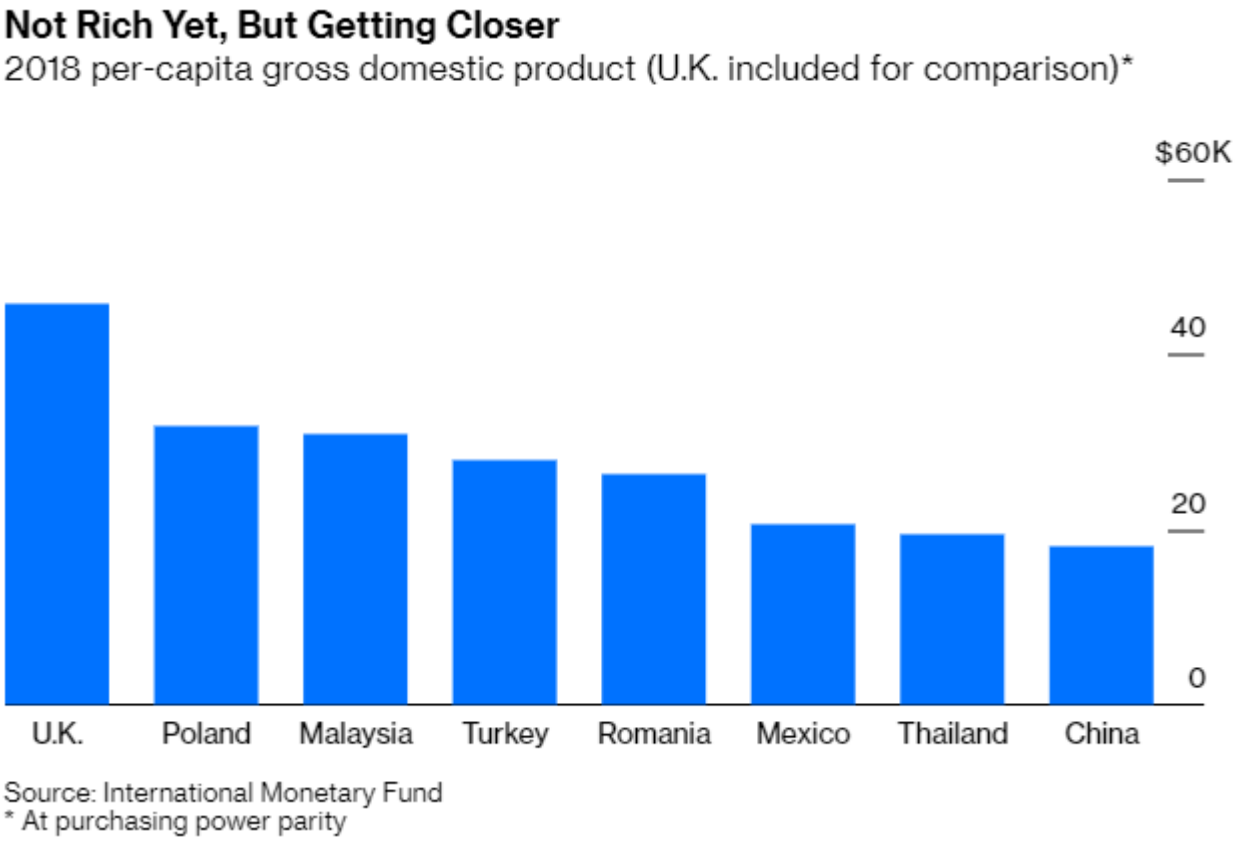
Twitter Thread by Noah Smith ■

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1/Alright, let's talk about Southeast Asia! One of the most interesting stories in the world that tons of people are

