touted as an example for other favela businesses that could benefit from the Olympic surge.

But for Bento, the mapping was personal. After years of dealing drugs, he’s now mapping scores of places within the favelas, helping to unite a city with strong geographically-based race and class divisions. He also works with AfroReggae to help favelados find work, particularly people just out of prison. Founded in 1993, the community organization offers training in computer programming and documentary film-making, and produces a circus-inspired show to teach youths about health.

Through his efforts with Google and AfroReggae, Bento now earns about 880 reals a month, Brazil’s minimum wage, but does not look back.

“I am super happy,” he said, in spite of the drastic pay cut. “I feel I’m free to walk the city.”



Is Airbnb making it impossible to find a house?

For almost three years, I periodically rented out my Amsterdam home to groups of tourists, from families celebrating a 60th birthday to a French champion pole dancer and seven of his friends.

My daughters found it frustrating to move out every time but as a freelancer, there were few side gigs that pulled in as much money – in as little time – as being an Airbnb host.

My city was all for peer-to-peer renting, but realised the need for rules and regulations to keep neighbourhoods safe and hotels in business. Back in 2014, Amsterdam was at the forefront of cities setting rules for hosts: we could rent out our homes for only 60 days per year and to no more than four people.

Today, more and more cities are cracking down on people who rent their homes to visitors. In many popular tourist cities, a lack of supply has been driving up rental prices for years. But more recently, many are blaming home sharing platforms for making it harder to find places to rent. Cities like Reykjavik and Berlin are trying everything from imposing hosting rules and regulations to near bans. It's not just Airbnb – rivals HomeAway, Tripping, OneFineStay and FlipKey are also creating waves.

Reykjavik resident Nicholas Herring was given three months to find a new apartment after his landlord decided to convert the property to an Airbnb rental.

Although three months seemed like ample time for the Texas native to find somewhere new to live, the housing shortage in Reykjavik during summer's tourist season made finding a dwelling nigh on impossible. Hardly any publicly listed apartments met Herring's needs, and in the end, he found somewhere through a business colleague. Still, Herring understands the allure of home sharing sites. "If landlords need money, they will turn to Airbnb," he says. "They can make in two days on Airbnb what I paid in a month."

In Amsterdam, authorities are researching if Airbnb and other companies are driving up rents – officials say there are too many factors to blame rising prices on home-sharing sites for now.

"What started out as a nice home-sharing platform became a way for people to make money," says Amsterdam city spokesman Sebastiaan Meijer. "Certain streets and neighbourhoods now have more tourists than residents. Our interest is to protect the city against illegal hotel owners who sell out the streets."

In Amsterdam, cracking down on 'rule breakers' has become the name of the game. Authorities have poured 2 million euro (\$2.2m) into finding them, including setting up a dedicated team scouring websites for illegal operators and shutting down two illegal hotels a week, says Meijer.

In Berlin, since May it has been illegal to rent out entire homes for short stays on home sharing sites. Hosts found breaking the new rules risk fines of up to 100,000 euro.

Iceland's parliament passed a law limiting short-term rentals to 90 days per year, hosts must register their properties. Those who rent out their homes for longer have to register as a business.

"We recognise the need for platforms like Airbnb to play a bigger role in helping cities prevent the loss of affordable rental stock and will keep partnering with cities on progressive solutions," says Airbnb's spokesperson Simon Letouze.

“We take their housing issues seriously – we also know they [these issues] pre-date Airbnb and many hosts rely on sharing their homes to afford living in Berlin.”

“Hosts aren’t removing homes from the market.”

Even with new laws and regulations, there’s a reason more and more people are renting out homes for short stays – it can be a big earner.

Michael Froemmter says being a host in Berlin changed his life. Three and a half years ago, unemployed but with 6,000 euro in funding from his family, he set himself up as a host and expects a 110,000 euro turnover this year. All four of his apartments are commercially registered so Berlin’s new law won’t affect him.

“It is up to the host whether he or she is able to adapt to the changed circumstances or to anticipate certain developments,” says Froemmter, who has little sympathy for those who have failed to stay abreast of the rules or pay mandatory taxes.

Similarly confident is Thorsteinn Finnbogason. By day, the 26-year-old is the marketing manager of a bait company in Reykjavik, Iceland. But he also co-owns 10 downtown properties with his family that he rents out on Airbnb. Because the family formed a company, they’re not beholden to the new 90-day renting limit that applies to private individuals. “We are trying to be a tourist nation so we need Airbnb to manage all these tourists,” says Finnbogason.

