

International Business News

Financial crisis sees social protest surge

AFP, Geneva

The world financial crisis has produced an "alarming" surge in social protest and repression of activists in the countries hardest hit by economic upheaval, a human rights report said Saturday.

"From Tehran to Harare via Seoul and Buenos Aires, criminalisation of social protest has become more intense, increasingly affecting the so-called democratic countries," the annual report by an Observatory for the protection of human rights defenders said.

It highlighted an "inflation in freedom-killing practices and laws" in 2008 that was inversely proportional to the slump in stock exchanges.

"The rise in social discontent linked to the world economic crisis has increased the repression recorded in recent years," it said, underlining the permanent link between poverty and violations against activists.

The two human rights groups behind the observatory pointed to "a tension that is spreading in the countries or continents most seriously affected by this economic and social upheaval."

The survey of the plight of human rights activists around the world is compiled by the International federation for human rights (FIDH) and the World organisation against torture (OMCT).

It sought to intervene in abuse of 690 human rights defenders and 83 non governmental organisations in 66 countries in 2008, including assassinations, ill treatment, torture, arbitrary arrests and defamation campaigns.

Canadian firm closes in Philippines, 1,000 jobs lost

AFP, Manila

Canadian electronics firm Celestica Inc. is shutting down its factory in the central Philippines, with the loss of about 1,000 jobs, the government said Friday.

The company, which manufactures telecommunications equipment at the plant on Mactan island, just off the central island of Cebu, has informed the Mactan Economic Zone of its plans to shut down, officials of the zone said.

"They are shutting down their operation due to market forces," the zone authority said, referring to the sharp cutback in the electronics industry in the face of the global financial turmoil.

The agency said Celestica Philippines had already tried cutting its working week down to four days in an attempt to save money and avoid layoffs but this was not enough.

The closure is expected to take effect by the end of August once Celestica Philippines completes all its clearances, the authority said.

The company first started operation in Mactan in 1989 as NEC Technologies but changed its name when it was acquired by Celestica in 2004.

It is the latest major electronics company in the Philippines to shut down or sharply cut the number of workers due to weakened demand brought about by the global slump.



Audi employees attend the launch of the Audi Q5 at a press conference in Hyderabad yesterday. The Audi Q5 range starts at INR 38,94,000 and will be offered in six colours.

Air India executives to forgo salary

AFP, New Delhi

Struggling national carrier Air India on Friday asked its top managers to forgo one month's salary as part of efforts to survive a cash crunch, the company said.

The move comes a week after ordinary staff were told the payment of their salaries would be delayed, prompting a strike threat by 20,000 employees, more than two-thirds of Air India's workforce.

"Executives in the level of general managers and above should voluntarily forgo salary... payable in the month of July 2009," said Air India chairman Arvind Jadhav.

A combination of high fuel prices, fewer passengers and the global financial meltdown have left the airline with an estimated 800 million dollars in losses for the past year and debt of four billion dollars, according to the Centre for Asia Pacific Aviation.

The flag carrier is expected to follow the example of privately-held Jet Airways and Kingfisher Airlines by increasing fares in line with global oil prices, and has reportedly asked the government for a bailout package.

Central European leaders call for crisis unity

AFP, Novi Sad, Serbia

Central European leaders appealed Friday for a unified approach to tackle the global economic crisis in one of the regions of the world hardest hit by fallout from the recession.

At a regional summit in the northern Serbian city of Novi Sad, host President Boris Tadic led the calls for solidarity in dealing with economic and energy issues, as well as European Union expansion.

"We cannot permit that (these matters) become a source of our division, especially in the period of crisis," Tadic said at the opening of the Central Europe Summit.

Italian President Giorgio Napolitano agreed, warning Europe as a whole was threatened by disunity over the issues of economy, energy and enlargement of the 27-member EU bloc.

"Without cohesion, consistency and unity, Europe is bound to become less and less relevant on the international scene," Napolitano said, stressing the economic crisis served as a "litmus test."

AVIATION

Historic planes steal the show



The Airbus A380 takes off to perform its flying display on Friday at the 48th international Paris Air Show at Le Bourget airport, near Paris. French President Nicolas Sarkozy welcomed progress in talks with the United Arab Emirates on a multi-billion-dollar deal for the sale of Rafale fighter jets.

