

International Business News

China's output, retail sales gather pace in October

AFP, Beijing

China said Wednesday that massive government spending was paying off as a new wave of data showed the world's third-largest economy continued to strengthen, following the worst global crisis in decades.

Industrial production and retail sales picked up pace in October, while demand for Chinese exports improved, official data showed, putting the government's growth target of eight percent well within reach for 2009.

"Based on the October data, we have more reason to believe that the foundation for and confidence in achieving the full-year growth target have further strengthened," Sheng Laiyun, spokesman for the National Bureau of Statistics, told a news conference.

Beijing sees eight percent growth as essential for job creation and keeping a lid on social unrest in the country of 1.3 billion people.

Analysts said the data confirmed China's recovery was on track.

"The recovery appears to be broadening, with the drivers of economic growth shifting from stimulus-driven infrastructure projects to private investment and the improvement in exports," said Jing Ulrich, a Hong Kong-based economist with JP Morgan.

Indian car sales soar 34pc

AFP, New Delhi

Indian car sales leapt 34 percent in October on a 12-month basis, data showed Wednesday, in a further sign of rebounding demand in Asia's third-biggest economy.

Domestic passenger car sales jumped 34 percent, while sales of commercial vehicles soared 52 percent, according to the Society of Indian Automobile Manufacturers (SIAM).

Domestic passenger car sales stood at 132,615 units in October, the seventh consecutive month of growth, compared with 99,052 units in the same month a year ago.

Motorcycle sales in the month rose 14.22 per cent to 611,828 units from 535,642 in October 2008, it added.

Purchases of new vehicles traditionally rise during India's religious festival season, which began in late September and will last until December.

Many Indians regard the festival period as an auspicious time to make big purchases.

Industrial production data and recent comments by government officials indicate the Indian economy is back on track and set to return to its high growth rate of 8-10 percent after slowing during the global financial crisis.



At the Bangalore IT.biz 2009 event, an attendee works on a computer in front of a poster of a farmer yesterday. The 12th edition of one of Asia's biggest Information and Communication Technology events is organised by the state government of Karnataka.

South Korea's October jobless rate at 11-month low

AFP, Seoul

South Korea's October jobless rate fell to the lowest level for 11 months in another sign the economy is recovering from a sharp downturn, official figures showed Wednesday.

The unemployment rate stood at 3.2 percent last month, down from 3.4 percent the previous month, according to the National Statistical Office.

It was the lowest since 3.1 percent in November last year.

The number of employed people stood at 23.85 million last month, up 10,000 from a year earlier. The year-on-year job growth was smaller than a 71,000 rise in the previous month.

The government has said it will not withdraw stimulus measures in the near future, citing the still weak job market and sluggish capital investment by companies, even though recent economic indicators have been positive.

Twitters links to LinkedIn

AFP, San Francisco

Twitter on Tuesday linked to LinkedIn, letting people share updates and tweets between the hot microblogging service and the career-oriented online social networking website.

Twitter synchronization features will roll out during the next several days, according to LinkedIn co-founder Allen Blue.

"When you set your status on LinkedIn you can now tweet it as well, amplifying it to your followers and real-time search services like Twitter Search and Bing," Blue said in a blog post.

"And when you tweet, you can send that message to your LinkedIn connections as well, from any Twitter service or tool."

LinkedIn was launched in Mountain View, California, in 2003 as an online community for people to advance career and job prospects. LinkedIn reportedly has more than 50 million registered users worldwide.

COLUMN

Airport hassles far from over

HABIBULLAH N KARIM

The government plans to build a new modern airport near Gazipur and also upgrade other major airports in the country to handle increasing air traffic in the country, according to a The Daily Star report published on November 5. I could not help but chuckle to myself as I sat down to browse the newspapers in the afternoon, upon my return from an overseas trip the same day.

