

International Business News

G7 nations vow to avoid protectionism

AFP, Rome
Group of Seven finance leaders vowed to avoid protectionism as they seek to stabilise the tottering world economy and financial markets, a draft statement of the body said at talks here Saturday.

"The stabilisation of the global economy and financial markets remains our highest priority," according to a draft declaration of G7 finance ministers obtained by the news agency as the delegates held high-stakes talks in Rome.

So far, "we have collectively taken exceptional measures to address these challenges," it said, without specifying concrete proposals on the table at Saturday's second and final day of talks.

"We affirm our commitment to act together using the full range of policy tools to support growth and employment and strengthen the financial sector," the draft said.

It also reflected comments by several top delegates that protectionism -- when countries take measures that favour their own economies at the expense of others -- was a threat to stability.

"G7 remains committed to avoiding protectionist measures, to refraining from raising new barriers" to world trade, the draft said.

The document hailed stimulus actions taken by other countries, singling out China, which it also praised for a commitment to more flexible exchange rates that should lead to the appreciation of the yuan.

Peanut of America files for bankruptcy

AP, Atlanta
The peanut processing company at the heart of a national salmonella outbreak is going out of business. The Lynchburg, Va.-based Peanut Corp. of America filed for Chapter 7 bankruptcy in U.S. Bankruptcy Court in Virginia Friday, the latest bad news for the company that has been accused of producing tainted peanut products that may have reached everyone from poor school children to disaster victims.

"It's regrettable, but it's inevitable with the events of last month," said Andrew S. Goldstein, a bankruptcy lawyer in Roanoke, Va., who filed the petition.

The salmonella outbreak was traced to the company's plant in Blakely, Ga., where inspectors found roaches, mould and a leaking roof. A second plant in Plainview, Texas was shuttered this week after preliminary tests came back positive for possible salmonella contamination. So far, the outbreak has been suspected of sickening more than 630 people and may have caused nine deaths. It also has led to more than 2,000 product recalls, one of the largest recalls in U.S. history.

Companies file Chapter 7 to liquidate their assets and distribute the proceeds to creditors. A trustee is automatically appointed to oversee the wind down, as opposed to a Chapter 11 filing that gives a company breathing room while it tries to reduce its debts and continue in business. The company said in the filing that its debt and assets both ranged between \$1 million and \$10 million.



AFP
Riot police block government employees from marching to Malacanang presidential palace in Manila on Friday to protest planned job cuts in several government agencies. The administration of President Gloria Arroyo seeks to downsize the bureaucracy to save cost and improve efficiency amid the global financial crisis.

DBS Group Q4 net profit down 40pc

AFP, Singapore
DBS Group Holdings, Southeast Asia's biggest bank by assets, said Friday that fourth-quarter net profit fell 40 percent year on year as weak financial markets hit income.

Including one-time items, net profit was 295 million Singapore dollars (197 million US) against 491 million dollars for the same period a year earlier, the bank said.

The figure was lower than the 326 million dollars estimated in a Dow Jones Newswires poll of analysts.

Net profit before the one-time items was 31 percent below the same quarter a year earlier, said DBS, the first of three local banks to report on earnings.

"I guess the market expected the results to be soft," said Brandon Ng, an analyst with Phillip Securities.

The one-time items included a 45-million-dollar charge for "restructuring." In November the bank said it was cutting 900 staff to trim costs during the global credit crisis, and the following month announced a rights issue that raised four billion dollars.

Donald Trump quits casino company's board

AP, Atlantic City, NJ
Donald Trump fired himself Friday from the casino company that bears his name.

Spurned by bondholders who rejected his effort to buy Trump Entertainment Resorts, the real estate mogul and his daughter Ivanka are resigning from its board of directors.

He called the troubled casino company he once controlled "worthless to me now." He is the largest shareholder, owning more than a quarter of its stock, yet stressed that it comprises "substantially less than 1 percent of my net worth."

The company won a fourth extension Wednesday on restructuring \$1.25 billion in debt, and some analysts have predicted it will file for bankruptcy protection for a third time if it doesn't work out a deal with its bondholders.

"If I'm not going to run it, I don't want to be involved in it," Trump told The Associated Press Friday night. "I'm one of the largest developers in the world. I have a lot of cash and plenty of places I can go."

FARMING

An asparagus village

SOHEL PARVEZ

Bujrukshokra, a village in northern Bangladesh, is a world apart from William Somerset Maugham's famous story, *The Luncheon*, but promises bright days for asparagus farming.

The sun sets on the horizon. The off-grid small locality and its narrow passages meandering through the lines of mud houses slip into the dark.