AP, Le Bourget, France

Nearly hidden among the ranks of giant airliners, military airlifters and sleek warplanes on display at this year's centenary Paris Air Show, an eclectic collection of historic aircraft has been drawing large crowds of curious onlookers.

Its centrepiece is the Bleriot XI, a rickety monoplane that was featured in the inaugural Paris air show in 1909, after its French constructor Louis Bleriot had used it for the first flight across the English Channel.

Drawing even more attention at the show - open to the public through Sunday - was the PBY5A Catalina, a beautifully designed U.S. World War II-era flying boat, stuck ignominiously between a massive Air France Cargo Boeing 777 and a brand new Eurofighter Typhoon multi-role fighter-bomber.

The high-winged twin-piston engine Catalina performed a variety of vital but unglamorous duties such as long-range reconnaissance, anti-submarine patrols and air-sea rescue of downed airmen or sailors from sunken ships. It even maintained the only long-range aerial link with Australia while that nation was cut off by the Japanese Pacific fleet.

In the type's most famous combat action, a British Catalina located the Nazi super-battleship Bismarck in the north Atlantic in May 1941. That sent an allied fleet in pursuit, and the pride of Hitler's navy was attacked and sunk.

"This is one of the unsung heroes of WWII and the reason to keep it flying is to preserve the memory of this historic workhorse," said Rod Brooking, a retired British Airways pilot who now flies for the Catalina Society, a British group of enthusiasts who maintain the 66-year old amphibian.

Another aircraft attracting interest was the twin-engine MD 315 Flamant, an otherwise unremarkable model that happened to be the first plane to carry the Dassault designation - which has since become synonymous with top-of-the-range French warplanes and business jets. The Flamant was the first dedicated business plane in the world.

Its designer Marcel Bloch was an established aeronautical engineer in pre-WWII France who had conceived the MB406 fighter that became the mainstay of the French air force at the beginning of World War II.

After the fall of France, Bloch - who was Jewish - was imprisoned in Germany's infamous Buchenwald concentration camp. But he survived and returned to Paris after the war, where he assumed the pseudonym his brother had used in the resistance - Dassault (meaning "for assault"). One of the jets he later designed was the Mirage III, which gained lasting fame for its spectacular performance in the 1967 Arab-Israeli War.

The manufacturer's latest warplane, the twin-jet Rafale, has been performing spectacular aerobatic displays in the sky above its older brethren.

The Flamant is part of a collection of classic planes maintained by Dassault Passion, a group of volunteers dedicated to preserving old French aircraft.

"These planes represent an important part of modern aviation history," said Gerard David, a former pilot and president of the society. "The Flamant, for instance, is the forefather of today's business jets."

Among the other historic planes on display were a beautifully restored 1950s-era Lockheed Super-Constellation four-engine airliner, a Ryan Recruit, the first U.S. Army Air Corps all metal, monoplane trainer, and the Antonov AN-2 biplane transport aircraft.

Airbus sees bottom of industry slump

AP, Le Bourget, France

Airbus CEO Tom Enders was in high spirits on Friday, saying the unexpected crop of orders won at the Paris Air Show shows the heart of the aviation industry is still beating despite the recession.

Unlike archrival Boeing Co, which managed a single order for two planes worth a paltry \$153 million - the European planemaker chalked up firm orders for 58 planes worth \$6.4 billion over five days, mostly from Asian and budget airlines.

Including commitments - when customers make a deposit but the sale is not legally binding - Airbus signed deals worth \$12.9 billion for 127 planes.

Enders told The Associated Press that Airbus "didn't expect" such a score.

"I think it's a good sign for the entire industry," he said in an interview. "It's a good sign that aviation is not collapsing, that there is not doom and gloom all over."

Not collapsing perhaps, but not brimming with confidence either.

The International Air Transport Association estimates the world's airlines will collectively lose \$9 billion this year and face a slow recovery as the economic crisis saps air travel and cargo demand.

Leahy said the air show orders suggest "we are bouncing along the bottom" - although "I don't think this necessarily means that we are in full recovery mode yet."

He said Airbus' target of capturing 300 orders this year "didn't look too accurate a couple of weeks ago" but is now "perhaps achievable."

Boeing tried to shrug off Airbus' better success with orders during the week, saying the company doesn't save up orders to announce at airshows.

