

# Training centre for women to help fight poverty



State Minister for Women and Children Affairs Shirin Sharmin Chaudhury inaugurates a training centre for disadvantaged women at Basatpur village in Jessore yesterday. Bangladesh Bank Governor Atiur Rahman and Managing Director of The City Bank K Mahmood Sattar were also present.

OUR CORRESPONDENT, Jessore

A training centre for disadvantaged women opened at the Basatpur village of Jessore yesterday, with the objective to fight poverty and women repression. Financed by The City Bank Ltd's corporate social responsibility (CSR) funds, the centre aims to equip women with hand-stitching and tailoring skills, with 40 women already under training. State Minister for Women and Children Affairs Shirin Sharmin Chaudhury was the chief guest at the inauguration ceremony, and said the government is

undertaking such projects to make the women more self-dependent. "The women of our country have intelligence and they are hard working," she said, while urging the country's corporate houses to extend their support to such initiative for women empowerment. Bangladesh Bank Governor Atiur Rahman also spoke on the occasion. "Financing this type of projects humanises the act of banking," he said. The last couple of years saw a rise in the use of CSR funds, which, Rahman thinks, can provide an alternative means to poverty reduction and social development.

Shaheen Anam, executive director of Manusher Jonno Foundation, said the rural women can become self-dependent thanks to the training provided by the centre. "Once women become self-dependent, repression will fall tremendously," she said, adding that foreign aids can be reduced if more corporate houses introduce CSR funding. Hasibur Rahman Mukur, executive director of Management and Resources Development Initiative, the coordinator of this project, said they were prompted to action after coming across a report on the plights of women from Basatpur, a village near the Indian border.

"Women were trafficked to India for flesh trade and their misery is indescribable. So we wanted to do something for them along with the other ultra poor women of Basatpur." Through training, Mukur hopes, the women would not only make themselves economically productive but also contribute to the country's development. Meher Afroz Chumki MP; Sheikh Afil Uddin, lawmaker of Jessore-1; K Mahmood Sattar, managing director and CEO of The City Bank Ltd; Mustafizur Rahman, deputy commissioner of Jessore; and Mobinul Islam, editor of Gramer Kagoj, among others also spoke.

# Bernanke signals desire for more Fed stimulus

AFP, Washington

US Federal Reserve Chairman Ben Bernanke expressed deep worry over the US economy Friday and argued for fresh action to stimulate growth from the central bank. Warning that stagnation in the US labor market was "a grave concern," Bernanke defended the Fed's interventions of the past four years and signaled he would be pushing for more help for the economy when the Fed's policy board meets in 12 days. "The economic situation is obviously far from satisfactory," he said in the keynote speech of the Fed's annual conference of central bankers in Jackson Hole, Wyoming. "Growth in recent quarters has been tepid, and so, not surprisingly, we have seen no net improvement in the unemployment rate since January," he said. "Unless the economy begins to grow more quickly than it has recently, the unemployment rate is likely to remain far above levels consistent with maximum employment for some time." Bernanke made clear that the jobless rate, stuck around 8.3 percent, is one of his biggest worries. "The stagnation of the labor market in particular is a grave concern not only because of the enormous suffering and waste of human talent it entails, but also because persistently high levels of unemployment will wreak structural damage on our economy that could last for many years," he said. In a firm statement, Bernanke said the Fed will take additional action "as needed" to strengthen growth and boost job creation. Markets liked the news, with oil prices climbing steadily and the S&P 500-stock index clinging to 0.3 percent-plus gains for most of the session. Bond prices climbed sharply too, with the yield on the 10-year Treasury bond falling to 1.56 percent from 1.62 percent Thursday. Bernanke, whose easy money policies have been criticized by conservative politicians including Republican presidential candidate Mitt Romney, delivered a lengthy defense of the Fed's actions since the financial crisis. He said that efforts to drive down long-term interest rates through "quantitative easing" (QE) bond purchase operations and other programs had boosted economic output by three percent and added more than two million jobs "relative to what otherwise would have occurred." He warned, as he has over much of the past year, that Fed action is not a panacea for policy action from political leaders.

# The rise of knowledge economy in Asia

ANDREW SHENG

How big is the impact of internet in Asia, including the impact on development of knowledge economy? We all have a sense that the information and communications technology (ICT) industry has transformed the social media, education and the way business is done. But we are not sure what the best way is to use the knowledge economy to propel our future growth. In 1973, American sociologist Daniel Bell predicted the arrival of the post-industrial society by 2000 with a world dominated by service industry, high value professional and technical employment and innovation driven by scientific research. In 2000, the number of global internet users was only 360 million, rising to 2.3 trillion with an annual growth rate of 528 percent between 2000 and 2011, of which 45 percent reside in Asia. The highest penetration of internet is in North America (78.6 percent), whereas penetration in Asia is only 26.2 percent, pointing towards a huge potential for Asian growth.