That morning, I landed at Zia International Airport at quarter past nine. I passed through immigration pretty quickly and got myself a baggage trolley to collect my luggage. The airport has four baggage conveyors and I could see two of them displaying my flight number -- one for business class passengers and the other for mundane souls such as myself traveling on economy.

After about fifteen minutes, the conveyors whirred to life and after another ten minutes, some bags started showing up.

After a while, I realised no new luggage was being thrown on the belts, as was evident from the jam-packed baggage isles. Even after an hour of waiting, I could see at least a hundred passengers milling about the belts. There were passengers with babies, old men and women and not-so-young-any-more passengers, such as myself. After a 25-hour journey, I was ready to punch any civil aviation authority personnel I could find within reach. But the authorities were absolutely mum on the delay and I could not find any civil aviation or airline personnel within sight.

Getting baggage from the aircraft on to the conveyor belt is a routine operational matter that possibly could not take more than half an hour, even if brought by hand. The Dhaka airport has quite a bit of baggage handling equipment and so it should take even

less time. There were also no other incoming flights at the time that could possibly hinder baggage handling. Then why were scores of passengers waiting in utter desperation for their bags in an airport that seems to have all the trappings of a modern airport?

To make matters worse, passengers had to continuously move back and forth between the two conveyor belts to check for their bags as luggage was being thrown on the belts without segregating them as per the signs displayed above the belts.

Modernisation does not come from machines alone. It depends more on processes or efficiency of processes, to be exact. And process efficiency depends on human efficiency and the ability of human operators to abide by rules of the



A view of Zia International Airport in Dhaka. Travelling through the airport is still an ordeal, while the government plans to upgrade major airports in the country to handle increasing air traffic.

processes. No amount of modernisation, glaring electronic displays and super-sophisticated baggage handling systems will help if the people behind it live in the stone ages.

Dhaka airports baggage handling sloth and occasional pilferage have been routine for as long as I can remember. This is usually the first jolt of realism after someone returns home from a foreign trip. One non-Bangladeshi friend of mine used to call this phenomenon "TIB this is Bangladesh" and used that euphemism to calm his mind whenever faced with such frustrating situations here.

Of course as a Bangladeshi, needless to say, I never enjoyed such sarcasm but also could not protest, as these are facts of life here. The "TIB" chant could work on a foreigner but when a deshi is

faced with such lack of professionalism, deliberately perpetrated by our other deshis then frustration simply knows no bounds.

The personnel of the civil aviation authorities are paid with our taxes that we pay out of our hard-earned money. If these people are incompetent to run the affairs of the airport then they should simply be forced out and the government should let the private sector do the job. I am sure, under private management, the airports will provide world-class service without any burden on the taxpayers.

By the time I got my baggage, it was nearly quarter to eleven. Even then I could see nearly half the passengers from my flight anxiously waiting. This episode is all the more disturbing because some progress in baggage handling

efficiency was achieved when the immediate past caretaker government was in power.

If such calamitous service at the airport is due to politically backed mafia forces in action then that should be ruthlessly stopped because our fragile economy simply cannot afford to go back to the stone ages in public utilities and hope for miracles to happen!

All those government plans for bigger and better-equipped airports will only add to our agony, unless we fix the service standards of our existing airport facilities and enforce discipline without any excuses.

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APEC MEETING

Signs of recovery merely a respite

AP, Singapore

Asia-Pacific ministers warned Wednesday that signs of recovery in the global economy are merely a respite, and future growth hinges on freer trade and improved social safety nets in Asia.

Finance and foreign ministers meeting in Singapore for this week's annual Apec meeting are mulling ways to keep economic recovery going once lavish stimulus spending ebbs, while tackling other regional security and political issues.

The forum culminates in a weekend summit of heads of state from Apec's 21 economies, including President Barack Obama.

The economic crisis is "by no means over," warned Singapore's foreign minister, George Yeo, urging nations to persist in opening markets wider.