But it's year-to-date tally also tails Airbus.

Boeing's orders on June 16 totalled 76 planes this year, but with 66 cancellations its net score falls to just 10.

Before the show, Airbus had 11 net orders and 32 gross orders. Its new net score is 69.

Diogenis Papiomytis, an aerospace analyst with Frost & Sullivan in London, attributed Airbus' performance to its success selling its cash cow, the single-aisle A320, to regional carriers such as Hungary's Wizz Air and Philippines low-cost airline Cebu Pacific.

Leahy said that despite the economic climate "pricing is essentially the same" as last year, denying that he is offering steep discounts to lure cash strapped airlines.

On the fifth day of the show, which opened to the public on Friday and runs through Sunday, Airbus announced another two deals, both memorandums of understanding.

Airbus said Indian airline Paramount Airways agreed to buy 10 A321 planes, each worth \$90.3 million at list prices. The deal also includes an option for an additional 10 jets.

And in a last minute deal, inked as Leahy was leaving the show, Turkish Airlines agreed to acquire seven widebody A330s, including five A330-300s and two A330-200s, worth a total of \$1.3 billion at list prices.

COLUMN

Piece of butter

I had my schooling in a boarding college. Still in our early teens in the senior school, we used to have our meals across tables stretched through the length of the long dining hall.

During breakfast, we had to share a piece of butter between neighbours. I hadn't read Dale Carnegie's famous book, *How to Win Friends and Influence People*, then. What I used to do was to cut the butter so that there was always a slightly bigger piece. I used to make sure that my neighbour got the bigger slice. This small gesture made me quite a lot of friends.

And I had also seen that a seemingly smaller sized butter piece would lead to squabbles and destroy friendships!

As we pass through corporate life, how often have we seen people fighting for their larger share of butter? The latest car, the bigger table, the swivel chair. And over time, each piece seems to get bigger and bigger! We need to get a grip of the reality of life, slow down and take stock of what really matters.

I got a call from a student who had just completed the strategic management course I teach at the IBA. Very excited, he wanted to show me a presentation he had made to a company board that had interviewed him for a senior level job. He not only impressed them and got the job, beating quite a few other contenders, I was also visibly impressed with the quality of his strategic management presentation.

He told me of the CEO's only concern, how long would he stay on in their organisation, or was he also a high flyer seeking to use each of these job opportunities as a stepping stone for greater glory, greater career heights. I explained to him not to job switch so fast. He should spend a couple of years at least to understand the business to be truly effective in delivering results.

In his book, *Outliers*, Malcolm Gladwell explains one of the ingredients of success. He says that to be successful, one needs to immerse oneself in his profession for at least 10,000 hours. That number of experi-

