

oDesk to help transfer freelancers' payments

Senior official of the US-based company speaks on online payment system

MAMUN ABDULLAH

BANGLADESHI freelancers will be able to receive payments in their local accounts from their US clients directly through the accounts of oDesk, a global marketplace that helps businesses hire, manage and pay remote freelancers or teams.

oDesk is now working to develop a money transfer system for its Bangladeshi freelancers, said a top official of the company.

As the Bangladeshi freelancers are facing problems in getting payments from their clients in the US, oDesk is introducing the system, said Matt Cooper, vice president of marketplace operation division of the company, in an interview with The Daily Star.

He said, "An efficient payment system is the key to doing online work successfully."

Cooper came to Dhaka last week to participate in an "appreciation day" for the freelancers of the company in Bangladesh.

oDesk is working on how easily the payment could be reached to the Bangladeshi contractors from their US client institutions, he said.

"No inter-media would be required and the fees are attractive for transferring the payments," Cooper said, adding that the service will be available soon in Bangladesh.

Cooper earlier came to Dhaka at the end of last year to attend a "digital fair" -- e-Asia -- and came to know about the payment-related problems of the Bangladeshi freelancers, he said.

Bangladeshi freelancers have already urged the government to take initiative to open Paypal's operations in the country. Paypal is a global online payment organisation based in the US.

After his first visit to Bangladesh, Cooper also met the chief executive officer of Paypal and requested them to start their operations in Bangladesh.

A group of officials of Paypal would come to Dhaka within this year to look for scope to work here, Cooper said. But before that, oDesk will work to facilitate money transfer from its own bank account, he said



Matt Cooper

In March, a member of Bangladesh Association of Software and Information Services (BASIS) went to California, the headquarters of Paypal, to request them to start their operations in Bangladesh.

oDesk offers employment opportunities globally and independent freelancer contractors can work with their clients through oDesk all over the world, said Cooper.

Maximum works are technical. About the works he said, 60 percent revenues of oDesk come from software development, while the rest are from search engine optimisation, data entry, market research and translations with a wide range of non-technical jobs.

Cooper said 30 percent of Bangladeshi contractors

work for search engine optimisation, while 12 percent for data entry, 8 percent for software development and 6 percent for web research. Beyond that, a large segment of works is non-technical, he said.

"Growth of Bangladesh as a back-office is excellent," Cooper said.

In 2009, Bangladeshis freelancers did 2 percent of the total work of oDesk, which now rose to 12 percent, said Cooper.

"It's tremendous growth. Every year the growth rate almost doubled."

A lot of young and highly educated Bangladeshi freelancers are working for oDesk.

Describing the success story of a Bangladeshi freelancer, Cooper said an employee of a private company in Bangladesh had been facing hardship in bearing her family expenses. Then she contacted oDesk and is now earning five times higher than she earns from the current job.

There are hundreds of such stories, he said, adding that some of the freelancers in Bangladesh even earn \$100 per hour.

"You can earn \$10, \$15 or \$20 an hour through online jobs."

There are about 50,000 regular freelancers with oDesk, while the number of its registered freelancers is about 1.9 million globally, he said.

There are 150,000 registered contractors from Bangladesh. Among them 8,000 are working actively.

Bangladeshi freelancers earn \$15 to \$20 per hour on an average for technical works, while \$5 to \$10 for administrative or non-technical works.

But some of the top freelancers in the US earn even \$150 per hour, said Cooper.

Most of the Bangladeshi freelancers' average age is between 25 and 35 years with university education, and most of them do the work of data entry, while the rest do the technical jobs.

oDesk wants to see more Bangladeshi freelancers in technical works such as software development.

Bangladesh is competing with India, Pakistan and some eastern European countries. "It definitely indicates the higher quality of the Bangladeshi freelancers," he said.

There are two types of freelancers with oDesk: individuals and small groups. But most of the freelancers working with oDesk are individuals, Cooper said.

According to the website of oDesk, more than 250,000 businesses use oDesk including Wikipedia, Hewlett-Packard, NBC, Travelocity and AOL. It also works with some of the fortune 500 companies.

Low-cost and high-speed internet should be made available across the country to help more people enter online jobs, Cooper said.

He also stressed the need for a friendly regulatory environment for easy transfer of money and low-cost computers so more people are involved in this type of work.

Warnings of Spain, Greek exit rattle eurozone

REUTERS

CENTRAL banks and companies risk making a grave error if they do not brace for a possible Greek exit from the eurozone, Belgium's foreign minister said on Friday, rattling markets already alarmed by Spain's deteriorating finances.

Greek elections are scheduled for June 17 and could hasten the country's departure from the currency club should a government intent on ripping up the country's bailout programme result.

Contrasting findings of opinion polls on Friday showed the outcome is too tight to call.

Greece accounts for little more than 2 percent of the eurozone economy but could pose a profound contagion threat if it quit the currency area, throwing the spotlight on Portugal, Spain and even Italy.

"There is no organised discussion at the European level along the lines of: what do we do (if Greece leaves)," Didier Reynders, who is both Belgium's foreign minister and deputy prime minister, told the European American Press Club in Paris. "Now, if central banks and companies are not preparing for the scenario, that would be a grave professional error."

Spain is in plenty of trouble even disregarding any backwash from Greece.

Its wealthiest autonomous region, Catalonia, on Friday said it needed help from the central government because it was running out of options for refinancing debt this year.

"We don't care how they do it, but we need to make payments at the end of (each) month. Your economy can't recover if you can't pay your bills," Catalan President Artur Mas told reporters.

Spain's trump card had been that it had successfully issued well over half the sovereign debt it needs to in 2012.