"There is creeping protectionism now; that is very dangerous. It is a slippery slope, and if we're not careful, before we know it, all of us will be in a much more dire situation," he told reporters after hosting a breakfast meeting with foreign ministers.

The ministers agreed the economic crisis is in a respite, Yeo said, but recovery remains fragile.

US Secretary of State Hillary Rodham Clinton urged fellow leaders to forge ahead with plans to combat global warming and to help push Myanmar's military regime toward greater democracy.

She called for calm in the aftermath of a naval skirmish Tuesday between North and South Korea, but said it would not scupper plans to send envoy Stephen Bosworth to Pyongyang to persuade the regime to return to six-nation nuclear disarmament talks.

But the main focus for the regional dialogue remained the economy, and Apec nations are looking to the US to add heft to efforts to push for a global trade pact and help dismantle trade



US Secretary of State Hillary Clinton gestures as she addresses a press conference at the Apec Foreign Ministerial Meeting in Singapore yesterday, ahead of the 21-member Asia-Pacific Economic Cooperation (Apec) forum in the city on November 14-15. Asia-Pacific economies led by the United States and China have opened annual talks with calls to fight protectionism in order to preserve the region's 'fragile' economic rebound.

barriers to help along the recovery.

Apec was founded 20 years ago to promote greater trade and integration around the Pacific Rim. Its scope has since expanded to encompass a wide range of issues, and ministers Wednesday stressed the need for action on climate change, energy security and ensuring food security for the millions of vulnerable poor in the region.

Boosting exports is the "best ticket" to creating jobs, ending the recession and bringing massive deficits under control, said Thomas J Donohue, president of the US Chamber of Commerce.

"Expanding free trade across the Pacific can drive the global

economic recovery, create badly needed jobs and advance economic and social progress in developing and developed countries alike," he told business leaders on the sidelines of the Apec meeting.

While Asia has 168 free-trade agreements, work on US pacts with South Korea, Colombia, and Panama languish in Washington.

The Pacific Economic Cooperation Council, an Apec-affiliated think tank, urged in a report issued Wednesday for fundamental reforms to shift growth away from a dependence on exports to the US.

"US consumers are not likely to drive world demand in the

medium term, and the slack will have to be taken up in part by Asian consumption and investment," Peter Petri, a Brandeis University professor who coordinated a regional task force on the economic crisis, said in the report.

The think tank's survey of 400 business, government and expert leaders in the region found many convinced that the engines of growth are changing - a trend long anticipated but accelerated by the relatively strong recent performances of developing Asian nations, especially China and India.

"They are very conscious that the US is not going to be the growth engine for the foresee-

able future, and they are thinking very hard of how to find other ways to generate growth," said Yuen Pau Woo, who coordinated the report.

Obama, visiting Asia for the first time since he took office in January, will be seeking to counter the perception of declining US power.

The president wants "to send a message that the United States intends to deepen its engagement in this part of the world; that we intend to compete in this part of the world; and that we intend to be a leader in this part of the world," Jeffrey Bader, a National Security Council official, told reporters from Washington.

Still, with the US economy growing at less than half the rate of China's 8.9 percent in the third-quarter, and consumer demand still languishing amid a so-far job-scarce recovery, Asia's pivotal role is evident.

"The engines of growth are shifting from the US to Asia; from exports to domestic spending, especially on social priorities and from production of goods to production of services," Woo said.

Higher spending on social needs such as education, health care, services for the aging and welfare networks; freer trade in services, and policies to promote green technologies - all can contribute, he said.

Devoting more to those resources would help rebalance the wide gap in US-China trade, among other distortions, that helped bring on the crisis.

By boosting social spending, China and other Asian nations could help reduce the need among their citizens to scrimp and save to cover such costs, freeing them to improve living standards and spend more.

The report estimates that \$300 billion of the \$28.8 trillion in regional economic activity represents trade and other imbalances that need to be redressed.