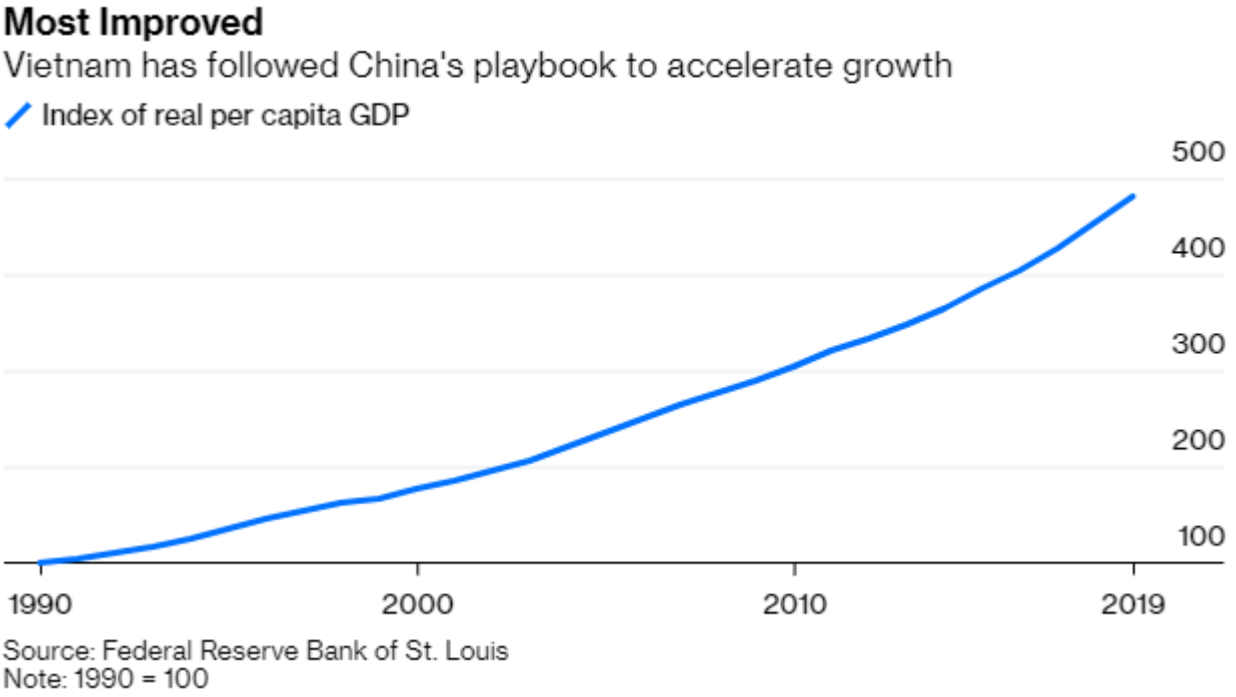
2/When most people think about economic development, they think of China. But Southeast Asia is coming up!

Already Singapore is super-rich, Malaysia is on the cusp of being a developed country, and Thailand isn't too far behind!

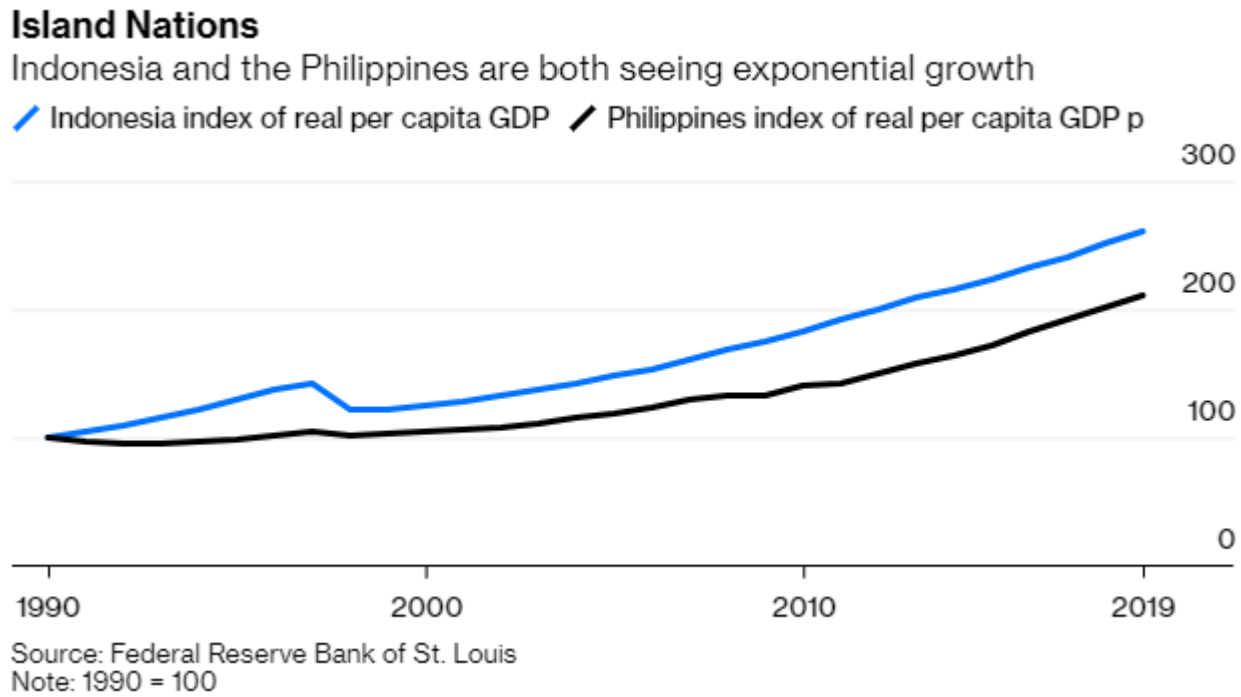


3/But the really encouraging sign is how nearly every poor country in the region is now growing steadily and exponentially.

