

International Business News

Newsweek and the Daily Beast in merger talks

US weekly magazine Newsweek and the Daily Beast news website are exploring possibilities to combine their operations and the likelihood of a deal is increasing, the Wall Street Journal said, citing people familiar with the discussions.

A deal would make Daily Beast co-founder and co-owner Tina Brown the editor of Newsweek on top of her existing editorial duties at the website, the Journal said.

Audio equipment magnate Sidney Harman, the founder of Harman International Industries Inc, bought the money losing Newsweek from The Washington Post Co in August.

The Daily Beast publishes news and commentary, and now averages 4.6 million visitors a month, the Journal said, citing data from Omniture, a Web analytics company.

The Daily Beast is expected to lose about \$10 million this year, a person familiar with the matter told the Journal.

However, The Daily Beast executives say the portal is on its way to becoming profitable in two years, according to the Journal.



A Kashmiri artisan gives the final touches to a papier mache product before sending it to the market on the outskirts of Srinagar yesterday. The tradition of the Kashmir papier mache has its origin rooted in the 15th century when king Zain-ul-Abidin invited accomplished artists and craftsmen from Central Asia.

Mittal urges China to ease rules on investment

China should ease rules on inward investment, Lakshmi Mittal, the chairman and chief executive officer of the world's largest steelmaker ArcelorMittal, said in an interview published Monday.

"You cannot expect business people in the US to be relaxed (about planned inward investments by Chinese companies) if their attempts to do the same thing in China are covered by restrictions," he told the Financial Times in Tokyo.

Mittal was speaking in light of a row in the United States over a plan by Anshan Iron and Steel (Ansteel), one of China's biggest steelmakers, to join a 168 million dollar venture to build a plant in Mississippi, the report said.

"In today's free market, I don't think you can stop projects by Chinese companies to expand overseas," Mittal said.

But he added Beijing had to become more relaxed about the conditions under which foreign companies could participate in running China-based businesses, saying: "There has to be a two-way aspect to policy."

State-run Ansteel signed a formal agreement with Mississippi-based Steel Development Company in September that includes construction of five plants in the United States.

Microsoft readies new phone launch with AT&T

Microsoft Corp is set to unveil a new line of phones running its Windows software on Monday, as it attempts to pull back market share from Apple Inc's iPhone and Google Inc's Android system in the fast-growing market for multi-featured 'smartphones'.

The world's largest software company is hoping that the new phones, from handset makers such as Samsung, LG and HTC, will propel it back into the mobile market, which many see as the key to the future of computing.

The new phones, initially available on AT&T Inc's network, have already been shown off in prototype form, and are much closer in look and feel to Apple's iPhone, with colorful touch-screens and 'tiles' for easy access to e-mail, the web, music and other applications.

Some analysts say they represent Microsoft's last chance to catch up with rivals, which overtook them in the past few years. Handsets are not expected to appear in stores for a month, so their success may not be judged until the new year.

Taiwan Cement plans large solar power plant

Taiwan largest cement maker plans to build a large solar power plant, the company and local media said Monday, confirming a trend for the island's companies to focus increasingly on green technologies.

Taiwan Cement is looking to build the 100-megawatt plant in southern Pingtung county, targeting an investment worth "tens of billions" of Taiwan dollars, the Commercial Times reported, citing chairman Koo Cheng-yun.

A spokeswoman for Taiwan Cement, who declined to be named, confirmed the report when contacted by AFP, but said she had no other details.

Taiwan Cement is in talks with Taiwan Sugar, a major land owner, on terms for leasing a piece of land in Pingtung, according to the report.

Solar energy has attracted significant interest in Taiwan, with Inventec Corp., a leading contract notebook computer maker, saying last month it will invest at least 3 billion Taiwan dollars (95 million US) on a solar cell unit.

EMPLOYMENT

Running after the dream job

MD FAZLUR RAHMAN

Abu Talha earned his master's in mass communication and journalism more than a year ago, but is yet to court his dream job, despite making several attempts.

During his long academic life at the country's one of the top universities, all his efforts were concentrated on Bangladesh Civil Service (BCS), which provides top and prestigious government jobs. He never tried to build his career in journalism.

Since completing tertiary education, the ex-Notre Damian has appeared in two BCS exams -- the 28th and 29th -- and attended viva voce on one occasion, but in vain.