With only one main road leading to the Maidanhata union of Shibganj in Bogra, 200 kilometres north of Dhaka, all remaining lanes end in crop and vegetable fields, covered mostly by newly planted rice seedlings, potato, maize and mustard.

At daylight, 55-year-old Ansar Ali brings in the green squash from a field, nor far from home, and amasses the produce in the small yard in front of his house.

Later in the day, the iceberg lettuce leaf is brought home. Ali, instead of waiting for the last bunch to arrive, starts weighing the vegetables in the glow of the moonlight and the dim kerosene-lamp.

A 22-year-old rickshaw-van puller, Abdul Gafur, gives him a hand in putting the 110 kilograms of squash and 104 bunches of iceberg lettuce in boxes, destined for Dhaka.

Two boxes will go to Bashar, a middleman, and one to another middleman, Chanchal, at the Gulshan 2 kitchen market. Two days ago, he sent sweet corn and three kilograms of asparagus to Dhaka.

For many Bangladeshis, asparagus calls to mind *The Luncheon*, in which the 'poor' writer treated his 'flashy' lady guest with the expensive vegetable in a plush restaurant in Paris.

"I send the produce directly to Dhaka because locals are unwilling to eat or buy it," says Ansar Ali, a grey-bearded farmer, as he seals the boxes with rope.

Thanks to Ali and the hard work and determination of may farmers in the area, the dependence on the import of a number of alien vegetables like red cabbage, broccoli, squash and capsicum has reduced. Urban consumers are now able to enjoy these tasty vegetables at reduced prices.

But the market for foreign vegetables is relatively small, as many households are still not aware of the cuisines, tastes, and nutritional value of these vegetables. Till date, the main buyers of these



Ansar Ali, 55, strolls along with his grandson in their asparagus field in Bogra. (Inset) An asparagus stem.

vegetables are luxury hotels and restaurants, which offer foreign delicacies, like the Chinese cuisine.

"At one point, I was incurring losses in my betel nuts business and that prompted me to switch to high-value vegetable cultivation," he says, taking a breather before loading the boxes of produce onto a rickshaw-van parked on the narrow lane.

Ali started with cauliflower, cabbage and tomato and later found himself in farming capsicum in the late 1990s, aiming to swim out of debt.

"The hardest thing during the initial period was to get markets for my produce," he said. "At some point, I sold capsicum on the streets of Bogra. People did not buy the vegetable and they laughed at me," says Ali.

Rather they feel comfortable cultivating rice, potato, maize or mustard as the market for these crops is big enough to contain demand.

But it does not seem to bother Ali, who has been struggling to come out of hardship since child-

hood. "Most villagers in my locality do not grow these vegetables, in the absence of demand for these items in the local market. But I have a market for my produce," he says.

Ali enters upscale Dhaka in early 2000 thanks to an employee from a private company in Gulshan. Many consumers in the area, including foreigners, luxury hotels and restaurants are familiar with the use of these vegetables in culinary delights. He came to learn about many pricey vegetables such as asparagus, sweet corn, cherry tomato, red cabbage and broccoli.

"I came to know about the asparagus from the American Club. The vegetable was previously imported from Bhutan at a high price tag. From there, he was inspired to seriously think about cultivation," he says.

With no previous knowledge about the methods of cultivation, Ali bet his fortunes about eight years ago, based mainly on his experience. He sowed only 10 grams of asparagus seeds on one

and a half decimal of land. Ali made more than Tk 10,000 in profit in the first year, by selling each kilogram of asparagus at Tk 300 in the first harvest. "It was initially tough to sell even 50 kilograms of asparagus a year. Now I easily sell about 200 kilograms of the vegetable."

In the course of time, the 55-year-old expands the cultivation of these high-priced vegetables, as his land ownership increases -- from only one and a half acre to more than three acres.

Two acres of land is allocated for the upmarket vegetables cultivation, of which, about one bigha is allotted for asparagus. The remaining land is used to grow rice.

Habibul Islam Tutul, in charge of chain superstore Agora in Gulshan, says: "Demand for asparagus is rising slowly. Now, our weekly sale of the vegetable is about 6 kilograms, up from about 3 kilograms two years ago."

Superstore officials say farmers' entry into the cultivation of high-priced vegetables, such as capsicum, red cabbage, iceberg

lettuce and cherry tomato, has gradually helped reduce the prices of the items and offset import demands.

It is good news for consumers but not so welcoming to farmers like Ali, who is already encountering the effects of falling prices of the vegetables due to increased cultivation.

"Once I sold a kilogram of squash at Tk 200. Now I get Tk 25 for a kilogram, as many farmers are now growing it," laments Ali.

"Asparagus prices may also go down if cultivation increases."

Ali now gets Tk 160 for a kilogram of asparagus from his buyers. He is well aware that the same is sold at between Tk 200-Tk 300 to consumers.

