

International Business News

G20 opens door to smaller economies in crisis talks

AFP, Sao Paulo

A Sao Paulo meeting of key finance officials opened the door slightly Sunday to broadening the club of global economic leadership in an effort to battle a deepening financial crisis.

The finance ministers and central bank governors of the Group of 20 set up the agenda for an emergency summit of its leaders next Saturday in Washington that seeks more participation beyond the wealthiest nations.

The G20, representing the biggest developed and emerging nations, pledged "all necessary steps" to boost sagging market confidence and to give a bigger voice to developing countries in global economic affairs.

Although no specific proposals emerged, the G20 said in a statement, "We agreed that we must draw policy lessons from the current crisis and take all necessary steps to restore market confidence and stability and to minimize the risk of a future crisis."

The statement said "the global crisis requires global solutions and common set of principles," and added that "we stand ready to urgently take forward work and actions agreed by our leaders."

John Kirton, director of the G20 Research Group at the University of Toronto, said the G20 "substantially delivered" on its promise to play a role in battling the global economic maelstrom.

France, Australia to work together to calm global crisis

AFP, Sydney

France and Australia are working together to help calm the global financial crisis and push for reforms to prevent a recurrence, French state secretary for overseas affairs Yves Jégo said Monday.

The crisis will be on the agenda at talks between Jégo and Australian Foreign Minister Stephen Smith when they meet later Monday during a one-day visit aimed at strengthening relations between the two nations.

The two men are due to discuss cooperation between France and Australia in preparation for a G20 summit to be held in Washington later this week aimed at easing the turmoil battering world markets and economies.

"The financial crisis is another reason for France and Australia to boost cooperation and work in closer partnership," Jégo told a small group of reporters before the meeting. "We want a full partnership with Australia as we share a common vision about working with the international community to emerge from the crisis," he said.

French President Nicolas Sarkozy is working hard to help the world emerge intact from the economic firestorm and to push through reforms to ensure that a similar financial meltdown never happens again, Jégo said.



Figurines are pictured at the Royal Worcester & Spode Ltd factory shop in northwest England. Royal Worcester & Spode, the 250-year-old pottery maker for Queen Elizabeth II, became the latest victim of the global economic slowdown. Administrators PricewaterhouseCoopers said they were trying to find a buyer for the business.

HSBC profits rise despite rising US bad debts

AFP, London

Global banking giant HSBC said on Monday that its pre-tax profits had risen in the third-quarter despite loan write-offs in the United States rising to 4.3 billion dollars (3.3 billion euros).

"Our results reinforce the importance of maintaining focus on HSBC's core strengths of sound liquidity, capital strength, cost discipline and relationship banking built on harnessing the global capabilities of the group," HSBC chief executive Michael Geoghegan said in comments accompanying the British bank's trading update.

"These are times which underscore more strongly than ever the importance of delivering value to our customers as the industry adapts to slower growth and a changing regulatory environment."

HSBC said that loan impairment charges in the United States rose by 700 million dollars from the second quarter.

Warner Brothers to close home video business in South Korea

AFP, Seoul

Hollywood studio Warner Brothers will end its home video and DVD business in South Korea at the end of the year due to rampant piracy, a report said Monday.

"One of the reasons for the pullout is a slump in the video and DVD market, resulting from online piracy and illegal downloading," an official at Warner Brothers Home Video Korea told Yonhap news agency.

The US producer of film and television entertainment will instead focus on its digital distribution 'pre-DVD' business, the official said.

It is the last remaining Hollywood company to withdraw its home entertainment business from South Korea.

In October the studio announced plans to become the first in Hollywood to make movies available through video-on-demand in South Korea, two weeks before DVD releases.

ENTREPRENEURSHIP

Jobs, just click away

CEO of bdjobs.com speaks to The Daily Star

MD HASAN

The economic model of demand and supply outlines the boundaries of the market, where buyers and sellers crowd the scene and form the backbone of the industry. But the product, slightly unorthodox, is a job seeker.

Track results are quite impressive. About 100,000 unemployed souls have been successfully rescued from helpless circumstances and placed at different companies through the country's first online job portal: bdjobs.com.

"The social implication of our work over the last eight years is far more than the number of transactions that have taken place," says AKM Fahim Mashroor, chief executive officer (CEO) of bdjobs.com, in a recent exclusive interview with The Daily Star.

Before inception, Mashroor pondered over his dreams to do something different using the internet as a medium in the late 1990s. His main area of concern was whether he could generate revenues in the country with the world's lowest internet penetration.

But Mashroor has stunned all with the success of his venture. With humble beginnings from his living room in 2000, bdjobs.com now registers 3,500 employers, and around 25,000 job seekers click on its portal a day.