But after revealing this week that its highly indebted regions faced 36 billion euros of debt refinancing bills this year, way above the previously stated 8 billion, that advantage may have been wiped out.



AFP

Greek doctors and nurses get information about work in Germany from representatives of German hospitals under the European Employment Services programme in Thessaloniki. More than half of young people in Greece are unemployed, the worst record for any eurozone country.

On top of public debt, the country is hobbled by a banking sector overwhelmed by bad debts tied to a property market boom that went bust and still has some way further to fall.

Bankia SA, Spain's fourth-biggest bank, on Friday asked for a bailout of 19 billion euros (\$24 billion) to repair losses from a property crash - the biggest Spanish bank rescue ever.

Spain is nationalising Bankia, which holds some 10 percent of the country's bank deposits. The government insists the bank is a one-off case, but economists say a wider bailout of the sector, either by Madrid or the eurozone, may become necessary.

Adding to a miserable day for Span-

ish investors, Standard & Poor's lowered its ratings on the debt of Bankia and four other Spanish banks and said it was taking a dimmer view of Spain's economy.

Markets have been buffeted by the escalating eurozone crisis in recent weeks and face more uncertainty up to the Greek election date, and maybe beyond.

The euro plumbed near two-year lows against the US dollar on the back of the Catalanian warning, stocks slipped, and Italian and Spanish borrowing costs rose.

"The Catalonia news was a big deal because it implies that the Spanish government may have to take on more debt

and it cannot afford to do so," said Richard Franulovich, senior currency strategist at Westpac Securities in New York.

EU leaders insisted at a summit on Wednesday that they wanted to keep Greece in the eurozone and they have good reason to, given the losses that could be inflicted on them and the European Central Bank should Greece out its debt.

But sources told Reuters the Eurogroup Working Group - experts who work for the bloc's finance ministers - had told member states to begin making contingency plans for a Greece exit.

"Our first priority is to keep Greece in the eurozone whilst they are respecting the commitments," European Council President Herman Van Rompuy told a news conference during a visit to Ljubljana, Slovenia, on Friday.

"Of course we are reflecting on all different kind of scenarios, but we never discussed them neither in technical nor in political form," he said. "The contingency plan is not our priority."

French banks, which are among the lenders most exposed to Greece, have stepped up their plans for a Greek eurozone exit, sources familiar with the situation said. They include Credit Agricole, BNP Paribas and Societe Generale.

"Every bank has a task force right now looking at the potential consequences of a return to the drachma," a Paris-based banker said.

Most economists agree the austerity measures foisted on Greece as part of its 130 billion-euro bailout will be impossible to deliver because they would drive the country deeper into recession and make debt even harder to cut.

Peter Bofinger, one of the five "wise men" who formally advise the German government on the economy, said Europe should renegotiate the terms of Greece's bailout as they were agreed on overly optimistic assumptions about growth.

"The terms for Greece should be renegotiated," Bofinger told Reuters in an interview. "That's very important for both sides, because if you have an uncontrolled exit of Greece, it could lead to a 'Lehman moment' for Europe."

The rupee's fall from grace

SUBHADIP SIRCAR

INDIAN milk and dairy products producer Amul's campaign has a new subject -- the rupee. The newspaper advertisement features the iconic Amul girl, in her polka dotted red dress, in a boat made of the rupee, about to sink in turbulent waters. She says 'mujhe mere rupee se bachaao!' in Hindi. Loosely translated into English, it would mean 'save me from my rupee.'

The tagline, tongue in cheek, says 'valued highly'. The Amul mascot's angst today reflects that of investors who have so far been bullish on the India growth story.

That the rupee has caught the Amul girl's attention is no surprise. For over thirty years, she has commented on social, political and economic issues of the day making her as favourite a household name as RK Laxman's common man.

Be it the 'Hurry Amul, Hurry Hurry' campaign when Mumbai saw the beginning of the Hare Rama Hare Krishna movement. Or, the Indian Airlines strike which led Amul to say 'Indian Airlines Won't Fly Without Amul' (seems a bit of déjà vu', doesn't it?)

Analysts, otherwise considered a serious tribe, are also running short of epithets for the Indian currency.

A recent rupee write-up from IndusInd Bank's head of assets liability management Moses Harding summed it all up -- "RBI unable to arrest rapid fall in rupee. Who else can? God save rupee."

Dariusz Kowalczyk, an economist with Credit Agricole, after a recent India field visit, had this as the first word in his report: Shocked. He was referring to the pessimism among domestic investors about the rupee.

The rupee may fall to 56-57 to the dollar in the short-term, with medium term expectations between 52 and 60. That was the feedback he received.

Rajeev Malik, an India economist at CLSA, wrote a letter to God in the Business Standard newspaper, calling on the Almighty to come to the aid of a weakly-led coalition government at the mercy of fickle allies.

"Dear God, My sincere apologies for bothering you with this letter, but it has to be done," he wrote.

I wonder what atheist Richard Dawkins, author of "The God Delusion", would have made of it.

Citi analysts in India decided to take a US trip to gauge overseas investor sentiment and came back with consensus rupee estimates at 60 to a dollar.

Alpari, a forex brokerage, said it expects the Indian rupee to extend its weakness to the official Indian retirement age -- 58.

The rupee again hit a record low on Wednesday, falling below the psychological 56 mark.

The current Congress-led government completed three years of its second term in office on Tuesday, ironically in a week when things haven't exactly been hunky-dory for India's economy. Perhaps the sinking Amul girl reflects the fortunes of a government struggling to keep its head above water.

The writer, based in Mumbai, is a Reuters news editor.