Tourism is booming in Iceland – a 29% increase in the number of foreign visitors from 2014 to 2015 is helping drive the country’s recovery from the 2008 banking collapse. Currently there are not enough hotels to cope, and all sides admit home stay sites have helped fill the gap. But since Reykjavik has a population of only 122,460, critics say these short-term rentals have created a housing shortage for residents. This is a charge Finnbogason says is overblown. “Most Airbnbs in Reykjavik, like mine, are businesses,” he says. “But I am still a host: I provide a home experience unlike a hotel.”

While cities like Berlin, Reykjavik and Paris are trying to work with home stay sites, in the US, namely New York and San Francisco, the relationship is more strained. In June, the New York

Senate banned the listing of short-term rentals in the city on Airbnb. The same month, Airbnb filed a lawsuit against San Francisco after the city passed a law forcing the firm to remove all listings that haven't been registered with authorities or face steep fines.

New York University professor Arun Sundararajan, author of the new book *The Sharing Economy: The End of Employment and the Rise of Crowd-Based Capitalism*, says "cities are used to governments setting and enforcing the rules, which makes sense with a few thousand hotels and B&Bs." But with "tens of thousands of Airbnb hosts, we must consider the possibility that the platform becomes a partner in resolutions, part of the solution."

Airbnb describes its hosts as ordinary, global-minded citizens who share their spaces to help pay the mortgage or save for retirement. For many people who use home sharing sites, the appeal of extra income is just too strong to dismiss.

I continued to rent out my house to eight people until I sold it, despite having misgivings every time I cycled past and saw eight tourist bikes parked outside it.

Already the world's largest provider of short-term accommodation, there are predictions that its hosts could be taking in half a billion nightly bookings a year by 2020. Sundararajan says part of its magic allure has to do with the intimacy and connection that just doesn't exist between hotels and their guests.

And in the end, that's what it may come down to. When booking a trip to Iceland recently for my family, I went straight to Airbnb. I didn't think about displacing Reykjavik residents. Or even if our host was on the right side of the rules. We wanted to be together. In a home. And that – for Airbnb, for hosts, for cities and for travellers looking for a bargain – is big business.

Ukraine crisis: What's going on in Crimea? - BBC News

Tensions between Ukraine and Russia have escalated again, more than two years after Russia's annexation of Crimea.

Russia has accused Ukraine of trying to stage armed incursions in the southern

peninsula, but Ukraine denies that and says Russia has massed tens of thousands of soldiers there.



In eastern Ukraine, sporadic clashes continue in parts of Donetsk and Luhansk, where pro-Russian rebels face Ukrainian government troops.

What sparked the latest crisis?

Russia says that a group of Ukrainian saboteurs entered Crimea on 7 August with the aim of carrying out "acts of terrorism" ahead of parliamentary elections next month. Two Russians - a soldier and a federal security agent - were killed in two nights of clashes and explosives recovered, the foreign ministry says.

Ukraine's president says the claims are preposterous. There have been credible reports of gunfire at the border on one night, although one Kiev official blamed the incident on drunken Russian forces.

Russian state TV has produced video of a former volunteer fighter named Yevhen Panov apparently confessing to the sabotage. In the video he was handcuffed and had a recent cut above his right eye. His family say he was abducted.

Ukrainian officials believe that Russia is creating a pretext for something far more serious.

Could they be on the brink of war?

It seems unlikely, however the signs are worrying.

There are fears, especially in Ukraine, that Russia has built up its forces in Crimea for an August offensive, while the West's eyes are turned towards the Rio Olympics. It happened before, during the Beijing Games of 2008, when Russian troops entered Georgia.

Russia is holding big military exercises in Crimea this month and said on Friday that it had deployed S-400 air defence missiles there.

Ukraine has responded by raising its alert to red on the de facto border with Crimea, as well as near the front line in the east, where there is a fragile ceasefire between Ukrainian forces and the rebels.

Could Russia benefit from renewed conflict?

Some analysts believe President Vladimir Putin is looking to create a military diversion from Russia's faltering economy and imminent parliamentary elections, even though the main opposition forces are barred from contesting them.

Perhaps Russia is planning to seize a land corridor via Mariupol, it has been argued. A 19km (12-mile) bridge from southern Russia to Crimea, being built across the Kerch Strait, is at least two years from completion and the peninsula relies on Ukraine for its power supply.

Few expect such a dramatic escalation, however. Others suggest Mr Putin's main aim was to tear up the fragile Minsk agreement that keeps the tentative truce in eastern Ukraine from falling apart.

