

International Business News

Indian parliament in uproar over food prices

AFP, New Delhi

India's national parliament adjourned in uproar on Tuesday after opposition parties attacked the government over galloping food prices, one of the hottest domestic political issues.

The first official working day of the three-month-long budget session ended in chaos despite appeals to the opposition by Prime Minister Manmohan Singh not to disrupt business.

Lawmakers from the main opposition Bharatiya Janata Party (Indian People's Party) took to their feet, shouting slogans and waving papers as they demanded a debate on food prices, which leapt 17.97 percent over 12 months in the first week of February.

Speaker Meira Kumar, after repeated attempts to restore order amid the din of shouting and jeering, adjourned the 543-member elected lower house. The upper house was adjourned too after similar unruly scenes.

India's inflation last week jumped to its highest level in more than a year due to the rocketing prices, particularly of cereals and sugar which have risen in response to poor harvests.

Migrants face peril from Thai registration deadline

AFP, Bangkok

More than one million migrants in Thailand face possible deportation and further abuse if they fail to meet a deadline this week to register with authorities, a rights watchdog said Tuesday.

Thailand has ordered all citizens from neighbouring Myanmar, Cambodia and Laos to register and verify their nationality by Sunday or risk deportation, as part of an ongoing clampdown on immigration.

But Human Rights Watch said the ultimatum will force an already vulnerable community to endure further abuse at the hands of Thai authorities and employers who they say regularly exploit migrant workers with impunity.

"Millions of migrants living in Thailand have been subjected to various forms of abuse ranging from extrajudicial killings to torture, arbitrary arrest, extortion....," Sunai Phasuk, the New York-based group's Thailand expert, said at a press conference to launch a report on the deadline.

"Migrant workers need to be seen as human beings, not simply as assets."



AFP

Models display Japanese camera maker Nikon's new digital cameras, the "Coolpix S6000 (R) and S8000", in Tokyo yesterday ahead of their release onto the market in March. The cameras come equipped with a 14.2 megapixel CCD image sensor, with the S6000 including a 5-35mm/F3.7-5.6 zoom lens equivalent to a 28-196mm in 35mm cameras and the S8000, a 5.4-54mm/F3.5-5.6 zoom lens equivalent to a 30-300mm in 35 mm lens.

Bank of England chief says recovery is fragile

AP, London

The governor of the Bank of England said Tuesday that Britain's recovery from recession is fragile, and that the next few months are likely to be volatile.

Governor Mervyn King told a Parliamentary committee that recovery appeared to have stalled in the euro area, Britain's largest export market, and pointed to the world economies large imbalances such as trade and budget deficits.

"This nascent recovery is fragile. The tensions that underlay the build up of large world imbalances have not been resolved," King told the House of Commons Treasury Committee. "And, at home, bank lending to the nonfinancial sector continues to fall."

Sterling fell broadly following King's remarks, with the euro moving to a 12-day high to 0.8824 pence and the pound dropping a cent against the dollar to \$1.5421.

Gulf banks face difficult year in 2010: Standard and Poor's

AFP, Kuwait City

Banks in the energy-rich Gulf in 2010 face another difficult year as they continue to clean up their loan books, impacting on performance, the ratings agency Standard and Poor's said on Tuesday.

The global economic slowdown and financial crisis have put the banking sector in Arab states of the Gulf to the test over the past 18 months, as dozens of negative rating actions were taken throughout 2009, the agency said.

The rating actions "largely reflect the consequences of the unfavourable economic conditions on profitability and asset quality, especially for banks in Kuwait and Dubai," it said in a report.

Most Saudi and all Qatari banks had performed relatively better than lenders in the other Gulf states.

CITY LIFE

A question mark on urbanisation

Asiatic Society seminar spotlights 400 years of Dhaka

Md HASAN

About 400 years ago, it was a small speck on a map, off the Buriganga river. Now it is a sprawling city -- Dhaka.

Years on, it is now a matter of debate whether urbanisation in Dhaka is advancing in the right direction or not. But as a city, Dhaka has been recognised as a hub of both economic and political activities in different times since the seventh century.

The earliest available map shows Dhaka extending over an area of only about 1.5 square kilometres near the junction of the Dholai Khal and Buriganga river.

Historically, the British Raj initiated urbanisation on a large-scale in 1904 when Dhaka was made the capital of East Bengal, a newly created province of British India.