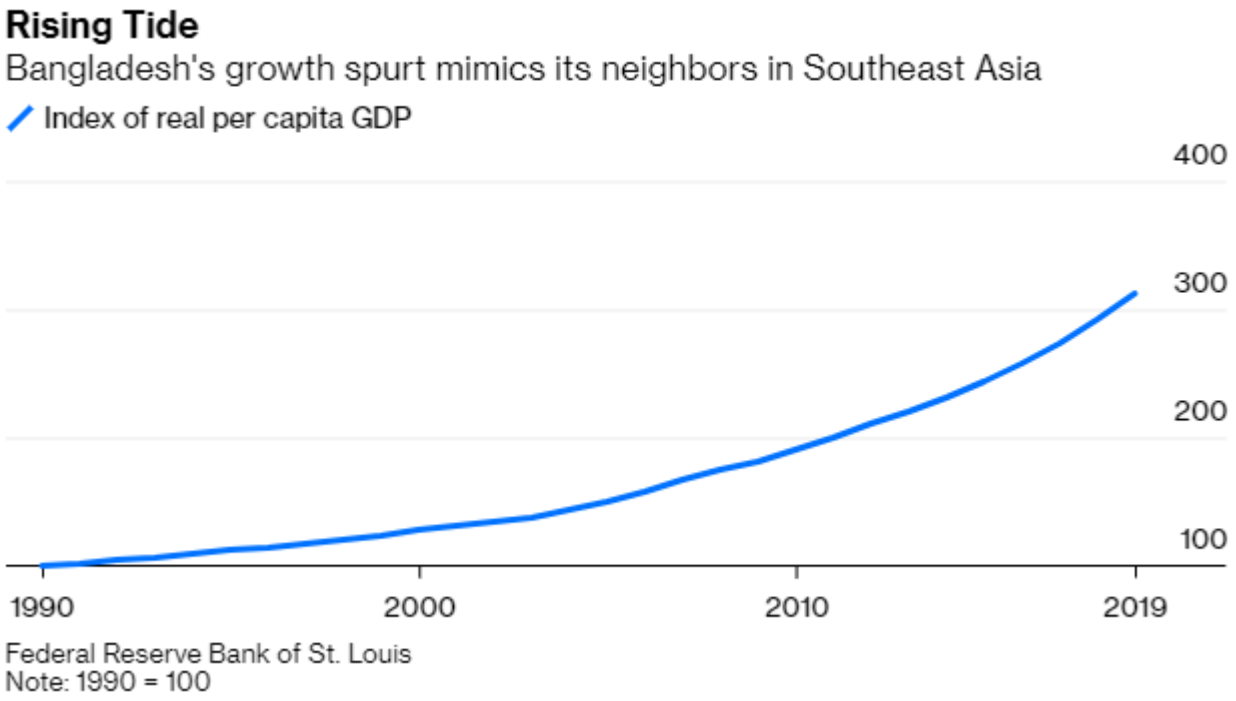
The star performer, of course, is Vietnam, where incomes have almost quintupled since 1990.



4/And watch out, here come Indonesia and the Philippines!



5/And you know what? It's not technically in Southeast Asia, but it's really close, and its economic situation looks very similar, so let's include Bangladesh!



6/Myanmar, Laos, and Cambodia are all growing rapidly as well.

Pretty much ALL of Southeast Asia is growing rapidly.

What's going on? What is the region getting right??

7/The simple answer is: Export-oriented manufacturing.

All of these countries have a lot of manufacturing exports, usually of labor-intensive goods like clothing. Even Indonesia, whose industrialization took a big hit after the 1997 crisis.

8/As China becomes more expensive, companies are looking for cheaper places to make things, and retailers are looking for cheaper places to buy things.

Southeast Asia (+Bangladesh) is fulfilling much of that demand.

9/But what policies did the Southeast Asian countries do in order to hop on the manufacturing export train?

They did a lot of different things...but maybe in the end the most important factor was that they were in the right place at the right time.

10/Southeast Asian countries are close to China, where the supply chains are trying to relocate out of.

They have cheap wages.

And they have huge nearby sources of investment -- Japan, Taiwan, South Korea, and Singapore, with whom Southeast Asian countries have close ties.

11/So what does this imply for other regions -- particularly Africa -- that need to develop and industrialize?

"Be in the right place at the right time" is pretty useless advice...

12/What Africa really needs is a "seed" of development. One or two countries that get rich before the others, like Japan and Singapore did in Asia.

Those early leaders can then be sources of inspiration, ideas, expertise, capital, and market demand for all the others.

13/Perhaps Ghana could be one seed of African development?

https://t.co/f5ydiLgpDv

14/Anyway, the amazing growth of Southeast Asia is a testament to the success of decolonization and of globalization.

It's one more big step toward making the entire human race materially comfortable and secure.

(end)

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