Already, Mr Putin has written off a key meeting on the Minsk deal planned for next month in Beijing with Ukraine's President Petro Poroshenko and the leaders of France and Germany - the so-called "Normandy format" talks.

And what about Ukraine?

On 24 August Ukrainians celebrate their 25th year of independence.

Russia argues that the Kiev government is trying to divert attention from Ukraine's very real economic and political problems by stirring up unrest in Crimea.

Russia seized the peninsula from Ukraine after pro-Russian President Viktor Yanukovich was deposed in Kiev in February 2014, and the loss of Crimea is a deep wound for Ukrainians.

Ukrainians, on the other hand, argue that Russia is trying to ruin the 25th anniversary party.

So why did Russia annex Crimea in the first place?

Ostensibly, President Putin took control of the Ukrainian peninsula to protect ethnic Russians from the far-right extremists whom Russia said had overthrown President Yanukovich. Even now he sees Ukraine's leaders as illegitimate, referring to them as "the people who seized power in Kiev".

In a 2015 documentary he said he took the decision on 23 February, at the end of an overnight emergency meeting, hours after the Ukrainian leader had fled Kiev.

"We finished about seven in the morning," he said. "When we were parting, I told all my colleagues, 'We are forced to begin the work to bring Crimea back into Russia'."

But Russia did not at first admit its involvement. "Little green men" in unmarked uniforms

suddenly appeared and took control and then a disputed local referendum sealed the deal.

For most Russians Crimea is a historic part of their country anyway. It has an ethnic Russian majority but was transferred to Ukraine in 1954 by Soviet leader Nikita Khrushchev.

After Ukraine's independence in 1991 Russia kept control of the Sevastopol naval base in Crimea, home of the Black Sea Fleet.

Why was President Yanukovich deposed?

Protests broke out in Ukraine's capital after President Yanukovich's government rejected a far-reaching accord with the European Union in November 2013 in favour of stronger ties with Russia.

Thousands of people, outraged that a long-standing aspiration for integration with Europe had been ditched overnight, poured into central Kiev for peaceful protests.

For months they occupied Independence Square, known as Maidan, and the demonstrations spread, with many Ukrainians arguing the president was serving the interests of his own close circle and Moscow rather than their country.

But the protests became violent in January, and on 18 February 2014 and by 20 February 88 people had been killed in 48 hours. Video showed police snipers targeting protesters.

The next day President Yanukovich appeared to have salvaged a deal with opposition leaders after talks with three EU foreign ministers in Kiev.

But hours later he fled, his armed guard melted away and parliament later voted to remove him from power.

Ukraine's turbulent transition

The euphoria felt by supporters of the revolution soon turned to crisis as Crimea was annexed by Russia and pro-Russian protests broke out in the eastern Ukrainian cities of Donetsk,

Luhansk and Kharkiv.

While Ukrainian authorities established control of Kharkiv, near the eastern border with Russia, events spiralled out of control in Luhansk and Donetsk, and in mid-April the Kiev authorities declared an anti-terrorist operation against the separatists.

The rebels held their own pseudo-referendums and declared independence in both regions.

Russia was accused of stirring the conflict by sending its own forces and military hardware to bolster the separatists, but it always denied the allegations, insisting that any Russians fighting there were "volunteers".

It has fiercely denied that a Russian Buk missile launcher shot down a Malaysian Airlines flight on 17 July 2014 with 298 people on board.

The EU and US imposed sanctions on Russia after the Crimea annexation, and repeatedly ratcheted them up as fighting in eastern Ukraine escalated.

So when did the fighting stop?

It never really has.

Media captionDrone footage shows the war-torn remains of Donetsk's airport

The first attempt at a ceasefire was signed in Minsk in September 2014 and never took hold, with the conflict symbolised by the long-running battle for Donetsk airport.

What became known as Minsk Two was then signed in February 2015 with a commitment to remove heavy weapons.

The ceasefire only began to take hold in reality in September 2015. While there has been some semblance of peace in the area, there are regular clashes and reports of civilian casualties.

Eight civilians were killed and 65 wounded in July 2016, according to UN figures, the highest for a year. The suburbs of Donetsk, recently a thriving modern city, still come under shellfire.

Since April 2014, 9,553 people have been killed in eastern Ukraine, including 2,000 civilians. Another 22,137 have been wounded and 1.1 million others externally displaced.



Under the Macroscopic is a weekly summary of what's happening around the world and what's worth pondering. Stay on top of international and local news with this bulletin produced by the Raffles Economics and Current Affairs Society.

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