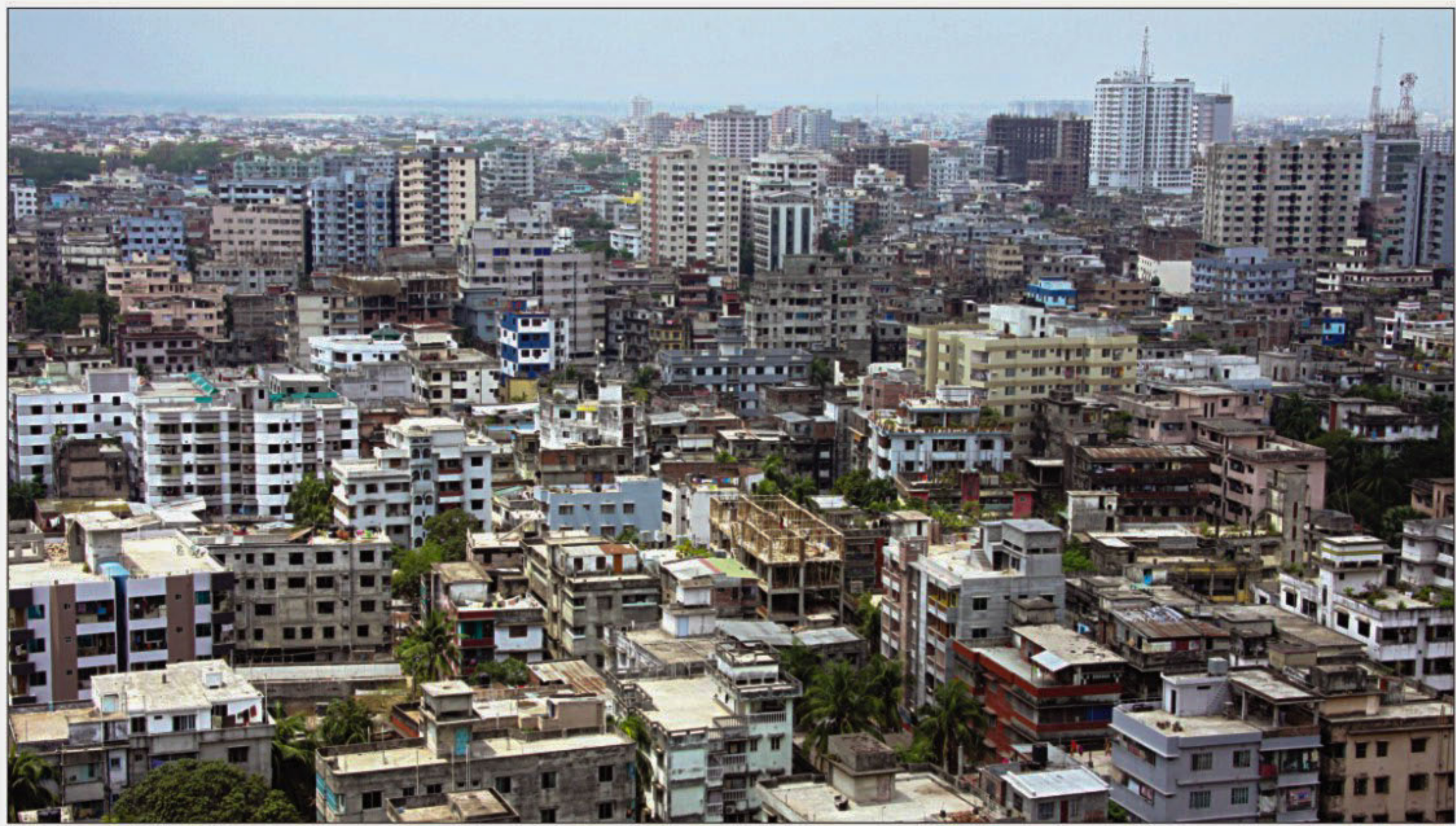
Dhaka gained the city status in 1947 when it was made the capital of East Pakistan and by that time, stretched over an area of about 40 square kilometres. The importance of Dhaka increased exponentially after 1971, when it became the capital of an independent Bangladesh.

As a result, the city expanded phenomenally and according to the census of 1991 the area and population of Dhaka mega city or Dhaka Statistical Metropolitan Area (DSMA) was 1,600 square kilometres and 6.83 million respectively.

According to the same census, the area under Dhaka City Corporation (DCC) was 360 square kilometres, with a population of 3.39 million. The present population of DSMA is believed to hover around 12 million.

Experts said unplanned urbanisation somehow shadows some historic structures that gradually result in deterioration of Dhaka's historic look.

The views came at an international seminar on the "History



SK ENAMUL HAQ

Runaway urbanisation in Dhaka is a popular topic for discussion, but the city has always been recognised as a hub of economic activities.

Heritage and Urban Issues of Capital Dhaka" organised by Asiatic Society of Bangladesh at Dhaka University.

Urbanisation and real estate were in the spotlight at the 10th academic session chaired by Prof Roxana Hafiz. A paper on real estate, written by Toufiq M Seraj, managing director of Sheltech Private Ltd, was distributed at the seminar.

Bangladesh's rate of urbanisation is 3.15 percent indicating the mounting housing pressure on urban governments. The physical feature survey in the city corporation area reveals that there are nearly 225,000 permanent structures, which can accommodate three to four million people. The remaining seven million people dwell in semi-permanent or temporary structures in slums and squatters.