According to Internet World Statistics, the top internet country in Asia is China, with 513 million users, followed by India (121 million), Japan (101 million) and Indonesia (55 million). Within Asia, the highest penetration is South Korea (82.7 percent), Japan (80 percent), Singapore (77.2 percent), Taiwan (70 percent) and Hong Kong (68.7 percent). China has 38.4 percent internet penetration. However, the highest number of Facebook users in Asia is India (45 million), Indonesia (43 million), Philippines (27 million). Asia has 195 million Facebook users as of March 2012, or 23.3 percent of 835 million worldwide, compared to 44.8 percent penetration in internet usage. The reason is of course Facebook is not used in China, but even then, there are 447,000 recorded users, less than the number in Cambodia (449,000). Did you realise that 26.8 percent of the users of internet are English-speaking (565 million), but 24.2 percent are Chinese speaking (510 million)? The third most



In a picture taken last week, students prepare for an exam in front of their computers at Kuala Lumpur-based Asia e University. Online university education is expanding quickly in Asia, where growth in technology and internet use is matched by a deep reverence for education.

important language is Spanish (165 million). The Malay language, which is common to Indonesia and Malaysia, is not counted yet among the top 10 languages, mainly because the penetration of internet in Indonesia (245 million people) is only 22.4 percent. Malaysia has a web usage rate of 61 percent, with more than 17 million people online. The post-industrial society has already arrived in the advanced countries, with the service sector accounting for 76.7 percent of US GDP, compared with only 1.2 percent for agriculture and 22.1 percent for industry. Employment in the service sector already accounted for 77 percent of total employment in the US, with the increase in the service sector employment driving employment growth in the coming years.

Within the service sector, three sectors, education services, health care and professional and business services (all knowledge industries) are expected to grow at double the speed of employment of the US employment as a whole. In contrast, manufacturing employment is only 10 percent of total employment in the US, compared with 28 percent employed in manufacturing in China. But the service sector in China accounts for only 43 percent of GDP, compared with 55.2 percent for India. What is the relationship between information, knowledge and value creation? In 1991, one of the pioneers on information theory, Robert Lucky, argued that the information value chain is a pyramid, with the bottom data having no value, classified data becoming valued information, with applied

knowledge (technology) having more value, and wisdom, the highest value, being learnt, experienced and useful not only to understand and perhaps predict events. What the internet revolution has achieved is to distribute information and knowledge very quickly to the masses across the world. Indeed, the main benefit of internet is that it broke down "silos" of specialised information and data that could be shared and used by everyone with access to internet. Indeed, internet has enabled "Wiki-knowledge production", which has produced a huge public good, available to all, with free input by thousands of anonymous volunteers. Public goods are no longer produced by governments, universities or firms, but by the collaboration of thousands of empowered individuals.

There is no doubt that as Asia ponders its own post-industrial society, how it adapts to the new knowledge economy will make a difference between future success or failure. Leading economies like Singapore and South Korea have devoted tremendous resources into education, research and development in key areas. South Korea even revived its Five-Year Plans to transform itself into a high growth, high knowledge green economy. Both the Chinese and Indian 12th Five-Year Plans have ambitions to become creative and innovative economies. In this regard, it is useful to compare and contrast the IBM way towards innovation and value creation versus the Indian approach. In the IBM book "Making the World Better" (2011), IBM uses a methodology insiders call SMUBA, an acronym for Seeing, Mapping, Understanding, Believing and Acting. It is a process to master complex systems and to move from data, analytics and implementation. Multinationals like IBM now realise that it is impossible to innovate alone by having centralised research laboratories -- the work is shared and done through key research labs spread throughout the world, through connecting research to product development, academic and government collaboration, internal collaboration across departments and labs, collaboration with clients, innovation by acquisition and open innovation. In contrast, the Indian model of innovation and value creation is distinctly Indian in three ways -- producing frugal, affordable solutions for the masses without compromising quality, innovation in organisational and process models that improve quality and service delivery, and innovations in the process of innovation (frugal cost solutions through frugal cost of innovation). The race is already on to produce and create the Asian multinationals and products to compete with Apple, Amazon, Google or Facebook. The setback that Samsung faced recently will probably accelerate that process of innovation and competition across Asia. The writer is president of Fung Global Institute.