He has few options and has to depend on the middlemen for his produce to reach the markets, early next day.

Ali hurries to load all the boxes onto the van. The vehicle moves towards the nearby bus stop on the Bogra-Dhaka highway, six kilometres away.

sohel@thedailystar.net

COLUMN

Taxi!

Most of us have had the customer experience of riding a taxi. Let me share with you some of these rides. A memorable one was the taxi ride from Mumbai airport to the Taj President Hotel. This was of course much before the horrendous attacks that had terrorised Mumbai. As we came out of the airport arrival hall, the taxi driver was waiting with our names on a display board. He guided us to the taxi, we put our bags in the boot, and he checked back, you have two bags of luggage, sir.

As my colleague and I got comfortable in the back seat, the driver offered a tray, fresh towels, bottles of drinking water, and of course, he was all smiles and polite. He informed that it was going to take nearly an hour and a half to reach the hotel, so we might as well relax. The back seat had couple of newspapers, magazines to while away our time in the busy traffic of Mumbai. With all the magazines and newspapers to read, the jammed roads, the endless queues it was quite some time later the driver told us that we were near the hotel, another five minutes and we should be there. And we were there in about five minutes. As we got out, he brought the luggage out, handed to the bellboy, and reconfirmed, sir, your two pieces of luggage. This was such an unusually polite, courteous and seamless experience.

We then took a regular yellow Mumbai cab to our company's office. The hotel doorman warned us that you would need to multiply what ever the meter showed by 13. By the time we reached our destination, we could not actually read anything on the meter. The numbers were so worn off, I think the driver asked for his fare from



instinct, and he did not cheat you.

On another occasion, the yellow taxi driver slowed down and nearly crashed his car with a bicycle. We were wondering what was he up to, as he waved his hand to the man on the cycle, oh, he's my brother-in-law. I still wonder how he managed to size up his brother-in-law riding a cycle in the crowded streets of Mumbai.

And then the harrowing experience of the taxis in Dhaka. We had just completed a business lunch at the Sheraton and needed to return back to our office in Lalmeta. Waving a taxi, the driver asked where we wanted to go, and the meter was out of order, all in one breath. Fifty taka for the ride, he offered. We jumped in and off he

went scurrying through the roads, zigzagging between vehicles. As he jumped a red light the traffic sergeant waved him to stop. As he slowed the taxi our hearts sank, wondering if we could make it to the office. Then accelerating fast he simply pulled off, the sergeant staring dumb-founded. Before we knew it he was taking short cuts through unused roads. With hearts pounding we got out of his car as we reached the office, thanking God we were still in one piece.

Lately we hire minibuses to travel beyond Dhaka because of their convenience and comfort. We have found a service provider who has this fleet of minibuses and their polite drivers. To beat Dhaka's traffic we normally start

early. The drivers are punctual to the dot, amiable and will enlighten you about events that may disrupt or delay your travels. Recently, on our way back from Bogra, I suggested that we come through Ashulia and not the usual Savar route. No sir, there's a fifty percent discount at Fantasy Kingdom and traffic will be terrible, suggested the driver, as he took the road through Savar.

And then this odd signal of keeping your right indicator on while you travel the highways, and not really taking a right turn. Doesn't this confuse people? I asked. No, this is the latest fad with us drivers, he says. This means that there is a vehicle up ahead, and do not try to overtake. As soon as it is

SARWAR AHMED

news time, the FM channels are switched on. If you are on a mobile phone call, he will discreetly lower the volume. These drivers really spoil you with their attention. This really heartens me of the way service concept is slowly taking roots in growing a business.

Much to the embarrassment of our driver, his microbus wouldn't start in Bogra. We had another microbus that drove its one close, got two thick wires, got the batteries aligned, and presto. The micro was up and running. Sir, keep these two wires. With these automatic gear cars, you never know when you can get stranded. Sound advice.

Which reminds me of a taxi ride from our office to the airport in Singapore. A tall man in his early fifties, the driver exuded a sense of calm and grandeur. As we got to talking, he smiled when I told him of my profession. Glancing back through the rear mirror, he said he was once a six digit per year salaried professional manager. He decided to quit his highly paid job and perks as the stress and the rat race was too much for him. He took solace in the practice of Zen Buddhism and meditation and now lives happily. He and his wife live a simple life in a simple home and are content with the daily income of a taxi hire. He simply relishes the freedom to do what he wants and finds enjoyment in living life simply.

People teach us wonderful lessons. Slow down and enjoy life, enjoyment not meaning the material possession of worldly goods but enjoying life in its simplicity and in its totality.

The writer is managing director of Syngenta Bangladesh Ltd.