Mashroor said Bangladesh's job market mainly suffers from a dearth of properly educated manpower. He said the educational system is misleading the next generation and not preparing them for the real job market.

"Our educational system does not align itself to the ever-changing job market. Therefore, employers are constantly on the lookout for the right person for the right job, to no fruitful outcome," Mashroor says.

Citing an example, he says



AKM Fahim Mashroor

ready-made garment is one of the largest industries in Bangladesh. But the question remains -- how many graduates from local private and public universities are tailored to the industry?

Mashroor says, "It is unfortunate that the garment industry has to hire people from India and Sri Lanka to run operations. It so happens that our universities are more inclined to their own business prospects, rather than developing need-based education for the country."

Unemployment is one of the major national problems in Bangladesh. Close to 200,000 graduates enter the job market a year, but only half of them can actually secure a position.

But the job market has taken on new dimensions because of recent developments in corporate houses and job seekers now have to prove their troubleshooting capacities in addition to their solid educational background.

If educational institutions encourage more science-based subjects, Bangladesh's job market will definitely spread to the global market, Mashroor says.

Bdjobs.com has linked more than 300 global recruiting agents, through whom the company is able to supply manpower to the global market, free of cost.

Mashroor believes that the next probable crisis faced by the world may be in terms of skilled manpower. "And that is an opportunity for Bangladesh," he said. "To grab an early share of that market, there is no alternative to updating the educational system."

The idea of setting up a 'dot-com' business in Bangladesh was new until 2000. Global dot-com giants, such as Yahoo and Google, hit the market and made their mark.

Mashroor says he, along with seven other friends, intended not only to profit from doing something different but also aimed at involving the

young generation of society.

They found that internet access and use among the young generation, especially job seekers, were growing rapidly. "That was our encouragement to undertake such a risky venture," Mashroor says.

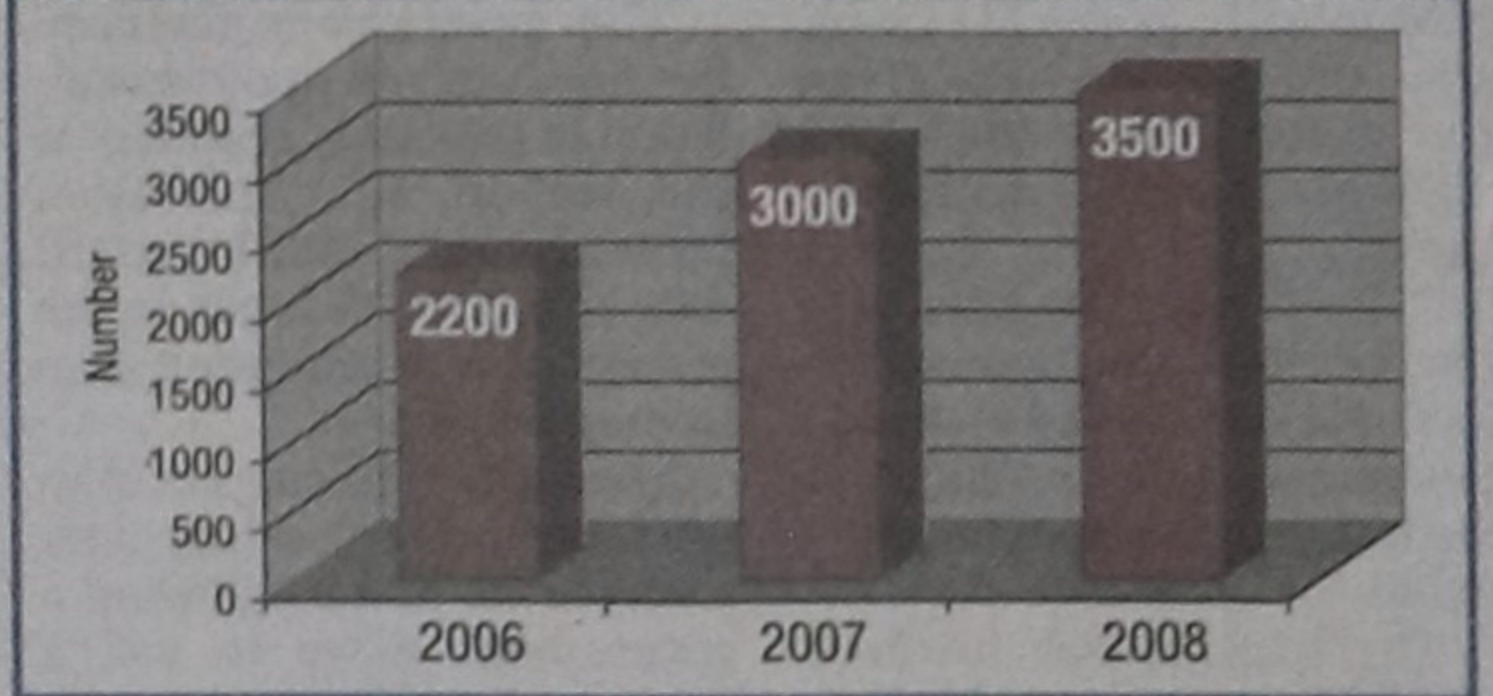
The success of a 'dot-com' business depends solely on its popularity. Bdjobs.com steered far from profits for the first two years. But soon the company gained a momentum with 100 percent growth in the number of daily visitors. This ultimately propelled the venture and employers went for online recruitment.

