

MCCI lays out vision for future

The chamber aspires to be the leading voice in responsible business



Sir Fazle Hasan Abed, founder and chairman of development organisation BRAC, is seen with senior leaders of the Metropolitan Chamber of Commerce and Industry at a programme at Lakeshore Hotel in Dhaka on Tuesday.

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STAR BUSINESS REPORT

THE Metropolitan Chamber of Commerce and Industry (MCCI) on Tuesday vowed to stay in sync with modern business policies to meet future demand.

The leading chamber is now conducting surveys and collecting members' opinions to set a time-befitting vision and mission.

The MCCI laid out an initial vision that is open to change and suggestion, at a function at Lakeshore Hotel in Dhaka on Tuesday. The MCCI aspires "to be the leading voice serving responsible business".

The chamber also set six initial missions. The missions will be implemented over the next two years to adjust with modern business activities, as the chamber was formed

108 years ago.

The six initial missions of the chamber include becoming the leading chamber for providing research and analysis related to business in Bangladesh, attracting quality membership that represents a cross section of businesses and responding to the changing needs of the members.

The three other missions are enhancing the capabilities through collaboration with local and international institutions, engaging and communicating regularly with the stakeholders and recognising the best practices that benefit business and society.

The chamber's missions are being changed mainly to accommodate more members, enhance the quality of services and for the country itself, said Amjad Khan Chowdhury, MCCI president.

Work on the MCCI's new roadmap started in February, Chowdhury said. "The chamber set the vision and missions to guide its activities and members to serve the society and community, particularly, the businesspeople," he said.

Latifur Rahman, former MCCI president, said the garments, textiles and banking sectors have strong associations now. "The members of those associations should also join the chamber," said Rahman, also chairman of Transcom Group. "Their recognition should be there."

As a keynote speaker, Sir Fazle Hasan Abed, founder and chairman of development organisation BRAC, said the responsible business should be carried out without harming the environment.

The responsible businesses should not

Work on the MCCI's new roadmap started in February. The chamber set the vision and missions to guide its activities and members to serve the society and community, particularly, the businesspeople

have a single bottom line, meaning that profit should not be the main target, he said. "A responsible business means ethical business," Abed said.

He said the concept of social business is recently being disseminated worldwide, particularly by Nobel laureate Muhammad Yunus, but BRAC started such kind of a business 32 years ago by establishing different organisations.

"Social businesses do not have a profit motive, but profit is a requirement of the businesses," he said.

Sir Abed said firstly, he established Aarong as a social enterprise and then BRAC Microfinance and thirdly, seed cultivation by BRAC. In 1998, BRAC came up with a separate bank named BRAC Bank to finance the unbanked missing middle.

This year, BRAC and BRAC Bank have a target to disburse \$2 billion for the small and medium enterprises," he added.



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MCCI President Amjad Khan Chowdhury, middle, gives a crest to Transcom Group Chairman Latifur Rahman, right, on Tuesday for winning the prestigious Business for Peace Award.

New 'affordable' BlackBerry launched in India

REUTERS, New Delhi

RESearch in Motion (RIM) on Wednesday launched in India what it called its "most affordable" BlackBerry smartphone, part of an aggressive push in one of its few growing markets.

The new Curve 9220 is priced in India at 10,990 rupees, higher than the price of Curve 8520, which is RIM's best-selling phone in India, and comes with an introductory offer to download free applications worth 2,500 rupees.

RIM, which will start selling the new phone in India on Thursday, will launch it in a number of other countries in coming weeks, Carlo Chiarello, executive vice president of RIM's smartphone division, told reporters.

The BlackBerry Curve 9220 has a dedicated key for accessing BlackBerry Messenger and FM radio, along with a 2 mega pixel camera, and works on second-generation mobile networks.

RIM's BlackBerry devices have struggled to compete with Apple Inc's iPhone and iPad and a slew of devices based on Google's Android platform, and the Canadian company reported a quarterly loss last month as sales of its phones slumped.

While RIM's US sales have fallen for five straight quarters, and analysts say consumer acceptance of its smartphones is starting to erode in Latin America and Europe, countries in Asia such as Indonesia and India offer hope for the Waterloo, Ontario-based company.



AFF

Bollywood actress Katrina Kaif poses with a BlackBerry Curve 9220 smartphone during a product launch in New Delhi yesterday. The new BlackBerry Curve 9220 smartphone will sell in the Indian market for 10,990 rupees or \$210.

has seen fast growth as it expanded aggressively into the consumer segment with low-cost offerings and by positioning the device as a gadget for aspiring young professionals and even college students.