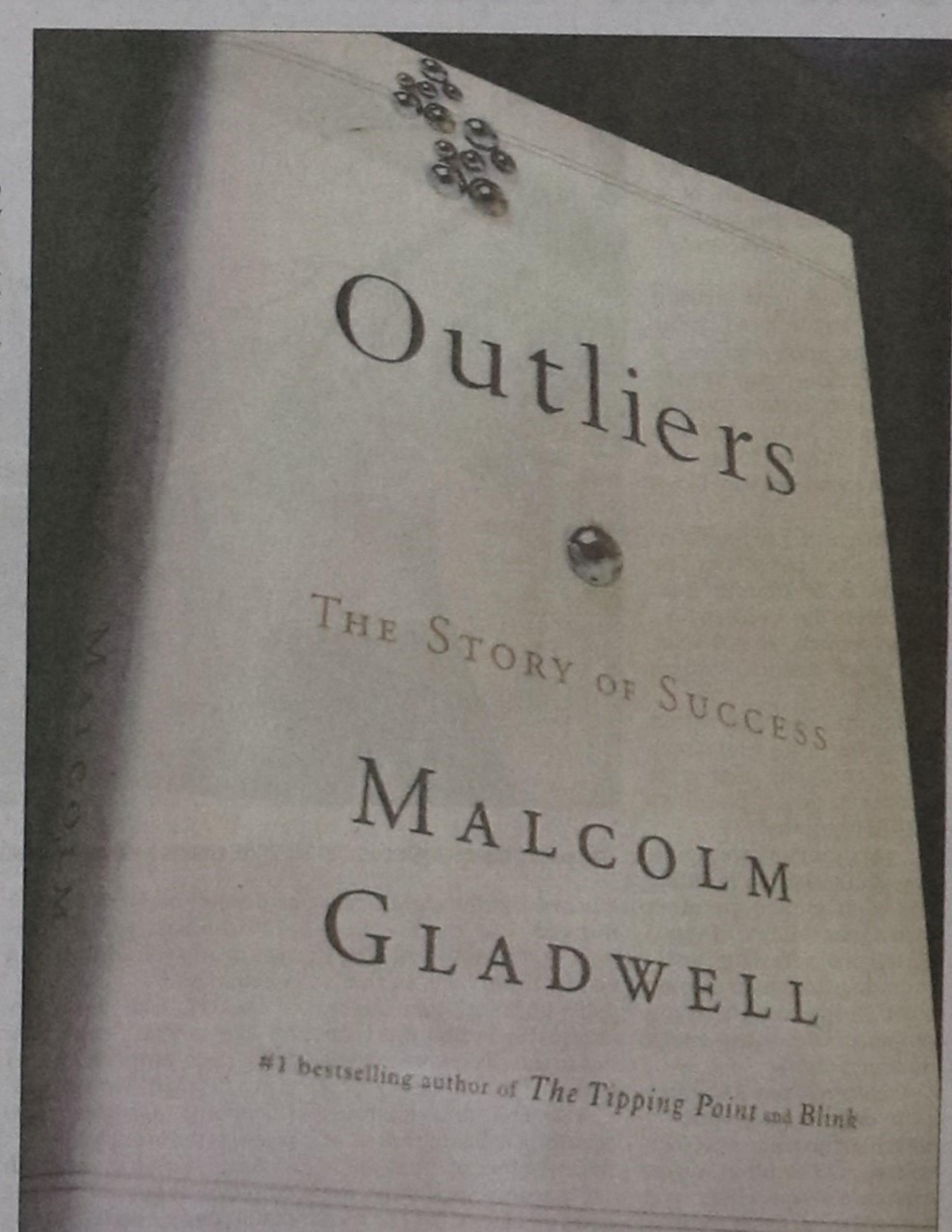
ence hours will give you the wisdom to exceed in your profession of choice, thereby giving you an edge over your colleagues, and lead you to the path of success. If you work ten hours a day, this would translate into a thousand days or three years of continuous dedication to your choice. Only then would you develop an intuitive business sense that will help you to contribute effectively to your organisation.

Much before reading this book, I was wary of people who have been job hopping for short stints of time. Their knowledge of a business is inevitably as shallow as a puddle on a road after a shower. Of course there are exceptions. We have a friend who will need a ream of paper to write down his CV as every time we meet, the first question we ask of him, where are you now? We are never sure of him! And surprisingly enough, he never seems to run out of openings! As a soothsayer would tell you, he is one of those who must have a streak of luck cut deep in his palm.

Life is full of surprises. There is our good friend Delwar, a giant of a fellow who proved his endurance during our MBA days. Twice he was on probation, scoring dangerously low on his grade points. Each of the following terms, he bundled up his bed and studied literally day and night to bounce back and pass the course. Having met him recently after all these years, he had his trademark hair brush tucked in his rear pocket, his steel coloured hair styled in the back brush he always did.

Delwar is an example of one who is realistic to understand on which side the bread is buttered. And his success today is exemplary. He is an entrepreneur par excellence, patiently slogging his way, first gaining experience in the garments industry, and then setting up his own sprawling plant, providing employment and succour to thousands.

Sometimes life can cut our peaceful existence like a hot knife through a piece of butter, leaving us shattered. An epitome of success, one of our friends has been handed such a slice of life, now struggling and dev-



astated by cancer. His tattered family continue to bestow love, care and affection as he struggles through his last moments. Wellwishes and family try to support him morally, socially and financially. Friends all around the world are concerned and send in their prayers and funds to ease his mind.

As we wake up each morning, we should

reflect with gratitude of how fortunate we are to be alive, that we still have a warm morning toast and a piece of butter, and the smiling faces of our loved ones, awaiting us at the breakfast table.

Sarwar Ahmed is the managing director of Syngenta Bangladesh Ltd.