At the other end of the spectrum, job seekers have nothing to lose, as it does not cost them a penny to click on their portal, he says.

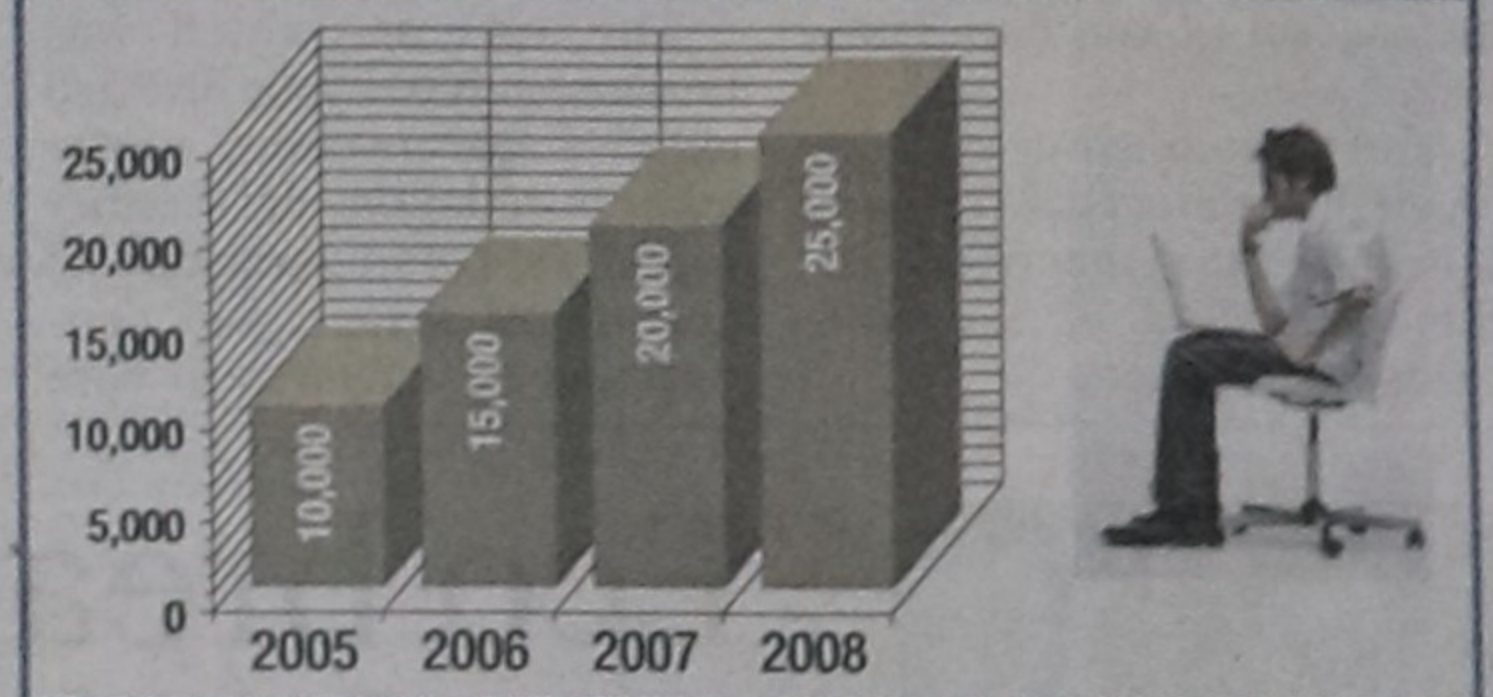
"The technology is simple. We developed our software in such a way that employers can post their advertisements, sitting in the comfort of their offices," he says.

Job seekers also can easily view all the jobs that are cur-

Growth of employers registered with bdjobs.com



Average daily visitors to www.bdjobs.com



rently available in the market.

"Our main idea is to create a link between the employer and the job seeker," says the bdjobs.com CEO.