However, rapid urbanisation without considering the geological aspects has brought significant changes in the geo-environment of the city area. Water logging, pollution, change in the hydrogeological system, localised land subsidence and building collapse are the hazards associated with these changes in the geo-environment.

"Since 1610, Dhaka was recognised as a ruling centre by different empires and governments. But in terms of urbanisation, it did not develop in a planned manner, especially after independence," said Prof Sarwar Jahan, chairman of department of urban and regional planning of Bangladesh University of Engineering and

Technology (BUET). Talking to The Daily Star, he said it would not be an abandoned city as there is no alternative. However, he said: "Dhaka is losing its competitiveness, compared to other capital cities in the world due to a lack of planning."

Toufiq M Seraj of Sheltech Private Ltd said what happens in Dhaka in terms of housing sector development since the 1980s was mainly because of meeting the demand of a growing number of people.

He said private real estate developers handed over more than one lakh apartment units to the people of the city so far, which accommodates more than five lakh people.

However, he admitted that the housing sector did not develop in

the way it should have, due to a lack of policy.

Back in history, Dhaka consisted of a few market centres, like Luxmi Bazar, Shankhari Bazar, Tanti Bazar, and a few localities of other craftsmen and businessmen, like Patuatuli and Kumartuli, Bania Nagar and Goal Nagar.

Jahan said it is not possible to create an alternative to Dhaka city at this moment. But if the government takes steps to decentralise urbanisation under a detailed plan, Dhaka may get relief from the huge pressure of urbanisation.

"For future economic growth, you must have a city where foreign investors can be happy with the facilities," he said. "There is hope to make that happen."

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AVIATION

Strike action clouds Europe's skies

AFP, Paris

European travellers faced more misery on Tuesday as French air traffic controllers launched a five-day strike and British and German airlines sought to head off threats of industrial action.

A quarter of flights from Paris Charles de Gaulle, a major international hub, were cancelled, along with around half out of Paris Orly, which mainly serves domestic routes and the French overseas territories.

Queues were building up at Orly, but most passengers were resigned to their fate as 17 flights flashed up "cancelled" on information screens. Air France has vowed to maintain most long-haul services during the strike.

The operators' association said some provincial airports, such as Pau, Biarritz, Grenoble, La Rochelle and Chambéry, would close during the strike.

Four French unions have called the strike in order to protest against the planned merger of the Belgian, Dutch, French, German, Luxembourg and Swiss air traffic control networks.

French controllers fear the merger will end their protected role as French state employees, but the French aviation authority DGAC has insisted that its status will not be changed.

Beyond France, more widespread chaos was prevented, or at least postponed, late Monday, when German flag-carrier Lufthansa persuaded pilots to return to negotiations after only one day of a planned four-day stoppage.

Meanwhile, British Airways is facing the threat of a crippling protest after cabin crew voted by more than 80 percent in favour of new strike action, the fruit of a long-running and bitter dispute over working conditions.

British Airways, which has fore-



A person stands in front of a screen announcing an air traffic control dispute yesterday at Paris' Orly airport. Several flights were cancelled or delayed as air traffic controllers went on strike to protest against a European air traffic control structure.

cast a record loss in its current financial year, says it wants to review the working conditions of its cabin crew, who are paid more than their counterparts at other airlines.

The cabin crew's union, Unite, is angry at plans to use fewer crew on flights, freeze pay and apply different working conditions to new staff.

A total of 9,271 cabin crew voted, with 80.7 percent in favour of strike action, the union said. This allows for a strike within 28 days, but media reported that the busy two-week Easter holiday period has been ruled out.

"Our members are not mindless militants but men and women committed to their company and their profession, so it is right that they want to be consulted on changes to their jobs," said Unite assistant general secretary Len McCluskey.

"We will not allow Unite to ruin this company," the airline warned, in a statement. "Should a strike take place, we will do everything we can to protect our customers' travel plans as far as possible."

Lufthansa, Europe's biggest airline, said Tuesday it hoped to get services running normally by

the end of the week as talks with unions got underway.

The firm agreed late on Monday to hold negotiations with the pilots' union Cockpit, ending a strike that was expected to last four days and cost the firm up to 100 million euros (136 million dollars).

"It will take some time to get the whole network functioning again," airline spokesman Klaus Walther told television station ZDF. "Our goal is to have the network running at 100 percent by Friday at the latest."

Walther said he was "optimistic" that talks would result in an

agreement by March 8, the date unions have set as their next possible strike action, and Cockpit also welcomed the restarting of talks.

The union is pressing for a 6.4-percent pay raise but its main demand is that pilots would not lose their jobs when Lufthansa begins to operate more flights using cheaper foreign affiliates.

Lufthansa said it had flown 960 flights on Monday, just under half the scheduled number, but the predicted chaos at its Frankfurt hub did not materialise, as most passengers were forewarned and stayed away.