"I have got good preparations, but it is not just happening," said the 27-year-old who stood 13th in his secondary exams under Rajshahi board.

There are many like Talha. There are also many who, out of depression and fear of ultimate failure, have aimed at other targets.

"Changing the aim is a practical necessity in the context of Bangladesh," said Shariful Hannan, 29, a banker at a private bank.

He said he had to distance himself from trying to get top government jobs as he found such efforts eat up much time.

"In most cases, the process for getting a government job is lengthy. As a result, like me, many of my friends have ended up in other areas," said Hannan, who completed honours and master's in English literature from Dhaka University.

Every year, around 475,000 students get enrolled at university and college levels at the country's National University-affiliated colleges, public universities, private universities, government and private medical colleges and Open University, according to University Grants Commission (UGC).

Although the Commission does not keep any record on the number of students completing the full term, less than 10 percent of the admitted drop out, a UGC official said.

Over 29,077 students get enrolled in 29 public universities every year, according to the UGC. Over 95 percent of them complete their course, said the official.

Around 60,000 graduate from the country's 51 private universities annually, said Hurmot Shah, secretary of Private Universities Association of Bangladesh.

In 2009, over 112,035 students graduated from around 1,632 degree and honours colleges affiliated with National University.



Several thousands also completed their tertiary education from over 55 government and private medical colleges.

The number of graduates from colleges will increase in the coming years, as the number of degree colleges has already reached 1,948, said National University spokesman Faizul Karim.

Graduates in engineering, medicine, dentistry, economics, English, law and business studies will not need to spend much time for searching jobs compared to their counterparts in other subjects, says Hannan, an executive-MBA student.

He said graduates from reputed institutions will get their desired jobs after completing their course.

Hannan said students are increasingly

facing a dilemma whether they would stick to only academic studies or try to become skilled through job-oriented studies.

"Even if you achieve good grades, you may need to spend a significant amount of time for preparing yourself for the tough job market," he said, adding that the time required may range between six months and one year and in some cases up to two to three years.

Shah of Private Universities Association also said graduates with low-grade face hard times in getting job. He, however, said most of their graduates have fared well particularly in the private sector such as in the areas of banks, IT and telecoms.

Failing to get a desired job in the country, hundreds of thousands of students fly

abroad each year soon after leaving university, or even before.

Last year, nearly 20,000 students went abroad mainly to the United Kingdom, Australia, Canada, Malaysia and Sweden, for study purposes, said MK Bashar, chief executive officer of BSB Global Network, a students consulting firm.

As public jobs remain hard to pin down Talha has also sent out dozens of CV to private sector offices.

He has attended the preliminary test of 30th BCS examination, result of which is set to delay, as a writ has been filed with the High Court over questions paper leakage.

The holdup, a regular phenomenon in the country particularly in the government jobs due to a huge participation and bureaucratic tangles, worries many like Talha.

"I will continue trying," he said, adding that the 30-year-age-limit could dent his journey towards the dream job.

Bangladesh has seen explosive growth in the number of university and college students thanks to rising literacy rate from 16.8 percent in 1971 to over 53 percent in 2009. But there has not been a comparable rise in graduate-level jobs, although telecom, IT and banking sectors are offering a huge number of jobs.

On an average, 35,000 online users hit BdJobs.com, the country's first and leading career management site, daily, said the company.

Each year about 18 lakh people join Bangladesh's workforce and the underemployment plus unemployment rate now stands at 28.5 percent in the country of 160 million people, according to Mustafizur Rahman, executive director of Centre for Policy Dialogue, a think-tank.

The economist said the government has to emphasise non-farm, industrial and service sectors to employ the new workers, as the agriculture sector would fail to absorb them.

He said there is a mismatch between market demand and the country's education system. "There is high demand for people with technical and vocational knowledge. We have to address it."

"Besides, we have to finance self-employment schemes and here comes the issue of access to finance. We have to give them easy credit," Rahman said.

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COLUMN

Chindia policy to boost domestic trade

KINGSHUK NAG

When the G7 was formed in 1976 as a major economic and political group of the seven largest industrialised nations, not even the optimistic of soothsayers would have predicted that 23 years later in Pittsburg, USA, the G20 would dethrone G8 as the primary council of wealthy nations. This shift of power to a multipolar world, which signals the gradual fall of Washington's influence and the complementary rise of Beijing-Delhi is not without reason as the G20 comprises an astounding 85 percent of the world's economy and over two-thirds of the world's population.