Last year, RIM had a 15 percent share of the Indian smartphone market, while Nokia led the segment with a 38 percent share, according to data compiled by technology researcher CyberMedia. Patrick Spence, RIM's

global head of sales, said smartphones account for just about 15 percent of mobile handsets sold globally, but was bullish on the potential for their growth.

"We are very early in this game," he told reporters in New Delhi.

India has more than 900 million mobile subscribers, making it the second biggest wireless market after China, but smartphones account for just about 6 percent of total handset sales but are growing quickly.

Let's stop talking about a double-dip recession

JAMES LEDBETTER

BARELY a day goes by without some expert publicly worrying whether or not the US economy will fall into a "double-dip" recession. In a CNBC interview last September, investor George Soros said he thought the US was already in one. Earlier this month, the former chief global strategist for Morgan Stanley cited an academic study to argue that "after every financial crisis there's a long period of much slower growth and in almost every case you get a double dip." Granted, this is a minority view; most economists are predicting sustained modest growth for the near future. Which makes sense, because while few are thrilled with the pace of comeback, the US economy has grown for 11 consecutive quarters, beginning in mid-2009.

But given that the recovery is approaching its third birthday, how far away from the Great Recession do we need to get before another downturn would be considered not a "second dip" but simply a separate recession instead?

For all its ubiquity, there is no uniform definition of what a "double-dip" recession is; even the origins of the term are hazy. One analyst wrote in a 2010 research note that the term dates from about 1994, when there was concern about sliding back into the 1991 recession. But Safire's Political Dictionary traces the term to a 1975 BusinessWeek article, attributing it to an unidentified economist in the Ford administration. (Tellingly, the "double dip" the government feared back then did not actually materialise.)

Much of what is meant by "double-dip" recession is intuitively clear: It's what happens when a recovery is so feeble that, soon enough, an economy sinks back into contraction. It's the "soon enough" part that no one can agree on. Investopedia defines double dip as "when gross domestic product growth slides back to negative after a quarter or two of positive growth." If that were the case, fear of a double dip would long ago have subsided.



Barack Obama

Of course, an imprecise term need not be useless. There can be good conceptual and historical reasons for associating an economic downturn with one that preceded it. Many Americans naturally think of the Great Depression as a single, sustained economic horror that began with the stock crash of 1929 and didn't end until the US entered World War Two at the end of 1941. Technically, that's not true; the US economy actually began growing in 1933 and continued to grow until 1937, when a second dip hit. But the economy had shrunk so severely in the first dip that it never got back to its pre-'29 level by the time it began contracting again -- which redeems the popular fusion of two recessions separated by a weak recovery into one Great Depression. Some economists have claimed, more contentiously, that nearly back-to-back recessions in 1980 and 1981-82 qualified as first and second dips.

But that's not what's happened this time around. According to the Bureau of Economic Analysis (BEA), the American economy bottomed out in the Great Recession in the second quarter of 2009, when GDP sank to \$13.85 trillion, a shrinkage of about 3.9 percent from the then-all-time high a year before of \$14.42 trillion. Since then, we've far

surpassed that previous high-water mark, with current GDP at \$15.32 trillion. One way to think about this: The distance between where we are now and the previous high of 2008 is greater than the distance between that 2008 peak and the 2009 trough. Even using what BEA calls "chained 2005 dollars" (in other words, accounting for inflation), current GDP is higher now than it has ever been.

Why, then, do we keep hearing about a double dip, instead of a new recession? Part of the reason seems to be psychological, a sense that weaknesses that were manifest in the Great Recession -- slow job growth, too much reliance on Federal Reserve activity -- have not been fully addressed. As Alan Levenson, chief economist for T Rowe Price, told me: "A turnaround always looks like a struggle. Each time we live through a slowdown, we feel like the economy can never grow again."

The fear of a double dip is also a potent political weapon. On the right, commentators and politicians seek to stoke fear about a renewed economic downturn as a way of "proving" that Barack Obama's economic policies have failed; the argument is: "No, he didn't create the economic crisis, but he made it worse." On the left, it's useful to remind Americans of the past economic crisis as a way of repudiating Republican economic policy; the argument is: "We'd better not go down that road again." In both cases, appealing to fear hits harder because our economic pain still seems so close -- not some as-yet-unknown future downturn.

Ironically, as Levenson points out, if the US economy does slow down -- which he's not predicting for 2012 -- it will probably have little or nothing to do with fiscal or monetary policy. Rather, it will more likely come from some external shock, such as skyrocketing oil prices or a renewed European meltdown. That probably won't prevent people from calling it a double dip, but it really is time to put the Great Recession behind us and see any future recession for what it truly is.

James Ledbetter is the op-ed editor of Reuters.