Besides providing job information, bdjobs also arranges training for professionals, skilled and unskilled people. Around 10,000 people have been trained via bdjobs.com workshops on different subjects that are needed to update their career skills.

"We arrange the topic for the workshops based on market demand," Mashroor says.

Subsequent to bdjobs.com, some other job portals have also developed in Bangladesh. But those are yet to gain popularity. Mashroor explains that in order to succeed in the job portal business, something different and unique is required.

"In India and in the US, only a handful of job portals have gained popularity. Such businesses require long-term investments, coupled with patience, Mashroor says.

Bdjobs.com has turned into a new craze of sort. But the portal's popularity is limited to graduate and post-graduate job seekers.

So what is the future of such an endeavour?

Bdjobs.com plans to launch a Bangla-version of the site, but internet access in rural regions proves to be the main obstacle.

Mashroor says his company is in talks with mobile phone companies to provide their job search engines to the mass through internet.

The eight-year story proves short for a company aiming to gain recognition, but Mashroor's different idea was recently recognised by the Dhaka Chamber of Commerce and Industry. He has won the 'Best Innovative Business Entrepreneur' award from the chamber. "The award is a recognition. It will encourage others," the virtual job market owner said.

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ANALYSIS

Beat financial blues, Bhutan style

AFP, Thimphu

Disillusioned by plunging stock markets and failing banks, or caught out by the unforgiving boom-bust capitalist cycle?

Then for repentant free-marketeters the world over, the small Himalayan kingdom of Bhutan can suggest an alternative: focus not on the bottom line, but the size of your smile.

'Gross National Happiness', or GNH, is Buddhist Bhutan's unique approach to national development, and a pursuit that many in the remote country say has been vindicated by the ongoing economic meltdown in the outside world.

"It's the materialism, who can make the bigger buck, overnight fast money that caused the problems," said Phurb Dorji, a doctor who works in a Thimphu hospital and is a big fan of the official national philosophy.

"The whole world is going towards materialism, and the more they get the more they want. But they're still not happy. They don't need to copy us, but they should take a look at other ways."

Bhutan has been pursuing GNH for the past few decades: it was conceived by the country's last king, and the new monarch -- 28-year-old Jigme Khesar Namgyel Wangchuck, who was crowned on Thursday -- says it will remain a policy centerpiece.

"What is important to me and my family is education, health care, spiritual well-being. Anything materialistic should be sustainable. There should be respect for others, respect for the environment," said Dorji, explaining the main tenets of the concept.

"If everything was about material



This photograph shows the view as the sun sets from a mountain near the Bhutanese bordering town of Phuntsholing. Bhutan has been pursuing 'Gross National Happiness' or GNH for the past few decades.

things, then we'd run out of money. It would not be sustainable."

Officials here say pursuing GNH does not mean ignoring GDP -- in fact on that score, the country is doing rather well, clocking an average of about eight percent growth a year for the past few years.

Rather, they say, it is the type of growth that is important -- hence policies of providing free education

and health care, a clean mountain environment and making sure the country's religious and cultural traditions are preserved.

"We as human beings need more than material goods," said the country's prime minister, Jigmi Thinley.

"We see ourselves as a member of a globalised society," he said, but added that the aim in Bhutan was "to continue to develop economically

and spiritually."

And as a result, he said, the country of steep valleys and snow-capped peaks "is becoming happier and happier. We are happy people."

According to a pilot survey conducted earlier this year by Bhutan's Gross National Happiness Commission -- previously the national planning commission -- 68 percent of Bhutanese could be

classed as being happy.

The challenge is maintaining that content isolation, with the country of about 600,000 people having survived the arrival of roads and currency in the 1960s, television in 1999 and its first democratic elections this year.

Many Bhutanese say they have full faith in the GNH philosophy -- even if satellite television channels have exposed the country to the shop-till-you-drop message.

"As long as you have enough money for clothes, food and a place to sleep, that's honestly all you need," insisted Sonam Phunbho, a 54-year-old Thimphu shopkeeper.

"There's no point in being greedy because when you die you can't take a big television or a big car with you," she said.

Tashi Tobgay, a 16-year-old student who was walking with friends in the centre of capital Thimphu, said he failed to see the point of capitalism.

"What is the use of the development of a country without the happiness of the people?" he asked.

So as the outside world is busy trying to figure out how to save a collapsing economy, Bhutan's new king has been setting out quite different priorities.

"My duty is not only to ensure your happiness today but to create fertile ground from which you may gain the fruits of spiritual pursuit and attain good karma," he said in his coronation speech.

"Even as more dramatic changes transform the world and our nation, as long as we continue to pursue the simple and timeless goal of being good human beings... we can ensure that our future generations will live in happiness."