Chindia surfaced in the international lexicon in 2005 and if the last decade of monstrous growth for both the countries is anything to go by, Chindia has every chance to find it being explained in the Oxford dictionary.

While the world economy contracted 2 percent in 2009, China and India registered growth of 8.7 percent and 6.8 percent.

However if there is one country in the world, which can claim to be good friends of Chindia and at the same time reap economic benefits from the economic prosperity of both these countries, it is Bangladesh. A quick flip through history books would tell us that while India had a major contribution in securing Bangladesh's independence in 1971, conflicts of interests in issues such as trade and commerce, determining the limits of territorial waters, and sharing of Ganges clipped the wings of trust.



The skyline of Shanghai. China is expected to overtake Japan as the second wealthiest country by 2015.

In the last five years, Bangladesh has seen drastic improvements due to concessions accorded by India, as exports have risen fivefold from \$66 million in 2002-03 to \$275 million in 2008-09 in just six years.

When the South Asian Free Trade Agreement was signed in 2006 following the South Asian Preferential Tariff Agreement (SAPTA) in 1993, India offered concessions on 2,500 products to least developed countries, including Bangladesh. Since then, India has rapidly reduced its negative list from 770 products in 2006 to around 260 in 2010 for Bangladesh.

One of the major problems of Bangladesh is the over reliance on the ready garments sector, which accounts for almost 5 percent of its GDP. Apart from that, energy

constraints have severely crippled the growth prospects of Bangladesh as at present, the country faces a huge shortage in both gas and power supply. India's growing relationship with Bangladesh can help cease the worsening situation from getting out of hand as India can make Bangladeshi ready made garments more accessible to its markets in the near future. Also, with the recent installation of a 120 MW power plant by Indian giant Bharat Heavy Electricals Ltd (BHEL) in Bangladesh and the deal slated to be signed by Indian Navratna National Thermal Power Corporation (NTPC) with Bangladesh Power Board this year, India's foray in the power sector is a giant leap forward for both the countries.

India's northeast is awash with significant economic opportunities for Bangladesh. In 2007-08, Bangladesh exported goods worth \$30 million and imported \$80 million worth of goods as India's

northeast is projected to increase its trade with Bangladesh. Improved infrastructure and transit links between the two regions would not only mean a good export market for Bangladesh's goods but also open up unexplored markets in Nepal and Bhutan.

China-Bangladesh trade

China is the largest trading partner of Bangladesh as trade between the two countries clocked \$4.60 billion in 2009. However, Bangladesh still maintains a huge trade deficit with China -- while Bangladesh imports 16 percent of its goods from China, exports to China constitute a minuscule 2 percent. As per the Bangladesh Bureau of Statistics, a trade deficit of \$3.8 billion existed between China and Bangladesh as of June 2009. Beijing recognises that this trade gap needs to be pruned and as such, it sends purchasing groups every year to Bangladesh to scour potential opportunities.

Bangladesh's exports to China

has been on the ascendancy in the last few years and with the recent removal of tariffs to about 5,000 Bangladeshi products to Chinese markets, the future looks radiant for Bangladesh. The commerce ministry, which described the offer as "stunning", also stated that the duty free access of Bangladeshi products is without any condition and does not require a mutual action from Bangladesh's side. Undoubtedly, this offer has been the culmination of years of a fruitful relationship with China and gives Bangladeshi entrepreneurs a great opportunity to access over a billion consumers in China.

China has offered close to \$7 million after it signed an economic cooperation agreement with Bangladesh, where China will offer support for constructing a deep sea port and help Bangladesh in installing a space satellite. Apart from the financial assistance, China's economic prowess means an unearthed potential to direct Chinese foreign direct investment (FDI) towards Bangladesh especially after FDI has seen a drastic fall this year.

India and China together represent 20 percent of the world's GDP and 40 percent of the world's population. With six countries of G20 representing the Asia Pacific region, International Monetary Fund is gearing up to undergo a major reform to ensure equitable voting and power representation and Asian countries is expected to gain, led by Chindia.

Also, recent reports of China supporting India's representation for a permanent seat in the UN Security Council underlines the growing economic and political clout of Chindia. Bangladesh is well placed to seize this unique advantage and should not let this opportunity to pass as a joint Chindia policy can help Bangladesh rise rapidly in achieving its economic and political ambitions.

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